

An update from South Africa

By Trudi Hartzenberg

23 March 2020

As you all know, we are awaiting what will be nothing short of devastation as COVID-19 spreads across the African continent. At this time, infections and deaths - according to available statistics – lag far behind Asia, Europe and the US. In South Africa the numbers are now rising very fast – with the last 24 hours there are 128 new confirmed cases, taking us to 402. So far, no recorded deaths, thankfully.

President Ramaphosa declared a national state of disaster on 15 March and announced a range of measures, including travel bans on foreign nationals from a large and growing number of countries. South African Airways which is in business rescue has stopped international and African regional flights (to African destinations). Of South Africa's 53 land borders, 35 have been closed. These are borders with our Southern African Customs Union (SACU) neighbours and Mozambique. These are not borders through which the bulk of trade flows, but specifically where people cross - many of whom work in South Africa. Our only border post with Zimbabwe is still open.

National Treasury has introduced list prices for goods essential to the containment of the virus and introduced flexibilities, easing certain provisions in the Public Finance Management Act, to speed up procurement processes. Certain provisions in competition law, pertaining to cooperation and some concerted practices, are suspended, so that cooperation across supply chains, in wholesale and retail, for example can facilitate greater efficiencies and access to food, medical supplies and more.

President Ramaphosa is due to address us this evening (should have happened last night – but postponed at the last minute, literally) – to announce a set of economic stimulus measures, including measures specifically to support small business, families and individuals. More restrictions on social interaction and eg the hospitality sector are also expected. International tourism has evaporated already – taking many jobs in areas where they are desperately needed, especially now.

As you know, South Africa slipped into a recession in the 4th quarter of 2019, and National Treasury's growth projection for 2020 was 0.3%, before COVID-19. And, although we have not had any loadshedding since the national disaster was declared, power outages will come, and make the digital solutions that the fortunate in our country are now relying on to, to work and socialize, less reliable. But many millions still do not even have this basic access – the incidence of COVID-19 in our poor communities will be a catastrophe.