Viewpoint
The Promise of Global Access
By Connie R. Collingsworth
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Philanthropies can leverage the expertise and capabilities of for-profit companies to advance charitable causes by employing global access commitments.
BY CONNIE R. COLLINGSWORTH

At the Bill & Melinda Gates Foundation, we believe that everyone deserves the chance to live a healthy and productive life. For this aspiration to become reality, all people need access to innovations that can improve and save their lives, from medicines to financial technology to tools that boost agricultural productivity. Unfortunately, people in lower-income countries too often do not have access to the products that address the challenges that disproportionately affect them.

The scale of these problems is global, so solving them requires the involvement of every sector with the potential to contribute. We partner with multilateral organizations such as the United Nations and World Bank, civil society organizations, and local and national governments. In addition, we work with private-sector entities, which have unique expertise not generally available in the public and social sectors. By working with companies, we spur the delivery of products that otherwise might not be accessible in low-income countries or that might not be developed at all.

This risk particularly applies to the pharmaceutical industry, where private companies often play a critical role managing complex research and development and late-stage clinical trials, navigating diverse regulatory regimes, and manufacturing and distributing products at massive scale with quality safeguards. Typically, however, these companies have limited incentives to focus on the needs of people in lower-income countries and communities.

To address such market failure, the Gates Foundation committed in 2004 to ensure that products developed with our funding are widely available, at affordable prices. Through our Global Access program, we incentivize private-sector companies to produce solutions that reduce the burden of infectious disease and child mortality and improve agricultural and financial access in lower-income countries, even when these products may not be as profitable as others they could produce. As our cofounder Bill Gates said in 2012, “There are huge opportunities for innovation that the market ignores because those taking the risk capture only a small subset of the returns.”

Over the last two decades, we have learned important lessons about how to leverage the incentives of for-profit entities to benefit from their expertise, scale, and unique intellectual property in pursuit of charitable impact. By sharing our approach, we hope to promote global access commitments and encourage more cross-sector collaborations that will help address the world’s most pressing challenges.

COMMITMENT TO SCALE AND AFFORDABILITY

When we began working with private-sector companies, we sought and received confirmation from the Internal Revenue Service that grants that include global access commitments would be considered charitable, even if a product we funded generates substantial profits for a company. Overall, we’ve made more than 1,000 grants to for-profit companies, totaling approximately $3.7 billion. (Neither the foundation nor its co-chairs profit financially from these collaborations.)

These figures represent a small but significant portion of the $71.4 billion we have disbursed to all grantees to date. (This total does not include program-related investments made by the foundation’s Strategic Investment Fund, even though SIF transactions involve global access commitments.)

Not every global access commitment is the same, but all share a common goal: to ensure that innovative products and solutions are delivered at scale, at affordable prices, to low-income communities, which are the focus of our foundation. They also pledge to make data available publicly to fuel future innovation and ensure greater equity.

Take, for example, the Gates Foundation’s partnership with India’s Serum Institute, starting in 2008, to manufacture PCV-10, a pneumococcal conjugate vaccine that protects children from pneumonia and meningitis. A PCV vaccine had long been available in wealthier countries, but the world lacked a PCV vaccine tailored to the bacteria strains present in lower-income countries.

Our grant to the Serum Institute included global access commitments to ensure affordable and equitable access. In 2020, UNICEF and Serum Institute entered into a supply agreement that made PCV-10 available to lower-income countries at $2 per dose, a 43 percent price reduction. According to Gavi, the Vaccine Alliance, the vaccine will prevent the deaths annually of around 50,000 children under age 5 in India alone.

Similarly, the Gates Foundation partnered with Pfizer to further develop a vaccine to substantially reduce the number of deaths and serious illnesses of infants from Group B streptococcus (GBS). About one in four pregnant women carry GBS bacteria and may pass it along to their baby during or prior to birth, causing at least 138,000 stillbirths and infant deaths a year.
The partnership started in 2014, as Pfizer was researching a GBS vaccine for pregnant women in low- and middle-income countries. Its vaccine has shown strong results in phase 2 clinical trials. When it is completed and approved, this vaccine could potentially prevent 85 percent of GBS-related deaths and illnesses worldwide among infants of vaccinated mothers. Our foundation has agreed to contribute $100 million to the development of the vaccine in exchange for agreements that knowledge generated from the partnership, including the results of clinical trials, will be promptly published in line with the foundation’s Open Access Policy that the GBS vaccine will be made available at an affordable price to the world’s poorest countries.

Data sharing is essential to accelerating progress on fighting diseases as well as on equity. Our partnership with Philips, one of our more recent global access agreements, illustrates this.

An alarmingly large number of women in low- and middle-income countries—around 500,000—die each year in childbirth. Philips has developed pocket-size ultrasound devices that allow doctors, nurses, and midwives to identify high-risk pregnancies early, even without extensive training and complicated equipment. The company is now integrating artificial intelligence into the devices to boost their diagnostic capabilities. But any AI-enhanced tool is only as good as the data that it uses to learn. For AI ultrasound to be effective for everyone, it needs to collect data from a wide range of women.

Our $5 million investment in the development of Philips’ AI ultrasound devices includes an agreement that requires data collection from women in low-income countries as well as wealthy ones. This commitment will make the tool more knowledgeable about what to look for and what it sees, to the benefit of all women.

**LESSONS LEARNED**

**Global access commitments** have proven such an effective driver of equity and progress that we incorporate them to some extent in all our grants to partners, including universities and nonprofits. (More information about all our grants is available on our website.) Over time, we have learned how to apply global access commitments to build mutually beneficial collaborations that make compelling business sense while also achieving charitable impact.

We have also learned five valuable lessons that can inform other organizations seeking to partner with for-profit entities in a way that ensures equity.

**FIRST, scaling innovation can take a long time.** From conception, research, and development through actual distribution to end users, innovation takes patience, sustained commitment, and access to long-term funding. For example, while our partnership with Pfizer on GBS began in 2014, vaccine approval and distribution are not projected to occur until 2027.

**SECOND, partners must be able to scale in low-resource settings.** Achieving wide reach requires a commercialization partner with the capacity and commitment to manufacture and distribute the product over the long term at scale. Such commitment often includes minimum volume pledges, which guarantee delivery of a specific number of products.

**THIRD, balancing stakeholder interests is necessary to achieve sustainable solutions.** A long-term venture is not likely to succeed unless the partnership is viable for all stakeholders. Although navigating the tensions between the profit mandate of companies and our foundation’s goal of making products available to underserved markets at an affordable price can be challenging, both goals are achievable. Companies’ increased focus on positive social impact, through environmental, social, and corporate governance initiatives, has recently provided additional incentives for private-sector engagement.

**FOURTH, working with for-profit companies requires nontraditional grantmaking expertise.** Foundation program officers are typically subject-matter experts who have worked in government, academia, or other nonprofit organizations but do not have experience negotiating commercial licensing terms and intellectual property rights with for-profit entities. In 2021, the Gates Foundation created a dedicated business development and licensing team of industry and legal experts who know how to negotiate commercial transactions. This team works closely with the subject-matter experts to ensure that the grant terms will achieve the foundation’s strategic objectives.

**FIFTH, working with for-profit entities creates reputational risks for philanthropies.** Even with the best intentions and thoughtful grant terms, partnerships may trigger hostile reactions from the public, who may make incorrect assumptions about partners’ incentives for collaborating and fixate on the fact that the private-sector partner is receiving a large grant that might potentially generate profit (as opposed to focusing on the net benefit to society of the partnership).

The productive collaborations that the Gates Foundation has struck with a wide range of partners, including for-profit companies, have resulted in a greater number of innovative, sustainable solutions delivered at scale to those in need. Such collaborations also leverage our at-risk philanthropic capital to advance our goal of ensuring that everyone, no matter where they live, can lead a healthy and productive life.

Building partnerships with the private sector can be complicated but transformational if handled thoughtfully.

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