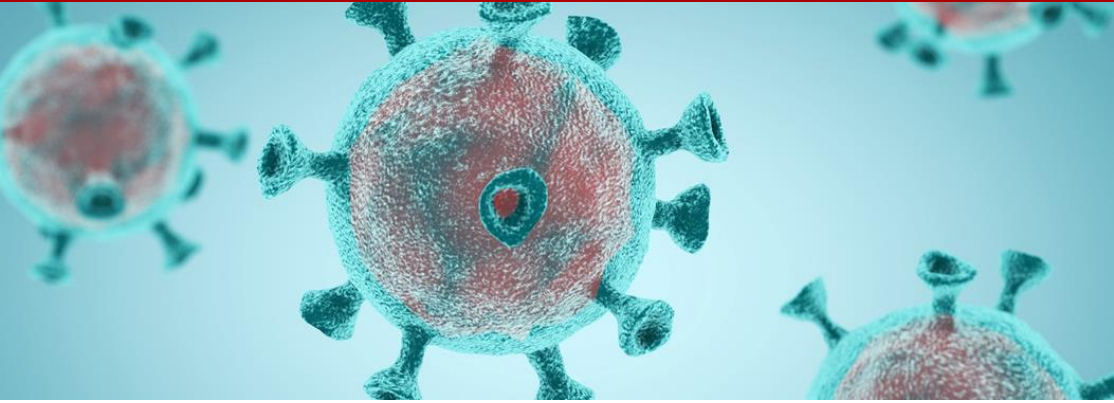


# MANUFACTURING AFRICA



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)



## **A UK – Senegal Partnership Develops Covid 19 Rapid Test**

Mologic is a UK registered biotechnology company and manufacturer of rapid diagnostic tests that identified the opportunity to develop Covid 19 rapid testing kits in Senegal through a partnership with the famous Institut Pasteur de Dakar.

Established in 2003, Mologic is a medium sized enterprise that has a manual manufacturing capacity of 4 million devices annually. On the other hand, Institut Pasteur de Dakar has a manual manufacturing capacity of 10 million annually.

Through a partnership between Mologic, Global Access Diagnostics and the Institut Pasteur de Dakar, the consortium (registered as Sedar Diagnostics) planned to set-up a dedicated unit for mega volume manufacturing of rapid tests specifically for epidemics such as Covid 19 and a range of tropical diseases such as malaria, ebola, dengue fever for the Senegalese, African and export markets.

## **Facts About Senegalese Pharmaceutical Sector**

**229 million**  
euros in value

Represents **1-2%**  
of the African market





**80%**  
driven by the  
private sector

**12%**  
annual growth  
between 2014-2019

**15%**  
profit margins

## CHALLENGE

The consortium – Sedar Diganostics - needed to build a business case to unblock a potential funding opportunity and implement the following strategic plan:

-  Enable immediate boost of manufacturing capacity by 20 million devices for the Covid 19 Antigen Tests at a price ceiling of €1 per test.
-  Expand to a minimum of 130 million manufacturing capacity per annum by 2023 through the construction of a large volume manufacturing facility in Senegal.
-  Establish molecular reagent manufacturing facility for epidemics with production capacity of 4 million tests per annum.
-  Delink manufacture of Covid 19 Antigen Test and molecular reagents from commercial return to prioritise pandemic preparedness and response among low- and middle-income countries.



## OUR SUPPORT

MA support was delivered through a two point plan of action as follows:



### Review of project business model

- MA defined the project's business model with input from more than 20 African and international stakeholders, including financing institutions, buyers, and public health institutions to stress test the business model and test market appetite.
- MA identified key success factors for the project and immediate next steps for the client's management team



### Development of project 5-year business plan

- Stress tested price and volume assumptions with local players, international institutions and Manufacturing Africa consortium experts.
- Built bottom-up estimates for capital expenditures (CAPEX) and operating expenses (OPEX)
- Built various scenarios considering different product portfolios and target markets across Africa

## IMPACT

MA's support in the development of a business case enabled the project achieve the following results:

- Unlock the funding opportunity and secure capital amounting to **€20 million** from a leading international financing institution to launch the project.
- Identified key economic levers to drive long term profitability of the new business, helping the client's management target R&D efforts
- Contributed to making the Senegalese and African market less dependent on imports, and decreasing the climate impacts associated with the intercontinental transport of medical equipment

“ Manufacturing Africa supported the business case optimisation and financial model preparations for Sedar Diagnostics, Africa's first giga volume manufacturing facility with a focus and expertise in epidemics. Sedar is being established with the support of the Institut Pasteur de Dakar in Senegal and Global Access Diagnostics in the UK. With backing from the European Investment Bank (EIB) secured following Manufacturing Africa's support, We anticipate Sedar to lay the groundwork for a growing, thriving biotechnology hub in West Africa to support product development, manufacturing, and epidemic response for the region and beyond.”

**Dr Joe Fitchett**  
**Medical Director, Mologic**

*This programme is funded by UK aid from the UK government; however, the views expressed do not necessarily express the UK government's official policies.*

## CONTACT US

Christoph Zipfel, Manufacturing Africa Team Leader

Email: [info@manufacturingafrica.org](mailto:info@manufacturingafrica.org)