Key Takeaways

The Africa Roundtable Follow Up

Investing in Health R&D and Innovation on the African Continent

At *The Africa Roundtable* No. 10 in June 2026 on shared health security and a joint investment agenda for Europe and Africa, one insight stood out: the need to invest in health research and development (R&D) and innovation on the African continent, early and at the right stage, so that data, research and solutions are owned and developed locally rather than designed elsewhere and imported. (For further reading on this, see the recommendations for action).

Building on that discussion, *The Africa Roundtable* Follow Up, co-hosted with the Global Health Investment Corporation (GHIC) alongside the World Health Summit in Berlin, brought together representatives from the private sector, investment, development finance, philanthropy and policy.

The discussion focused on four questions: *Where do the biggest opportunities for health R&D and innovation lie, and how can they be funded at scale? What makes African solutions investable, and which public and private financing instruments should come in at which stage? What does a successful Africa-Europe R&D partnership look like in terms of shared decisions, value creation and return? And how can individual solutions grow into a larger, investable R&D and innovation ecosystem?*

Below are some key takeaways from the discussion.

1. **Health R&D is an economic investment, not development aid, and it needs a story that says so.**

For decades, health in Africa has been framed through the lens of aid. The discussion called for retiring that framework. A recent Africa CDC and Team Europe report estimates that, if African countries achieved the African Union target of investing 1 percent of GDP in R&D, with 15 percent of that expenditure allocated to health R&D, the continent could generate an additional USD 668 billion in GDP over 20 years and create 4.56 million jobs by 2044. Inaction carries a cost of its own, in lost productivity and lost lives. And because pathogens travel with people, health security is shared infrastructure, in Europe's interest as much as Africa's. Yet the investment story currently presented to investors and politicians is not convincing enough. It needs to be clearer, more concrete and easier to picture. Agreeing on two or three priority areas where a clear pathway from research to clinical practice can be demonstrated would give that story the proof it needs.

2. **Africa is innovating. What is missing is capital, especially at the early stage.**

Africa carries around a quarter of the global disease burden but remains marginal in global patenting: in 2024, patent applications received by Afri-can intellectual-property offices accounted for approximately 0.5 percent of the global total.

This is not for lack of innovation. African innovators build under real constraints and with remarkable capital efficiency, using technologies such as blockchain, IoT and small AI models to solve problems in their own markets. The gap lies in translation and early-stage finance. Promising discoveries often stay in university labs because there is hardly any ecosystem to turn them into companies; there is currently only one dedicated early-stage biotech investor on the continent. Innovators with clinical evidence in hand still struggle to raise funds to scale, because their ticket sizes are considered too small. Larger investments will only follow if someone is willing to take the first, earlier risk.

3. **The opportunities are concrete, and the ambition should be global.**

Several areas stood out in the discussion: clinical trials, where Africa accounts for around 25 percent of the disease burden but only a small share of trials launched; vaccines and biologics; medicines and active pharmaceutical ingredients, where the African Union has set a target of 60 percent local production by 2040; diagnostics and devices; genomics and surveillance; and digital and AI-enabled health. Industry is starting to respond. One European pharmaceutical company announced plans to add two permanent clinical trial sites in sub-Saharan Africa from 2027. Africa should not be framed as catching up. Its genetic diversity, biodiversity, and lower research costs are real advantages that could make it a global leader in specific fields.

The common narrative of "local solutions for local problems" sets the ambition too low. To attract serious investment, especially in technology and life sciences, African companies need a line of sight to global markets. There are precedents: yellow fever vaccines produced in Dakar have long served the world, and the Serum Institute of India produces for global markets. African founders are not building "African businesses", but businesses designed to operate wherever the problem exists.

4. **Without guaranteed markets, investment will not follow.**

Factories and labs need buyers. The demand exists, as people across the continent already pay for health, often out of pocket and in informal markets, but it is fragmented and largely invisible to investors. Long-term procurement commitments

and advance market commitments were seen as essential, whether from African governments or from global buyers such as Gavi and UNICEF. Without them, family-owned manufacturers developing new vaccines carry the full risk themselves. Manufacturing capacity built since COVID-19 also risks sitting idle between crises unless an in-novation ecosystem exists that can feed it with products.

5. **Catalytic and blended finance can unlock private capital, but Africa's risk is overstated.**

The case that health investment can generate both impact and return has been made. GHIC's first fund, anchored by private, philanthropic and development finance partners, invested just over USD 108 million, brought more than a dozen products to market and achieved a twofold, top-quartile return. Building on such experience, three things are needed: catalytic capital that reduces risk for private investors and sustains local funds; co-investors from the Global North willing to look at African companies on their merits; and partnerships with pharmaceutical companies that license African intellectual property. Development banks already co-finance technology transfer, and their procurement rules are changing to allow earlier engagement with the private sector. Philanthropy can sup-port the higher-risk stages.

At the same time, the perceived risk of investing in Africa is exaggerated. The methodologies used by credit rating agencies rest on outdated assumptions and offer little transparency, which drives up the cost of capital for the continent. Real governance challenges exist, but they do not justify the current pricing. Rating agencies should therefore be part of future conversations.

6. **Money follows policy, so decisionmakers in government must be engaged early.**

Many of the barriers lie with the public sector. African governments invest well below the African Union target of 1 percent of GDP in R&D, and closing that gap is ultimately their responsibility. Regulation remains fragmented across more than 50 national systems; the African Medicines Agency and regulatory convergence are important steps, but harmonization still has a long way to go. Intellectual property and technology transfer also need clearer rules. Because resources are allocated once policy decisions are made, decisionmakers should be engaged early and continuously, for example through sounding boards with African Union ministerial technical committees and agencies. This helps build ownership and ensures that enabling policy decisions emerge naturally from the process, rather than being sought through a last-minute presentation.

7. Build ecosystems and trust, not only champions.

Celebrating individual innovators is not enough. The discussion warned against a "shiny object" approach that backs single point solutions without investing in what produces them: research institutions, talent, lab infrastructure and innovation hubs. Talent is a particular concern. The continent continues to lose skilled health professionals, and skills partnerships with Europe must be designed with African voices at the table, as co-investment in training that benefits both sides.

Trust matters just as much. COVID-19 left a deep mark: at the height of the pandemic, vaccine coverage in Africa stood at around 3 percent. Young Africans are calling for self-reliance, sovereignty and accountability, but in partnership. Clinical trials and investment depend on that trust. Communities notice when international attention arrives only once a disease threatens the rest of the world. The most promising models bring public, private, and philanthropic actors together as co-financing equals rather than as donors and recipients.