

McKinsey strongly denies corruption allegations concerning Eskom and Trillian point by point

By [Linda Ensor](#)

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Global consultancy McKinsey has strongly denied allegations that it was involved in corrupt efforts to milk Eskom of hundreds of millions of rand.



Photo: clbEurope.com

In a statement, McKinsey director of external relations, Africa, Bonita Dordel insisted that McKinsey had not authorised any payments made by Eskom to Gupta-linked Trillian Capital Partners. She said any payments Eskom made to Trillian came after McKinsey had told Eskom that Trillian had failed its due diligence test.

"Eskom's internal investigation confirmed that we did not authorise any payments by Eskom to Trillian," Dordel said.

Both McKinsey and Trillian are the subject of an order for the preservation of R1.6bn in assets which the High Court in Pretoria granted to the Asset Forfeiture Unit of the National Prosecuting Authority. However, on Wednesday, McKinsey said it has not yet been formally provided with any affidavit or order from any authority.

"Eskom's counsel informed us in October 2017 that Eskom executives had acted unlawfully by failing to secure the appropriate approvals for the turnaround programme contract [with McKinsey]. We have no interest in being party to a

contract entered into unlawfully by Eskom, and have written to them five times asking them to initiate the necessary proceedings before the court," Dordel said.

"Even if Eskom chooses not to act to set aside the contract, we remain committed to returning the fees McKinsey earned in connection with the turnaround programme to SA."

She added: "No new information has emerged from the public reports that changes our understanding of the facts. When this issue first arose, we launched a comprehensive investigation. We stand by our statement of October 17 2017, in which we categorically rejected the notion that our firm was involved in any acts of bribery or corruption related to our work at Eskom and our interaction with Regiments [Capital] or Trillian."

McKinsey said its investigation had concluded that the firm had never served the Gupta family nor any companies publicly linked to the Gupta family; had never made payments directly or indirectly to secure contracts, nor aided others in doing so; did not introduce Trillian to Eskom, or vice versa; had not made payments to Trillian; had never had a contract with Trillian, although it worked alongside them for a few months at Eskom; had not authorised Eskom to pay Trillian as alleged, as the conditions set out in a letter to Eskom had not been met.

Dordel emphasised that Trillian failed McKinsey's due diligence and so terminated discussions with the company over a supplier development partnership in March 2016.

Said Dordel: "We believe that Trillian withheld information from us about its connections to a Gupta-family associate. We informed Eskom of this decision by letter on March 30, having previously flagged our concerns to Eskom about Trillian's continued failure to disclose its beneficial ownership."

Source: *BDpro*

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