

## **Buy Local Campaign**

Retailers were invited to engage in a consultative process driven by Proudly South African (PSA), the Manufacturing Circle (MC), The Department of Trade, Industry and Competition (the DTIC) and the Consumer Goods Council of South Africa (CGCSA).

The process aims to understand drivers that could increase South African local content in the retail value chain, and in so doing, stimulate economic growth and job creation.

This was the first engagement to obtain inputs from key stakeholders to develop a balanced approach that will benefit all parties.

Presentations were delivered to set the context for discussion by Trade and Industrial Policy Strategies (TIPS), Saul Levin (Executive Director), Manufacturing Circle, Philippa Rodseth (Executive Director), Proudly SA, Eustace Mashimbye (CEO), Department of Trade Industry and Competition (DTIC), Thandi Phele, Distell, Lyndon Isaacs, Group Procurement Manager

### **Key Discussion Points**

- The retail value chain is complex and extensive and represents hundreds of thousands of jobs.
- Without supporting local producers, the potential for job losses increases, and impoverished consumers don't make good customers. Ultimately, the imperative to buy from local farmers, textile factories, etc, is in retailers' own self-interest.
- The first step is to understand the challenges that retailers face (to include consumer choice based on cost and quality of product) and cost of operations (retail stores and distribution) and the basis upon which purchasing decisions are made.
- This will assist in identifying opportunities to approach solutions differently, with the support of consumer advocacy campaign work from PSA, consideration of policy frameworks by the DTIC and achieving economies of scale in the manufacturing supply chain supported by the MC.

### **Next Steps**

- It was agreed to engage the retailers in one-on-one sessions where confidentiality can be protected, and we can drill down on ways in which they can be assisted to overcome whatever challenges or impediments they face in order for them to implement localisation for different categories of products with a focus on import replacement and inclusivity programmes.
- Part of this process will involve identifying the top 10 or so selling items that retailers are importing and identify those which we can relatively easily replace with a local alternative, at a price that suits the retailer and ultimately the consumer.