



Joint Statement

Increasing calls within EU for new models of medical innovation

29 November 2010 - The recent price cuts of patented medicines by various European governments and the growing burden of medicines on national healthcare budgets make it clear that the current model for biomedical innovation is unsustainable, both for developing countries and for EU Member States. The intellectual property (IP) and monopoly based business model carries with it perverse incentives that encourage overzealous defenses of high prices and abusive marketing practices, and rarely brings us needs-driven innovation.

The EU Council Conclusions on *the EU role in Global Health* and the *EU Innovation Union 2020 Strategy* give the EU and its Member States a clear mandate to explore new innovation models that de-link (dissociate) the cost of research and development from the prices of medicines.

As a first step, on 18 November 2010, EU policy makers, experts, industry, civil society and patient representatives came together to discuss new models of biomedical innovation and to formulate specific policy recommendations for the EU. The proposals that were discussed included Product Development Partnerships, the Medicines Patent Pool, equitable licensing and innovation inducement prizes for a variety of diseases, including cancer, HIV/AIDS and tuberculosis.

There is now a window of opportunity to take this forward in the EU. The Innovation and Access approach should be clearly integrated into the Action Plan on Global Health and made immediately operative in the EU's new Innovation Union. Furthermore, in the negotiations for Framework Programme 8, which sets the priorities for European research, the European Commission is encouraged to integrate equitable licensing, to foresee increased budget allocation for innovation inducement prizes and to make sustainable funding more accessible for Product Development Partnerships. The EU should also encourage pharmaceutical companies to license their patents to the Medicines Patent Pool.

After years of discussion on the problems of the current model, patients in both the developed and the developing world are ready and eager to see some action. The European Commission has the mandate and the knowledge, now it needs to take the next necessary steps to turn these commitments into realities.

The 18 November discussion was organised by Eva Joly MEP (The Greens/EFA), Thijs Berman MEP (Progressive Alliance of Socialists & Democrats) and Carl Schlyter MEP (The Greens /EFA) on behalf of the European Parliament Working Group on Innovation, Access to Medicines and Poverty-Related Diseases. With the Support of TransAtlantic Consumer Dialogue (TACD), Health Action International (HAI) Europe, Knowledge Ecology International (KEI), and Oxfam.

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