

# COVID-19 Response

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Economic Intervention Group  
Status Update

21 April 2020



# Economic Intervention – Work Group Update

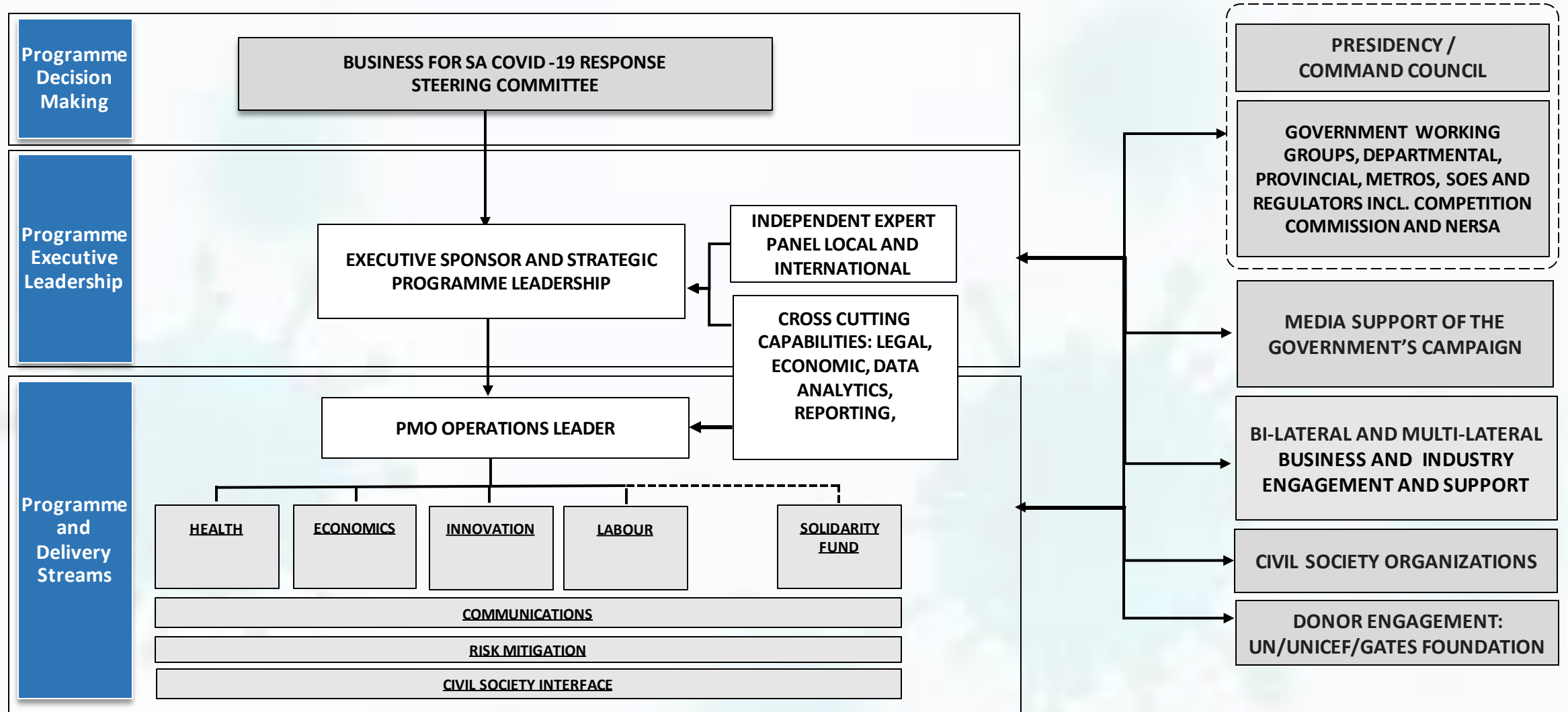


Item Number	Agenda Item
1.	Introduction, Progress and Roadmap
2.	Macroeconomic Strategy
3.	Essential Business Sectors
4.	Industrial Policy and Local Manufacturing
5.	Supply Chain Security
6.	Security of Critical Infrastructure
7.	Security of Consumer Supplies
8.	Safe Transport
9	Small and Medium Enterprises and the Township Economy
10.	Innovation
11.	Communications
12.	EIG Achievements
13.	Way Forward

# 1. Introduction, Progress and Roadmap



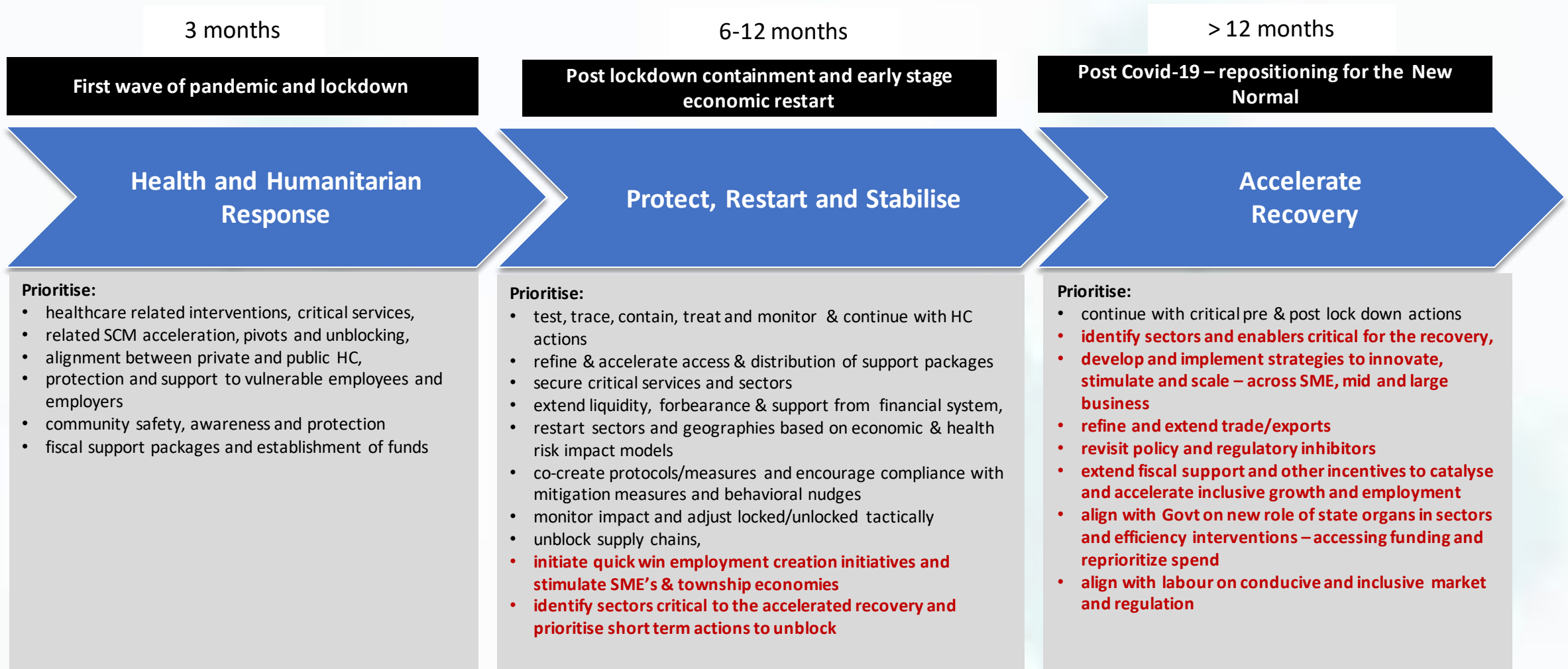
The Business for South Africa (B4SA) structure has been agreed and put into operation in 4 weeks



# 1. Introduction, Progress and Roadmap (cont.)



## Work in Progress: B4SA will respond across the lifecycle in developing an Economic Recovery Strategy (ERS)

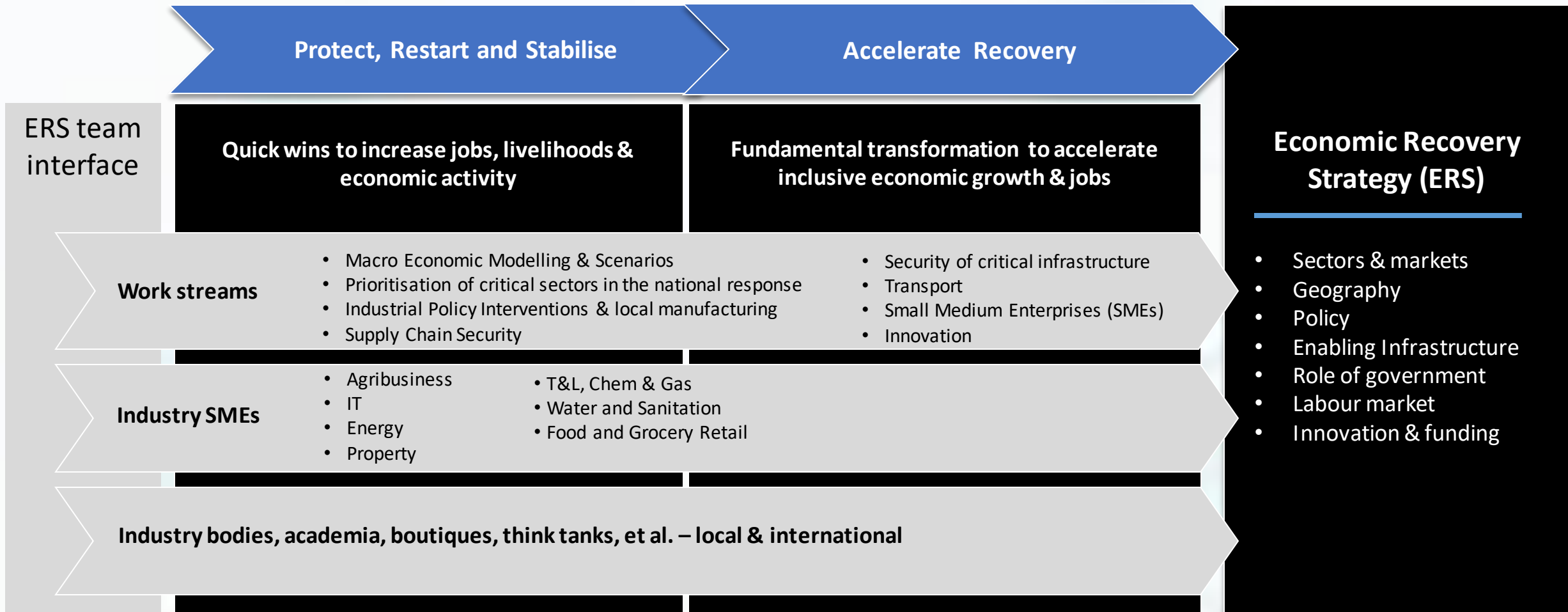


\*Actions relating to ERS - understanding that the timeframes and activities are not absolute, linear or confined to specific phases

# 1. Introduction, Progress and Roadmap (cont.)



**Work is Progress: activities are moving in parallel with work stream, industry SME's and key bodies mobilised**



\*PMO cross cutting work groups/ work streams and support functions

# 1. Introduction, Progress and Roadmap (cont.)

## Economic Intervention

**RESOURCE / PROJECT MANAGEMENT CAPACITY**

- Business
- Consulting and Audit Firms
- Legal Firms
- Comms Firms

**ECONOMY**  
Martin Kingston



**1. Macroeconomic Strategy**  
**Maria Ramos**

- Identify critical sectors in the COVID-19 response: agrofood supply chain, health, IT, energy, logistics and transport, water & sanitation, chemicals, food & grocery retail, etc.).
- Input data to DTIC.
- Develop and submit fiscal-related proposals to government and Nedlac.
- Disaster relief and fiscal transfers.
- Modelling of economic impacts.

**2. Prioritisation of Essential Business sectors in the national response**  
**Tanya Cohen (PPGI)**

- Compile an updated list of critical sectors and engage government to ensure list includes all critical sectors (products and services) and the inputs thereto are included in the regulations. DONE
- Update the list of essential sectors, as well as wording of the regulations, and engage government on subsequent amendments, if required.
- Identify and unblock regulatory implementation challenges with the functioning of essential services, including transportation of goods for essential services.

**3. Industrial Policy Interventions and Local Manufacturing**  
**Philippa Rodseth**

IDC, DBSA, DTIC support for companies / sectors in distress.

- Identification of bans of key imports.
- Identification of import substitution priorities.
- Identification of regulatory / practical bottlenecks.

**4. Supply Chain Security**  
**Mpumi Madisa**

Maximise Ports efficiency for critical inputs / imports.

- Maximise Transnet / freight efficiency for critical inputs / imports.
- Find solutions on warehousing and transport of non-essential goods
- Identify SARS, customs and other constraints for unblocking

Airfreight:

- Identify bottlenecks and constraints for unblocking.
- Find solutions on warehousing and transportation of non-essential goods.

**5. Security of Critical Infrastructure**  
**Bongani Nqwababa**

- Security of liquid fuels.
- Security of electricity supply.
- Eskom load shedding schedule that takes into account remote working requirements and needs of critical sectors (e.g. healthcare)
- Eskom maintenance programme that minimises economic disruption.
- Alternative energy sources (gas).
- Ensure sufficient IT network capacity to support needs of remote working.
- Engage DTPS on expedited release of spectrum.
- Ensure water & sanitation optimally poised for mitigation.
- Private sector contribution to sanitation effort.

**6. Safe Transport**

**Deidre Penfold**

- Safeguarding transport infrastructure.
- Hygiene measures on public transport to contain COVID-19.
- Resolution of transport specific issues

**7. Security of Consumer Supplies**

**Gwarega Mangozhe (CGCSA)**  
**Patricia Pillay**

Communication strategy discouraging predatory pricing and rent seeking.  
Communication strategy discouraging panic buying.

**8. Small Medium Enterprises & Township Economy**

**Lisa Klein**

- Fiscal relief for SMEs.
- Coordinated SME interface with government.
- Tax relief for SMEs.
- Loan relief.
- Mitigating impacts on township economy and identifying opportunities

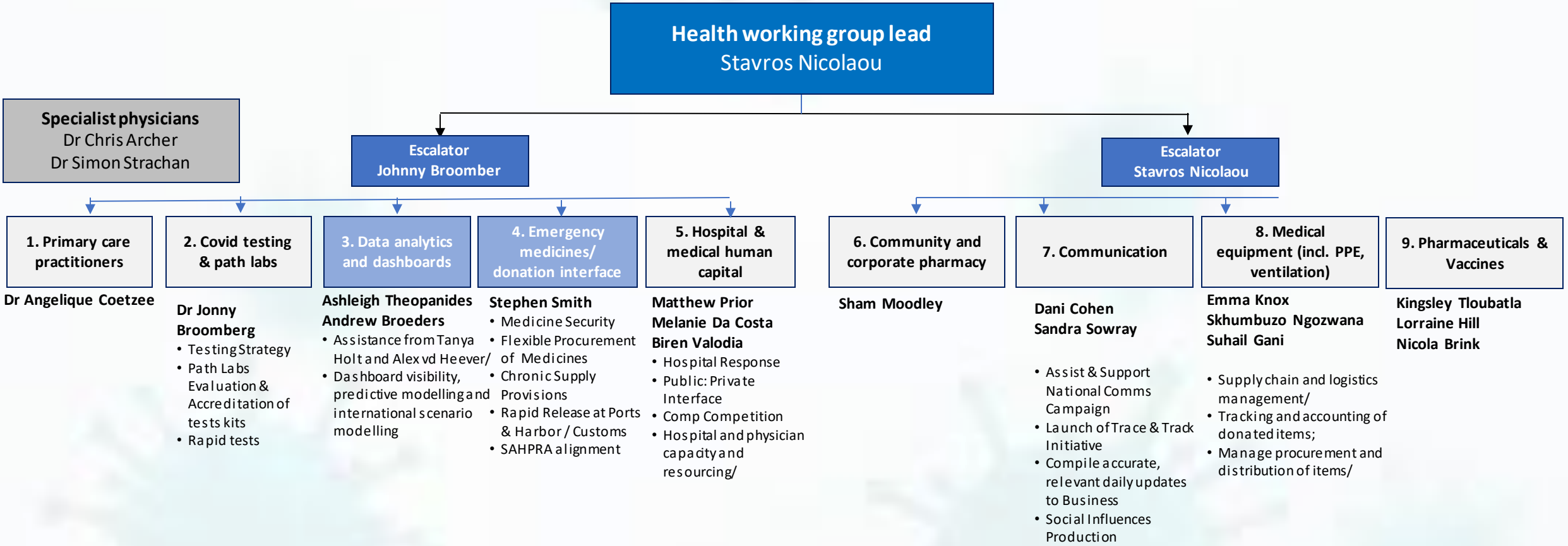
**9. Innovation**

**Chris Griffith**

- Review of immediate response in the healthcare area – innovation in manufacturing
- Integration with manufacturing initiatives in the longer term – based on innovative solutions and applications to manufacturing (integrated with Local Manufacturing workstream)

# 1. Introduction, Progress and Roadmap (cont.)

## Health Intervention



**Specialist physicians**  
Dr Chris Archer  
Dr Simon Strachan

**Escalator**  
Johnny Broomber

**Escalator**  
Stavros Nicolaou

**1. Primary care practitioners**

Dr Angelique Coetzee

**2. Covid testing & path labs**

**Dr Jonny Broomberg**  

- Testing Strategy
- Path Labs Evaluation & Accreditation of tests kits
- Rapid tests

**3. Data analytics and dashboards**

**Ashleigh Theopanides  
Andrew Broeders**  

- Assistance from Tanya Holt and Alex vd Heever/
- Dashboard visibility, predictive modelling and international scenario modelling

**4. Emergency medicines/donation interface**

**Stephen Smith**  

- Medicine Security
- Flexible Procurement of Medicines
- Chronic Supply Provisions
- Rapid Release at Ports & Harbor / Customs
- SAHPRA alignment

**5. Hospital & medical human capital**

**Matthew Prior  
Melanie Da Costa  
Biren Valodia**  

- Hospital Response
- Public: Private Interface
- Comp Competition
- Hospital and physician capacity and resourcing/

**6. Community and corporate pharmacy**

Sham Moodley

**7. Communication**

**Dani Cohen  
Sandra Sowray**  

- Assist & Support National Comms Campaign
- Launch of Trace & Track Initiative
- Compile accurate, relevant daily updates to Business
- Social Influences Production

**8. Medical equipment (incl. PPE, ventilation)**

**Emma Knox  
Skhumbuzo Ngozwana  
Suhail Gani**  

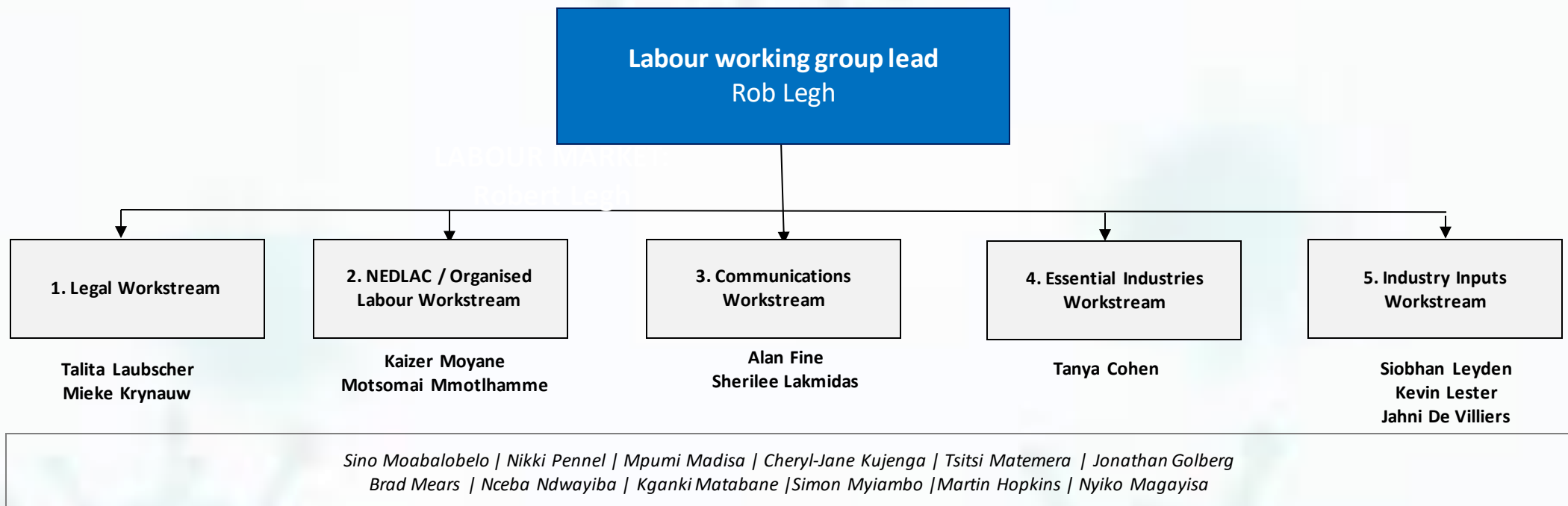
- Supply chain and logistics management/
- Tracking and accounting of donated items;
- Manage procurement and distribution of items/

**9. Pharmaceuticals & Vaccines**

**Kingsley Tloubatla  
Lorraine Hill  
Nicola Brink**

# 1. Introduction, Progress and Roadmap (cont.)

## Labour Intervention



- Clarify regulations for employers
- Provide guidance on ad-hoc queries
- Provide legal opinions as requested

- Job retention
- Engage with Labour on issues as they arise
- Engage labour to build co-operation on addressing issues proactively
- Address issues in the implementation of the UIF Disaster relief

- Prepare content for the Business South Africa Portal and other channels
- Simplify legal guidelines as required for ease of use
- Monitor media for developing issues

- COIDA Backlog
- Provide clarity on inclusion of essential services
- Support Employers to address challenges during lockdown effecting employees

- Workplace readiness
- Addressing queries raised by employers
- Support Employers to address challenges during lockdown effecting employees



# 1. Introduction, Progress and Roadmap (cont.)

## Communications Intervention



**Communications working group lead**  
 Phumzile Langeni  
 Busisiwe Mavuso

**1. Strategy & planning**

- Julian Gwillim**  
**Tim Schultz**
- Support the President's National Coronavirus Command Council and the public health campaign
  - Empower South African businesses to: prevent, combat, mitigate and recover from Covid-19 and its effects
  - Promote understanding and support for the Solidarity Fund
  - Formulates & implements SA Business Inc comms strategy

**2. Stakeholder & Partnership**

- Julian Gwillim**
- To support the response "BusinessForSA" and other companies and industry associations, have established a PMO/ It will ensure day to day collaboration with government
  - Mobilise business resources and capacity to support public sector initiatives and to coordinate the business position and its four workstreams (health, communications, finance, labour)/
  - Initiating partnerships with technical specialists, and civil society, labour, GCIS etc/

**3. SA for business Micro site & channel management**

- Banele Mngaza**
- Manage and vet content for microsite
  - A trusted resource for business: facts, best practice
  - Gov/Public health info link
  - BusinessForSA" responses and interventions re Covid-19
  - Engagement functionality
  - Content amplified across digital channels and media

**4. Content creation**

- Alan Fine**  
**Esme Arendse**  
**Sandra Sowray**  
**Dani Cohen**  
**Sensi Dlamini**
- Maintain "playbook"
  - Commission and produce content for: owned (websites), earned, bought media – workstream
  - Info updates for daily "member" email
  - Produce daily email update to member database of BUSA/BBC, BLSA etc/

**5. Media & campaigns**

- Julian Gwillim**
- Manage PR and Media for "BusinessForSA" Leadership
  - Four workstream communications leads deal with subject specific media & campaigns

**6. SA Businesses/members communication**

- Phumzile Langeni**  
**Busisiwe Mavuso**  
**Esme Arendse**
- "Member" emails (daily update & adhoc)
  - Convey questions & recommendations to government for incorporation into official messaging/
  - Interface of data gathering/sharing with Government/

**7. Monitoring & research**

- TBC**
- Media & Social media monitoring
  - Research/member feedback reports
  - Public perception research
  - Brunswick info & media summary

**8. Internal alignment/PMO**

- Banele Mngaza**
- Update to PMO: actions, media log etc.
  - PMO updates for daily/ adhoc member communications

## 2. Macroeconomic Strategy

### Workstream

**Lead: Maria Ramos**

**Lullu Krugel**

Supported by a group of economists and specialists assisting with the following:

- Modelling of economic impacts;
- Proposed interventions

### Planned Activities

Identify critical sectors in the COVID-19 response

Input data to DTIC

Develop and submit fiscal-related proposals to the Government and Nedlac

Modelling of economic impacts

Consideration and proposal of interventions

### Progress to Date and Successes

The macroeconomic workstream has prepared two key outputs detailing impact and proposed interventions

Possible economic consequences for South Africa

April 6, 2020

1



Policy responses to COVID-19

Potential interventions  
6 April, 2020

2

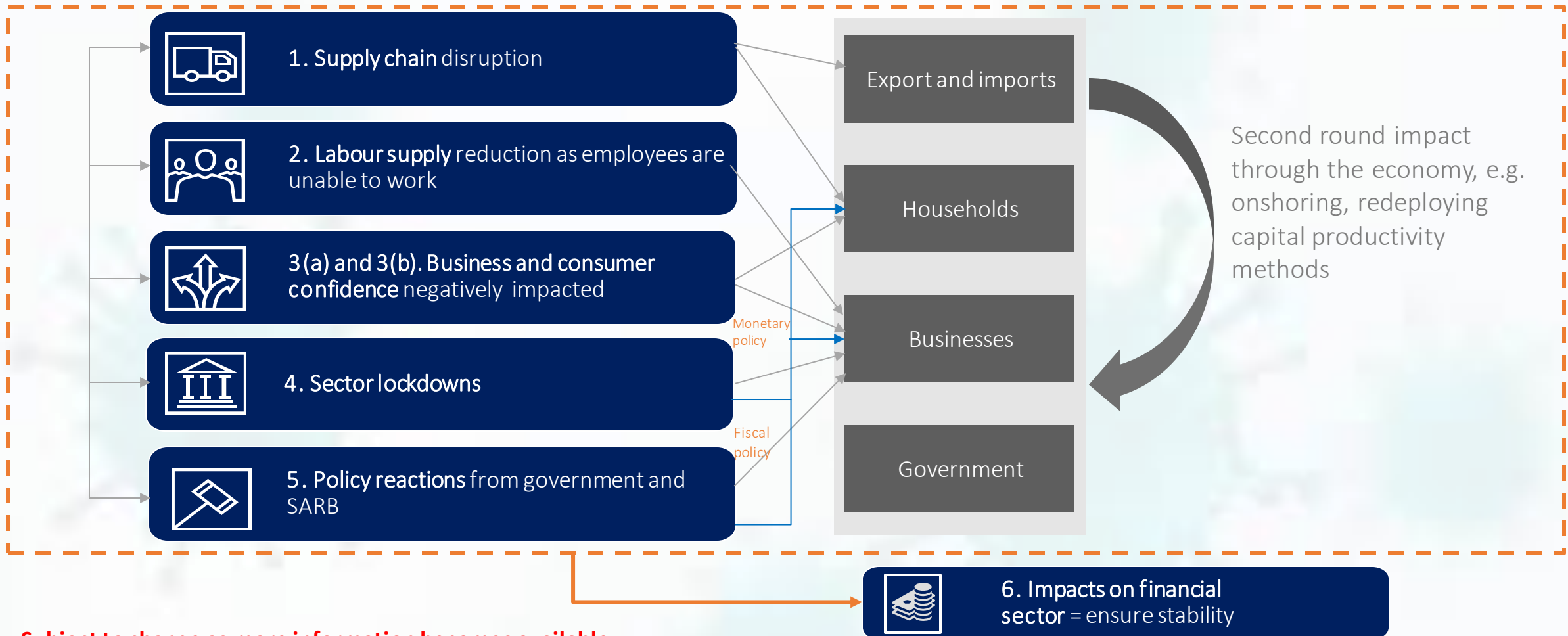


# 2. Macroeconomic Strategy Update

## Modeling the economic impact



Although not exhaustive, we identified the following main transmission channels through which COVID-19 can impact the SA economy. Other reinforcing and mitigating impacts are likely.



Subject to change as more information becomes available

# 2. Macroeconomic Strategy Update

Modeling the economic impact: scenarios and policy support



Our work covered three scenarios and consideration of the impacts across key areas:

	Scenarios		
	Scenario 1: Mild	Scenario 2: Medium	Scenario 3: Severe
Narrative of scenario	A <b>1-month full</b> lockdown with a <b>7-month</b> gradual improvement in the economy	A <b>3-month</b> full lockdown with a <b>9-months</b> gradual improvement in the economy	A <b>3-month</b> full lockdown with a <b>12-month</b> gradual improvement in the economy, with the exception of the business confidence and supply chain components within the transmission channels that remain suppressed throughout the remainder of the calendar year (and beyond)

Supply chain, labour, consumer confidence, business investment and impact of lockdown

Fiscal response will be from increased expenditure in tackling the pandemic and providing financial support to otherwise viable businesses, but limited room. Interest rate reductions as well as quantitative easing option for SARB.

	Scenarios		
	Scenario 1: Mild	Scenario 2: Medium	Scenario 3: Severe
Nature of support	Based on current, known fiscal interventions, as well as monetary policy interventions already announced	Fiscal stimulus assumed to be equal to percentage share of GDP spend by other developing countries that has announced interventions, further expansionary monetary policy through a cut in the Repo rate	Fiscal stimulus assumed to be equal to percentage share of GDP spend by all other countries that has announced interventions, further expansionary monetary policy through a cut in the Repo rate

Fiscal support and monetary policy

Subject to change as more information becomes available

# 2. Macroeconomic Strategy Update

Modeling the economic impact: Critical sectors for intervention (excl. Interventions)\*



Depending on the linkages and exposure of different sectors to the scenarios modelled, the impacts below could be expected on GVA

Industry	Base case before COVID-19	Impact	Mild 2020 gross value added change	Medium 2020 gross value added change	Severe 2020 gross value added change
Agriculture, forestry and fishing	0.1%	Slightly negative	-1.5%	-2.3%	-2.7%
Mining and quarrying	0.4%	Negative	-4.0%	-6.3%	-7.5%
Manufacturing	0.2%	Slightly negative	-1.8%	-2.8%	-3.4%
Electricity, gas and water	0.2%	Very negative	-10.7%	-16.6%	-19.5%
Construction	0.1%	Very negative	-13.6%	-20.9%	-24.6%
Trade	0.4%	Slightly negative	-2.1%	-3.5%	-4.1%
Accommodation	0.4%	Very negative	-28.3%	-43.7%	-51.5%
Transport	0.2%	Very negative	-12.4%	-19.2%	-22.6%
Communication	0.2%	Neutral	-0.1%	-0.2%	-0.3%
Finance and insurance	0.8%	Very negative	-7.7%	-12.3%	-14.6%
Real estate	0.8%	Negative	-5.2%	-8.4%	-10.0%
Business services	0.8%	Negative	-5.3%	-8.5%	-10.2%
General government and personal services	0.4%	Slightly negative	-2.1%	-3.4%	-4.0%

*\*Interpretation of impact on communication sector is based on current feedback from market players, as well as international trends suggesting an increase in demand as people work from home during lockdown or equivalent directives. This could change as the economy start to open up again.*

\*Our analysis is driven by a set of informed assumptions but uncertainty is very high and, as a result, these should not be taken as precise estimates. Rather they give broad indications of the order of magnitude of the potential impacts in different scenarios based on information available at the time of writing.

# 3. Essential Business Sectors



## Workstream

**Lead: Tanya Cohen**

Supported by a group of sector and legal specialists assisting with the following:

- Highlighting of top issues and risks per sector;
- Intervening when bottlenecks and issues arise;
- Providing legal and sector support and insights.

## Planned Activities

Compile an updated list of critical sectors and engage the Government

Update essential sectors lists, issues, engage on amendments

Identify and unblock regulatory implementation challenges with the functioning of essential services, including transportation of goods for essential services

## Progress to Date and Successes

- The essential business sectors team has produced critical outputs, including the Essential Services List.
- Regular amendments are tabled, a Top 3 issues list kept, amendments are applied to the Gazette.



# 4. Industrial Policy and Local Manufacturing



## Workstream

**Policy Lead:  
Ayanda Mngadi**

**Manufacturing Lead:  
Philippa Rodseth**

Supported by a group of specialists assisting with:

- Key manufacturing projects (PPE and the National Ventilator Project);
- Providing legal and sector support and insights.

## Planned Activities

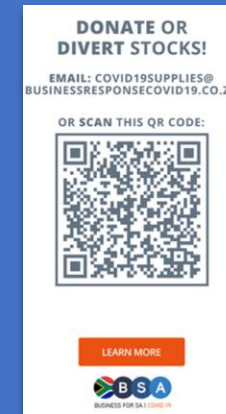
IDC, DBSA, DTIC support for companies / sectors in distress

Identification of bans of key imports

Identification of import substitution priorities

Identification of regulatory/practical bottlenecks

## Progress to Date and Successes



- PPE initiative: support to the Health Workgroup to mobilise businesses for PPE supply

- Inputs to the National Ventilator Project



# 5. Supply Chain Security



## Workstream

**Lead: Mpumi Madisa**

**Deidre Penfold**

Supported by a group of sector and legal specialists assisting with the following:

- Highlighting of top issues and risks to supply chain security;
- Intervening when bottlenecks and issues arise;
- Providing legal and sector support and insights.

## Planned Activities

Maximise port efficiency for critical inputs / imports

Maximise Transnet / freight efficiency for critical inputs / imports

Find solutions on warehousing and transport of non-essential goods

Identify SARS, customs and other constraints for unblocking

Airfreight: identify bottlenecks and constraints find solutions for warehousing and transportation of non-essential goods

## Progress to Date and Successes

- Progress in alleviating bottlenecks at the ports, preparing SOP's



**Standard Operating Procedure (SOP) for the import of containers at South African Terminals**

Aim: To facilitate the release of containers to importers and minimum and maximum stay times. This document contains a summary [...]



**Security of Critical Supplies**

How do we obtain alignment in cargo movement between different role players, mode, modalities and commercial realities? About this update: This paper contains a summary [...]

- Engagement with Transnet to expedite cargo movement;
- Cooperation with Health Workgroup to address testing needs for Transnet staff



# 6. Security of Critical Infrastructure



## Workstream

**Lead: Bongani Nqwababa**

Supported by a group of sector and legal specialists assisting with the following:

- Highlighting of top issues and risks to fuel, energy, ICT, water and sanitation areas;
- Reviewing demand and ramp up planning (post-lockdown);
- Providing legal and sector support and insights.

## Planned Activities

Security of liquid fuels

Security of electricity supply

Assess Eskom load shedding and maintenance programme (disruption impacts)

Alternative energy sources (gas)

Security of IT network

Engage on expedited release of spectrum

Water and sanitation interventions and efforts

## Progress to Date and Successes

- Workstream ramp up is now fully underway;
- Ongoing engagement with key sector leads for energy, fuel, water and ICT;
- Full programme team onboard to assist – reviewing demand in the energy and fuel

# 7. Safe Transport



## Workstream

**Lead: Deidre Penfold**

Supported by a group of sector and legal specialists assisting with the following:

- Highlighting of top issues and risks relevant to safe transport;
- Intervening when issues arise;
- Providing legal insights.

## Planned Activities

Safeguarding transport infrastructure

Hygiene measures on public transport to contain COVID-19

Resolution of transport specific issues

## Progress to Date and Successes

- Progress in alleviating bottlenecks;
- Engagement with Transnet to expedite cargo movement and freight rail for cargo handling and security;
- Ongoing engagement with the supply chain workstream to assist with issue resolution.

# 8. Security of Consumer Supplies



## Workstream

**Lead: Gwarega Manghoze**

**Patricia Pillay**

Supported by a group of sector and legal specialists assisting with the following:

- Highlighting of top issues and risks relevant to consumer supplies;
- Intervening when issues arise;
- Providing legal insights.

## Planned Activities

Communication strategy discouraging predatory pricing and rent seeking

Communication strategy discouraging panic buying

Issue resolution for retailers during the lockdown period, including provision of legal advice

## Progress to Date and Successes

- Focus on issue resolution across the retail sector – yielding results for key retailers;
- Effective support provided to businesses who require legal advice (in consultation with the legal workstream)

# 9. Small Medium Enterprises and Township Economy



## Workstream

**Lead: Lisa Klein**

**Cas Coovadia (Loans)**

**Kyle Mandy (Tax)**

Supported by a group of sector and legal specialists assisting with the following:

- Highlighting of top issues and risks; and
- Providing legal insights.

## Planned Activities

Fiscal relief for SMEs

Coordinated SME interface with the Government

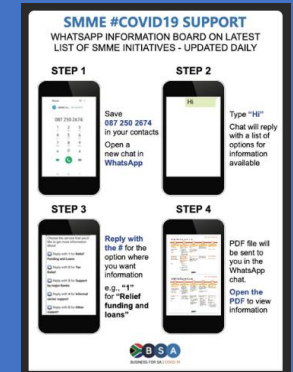
Tax relief for SMEs

Loan relief for SMEs

Mitigating impacts on the township economy and identifying opportunities

## Progress to Date and Successes

- Ongoing interface with Government;
- Strong cooperation with the legal and labour workstreams (particularly for UIF);
- Launched an SMME What's App BOT which allows SME owners to get specific advice



# 10. Innovation



## Workstream

**Lead: Chris Griffith**

Supported by a group of sector and legal specialists assisting with the following:

- Highlighting of top issues and risks relevant to innovation; and
- Providing legal insights.

## Planned Activities

Review of immediate response for healthcare innovation

Integration with manufacturing initiatives in the longer term – based on innovative solutions and applications to manufacturing (integrated with Local Manufacturing workstream)

## Progress to Date and Successes

- Workstream ramp up is now underway;
- Ongoing engagement with leads from the respective Workgroups – immediate focus is on Health (PPE; ventilators)
- Initiatives to be expanded in the coming weeks – as we advance to Phase 2

# 11. Economic Intervention - Communications



## Communicate Business for South Africa commitment to supporting national economic efforts, share successes to build social solidarity

- **Security of Critical Supplies:** guidance to business owners on cargo movement, frequently asked questions and the like
- **Key Guidelines to Employers during Lockdown:** guidance to business owners to confirm requirements during the lockdown period
- **Standard Operating Procedures (SOP's):** business notes for importation of critical supplies
- **PPE and National Ventilator Project:** Support to Government programmes, messaging and collaboration on wins and successes.



### South African business collaborates with government to reduce COVID-19 risks and economic impacts

Business for South Africa's collaborative effort to build capability and drive a coordinated, proactive approach to limit the economic, labour market and health impacts of COVID-19 on South Africa is moving ahead rapidly.



### BSA pleased at finalisation of UIF TERS benefit scheme

April 7, 2020 | by BSA Admin

Johannesburg, 7 April 2020: Business for SA, the grouping representing all major South African business organisations in respect of the COVID-19 disaster, has welcomed the agreement finalised between government, business and labour at Mediac on the Temporary Employer/Employee Relief Scheme (TERS). The notices based on the agreement have been signed by Employment and Labour Minister Thulas Nxesi and await imminent gazetting.



### Critical PPE secured for frontline health care workers

April 8, 2020 | by BSA Admin

Together the Mosepe Foundation and associated companies, Business for South Africa and the Solidarity Fund have secured critical stock of 200 000 three ply masks, 100 000 KN95 masks and sterile gloves and surgical masks for use by frontline doctors, nurses and health care workers. This stock is immediately available in South Africa, and will be prioritised for use in the public healthcare sector across the country.

[businessforsa.org](https://businessforsa.org)

# 12. EIG Achievement's - Overall summary



Key achievements

Key challenges

	Public Health Workgroup	Economic Intervention Workgroup	Labour Workgroup	Communications Workgroup
Key achievements	<ul style="list-style-type: none"> <li>PPE procurement commenced – first R150 mil ordered – additional procurement of PPE ongoing to close the demand gap</li> <li>Online integrated PPE dashboard live on Fraxis</li> <li>Medicine dashboard live and procurement process agreed</li> </ul>	<ul style="list-style-type: none"> <li>Completion of a first view including, modelling and interventions of economic impacts - engaging with National Treasury, The Presidency and DTIC</li> <li>Progress on essential services listing and significant progress and inputs into amendments required to the gazetted regulations</li> <li>Unblocking of some key cargo at South African ports and maintaining freight movement to depots</li> </ul>	<ul style="list-style-type: none"> <li>Developed a Q &amp; A document for employers</li> <li>Development of guidelines on Workplace OSHC requirements and inspectorate PPE requirements</li> <li>Alternative working arrangements - develop proposals to address the issues which may require government regulations / triparty labour compact</li> </ul>	<ul style="list-style-type: none"> <li>Hosted successful media virtual conference - introducing media to work and achievements of BSA</li> <li>Developed Business for SA strategy document to guide communications workstream operations</li> <li>Successful establishment and live operation of the Business for SA website</li> </ul>
Key challenges	<ul style="list-style-type: none"> <li>A very large order for PPE has been made. It is important there is visibility on the processes in place to ensure that import/ custom regulations as well as port and required rail infrastructure</li> <li>ISO certification required to produce health products – Slow ISO certification approvals is hampering the production efforts of certain manufacturers willing to assist in the production of critical PPE products.</li> <li>PPE prices soaring and lead times</li> <li>The private hospitals, doctors, and staff are in great difficulty. Their income has significantly diminished due to prospective patients being in lockdown, and the hospitals having stopped elective procedures to make capacity available for Covid-19 patients</li> </ul>	<ul style="list-style-type: none"> <li>Devastating negative effect on the economy of tackling this pandemic.                             <ul style="list-style-type: none"> <li>Reducing as much as possible the period of restrictions (while not allowing the pandemic to take root)</li> <li>Providing and funding a stimulus of appropriate magnitude to the economy;</li> <li>Managing the application of that stimulus to ensure that it reaches the properly identified and prioritised recipients on a timely basis, in appropriate quantity</li> </ul> </li> <li>Funding available - The modelling being performed around the reach and period for these funds should be reviewed by an independent team given the criticality of the decisions being based on this and the subsequent communication to the public).</li> <li>Expediting inputs required for Phase 2 - stabilisation post the lockdown in order to rapidly respond to the economic crisis</li> <li>Application and interpretation of lockdown regulations – there is a clear lack of consistency in application of regulations.</li> <li>Clarity on the lockdown period, way forward and communication - given potential social unrest</li> </ul>	<ul style="list-style-type: none"> <li>The PSA needs to be managed as a matter of urgency. They are creating false hope with their unreasonable expectations. This may lead to strike action impacting critical service delivery</li> <li>UIF – the ongoing delays in processing of applications is of concern. In addition, the burden of administrative forms and rejection of applications is an ongoing issue.</li> <li>Payment of SMME's before 20 April 2020 – accounts payable personnel not listed as essential services</li> </ul>	<ul style="list-style-type: none"> <li>Info overload and contradiction</li> <li>Communities not properly informed of Covid-19</li> <li>Protection of confidential information on the project</li> <li>Application and interpretation of lockdown regulations – there is a clear lack of consistency in application of regulations</li> </ul>

# 12. EIG Achievement's - Overall summary (Continued)

Key achievements

Key challenges

	Programme Management Office	Civil Interface workgroup	Legal	Sponsors & Business inquiries
Key achievements	<ul style="list-style-type: none"> <li>The Executive Steering Committee for the programme has been constituted</li> <li>Leads for the workgroups have been mobilised and priority initiatives have been identified</li> <li>Extensive engagement has continued both the public and private sector stakeholders</li> <li>An operational and strategic risk registers have been compiled</li> <li>A dynamic risk assessment was completed to identify all the strategic risks and their impact on society. Two workshops were held to socialize the results of the DRA with key stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>Engage with internal stakeholders to identify gaps, interdependencies, risks in order to monitor and facilitate speedy resolutions and interventions</li> <li>Engage with Social Partners (C19 People's Coalition, Faith Based Communities and other Civil Society Groups) and agree priority areas of integration and focus.</li> </ul>	<ul style="list-style-type: none"> <li>Providing input to the proposed amendments to the regulations and directions, and advising on implementation thereof, including teething problems in the misapplication of the regulations by law enforcement officers.</li> <li>Obtaining rebates on custom duties and exemptions on VAT for the input of essential services including critical medical supplies.</li> <li>Advising on emergency procurement processes that are currently underway or being devised.</li> <li>Advising on competition exemptions in various sectors for purposes of combatting the virus.</li> <li>Submitting tax policy proposals to Government including comment on draft tax relief bills.</li> </ul>	<ul style="list-style-type: none"> <li>Sponsors online platform established</li> <li>Business inquiries online platform established</li> </ul>
Key challenges	<ul style="list-style-type: none"> <li>Sufficient and stability of resource support</li> <li>Duplication of effort amongst the workgroups</li> <li>Unchartered ways of working</li> </ul>	<ul style="list-style-type: none"> <li>Hunger crisis which if not addressed can lead to a defiance of disease mitigation protocols, looting and widespread civil unrest and crime</li> <li>Food security</li> <li>Job losses</li> </ul>	<ul style="list-style-type: none"> <li>Conflict between interpretation and application of regulations</li> <li>Conflict of interest between different sectors of the economy</li> </ul>	<ul style="list-style-type: none"> <li>Differentiating between donors and paid services</li> <li>Connecting the sponsor to the correct benefactor</li> </ul>



# 12. EIG Achievement's - Key issues identified in EIG meetings



Number	Issue	Workstream Raising Issue
1.	<b>UIF</b> – the ongoing delays in processing of applications is of concern. In addition, the burden of administrative forms and rejection of applications is an ongoing issue.	Labour and SMME
2.	<b>Access to spectrum</b> – network stability, performance and remote working impacts as a result of any delays	Security of Critical Infrastructure
3.	<b>Application and interpretation of lockdown regulations</b> – there is a clear lack of consistency in application of regulations. The inconsistency is placing many business sectors under pressure, impacting essential services, and resulting in closure of businesses in certain cases.	Essential Business Sectors
4.	<b>Delays in release of containers at South African ports</b> – delays are impacting the full value chain, ability of manufacturers to produce critical supplies, and will in the longer term result in a significant backlog of containers which will be difficult to clear.	Supply Chain Security
5.	<b>Security concerns</b> for various businesses, specifically retailers where looting has been evident	Security of Consumer Supplies
6.	<b>Processing of Payments to SMME's</b> – human resource constraint as resources working to process payments do not fall into an essential services grouping - payment processing will therefore be delayed beyond the 20 April 2020 target date – directly impacting small businesses	SMME and Essential Business Sectors
7.	<b>All crude refineries shut down &amp; LPG gas production cut at Sekunda plant</b> – Possible fuel and gas shortages once demand starts to increase as it is still to be seen how these massive plants capacities will be turned on again without challenges.	Security of Critical Infrastructure
8.	<b>ISO certification required to produce health products</b> – Slow ISO certification approvals is hampering the production efforts of certain manufacturers willing to assist in the production of critical PPE products.	Innovation

## 12. EIG Achievement's - Strategic risks identified

The most severe and likely individual, or discrete risks are *Economic impact / damage. Lockdown economically unaffordable; Insufficient healthcare, workforce, infrastructure & equipment; Loss of livelihoods, social unrest, riots and Sustainability and practicality of lockdown rules in SA context.*

That said, the risks in the current environment do not present discretely; to the contrary they interact, to affect and influence each other, so that the mitigation of one may trigger unintended consequences in others, and vice versa. It is thus critical to determine how the risks manifest as a dynamic system in order to identify the most optimal ways to mitigate the totality of individual threat levels.

All five clusters have aggregate severities at catastrophic levels. The cluster with the highest expected loss and the greatest aggregate likelihood of almost certain consists of *sustainability and practicality of lockdown rules in SA context; loss of livelihoods, social unrest, riots and economic impact / damage. Lockdown is economically unaffordable.*

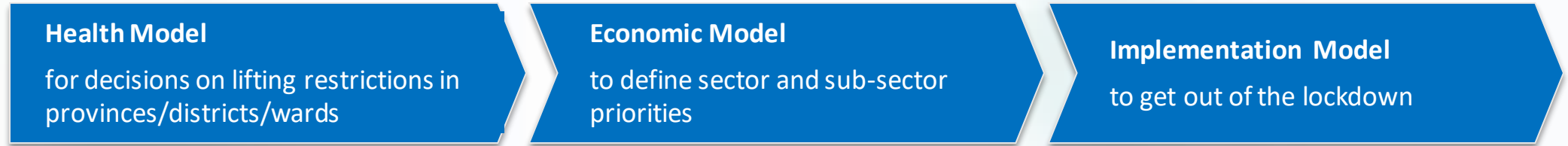
The other four risk clusters include the risks of *sustainability and practicality of lockdown rules in SA context; loss of livelihoods, social unrest, riots; inability to maintain law & order; breakdown in the social compact between government, business, labour & society; failure in critical infrastructure – energy, water, sanitation, gas, IT as well as supply chain security for essential services and goods.*

If these are the scenarios most expected to be encountered in future, it raises the question of how they can be best prevented.

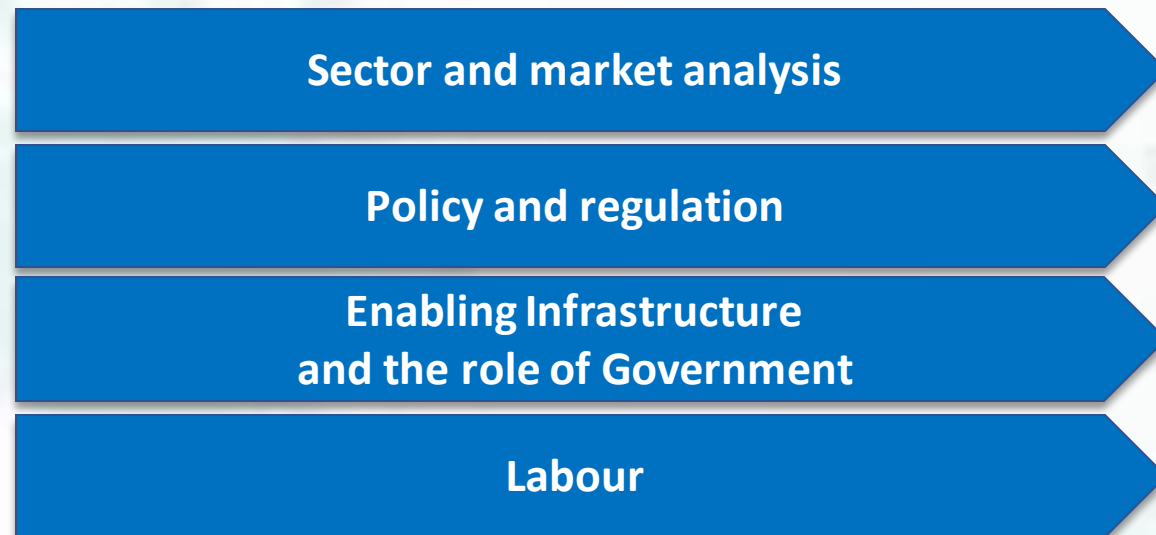
# 13. Way Forward

The coming weeks will see us focus on Phase 2 and Phase 3 of the proposed economic recovery strategy

Phase 2 will focus on:



Phase 3 will focus on:



**Focused Outputs:**

1. Which sectors, sub sectors and businesses/clusters are critical now and into the future
2. Which can scale by when and how much – capacity – supply side
3. Which commodities, products and services into which markets - demand side and competitiveness
4. Key risks and inhibitors
5. What needs to be true to make this happen
6. Economic impact across a range of sensible metrics under 3 scenarios