

MANUFACTURING AFRICA

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)



SECTOR SHAPING SUPPORT – VACCINE MANUFACTURING

Laying groundwork for vaccine manufacturing in Africa

The market for African Vaccine is expected to grow significantly by 2030, from approximately \$1.3 billion today to about \$2.3 - 4.36 billion by 2030. The value of the vaccine market could grow further to \$5 billion depending on the future of COVID-19 vaccine steady-state demand. The projected growth is driven by improved awareness, growing populations and expanding access.

Currently less than 2% of Africa's vaccines are locally manufactured. The vast majority are sourced from a small group of large Indian manufacturers (63%) and western multinational companies. Africa's reliance on vaccine imports has been due to several constraints to local production, including: weak regulatory environments, offtake challenges resulting from the complex market demand dynamics, restricted access to finance, limited local talent and a lack of a clear agenda or coordination across fronts.

However, our assessment suggests that there is a significant, untapped opportunity to develop manufacturing capacity in Africa.







THE CHALLENGE

Unlocking opportunities from vaccine manufacturing in Africa depends on continued strengthening of the enabling environment across regulation, demand dynamics, access to finance and talent (expertise). These will need to be accompanied by strong cross-cutting coordination and collaboration, including working closely with the private sector to understand their perspectives.

The Manufacturing Africa technical assistance (TA) designed to kickstart local vaccine manufacturing was divided into two phases with clearly defined objectives as follows:

PHASE 1:

-  Develop an assessment of the market landscape including current and forecasted demand for vaccines in Africa and the supplier landscape.
-  Identify opportunities for vaccine manufacturing in Africa, including potential models for expansion and investment opportunities.
-  Assess barriers and enablers impacting the expansion of vaccine manufacturing in Africa
-  Develop a roadmap for the short, medium and long-term to enable the industry

PHASE 2:

Ensure sustained momentum around African vaccine manufacturing to rapidly shift from assessment to action of a pan-African vaccine manufacturing strategy, by leveraging an evidence based, information dissemination and stakeholder convening approach culminating in the African Vaccine Manufacturing Summit of 2021.

MA INTERVENTION

PHASE 1: ACTION AND RESULTS

Action

Developed the fact base on African vaccine manufacturing including:

1. Landscaping analysis: Supply and demand landscape today, including demand forecasting for existing and emerging vaccine products for 2030 for the continent and at the country level.
2. High-level model to compare costs of goods sold for three vaccine products in nine African countries against a global benchmark.
3. Barriers and enablers limiting scaled vaccine manufacturing in Africa
4. Roadmap: Co-created a high-level 6-month and 10-year roadmap with Africa CDC and other pan-African and global stakeholders on key activities and milestones for the continent to expand vaccine manufacturing

Results

Several shareable materials disseminated to stakeholders including:

- Map of current African countries' existing vaccine manufacturing capacity
- Demand forecast for vaccines in Africa in 2030
- Cost-comparisons for three vaccine types across nine African countries to demonstrate the cost competitiveness of African-made vaccines compared to benchmark
- High-level estimates of investment opportunities and investment costs for different investment pathways
- Five potential "models" or approaches for expanding vaccine manufacturing on the continent
- Detailed resource pack including examples of common barriers/challenges to vaccine manufacturing, lessons learned from other vaccine-producing emerging markets that could be relevant to Africa, and the current state of these challenges and opportunities across regions and nine focus countries

PHASE 2: ACTION AND RESULTS

Action

Shifted stakeholders from discussion to action through targeted engagement on critical next steps.

Identifying and accelerating pipeline

Assessed the size and potential for spill-over opportunities resulting from expanding vaccine manufacturing in Africa.

Supported the Africa CDC to successfully execute an African vaccine manufacturing summit, bringing together key stakeholders.

Results

Obtained tangible commitment for vaccine manufacturing through over 30 stakeholder meetings and round table discussions held for dissemination of phase one work.

Created and iterated a pipeline of deals for potential support; 15 deals identified, with defined TA and TF support and profiling of anchor investors.

Articulated the possible positive health and economic impact of vaccine manufacturing

A successful virtual summit with actionable outcomes including partnerships and verbal commitments took place.

