

NATIONAL ASSEMBLY
QUESTION FOR WRITTEN REPLY
QUESTION NUMBER: 1292 [NW1501E]
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1292. Mr G Mackay (DA) to ask the Minister of Finance:

- (1) Whether, with reference to his reply to question 340 on 8 April 2015, the National Treasury was consulted on financing options before the Department of Energy embarked upon signing nuclear co-operation framework agreements with different countries in respect of the 9 600 MW nuclear build programme; if not, what steps did he take to enquire about the financial feasibility of the proposed nuclear deal after he became aware of it; if so, (a) to what extent was the National Treasury consulted and (b) what were its recommendations in this regard;
- (2) (a) has he been informed of the relevant details of the nuclear build procurement process and (b) by what date will this procurement process be finalised?

NW1501E

REPLY:

- (1) (a) There has been ongoing engagement between the departments. As indicated in the reply to question 340, Government is undertaking a careful and thorough analysis of financing options to ensure the affordability and long term sustainability of the fiscus and financial soundness of a state owned entity like Eskom. This work is taking place under the auspices of the Nuclear Energy Technical Committee (NETC) which is led by the Department of Energy and comprises of representatives from various departments, including National Treasury. The NETC provides technical support to the National Nuclear Energy Executive Coordinating Committee (NNEECC) which has subsequently been converted into the Energy Security Cabinet Sub-committee.

(b) The work is still underway. National Treasury has highlighted the importance of undertaking a thorough assessment given that it would be a substantial financial commitment and that the procurement process to be followed must be mapped out in detail, fully compliant legally and drawing on international best practices.
- (2) (a) and (b) As indicated above, the work is still underway.