



FOR PSA MEMBERS: **ONDERSTEPSPOORT BIOLOGICAL PRODUCTS (OBP)**

24-02-2026

Feedback: OBP Special Bargaining Forum meeting – 23 February 2026

The PSA received complaints from members indicating that OBP is at risk of operational collapse owing to persistent challenges in its animal vaccine production processes. The PSA raised serious concerns that OBP was allocated R500 million in 2013 by National Treasury to improve infrastructure, upgrade equipment, and enhance production capacity and revenue generation. Despite this significant investment, it was established that critical equipment is currently in a poor state, and OBP is behind schedule with essential servicing and maintenance of key machinery. Equipment requiring urgent intervention includes freeze dryers, water-treatment plants, and boilers. The PSA cautioned that a collapse in production would have severe consequences, including potential job losses and possible reductions in members' salaries. The employer acknowledged the concerns raised by the PSA and reported that the Minister of Agriculture had instituted a forensic investigation into alleged misuse and squandering of the bailout funds received from National Treasury. The employer undertook to share the outcome of the investigation with labour once the process has been concluded. Furthermore, the employer indicated that OBP has managed to improve its overall performance to 83% in the third quarter of the current financial year. Parties agreed to convene quarterly meetings to engage on production reports and the OBP's financial status.

Organisational structure: Proposed addition of positions

The employer reported its intention to introduce the following four positions into the organisational structure to enhance operational capacity: Legal Advisor, Compliance Officer, Business Performance Manager, and Divisional Assistant. It was indicated that there is an urgent need for these positions owing to an increase in litigation matters and compliance-related challenges. Whilst the PSA welcomed the creation of employment opportunities, it objected to the manner in which the process was initiated and demanded that the employer must reverse the process and commence with formal consultation in line with applicable labour principles. The PSA further requested copies of the existing and proposed organisational structures to enable it to make informed inputs. Parties agreed to convene a special meeting on 9 March 2026 to commence consultations on the proposed organisational structure and to deliberate further on all additional posts.

Members will be informed of developments.

Reuben Maleka
GENERAL MANAGER