

## **COMMENTS BY MINISTER EBRAHIM PATEL AT A BRIEFING TO THE PRESS AFTER THE FIRST DAY OF THE COVID-19 LOCKDOWN, FRIDAY, 27 MARCH 2020.**

Today has been Day One of an unprecedented event in South Africa. The start of the first ever lockdown.

There are **four key things which we've seen today**:

The **first** is the seriousness of the challenge with a significant rise in the infection rate with more than a thousand people now positive, and our first deaths;

The **second** we have seen enormous levels of cooperation by tens of thousands of South Africans who have followed the call by the President to stay at home. We have seen major cities which have been empty. We have seen office blocks which have been deserted and we would like to thank fellow South Africans for that.

The **third** thing is that we have seen evidence of the State putting mechanisms in place across the country: the police; the army; but also critical and essential public services that have been mobilised at very short notice.

**Finally** we have seen some challenges and glitches as one would expect from this major and massive mobilisation of resources across the nation and we will be addressing these as we refine our approach, and as we implement the lockdown over the remain period.

**On the economy as a whole**, most of the economy shut down today with the exception of essential services and while we had reports of companies who stayed open who were not essential services, these were relatively small exceptions. Most companies in those sectors of the economy that are not essential services obeyed the call of the President. Workers and employers stood together in enabling people to stay at home.

Food production kept going over this period. The production was working today. We had workers in farms, in food factories, in the trucks which bring the food from the factory to the shops and retailers were generally open and we beginning to restock many of their shelves after the big rush to the shops which taken place yesterday.

**For retail stores as a whole**, we have seen large numbers of shoppers both yesterday and today in many parts of the country. Today was the first day that monthly-paid workers were able to go and shop after they were paid on the 25<sup>th</sup> of the month.

I spoke with major retailers this afternoon to see what their experience was and to identify ways in which we can manage the process with as little movement of people across cities and in suburbs. We must shorten the queues outside the retail stores. We must decrease the number of people in stores to prevent the spread of the virus. We are having a conversation now with the retail sector, with the police and in the National Command Centre to see what are sensible ways in which we can enable people to get the basic foods and the basic goods which they need but also but also to avoid large congregations which can spread the virus.

Retailers are restocking their shelves in the next two days to ensure that those that who need to shop next week have basic and essential goods available. And I'd like to thank the workers in the factories, the truck drivers that are bringing food to the retail stores so that South Africans know that they have access to food.

Over the next three weeks, grocery stores and spaza shops will be the one place where South Africans need to go for basic and essential goods. So we are going to call on our people to have patience as we introduce the necessary measures to ensure social distance is maintained and enhanced. Everything we do in the next three weeks must be to limit the spread of the virus.

**Last night new regulations were approved** by the Minister for COGTA which have specified the essential goods and essentials.

We updated the basic goods list to include:

- Products for care of babies and toddlers
- Personal toiletries, including haircare, body and face wash, roll-ons, deodorants, toothpaste

We have updated the essential services list to include:

- Tow trucks and vehicle recovery services;
- Call centres necessary to provide health, safety, social support, government and financial services;
- Harvesting and storage activities essential to prevent the wastage of primary agricultural goods;
- Implementation of payroll systems to the extent that such arrangement has not been made for the lockdown, to ensure timely payments to workers; and
- Critical maintenance services which cannot be delayed for more than 21 days, and are essential to resume operations after the lockdown.

We also provided clarification in a number of areas including, specifying that the following are essential services:

- the National Institute for Communicable Diseases,
- medical scheme administration
- vital demand management services for the energy grid

But we are keeping the areas as focused and as narrow as possible so that most South Africans can stay at home in responding to the appeal of the President.

We now have five broad product areas which cover the basic goods which our people will need over the lockdown period; and they are set out thirty-three essential service areas.

These will now be made clearly available to the public through government communication platforms and through the media.

We'd like to thank businesses and consumers for working with us during this time. It is a disruption to our life. We are not going to be able to fight the virus if continue with all the things we want to do every day. So it's disruption, but it's disruption to disrupt the spread of the virus, and to ensure that in fact South Africans remain safe.

**We introduced from yesterday, a facility through the CIPC website** ([www.bizportal.gov.za](http://www.bizportal.gov.za)) that companies can register to indicate that they are essential services so that we create a national list of essential services.

As of 17h00 this afternoon, 50 000 companies have registered their businesses as providers of essential services and goods through the lockdown period. They employ 1.5 million workers, who are working to make sure the nation has food, cleaning materials, medical and pharmaceutical product, and other necessary products and transport.

We will update these numbers from time to time.

I'd like to thank the Companies and Intellectual Property Commission for doing a great job. They have, at very short notice, put together this website and they are refining it and strengthening it, and sorting out the kinks in the system.

Certificates have now been issued to more than 40 000 business and the rest will be emailed shortly.

We would like to clarify that the registration portal is only for registered companies operating in South Africa. Healthcare professionals registered with the Health Professions Council of South Africa, sole proprietors who provide essential goods and services (like spaza shops), and small-scale farmers will not register through the Bizportal.

We are beginning to develop a single database of the key companies that will need to be kept open to ensure that our people have what is needed.

**On the medical supply chain**, Minister Mkhize has done great work over the last few days in putting the Department of Health and the public sector together. We are creating a common database where we can see the stocks of key medical supplies that will be needed over this period and to ensure that where there are critical areas, that we ramp up production.

**On export controls**, we have to ensure that there are adequate supply of key pharmaceutical and medical supplies so that we can prevent and treat those get sick during this next period. To ensure that we have are to meet the demands of our people, I have today signed off on a set of regulations, which will control the export of key goods, including:

- Face masks;
- Hand sanitisers; and
- Critical medication.

This is not an export ban on these items. But we will be controlling the level of exports to ensure that we have sufficient supply within our borders. Companies wishing to export these items must submit an application to the International Trade Administration Commission (ITAC), who will consult with the relevant Government departments before issuing permits for export.

**We have also worked with the Department of Tourism and the Department of Health to enable the hotel sector to make their facilities available for quarantine sites.**

We have signed off on a set of exemptions to the Competition Act to enable coordination between hotels and government departments, both on quantities of beds that will be made available and pricing of these beds.

**Finally on excessive pricing**, we have seen examples of people seeking to exploit the high demand for certain goods by hiking their prices. The Competition Commission and the National Consumer Commission have received just over 500 complaints of excessive price or unjustified price increase. These are now being acted on, and the full might of the law will be used against companies concerned.

We will not hesitate to charge people, criminally, under the legislation and they will be put in jail in they are found guilty.

Companies will be given fines which may put many of those companies in closure because it is necessary for us to protect South Africans from not being exploited in this period.

We are making a call on every supplier of goods in this period: don't hike up your prices! Don't charge excessive prices! We are in this crisis together and we have to manage this crisis until we get to the other end.

It cannot be business as usual, and it certainly can't be a situation where some will seek to square advantage at the expense of our people.

The overall story is that our key supply chains are working and that we have had tremendous support from our people: as workers; as consumers; as truck drivers; and as business people. And we'd like to appreciate that.

We recognise some of the challenges. We are working on these. And many of these will be resolved in the next few days.

Thank you!

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