European Parliament Working Group
on innovation, access to medicines and poverty-related diseases

STATEMENT

We, the Members of the European Parliament Working Group on innovation, access to medicines and poverty-related diseases, hereby express our strong condemnation of the request from the US pharmaceutical industry trade body, PhRMA, to add the European Union to the United States Trade Representative's (USTR) "Special 301" watch list.

We condemn this bullying tactic, aimed at influencing the work the EU has undertaken to review intellectual property (IP) incentives that create spiralling drug prices without raising the bar on innovation, and failing to serve EU citizens and governments. Prominent among them is a proposed revision of Supplementary Protection Certificates (SPCs) mechanism, which unnecessarily extends drug monopolies beyond the 20-year term of a patent.

The EU should not be penalized or discouraged from reviewing the negative impact of the current IP related incentives on biomedical innovation, as requested by the EU Council Conclusions on "Strengthening the Balance in the Pharmaceutical Systems in the EU and its Member States" from June 2016. We recommend that the European Commission continue its enquiry into how different IP incentives, and SPCs in particular, contribute to high medicines prices and therefore undermine universal access to treatment.

This PhRMA request is the latest in a familiar pattern of efforts by pharmaceutical corporations to coerce and put pressure on governments through their various lobby groups, preventing them from using legal means to safeguard access to medicines, and pursue reforms which would better balance public health, access to medicines and competition with intellectual property regimes.

Pharmaceutical corporations, backed by the US government, have exerted continued pressure on India to offer more monopolies, stringent IP enforcement mechanisms and a moratorium on compulsory licensing at the expense of access to affordable medicines and public health safeguards.

At this very moment, PhRMA and the US government are currently pressuring the Colombian government to step back from efforts to introduce generic competition in response to the unaffordable price of Novartis' cancer drug imatinib mesylate (Gleevec). If both the Indian and Colombian governments cave to this pressure, it could severely restrict access to affordable medicines in the future, with disastrous consequences for millions of people around the world.

It is of critical importance to respect countries' sovereign rights to uphold health safeguards available under the World Trade Organization (WTO) Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS Agreement) and to implement these legal flexibilities in national law, policies and practices to balance private commercial interests with the right to life, treatment and health.

In particular, we note that a number of the companies that make up the membership of PhRMA are European. We urge them to clearly distance themselves from both this crude attempt to quash legitimate debate and investigation into the impact of business model on the health of their fellow European citizens, and PhRMA's demands to sanction developing world countries for using legal means to secure affordable medicines.

We call on the EU to stay firm in face of US corporate pressure and to renew its commitment to review its IP incentives system, prioritising the health of patients and equitable access to medicines.