

PRESS RELEASE

Funding for neglected disease research stays stable in 2020 despite COVID-19 pressures

The latest G-FINDER report finds that investments in neglected disease R&D stayed near their historic high, despite the turbulent first year of the COVID-19 pandemic.

Sydney, Australia, 27 January 2022 – After recent years of record high funding, investment in poverty-related neglected disease R&D dropped by just 4% in 2020, showing notable resilience in a funding and operating environment strained by the realities of COVID-19.

This is according to Policy Cures Research's fourteenth annual G-FINDER report 'New Perspectives', the world's most comprehensive survey and assessment of R&D funding for neglected diseases which disproportionately affect the world's poorest people.

"These figures are reassuring for the neglected disease research and development community as they indicate continued commitment to advancing health innovations for some of the world's most vulnerable populations," says Dr Nick Chapman, CEO of Policy Cures Research. "However, we can't assume that resilient funding in the first year of the pandemic means that we are safe from impacts on funding in the future. Tackling COVID-19 continues to compete with neglected disease R&D for funders' attention and resources, and there remains the risk that future fiscal contractions may reduce governments' neglected disease budgets."

Investments in clinical development impeded by the COVID-19 pandemic

One immediate effect of the COVID-19 pandemic was to hinder product developers' ability to conduct clinical trials. A major private sector funder confirmed to Policy Cures Research that their clinical trials experienced pandemic-related disruptions throughout 2020. Other funders are likely to have faced similar challenges as global funding for clinical development and post-registration studies fell by \$124m in 2020, a 10% drop.

In line with this trend, multinational pharmaceutical companies' (MNC) investments in clinical development decreased for the second consecutive year in 2020. The previous G-FINDER report had attributed this change to normal fluctuations in the pipeline, pointing to the conclusion of late-stage trials. However, another year of decreases in MNC funding could signal a trend. Although the 2020 decline is most likely due to pandemic-disrupted trials, it could indicate that half a decade of soaring MNC funding is coming to an end.

Growth in philanthropic funding helped offset falling public and private sector funding

Although the public and private sectors' contributions to neglected disease R&D both dropped slightly in 2020, the philanthropic sector saw its highest level of funding since 2008, as investments increased by \$28m over the previous year. This was driven in part by increased funding from established neglected disease donor Wellcome as well as by greater investments from Open Philanthropy, a relatively young organisation that began funding neglected disease R&D in 2017. Open Philanthropy nearly tripled its funding for neglected disease R&D between 2017 and 2020.

The Bill and Melinda Gates Foundation remained the second largest funder of neglected disease R&D overall, providing 16% of all global funding in 2020.

Growth of investment in platform technologies spurs research for multiple diseases

Notably, one area of research that has benefitted from significant increases in investment in recent years is platform technologies with potential application across a wide range of disease groups.

Total funding for platform technologies grew by \$33m (34%) in 2020 and has more than tripled in the three years since 2017. Vaccine platforms and general diagnostic platforms attracted the majority of this funding in 2020, accounting for 76% of 2020's platform technology funding, up from just 45% in 2017.

The Bill and Melinda Gates Foundation was the largest funder of platform technologies, providing 40% of all funding, followed by US government agencies, the National Institutes of Health and the Department of Defense. These organisations have been the top three funders of platform technologies over the life of the G-FINDER survey and in each of the last three years, jointly providing just under 80% of global platform funding over both time periods.

While this increase in platform funding predates the COVID-19 pandemic, a number of grants underpinning this data cite COVID-19 as a potential target, suggesting that the pandemic has accelerated interest in platform technologies.

"The global health R&D community is now exploring in earnest the potential application of innovative COVID-related technologies for neglected diseases" says Chapman. "In light of that, we predict that the already hastened pace of investment in platform technologies we saw in 2019 and 2020 will continue in the neglected disease R&D space, at least in the immediate years to come."

Whilst the response to COVID-19 has illustrated the investment case for global health by delivering a range of potential tools, new funding mechanisms, new technologies and improved methods of research and regulation in record time, it also serves as a stark reminder that neglected diseases persist because of insufficient funding and momentum. The next challenge for global health stakeholders will be to ensure that neglected diseases benefit from opportunities and innovations that have emerged from the pandemic.

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- For further information, or to request an embargoed copy of the report, please contact the Policy Cures Research team at gfinder@polycuresresearch.org
 - The full G-FINDER report on neglected disease will be available from 27 January at <https://www.polycuresresearch.org/2021-g-finder-neglected-disease>
 - In addition to the report, all G-FINDER survey data, including investments in sexual and reproductive health (SRH) and emerging infectious diseases (EID) will be published on the G-FINDER data portal at <https://gfinderdata.polycuresresearch.org>

About the G-FINDER on Neglected Disease

The G-FINDER, now in its fourteenth year, is the most comprehensive report on global funding of R&D for neglected diseases such as HIV/AIDS, malaria, TB, sleeping sickness and helminth infections. The annual G-FINDER report is intended to help policy makers, funders and product developers better understand the global landscape for neglected disease R&D, where funding gaps exist, and how their investments fit into the global picture. The G-FINDER survey is conducted by Policy Cures Research and funded by the Bill and Melinda Gates Foundation.

About Policy Cures Research

Policy Cures Research is an independent, not-for-profit, research and policy organization providing strategic analysis and decision-making tools for those involved in the creation of new health technologies for neglected diseases, sexual and reproductive health, and emerging infectious diseases. Its focus is on providing governments, funders, researchers and civil society organizations with the insights they need to make optimal R&D policy and funding decisions for diseases affecting the world's poorest populations.