



CONCEPT NOTE

**HIGH-LEVEL SEMINAR ON SUSTAINABLE DOMESTIC
FINANCING FOR PRIORITY RESEARCH & DEVELOPMENT
(R&D) PROJECTS IN AFRICA**

*Strengthening Africa's Research and Innovation Ecosystem through Domestic
Financing for R&D*

Date: October 7th-8th 2024
Location: Nairobi, Kenya

In Collaboration:



Ministry of Education



UNIVERSITY OF NAIROBI





Introduction

There is a need for innovative domestic financing mechanisms to promote research and development (R&D) in the African region. To begin with, a key measure of success in this regard is obtaining a commitment from a few countries to finance at least one priority project over the next 2 – 4 years within an agreeable model of financing that also involves the private sector.

Financing R&D in Africa remains low, averaging less than 0.4% of GDP, of which health R&D accounts for about 0.02% of GDP, contrary to the stated aspiration of 2% GDP. For example, the R&D financing in East Africa faces shortfalls ranging from about 29% in Uganda to 93% in Burundi. A combination of factors, including rising health care costs amidst changing epidemiological patterns, growing populations, and declining external assistance, prompted calls from the Addis Ababa Action Agenda on Financing for Development for accelerated and aligned mobilisation of funds from all sources, innovative financing mechanisms, and institutional financing reforms to gain efficiency from investing in R&D across sectors and goals. This is even more urgent now with pandemics and emergencies such as COVID-19, which require multi-sectoral approaches and cooperation for prevention and control.

To overcome R&D financing challenges in Africa, various national and continental platforms, such as the Coalition for African Research and Innovation (CARI), have been created to lead coordinated approaches to resource mobilisation and build a highly coordinated, well-funded and innovative African R&D community. In 2019, the Africa Leadership Meeting (ALM) on Investing in Health called for increased domestic financing and establishing regional health financing hubs. Budgetary commitments, improved taxation and health insurance efforts, and private sector engagement were some of the main recommendations by the ALM to increase domestic financing for health. The proposal to launch regional health financing hubs beginning with East Africa would strengthen mechanisms for R&D investments and curate a portfolio of prioritised R&D investment opportunities. However, the success of such initiatives depends on the significant increase and sustainable domestic expenditure on health, which supports the broader objective of financing universal health coverage (UHC).

To contribute towards a road map for sustainable R&D financing, Africa needs to answer questions such as:



1. What is the status of R&D financing on the continent, particularly from domestic sources, and what can be learnt to design creative approaches to increase budgets for R&D?
2. What role does scientific priority setting play in increasing investments in R&D on the continent?
3. Which priority R&D projects are impactful enough to attract investment from both the public and private sectors?
4. How can the priorities identified above be financed from domestic revenue sources involving governments and private sector organisations (corporate and philanthropy)?

Seminar Objectives:

1. Provide insights and key learnings from the R&D financing landscape on the continent
2. Identify and discuss health and related R&D priorities in Africa
3. Showcase the importance of accelerating domestic investments in R&D on the continent
4. Gain a comprehensive understanding of R&D financing models and discuss models that have worked well on the continent
5. Provide a platform for stakeholders to showcase ongoing activities at the continental and regional level – Knowledge sharing between Member States, innovation hubs, research institutions, private sector, universities, innovators

Seminar Topics

1. Status of R&D Financing in Africa [African Union (AU) Member States]
2. Identifying research priorities in Member States
3. Mobilizing Domestic Investments in R&D within the Member States: The Role of Private Sector and Governments
4. R&D financing models among member states: What has worked well?

Panel Discussions

1. **Panel 1:** Mobilising Domestic Resources for R&D: Lessons from Africa and the rest of the world
2. **Panel 2:** Mobilizing the private sector to finance priority R&D projects among the Member States
3. **Panel 3:** R&D financing models in Africa: Achievements and Challenges
4. **Panel 4:** The National Grand Challenges R&D financing model: How it works

Target Audience: Government political leaders and policymakers, Academia & Research Institutions, Private Sector, Development Partners, Civil Society Organisations (CSOs)