



State of Israel
Ministry of Agriculture & Rural Development
Agricultural Research Organization - Volcani Institute
Kidum ARO

Request number: 00697

Request for Information (RFI)
For commercial research & development, project for Tuna species

Background

Mariculture is a promising solution that has many advantages over other conventional agricultural and land-based livestock production (*e.g.* beef, sheep, and poultry). The world annual market for aquaculture products has reached 250 billion dollars and is growing at 6-8% a year, which is far greater than any other agricultural sector. The production of marine organisms does not demand fresh water and leaves a markedly lower carbon footprint as well as a higher efficiency of energy and feed utilization compared to other forms of agriculture.

The National Center for Mariculture (NCM), at present a branch of Israel Oceanographic & Limnological Research Institute (IOLR) in Israel, NCM develops technologies and tools the Mariculture Industry, in order to provide a competitive edge. As a national R&D center, the NCM has expertise in domesticating a range of marine finfish species (*i.e.*, gilthead sea bream, mullet, grouper, bluefin tuna). These capabilities are a base for a commercial research & development project for two tuna species: Atlantic Bluefin tuna (Atlantic and Mediterranean Sea species) & Yellowfin tuna (Southern hemisphere, Pacific, Indian and Gulf seas), which comprise significant economic potential and a global vision.

The world's tuna market (2018) is about 5.2 million tons/year with a value (at the dock) of about 41 Billion USD/year. The entire industry is based on increasingly diminishing fishing. Therefore, the NCM is focusing on fast-growing marine species with a global future demand, starting with two tuna species of Atlantic and Pacific origin.

Major investments are holding out in expectation that this development will succeed. There are various hurdles to overcome, not least finding the optimum management of the reproductive process, and development to improve on are the survival rate of fingerlings, and develop new facilities for Tuna reproduction. The NCM is in a unique position to reach this objective.

Accordingly, in order to encourage private investment and initiative in the field the Government has initiated a national tuna fingerling project, dedicated to the closing of the Tuna-fish life cycle, and promoting Israel as a world center for production and export of tuna fingerlings. In Government Decision 4462 dated 04.08.2019 it was determined that the government will fund the infrastructure for Bluefin and Yellowfin Tuna in NCM (in an amount of tens of millions of NIS). Furthermore a development plan was formulated to promote the project of domestication and exporting tuna fingerlings.

Kidum the technology transfer unit of the Agricultural Research Organization in the Ministry of Agriculture & Rural Development, and NCM are interested in receiving proposals from Companies and/or VC funds (Hereinafter: "Commercial Partners") that are interested in investing in the project for the purpose of establishing a Commercial Entity dedicated to realizing the project.

Communication

The engagement process will be managed by "Kidum" accompanied by the Legal Bureau of the Agricultural Research Organization, according to the rules applicable in this type of engagement, in coordination with the Ministry of Agriculture and other government entities.

Expected Goals for Commercial Partners

- Operation and funding of the different tuna research facilities.
- Commercial Tuna eggs production facilities operations.
- Expectation for annual production with full operation of about 820 million eggs per year.
- Growing and selling tuna fingerlings.
 - Operating and funding the fingerlings hatchery research facility
 - Semi-commercial and commercial hatchery facility
- Commitment to the R&D by NCM.
- Management and business development by the Commercial Entity.
- Financing (current costs + additional investments). Business Development according to a business plan.

The purpose of the RFI:

"Kidum" seeks to map the potential entities for such a contract, and to hold discussions with interested parties before issuing a formal request for proposals. We would like to indicate that this is an initial stage and the request for proposals later will be sent only to entities that have expressed interest following this publication.

The commercial partner must have:

- International market access for a minimum of five years
- An entity with investment capabilities in venture capital proven by a pipeline of investments of tens of millions of NIS.
- Abilities of fingerling production (such abilities can be in collaboration with third parties, which can be added up until the proposal phase)
- Priority to company with involvement with an Israeli company in the food business including import and export of food on a large scale, (these connections and abilities can be in collaboration with third parties which can be added up until the proposal phase).

Deadline for submission:

October 31, 2021

Subject to numerous submissions of candidates, the deadline may be postponed by up to six months from the above-mentioned date.

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