



WORLD HEALTH ORGANIZATION

EXECUTIVE BOARD
105th Session
Provisional agenda item 2

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Public-private partnerships for health

Medicines for Malaria Venture

Report by the Director-General

1. The Medicines for Malaria Venture is a new public/private sector partnership that provides a sustainable mechanism for the *professional* discovery, development and commercialization of *affordable* new antimalarial drugs. *Professionalism* in research and development will be achieved by industry engagement in specific projects. *Affordability* of products will result from assumption by the public sector of the direct costs of research and development and of the risk of failure; the commercializing company only has to recover production costs and limited development costs. Such a partnership is *unique* and will pave the way for future public/private sector initiatives.
2. The Venture, launched on 3 November 1999, is designed to foster and to finance through public/private partnership the discovery and development of new, cost-effective and affordable antimalarial drugs to regulatory approval at a rate of one new registered product every five years, and to facilitate their commercialization. In addition to WHO and the International Federation of Pharmaceutical Manufacturers Associations, the main sponsors of the Venture are the governments of the Netherlands, Switzerland and the United Kingdom of Great Britain and Northern Ireland, the World Bank, the Rockefeller Foundation, and the Global Forum for Health Research.
3. The Venture will finance projects for the discovery and development of malaria drugs through a “public venture capital fund”, which is expected to amount to US\$ 30 million per year over the next four years. This financing will come primarily from the public sector and philanthropy and will be complemented by the provision of resources, expertise, and donations in kind from the Venture’s industrial partners, estimated at many millions of dollars per year. The Venture has received so far contributions and pledges of US\$ 10 million for its initial operations in 1999 and 2000.
4. In order to succeed in the long term, the Venture will need to run its affairs primarily as a not-for-profit business, with its own governing board, including an appropriate blend of expertise. This structure was felt to be essential if the Venture is to have the necessary flexibility to operate at the boundary of the public and private sectors. The Venture was therefore established as a foundation under Swiss law and is thus independent of WHO. The post of Chief Executive Officer has been advertised and an appointment is expected in early 2000.
5. WHO intends to work in close collaboration with the Venture. In order to ensure that it has the full benefit of the Organization’s technical and public health guidance, the Director-General took an initial decision to appoint two staff members as representatives to the decision-making body of the

Venture, namely the Board of Trustees.¹ This initial decision, taken in the interest of promoting an enhanced response to the fight against malaria, is submitted to the Board for endorsement.

ACTION BY THE EXECUTIVE BOARD

6. The Board may wish to endorse the initial decision of the Director-General to appoint two representatives to the board of the Medicines for Malaria Venture.

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¹ Project Manager, Roll Back Malaria, and Coordinator, Product Research and Development, Special Programme for Research and Training in Tropical Diseases.