

PDPS: WHAT ARE THE CHALLENGES AHEAD

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Top 12 PDP funders

Funder	Funding to PDPs in 2007 (USD 2007)	Funding to PDPs in 2008 (USD 2007)	FY2007 %	FY2008 %	Rank 2007	Rank 2008	Change in reported funding	% of total funding to PDPs in 2007	% of total funding to PDPs in 2008
Bill & Melinda Gates Foundation	231,183,854	351.426.826	51.1	57,0%	1	1	↑↑	49,3%	60,6%
US Agency for International Development (USAID)	41,441,000	40.052.987	51.4	47,8%	2	2	↓	8,8%	6,9%
Department for International Development (DFID)	33,430,151	28.094.083	70.3	64,9%	3	3	↓	7,1%	4,8%
Dutch Ministry of Foreign Affairs (DGIS)	32,170,024	19.807.172	94.8	73,6%	4	4	↓↓	6,9%	3,4%
Canadian International Development Agency (CIDA)	11,796,354	15.506.676	100.0	93,5%	6	5	↑	2,5%	2,7%
Global Alliance for Vaccines and Immunisation (GAVI)	10,083,609	14.812.687	-	100,0%	8	6	↑	2,1%	2,6%
Spanish Ministry of Foreign Affairs and Cooperation for Development	3,426,796	13.116.474	61.5	82,0%	16	7	↑	0,7%	2,3%
Norwegian Royal Ministry of Foreign Affairs*	8,858,106	12.389.471	-	100,0%	9	8	↑	1,9%	2,1%
Swedish International Development Cooperation Agency (SIDA)	10,505,567	11.188.482	48.8	56,0%	7	9		2,2%	1,9%
New York City Economic Development Corporation		7.611.237		100,0%	-	10	-	0,0%	1,3%
Médecins Sans Frontières*	7,187,885	7.275.268	-	100,0%	10	11		1,5%	1,3%
Irish Aid	23,586,318	6.820.567	97.2	80,8%	5	12	↓↓	5,0%	1,2%
Total funding to PDPs	469.392.952,28	580.084.382,91							
Total R&D funding	2.560.068.749,00	2.955.964.344,00							

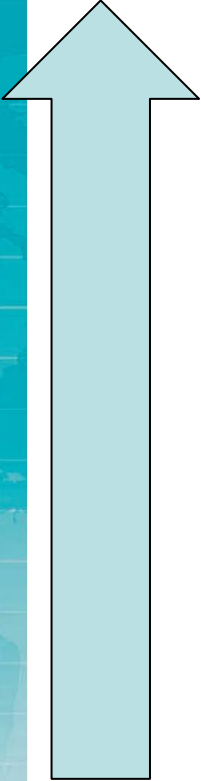


Year on Year trends (2007 to 2008)

- Decreased funding in most sectors:
 - High-Income Countries (down \$26.3m)
 - Multilaterals (down \$0.1m)
 - Small pharma companies (~ halved)
- Multinational companies held steady (\$0.9m increase)
- Gates Foundation - \$165m increase
- Net effect: 3.9% (\$100m) increase

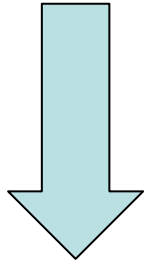


PDP funding needs

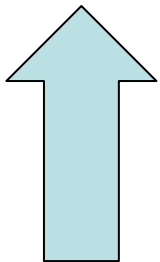
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- Biggest pipeline for neglected disease products ever
 - Products have moved into late stage clinical trials
 - PDPs have extended their work into broader areas outside pure R&D
 - New PDPs are being established/considered



Future R&D funding trends



- Overall public funding from HICs is decreasing
- AID budgets will be further affected by the financial crisis
- Commercial (SME) funding is vulnerable short-term



- Funding coming from the philanthropic sector is increasing
- IDC public funding and MNCs are largely stable sources
- New funding sources ??
 - OECD/G8/G20
 - Ministries of trade and industry, science and technology
 - Developing countries
 - Corporate and private giving



PDPs: Raising funds

- New funding sources are urgently needed
- A more diversified funding base is crucial
- New financing and allocation mechanisms (e.g. FRIND, PDPFF, IRFF) might encourage new funders
- Funding from procurement agencies as products are in final stages of development/ready for uptake??
- Increased engagement with IDC players
- Real estimation of R&D needs



PDPs: spending (1)

- It is not business as usual anymore
- More efficient use of resources is a must
 - Increased collaboration on areas of mutual benefit such as regulation
 - Foster synergy such as the royalty-free license agreement between the TB Alliance and DNDi
 - Joint activities such as pharmacovigilance of ACTs between MMV and DNDi
 - Merging some support staff (e.g legal teams)??
- Scope and KPIs need to be agreed on all areas and progress will have to be made



PDPs: spending (2)

- Work on the commonalities and have a single voice
- Coordinate the coordination
- Start thinking about prioritization between diseases and products (i.e patient approach)
- Plan ahead and take into consideration other technologies



Keep it up, good luck and thank you



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