

# The Local Manufacturing Partnership success stories

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August 2020



# The Local Manufacturing Partnership Story

## Who are we

Business for South Africa, along with Government and Labour, established the **Local Manufacturing Partnership** on **15 May 2020**.



## What we do

The Local Manufacturing Partnership's primary objective is to help **local manufacturing** companies produce **PPE** and **medical devices**, to **close** the gap between supply and demand, for these products. We are assisting with **staffing** workstreams, offering PMO and analytical **support**, assisting manufacturers with **accreditation** and **funding**, as well as developing a **transition plan** to ensure this initiative is sustainable post-COVID. The pro-bono work supports the national priorities which **includes saving lives** and **creating jobs**.

## Our workstreams

There are **8** workstreams in total, including: **faceshields, gloves, testing, FFP2 masks, textile PPE, sanitiser, Black Enterprise Development** and **medical device consumables**.

The stream leads are committed to **supporting local manufacturers** through the various **accreditation, testing** and **funding** processes and aim to get these manufacturers **procurement ready**.

## Progress to date



**35**

suppliers in Category I and requiring no further assistance in the following workstreams:

- Textile PPE (9)
- Surgical Masks (6)
- FFP2 masks (3)
- Sanitiser (3)
- Faceshields (14)



**1 workstream**

ramped down due to sufficient market supply



**Funding**

successful applications with Project Last Mile (PLM)



**SANAS**

laboratory mapping to reduce the dependence on SABS



**Unlocking**

and overcoming regulatory issues and delays

## Continuing our journey



Closing the gap between supply and demand of PPE



Continue to get local manufacturers procurement ready



Consider alternative sources of funding



Ensure manufacturers are local and inclusive



Consolidate information into a database for South Africa

# Local Manufacturing Partnership Involvement

The Local Manufacturing Partnership's foundation is a **diverse** group of individuals from different backgrounds, industries and companies, **working together** as one, for South Africa. With Business, Labour and Government **successfully** working together, we are **setting the example**, on a small scale, for what the National Economic Recovery strategy could look like. This collaborative effort has allowed us to **overcome** and **unlock** delays and regulatory issues across the workstreams and in various areas, including: **accreditation, testing, funding, supplier and product vetting and procurement.**



## *Accreditation*

assisting local manufacturers with acquiring the necessary certifications from SAHPRA (South African Health Products Regulatory Authority), SABS (South African Bureau of Standards) and NRCS (National Regulator for Compulsory Specifications)



## *Testing*

assisting local manufacturers with getting their products tested at SABS or alternative SANAS (South African National Accreditation System) accredited labs such as the Wool Testing Bureau



## *Funding*

assisting local manufacturers with funding applications to the Industrial Development Corporation (IDC), Project Last Mile (PLM) and the Solidarity Fund



## *Supplier and Product Vetting*

assisting local manufacturers with vetting of their company's and their products, using independent sources, to ensure their legitimacy



## *Procurement*

assisting local manufacturers in getting procurement ready and encouraging the nation to procure locally from trusted suppliers

# Local Manufacturing Partnership Successes

The Local Manufacturing Partnership has successfully assisted local manufacturers in various ways.

## Key Highlights

A **Governance Panel** was set up to **lead** and **steer** the workstreams, and has been a key driver in **unblocking** issues.

The Textile PPE workstream were **successful** in getting their alternative SANAS accredited lab, the *Wool Testing Bureau*, **approved** by the National Department of Health (NDoH).

NDoH and SAHPRA **exempt** Sanitiser from medicine classification, confirming no medical license would be required.

**Orders** have been **placed** with the local suppliers that are part of our workstreams, including with **Greenline** and **U-Mask** for FFP2 masks which has received positive feedback around the **quality, safety, fit** and **efficacy**.

Enhancing **localisation** through in many ways, such as by encouraging the use of **locally sourced** raw materials for companies including *Leo Garments* and *Priortex* – *previously sourcing gown from China and now manufacturing them in South Africa, as well as Kingsgate Clothing and Pansula Workwear*.

Ensuring the NDoH **specifications** of PPE were **fit for purpose**.

Conducting research on **PCR testing** in order to **build** the capability in South Africa.

Creation of **centralised databases**, making the information available to South Africa as a whole, including the **Intenda**, **NDoH** and **ProudlySA** portals.

Product **pricing** is **lower** than the **National Regulated** amount stipulated by Treasury.

**Ramping up** manufacturing **capability** of various local manufacturers.

Being **inclusive** in our selection of local manufacturers and developing **black-owned** companies in the Medical industry.

**Retaining** and **creating jobs** in various industries, with some companies, such as AMKA, having created **over 200** additional employment opportunities by adding **additional shifts** to their production line, which additionally **minimised** the **health risk** to their employees.

## Our Impact

Job **creation** and **retention**

Enhanced **localisation**

Enterprise **development**

Providing access to **funding**

Skills **development**

**Accessibility** to **trusted** supplier information

We are cultivating a culture of ‘thinking big’ in South Africans, for themselves and for South Africa. We are helping to build the courage they need to solve problems and to build an industrialised nation.

# Who we have helped

## Trendi Holdings (Pty) Ltd t/a MediSafe

A wholly South African furniture company, in operation since 2002, that converted their 5000m<sup>2</sup> manufacturing plant into a cut and sew PPE plant. They produce non-sterile isolation gowns with a move into sterile and non-sterile surgical gowns for the medical and commercial industries. They employ over 400 individuals with 350 of them based in South Africa. During the COVID19 pandemic they saved nearly 100 jobs and employed a further 60 individuals.

## Kingsgate Clothing Group

A South African family-owned business formed in 1955. They provide government departments with uniforms, linen and patient wear but have expanded their PPE production to include isolation gowns for hospital use. Their localised supply chains assist in creating jobs and boosting the South African economy. The company employs 1000 individuals directly and 5000 indirectly

## Pansula Workwear

A South African company, established in 2008 as a workwear and medical wear manufacturer. Due the increased demand for medical PPE, during the COVID19 pandemic, the company prioritised their manufacturing of this PPE. Their medical PPE range now included isolation gowns, aprons, coveralls and more. The company employs 160 individuals with 20 of them having been employed in June 2020. they plan to expand to 200 employees in the near term.

### ***How the Local Manufacturing Partnership and the Textile PPE workstream have assisted these companies:***

communicating the NDoH medical PPE specifications with the manufacturers, supporting manufacturers through the product testing, accreditation and company vetting processes. In addition to this, the team facilitated the availability of raw materials through a programme to test and pre-qualify various fabrics for isolation gowns. The team also facilitated and expediting the product testing with SANAS accredited laboratories. The B4SA procurement team has facilitated procurement through the *Motsepe Foundation* with 3 companies, including *Pansula Workwear*.

# The Local Manufacturing Partnership effect

## In the news

*B4SA identifies initiatives that could grow GDP by R1 trn.*

<https://www.moneyweb.co.za/news/economy/b4sa-identifies-initiatives-that-could-grow-gdp-by-r1trn/>

*Durban furniture company saves nearly a hundred jobs by pivoting to PPE*

<https://www.news24.com/news24/video/southafrica/news/watch-durban-furniture-company-saves-nearly-a-hundred-jobs-by-pivoting-to-ppe-20200626>

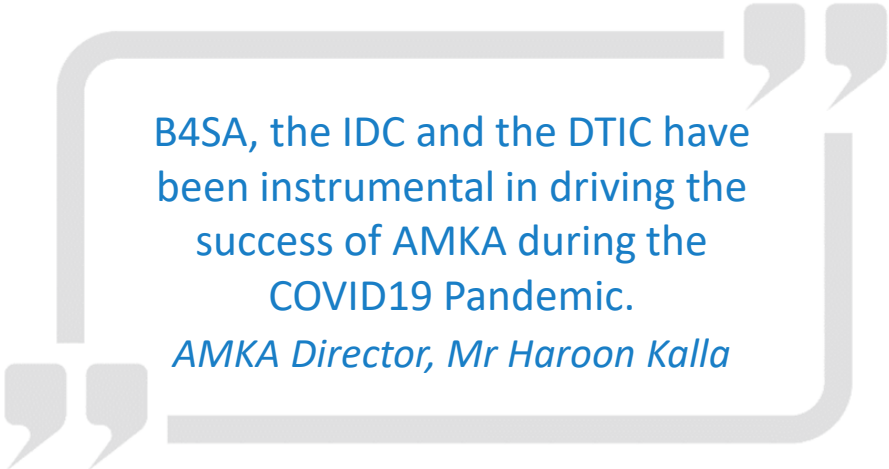
*Naacam, ProudlySA launch portal for face shield producers*

<https://m.engineeringnews.co.za/article/naacam-proudly-sa-launch-portal-for-face-shield-producers-2020-08-12>

*Kingsgate Clothing adds localised isolation gown to PPE line-up*

<https://www.engineeringnews.co.za/print-version/kingsgate-clothing-adds-localised-isolation-gown-to-ppe-line-up-2020-08-06>

## What our Local Manufacturers are saying



B4SA, the IDC and the DTIC have been instrumental in driving the success of AMKA during the COVID19 Pandemic.

*AMKA Director, Mr Haroon Kalla*

# What is in the pipeline



## *Black Enterprise Development*

this stream is headed up by *Tilson Manyoni*, Head of Policy at the *Black Business Council*. The objective is to create a sound and robust framework to design and implement small black business incubators within the existing B4SA network, which can be re-used to continuously grow and enable Black Economic Empowerment in South Africa.



## *Testing*

this stream's focus is on PCR test kits, the Gold Standard in diagnostics. They continue to assist companies in a highly regulated industry. They are awaiting approval to manufacture PCR test kits. They continue to engage with SAHPRA for antibody test authorisation requirements. They continue to work with SAMRC and DSI to develop locally produced reagents, calibration standards and new test technology, such as antigen testing. B4SA is awaiting the Ministerial Advisory Committee (MAC) guidelines on serological testing and approvals by SAHPRA.



## *ProudlySA Portal*

a portal has been developed for PPE to ensure easy access to locally manufactured goods, adhering to industry standards and from trusted suppliers. The portal is still a work in progress but is growing daily. It will include all PPE items part of the Local Manufacturing Partnership.



## *Pumps and Spray Nozzles*

a sanitiser manufacturer based in KZN will manufacture pumps in the next 3 months with funding assistance from IDC. This will be a first for South Africa. Additionally a 100% black-owned company is seeking funding from the IDC to manufacture spray nozzles. They will be the first black-owned manufacturer of spray nozzles in South Africa.



## *Designation*

the process of applying for the designation of sanitisers and disinfectants, is underway



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