

Press Release

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Commission's pharma package is important step forward but consumers will still need easier access to medicines

The European Commission proposals published today to reform the EU's medicines and pharmaceutical legislation are a good step in the right direction by moving the EU into a more active role to address numerous market failures. However, set against a backdrop of fairly widespread medicine shortages and increasing pressure on state budgets to reimburse people's medicines, these proposals will have to go further to resolve the problems.

Monique Goyens, Director General of the European Consumer Organisation (BEUC), said:

"Having access to medicines is crucial to stay healthy. However, consumers are facing growing difficulties in accessing them and the market has failed to solve these. Reported shortages have shot up twentyfold in France from 2008 to 2018 for example, while the extortionate price tags of some novel medicines is putting state health budgets under enormous pressure.

"The proposal to reduce the exclusivity period by up to two years that pharma companies enjoy for their new medicines is good news, as it could make it easier for patients to get earlier access to cheaper generic medicines. However, creating exclusivity vouchers, which would give a pharma company that develops a new antibiotic the possibility to extend its exclusivity period on another medicine of its choice, undermines the reform's other gains. There are fairer ways to develop new antibiotics.

"We welcome efforts to increase transparency when public funding is used to develop medicines. Pharma companies often benefit from public money for the development of medicines, but little is asked of them in return.

"It's also good news that companies would be required to draw up shortage prevention plans and notify shortages earlier, but we also need stockpiling obligations.

"EU decision-makers now have to decide, when they amend these proposals, if they are going to further improve access to medicines or buy into Big Pharma's heavy-handed lobbying. Big Pharma lobbied the Commission like crazy because they have profits to protect."

On medicine shortages

An improvement in these proposals is that companies would have to draw up shortage prevention plans which, until today, has not been the case across the EU. However, there should in addition be mandatory requirements for pharmaceutical companies to hold safety stocks. Additional stocks can act as a 'cushion' and help mitigate the impact of supply chain disruptions on consumers.

On medicine prices

The Commission is right to reduce the exclusivity period that pharma companies enjoy when they put a new medicine on the market by up to two years. It will allow generics or biosimilar medicines, which are usually much cheaper, to come onto the market sooner. However, the Commission is undermining this positive development by proposing to create exclusivity vouchers for companies which develop novel antibiotics [1].

ENDS

Notes

You can find a summary of BEUC's position on the pharma package <u>here</u>.

[1] Our factsheet describing why transferable exclusivity vouchers are bad policy is here.

