

# Delivering health solutions through public-private partnerships

A three-part 2013 policy dialogue series



January 2014

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# The role of public-private partnerships to advance global health research and development

## Introduction

Public-private partnerships (PPPs) have played a critical role in accelerating global health research and development (R&D) specifically to address the health needs of developing countries. These multisector collaborations include partners from multilateral organizations, governments, universities, nongovernmental organizations (NGOs), and private-sector companies. This report outlines the key themes and recommendations identified during three policy dialogues hosted by PATH and partners in 2013 that highlight ways for PPPs to effectively develop, adapt, and deliver lifesaving health innovations to those most in need.

**Public-Private Partnerships** for global health R&D work across the product lifecycle—from basic research through product introduction and implementation—to leverage the assets and align the strengths of the private and public sectors to accelerate product development and adoption to improve health equity.

**Nonprofit Product Developers**, which include **Product Development Partnerships**, are nongovernmental organizations that serve as social drivers and bridging agents that ensure risk and value are shared within public-private partnerships.

## Strengthening PPPs for health innovation

Public-private partnerships leading global health research and development have had many successes over the last ten years. The meningitis A vaccine, MenAfriVac®\*, was introduced in 2009 by the [Meningitis Vaccine Project](#)—a partnership between PATH and the World Health Organization—and has been delivered to more than 150 million people living in a high-risk region of Africa since then. In 2009, the nonprofit Medicines for Malaria Venture and the company Novartis launched the first high-quality artemisinin combination therapy formulated especially for children—called [Coartem® Dispersible](#)—which has since been delivered to children in 50 malaria-endemic countries.

To emphasize the essential role PPPs play in driving global health product development, PATH issued a report in March 2013, [Public-Private Partnerships for Global Health: How PATH Advances Technologies Through Cross-Sector Collaboration](#), offering insights into the key components of successful multisector partnerships. It defined the role of nonprofit product developers (NPPDs) as organizations that play a critical role as social drivers and bridging agents to ensure that both risk and value are shared within PPPs. Combining the international experience of a traditional NGO with the market approaches of a biopharmaceutical company, NPPDs—a category that includes product development partnerships—help make PPPs driving global health R&D successful.

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\* MenAfriVac is a registered trademark of Serum Institute of India Ltd.

To maintain global health progress during the past decade and better leverage limited resources in the future, PATH convened global health product development experts and policymakers for consultations across three geographies to examine how global health R&D partnerships currently work and how they can evolve. During the first meeting, cosponsored by PATH and the Clinton Global Health Initiative in March, participants discussed ways to incentivize private-sector contributions to global health R&D and lessons learned from PPPs.

The second event took place in June in London and brought together representatives from the UK public, private, academic, philanthropic, and civil society sectors to discuss successes, challenges, and the future directions of PPPs for global health R&D. The final panel discussion, cosponsored by PATH and the NGO Deutsch Stiftung Weltbevölkerung (DSW), was held in Brussels, Belgium, in October. This meeting focused on the role of the European Union and PPPs in advancing global health R&D.

## Key themes

### **Innovative partnerships accelerate product development by bringing together the public and private sectors.**

Multisector partnerships can play an important role to address complex 21<sup>st</sup> century global health challenges. The business of health technology development changes quickly, and innovative, flexible models of collaboration for PPPs are essential to ensure success. Key stakeholders must collaborate closely to define common goals, identify their relative strengths and capabilities, and overcome the ever-evolving funding, regulatory, and political landscapes in which these partnerships function. Traditional players should seek out innovative partnerships with new organizations that have different areas of expertise—such as information technology, product distribution, or manufacturing—to help ensure successful introduction and scale-up.

### **A comprehensive planning model that accounts for regulatory pathways, procurement, and distribution while products are still in development is necessary to speed product uptake.**

An important first step to a successful PPP is ensuring the goals and strengths of each partner align. At the start of a project, partners must begin planning for both the product's development and introduction. Identifying partners with experience in navigating the regulatory pathways and procurement policies in target countries, as well as distribution channels, is essential to reaching those most in need.

### **The markets of low- and middle-income countries represent tremendous growth opportunities and long-term sustainability for the private sector.**

Not only are the BRICS countries (Brazil, Russia, India, China, and South Africa) expected to increase their governmental investments in global health R&D, these growing economies are potential markets for health innovations developed by PPPs. By tapping into the burgeoning manufacturing and knowledge economies of these and other low- and middle-income countries, PPPs could better contain costs and support the efforts of government donors and funders that are prioritizing broader international

development and economic growth over specific health outcomes. Further, by supporting local research and manufacturing partners to strengthen their technical capacity to innovate, PPPs can support local economies while reducing the long-term need for foreign aid as self-sufficiency increases.

**Product development for global health works best, fastest, and most efficiently when undertaken as part of a portfolio model in which partners coordinate R&D activities across a range of products at different stages of development.**

This approach allows costs to be more equitably shared and risk spread across a portfolio of technologies and ensures that the entire product development lifecycle—from preclinical through introduction and wide-scale adoption—is funded. The portfolio approach ensures that only the most promising products advance through the pipeline and allows organizations to shift funds from a failing project to more promising products within their portfolio.

## Conclusion

**Donors and partners must provide adequate flexible funding for PPPs to maximize global health impact through portfolio management. Sustained or increased investment by both public and private sectors will be critical in ensuring the innovation needed to achieve global health equity.**

Public-private partnerships are an efficient and sustainable model for conducting global health research and development throughout the product lifecycle. As the lead funder of global health research and development, the public sector should ensure that its investments support the critical work of PPPs in accelerating the availability, accessibility, and affordability of global health technologies. Simultaneously, industry partners should commit more of their own resources to PPPs both as in-kind donations, such as offering the use of manufacturing facilities, as well as funding. Donors and partners across the system should consider and create incentives for deeper private-sector engagement to advance innovations for maximum global health impact.

**Investments by all global health stakeholders—both monetary and in-kind—for R&D need to provide support throughout the product lifecycle.**

By increasing risk-sharing, PPPs will be more successful at accelerating innovation as well as introducing and integrating health technologies throughout global and local health systems. When possible, commercial partners should commit more resources, especially in manufacturing and distribution. From the beginning of the product development process, funders and partners must begin identifying and cultivating sustainable markets to support widespread product uptake and use.

Public-private partnerships have been historical drivers of global health R&D, and their impact can increase with flexible funding and business models, collaborations with nontraditional partners, and in close collaboration with governments and professionals in low- and middle-income countries.