

**Sectors:** Coal Electric Power Generation, Nuclear Electric Power Generation

## ● On record

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Created before Nov 2016

Last update: **Aug 28 2018**

<b>Sectors</b>	Coal Electric Power Generation, Nuclear Electric Power Generation
<b>Headquarters</b>	
<b>Ownership</b>	Eskom is wholly owned by the South African government.
<b>Subsidiaries</b>	
<b>Website</b>	<a href="http://www.eskom.co.za">http://www.eskom.co.za</a>

## About Eskom

Eskom is a South-African energy company, founded in 1923, and the world's eleventh-largest power utility in terms of generating capacity. In 2017 it had an installed generating capacity of [44,134 MW](#), of which 36,441 MW (82.5%) was from coal power plants and 1,860 MW from nuclear power. Eskom generates, transports and distributes approximately 90% of South Africa's electricity and approximately 40% of the electricity consumed in the whole African continent.

### Why this profile?

Eskom is part of [a group of 31 companies](#) which are responsible for half the world's installed coal power capacity of 983,000 MW. The adverse impacts on people and the environment of Eskom's existing coal power plants (with a total capacity of 36,134MW) are completely at odds with the Paris Climate Agreement which calls for a maximum of 1.5C to global temperatures rises.

## Impacts

### Social and human rights impacts

Air pollution from burning fossil fuels has a wide range of effects on health, including mortality and cardiovascular and respiratory illness. [A 2017 summary report](#) (based on M. Holland's 2017 report [Health impacts of coal fired power plants in South Africa](#)) lists the health impacts of Eskom's coal power plants. Each year they are responsible for causing 2,239 premature deaths, 2,781 cases of chronic bronchitis in adults, 9,533 cases of children bronchitis and several other negative health impacts. The total cost associated with these impacts exceeds USD 2.3 billion.

### Environmental and climate impacts

According to Eskom's [2018 integrated annual report](#) for the period of March 2017 to March 2018, it was responsible for emitting 205.5 million tonnes of CO<sub>2</sub>, produced 31.65 million tonnes of ash and emitted 57.13 kilotonnes of particulates. The adverse impacts on the environment and climate change [are tied directly](#) to the amount of carbon dioxide released, including from coal power plants. Consequences to global warming include drought, sea level rise, flooding, extreme weather, and species loss.

[Environmental groups are](#) taking on Eskom after the company applied for another postponement to regulations that would reduce pollution from one of their power plants. The Highveld Environmental Justice Network and the Life After Coal Campaign, which includes the Centre for Environmental Rights (CER), Earthlife Africa Johannesburg and groundWork, objected to Eskom applying for a postponement for their Tutuka power station - near Standerton in Mpumalanga - to comply with the minimum emission standards (MES).

### Other impacts

**Incidents at Koeberg** Eskom's nuclear plant Koeberg has seen [its share of incidents](#). In December 2005 a foreign object caused damage to one of the

reactors' generators. It had been left inside by poorly trained and inadequately supervised workers. A similar incident happened in February 2006 when one of the reactors was forced to shut down causing blackouts on the Western Cape. The then Minister of Trade and Industry blamed an organisation called the Imam Haroon Brigade. The Brigade claimed responsibility for the sabotage. Both the minister and the Brigade were guilty of storytelling: there was no sabotage and the shutdown had been caused by human error.

**Likely conflict of interest behind coal contracts and projects in South Africa** [The 355-page State of Capture report](#) from South Africa's Public Protector reveals details of favorable decisions by state utility Eskom to award huge coal supply contracts to Tegeta Exploration and Resources, a company co-owned by the son, Duduzane, of (former) South African President Jacob Zuma, and the Gupta family, close friends of Jacob Zuma. The revelations add new fuel to longstanding suspicion about the role of government leaders and relatives of former President Zuma with ties to the coal industry in [paving the way for new coal mining](#) and new coal-fired power plants in the face of serious water use, pollution and economic concerns. According to a [Circle of Blue](#) investigative report, "the ANC operates an investment arm, called Chancellor House, that owned an investment stake in Hitachi, which won the multi-billion dollar contracts to build the boilers for the two giant and unfinished Medupi and Kusile coal-fired power plants. Chancellor House also has a financial stake in the proposed 1,050-megawatt coal-fired Colenso power plant." ([corruptionincoal.org](#)).

## Governance

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### Applicable norms and standards

United Nations Global Compact

## Updates

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## Financiers

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Between 2014 and 2017 13 financial institutions have provided a total of USD 1.383 billion in loans and USD 1.251 billion in underwriting services to Eskom. The FIs involved are listed below.

In Februari 2018 Eskom signed a ZAR 20 billion (EUR 1.206 billion) credit facility involving seven banks ([Eskom press release](#)).

## Related Dodgy Deals

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### Projects

**Grand Inga dam** Congo, the Democratic Republic of the  
Hydroelectric Power Generation

active

There are no projects active for Eskom now.

**Kusile coal power plant** South Africa  
Coal Electric Power Generation

on record

**Medupi coal power plant** South Africa  
Coal Electric Power Generation

on record