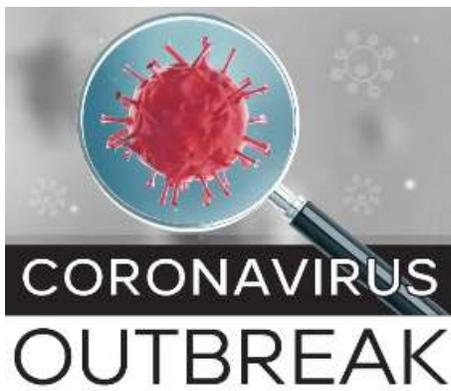




## Status Report COVID-19

### Exchange South Africa



#### [Abstract](#)

Report on the effects of COVID-19 in South Africa

Version 11.0

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The information in this volume is destined to provide a description of the COVID-19 status and its impact on social and economic life in the 5 Sub-Saharan African countries with cooperation programmes of Exchange vzw. The ambition is to give insights, based on information gathered by Exchange's business development managers based in these countries. Exchange vzw. can not be held responsible for errors, omissions or lack of accuracy and disclaims any liability in connection with the use of this information. Feedback is welcome at [info@exchangevzw.be](mailto:info@exchangevzw.be)

## 1. Introduction

In this report we will describe the current COVID-situation in South Africa including health statistics, current policy and measures, the EXIT strategy, the economic impact and the specific economic support programmes that have been launched.

## 2. COVID-19 timeline in South Africa

**Day 1 in South Africa was 5 March 2020.** On the 15<sup>th</sup> of March there was the announcement of National Disaster by the statement of President Ramaphosa on COVID-19 and the travel restrictions imposed. President Cyril Ramaphosa announced that the country will be in lockdown as from midnight 26 March 2020. The measures helped the country halt the initial spread of the virus, especially in the first 30 days, where the travel ban had a marked effect.

**On the 24<sup>th</sup> of May 2020,** after 58 days of lockdown, President Cyril Ramaphosa addressed the nation and announced a scaling down of the lockdown to Alert Level 3 from 1 June 2020 to gradually open up economic activity, schools and educational institutions.

After 100 days of Covid-19 cases were increasing at the highest rate since outbreak began. The situation in the Western Cape was of particular concern.

After 108 days of Covid-19 lockdown President Cyril Ramaphosa addressed the nation and announced stricter enforcement of Level 3 measures including a ban on alcohol sales in order to conserve hospital capacity.

**The 17<sup>th</sup> of August 2020,** While South Africa is the continent's hardest-hit nation in terms of infections, the mortality rate – at around 1,8% – is one of the lowest among countries with high numbers of cases. On the other hand, the economic impact of the pandemic is expected to be severe and lately corruption allegations relating to the procurement of Covid-19 supplies have eroded trust between the state and citizens.



President Cyril Ramaphosa has announced that the country will be moving to alert level 2 with bans on travel between provinces and the sale of alcohol and tobacco products being lifted. The easing from level 3 is effective from Monday 17<sup>th</sup> of August midnight, with trading in liquor and cigarettes set to resume on Tuesday 18<sup>th</sup> of August.

**On 21 September 2020 the country moves to lockdown alert level 1.** The public health response to the pandemic will focus on preparing for a possible resurgence in cases by increasing coronavirus testing while further reducing transmission.

**As of December 2020**, the number of Covid-19 cases are rapidly rising in several provinces, and especially in the Western Cape. **On Dec. 10<sup>th</sup>**, Health Minister Dr Zweli Mkhize has announced that South Africa has, according to its statistic models, **entered a second wave of COVID-19 infections**. Western Cape, Eastern Cape, KwaZulu-Natal and Gauteng – are the key drivers of this new wave. The majority of the new cases are from Western Cape, and that is 30% of positive cases today, followed by Eastern Cape (24%), KZN (23%) and Gauteng (17%).

On **Monday night, 28 December 2020**, President Cyril Ramaphosa announced that the nation would be moving **back to level 3 lockdown**, with stricter regulations coming into immediate effect at midnight. This is due to the **sharp rise in infections**, resulting in over one **million infections** reported on 27 December, and fear of a **new variant** (known as **501Y.V2**) that appears to be more contagious. Plus the number of trauma cases has risen, putting an unmanageable strain on the health care system and workers.

On **11 January 2021**, President Cyril Ramaphosa announced the **extension of South Africa’s adjusted level 3 lockdown**. The president said that the pandemic in South Africa is now at its **most ‘devastating’**, with the number of new cases, deaths and hospital admissions now at the highest point since the coronavirus was first detected in the country in March 2020. **Schools** will now only reopen for the new academic year on **15 February 2021**.

**On 1 february 2021, One million Covid-19 vaccines** land at OR Tambo Airport. The vaccines will be reserved for health workers. This Covishield vaccine is produced by the Serum Institute in India and was developed by the pharmaceutical company **AstraZeneca** together with the University of Oxford. South Africa was one of the countries where clinical trials were held to assess the drug’s efficacy. After **Phase 1**, the vaccination of healthcare workers, we will move to **Phase 2** of the national vaccine strategy, which will include essential workers, people over 60 years, people with co-morbidities as well as those living in places such as nursing homes and hostels. In **Phase 3**, we will extend the vaccination programme to the rest of the adult population.

A further **nine million doses** have been secured from **Johnson & Johnson**, which will be manufactured in South Africa by local pharmaceutical company Aspen. An added 20 million doses have been ordered from US pharmaceutical company **Pfizer**, with delivery in the second quarter of 2021.

**On February 28<sup>th</sup> 2021**, President Cyril Ramaphosa announced that South Africa will go to level 1 lockdown with immediate effect.

**April 13<sup>th</sup>, 2021** : The expected surge in Covid-19 infections, following the Easter weekend, has not materialised. New cases peaked at around 10 January with more than 230 then and thereafter started coming down to about 14 per day now.

**Government's vaccine rollout programme** holds the key to economic recovery this Year 2021. However, local authorities' aim to reach herd immunity by year-end seems ambitious with no clear direction. Estimates by the National Treasury place the cost of inoculating 40 million people by the end of the year at around R24bn – 67% of the population needs to be vaccinated in order to achieve herd immunity. We believe this is an overambitious target. We expect to see the government reaching its **target by mid-2022 only**. (source : NKC research)

**May 31th, 2021** : Numbers of daily new Covid-19 cases are starting to increase again, both in Cape Town and across the province. Vigilance is essential to restrict a third wave of infections. As of today, the government is **imposing new restrictions as the country moves to an adjusted level 2**: The restrictions will force non-essential establishments like restaurants, bars and fitness centres to close by 10pm local time (20:00 GMT) as the curfew will be extended by an hour to start at 11pm and end at 4am. Gatherings, including political and faith events, will be limited to 250 people outdoors and 100 indoors. Experts have warned that this wave, arriving with the Southern Hemisphere winter, might be even worse.

**June 15<sup>th</sup>, 2021** President Ramaphosa confirmed that South Africa was in the **third wave of Covid-19** infections and was experiencing **a spike in new cases**. He said Gauteng was the hardest hit province, accounting for nearly two-thirds of new cases measured over the past week.

To try to curb the spread of the virus, the President announced a move **as of 16/6/2021 to alert level 3 with several additional restrictions**, including a nationwide curfew between 10pm and 4am. All gatherings, including religious, political and social, are limited to 50 people indoors, 100 outdoors, with a 50% capacity indoors in smaller spaces.

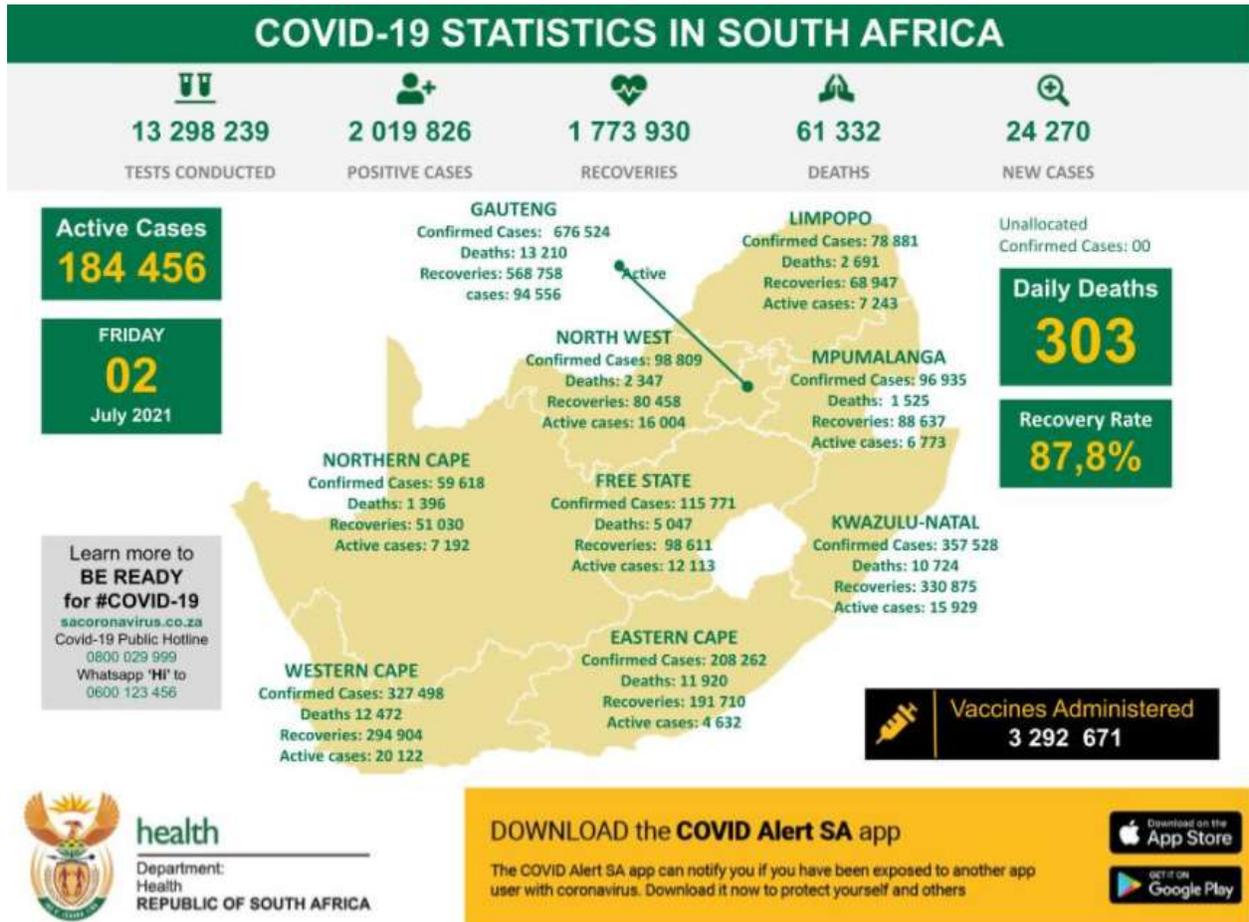
Alcohol sales for off-site consumption is restricted to between 10am and 6pm from Monday to Thursday, excluding public holidays. Alcohol sales for on-site consumption are permitted per licence conditions till 9pm. Alcohol consumption in all public spaces, including beaches and parks, is strictly prohibited.

**June 27<sup>th</sup>, 2021**, President Ramaphosa announced that South Africa would now be **under Level 4 lockdown**. With immediate effect for the next 14 days until 11 July.

See below for the details of the current measures.

### 3. General overview and statistics

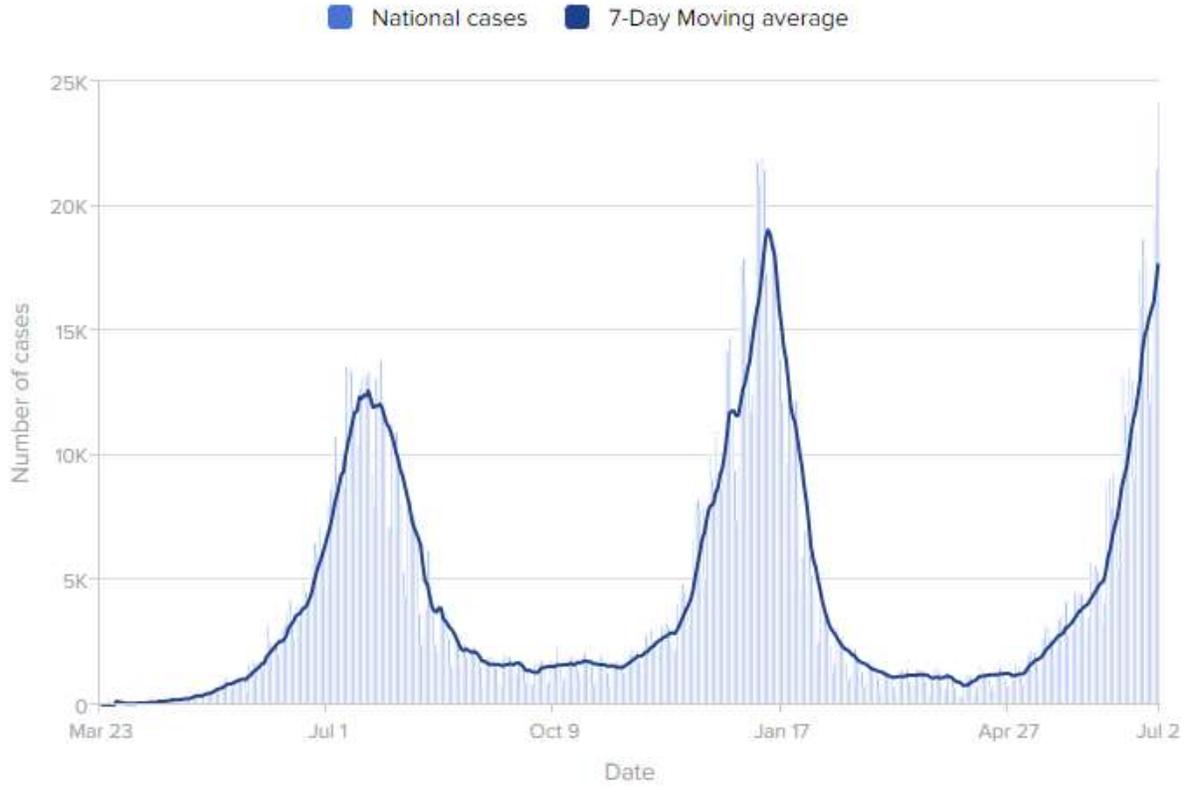
The latest South African Covid-19 statistics : see <https://sacoronavirus.co.za/covid-19-daily-cases/>



See <https://covid-19dashboard.news24.com/#national-cases>

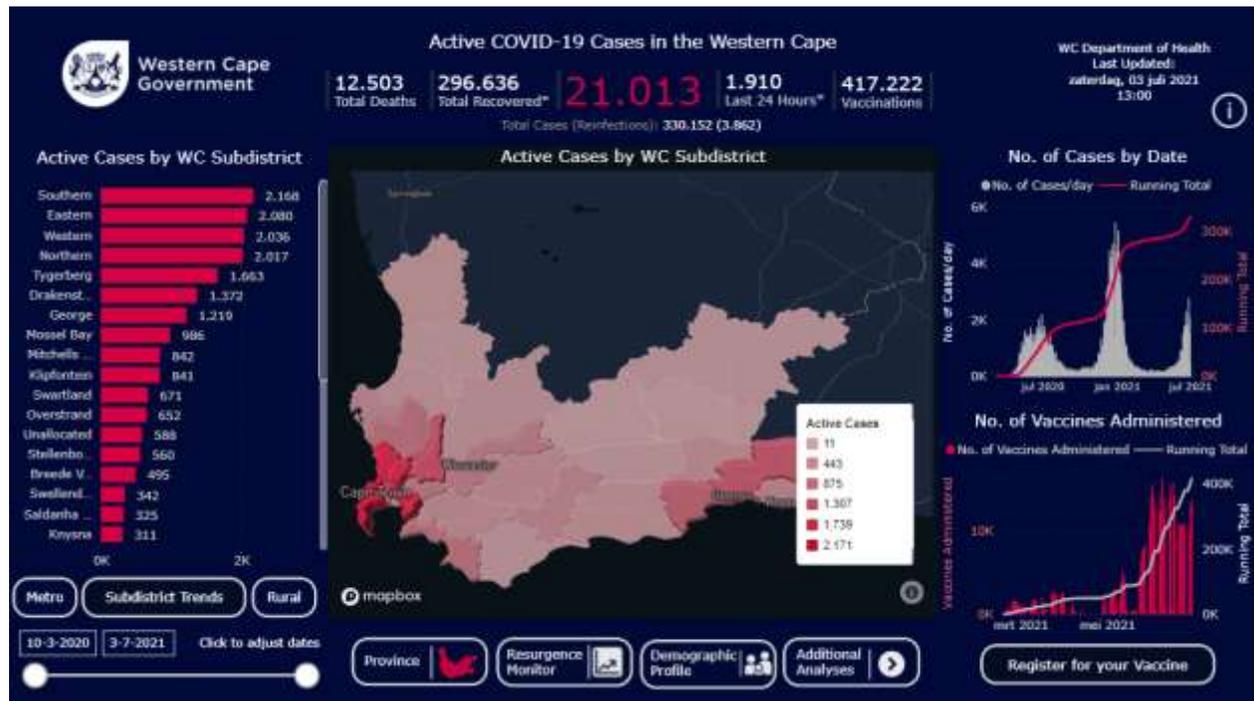


There are 2 019 826 reported cases, 24 270 new cases in the past 24-hours. Cases increased an average of 17 703 per day for the past week.



**COVID-19 UPDATE IN WESTERN CAPE: THE SITUATION NOW**

See <https://coronavirus.westerncape.gov.za/covid-19-dashboard>



In Cederberg there are fewer than 1000 cases recorded, compared to more than 5000 in Witzenberg and more than 2000 in Bergrivier.

**4. Current measures**

See also <https://www.capetownmagazine.com/lockdown> and <https://www.capetownmagazine.com/coronavirus>

South Africa is under **Level 4 lockdown since 27/6/2021 until 11 July:**

- All gatherings prohibited – church services, political gatherings etc. Exceptions are funerals which can be attended by 50 people
- Curfew extended 21h00 until 04h00
- Restaurants only open for take-aways and deliveries – no seated service. All establishments to close by 20h00 for the 21h00 curfew
- All alcohol sales prohibited
- No leisure travel in or out of Gauteng
- School winter break brought forward, schools to now close from 30 June

Comment:

South Africa is scrambling – in Gauteng reports of patients waiting 2 to 3 days for admittance to hospital. While the lockdown is necessary as a circuit breaker, this is further going to devastate the hospitality industry and small businesses. There is also a clear lack of leadership with only an acting Health Minister at present, Minister Mkhize having taken special leave while allegations of corruption are investigated. Government appears to be blaming the population for being lax about containment measures, while in reality its own vaccine roll out has been woeful, as have preparations for the third wave.

At present only 2.7 million people have been vaccinated, the majority with only one shot of the vaccine. A positive is that vaccinations are now running at 100 000 per day and that 1.2 doses of J&J and 1.4 doses of Pfizer have arrived this weekend. Roll outs currently have been limited to the categories of 60+, health workers and teachers. As from 15 July this will be extended to the 50+ and police.

The Level 4 measures are for 14 days and the situation will then be reviewed on 11 July. These are difficult days indeed.

## 5. EXIT Strategy

Alongside increased testing, the country is improving contact tracing through the deployment of the **Covid Alert South Africa mobile phone app** and the Covid Connect WhatsApp platform. The Department of Health had also developed WhatsApp and SMS systems for people without smartphones to provide them with test results and alert them to any possible exposure to the virus.

While working to prevent further transmission of the virus, the country was also preparing for the time when a vaccine became available, with **South Africa already participating in three vaccine trials** – demonstrating the capability of its scientific community, Ramaphosa said.

### Vaccines

On February 1<sup>st</sup>, 2021, President Ramaphosa announced encouraging progress in the fight against Covid-19. The first **delivery of vaccines** coincided with a decrease in new infections as the **second wave has passed its peak**. The President warned that people should continue to be vigilant and avoid indoor gatherings. Below is the full text of his address.

As I said during my previous address, we are sourcing our vaccines from a number of suppliers.

In addition to the 1 million Covishield doses that we received today; we expect another 500,000 doses from the Serum Institute of India to arrive later in February.

- We have secured 12 million doses in total from the global COVAX facility, which has indicated that it will release approximately 2 million doses by March.
- We have secured 9 million vaccine doses from Johnson & Johnson, commencing with delivery in the second quarter. Johnson & Johnson has contracted Aspen, one of our pharmaceutical companies, to manufacture these vaccines in South Africa.

- In addition, Pfizer has committed 20 million vaccine doses commencing with deliveries in the second quarter.

We are in advanced negotiations with manufacturers to secure additional supplies.

South Africa will also receive an allocation of vaccine doses through the African Union, which has been negotiating with manufacturers to secure vaccines for the entire continent on a pooled basis.

Through the African Vaccine Acquisition Task Team of the African Union, we have to date secured 1 billion vaccines for the entire continent.

Seven hundred million of these will come from the global COVAX facility and 300 million have been facilitated by the African Vaccine Acquisition Task Team.

We will be getting other vaccines that will be donated by various private sector companies to add to the vaccines that our continent needs.

MTN, which is one of our companies that operates across a number of countries on the African continent, has made a donation of \$25 million to procure 7 million vaccines, which will be made available to countries on the African continent within a matter of weeks.

Our scientists estimate that we will likely reach herd immunity once around 67 per cent of our people are immune. This amounts to around 40 million people in South Africa.

**23/2/2021:** South Africa has now started to administer the **Johnson and Johnson vaccine** to healthcare workers after having suspended the AstraZeneca rollout when that vaccine proved ineffective against the South African variant of the virus. The current vaccination program has been the subject of much criticism with doctors complaining that they had to wait in line for hours after having been summoned to a state hospital in Pretoria. The public's disappointment at the chaotic rollout is somewhat offset by the news that the number of new Covid-19 cases has dropped to below 1000 yesterday, confirming a steady decline in new infections. Government continues to warn against apathy and **calling on everybody to prevent a third wave**.

**28/2/2021 update:**

South Africa on 27/2/2021 received the second consignment of 80 000 **Johnson & Johnson vaccines**, and to date around 67 000 frontline healthcare workers have already been vaccinated. However, at least 40 million people will need to be vaccinated before South Africa can hope to achieve herd immunity.

The government has secured 11 million doses of the Johnson & Johnson vaccine and 20 million doses of the **Pfizer vaccine** and is in the process of securing 12 million vaccine doses from **Covax**, Ramaphosa said.

According to Professor Ian Sanne, while both the Pfizer and the Johnson & Johnson vaccines have been found to be effective against the dominant variant of Covid-19 in SA, the logistics involved in storage and transportation of the two varies drastically. The Pfizer vaccine must be held at between -80°C and -60°C, Salle said.

**23/4/2021 Update:**

Phase two of the vaccination programme to start 17 May. Goal: to complete vaccinations of 60+ in Western Cape by end June.

Phase 2a will see that the 723 160 people aged 60 and above in the Western Cape, are vaccinated by 30 June this year. Phase 2b will aim to vaccinate Western Cape's 40 - 59-year-old residents by 30 October 2021. The final phase, phase 3, will aim to vaccinate the Western Cape's 18 - 39-year-old residents before 28 February 2022

#### Latest figures on Vaccinations:

See <https://www.statista.com/statistics/1221298/covid-19-vaccination-rate-in-african-countries/>

Only **around 4 % percent** of the country's 60 million people have **received a vaccine**.

The government, under fire for failing to buy vaccines quickly, says it has paid for doses to cover 40 million of the 59 million South Africans – or enough to reach herd immunity. South Africa and India are campaigning for an end to patent rights on coronavirus vaccines to help every country to manufacture its own supplies.

South Africa is heavily reliant on the J&J vaccine to meet a target of inoculating two-thirds of its 60 million population this year, having ordered more than 31 million of the single-dose shot. With a large number of Johnson & Johnson vaccines that are contaminated and that have been dumped, the vaccination planning is severely impacted.

## 6. Impact

### 6.1 Domestic and international travel

For details, see <https://www.gov.za/covid-19/travel-international>

**As of October 1<sup>st</sup>,2020, travel is again allowed in and out of South Africa** for business, leisure and other travel.

The South African government has released a **revised list of high-risk countries for international travel**. The new list indicates a countries from where travelers are not allowed to enter South African borders. "People from high-risk countries who may visit SA fall in the following categories: business travelers, holders of critical skills visas, investors, and people on international missions in sports, arts, culture, and science.

**As of November 11<sup>th</sup>,2020, government has relaxed South Africa's rules around international travel, allowing visitors from any country** provided they follow health and safety guidelines. all borders will be open subject to Covid-19 negative certificate for all passengers. No more high-risk list of countries.

The foreign office also advises against all but essential travel to the whole of South Africa based on the current assessment of Covid-19 risks. Despite existing international restrictions, local tourism has praised the decision to ease restrictions, especially the removal of the 'high-risk list' which saw travellers from specific countries prohibited from entering South Africa for leisure travel.

(source : <https://businesstech.co.za/news> )

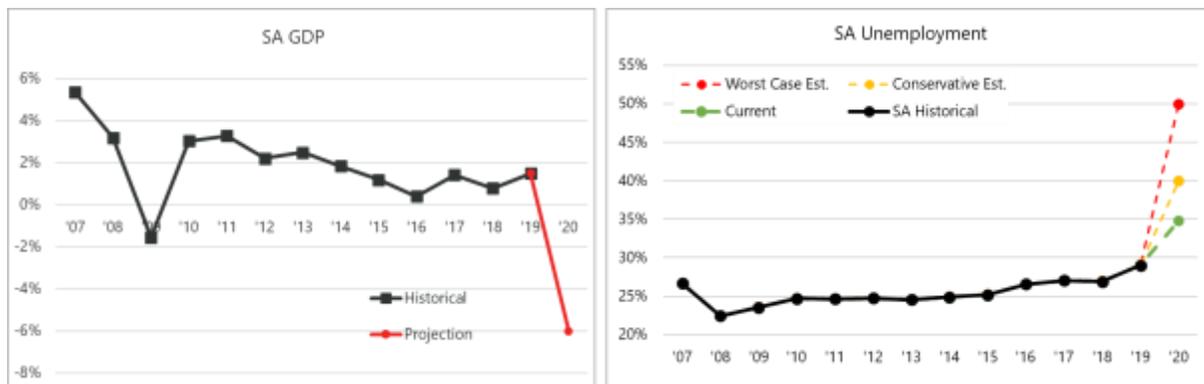
## 6.2 Economic Impact

The economic impact of the pandemic is expected to be severe and lately corruption allegations relating to the procurement of Covid-19 supplies have eroded trust between the state and citizens.

South Africa entered 2020 with weak consumer demand, high and increasing government borrowing, one of the highest unemployment rates in the world, unstable network infrastructure and an enduring legacy of inequality and economic exclusion. GDP growth in 2019 was just 0,3%, a further contraction from the 0,8% registered in 2018, and the official unemployment rate was 29,1% in the third quarter of 2019. The pre-crisis growth outlook for 2020 was 0,9%.

### Update 25/2/2021 :

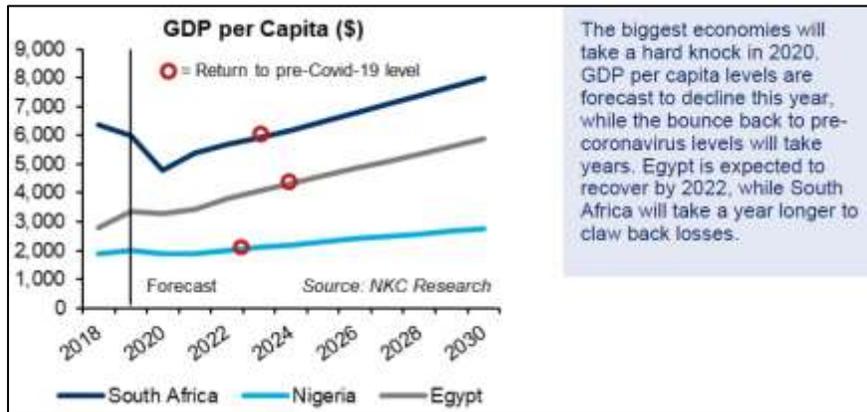
According to Statistics SA, the country's official unemployment rate during the fourth quarter of 2020 rose by 1.7 percentage points from the previous quarter to a record high of 32.5%.



Impact of COVID-19 on South African GDP and Unemployment (National Treasury, 2020; South African Reserve Bank, 2020)

### Economic Forecast

South Africa is not expected to return to a pre-coronavirus GDP per capita level before 2023, largely due to the country's poor track record in recent years.



### 6.3 Consequences for private entrepreneurs

The following is an extract from a News24 article about President Ramaphosa's newsletter:

President Cyril Ramaphosa has praised what he calls a "new breed of young entrepreneurs" for coming up with "home-grown solutions to the contemporary challenges we face" as the country continues to battle the economic shock of the Covid-19 pandemic.

South Africa was already in recession when the nationwide lockdown was instituted in late March, and South Africa's already-high official unemployment rate is expected to surge as a result of the pandemic's impact on businesses, while tax revenue is expected to plunge by around R300 billion. According to a new study, roughly three million people may have lost their jobs between February and April. The country's youth unemployment is particularly acute.

In his weekly newsletter, Ramaphosa said even in South Africa's "darkest hour," the country has had to focus on green shoots of renewal, namely young entrepreneurs, which he said were the "silver lining to the dark Covid-19 cloud".

"Our economic recovery cannot wait until the coronavirus pandemic is over. It needs to start now. One of the defining developments during the lockdown was how businesses in the townships and rural areas came into their own as people were not able to travel around much," he said.

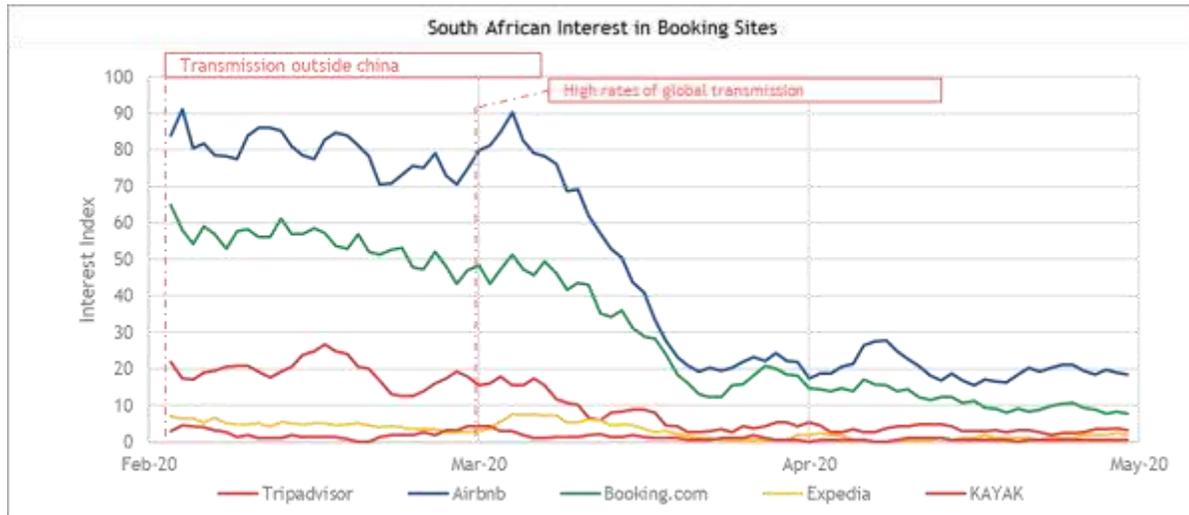
Ramaphosa named a number of young entrepreneurs who started business either just before or during the pandemic.

#### 6.3.1 Tourism (including Hotel) sector

Total income for South Africa's tourist accommodation industry decreased by 81.2% in August 2020 compared with August 2019, Statistics SA announced on Monday.

This is in nominal terms, therefore, at current prices. There was a 79.4% decrease in the number of stay unit nights sold and a 14.3% decrease in the average income per stay unit night sold.

Behaviour on booking sites in South Africa has largely reflected global trends; Airbnb experienced a 77% decline in traffic from a peak in March, with Booking.com seeing an 80% decline over the same period. The stage of the country's pandemic, with infection rates still increasing and tourist activity restricted, means that booking interest is yet to show noticeable signs of recovery.



Local interest in booking sites (Google Trends, 2020)

**Update 1/3/2021** (source : IOL article): Cape Town - The Covid-19 pandemic has had such a severe impact on tourism that authorities say visitor numbers dwindled to like 30 years ago when South Africa barely registered on the international travel map.

Meanwhile, SA Tourism said **50 000 tourism businesses had either temporarily or permanently closed**.

The latest report released by Statistics SA into traveller movements showed that for December, when compared to the previous year’s figures, arrivals for foreign travellers dropped by a staggering 82.1% from more than 1.5 million in 2019 to about 280 000.

Numbers of South Africans travelling in and out of the country also declined, with arrivals of locals dropping by 76.3% and departures decreasing by 78.3%.

StatsSA’s report showed that the tourist accommodation industry decreased by 57.7% in December compared to the previous year. About 935 085 local and foreign travellers passed through the country’s entry points.

Management at the Cape Town International Airport (CTIA) indicated that for December, 403 506 domestic travellers and 49415 international travellers were processed. Of the international travellers, just over 30000 were arrivals and 19116 were departing.

January figures did not see significant changes other than showing 21102 passengers leaving the country and 11290 arriving.

“Our passenger numbers showed promising signs of recovery at the start of December. The second Covid-19 wave, new restrictions and the new variant here and across the world slowed passenger movements and airlines reduced flights, cancelled or suspended operations,” said CTIA’s acting general manager, Mark Maclean.

But he remained hopeful.

“The continued easing of restrictions and the vaccination drive across the world will continue to stimulate air travel. We continue to work with all our partners and stakeholders to ensure that we remain ready to welcome passengers back to our airport and city and that we remain a preferred destination.”

While airlines like Emirates, Virgin Atlantic and British Airways have temporarily suspended their services, Qatar Airways recently announced that they would be increasing flight frequency to seven weekly flights out of Cape Town to Doha.

Speaking at the launch of a new project to entice travellers to visit South Africa this week, SA Tourism chief executive Sisa Ntshona said a lot needed to be done to revive the industry.

Ntshona said nearly 50 000 tourism businesses had either temporarily or permanently closed.

### 6.3.2 Manufacturing Sector

The manufacturing sector has a global supply chain and China is one of the main suppliers of components for large industries. Business are also pulling back on orders for goods due to the impact of the spreading coronavirus. Global supply chain disruptions, the weak rand and disruptions on the production-side due to the government-imposed lockdown will negatively affect this sector..

### 6.3.3 Agro-Industry Sector

Financially distressed small-scale farmers who have an annual turnover of between R20.000 and R1 million could apply for R1.2 billion in government funding.

The following media release of the Western Cape Minister of Agriculture dated 26 January 2021 provides a good description of the impact on the Agro-industry in the Cape Province.

“Yesterday, I wrote to the National Minister of Agriculture, Rural Development and Land Reform, Thoko Didiza, to request her assistance in lifting the third ban on wine and other liquor sales.

This follows the request by the Premier of the Western Cape, Alan Winde, to the Minister of Health, Dr Zweli Mkhize, last week.

The Western Cape Government accepted the restrictions that were announced by the President as the last resort in order to protect our healthcare system during an unprecedented surge and over a period of time when alcohol-related trauma was expected to spike.

We, however, argued that it should be for fourteen days only and reviewed every seven days thereafter, based on scientific evidence.

Now nearly a month after the restrictions came into place, we believe that the evidence clearly points to the need to relax these restrictions in order to save jobs.

We are now experiencing a decline in active cases and newly reported daily Covid-19 cases. All other indicators are also pointing to the Western Cape having passed its peak, and that the surge – which caused such pressure on the health system – being over.

Furthermore, our department of health in the Western Cape has put in place a number of measures to increase capacity, and we have adequate beds, oxygen and staff to provide care to every person who needs it.

That is why wine sales should now be allowed in line with the "differentiated approach" envisaged during the President's speech of 14 December 2020.

Wine grapes represent 50,3% of the 181 233 ha under fruit production in the Western Cape Province. The replacement value of these wine grapes amounts to R33,94 billion.

Wine is the third biggest export product of the Western Cape economy and contributes 6,5% to the value of exports from the Province.

The Department estimates that 45 610 people work in the industry's primary production side and supports the livelihoods of 228 053 people.

During the initial stages of the Covid-19 lockdown, South Africa was the only major wine exporting country banning wine exports. The result was that we handed market share on a platter to some of our competitors.

Even after the domestic trade of wine was resumed with the introduction of Level 3 regulations, the sales did not return to normal levels.

The result is that a quarter of annual sales were lost, which adds to cash flow problems for producers. We cannot be putting even more pressure on this battling sector. We must be doing everything possible to help them grow and employ more people.

Our research also shows that the first two weeks of the ban cost the Western Cape R1 billion. This has impacted 1893 direct jobs in the retail sector and 905 induced and indirect jobs across the value chain resulting in 2798 jobs being compromised.

If the ban continues for the full month, which it now seems likely to do, it will end up costing the economy R2 billion, impacting 5596 jobs in our province.”

End of media release of 26/1/2021

#### 6.3.4 Circular Economy, Sustainable and Renewable Economy

Waste management programmes will remain very relevant in the post-pandemic era.

#### 6.3.5 Services Sector

During this challenging time, telcos have performed reliably and consistently under tremendous strain to support remote working, video streaming, and business continuity, although their network performance may have slowed in some cases. The COVID-19 outbreak is thus highlighting the importance of connectedness. Telecom services appear to be the common thread keeping people united as individuals and helping businesses weather the crisis.

#### 6.3.6 Example report of economic impact in Witzenberg Municipality

Source : Witzenberg Municipality – LED staff (July 2020)

- The Tourism sector was one of the hardest hit sectors in Witzenberg. Many establishments struggled, with the frustration from some tourism establishments evident regarding the requirements for funding support from National Government.
- In Ceres, a restaurant & bakery closed their doors (the bakery moved their premises)
- A wine boutique closed their doors
- We were aware of an after care crèche that closed their doors
- There were instances of accommodation establishments that had to retrench workers
- The wine sector experienced a big hit due to the ban on alcohol (tourism spin-off of wine tastings also affected)
- The wedding venue subsector of tourism also experienced a big hit, as weddings were cancelled
- The lack of continuation of tourism festivals results in a big financial knock, as for example Tulbagh relies on the tourist feet that festivals bring in
- There were instances of salary cuts of personnel of some businesses
- One big opportunity is the outdoor experience which might be marketed more aggressively
- The agriculture sector (largest sector) in Witzenberg was not very hard hit (due to it being able to continue during Lockdown) and assisted in keeping cashflow coming in to the local shops. Challenges were however experienced with the exports at the ports (there are companies that are opting to re-route transport via other ports, which will increase transport costs)
- The recycling sector was also very hard hit with the lockdown regulation making it difficult for the informal traders to recycle. The increased risk of infection is a big barrier for these traders, as there are no

income security if they get ill. There is a lack of a common, local recycle facility. These traders were difficult to provide support to during the lockdown, due to telephonic challenges. It became apparent how important email will be to these traders (and the access of it).

## 7. Government support to local economy

### **Small, Micro and Medium- Sized Enterprises ("SMMEs") Support Intervention**

The Department of Small Business Development has introduced a "SME Support Intervention" which involves a Debt Relief Fund and a Business Growth/Resilience Facility to mitigate the impact of the expected economic slowdown on SMMEs in South Africa.

The Department has also made over R500.000.000 available to the Debt Relief Fund, and the SMME Finance Scheme will comprise of soft-loan funding for a period of 6 months from 1 April 2020.

The Business Growth/Resilience Facility will provide working capital, stock, bridging finance, order finance and equipment finance to small businesses which supply in-demand medical supplies.

Furthermore, the Department of Tourism has made an additional R200,000,000 available to assist SMMEs in the hospitality and tourism sector.

In order to qualify for the SME Support Intervention relief, there is a certain criteria which includes, inter alia, that:

- the business must have been registered with CIPC by at least 28 February 2020;
- the business must be 100% owned by South African Citizens;
- employees must be 70% South Africans;
- priority will be given to businesses owned by Women, Youth and People with Disabilities; and
- the business must be registered and compliant with SARS and the UIF.

## 8. Conclusions and Recommendations

The South African Government has implemented several relief measures which, at this stage, focus on providing support to SMMEs as well as in providing tax relief, unemployment support, support for black entrepreneurs who manufacture and supply a range of medical products and various loan funding to help support vulnerable South African businesses as a result of the COVID-19 pandemic.

Further relief has been provided by the Partner Banks together with independent private parties and organizations to help assist the country overcome the detrimental effects of COVID-19.

## 9. Useful links for additional information and further reading

More COVID-19 information is available at several internet websites:

The official portal <https://sacoronavirus.co.za/> contains a wealth of information on Covid-19, including links to other sources and daily updates including real-time statistics.

The Western Cape Government has its own webpage with daily updates and a breakdown of statistics for all municipalities in the province: [www.coronavirus.westerncape.gov.za](http://www.coronavirus.westerncape.gov.za)

Interesting report on COVID-19 and E-Governance in South Africa: (use of social media) 18/2/2021



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<https://saiia.org.za/research/covid-19-and-e-governance-lessons-from-south-africa/>

<https://www.covid19sa.org/>

<https://www.nicd.ac.za/>

<https://www.timeslive.co.za/>

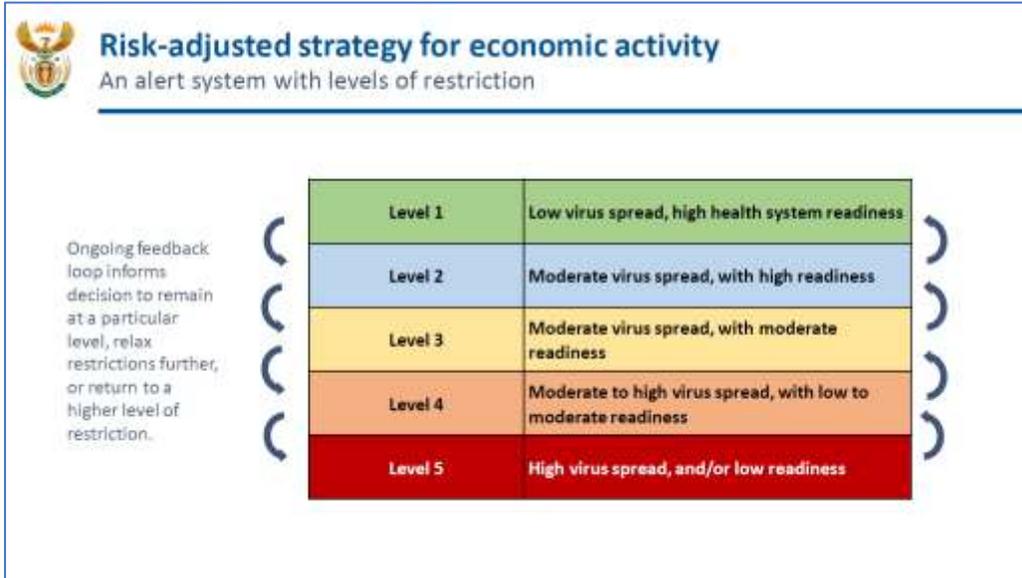
<https://www.news24.com/news24/southafrica/coronavirus>

<https://ourworldindata.org/coronavirus>

<https://www.africaneconomics.com/>

## 10. Appendix

Alert system in South Africa:



**Risk-adjusted strategy for economic activity**  
Alert system: Level 5

	Sectors permitted	Transport restrictions	Movement restrictions
<b>Level 5: High virus spread, and/or low health system readiness</b>	Only essential services	Bus services, taxi services, e-hailing and private motor vehicles may operate at restricted times, with limitations on vehicle capacity and stringent hygiene requirements	No inter-provincial movement of people, except for transportation of goods and exceptional circumstances (e.g. funerals)

**Risk-adjusted strategy for economic activity**  
Alert system: Level 4

	Sectors permitted	Transport restrictions	Movement restrictions
Level 4: Moderate to high virus spread, with moderate readiness	<p><i>All essential services, plus:</i></p> <p>Food retail stores already permitted to be open permitted may sell full line of products within existing stock</p> <p>All agriculture (horticulture, export agriculture including wool and wine, floriculture and horticulture, and related processing)</p> <p>Forestry, pulp and paper</p> <p>Mining (<i>open cast mines at 100% capacity, all other mines at 50%</i>)</p> <p>All financial and professional services</p> <p>Global business services for export markets</p> <p>Postal and telecommunications services</p> <p>Fibre optic and IT services</p> <p>Formal waste recycling (glass, plastic, paper and metal)</p>	<p>Bus services, taxi services, e-hailing and private motor vehicles may operate at all times of the day, with limitations on vehicle capacity and stringent hygiene requirements</p>	<p>No inter-provincial movement of people, except for transportation of goods and exceptional circumstances (e.g. funerals)</p>

**Risk-adjusted strategy for economic activity**  
Alert system: Level 3

	Sectors permitted	Transport restrictions	Movement restrictions
Level 3: Moderate virus spread, with moderate readiness	<p>Licensing and permitting services, deeds offices and other government services designated by the Minister of Public Service and Administration</p> <p>Take-away restaurants and online food delivery</p> <p>Liquor retail within restricted hours</p> <p>Clothing retail</p> <p>Hardware stores</p> <p>Stationery, personal electronics and office equipment production and retail</p> <p>Books and educational products</p> <p>E-commerce and delivery services</p> <p>Clothing and textiles manufacturing (<i>at 50% capacity</i>)</p> <p>Automotive manufacturing</p> <p>Chemicals</p> <p>Bottling</p> <p>Cement and steel</p> <p>Machinery and equipment</p> <p>Global Business Services</p> <p>SANRAL construction and maintenance</p> <p>Transnet at 100%</p>	<p>Bus services, taxi services, e-hailing and private motor vehicles may operate at all times of the day, with limitations on vehicle capacity and stringent hygiene requirements</p> <p>Limited passenger rail restored, with stringent hygiene conditions in place</p> <p>Limited domestic air travel, with a restriction on the number of flights per day and authorisation based on the reason for travel</p>	<p>No inter-provincial movement of people, except for transportation of goods and exceptional circumstances (e.g. funerals)</p>



### Risk-adjusted strategy for economic activity

Alert system: Level 2

	Sectors permitted	Transport restrictions	Movement restrictions
<b>Level 2: Moderate virus spread, with high readiness</b>	Construction All other retail All other manufacturing Mining ( <i>all mines at 100% capacity</i> ) All government services Installation, repairs and maintenance Domestic work and cleaning services Informal waste-pickers	Domestic air travel restored Car rental services restored	Movement between provinces at Level 1 and 2 restrictions



### Risk-adjusted strategy for economic activity

Alert system: Level 1

	Sectors permitted	Transport restrictions	Movement restrictions
<b>Level 1: Low virus spread, high health system readiness</b>	All sectors	All modes of transport, with stringent hygiene conditions in place	Interprovincial movement allowed, with restrictions on international travel