



## Statement on Stefan Oschmann's address on November 4, 2014

Innovation is a pivotal element in meeting the evolving medical needs of patients globally and is a prerequisite for access. Innovation can only occur when adequate incentives are in place, such as sound intellectual property (IP) protection. Our industry has developed the vast majority of medicines and vaccines that we benefit from today by relying on such protection.

Access to medicines is complex and multifaceted, and it goes beyond the mere supply and availability of medicines. A number of variables play a major role in determining the extent of patients' access to medicines and vaccines in a safe and timely manner. These include the efficiency of the distribution system, infrastructure, effectiveness and reliability of healthcare systems, patient access to insurance, as well as government taxation and procurement policies.

Our industry turns research into medical and health solutions that save and improve people's lives. Profit is not the only business driver within our industry; we strongly believe that business and societal ought to go hand in hand. We have demonstrated our commitment to sustainable access in various ways. Our companies have engaged in over 250 health [partnerships](#) that are carried out every day with thousands of partners. Most of these programs support health systems strengthening through treatment supply, infrastructure support, capacity building, and awareness raising. The Lancet recently published that 17 out of 20 pharmaceutical companies increased their access to medicines score between 2010 and 2012.<sup>1</sup>

Access to medicines policies vary country-by-country because there is no one-size fits all. For instance, differential pricing, at-cost medicines supply, donations, technology transfer, voluntary licensing, or IP non-assert declarations are often utilized in both least developed and low income countries. However, access to medicines is a shared responsibility requiring collective action by public and private stakeholders. Political commitment to healthcare is one of the most critical components to access to medicines.

Today, for the majority of major diseases, off-patent treatments are widely available. 95% of essential medicines, as defined by the WHO, are off patent, but still more than one third of the world's population does not have reliable access. In parts of Africa and Asia, that is true for half the population. That can be highlighted in countries where IP rights are rarely sought, yet do not exhibit sufficient generic penetration.

The biggest challenges often stem from domestic deficiencies in healthcare systems that accelerate existing disparities in the population. Low- and high-income countries alike have shown that political will to address the domestic sources of poor quality and inequity of care can lead to significant returns on health outcomes and foster economic growth. Through matching political commitment and health partnerships that help address both the short- and long-term challenges tremendous synergies are possible to ensure sustained access to health.

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<sup>1</sup> Source: Is the pharmaceutical industry improving with regard to access to essential medicines? (Lancet Glob Health 2014): <http://download.thelancet.com/pdfs/journals/langlo/PIIS2214109X13701591.pdf>



## Additional Reading

- Launched in October 2011, the WIPO Re:Search consortium provides access to intellectual property, pharmaceutical compounds, technologies, know-how and data for R&D of neglected tropical diseases, tuberculosis, and malaria. By providing a searchable, public database of available intellectual property assets and resources, WIPO Re:Search facilitates new partnerships to support organizations that conduct research on treatments for neglected tropical diseases, ultimately improving the lives of those most in need. <http://www.wipo.int/research/en/>
- Neglected Diseases R&D: 164 R&D projects to develop medicines and vaccines for 11 neglected conditions: tuberculosis, malaria, human African trypanosomiasis (sleeping sickness), leishmaniasis, dengue, onchocerciasis (river blindness), American trypanosomiasis (Chagas disease), schistosomiasis, lymphatic filariasis, buruli ulcer and soil-transmitted helminthic diseases. [R&D Status Report](#)
- One of the key barriers to expanding access to health in developing countries is missing health infrastructure and brain drain. By 2020, the BRICS nations will spend around 6.2% on healthcare as opposed to 14.4% by OECD nations. Despite the existing shortage of health professionals, many of these countries experience brain drain. In BRICS countries, there is a 40-50% shortfall of physicians with many of them working in the US and Canada. More data available in the [World Health Statistics reports, 2014](#).
- IMS Institute for Health Informatics, [Understanding the pharmaceutical value chain](#), November 2014
- IFPMA, [The Changing Landscape on Access to Medicines](#), June 2012
- Charles River Associates, [Evidence on Access To Essential Medicines For The Treatment of HIV/Aids](#), October 2011
- Drug for Neglected Diseases Initiative (DNDi): DNDi is a collaborative, patients' needs-driven, non-profit drug research and development (R&D) organization that is developing new treatments for Neglected Diseases. Web: <http://www.dndi.org/>
- The Medicine Patent Pool (MPP): MPP is a United Nations-backed organisation that aims to improve access to appropriate, affordable HIV medicines and technologies for people living with HIV in developing countries. Working in partnership with a range of stakeholders, including the private industry, the MPP opens the door to generic low-cost production of key HIV therapies as well as fixed-dose combinations and paediatric formulations by creating a pool of relevant patents for sub-licensing and product development. Web: <http://www.medicinespatentpool.org/>