THE NEW BUSINESS FOR SA WEBSITE IS LIVE
www.businessforsa.org

SOLIDARITY FUND UPDATE

Details on how to donate are available on the Fund’s website www.solidarityfund.co.za

The Solidarity Fund, established by President Ramaphosa will be a rapid response vehicle through which contributions from citizens, communities, business and international donors can be pooled together to focus on:

- Health Response: direct support for the healthcare system, augmenting both the private and government healthcare sectors to ensure they have what they need, as well as enabling emergency supplies
- Humanitarian Effort: Enabling resilience through augmenting the efforts of government and business to provide various forms of humanitarian aid and support to the most vulnerable households and communities to enhance their ability to cope – through
sustaining access to food, care and other interventions to alleviate potential income loss.

- Solidarity Campaign: Mobilizing citizens while inspiring behavioural change to flatten the curve and manage the pandemic.

The Chairperson of the Fund is Ms Gloria Serobe and the Vice Chairperson is Mr Adrian Enthoven. The fund will be independently administered and transparently governed through an independent board to ensure that the funds are effectively and efficiently used to combat COVID-19.

OFFICIAL GOVERNMENT REGULATIONS AND GUIDELINES ON COVID-19
All official government regulations and guidelines are available at https://www.gov.za/coronavirus/guidelines

OFFICIAL COMMUNICATION TOOLKITS AVAILABLE FROM www.sacoronavirus.co.za
The National Department of Health has made available a series of information toolkits for businesses and citizens to help educate citizens.

Businesses are encouraged to amplify government’s calls for citizens to strictly observe the lockdown period through their own employee communication channels. A Guideline for the 21 Day Lockdown is available at https://sacoronavirus.co.za/2020/03/26/guidelines-for-the-21-day-lockdown/
HEALTH UPDATE:

PERSONAL PROTECTIVE EQUIPMENT (PPE) URGENTLY REQUIRED

Business for SA’s Public Health Workgroup is calling on all companies, especially those in lockdown, to urgently divert their stocks of personal protective equipment (PPE) for use in the national healthcare sector. The PPE is critically needed to protect frontline doctors and healthcare workers, and to keep them healthy in their fight against the pandemic.

Contact: Covid19supplies@businessresponsecovid19.co.za

List of PPE required:
- Masks (N95 Grade)
- Surgical masks
- Latex-free gloves (do not need to be sterile); preferably nitrile
- Plastic aprons
- Visors and goggles for eye protection
- Gowns and suits
- Overshoes.

A media release is attached to this email.

TEST KITS PRICE REDUCTION:

- Capacity is being ramped up with a breakthrough on price reduction thanks to private sector healthcare cooperation and the pathology labs in particular

MEDICAL EQUIPMENT ZERO VAT RATING

- Medical equipment: We were very pleased to note the asked for zero VAT rating on medical equipment has come through

LABOUR UPDATE:

BUSINESS FOR SA POSITION ON PAYMENT OF EMPLOYEES DURING THE LOCKDOWN

Business for SA (BSA), a grouping of Business Unity South Africa (BUSA) and the Black Business Council (BBC) dealing with COVID-19, represents the complete spectrum of businesses. These include:
large, medium and small businesses
businesses with different levels of labour intensity
businesses with varying levels of financial reserves
businesses with varying abilities to continue generating revenues during the lockdown, including depending on whether they provide essential services or are able to operate with staff working remotely, and whether their customers or clients are in a position to use and pay for their goods and services.

This means that different businesses have greatly varying levels of ability to continue paying employees during the lockdown, whether for all or part of the lockdown period; or on a part payment basis; or based at least in part on employees taking their annual leave during this period.

It is also the case that, should the lockdown period be extended beyond the currently planned 21 days, all businesses will find their financial situations increasingly stretched, in many cases to beyond breaking point.

It is therefore not possible for business or their representative organisations to take a single view on the question of payment to employees during the lockdown period. However, employers are encouraged to be as generous as they reasonably can be in the current circumstances in respect of payment to employees. We also believe, however, that it is important to plan in a way that does not unduly destroy the ability of the business to survive, or to reopen, when public health circumstances make it possible to do so.

The full Business for SA Guideline for Payment of Employees is attached to this email.

TAX MEASURES TO COMBAT THE COVID-19 PANDEMIC
Yesterday, Minister of Finance, Mr Tito Mboweni announced the following exceptional tax measures as part of the fiscal package outlined by President Cyril Ramaphosa on 23 March 2020 in his speech on the Escalation of Measures to Combat COVID-19.

There is a critical need for government interventions to assist with job retention and assist businesses that may be experiencing significant distress. These measures include:

- The introduction of a tax subsidy to employers of up to R500 per month for the next four months for those private sector employees earning below R6,500 under the Employment Tax Incentive. This will help over 4 million workers;
The South African Revenue Service to accelerate the payment of employment tax incentive reimbursements from twice a year to monthly to get cash into the hands of compliant employers as soon as possible;

Tax compliant businesses with a turnover of R50 million or less will be allowed to delay 20% of their employees’ tax liabilities over the next four months and a portion of their provisional corporate income tax payments without penalties or interest over the next six months. This intervention is expected to assist 75 000 small and medium term enterprises.

For the full explanation of these measures, go to Explanatory Notes on COVID-19 Tax Measures

ECONOMY UPDATE:

VAT EXEMPTION FOR ESSENTIAL GOODS
SARS has changed the definition of ‘essential goods’ as per the Disaster Management Act 57 of 2002, and the Regulation R.398 in Government Gazette No 43148 of 25 March 2020. These Regulations will apply as from 26 March 2020 at 24H00 until 16 April 2020 at 24H00, or on a date to be determined by the Cabinet member designated under section 3 of the Disaster Management Act.”

The Regulation is part of government strategy to provide relief to business that supply ‘essential goods’ to combat the virus. The business importing these ‘essential goods’ would not have to pay VAT. Here is the link to the Government Gazette - essential goods are listed under annexure A:


SARS STANDARD OPERATING PROCEDURE FOR LRN ESCALATION
A Standard Operating Procedure (SOP) has been developed by SARS as a guideline for Business on the escalation procedures during the lockdown period of 27 March 2020 until 16 April 2020, focusing primarily on facilitating trade in essential goods. In cases where visits to SARS offices are unavoidable and essential, a procedure has been introduced to ensure that SARS comply with all regulations and guidelines relating to the combating of COVID-19.

To view the arrangements for Customs Services from SARS go here:

Arrangements for Customs Services and Customs Branch Managers
OFFICIAL RESOURCES:

NICD website:  http://www.nicd.ac.za
COVID-19 information website:  https://sacoronavirus.co.za
Coronavirus 24-hour Hotline:  0800 029 999
Coronavirus WhatsApp:  060 012 3456

As the Coronavirus continues to impact South African businesses, various bodies and organisations have mobilised and built a capability that is driving a coordinated, proactive approach to limit the economic, social and health impacts of COVID-19 on South Africa. This capability is being provided by various institutions, including Business Unity South Africa (BUSA), and its representative organisations and corporate members, as well as the Black Business Council, and other companies and business bodies.