

**PATH's contribution to the European Commission's Public Consultation on revising the Consensus on Development**

*21 August 2016*

2.1 Received contributions may be published on the Commission's website, with the identity of the contributor. Please state your preference with regard to the publication of your contribution.

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2.2 Are you registered in the EU's Transparency Register?

No.

2.3 Name (entity or individual in their personal capacity)

PATH

2.5 What type of stakeholder are you?

Civil society (including Non-Governmental Organisation, specialised policy organisation, think tank)

2.6 Please specify

PATH is the leader in global health innovation. An international nonprofit organization, we save lives and improve health, especially among women and children. We accelerate innovation across five platforms—vaccines, drugs, diagnostics, devices, and system and service innovations—that harness our entrepreneurial insight, scientific and public health expertise, and passion for health equity. By mobilizing partners around the world, we take innovation to scale, working alongside countries primarily in Africa and Asia to tackle their greatest health needs. Together, we deliver measurable results that disrupt the cycle of poor health.

2.7 What is your place of residence (if you are answering as a private individual) or where are the headquarters of your organisation situated (if you are answering on behalf of an organisation)?

Other

2.8 Please specify

PATH is headquartered in Seattle, Washington, United States of America, but works in more than 70 countries, primarily in Africa and Asia.

3.1 There is a range of key global trends (e.g. changing geography and depth of poverty; challenges related to climate change, political, economic, social, demographic, security, environmental or technological) which will influence the future of development and the implementation of the 2030 Agenda. Which of these do you think is the most important?

Despite significant gains in global health during the past decade, challenges remain, such as resistance to drugs for malaria and tuberculosis as well as a need for new and better vaccines to prevent the leading killers of children – including pneumonia, diarrhea, and malaria. One of the main challenges is that, due to the fact that the burden of poverty-related and neglected diseases (PRNDs) fall overwhelmingly in low- and middle-income countries (LMICs), there is a lack of profitable commercial markets to drive research and development (R&D). Because of this, public funding throughout the R&D pipeline, from discovery to development and introduction, is essential. We must continue to invest in R&D to develop the next generation of global health tools that can prevent, treat, and one day halt preventable deaths.

Achieving Sustainable Development Goal (SDG) 3 of ensuring healthy lives and promoting well-being for everyone will require a global commitment to invest in R&D for new drugs, diagnostics, vaccines, devices and other tools to address unmet needs. Similarly, new health threats are emerging that have the potential to cause millions of deaths, mostly in the developing world, such as Ebola, Zika and antimicrobial resistance. In our globalized world, diseases know no borders, therefore addressing these issues will require a strong public commitment to invest in innovation for new tools in the fight.

3.2 How should EU policies, and development policy in particular, better harness the opportunities and minimise the negative aspects of the trend you identified in the previous question?

As the biggest provider of the development aid, the EU cannot fail to recognise the importance of innovation in health within its strategy to implement the 2030 Agenda. This challenge should be acknowledged at the highest political level so that the policies of the EU institutions and EU member states are coordinated and effective.

While the EU has played a vital role in creating new products for addressing PRNDs, its role in supporting innovation for global health should be strengthened by prioritising innovation for global health as essential to achieving the 2030 agenda. One way to improve the impact of current funding is to ensure clear links between investments in R&D throughout the EU's various funding mechanisms. Current funding primarily comes through EU Research funding (Horizon 2020, Innovative Medicines Initiative), which generally follows different logic compared to EU development and aid policy. Clear links must be made between investments in R&D across the EU to ensure strategic alignment.

Increased alignment may also help trigger increased investments from EU member states. Current investment in PRND R&D varies widely between Member States: the largest funders are the UK and France; some, like Finland, Italy and Portugal, contribute relatively little and fund only sporadically; while 14 EU countries - Austria, Bulgaria, Cyprus, Czech Republic, Estonia, Greece, Hungary, Latvia, Lithuania, Malta, Poland, Romania, Slovakia, Slovenia - provide virtually no funding for PRND R&D.

4.3 What are the main changes you would like to see in the EU's development policy framework?

The Consensus on Development fails to recognise the importance of science, technology and innovation to improve health and other global public goods. The ambitious vision laid out in the Consensus will only be attainable with new and improved tools to address poverty-related and neglected diseases and conditions. This gap should be addressed in the future policy framework by prioritizing research and development as a critical component to achieving the SDGs.

5.1 How can EU policies, and EU development policy in particular, help to mobilise and maximise the impact of the increasing variety of sustainable development finance, including in particular from the private sector?

Public-private partnerships have shown great success in leveraging public and private sector funding and expertise to achieve global public goods. The EU should include this successful model for future development policy.

Product Development Partnerships (PDPs) are one model of public-private partnerships that have proven successful in building a robust product pipeline for PRNDs and addressing market failures. PDPs work to advance R&D for poverty-related and neglected diseases and conditions in LMICs. PDPs serve as a bridge between the public and private sectors, bringing together the assets of each to ensure impact, scale, and sustainability for the world's most vulnerable populations. By maximizing the complementary areas of expertise and resources of different stakeholders, PDPs are an efficient and sustainable model to develop and deliver health innovations.

Some of the important characteristics that have brought success include the ability to leverage public sector funding to gain private sector investment, and a portfolio approach to development. A portfolio approach enables clinical data to guide decision-making and allows funds to be used where they are most needed and selecting promising candidates on the basis of public health returns, not commercial returns. In 2015, of the 485 neglected disease product candidates in the pipeline, 58% were the result of PDPs and other public-private partnerships (<http://polycycures.org/downloads/ND%20Pipeline%20Report%202015%20web.pdf>). Because these unique partnerships are focused on reaching public health goals, the resulting products are both effective and affordable.

5.3 How can the EU better support partner countries in mobilising their own resources for poverty eradication and sustainable development

Achieving the goals set forth in the SDGs will require investments in capacity building for R&D in low-and middle-income countries (LMICs). Capacity strengthening, like that supported through the European and Developing Trials Clinical Trials Partnership, builds local research and regulatory capacity. Improved regulatory capacity strengthening among national regulatory authorities to meet international standards enhances country ownership and ensures the EU's investments in this area are sustainable. Improving the capacity for local research and development can enable home-grown solutions and allow local product development to be responsive to existing needs and emerging challenges. As stronger innovation and regulatory capacity emerges and LMICs graduate from traditional aid programs, investments in capacity building ensures the sustainability of EU Aid and increased participation from LMICs.

5.5 Given experience so far in taking into account the objectives of development cooperation in the implementation of EU policies which are likely to affect developing countries (e.g. Policy Coherence for Development: 2015 EU Report), how should the EU step up its efforts to achieve Policy Coherence for Development, as a key contribution to the collective effort towards policy coherence for sustainable development? How can we help ensure that policies in developing countries, and internationally contribute coherently to sustainable development priorities?

Coherence between EU internal and external policies should be improved, especially where internal policies have a strong impact on the EU's actions and mission in developing countries.

For example, tension exists between the promotion of global health and the recognition of the need for new medical tools, with the focus of EU's research and innovation framework (Horizon 2020) on European economic competitiveness and growth. The impact of EU funding for global health innovation can be made more effective by taking into account the distinctive characteristics of PRNDs and tailoring research programmes accordingly. The EU should ensure that instruments give clear priority to the promotion of global health, and thus the achievement of SDG 3, and that an approach centred on public health needs-driven research and innovation is not undermined. Improving the alignment of EU research policy and the EU development strategy is key to leveraging impact in the EU's investment in global health R&D.

6.5 What are the best ways to strengthen and improve coherence, complementarity and coordination between the EU and the Member States in their support to help partner countries achieve poverty eradication and sustainable development?

The EU should develop a comprehensive PRND R&D funding strategy with clear objectives and an implementation plan to ensure funding is aligned and effective. Clear priorities and strategies for global health R&D that align across EU development and research policy and between Member States will help ensure funding gaps are bridged and the EU's global health aims are accomplished.

7.1 How can the EU strengthen its own use of evidence and analysis, including in the development field, to feed into its regular review on the Sustainable Development Goals to the UN?

If the SDGs are to be successful, it is vital that they acknowledge the importance of – and measure progress toward – R&D for global health. We suggest an update of the EU Results Framework in order to adapt it to the new challenges of the SDGs. R&D expenditure as a percentage of GDP should be collected nationally as an indicator toward progress on R&D as it relates to SDG 3. Indicators should be used to influence decision-making and make allocation of resources more effective.