



STATEMENT BY PRESIDENT CYRIL RAMAPHOSA ON PROGRESS IN THE NATIONAL EFFORT TO CONTAIN THE COVID-19 PANDEMIC

**UNION BUILDINGS, TSHWANE
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My fellow South Africans,

I wish to address you this evening on two matters that are of great interest and concern to South Africans as we struggle to overcome the coronavirus pandemic.

The first issue is the re-opening of schools and the second is the management of the resources that we have dedicated towards the fight against COVID-19.

Since I last addressed the nation 11 days ago, more than 130,000 new coronavirus cases have been confirmed.

As of this evening, the total number of confirmed cases stands at 408,052.

South Africa now has the fifth highest number of confirmed coronavirus cases in the world and accounts for half of all the cases in Africa.

The coronavirus storm has indeed arrived, with the provinces of Gauteng, Eastern Cape and KwaZulu-Natal experiencing a rapid rise in infections.

Even as the country braces for the difficult weeks ahead, it is significant that more than half of those people who we know to have been infected have now recovered.

We have also seen a levelling-off of infections in the Western Cape since the third week of June.

Although it may be too early to tell, this development provides some hope that the province may have passed the peak of infections.

However, we need to remain cautious and vigilant – and continue to follow strict prevention measures – to avoid another rise in infections.

South Africa continues to have one of the lowest case fatality rates in the world, experiencing far fewer COVID-19 deaths than many countries with similar or even lower numbers of infections.

Since the outbreak of the disease in South Africa, more than 6,000 people have succumbed to the virus.

It remains our utmost priority to ensure that we do everything possible to minimise the loss of life.

We must do this, firstly, by taking practical steps to prevent the spread of the virus, and, secondly, by ensuring that we implement correct clinical guidelines and have the health infrastructure capacity to care for all those people who need treatment.

Since the beginning of May, we have been undertaking a gradual easing of lockdown restrictions.

Most economic activity has returned, some restrictions on movement have been lifted and schools and other educational institutions have resumed classes in a phased manner.

In approaching the opening of schools, we have always said that the health and well-being of learners and educators is critical.

We have also said that it is vital that the development and progress of learners is not impeded.

A major and lasting disruption to learning would have a devastating impact on the prospects of an entire generation of young people.

It was in balancing these imperatives that we adopted a cautious and phased return to schooling, beginning on 8 June with the return to school of learners in grades 7 and 12.

On 6 July, learners from grades R, 6 and 11 returned to school.

Now, with the number of infections rising in several parts of the country, there have been calls for schools to be closed again.

Over the last few days, the Department of Basic Education has met with more than 60 organisations representing parents, school governing bodies, principals, educators, independent schools and civil society organisations.

It has also consulted with the Council of Education Ministers, representing the provincial education departments.

These consultations provided important insights into the experiences of the different stakeholders in education, and produced a broad range of divergent views.

It is necessary to report that it was difficult to find consensus on the best approach, just as there are differing views among both international and local experts on the circumstances under which schools should be re-opened.

What everyone does agree on, however, is that the health, academic and social development of learners must remain our foremost concerns.

This is consistent with the advice of the World Health Organization, which argues for a balanced consideration of the educational needs of the child and trends in the development of the disease.

Officials from the WHO have also said that the best and safest way to reopen schools is in the context of low community transmission.

Taking into account the views of the various stakeholders and expert bodies, Cabinet has decided that all public schools should take a break for the next four weeks.

This means that schools will be closed from 27 July and will re-open on 24 August.

There are, however, some exceptions.

Grade 12 learners and teachers will only take a one-week break, returning to school on 3 August.

Grade 7 learners will take a two-week break, returning to school on 10 August.

Specific arrangements will be made for different categories of special schools.

As a result of the disruptions caused by the pandemic, the current academic year will be extended beyond the end of 2020.

The Minister of Basic Education will provide details on the management of the remainder of the school year.

We have taken a deliberately cautious approach to keep schools closed during a period when the country is expected to experience its greatest increase in infections.

Throughout this period, the National School Nutrition Programme will continue to operate so that all learners or their parents can collect food directly from schools.

I am aware that this arrangement will disappoint many learners who want to be back at school and may cause inconvenience and difficulty for many families who need to make alternative childcare arrangements.

We ask you to do this because we believe it is important to ensure that schools do not become sites of transmission at a time when infections are rising fast.

I want to thank all of our teachers and other staff at schools across the country who have been on the frontline during this pandemic under conditions of great difficulty.

My fellow South Africans,

The coronavirus pandemic continues to cause our economy great damage, threatening the viability of many businesses, leading to job losses and badly affecting the income of those that can least afford it.

That is why in April, we announced a historic R500 billion social relief and economic support package to direct resources towards our coronavirus response and assist businesses, workers and households.

The resources for this package come from the reprioritisation of funds within the budget and through the mobilisation of loans from funders.

These funders include multilateral development banks, who have heeded the call to support their member countries during this crisis.

We have received approvals for funding from the African Development Bank and the New Development Bank and are in discussion with the International Monetary Fund.

The R500 billion package that we announced has several parts and focuses on giving the greatest assistance to those in greatest need.

Firstly, it redirects resources to fund the health response to coronavirus.

This includes additional expenditure on personal protective equipment, community screening, increased testing capacity, additional beds in field hospitals, ventilators, medicine and staffing.

Secondly, it provides direct support to households and individuals for the relief of hunger and social distress.

By the end of this month, an additional R15 billion will have been paid out to social grant recipients.

Over 4.4 million people have now received the special COVID-19 grant, which assists those who are unemployed and do not receive other forms of support.

So far, an amount of R2.2 billion has been paid out to these recipients.

There were delays in paying this amount but future payments will be made more quickly now that the necessary systems are in place.

As we announced, this grant will continue to be paid over the full six-month period.

This special COVID 19 assistance has provided essential support to the most vulnerable people in our country.

Thirdly, the package provides assistance to companies in distress and seeks to protect jobs by supporting workers' wages.

For the months of April, May and June, the UIF's special COVID-19 benefit has paid out R34 billion, helping over seven-and-a-half million workers and preventing retrenchments in a number of companies.

This scheme has now been extended by another 6 weeks to 15 August 2020.

We continue to provide assistance – in the form of loans, grants and debt restructuring – to small businesses, spaza shop owners and other informal businesses.

Special assistance has also been provided to businesses in the tourism, sports and creative industries.

To date, a total of R1.5 billion in support has been provided to all these businesses.

In partnership with the banks, through the R200 billion loan guarantee scheme, financial support has been provided to more than 8,600 small and medium-sized companies to the value of R12 billion.

The rules of the scheme have been adjusted to expand the eligibility criteria and increase uptake, making it easier for businesses to access finance during this period.

I am confident that we will be seeing more companies making use of this facility going forward.

Over R70 billion in tax relief has also been provided to companies.

I mention all these figures because they clearly illustrate that the various parts of the social and economic relief package are being implemented and that the much-needed support is reaching its recipients.

This is making a real difference in the lives of millions of people and is providing vital support to thousands of companies in these very difficult times.

But what concerns me, and what concerns all South Africans, are those instances where funds are stolen, where they are misused, where goods are overpriced, where food parcels are diverted from needy households – where there is corruption and mismanagement of public funds.

Increasingly, we are hearing allegations about fraudulent UIF claims, overpricing of goods and services, violation of emergency procurement regulations, collusion between officials and service providers, abuse of food parcel distribution and the creation of fake non-profit organisations to access relief funding.

From the outset of our response to the pandemic, we have been quite clear that there should be no scope for corruption in the use of these resources.

More so than at any other time, corruption puts lives at risk.

We therefore put in place several preventative measures.

National Treasury issued regulations to ensure that emergency procurement of supplies and services meet the constitutional requirements of fairness, transparency, competitiveness and cost effectiveness.

Regulations were put in place to prohibit unjustified price hikes and ensure the availability of essential goods.

Since the declaration of the national state of disaster, the Competition Commission has investigated over 800 complaints of excessive pricing.

It has so far prosecuted or reached settlements with 28 companies, imposing penalties and fines of over R16 million.

The Auditor-General has also adopted special measures to safeguard funds committed to the fight against COVID-19. Special audits have been undertaken to detect and prevent misuse of these funds and to identify risks in the system.

In addition to all these measures we have established a collaborative and coordinating centre to strengthen the collective efforts among law enforcement agencies so as to prevent, detect, investigate and prosecute COVID-related corruption.

This centre brings together nine state institutions.

These are the Financial Intelligence Centre, the Independent Police Investigative Directorate, the National Prosecuting Authority, the Hawks, Crime Intelligence and the SAPS Detective Service, the South African Revenue Service, the Special Investigating Unit and the State Security Agency.

With an operational hub at the FIC, this centre is investigating allegations of corruption in areas such as the distribution of food parcels, social relief grants, the procurement of

personal protective equipment and other medical supplies, and UIF special COVID-19 scheme.

At least 36 cases are currently at various stages of investigation and prosecution.

We are determined that every instance of alleged corruption must be thoroughly investigated, that those responsible for wrongdoing should be prosecuted and that all monies stolen or overpriced are recovered.

In order to speed up and strengthen the process of dealing with corruption, I have today signed a proclamation authorising the Special Investigating Unit – the SIU – to investigate any unlawful or improper conduct in the procurement of any goods, works and services during or related to the national state of disaster in any state institution.

This empowers the SIU to probe any allegations relating to the misuse of COVID-19 funds across all spheres of the state.

If the SIU finds evidence that a criminal offence has been committed, it is obliged to refer such evidence to the prosecuting authority.

It is also empowered to institute civil proceedings for the recovery of any damages or losses incurred by the state.

To ensure that action is taken speedily, I will be getting interim reports on investigations every 6 weeks.

The fight against the coronavirus pandemic is stretching our capabilities and resources to their limit.

We are therefore determined that there should be no theft, no wastage and no mismanagement of public funds.

The consequences for those who break the law or bypass regulations will be severe.

The people of South Africa require nothing less than full accountability from those who have been elected and appointed to serve them.

We commend those provincial governments and municipalities that have already started taking disciplinary action against officials accused of improper conduct and, where appropriate, have reported them to the law enforcement agencies.

All the funds that we have committed must reach their intended recipients and must be put to their proper use.

We will take steps to recover all funds that have been stolen or where goods have been overpriced.

The success of our fight against corruption depends on the involvement of all citizens and all parts of society.

We will work with various leaders and social formations to strengthen our efforts to safeguard the precious resources that we need to overcome the disease and to protect our people from its damaging effects.

As all South Africans work together to limit transmission and prepare for the peak of infections throughout the country, we are also looking towards the extraordinary measures that will be needed to rebuild our economy.

We cannot wait until the COVID-19 threat has passed, because the virus will continue to be part of our lives for some time to come.

We need to work now on a social compact for economic recovery, growth and transformation.

As government, we are engaging with all social partners on a common economic recovery programme that uses every means at our disposal to unlock growth and create employment.

We see a great deal of alignment across the various plans and proposals that have been put forward by various groups in society, and we are building a consensus on the practical measures we need to take now and in the coming months.

Through working together, we have achieved much as a country in the last few months.

We delayed the spread of the virus, saving many lives and giving ourselves time to improve our health response.

We put in place the largest social and economic relief package in our history under severe constraints, and have mitigated the worst impact of the pandemic.

Across society, people have changed their behaviour, observing social distancing, wearing masks and observing hygienic practices.

As a country, we have never before faced such a severe crisis or such an abrupt disruption of our lives.

Under the most challenging conditions, our response as a nation has been remarkable.

Even as we may have made some mistakes, we have shown an extraordinary capacity for innovation, for solidarity and for collective action.

We have mobilised a whole-of-society effort to combat this threat and we have continued to adapt and improve our response.

The next few weeks will put our resources and resolve to the test as never before.

I call on all South Africans to remain strong, to remain disciplined and, above all, to stay safe.

We will overcome this pandemic.

We will protect lives and livelihoods.

And we will restore our people and our country to health.

I thank you.