

## news release

### 10<sup>th</sup> annual G-FINDER report: Pharmaceutical industry R&D investment funding for neglected diseases continues to be a good news story

**Geneva, 13 December 2017:** IFPMA, the international association representing the research-based biopharmaceutical companies, welcomes the 10<sup>th</sup> annual G-FINDER report<sup>i</sup> results that show industry contributed USD 497m to global R&D efforts, accounting for 16% of total global funding. The report notes that industry funding has reached new record highs for the last three years. Since 2008, reported industry investment has increased by nearly 50%. This firmly consolidates industry's position as the 3<sup>rd</sup> largest funder of R&D for neglected diseases after the US NIH and the Bill and Melinda Gates Foundation. G-FINDER notes that "the sustained growth in industry investment in neglected disease R&D continues to be a good story".

A large proportion (USD 391m, 79%) of industry investment can be attributed to major research-based biopharmaceutical companies (listed in the G-FINDER report as multinational companies "MNCs"). Increasingly, the research-based biopharmaceutical industry engages in a variety of multi-sectoral research models to ensure that new generations of improved treatments and interventions are discovered, despite low commercial incentives in the area of NTDs. The most common model sees NTD R&D conducted through partnerships. The G-FINDER report makes numerous references to global health initiatives such as the GAVI Alliance, Product Development Partnerships (PDPs) and other R&D partnerships that receive funding from the research-based biopharmaceutical industry, such as GHIT Fund<sup>ii</sup>. This partnership between the Japanese government, foundations and Japanese pharmaceutical companies recorded its highest ever investment in 2016.

This year's G-FINDER reports makes reference to increased funding from small pharmaceutical and biotechnology firms (SMEs) in particular those from India. IFPMA welcomes this development, as it illustrates that the broader innovative ecosystem is increasingly becoming involved in driving R&D. The G-FINDER report provides a useful snapshot of this ecosystem: including small biotech companies involved in early R&D, SMEs in emerging markets carrying out clinical and field development and post registration studies, cooperation with institutes and universities. Thomas Cueni, Directory General, IFPMA, remarks: "Research-based biopharmaceutical companies are taking leadership in supporting an increasingly interconnected innovative ecosystem involved in tackling global health challenges such as neglected diseases".

Ending suffering from neglected diseases is achievable, and IFPMA member companies tackle this challenge in a holistic manner. The G-FINDER report only captures the R&D investments. Research-based biopharmaceutical companies also provide considerable in-kind contributions that are specifically targeted to neglected diseases R&D. This includes sharing intellectual property assets such as compounds and compounds libraries for research purposes, giving access to research facilities, hosting scientists, and providing training. It also includes transfer of technology, and building technical expertise to develop, manufacture, register and distribute products for neglected diseases. Such actions are also complemented with donations, preferential pricing, and capacity building.

In January 2012, the industry pledged 14 billion donated treatments to control or eliminate the ten neglected tropical diseases (NTDs) responsible for more than 90% of the global NTD burden (see <u>London Declaration</u>). Year on year, biopharmaceutical companies have met their commitments; 1.8 billion treatments were donated in 2016 alone<sup>iii</sup>. IFPMA companies are also engaged in partnerships to strengthen health system capacities and improve public awareness on disease prevention. For example, there are over 40 partnerships on the ground that focus on improving screening, timely diagnosis, and awareness raising for HIV/AIDS and tuberculosis (see <u>IFPMA Health Partnerships Directory</u>).

Towards wider efforts to control the spread of emerging infectious diseases, the industry is also contributing to combatting antimicrobial resistance (launch of the <u>AMR Industry Alliance</u>iv, May 2017) and defending against future pandemics (Coalition for Epidemic Preparedness Innovations (CEPI), January 2017).

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#### **About IFPMA:**

IFPMA represents research-based pharmaceutical companies and associations across the globe. The research-based pharmaceutical industry's 2 million employees discover, develop and deliver medicines and vaccines that improve the life of patients worldwide. Based in Geneva, IFPMA has official relations with the United Nations and contributes industry expertise to help the global health community find solutions that improve global health.

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<sup>&</sup>lt;sup>i</sup> G-FINDER project is funded by the Bill & Melinda Gates Foundation, and conducted by Policy Cures Research, an independent not-for-profit group focused on providing governments, funders and civil society organisations with the information they need to make optimal R&D policy and funding decisions to deliver new health technologies for diseases of the developing world. For more see: <a href="www.policycuresresearch.org">www.policycuresresearch.org</a>. This latest report covers 33 neglected diseases and all relevant product types: drugs, vaccines (preventive and therapeutic), diagnostics, microbicides and vector control products (pesticides, biological control agents and vaccines targeting animal reservoirs) – as well as basic research.

The first of its kind in Japan, the GHIT Fund is a public-private partnership between the Japanese government, multiple pharmaceutical companies, the Bill & Melinda Gates Foundation, the Wellcome Trust, and United Nations Development Programme (UNDP). GHIT Fund invests and manages a portfolio of development partnerships aimed at neglected diseases that afflict the world's poorest people. GHIT Fund mobilizes Japanese and international pharmaceutical companies and academic and research organizations to engage in the effort to get new medicines, vaccines, and diagnostic tools to people who need them most. IFPMA member companies involved in GHIT are: Astellas, Chugai, Eisai, Daiichi Sankyo, GlaxoSmithKline, Johnson & Johnson, Merck, Otsuka, Shionogi, and Takeda. For more information please visit www.ghitfund.org.

iii This unprecedented global partnership has been recognized in the Guinness Book of Records for the most medication donated within 24 hours.

iv The AMR Industry Alliance brings together over 100 biotech, diagnostics, generics and research-based pharmaceutical companies and associations, to drive and measure the life-sciences' industry progress to curb antimicrobial resistance. A first progress report will be launched in January 2018, and will track progress in four different areas (Research and Science, Access, Appropriate Use, and Environment), identify gaps and set targets for the future.