

7 May 2020

Update on B4SA Wholesaler Partnerships to channel PPE to the private sector

Context

Business for South Africa (B4SA) is the alliance of volunteer resources from across South African business bodies and organisations. The B4SA Public Health Workgroup's core mandate is to support the national response, including Government and the private sector's public health efforts, in the fight against the COVID-19 pandemic in South Africa. The Public Health Workstream is chaired by Stavros Nicolaou and involves a large number of leaders and businesses across SA from the healthcare and broader business sectors, many of whom are working full time on this issue.

A key focus area for B4SA has been ensuring adequate Personal Protective Equipment (PPE) across South Africa during the pandemic. B4SA has developed a procurement capability over the past month to substantially increase the amount of PPE coming in to the country, and to supplement the procurement efforts of other stakeholders.

A letter was sent to health professionals on 24 April 2020 announcing the appointment of four wholesalers to support in the on-selling of PPE to the private sector. This update letter is intended to provide further information and clarifications following the previous B4SA communication. The letter is structured around key questions that have been raised to B4SA over the past week.

What parts of the health sector will this wholesaler channel service?

The wholesalers will supply all stakeholders i.e. private hospitals, private laboratories and individual health professionals and practices. As mentioned previously, PPE will be channelled directly to the private hospitals for all in-patient settings and labs for testing settings. These hospitals and laboratories will be responsible for ensuring that all relevant workers in their hospitals are adequately provided with PPE. For this reason, individual health professionals working in hospital and laboratory settings should not use the procurement mechanism described below.

How will incoming PPE be allocated within the private sector?

Based on guidance from the National Department of Health, PPE procured through the B4SA mechanism will be allocated between the needs of the public and private healthcare sectors. Within the private sector allocation, PPE will be allocated between private hospitals, private laboratories and outpatient provider settings proportional to the number of healthcare, administrative and security staff working in each setting, adjusted for existing supplies available.



B4SA will ringfence PPE for the private hospitals and laboratories, where each hospital and laboratory will select a wholesaler. The PPE allocated to individual health professionals and practices will be split between the wholesalers, and can be purchased directly from them.

How will the product pricing work?

All products will be supplied on a cost recovery basis. Neither the B4SA importing partner nor the wholesalers will make any profit on these PPE sales. B4SA has secured terms with the wholesaler partners to on-sell PPE at a maximum trade and logistics fee of 8.5%. This mechanism will ensure that all products reach end users at the lowest possible price given the global PPE market.

When will stock be available?

There is already some stock in South Africa, however current volumes are small. These volumes have been allocated to wholesalers for the week of 4 May, and are available for order. Further volumes will be shared next week. The volumes will be communicated on an individual basis to the hospitals and laboratories, and published weekly for individual health professionals and practices with health professional associations, organisations and on the Essential Medical Guidance (EMGuidance - <https://emguidance.com/>) digital app.

During the week of 4 May, ~R1 million in stock will be made available to wholesalers for on-selling to individual health professionals and practices. Items include patient masks and sanitizer. In the coming weeks, a further R7 million will arrive in South Africa for individuals and practices. Hospitals and laboratories can contact B4SA individually regarding allocation of incoming PPE.

How can orders be placed?

Orders should be placed with one of B4SA's wholesaler partners. The ordinary order process should be followed: register an account and look to place an order. Wholesalers will coordinate all accounts, orders and deliveries, and B4SA cannot take responsibility for these activities. Given the small volumes of current PPE, we recognise that order demands will not be met in the next few weeks. However, in the second half of May, this picture should change. B4SA will be in close contact with wholesalers to understand the extent of unmet demand and the most urgently required PPE products.

The wholesaler partners from which PPE can be procured are:

- CJ Distribution Enterprises & Dischem Distribution – <https://cjdsa.com/>
- Kendon Medical Supplies – <https://www.kendonmedical.co.za/>
- Pharmed Pharmaceuticals – <https://www.pharmed.co.za/>
- Transpharm – <https://www.transpharm.co.za/>



What volumes of orders are appropriate?

All health professionals can go onto the EMGuidance channel to get information on order calculation and rational use.

What other PPE channels are available?

As detailed in the 24 April 2020 communication from B4SA, we have compiled an additional list of wholesalers and distributors which health professionals can also contact in order to purchase PPE. Please note that other than the four wholesalers named above, the remaining wholesalers are not carrying PPE stock procured by B4SA, and B4SA cannot take responsibility for the stock or pricing of these companies.

Will there be further wholesalers added to the B4SA partnership?

On 24 April 2020, B4SA launched an initial call for wholesaler partner applications. Four wholesalers were selected from ten Expressions of Interest. Wholesalers were evaluated independently by a Deloitte procurement team on the basis of cost competitiveness, geographic coverage, coverage of health professionals and BBBEE status.

B4SA has launched a supplementary call, as of 30 April 2020 for wholesaler partner applications, as of 30 April 2020. Applications are due on 7 May. B4SA expects to appoint a further limited number of wholesalers following this process in the week of 11 May. The original wholesalers will be upheld.

B4SA is profoundly grateful for the efforts of all healthcare workers during this pandemic, and trust that this mechanism will provide further support during this time.



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General List of Medical Wholesalers (not exhaustive)

Company Name	Website
Aditiv solutions	https://www.aditiv.co.za/
ALM Marketing	www.almmarketing.co.za
Alphapharm	https://www.alphasvr.co.za/
Augustine Medical	www.augmedsa.com
Biotech laboratories	www.biotech.co.za
Biotech medicals	https://www.biotech.ps/
Calasca	www.calasca.com
City Medical	http://www.citymedical.co.za/
Coastland Sales	www.coastlandsales.co.za
Deneb investments Limited	www.deneb.co.za
DSV	https://www.za.dsv.com/
Ecomed	https://www.ecomed.co.za/
GFox	www.gfox.co.za
GlowGear	www.glowgear.co.za
Gryffin Safety	gryffinsafety.co.za
Hamisa Group Enigneering & Mining	www.hamisagroup.co.za
HPC-Peltor	www.hpc-peltor.co.za
Kendon	https://www.kendonmedical.co.za/
Medi-Response Holding	http://www.mediresponse.co.za/
MedLoyd Healthcare	www.medloyd.co.za
Navomix Health	http://navomixhealth.co.za/



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Company Name	Website
Norpharm	https://www.norpharmgroup.co.za/
Norsaf	www.norsafmarine.com
North Safety Products	www.northsafety.co.za
Patient Focus	www.patientfocus.co.za
Pharma value	www.pharmavalu.com
Pharmaco	http://pharmaco.co.za/
Pharmacy Group	https://www.pharmacygroup.co.za/
Pharmed	https://www.pharmed.co.za/
PienaarBros	www.pienaarbros.co.za
Rapidtrade	http://www.rapidtrade.biz/
Select PPE	https://www.selectppe.co.za/
Sere-med	https://seremed.com/
SK52	www.sk52.co.za
The FAB Company	www.fabcompany.co.za
The Truffle Lady	www.thetruffl lady.co.za
Thero Group	http://www.therogroup.co.za/Contact-Us/
Tiff Safety	www.tiffysafety.co.za
Topmed	http://www.topmed.co.za/
Transpharm	https://www.transpharm.co.za/
UPD	https://upd.co.za/