

€93 Billion Spent By Public Sector On COVID Vaccines and Therapeutics in 11 Months, Research Finds

Health Systems 12/01/2021 · Madeleine Hoecklin

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Doctor administering a COVID-19 vaccine in North Carolina, USA.

Governments have spent at least €93 billion on COVID-19 vaccines and therapeutics globally since the beginning of the pandemic, a new study has found.

Research published on Monday by the kENUP Foundation, a European non-profit supporting research-based innovation in health industries, found that in 11 months, the public sector invested heavily in the development of vaccines, with a commitment of 95% – €86.5 billion – of the total spending, while only 5% of the funds were spent on therapeutics.

Somewhat surprisingly, the majority of the investments made by governments for vaccines was made in Small and Medium Enterprises (SMEs) and corporations with a market value between \$2 billion and \$10 billion. Only 18% of public COVID-19 funds went to large pharmaceutical manufacturers.

“Public investments have been instrumental in supporting innovation in the fight against the coronavirus,” said Holm Keller, Chairman of kENUP Foundation. This is particularly the case for SMEs, which have played a large role in driving innovation.

The new Advance Market Commitment (AMC) mechanism – a legally binding agreement for an amount of funds to subsidize the purchase of vaccine doses prior to availability – was widely utilised by states and supported by the COVAX Facility to speed up the availability of vaccines, especially for low- and middle-income countries.

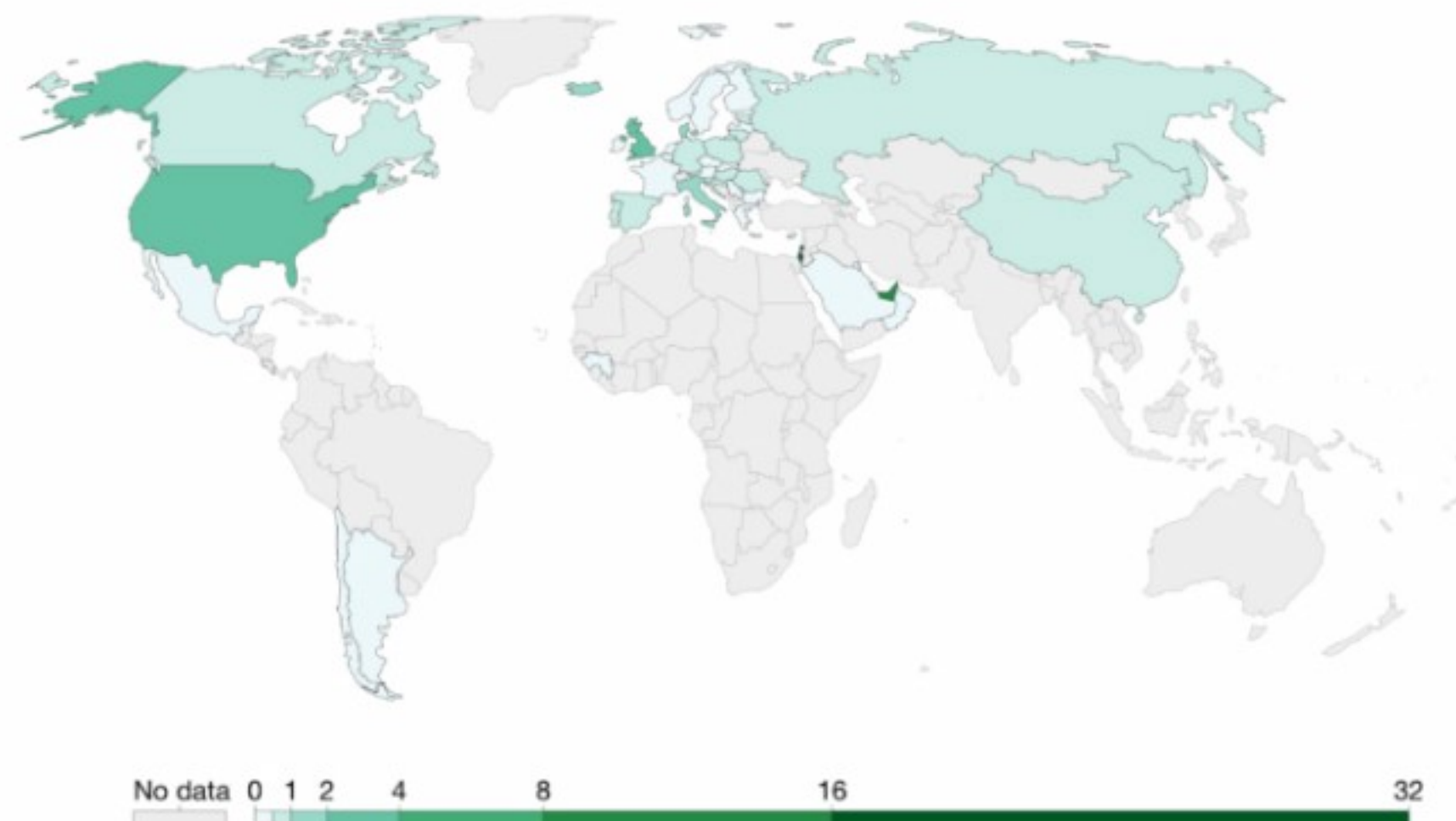
93% of funding – €86.5 billion – was committed through AMCs and was carried out through various national, multilateral, and global efforts to accelerate the development, manufacturing, and distribution of COVID-19 vaccines, such as through Operation Warp Speed in the US, the European Commission, and the COVAX Facility.

The majority of the public funds directed towards vaccine developers originated from high-income countries, with 32% invested by the US, 24% by the EU, and 13% from Japan and South Korea.

While the investment in COVID-19 vaccines has resulted in unprecedented progress, with over 40 countries vaccinating their populations using five different vaccines a year after the first recorded case of SARS-CoV2, the rollout of vaccines in low- and middle-income countries has not yet begun and the global achievement of herd immunity is still a fairly distant goal.

COVID-19 vaccination doses administered per 100 people, Jan 11, 2021

Total number of vaccination doses administered per 100 people in the total population. This is counted as a single dose, and may not equal the total number of people vaccinated, depending on the specific dose regime (e.g. people receive multiple doses).



Source: Official data collated by Our World in Data – Last updated 11 January, 18:40 (London time)
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The total number of COVID-19 vaccination doses administered per 100 people as of 11 January.

“To bridge the time until broad rollout of vaccines, further investment in therapeutics is especially important,” said Keller. “In parallel, a dedicated public pandemic preparedness scheme that would make vaccines and therapeutics readily available at lower development costs for any kind of pandemic pathogen is needed.”

The conclusion raised by Keller and the kENUP Foundation is supported by several experts. “So important to keep the pipeline of new potential therapeutics against COVID19 flowing,” said Connor Bamford, researcher at the Centre for Experimental Medicine at the Queen’s University Belfast. “With medicines, vaccines and public health measures, we will be able to conquer COVID and prevent the major impacts of ‘the next big one.’”

Additionally, in the context of the emergence of new SARS-CoV2 variants, high rates of infection, and limited supplies of vaccines, COVID-19 treatments could prove to be an important part of tackling the pandemic. With vaccines currently overshadowing therapeutics and drawing away investment, efforts to develop novel, better treatments are struggling.

“The SARS-CoV2 virus has taken advantage of human susceptibility and simultaneously has evolved to evade protective immunity,” said Sir Stephen Holgate, professor of immunopharmacology at the University of Southampton, in an **op-ed** in the Independent. “It is absolutely essential that...we prioritise research into helping sick people get better, as well as preventing them from getting ill in the first place.”

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