

Public Return on Public Investment: Realities & Recommendations

This paper addresses the growing need for a greater public return on public investment in biomedical research and development (R&D). In doing so, it provides an update on the paper [Licensing and Access to Health Technologies](#), and lays out recommendations on the possible next steps and necessary actions by governments and other stakeholders.

Background

The R&D of health technologies is a long and costly exercise requiring the collaboration of a number of stakeholders and substantial resources; from early research conducted in public facilities and universities to subsidies and tax breaks, the [breadth of public support for R&D is wide](#).

The current structure of R&D, centred on intellectual property related monopolies, allows for a pharmaceutical business model that skews public health needs for more lucrative opportunities. Misuse and abuse of intellectual property in order to extend market exclusivities, excessively high pricing and the risk of shortages of essential medicines are some of the unintended consequences of this.

Attempts at ensuring public return on public investment on R&D have fallen short, either because of difficulties in implementation and/or lack of political will.

Context

Licensing of intellectual property, know-how and other forms of knowledge and data is one of the most common examples of public-private partnerships. Voluntary licensing remains an effective mechanism for technology transfer or diversification of manufacturing as well as scientific cooperation and general dissemination of knowledge, provided that licenses are non-exclusive and of global scope.

Public institutions still largely favour patenting or other forms of market-oriented exploitation (startups, individual ownership and so on) over licensing when seeking to further develop or bring health goods to patients. This has consequences for the ability of researchers to set conditions on certain aspects (such as pricing, accessibility or technology transfer) of products resulting from their work.

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