

## Case study

# Helping protect NSW's livestock industry

### Issue

In 2022, the NSW Government began a 5-year partnership with Tiba Biotech, a biotechnology company specialising in mRNA vaccines, to address emergency animal disease threats. The collaboration focuses on building local mRNA vaccine development capability – including a pilot manufacturing facility – for vaccine prevention of several endemic threats, including Foot and Mouth Disease and Lumpy Skin Disease.

Being fully synthetic, mRNA vaccines do not carry with them the same risks as traditionally derived vaccines. They are not created from animal or microbial products (like current Foot and Mouth Disease vaccines), can be quicker to produce, and are safe and highly effective.

### How we helped

Tiba Biotech is a US-based organisation; for the NSW Government to enter this partnership, the Department of Regional NSW (DRNSW) was required to hedge the fees paid, in accordance with NSW Treasury's Financial Risk Management Policy.

TCorp advised DRNSW on a foreign exchange hedging strategy, to facilitate a series of US dollar payments (over US\$2mn) to Tiba Biotech.

Early collaboration with TCorp enabled DRNSW to fix the future US dollar cashflows at a known rate, consequently removing any risk associated with fluctuating exchange rates. With payments scheduled from 2023 into 2025, this fixed rate provided budget certainty over the duration of the project and removed any risk that additional funding would be required.

Establishing domestic mRNA vaccine manufacturing capability means NSW can respond more quickly to outbreaks, mitigate the impact of emergency animal diseases through preventative measures, safeguard animal health and the NSW livestock industry and underpin a key area of the NSW economy.



**Reading cell culture plates for the effect of a virus**

Photograph courtesy of NSW Department of Primary Industries

### About TCorp

TCorp provides best-in-class investment management, financial management, solutions and advice to the New South Wales (NSW) public sector. With A\$106.2 billion of assets under management, TCorp is a top 10 Australian investment manager and is the central borrowing authority of the state of NSW, with a balance sheet of A\$148.6 billion. It is rated Aaa (Stable) by Moody's, AAA (Stable) by Fitch, and AA+ (Stable) by S&P.

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