

MANUFACTURING AFRICA – RWANDA



Manufacturing Africa aims to reduce poverty in Africa by attracting £1.2 billion of foreign direct investment into manufacturing and creating 90,000 jobs over 7 years (2019-2026). The programme is funded by the UK government through the Foreign, Commonwealth & Development Office (FCDO).



PPE – PINK MANGO DEAL SUPPORT

Producing PPE to combat COVID-19 in Rwanda

Garment manufacturer and exporter C&D Products/Pink Mango Group was established in 1998 in Hong Kong. It manufactures and exports bags, garments, home textiles and packaging for a wide range of internationally recognised brands. The group has formed strategic partnerships with factories in India, Pakistan, Bangladesh, Ethiopia and Rwanda.

In 2019, Pink Mango acquired and upgraded an export-led garments factory in Rwanda that employs 1,000 workers. The outbreak of COVID-19 threatened the factory with closure, as nearly 90% of its textile products were for export, and demand in China, the EU and USA fell to almost zero.

In the wake of the COVID-19 crisis, Rwanda – like most countries – suffered a shortage of personal protective equipment (PPE), e.g., gowns and masks for front-line health-care workers. To support the Government and keep the factory open, Pink Mango pivoted its garment production to essential PPE. Given the current salary levels in Rwanda, its goods will be cheaper than those made in China, making it competitive beyond Rwanda in Africa and Europe. Pink Mango has secured offtake agreements with Zimbabwe, Angola and some European countries, e.g., Belgium has ordered 5 million masks.

THE CHALLENGE

Pink Mango pre-funded \$0.4 million for a new machine to produce coveralls, but required an additional \$2.8 million in refinancing capital to:

- Procure additional machinery for the automated production of surgical masks and medical blouses
- Secure raw material for 12 months of operation
- Cover operational expenses and export costs

Once fully funded, production can begin within three weeks. Pink Mango's total expanded capacity will be 100,000 coveralls a month, 300,000 single-use surgical masks, 1,000,000 barrier masks and 150 single-use medical blouses a day.

OUR SUPPORT

In two weeks, the MA team helped Pink Mango to:

- Rapidly identify the right sources of capital for the required \$2.8 million and accelerate the investment process by engaging with financiers to get funding and start production;
- Create outreach materials for investors and offtakers.



IMPACT

Pink Mango secured \$2.5 million investment capital to diversify and scale its products. By repurposing its production to PPE, Pink Mango will help the Government fight COVID-19 and the resulting economic crisis by:



Bridging the PPE supply gap Pink Mango's PPE production will help the Government meet supply gaps and help curb the spread of the disease by providing more healthcare workers with protection



Creating and protecting jobs Pink Mango employs 1,000 people (80% of whom are women) and has hired an extra 400 people (including 25 middle managers) to start production of PPE



Building capabilities, The work force will need to learn new skills to produce PPE



LESSONS LEARNED

- **Communicate, communicate, communicate.** We held Zoom meetings at least three times a week to obtain management's buy-in on every step. We advanced quickly on this project because we regularly listened to and consulted with the company.
- **Entrepreneurism is key.** Our role is to help manufacturers help themselves. To be credible, they must be able to explain and defend their projects in detail to potential funders.

Manufacturing Africa was instrumental in doing the business plan and raising the funds for repurposing. Pink Mango management did not have the energy and time to do this – they were in crisis mode. It was impressive how the team could extrapolate the business case with little information. Manufacturing Africa's support was proactive, professional and led to success. They helped to steer us through the crisis, protect 1,000 jobs and create 400 additional jobs.

MARYSE MBONYUMUTWA-GALLAGHER
CO-OWNER, PINK MANGO



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**BACTERIAL
COVID-19**



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DROPLETS

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