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# Initiative on sustainable access to ARV drugs

## Presentation for the 09th Meeting of the HIV/AIDS Think Tank

Ortwin Schulte

Fed. Min of Health Germany



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## Bremen Conference March 2007

„Responsibility and Partnership –  
Together Against HIV/AIDS“

### **Main results**

- Bremen Declaration on prevention, strategy and role of civil society
- Debate on HIV/AIDS on heads of state level
- Common statement of Presidency and eight ARV producing pharmaceutical companies



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## Common Statement

### **Commitments of pharmaceutical industry**

- holistic and joint effort with all stakeholders
- addressing barriers to access („complex puzzle involving (..) cost for treatment“)
- ensure affordability and accessibility



## Implementation process (overview)

### steps already taken

- nomination of pilot countries within EC
- coordination with European Commission
- Deputy Ministers meeting with pilot countries
- Coordination meeting with ARV-producers
- in-depth discussion with pilot country and selected ARV producers



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## first participating countries

### **first participating countries**

- Bulgaria
- Romania
- Estonia

### **participating institutions**

- European Commission (SANCO, ENTR)
- Trio presidency (DE, PT, SLO)



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## coordination with European Commission

### involved GDs

- **SANCO** (health policy, HIV/AIDS strategy)
- **ENTR** (pharmaceutical industry)
- **COMP** (antitrust law, competition law)
- **MARKT** (reimports within EC)
- **TRADE** (external trade, distribution line)



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## Deputy Ministers meeting with pilot countries

### Main topics

- analysis of current HIV/AIDS situation
- perspective on need for ARV treatment
- health budget available for ARVs
- current prices paid for ARVs
- price negotiation techniques



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# Coordination with ARV-producers

## Chair

Germany together with DG SANCO and ENTR

## Main topics

- reminder for commitment of industry
- need for individualised solutions company by company (no coordinated offers)
- presentation of progress reached so far





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## **in-depth discussion with pilot countries and ARV producers**

### **purpose of the meeting**

- discussion of holistic approach with COM, concerned state and key players of industry
- presentation of prevention policies and HIV/AIDS strategy, but no negotiations on policy contents with ARV producers
- general debate on possible price differentiation techniques



## Cross-cutting issues (1)

### **AIDS policy**

- ARV prices can not be isolated from political decisions on HIV AIDS prevention, strategy and treatment.
- Political decision have to be taken by member states. Industry can comment on decisions but not be included as a contracting partner.



## Cross-cutting issues (2)

### **Negotiation process on ARV prices**

- different techniques and different results among member states of EU
- no common basis for entering into negotiations with industry at EU level
- country by country approach



## Cross-cutting issues (3)

### **Price situation on ARVs inside EU**

- Current situation does not reflect differing levels of GDP in member states
- Intransparency of prices - very complex process of comparison.
- Price reductions for new member states are urgently needed.
- Prices for ARVs needed in small quantities are often far too high.



## Cross-cutting issues (4)

### **Negotiation position of ARV producers**

- Industry is generally trying to play for time, although at least some companies understood the message.
- Nearly no willingness of companies to talk about prices, but about overall cost for treatment (natural rebates) and response to HIV (cofinancement of prevention projects)



## Cross-cutting issues (5)

### New pricing techniques

#### → **current situation**

call for tenders; price negotiations; reference pricing; special prices for health insurances

#### → **new instruments**

budgets for treatment instead of prices per unit; advance agreement on price degression for increase in ARV treatment



# Global issues

## Influences from outside EU

- negotiations on compulsory licensing for ARV products in some non-EU countries
- entitlement through Art. 31 TRIPS agreement
- additional import waiver for states without own pharmaceutical industry



## Consequences for EU-debates

- **starting point**: inapplicability of TRIPS-provisions inside EU
- no provisions about compulsory licensing in **European patent law**
- **justification** of national measures of compulsory licensing **under EU law** needs clarification
- **common interest** on **sustainable solutions** under the **ARV initiative**



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