



HIGH COMMISSIONER

AUSTRALIAN HIGH COMMISSION
PRETORIA

25 June 2020

Dear ABCSA members and business representatives

I have now been in South Africa for almost a year, after presenting my credentials to President Ramaphosa in late-2019. I'd like to thank you for your warm welcome and particularly enjoyed the reception that ABCSA put on in October at Growthpoint's Workshop 17 in Sandton. It was a great pleasure to meet you and to get a better understanding of the breadth and depth of the business and economic relationship. Of course our relationship is dominated by mining and extractives – and I also enjoyed attending the annual Investing in African Mining Indaba in Cape Town in early February – but the relationship is much broader, and the diversity of the ABCSA membership is a testament to that.

My short discussion with President Ramaphosa was focused on our solid and growing economic relationship. Australia is the seventh largest foreign country investor into South Africa. Our bilateral investment relationship increased a further 11 per cent in 2019 to over AUD\$14 billion (Rand\$165 billion). This is larger than many of Australia's investment relationships with countries in Asia including Indonesia and Vietnam. It is also relatively balanced with investment flows both into South Africa and into Australia.

However, as you know we are in unprecedented economic times. Global COVID-19 lockdowns to various degrees are making it difficult and complicated for normal business activity to continue. For the staff at the High Commission, our immediate focus changed with the lockdown and closing of airports to facilitate the departure from Southern African of now almost 800 people who call Australia home. We were assisted in this mammoth task by ABCSA member Flight Centre who organised much of the accompanying travel arrangements for passengers, and ABCSA member Qantas Airways who operated one of the flights.

Restrictions to travel and border crossings, and disruptions to supply chains will have long lasting impacts on all businesses, and severe impacts on the economy more broadly. However, and despite the challenges, there are numerous examples of Australian businesses who have adjusted their operations, including to assist with the development of medical supplies to combat the crisis. For example, South Australian printing manufacturer Cutler Brands switched to making safety glasses for front-line workers. Australian manufacturer Drives For Industry is now making polycarbonate "sneeze-shields" for businesses with public reception areas to reduce the risk of COVID19 transmission. And there are also examples of South African businesses using innovation and nimbleness to respond to a global and national crisis. You may be one of them. If

so, I'd like to hear how you have had to change your business operation and what your future plans are to engage with Australia.

We have all become digital savvy with many of us working remotely from home, and utilising the digital economy to continue business operations. For example, Australian children's shoe specialist Little Treads has gone digital with virtual fitting sessions and feet measurement tutorials through their website. Education is moving online and Questacon, Australia's science and technology centre, is now conducting tutorials virtually. In response to the crisis, Australia's IDEA Digital Education and ABCSA member created a virtual school solution for government departments including providing digital curriculums to governments and education providers in Africa. Only last week it won the UN Economic Commission for Africa (UNECA) award for Best Innovation for Government in Response to COVID-19.

Like many of you, I am now also engaging with my contacts through multiple webinars. I particularly enjoyed the ABCSA webinar held in late May from the Trade Advisory Group at North West University on diversification of the Australia – South Africa trade relationship and look forward to more digital engagement in future. Austrade in partnership with ABCSA member Telstra is organising an African Mining industry update session on Monday 29 June which would also be very interesting to attend.

During the week I hosted a video conference with the other Ambassadors and High Commissioners from Asia with Martin Kingston, Vice President of Business Unity South Africa (BUSA) and Chair of Business for SA (B4SA), which was formed to coordinate business's response to the COVID 19 crisis. B4SA is seeking the support of South African and international businesses including from Australia to share skills, services and resources in fighting COVID-19 as part of the Solidarity Fund. While the Fund is also seeking financial contribution, it does not need to be, and if you have spare capacity, experience or skills, I would encourage you to think about how you could support this government-business initiative. Please feel free to contact B4SA directly at <https://www.businessforsa.org/>. If you are already supporting the Fund or intend to please also let us know as it would be great to raise the profile of such Australian activities in discussions I have with government and business.

During these challenging economic times I wanted to reinforce that the Australian Government through the High Commission and Austrade remain open for business. We are committed to working with you to ensure the longevity and growth of our economic relationship with South Africa and look forward to your continued engagement. Please reach out to us if you have specific concerns or if you have ideas on how we can work better together.

Warm regards

Gita Kamath
Australian High Commissioner
