

High prices, poor access: What is Big Pharma fighting for in Brussels?

Executive Summary

The pharmaceutical industry is one of the world's most profitable, benefiting from a highly problematic model which helps ensure that many people still lack access to essential, life-saving medicines. While this has been a major issue in the global South for decades, in recent years the crisis in affordable medicines has also spread to Europe. The emergence of extremely expensive medicines – with price tags in the tens and hundreds of thousands of euros, vastly disproportionate to the cost of developing and producing them – owes much to industry-friendly regulation and intellectual property (IP) rules. While civil society has been ringing alarm bells about these issues for years, in 2016 the European Council finally recognised the problem. It asked the European Commission to review whether the system of incentives and rewards for pharmaceutical companies was out of balance.

In the face of this review, Big Pharma's lobby machine ground into top gear to defend its privileges, doing its best to remove or weaken regulatory measures. A close relationship with the Commission – which fails to take undue industry influence seriously – has played a key role, as has the lobbying firepower of Big Pharma. The top ten biggest spending companies, for example, have increased their lobby budget by €2 million since 2015, and Big Pharma's main lobby group EFPIA (European Federation of Pharmaceutical Industries and Associations) sits on eight of the Commission's advisory groups. Big Pharma has also rolled out a PR offensive harnessing the powerful emotions around illness, designed to deflect criticism and narrow the scope for debate. Thanks to this lobbying arsenal, the industry has succeeded in influencing the review into pharma incentives and rewards (such as intellectual property rules), as well as a change to a type of patent extension called an SPC (supplementary protection certificate) which allows companies to extend the period of monopoly pricing. It has also affected a proposal for EU collaboration to assess how effective new medicines and health technologies are relative to existing ones, something which helps member states negotiate prices. Drug companies promote the use of 'new' drugs because they still have patent protection, and are therefore more expensive, over old ones that don't, even if the new product is not an improvement in medical terms.

Yet all is not lost. In response to a crisis of high prices, lack of access, and too few new medicines that represent real therapeutic advances, the appetite for radical change remains high. We urge the incoming European Parliament and Commission to ensure that medicines policy is protected from the undue influence of Big Pharma. Narrow commercial interests should not undermine public health priorities and the industry's fear-mongering must not narrow the scope for transformative change. The

EU institutions should keep working towards Europe-wide cooperation for robust and independent assessments of new drugs, stop promoting expanded IP provisions through trade deals, and support discussions around better ways to finance medicines research, ensuring a public interest return on public investment.