

■ STATE CAPTURE

Zuma protected Maroga, says Hogan

Former Eskom CEO went completely rogue on the understanding that the president would back him

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FORMER Public Enterprises Minister Barbara Hogan yesterday described the great lengths to which former president Jacob Zuma went to influence appointments of executives in state-owned entities and to shield those accused of wrongdoing from being held accountable.

Hogan, who was appointed by Zuma to the public enterprises portfolio from May 2009 until October 2010, told the commission of inquiry into state capture chaired by Deputy Chief Justice Raymond Zondo that Zuma tried to protect former Eskom chief executive Jacob Maroga after the power utility accepted his resignation during a board meeting.

Maroga told an Eskom board meeting in October 2009 that he would

resign and walked out. The board accepted his resignation, but he later claimed not to have resigned, triggering a crisis that saw Zuma intervening in what Hogan described as a "complete and utter nightmare".

Zuma, according to Hogan, instructed her to ensure that Maroga was back in his job and for the Eskom board to halt the process of firing Maroga after he made a U-turn on his resignation.

As Zuma was out of the country at that time, his deputy Kgalema Motlanthe was acting president.

Hogan said she sought Motlanthe's assistance, but he told her "to do what she has to do" and that he did not want to interfere.

When Zuma returned, she tried setting up an urgent meeting with him. She received a call from Zuma

furiously saying to her: "What are you doing? Tell the board that they must stop that now!"

The instruction to her was that the process of dealing with Maroga's resignation be stopped and that he remains chief executive.

So determined was Zuma that he and Maroga held secret meetings without Hogan's knowledge, affirming Maroga's position at Eskom against the wishes of the board.

The Eskom board had been unhappy with Maroga's performance and the turnaround strategy he had drafted for the power utility.

She said upon his return Maroga displayed complete arrogance and wrote a letter, that she described as a declaration of independence, stating that if anyone questioned his position, they should direct their concerns to

Zuma. In the letter, said Hogan, Maroga told her and the Eskom board that if any action had to be taken against him, then they would have to first get consent from the president.

"We had a heated argument with the president," Hogan said.

She described Maroga as "a CEO who had gone completely rogue on the understanding that the president would back him".

In 2010, while Hogan was preparing names of candidates for chairperson of the troubled state-owned freight and rail transport company Transnet, Zuma demanded that he be sent their CVs.

She said she was surprised that Zuma also had an interest in appointments at state-owned forestry firm Safcol.

According to Hogan, Transnet

needed a strong board to oversee the R84 billion investment it was about to embark on.

Instead, Zuma summoned her to one of his official residences and told her in a meeting with then ANC secretary-general, Gwede Mantashe, that she was being redeployed to be the country's ambassador to Finland.

Hogan told the commission that she declined Zuma's offer as she could not leave her husband in the country for five years and become a diplomat.

"There had been rumours that I would be reshuffled," she told the commission.

Hogan said she and her deputy at the time, Enoch Godongwana, agreed that she should make a dignified exit.

At the time, Hogan testified, she never asked for reasons for her dismissal.