

J.P. Morgan makes R21m available for Covid-19 relief in SA

J.P. Morgan announced the deployment of R21 million in South Africa to assist with immediate relief following the Covid-19 crisis and to support the country's recovery by supporting vulnerable, hard-hit individuals.



Yonela Faith Khohlolo is one of the young changemakers who will benefit from the support from J.P. Morgan.

In a recent survey by Stats SA, it was found that 54% of businesses raised concerns over their ability to raise revenue and management consultancy McKinsey found that more than 60% of South Africans said they have experienced a loss of income during the crisis.

The African Management Institute (AMI) found that 87% of small businesses in Africa fear they may fail and 22onSloane found that more than 55,000 small, medium and macro enterprises in South Africa will not survive Covid-19, with at least 43,000 employees in those businesses set to lose their jobs. Business for SA forecast that up to four million jobs could be lost in 2020 in South Africa, with the country's GDP shrinking by between 10.3% and 16.7%.

Covid-19 relief

To help assist the country's hard-hit communities in this crisis, J.P. Morgan will contribute:

- R14 million to assist hard-hit small business owners, such as food retailers and women, to weather the impact of the Covid-19 crisis.

In collaboration with non-profit organisations, such as FinMark Trust, Gordon Institute of Business Science, SmartStart and ProfitShare Partners, J.P. Morgan is helping black entrepreneurs access loan payment relief, online coaching, critical resources like legal services, and e-commerce platforms to continue operating and participating in commercial activities.

- R7 million to provide emergency relief to vulnerable youth and their families who are facing hunger. J.P. Morgan is joining forces with R Labs – Zito to assist people in townships to access goods and essential services like food, electricity and the internet to feed their families and stay connected.

“While our country and the world are trying to manage the devastation of the Covid-19 pandemic, it is important that we remain focused on how we can assist transformation and sustainability,” commented Kevin Latter, senior country officer for sub-Saharan Africa at J.P.Morgan.

“It has never been more important for business to play a role in addressing the future of South Africa. This commitment builds on J.P. Morgan’s long-term investments to test and scale innovative programmes, including those that provide underserved entrepreneurs with access to capital, education and other resources.”

Philanthropic investments across EMEA

In addition to supporting vulnerable communities in South Africa, to help address the impact of Covid-19, J.P. Morgan is deploying philanthropic investments in countries across EMEA, Asia Pacific, the U.S. and Latin America, with a focus on underrepresented populations globally, to help them access much needed financial and technical resources during the crisis and prevent the opportunity gap from widening as the economy begins to recover.

Marlon Parker, founder of RLabs, commented, "South Africa during the Covid-19 pandemic has experienced an unprecedented increase in hunger amongst families in underserved communities. This was evident in a recent study by RLabs where almost 60% of respondents indicated that their families will require support with food and 85% reported that Covid-19 will have a negative impact on their household income.

It is with this in mind that J.P. Morgan has partnered with RLabs in providing 10,000 young adults and their families with access to vouchers allowing them to buy essential items such as food, electricity and data via the Zito mobile platform. This support by J.P. Morgan will not only allow young adults the opportunity to contribute to their household livelihoods but could directly impact at least 50,000 beneficiaries.”

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