

**HIV VACCINES
& MICROBICIDES
RESOURCE TRACKING
WORKING GROUP**

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Declining Investment Could Slow Research and Rollout of New HIV Prevention Options
Report shows prevention R&D funding falls 4% due to public sector
research budget reductions in US, Europe

Melbourne, Australia, 18 July 2014 – Investment in HIV prevention research fell US\$50 million, or 4 percent, to US\$1.26 billion in 2013, due to declining investments by the United States and European government donors, changes in the international development landscape and changes in the pipeline of HIV prevention products in various stages of development and implementation, according to a new report from the HIV Vaccines and Microbicides Resource Tracking Working Group.

HIV Prevention Research & Development Investment in 2013: In a changing global development, economic, and human rights landscape is the tenth annual report by the Working Group, a collaboration between AVAC, UNAIDS, and the International AIDS Vaccine Initiative (IAVI). The report summarizes investment in HIV prevention research across seven prevention options. The report was released today ahead of the 20th International AIDS Conference (AIDS 2014) in Melbourne, Australia. Breakdowns by prevention modality are available in the full report at www.hivresourcetracking.org.

Despite overall US budget cuts in 2013 and a decline in support for HIV prevention research, the US government remains the single largest funder of prevention research, accounting for more than 70 percent of total investment over the past five years. The US contribution decreased US\$44 million to US\$881 million in 2013, largely due to automatic, across the board cuts to all federally funded programs as a result of sequestration. Funding from European government donors, including 12 countries and the European Commission, was also reduced as priorities for international development in some countries have continued to shift.

“Research and development has produced a valuable range of medicines, diagnostics and devices to prevent and treat HIV which have to be made more widely available. However, funding is declining at a time when services need to be expanded and better treatments and additional HIV prevention options are needed,” said Luiz Loures, Deputy Executive Director, UNAIDS. *“Now is not the time to pull back from science, but rather to push forward towards ending the AIDS epidemic.”*

Investment declined in research & development related to voluntary medical adult male circumcision (VMMC) and female condoms, both options that have long been proven effective and are now being scaled-up as part of broader HIV prevention programs. Investment increased for R&D related to treatment as prevention (TasP) and pre-exposure prophylaxis (PrEP), which have more recently proven effective and now require additional research to support wide scale implementation.

Vaccine R&D in 2013 also saw the largest real decrease in investment since such research began, with the effects of U.S. sequestration, reduced bilateral funding from European governments, and the lack of large

efficacy trials in the latter part of the year accounting for much of the decline. Substantial public sector funding cuts and dropped support from past philanthropic funders also played a role in the more pronounced decline for microbicides funding, which still drew heavily on the US government for support even as its contributions declined.

“There is a growing consensus that we can end the AIDS epidemic if we develop and deploy the right tools and reach those most at risk,” said Mitchell Warren, AVAC Executive Director. *“But we won’t be able to make a sustained impact on the cycle of new infections without development and aggressive rollout of new prevention options – voluntary medical male circumcision, PrEP, treatment as prevention, microbicides and eventually vaccines. We need sustained and flexible funding to ensure that we efficiently develop new options, demonstrate how proven options can be rolled out and deliver what we know works.”*

The decline in prevention funding comes within a changing and very challenging human rights environment. Harsh new anti-homosexuality laws and other legislation criminalize those most at risk from HIV/AIDS and make it increasingly difficult to answer critical questions supported by HIV prevention R&D, such as how to meet the needs of men who have sex with men, transgender people, sex workers, people who inject drugs and other populations most affected by HIV. This will continue to have an impact on how those trials are funded and where they can be conducted.

“A combination of long-term vision, scientific innovation and generous funding has eradicated smallpox, is close to eradicating polio, and has brought us to an era in which a positive HIV test is no longer an automatic death sentence,” said Margie McGlynn, IAVI President & CEO. *“A vaccine will be essential to the global, comprehensive response that can end AIDS once and for all, and sustained and broadened support will be crucial to its development.”*

The report is online at www.hivresourcetracking.org.

Prevention Option	2013 Funding (US\$ million) with increase/decrease from 2012	2012 Funding (US\$ million)
Vaccines	818 million (-3.4%)	847 million
Microbicides	210 million (-14.3%)	245 million
Pre-exposure Prophylaxis	36 million (+16.1%)	31 million
Treatment as Prevention	117 million (+19.4%)	98 million
Voluntary Medical Male Circumcision	32 million (-23.8%)	42 million
Prevention of Mother-to-Child Transmission (Vertical Transmission)	44 million (0.0%)	44 million
Female Condoms	2 million (0.0%)	2 million
TOTAL	\$1.259 BILLION (-3.8%)	\$1.309 BILLION

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The HIV Vaccines and Microbicides Resource Tracking Working Group is composed of AVAC, the International AIDS Vaccine Initiative (IAVI) and the Joint United Nations Programme on HIV/AIDS (UNAIDS). The Working Group has been tracking investment in HIV prevention research since 2004.