



ESSENTIAL EQUIPMENT

Support for the Eastern Cape, Western Cape, KwaZulu-Natal and Gauteng Province

Interim Impact Report

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OVERVIEW

BENEFICIARIES	AMOUNT APPROVED	AMOUNT DISBURSED ¹
Eastern Cape – Department of Health (DoH)	R 75 833 058	R 57 806 273
Western Cape – DoH	R 119 996 719	R 72 598 894
Gauteng – DoH	R 104 359 369	R 37 266 525
KwaZulu-Natal – DoH	R 62 829 384	R 834 713
Total Amount	R 363 018 530	R 168 506 407

The Solidarity Fund's healthcare mandate

The Fund operates within immediate focus areas, or 'pillars', namely the 'Healthcare,' 'Humanitarian,' and 'Behaviour Change' pillars. These are key areas for the disbursement of funds donated by South African individuals and organisations. As the COVID-19 pandemic progresses, the Fund has been adapting to provide funding and support to organisations (both governmental and non-governmental) that will result in the maximum positive impact. The provision of essential equipment to provincial health departments falls under the Fund's Healthcare Pillar.

It was important to the Fund to, not only provide immediate support to those suffering with COVID, but also to create the means of providing long-term care to patients beyond the pandemic. The lack of specialist equipment is a barrier within the healthcare system, particularly in rural communities. The Fund felt it necessary to provide equipment that will have a positive and long-lasting effect on these communities.

¹ Data correct as of 30 June 2021.

The Fund has provided, and continues to provide, funding towards the procurement and distribution of essential equipment (EE), under the the 'Care' pillar of the healthcare mandate. This refers to equipment needed to effectively treat those infected with the COVID-19 virus (including hospital beds, ventilators and specialist equipment), with a focus on high care and intensive-care unit (ICU) patients. Adequate access to EE in hospitals improves patient care and recovery rates. Investing in EE not only strengthens the healthcare system's ability to respond to unprecedented numbers of patients, but will also leave a lasting legacy in these facilities that will continue to benefit South Africans beyond the coronavirus pandemic.

Since inception, the Fund has always aimed to improve healthcare facilities in numerous ways, including through the provision of medical equipment. The Fund allocated a total of **R 422 010 943** towards the national procurement of EE across all nine provinces. The first four provinces to begin procurement and delivery were the Eastern Cape, the Western Cape, Gauteng and KwaZulu-Natal, with a total allocation of **R 363 018 943** to cover the EE needs of these four provinces. Public health experts and/or provincial departments of health identified the most critical needs and created bottom-up lists of equipment requirements, which informed the allocation of funds to each of the provinces.

Working model

The Fund's health response is executed in collaboration with the South African Pandemic Intervention and Relief Effort (SPIRE) and various provincial health departments. These partnerships established and continue to exercise a sophisticated capability to procure much-needed medical equipment.

The Fund worked closely with the provincial health departments to identify their specific needs. SPIRE and the Fund were provided with lists of medical equipment, which were then put to technical review panels to approve them.

SPIRE expedited the process and procurement through expansive networks and reach, and put in place stringent monitoring protocols to ensure that equipment was procured at competitive prices and delivered rapidly to the correct hospitals.

The project was guided by the following principles:



Alignment with the national health strategy

The Fund has always been committed to the principles of the national health effort against the COVID-19 pandemic. The Fund worked closely with provincial DoHs, as well as SPIRE, to ensure the approval of essential medical equipment to help strengthen the national and provincial health sectors.



Impact additionality

The Fund always seeks to provide resources where they can add the greatest value and maximum impact. Without the hard work of SPIRE and the financial resources provided by the Fund, the positive impact would have been far less. (I.e., the impact was 'in addition' to what would have occurred without the intervention.)



Speed

Filling critical gaps in medical equipment would not have been possible following conventional institutional processes.



Agility

The Fund aims to adjust as quickly as possible to the changing needs of the health system as they change according to the severity and stage of the pandemic. Through consistent and open communication with SPIRE and DoHs all over the country, it was possible to adapt to rapidly changing contexts.



Price competitiveness

SPIRE procured medical equipment at the lowest price available, while ensuring that volume, quality and timing requirements were met. In this way, SPIRE was able to secure the maximum amount of equipment with the allocated funds.



Transparency

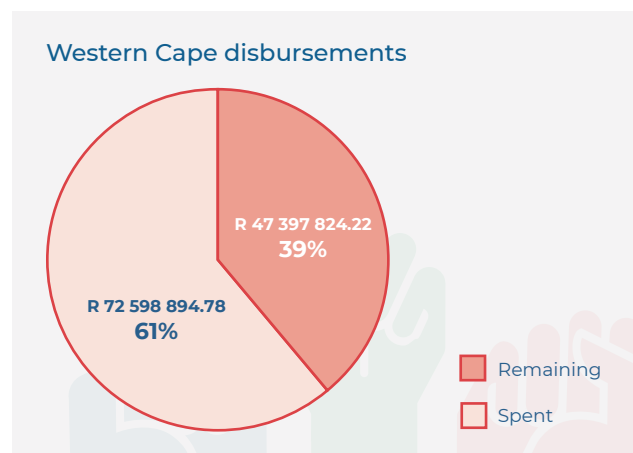
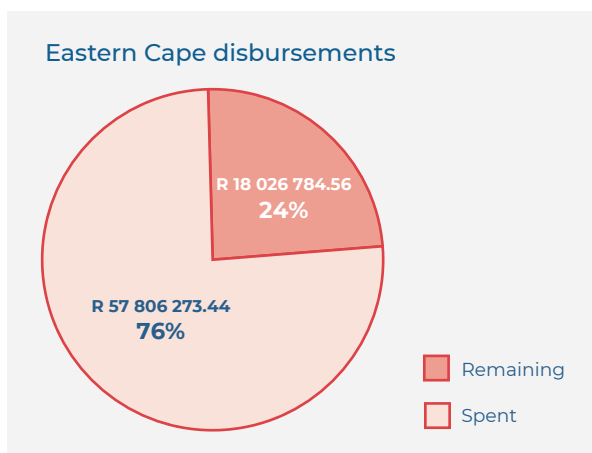
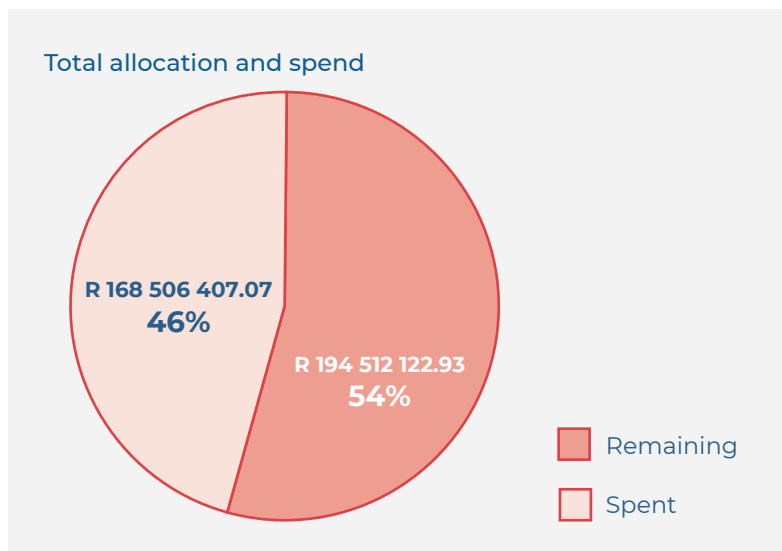
The Fund seeks to ensure transparency at every point in the supply chain. Detailed pricing benchmarks and supplier margin information was done by SPIRE to ensure transparency throughout the project.

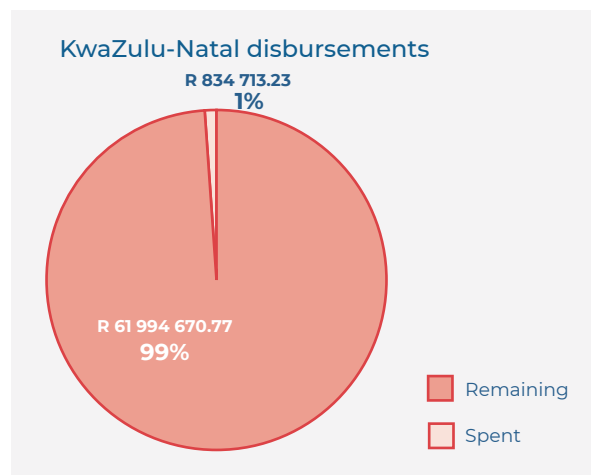
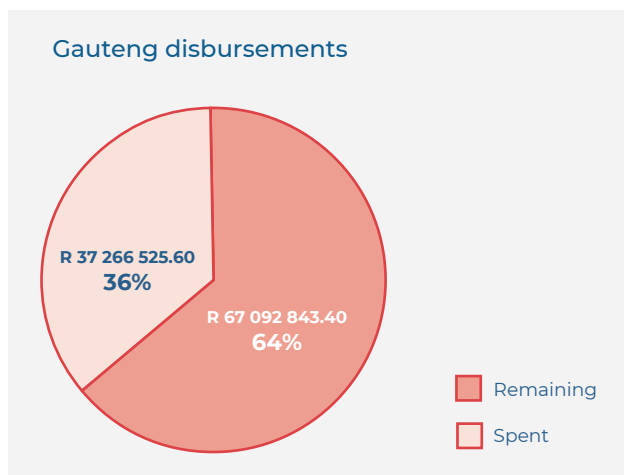
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PROGRESS

Measuring the current progress of the project will occur on two levels. The first is tracking and reporting on the allocations – including disbursements and deliveries of equipment. Attention will also be paid to the suppliers contracted. Secondly, this report will focus on the impact that the equipment has had on the health sector in these provinces to date. It is important to assess the positive impact that this project has had in helping to alleviate pressure on healthcare facilities.

Disbursement progress





Overall, the project has seen just over half of the total allocation (52%) disbursed. The Eastern Cape has received almost all the equipment requested, much of which was already in place by the time the second wave of the pandemic occurred. Gauteng and the Western Cape are still receiving equipment, with deliveries still being made throughout the various provinces. KwaZulu-Natal had just begun its disbursement and delivery processes in June, and the project is currently on track in delivering the EE allocations.

Project pipeline

With the success and positive feedback being seen with the roll-out of EE to KwaZulu-Natal, the Eastern Cape, Western Cape and Gauteng, the Fund – along with SPIRE – have expanded the project to include the remaining provinces.

As for the remaining provinces (the Free State, North West, Northern Cape, Mpumalanga and Limpopo), a further R 58 992 413 has been allocated to support EE procurement and distribution in these areas. The idea was to target high-alert areas and ‘hot spots’ in the first phase of the project. The remaining provinces were then allocated funding, with procurement and distribution subsequently commencing. The allocations are as follows:

PROVINCE	ALLOCATION
Free State	R 8 855 000
North West	R 26 685 298
Northern Cape	R 13 965 115
Mpumalanga	R 2 975 000
Limpopo	R 6 512 000
Total	R 58 992 413

The Fund entered into a procurement agency agreement (PAA) with SPIRE on 30 September 2020. This agreement allowed SPIRE to procure the identified EE on behalf of the Fund. The agreement originally covered procurement for only the Eastern Cape. Following SPIRE's successful and continuous response, the agreement has since been amended to include procurement for all provinces.

The PAA with SPIRE covered the following responsibilities:

- Sourcing suppliers
- Performing desirability and know-your-customer/anti-money laundering (KYC/AML) reviews before onboarding suppliers to the approved list
- Validating pricing
- Negotiating pricing (where possible)

Suppliers were engaged based on the following criteria:

- Quality and sustainability of equipment
- Delivery lead times
- Local manufacture
- BBEEE status and compliance

Each province was given its own allocation, and the DoH for each province provided a list of the equipment needed to alleviate pressure on the health system. These lists varied from province to province. These equipment lists were signed off by both the technical review panel at the Fund, as well as the responsible provincial/national DoH.

Several suppliers of medical equipment were utilised during the project. It was imperative to link with suppliers who were optimally placed to provide EE rapidly and at competitive prices and to hospitals. Many suppliers provided and delivered equipment to multiple provinces. A full breakdown of the suppliers can be seen in Table 1.

Table 1: Suppliers contracted to date

SUPPLIER NAME	REGISTRATION NUMBER	DISTRIBUTION AMOUNT
Adcock Ingram Critical Care (Pty) Ltd	2000/004208/07	R 4 483 436.48
Arjo Huntleigh South Africa (Pty) Ltd	2020/179561/08	R 407 336.70
Arrabon Distribution (Pty) Ltd	2014/036389/07	R19 053.88
Augustine Medical	1999/022881/07	R 26 520.00
AXIM	2017/097295/07	R 5 522 166.41
B Braun Medical (Pty) Ltd	1995/003058/07	R 108 250.00
City Group	2020/265633/07	R 299 996.00
Dräger	1983/011430/07	R 5 288 513.92
East Cape X-Ray CC	1995/046552/23	R 1 413 419.84

East Coast Medical Southern Regions (Pty) Ltd	2018/418387/07	R 1 085 512.63
Ecomed Medical (Pty) Ltd	2016/084766/07	R 5 822 115.40
Edrich Engineering	1999/036146/23	R 181 490.00
Edwards Lifesciences (Pty) Ltd	2001/000599/07	R 3 520 911.11
Fresenius Kabi South Africa (Pty) Ltd	1989/006230/07	R 2 623 851.21
Gabler Medical Devices (Pty) Ltd	1990/006005/07	R 679 073.50
Grobir Medical	2010/003867/07	R 202 608.70
High Tech Medical	2017/309571/07	R 434 781.74
Ilex South Africa (Pty) Ltd	1992/002340/07	R 2 129 864.00
Karl Storz Endoscopy (South Africa) (Pty) Ltd	1971/008318/07	R 2 688 628.58
Lodox Systems	2000/024615/07	R 12 666 141.55
Lomaen Medical	1995/001319/07	R 7 508 381.82
Marcus Medical (Pty) Ltd	1965/002407/07	R 419 364.52
Marlin Laboratory Manufacturing (Pty) Ltd	2017/368268/07	R 2 531 874.87
Medhold Medical (Pty) Ltd	1988/001684/07	R 9 930 334.31
Medtronic (Africa) (Pty) Ltd	1973/10808/07	R 809 900.00
Mr First Aid (Pty) Ltd	1990/007637/07	R 249 418.27
New Horizon Metals CC	2007/007991/23	R 1 377 418.30
Nipro Medical South Africa (Pty) Ltd	2007/000199/07	R 867 845.00
Obsidian Health	2014/163397/07	R 637 154.34
Phillips	1991/003236/07	R 9 034 796.41
Physio-Med Technologies	2014/083795/07	R 37 000.00
PMB Health and Safety Services CC	2009/122032/23	R 233 024.39

Qiagen SA (Pty) Ltd	2001/024154/07	R 1 522 975.09
Respiratory Care Africa (Pty) Ltd	1998/017606/07	R 55 803 137.63
Rob Dyer Surgical	1990/011983/23	R 172 926.00
Safeline Pharmaceuticals (Pty) Ltd	1997/005185/07	R 432 934.00
Siyakhanda Medical	2001/001606/07	R 655 239.50
SSEM Mthembu Medical (Pty) Ltd	1987/001244/07	R 12 084 015.82
Stat Tiakeni Medical (Pty) Ltd	2007/010669/07	R 7 233 661.00
Surgimed Hospital Supplies	1990/020797/23	R 94 464.63
Synchromed	1998/058961/23	R 497 391.30
Tecmed (Pty) Ltd	1992/000472/07	R 6 746 578.22
Thenjiwe Healthcare	2011/010044/07	R 22 900.00
Total	-	R 168 506 407.07

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LOGISTICS

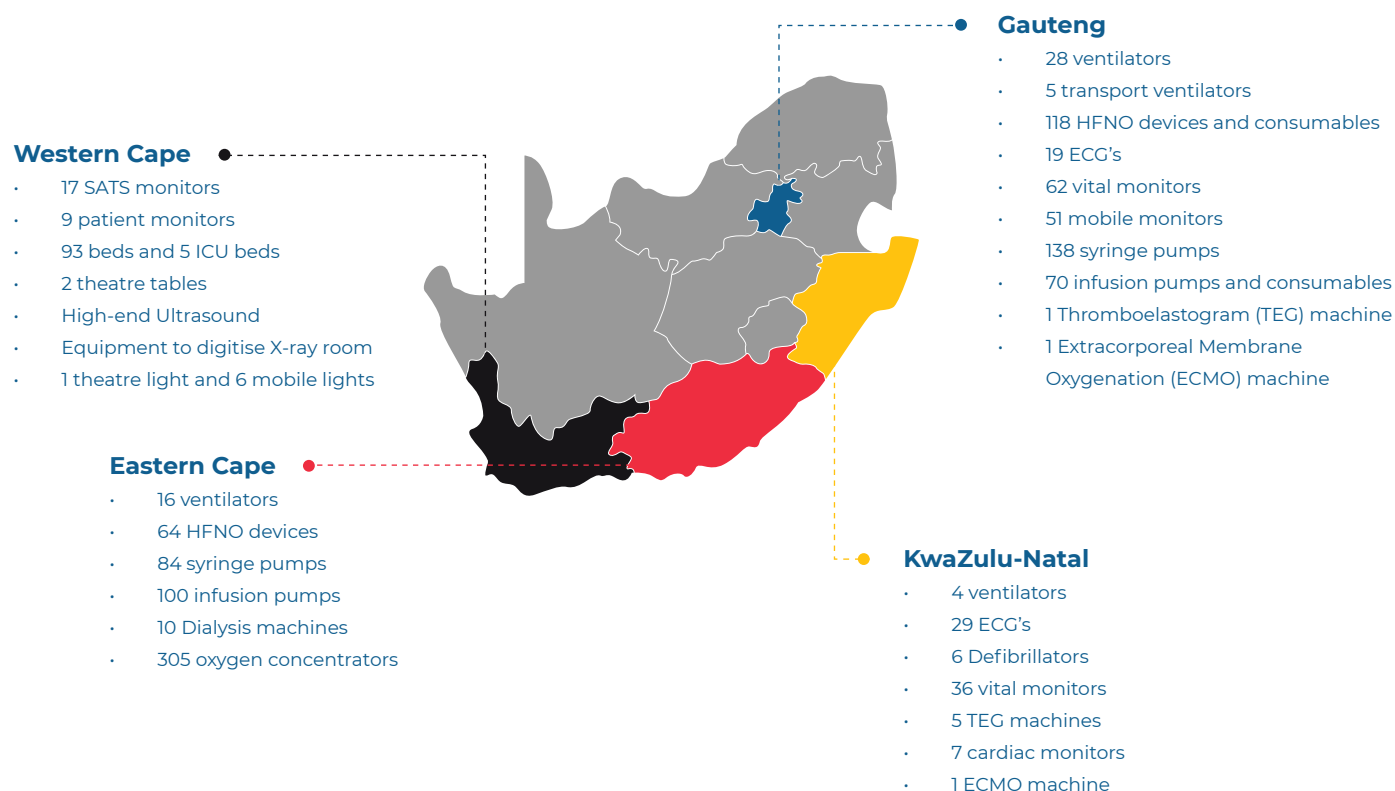
Equipment

The Fund aimed to not only provide EE that would alleviate immediate COVID-19 pressures on the DoH, but also to provide legacy equipment that will continue to benefit patients beyond the pandemic.

In many areas, particularly rural regions, hospitals lacked specialist equipment before the onset of the COVID-19 pandemic. The provision of this equipment will have a long-lasting impact on various healthcare sectors for many years to come.

The following figure breaks down the high-level equipment procured for the healthcare systems of the Eastern Cape, Western Cape, KwaZulu-Natal and Gauteng. The reported list only includes equipment that has gone through the entire process and has been delivered to its destination.

Figure 1: High-level equipment breakdown



Consumables and add-ons

Various types of equipment require consumables to sustain their operation. Where possible, consumables were purchased to support devices for three months. Different devices carry different consumables.

Furthermore, where possible, the Fund procured maintenance plans for equipment to ensure proper running beyond the contract of the project. These plans will help hospitals to maintain and run their equipment at optimum capacity, while reducing the wear-and-tear.

It was important to the Fund that project legacy remained. To do so, it is imperative to establish the means for hospitals to continue running their machinery effectively and efficiently throughout the pandemic, and beyond.

Distribution

Distribution was handled by the supplier or through an approved courier (provided through FirstRand) and was coordinated through the Fund, provincial DoHs and partners.

Strict stipulations were made at a contractual level to effectively monitor the distribution of the medical equipment. These included:

- Deliveries to be made only to the addresses verified and provided by SPIRE and the Health Foundation;²
- Specific individuals were selected at each site to receive goods;
- Delivery must be prearranged to ensure the designated recipient was available;
- Delivery personnel were to check the identification of the predetermined recipient; and
- Ensuring signed proof of delivery (POD) documentation on delivery (both the courier/supplier and the hospital recipient).

²The Health Foundation was only responsible for a portion of procurement and delivery in the Western Cape. SPIRE was responsible for procurement across all provinces.

The medical implications of COVID-19 are an important area of concern in treating those who have contracted the virus. With so many patients being affected in a multitude of ways, it was important to improve infrastructure and provide access to the necessary EE.

The Fund's intention and healthcare mandate has always included strengthening South Africa's healthcare systems by improving access to medical equipment and bolstering current infrastructure to protect both healthcare workers and patients.

Hospitals reached

This project had a significant national impact, in that it was able to provide and supply EE to several hospitals – including provincial, regional and district facilities. The hospitals listed below were provided with, and are still receiving, equipment to assist them in handling the influx of patients during the COVID-19 pandemic.

EASTERN CAPE	KWAZULU-NATAL	GAUTENG	WESTERN CAPE
All Saints Hospital	Addington Hospital	Bronkhorstspuit	Tygerberg Hospital
Cecilia Makiwane Hospital	Edendale Hospital	Charlotte Maxeke Hospital	George Hospital
Dr Malizompehle	General Justice Gizenga Mpaza	Chris Hani Baragwaneth Hospital	Khayelitsha Hospital
Frere Hospital	GJ Crooks	George Murkhani	Karl Bremmer Hospital
Frontier Hospital	Greys Hospital	Heidelberg Hospital	Groote Schuur Hospital
Livingston Hospital	Inkosi Albert Luthuli Central Hospital	Helen Joseph Hospital	Helderberg Hospital
Madwaleni	King Dinuzulu Hospital	Jubilee Hospital	
Madzikane Kazulu Hospital	King Edward Hospital	Kalafong Hospital	
Mthatha Regional	Madadeni	Leratong Hospital	
Nelson Mandela	Mahatma Gandhi Memorial	Mamelodi	
Sir Henry Elliot Hospital	Montebello	Odi Hospital	
St Barnabas	Ngwelazana	Pretoria West Hospital	

EASTERN CAPE	KWAZULU-NATAL	GAUTENG	WESTERN CAPE
St Elizabeth Hospital	Port Shepstone	Steve Biko Hospital	
St Patricks	Prince Mshiyeni Memorial	Tambo Memorial Hospital	
Zithulele	Queen Nandi Regional	Tembisa Hospital	
	RK Khan	Tshwane Hospital	
	St Andrews		
	Wentworth Hospital		

In addition to providing high-level equipment to the abovementioned hospitals, a bulk order of oxygen concentrators was purchased in December 2020 and distributed across the country to these hospitals and others. By 21 January 2021, all concentrators had been delivered. This bulk order also helped to provide options to smaller health facilities that struggled with oxygenation therapy options for patients.

Beneficiary Response

The Fund and SPIRE have received an overwhelming response from clinicians and doctors at various hospitals across the country, and it is evident that the provision of this equipment has had a positive effect on helping to alleviate pressures related to the COVID-19 pandemic.

For example, in the Eastern Cape, Nelson Mandela Academic Hospital (NMAH) indicated a significant positive impact in that the EE provided allowed them to help patients needing oxygen therapy, due to a variety of oxygenation treatment options. They were able to extend services to a newly refurbished hospital, Sir Henry Elliot, with the help of equipment provisions. Cardiovascular and renal support were also made easier with access to high-level equipment. Access to monitors improved patient care, with the added benefit of assisting in triaging patients being admitted.

“The assistance has been phenomenal: ensuring our needs are met, procurement is efficient, equipment is commissioned, training is done, and – most importantly – equipment consumables have been made available to allow immediate use of the equipment.” – Dr Mrara, HOD, Department of Anaesthesiology, NMAH

The Fund and SPIRE have received thanks from hospitals all over the country benefitting from this project.

“Thanks Solidarity Fund for providing us with tools to properly care for critically ill patients, especially during these difficult times with the COVID-19 pandemic. Frontier Hospital ICU staff, as well as the institution management, really appreciate your support.” – Dr Lazo, Frontier Hospital

“These hospitals need ventilators for the patients who crash, and they have to wait for a bed to become available in the referral hospital. [Previously] these patients just died. Now they have a fighting chance.” – Dr Abdullah, Steve Biko Academic Hospital

“The Solidarity Fund purchased accessories for the Mindray devices at Madwaleni. The hospital had to remove the out-of-order stickers to plug the devices in, and now they all work. The hospital team is super happy and sent thanks to Solidarity for the help and support.” – Cindy Edwards, SPIRE



High-flow nasal oxygen devices with consumables delivered to Frontier Hospital (Eastern Cape)



Portable x-ray machine, delivered to Pretoria West Hospital (Gauteng)



Ventilators, delivered to Steve Biko Hospital (Gauteng)



TEG training underway at Livingston Hospital (EC)

Monitoring

To monitor the project effectively, SPIRE tracked and compiled weekly reports on all the provinces, detailing the movement of stock and payments per week. This allowed for strict monitoring of equipment being delivered, the hospitals that took receipt of these deliveries, and the spend per week and per province. The Health Foundation provided the same weekly reports with regard to their portion of the Western Cape equipment.

Weekly meetings between the SF Health Pillar, SPIRE, public health experts and clinicians on the ground allowed the SF to respond nimbly to ever-changing and emerging needs during the second and third waves of the pandemic. This effective monitoring allows the Fund and its partners to rapidly adapt to an ever-changing medical landscape; address challenges as and when they arise; and keep clear records on all orders and movements pertaining to the project. Transparency and clarity were key motivators for this monitoring system.

SPIRE was in constant contact with hospitals to keep the lines of communication open between suppliers and end users. An open flow of communication was essential in solving some hospital-related challenges (detailed below), and to maintain good relationships with various hospitals and assisting in assessing their needs.

As mentioned above, the Health Foundation provided the administrative process management for Western Cape and was obliged to provide the Fund with daily, weekly and monthly reporting updates. Daily reports included the POD notes, while weekly reports included budget tracking. Finally, monthly reports included executive progress reports and delivery tracking.

KEY CHALLENGES

A few key challenges were, and continue to be, encountered as the project continues with its EE provisions. These are set out below.

1. Industry challenges

The COVID-19 pandemic has affected all countries, which has resulted in a high demand for specialist and essential equipment across the globe. The high international demand for equipment placed strain on the project. Sourcing EE at an affordable rate, and with low lead times, became difficult as the demand for such equipment reached an all-time high.

2. Lead times

Another consequence of the global nature of the virus' spread was the closures of borders and restrictions to importing equipment from international suppliers. Logistical costs skyrocket when EE has to travel through multiple points and can reduce the viability of sourcing and procuring equipment from these suppliers.

3. Hospital challenges

With successive coronavirus waves, hospitals faced their own challenges. As a contractual obligation, hospitals were required to identify specific individuals to receive and sign off on the delivery of the equipment. This was implemented to monitor and evaluate the process of distribution, and make sure that equipment arrived where it was needed. Due to the increased pressure placed on healthcare workers during these times, specified individuals were not always available, which delayed delivery times.

Secondly, once the equipment arrives at its destination, teams of staff are required to undergo training to ensure correct use and maintenance. Until this training has been completed, projects could not be fully closed and the equipment cannot be used. Again – as healthcare workers are stretched thin, and given the safety protocols set in place to protect them, gathering teams for training became difficult.

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CONCLUSION

Helping to strengthen the national healthcare system has been a priority for the Fund since its inception. Following the principles of our internal healthcare mandate, as well as the national healthcare strategy to fight against COVID-19, this project was well-timed in providing essential and life-saving medical equipment to healthcare facilities in need.

When we support our healthcare system and the brave healthcare workers battling against the pandemic, we can help to build resilience within our system. Protecting healthcare workers and patients is of paramount importance, and the provision of equipment and its subsequent impact will be felt long after the end of the COVID-19 pandemic.

