

# Medical Research Future Fund



## Biotech Horizons

### INVESTMENT

The Australian Government will invest **\$5 million** to build Australia's ability to move cutting edge ideas and breakthrough discoveries towards proof-of-concept, with a focus on the adoption of new technologies and solutions for health challenges.

### KEY ELEMENTS

- A first time biotech grant program open to innovative, multi-disciplinary and sector research teams and small and medium enterprises that are pushing the boundaries of what is possible, with initial investments in precision medicine and 3D anatomical printing.

### RATIONALE

- Ground breaking technologies such as precision medicine, 3D anatomical printing, stem cell applications, nanotechnology and advanced wearables have a place in the future of healthcare.
- Australia needs to have the capacity to harness and tailor new technologies to maximise the impact on clinical care and patient health outcomes.
- Health and medical research typically encounters a 'valley of death' where funding for laboratory research runs out, but the research is not developed enough to attract private investment.
- The ability to investigate the feasibility of new biotechnological discoveries and support progress towards proof-of-concept will serve to prime new treatments and health products for venture capital investment and commercial success.
- Rapid identification and investment in disruptive technologies has the potential to generate high economic returns and accelerate Australia's competitive advantage as a global research leader.

### DESIRED OUTCOMES

- Number of viable new and attractive biotechnology ideas available for private capital investment and commercialisation.
- Reduced time to market for new treatments, drugs and devices with potential to greatly improve health.
- Promotion of Australia's international ranking as a leader in biotechnology.

### MEDICAL RESEARCH FUTURE FUND

The Medical Research Future Fund (MRFF) demonstrates the Government's strong commitment to research and innovation. The MRFF provides a long term sustainable source of funding for endeavours that aim to improve health outcomes, quality of life and health system sustainability.

The MRFF will double direct Australian Government funding for health and medical research.

**The MRFF is a dedicated vehicle for priority investment in health and medical research.**

The MRFF, established under the *Medical Research Future Fund Act 2015*, provides grants of financial assistance to support health and medical research and innovation in improving the health and wellbeing of Australians. It operates as an endowment fund with the capital preserved in perpetuity. At maturity, the MRFF will reach \$20 billion.

The first disbursements from the MRFF focus on translating research into real health benefits, breakthrough investments in new technologies and challenges, and enhancing Australia's reputation for research excellence and leadership.

Over \$65 million will be injected into a range of programs that cut across the research pipeline – fuelling new discoveries and the translation and commercialisation of great Australian ideas.





## KEY FACTS

- Health and medical research typically occurs across a pipeline of activity, with the end point being translation of bright ideas into new or changed clinical practice and new products.
- The pipeline is often characterised as having two 'valleys of death'. Typically these occur at (1) the pre-clinical phase, where a lack of funding inhibits the progression of discoveries to early proof-of-concept, and (2) the post proof-of-concept commercialisation stage, where funds are required for advance pre-clinical work and early phase clinical trials.
- Under the National Innovation and Science Agenda, Australia has established the Biomedical Translation Fund (BTF). The BTF is a \$500 million public and private for-profit co-investment to progress those ideas in valley two (2) through to commercial reality.
- Biotech Horizons seeks to address valley one (1), and accordingly will serve as a 'BTF-primer' breaking down barriers to Australian innovations moving across the research pipeline towards success.
- Business collaboration on innovation is associated with a 70 per cent increase in the likelihood of new to world innovation and a 32 per cent increase in the likelihood of new to Australia innovation.
- Australia performs poorly on research-business collaboration compared with other OECD economies. Biotech Horizons will serve to help strengthen entrepreneurial awareness through encouraged industry engagement.

## IMPLEMENTATION

- An administrator for the grant program will be identified to conduct a targeted call for applications, which in turn will be reviewed by peers and experts.
- Initial investments will target 3D anatomical printing and precision medicine.
- Investments that demonstrate innovation, strong industry partnership and have potential for translation to proof of concept will be prioritised.
- The call for applications will occur in early 2017-18.

## ADVISORY BOARD

The Australian Medical Research Advisory Board, established in accordance with the *MRFF Act*, is responsible for consulting on and developing a five-yearly Strategy that sets out the vision, aims and objectives for the MRFF and an accompanying two-yearly list of Priorities. Government must consider the Strategy and Priorities in making MRFF investment decisions.

## STRATEGY 2016-2021

**VISION:** A health system fully informed by quality health and medical research.

Identifies key strategic investment platforms that set to position Australia to meet future healthcare challenges:

- Strategic and international horizons
- Data and infrastructure
- Health services and systems research
- Capacity and collaboration
- Trials and translation
- Commercialisation

## PRIORITIES 2016-2018

The first MRFF disbursements address identified Priorities under each strategic platform, are a mix of strategic investments, and use a range of administrative mechanisms to maximise impact. More disbursements will occur in 2017-18.

## FOR MORE INFORMATION

 [www.health.gov.au/MRFF](http://www.health.gov.au/MRFF)  [MRFF@health.gov.au](mailto:MRFF@health.gov.au)

