

ABB to pay South Africa R2.5bn in State Capture reparations

The National Prosecuting Authority (NPA) says Swiss engineering company, Asea Brown Boveri (ABB), is expected to pay some R2.5bn in "punitive reparations to South Africa" for its part in State Capture.

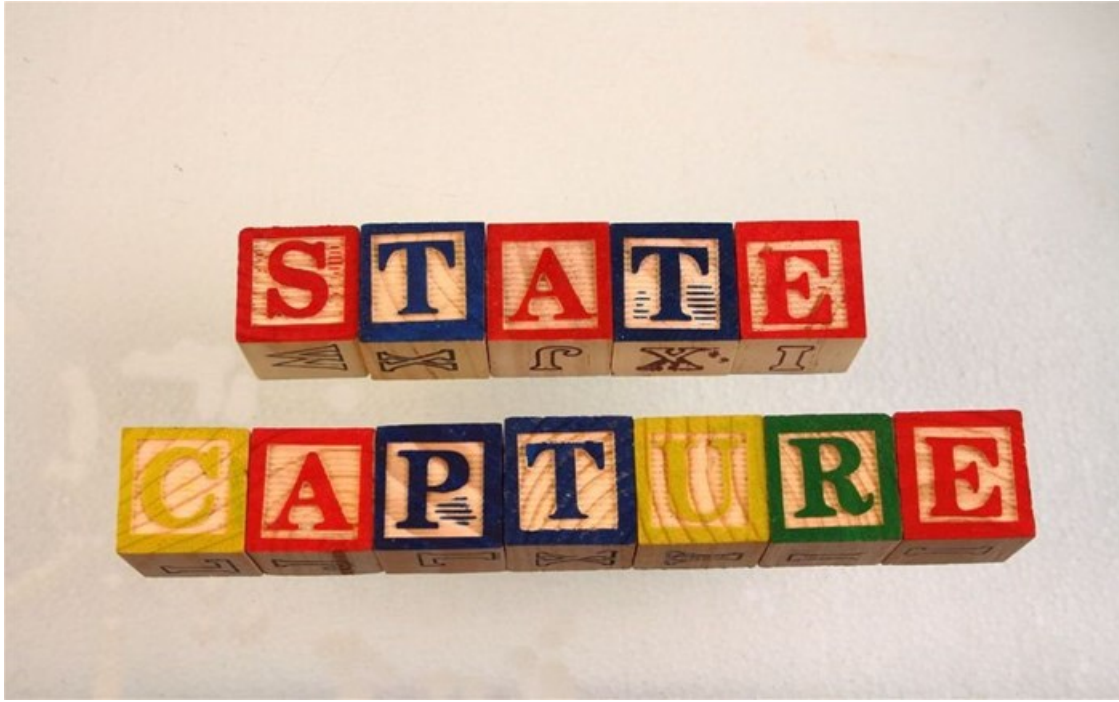


Image source: Richard Van der Spuy – [123RF.com](https://www.123RF.com)

The company was allegedly irregularly awarded a lucrative control and instrumentation contract at Eskom's Kusile Power Station in 2015 after allegedly colluding with Eskom officials.

"This settlement represents a bold and innovative step towards accountability and justice for alleged offenders, particularly in the form of restitution for the serious crimes committed at Eskom during the state capture period.

"This agreement was reached in line with Section 64(e) of the Prevention of Organised Crime Act (POCA). It is reflective of the NPA's two-pronged strategy to deal with corruption through prosecuting perpetrators and recovering the stolen money. This punitive amount is in addition to the R1.6bn that ABB paid to Eskom in 2020," the NPA said.



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24 Oct 2022



The settlement is expected to be paid into South Africa's Criminal Asset Recovery Account (CARA) within 60 days from today.

The NPA emphasised that the settlement does not shield any contractors or officials from ABB from criminal prosecution related to the alleged fleeing of Eskom's coffers.

"The NPA will continue to pursue these criminal prosecutions, with the support of ABB who has committed to ongoing collaboration to ensure accountability for the crimes allegedly committed by its employees.

"The settlement agreement makes it clear that the [NPA Investigative Directorate] may proceed to prosecute ABB as a corporate entity in the event that ABB breaches any terms of the settlement, including the payment of the agreed amount within the stipulated timeframe, and full cooperation and disclosures as per the agreement," the NPA said.



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The prosecutorial body says the company has "acknowledged liability and taken responsibility for the alleged criminal conduct" that occurred.

"As a result, ABB has been forthcoming in cooperating with law enforcement agencies conducting the investigations into such alleged conduct. It has assisted the NPA's ID to secure evidence and key witnesses which have formed an essential part of the NPA's ongoing investigations into the company's alleged offences. It will continue to do so as part of the agreement.

"The settlement has the immediate benefit of saving costs in the context of a protracted trial against the corporate entity (ABB Ltd), and securing funds upfront for the fiscus while ongoing criminal investigations into implicated persons continue.

"The money, once paid into CARA, will be used as restitution for victims, and to assist in building South Africa's capacity and resources in its ongoing fight against serious corruption," the NPA said.

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