

The impact of pharmaceutical lobbying on our health

Pharmaceutical companies are among the richest, with 20% profit margins, and the most influential companies in the world. They spend extraordinary amounts in order to protect their system of patents.

Lobbying

The pharmaceutical lobby spends at least 40 million € a year at European level. This amount is being used to pay an army of 176 lobbyists in Brussels.

In the top three of the most influential national federations, the Belgian pharma.be is listed, which is the Belgian federation of the pharmaceutical industry. On 16 March, a symbolic occupation was organised in the pharma.be building as part of the Belgian TAM TAM campaign. Objective of this action was to highlight the lack of transparency of the agreements with the government.

The NGO CEO denounced the imbalance in the resources deployed: 176 lobbyists accredited to the European institutions are defending pharmaceutical interests, as opposed to 48 from civil society.

These lobbyists have almost systematic access to the decision-making process of the European Commission, through the Directorates-General for Health, Trade, Research and Development, Growth, etc., and have close contacts with the European Medicines Agency.

IMI (Innovative Medicines Initiative)

IMI is a public-private partnership established at European level since 2008. The partners are the European Union and EFPIA, the European Federation of Pharmaceutical Industries and Associations.

This initiative was allocated a budget of € 5.3 billion between 2008 and 2020.

The European Union pays more than half of this amount. EFPIA participates by providing equipment, laboratories and personnel. It is therefore public funding that goes to commercial research with higher profits for pharmaceutical companies.

This money flow for research into new medicines does not go to the population, for example by reducing the price of the medicines produced.

In fact, we pay twice for our medicines: once through research grants, a second time when we buy them at full price.

Negotiations on the price of medicines

The price of a drug should depend on its cost of production.

At the moment, the value of the medicine determines its price.

We are talking about value for the patient, but also for public health.

This value is calculated on the basis of the number of extra life years that the medicinal product can offer.

And a healthy year of life is estimated at 40.000€!

The example of SOVALDI, the hepatitis C antiviral produced by the company GILEAD, is particularly illuminating.

In Belgium, this medicine is sold for 514 € per tablet or 43.000 € for the complete treatment of 3 months.

But GILEAD didn't design the molecule... it bought up a start-up that had done the research and development for this treatment. This enabled GILEAD to write off the research costs in 1 year and to make profit!!

For the social security system, the costs are exorbitant and the Minister has decided to set criteria for the selection of patients. Some patients with hepatitis C will therefore not be entitled to the treatment, or will have to pay the full price themselves.

The financial appetite of pharmaceutical companies puts our social security system at risk.

It is necessary to change the regulations in order to achieve greater transparency and thus avoid monopolies in the pharmaceutical industry.

In India, the generic industry produced the exact same medicine as SOVALDI at a cost of only 300€ for a complete treatment !

So it is possible! We can, for example, impose a compulsory licence whereby the producer is obliged to produce a generic version as well.

Agreements on innovative medicines (Article 81 for Belgium)

In order to determine the price of a medicine after its development, a government and a pharmaceutical company settle an ultra-secret agreement.

This non-transparent system allows the pharma industry not to lower the public price of a product in the country where the agreement is signed and thus will not jeopardise price negotiations in other countries.

This system is part of a tactic to keep the prices of medicines high and to slow down competition from generic medicines. As a result, between 2000 and 2007, at least an additional 3 billion € was placed on the social security systems in European countries.

In Belgium, this is done under the 'Article 81' procedure...

The State pays the full price of the innovative medicine, of which the therapeutical benefits or budgetary consequences are uncertain. But the company grants secret discounts to the government.

The number of medicines benefiting from this procedure has increased considerably.

The Belgian « Federal Centre of Public Health Expertise » has quiet some critics to give regarding these secret agreements... A serious lack of transparency, excessive tariffs, clear profits for the pharmaceutical industry, but a heavy burden on social security and patients...

In 2016, pharma.be, the Belgian Federation of pharmaceutical industries, also obtained the destruction of all confidential data in these ultra-secret agreements between Maggie De Block and the pharmaceutical companies.

As a result, the public no longer has any control over, or information about, the quality and cost of the medicines that are prescribed to them. At the same time, austerity measures are being imposed across Europe that weigh heavily on health professionals and patients.