

Business for South Africa comments on the President's address of 13 May 2020

Johannesburg, 14 May 2020: Business for South Africa welcomes the announcement last night by President Cyril Ramaphosa of the intention to ease the lockdown and reopen the economy.

Business for South Africa's Martin Kingston commented, "We are continuing to engage government to reiterate our call for the swift easing of economic restrictions accompanied by stringent health and hygiene measures in the workplace, public transport, public services and public spaces, and at all times - where practical - to limit the movement of people.

"We strongly support risk adjusted and evidence-based policy making informed by ever improving models created by health and economic experts. As Business for South Africa, we have been sharing our detailed risk, economic and health modelling with government and will continue to work with the state to improve our collective response".

As business, we recognise that the initial lock-down was successful in "flattening the curve", slowing the rate of infection, and giving our public and private healthcare system a chance to rapidly increase the capacity to deal with Covid-19. Thanks to the strenuous efforts of medical and supply chain expert volunteers from business, support from the Solidarity Fund and many dedicated civil servants working in the National Department of Health, Presidency and National Treasury we have sourced many millions of pieces of PPE. These masks, gloves, ventilators and other equipment allow our frontline medical staff to prepare for the coming influx of Covid-19 patients. We commend and thank the many thousands of healthcare workers, business volunteers, NGOs and civil servants who, working together, have made this possible.

We share the President's concern that the strict economic lockdown imperils the livelihood of millions of South Africans. Widespread hunger, despair and economic desperation are already a reality for millions. The lock-down restrictions have caused significant harm, particularly to small businesses, piece workers and the self-employed who have very few assets and savings that allow them to survive for any extended period of time. Likewise, whole sectors of the economy have seen revenues collapse with devastating consequences for workers, communities, and investors alike.

We welcome the President's view that, however well intentioned, some regulations are inappropriate, or misaligned, to the risk-adjusted standard. We urge the swift amendment of these regulations, incorporating evidence-based input from business, to allow for maximum economic activity so that more goods and services can be produced commensurate with hygiene, as well as health and safety protocols. We urge that the economy prepare for an orderly, clear and swift transition through levels 3 and 2 to a functioning economy.

While we welcome the economic support from government it is clear that unless we can quickly restore people's capacity to earn and business to function, not only will government revenue collapse, but mass job losses and business failures will become inevitable. Our fear is that law and order and the capacity to govern effectively or do business will be undermined in the face of widespread hunger, unemployment, and desperation. Only by restoring livelihoods can we retain the capacity to combat Covid-19.

Kingston concluded, “All organisations and individuals must adapt to everyday life, as well as to the working practices of the health, safety, and hygiene protocols, required to combat Covid-19. We recognise the need to continue to strengthen our health defences in the face of the inevitable increase in Covid-19 cases, and protecting the most vulnerable in society, while returning the economy to full productivity on a responsible basis. In that context, we urge for comprehensive screening, testing, tracking and tracing to continue in order for decisions to be taken with full access to appropriate and relevant information”.

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ABOUT BUSINESS FOR SOUTH AFRICA

B4SA is structured into three core work groups, Healthcare, Labour and Economic Intervention, and these all have numerous workstreams with activities being implemented in a structured and considered manner. These are further underpinned by a comprehensive risk assessment and mitigation plan, and engagement with civil society, while reinforced by legal, regulatory, tax and communication initiatives.

The **Healthcare workgroup** (led by Stavros Nicolaou) - Has as its core mandate to support the national response, including Government and the private sector’s public health efforts.

The **Labour workgroup** (Robert Legh) - Is addressing matters relating to the impact of the lockdown on employment and labour relations, where organised business may have a role to play.

The **Economic Intervention workgroup** (Martin Kingston) - Aims to align Government policy makers with industry experts, acting as a feedback mechanism from business to Government, and communicating information, actions and policies to the business community.

Risk assessment (Norman Mbazima) - An important element of this process, is an assessment of strategic risks and mitigations. This will help manage the risk clusters and enable prioritisation of the mitigation measures across the entire network.

Civil society intervention (Nolitha Fakude) - This group, working in collaboration with Nedlac and other civil society formations, is providing the interface between B4SA and civil society, with the partners currently outlining and agreeing the priority areas of integration and focus as well as identifying opportunities for synergies, alignment and areas of leverage for collaboration.

Legal, Regulatory and Tax (Glenn Penfold) - This is a collaboration amongst contributing law firms providing support to all areas of the B4SA initiative. The workgroup collaborates with business, partners and Government in facilitating a conducive and enabling regulatory environment during the national response to the pandemic.

Communication (Phumzile Langeni and Busisiwe Mavuso) - This group is advancing the development of a stakeholder engagement strategy and has established and implemented regular business member



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communication. It supports a public communications capacity and has created an interface for ongoing interaction between Government and B4SA workstream leads.

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