



PRESS RELEASE

**EMBARGO: Wed. 7th Dec. at: 1300 US New York (EST); 1800 London (GMT); 1900 Geneva (CET)
/ Thursday 8th December at: 0500 Australian Eastern Daylight time (AEDT)**

New generation of lifesaving medicines and vaccines for the world's poor now at risk

London, 8th December 2011 – A fresh round of funding cuts from rich nations in the wake of the global financial crisis threaten the development of a new generation of lifesaving medicines and vaccines just as they are on the verge of reaching patients in the developing world. Public funding from the world's richest nations for research and development (R&D) of new neglected disease products fell by US\$125m (down 6%) in 2010, according to new data published in the fourth annual G-FINDER report. Diseases like HIV that rely heavily on public funding have been hit the hardest, with a US\$70m cut in HIV R&D funding alone.

“In the past, the Bill & Melinda Gates Foundation provided over 20% of global investment into new neglected disease products, but those days have gone”, said report author Dr Mary Moran, Director of Policy Cures. *“It’s time for governments to step up to the plate, otherwise we risk losing a decade of investment that is on the verge of delivering badly needed new medicines and vaccines for the developing world”.*

The UK government bucked the downward trend by being the only government to significantly increase funding for neglected disease R&D (up \$21m, 15%), making good on their promise “not to balance the books on the backs of the poor”.

This funding increase was particularly significant as the majority of other governments cut their year-on-year funding in 2010, including the United States (down \$75m), European Commission (down \$26m), Sweden (down \$14m), the Netherlands (down \$11m), Denmark (down \$8m), France (down \$7m), Canada (down \$7m), Spain (down \$6m), Germany (down \$4m) and Norway (down \$3m). Philanthropic funding also decreased by a substantial \$80m (down 12%) in 2010, mostly due to a \$102m decrease in funding from the Gates Foundation, as several Foundation-funded products reached maturity.

The impact of the cuts would have been far worse but for a substantial increase in investment from multinational pharmaceutical companies. Industry investment in neglected disease R&D increased by US\$107m (up 28%) in 2010.

The brunt of the funding cuts has been borne by Product Development Partnerships, who account for some of the most advanced products in development but have seen their funding cut by nearly \$100 million in the past two years even as these products are approaching completion.

“Government and other public funding is evaporating at a time of tremendous opportunity,” said Dr. Mel Spigelman, President and CEO of the TB Alliance. “We’re on the brink of delivering potentially revolutionary new treatments for tuberculosis, with similarly great promise in other areas of global health. Now is the time to invest in critical life-saving technologies; the cutbacks described in this report could be disastrous for global health.”

In 2010, the three ‘top tier’ diseases – HIV/AIDS (\$1,073m, 35%), tuberculosis (\$575m, 19%) and malaria (\$547m, 18%) again received the lion’s share of funding (72%), although this was a drop from 77% in 2007. Unlike previous years, this was due to decreased YOY funding for the top three diseases (down \$82m) rather than to increased funding for the remaining neglected diseases.

Among the second tier diseases, dengue and diarrhoeal diseases each received more than 5% of global R&D funding for the second year running. The ‘third tier’ diseases remained neglected, with leprosy, Buruli ulcer, trachoma and rheumatic fever each receiving less than \$10m.

Bacterial pneumonia and meningitis R&D saw the largest increase in funding in 2010, with YOY funders providing an additional \$32m (up 53%). A significant increase in funding was also directed to TB (up \$30m, 6%). However, these increases were not enough to make up for the large drops in R&D funding for kinetoplastid diseases such as sleeping sickness, leishmaniasis and Chagas’ (down \$16m, a drop of 10%), diarrhoeal diseases (down \$18m, a drop of 10%) and malaria (down \$45m, a drop of 8%) although the malaria cut reflected the upcoming conclusion of the RTS,S vaccine programme.

The G-FINDER survey, now in its fourth year, is the most comprehensive report to date on funding of R&D for neglected diseases like malaria, TB, HIV, pneumonia, sleeping sickness and helminth (worm) infections. It covers 31 diseases and 134 product areas for these diseases, including drugs, vaccines, diagnostics, microbicides and vector control products. In 2010, 240 organisations completed the survey, including all major public, private and philanthropic funders. This year, the report expanded to include funding from public agencies in Argentina, Chile, Malaysia, Mexico, Nigeria and Uganda. The G-FINDER survey is conducted by the independent research group Policy Cures and funded by the Bill & Melinda Gates Foundation.

These results/ implications will be discussed at a press briefing: 9:30 on Dec. 8th at the Academy of Medical Sciences, 41 Portland Place, London W1B 1QH, followed by panel discussion 10:30– 12:30.

Contact: Samantha Bolton gfindersurvey@gmail.com +41 79 239 2366/ Dec 7-8th: +44 797 242 8633

G-FINDER: Global Funding of Innovation for Neglected Diseases. The full G-FINDER report can be found here post-embargo: http://policycures.org/downloads/g-finder_2011.pdf

POLICY CURES: *Policy Cures is an independent not-for-profit group providing research, information, decision-making tools and strategic analysis for those involved in the creation of new pharmaceuticals for neglected diseases. Its focus is on providing governments, funders and civil society organisations with the information they need to make optimal R&D policy and funding decisions for diseases of the developing world.*