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COVID-19: AN OPPORTUNITY FOR ETHEKWINI'S MANUFACTURING SECTOR TO STAY AFLOAT

The COVID-19 pandemic is having a significant and unprecedented effect that disrupted the manufacturing sector across the globe. These repercussions have resulted in reduced demand, economic uncertainty, increased costs, and is likely to spark a global recession unlike any before.

As part of the City's response and recovery package for Covid-19, the Municipality has supported local manufacturing through targeted cluster and sector support initiatives, which have yielded positive results. During the last few months the City has seen rapid action taken by government as well as regional authorities to support businesses suffering from high costs without almost any sales under the current crisis.

Takalani Rathiyaya, Deputy Head of the Municipality's Economic Development Unit said that the Municipality has introduced platforms through cluster and sector support programmes to allow the manufacturing industry to come together and identify critical issues facing the sector and attend to business needs at this difficult time.

"We recognise the importance of collaboration at this critical time for the sector to improve their business strategies and inoculate their companies during this pandemic. Consequently, a cluster working groups were introduced to implement immediate yet comprehensive change to their operations," he said.

Rathiyaya added that, this initiative helps companies to quickly identify risks associated with the crisis, establish appropriate standards for response and develop innovative solutions to survive during this difficult period. This will further help businesses address Covid-19 related challenges and uncover new opportunities.

This approach assists leaders of industry to learn from and engage with one another on key areas of Covid-19 related business risks. These include cash flow and demand forecasting, operations and health and safety, and supply chain risk, including also offering support via Covid-19 risk mitigation and business continuity webinars, focus on resuming operations in the new environment, employee health, safety and maintaining good practice, managing cash flow, scenario planning and finance outlook; blockages in Government Funding as well as upstream and downstream supply chain management and many more.

The Municipality is the primary grant funder of four manufacturing clusters supporting some of the largest production sectors in the local economy, namely the Durban Automotive Cluster, Durban Chemicals Cluster, eThekweni Furniture Cluster,

eThekwini Footwear and Leather Cluster and KZN Clothing and Textiles Clusters. Some sector initiatives include; eThekwini Maritime Cluster, Fair Food Foundation, Business Process Enabling South Africa (BPESA) KZN, eThekwini Materials Recovery, Durban Green Corridors, as well as SmartXchange.

Through strategic insight from the Municipality, these clusters and sector initiatives have enabled industry to work with the City, leverage insights and expertise across sectors and address critical manufacturing risks associated with Covid-19.

EThekwini is doing its best to support the manufacturing sector with expertise that enables them to access market opportunities.

“It is quite exciting to see increasing support for our local manufacturers as they have become a vital tool to retain jobs and putting the City’s economy back on its feet” added Rathiyaya.

For more information on the COVID-19 cluster and sector support programme for manufacturing and services sectors contact: Takalani Rathiyaya at Takalani.rathiyaya@durban.gov.za.

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