



## Call for Proposal: Feasibility assessment on the commercialization of vaccine production at the National Veterinary Research Institute, Vom

### Introduction

Propcom Mai-karfi (PM) is a market development programme funded by UKaid through the Department for International Development (DFID) and implemented by the Palladium International development Nigeria Ltd. It is aimed at reducing poverty in northern Nigeria using the “making markets work for the poor (M4P)” approach, which focuses on identifying the major barriers to growth and access for the poor, and employs market solutions to addressing those barriers in a sustainable manner, working with the relevant market player(s)/stakeholder. By the end of 2017, the Programme has a goal to reach 500,000 poor people with improved access to inputs and finances, improved productivity and income increases reaching up to 50%. 50% of these beneficiaries are expected to be women. By 2017, at least £100 million of additional public and private investment will be stimulated in support of the agricultural sector in Northern Nigeria

The National Veterinary Research Institute (NVRI) Vom is a parastatal of the Federal Ministry of Agriculture and Rural Development. Established in 1924, the Institute with the mandate of conducting research into all aspects of animal diseases, their treatment and control; **develop and produce animal vaccines, sera and biologicals to meet the National demand**; provide surveillance and diagnosis of animal diseases; provide extension services to poultry and livestock farmers and train intermediate level manpower in veterinary and medical laboratory technology and animal health and production technology.

In 2015, Propcom and the National Veterinary Research Institute went into partnership with the aim of expanding supply (production and distribution) and building their capacity to position their outstations as a Rural Veterinary Solution Provider, a core part of their organization’s mandate. Since then, the partnership has produced several improvements within NVRI including increased freeze drying and production capacity, upgraded outstations and better business operations at the outstations. Going forward, both parties (PM and NVRI) are aiming to identify potential investors to grow the vaccine production outfit of the institute as a way of ensuring an efficient and sustained local production of vaccines and other biologicals.

## **Current Status of Vaccine Production Facilities in NVRI**

The laboratories for vaccine production were commissioned in 1961 while some of the facilities were installed in 1980 and some 2009/2017. The Institute currently produces 20 different animal vaccines at an average of 100 million doses per annum. The market size of imported poultry vaccines alone in Nigeria is estimated to be about ₦2.1 billion annually (about US\$ 7.00 million). Based on the 2011 National Agricultural Sample Survey of large animal and poultry population, an annual production volume of 200 million doses of large animal vaccines and 600 million of poultry vaccines are required to meet up with 80% of the need in country.

## **Progress on commercialization of Vaccine Production**

Increasingly, the need to operate the production facility as a separate business entity has become more apparent in order to compete effectively in the veterinary market, building on its comparative advantage as the sole manufacturer of veterinary vaccines in Nigeria. Moreover, the Institute is working towards achieving steady supply and optimizing the production capacity with a view to increasing the revenues generated internally.

So far, the Institute has registered a vaccine production company with the name **“Vom Biological Products Limited”** to allow for vaccine production and production of allied products such reagents, drugs and feed additives. Several rehabilitations and modifications to the laboratories have taken place in recent times, but yet to meet the requirement for the current Good Manufacturing Practice. Beside the name registration, the Institute had in the past commissioned a consultancy to develop a business case for potential investors, but the current realities are now slightly different from when it was developed. Nonetheless, the understanding of the capacity gaps and facility valuation is still quite limited, the market opportunity and required investment is still unclear, and as such, attracting and negotiating with potential investors has been a challenge. However it is worthy of note that the global market for animal vaccines is estimated to grow at a healthy CAGR of 8.1% and reach \$8.6 billion by 2018. Nigeria has the third largest livestock population in Africa in terms of Total Livestock Units with over 20 million cattle, 43 million sheep and 76 million goats and a 167 million poultry sector that is very significantly larger than any other country on the continent.

## **Purpose**

In view, PM is soliciting for proposals from Business Consultants/Consultancy Agency interested in undertaking the feasibility assessment of the NVRI vaccine Production facility to ascertain:

1. Veterinary market size estimation and the growth opportunities (including a PESTE analysis, Network Analysis, etc.),
2. Valuation of the production facility
3. Current capacity and potential based on existing equipment- Value stream mapping, supply chain mapping, organization capacity assessment, etc.
4. Human Resource Requirements
5. Options for optimizing the facility
6. Define the relationship for ongoing knowledge transfer between NVRI R&D and the Production outfit in a way that facilitates the viability and commercial competitiveness of the production facility – Develop a structure of royalty payment
7. Investment options and business plans for engaging potential investors

### **Deliverables**

- Proposed methodology and final report outline
- Detailed proposal with cost implication
- Proposed expertise required
- Business case (containing costed business/investment plans)
- Draft structure of royalty payment between the Research Institute and the Vaccine Production outfit
- Report outline for each of the assessment undertaken. For instance, Process maps, value chain maps, Business plans, etc

### **Reporting Requirements**

A PowerPoint presentation is required alongside a typed and bound word-processed document for each of the reports. Copies of reference documents obtained during the process are expected to be included in the final submissions.

### **Timing**

- Proposal selection from Consultants/Agencies 30<sup>th</sup> October, 2017
- Revised proposal from Agencies 5<sup>th</sup> November, 2017
- Commissioning of Consultants/Agency 7<sup>th</sup> November, 2011

Please note that the assignment is expected to commence early November and completed before the 15<sup>th</sup> of December.

The duration of this assessment will be agreed with the Lead consultant/Agency

### **Evaluation of Proposal**

This will be based on the demonstration of the understanding of the tasks, technical expertise required, proposed timeframe and costs.

### **Method of Application**

Interested consultants/Agencies should respond with not more than 10page proposal specifying the personal and their expertise, expected duration of the assignment and costs. The proposal should include the profile of the consultants/Agency and relevant experience, emailed to;

[gariyo@propcommaikarfi.org](mailto:gariyo@propcommaikarfi.org),cc' [tmjoannis@yahoo.com](mailto:tmjoannis@yahoo.com),  
[cchatham@propcommaikarfi.org](mailto:cchatham@propcommaikarfi.org).

On or before close of business, the 25<sup>th</sup> of October, 2017.

**Please note that only shortlisted proposals will be contacted.**