

### Pharmaceutical package Transferable Data Exclusivity Vouchers for priority antimicrobials

AMR One Health network meeting 1 March 2024

**European Commission - DG SANTE** 

### **Combatting AMR**

### Current challenge:

AMR causes **35000 deaths per year** in the EU.

It amounts to +/-1.5 bn EUR per year in healthcare costs

By 2050, **10 million** deaths globally each year

Current market failure/ Lack of effective antimicrobials

#### Lack of market incentives

0,5 bln EUR cost of a new antibiotic

#### AMR toolbox

Measures on prudent use of antimicrobials

– prescription, restricted quantities,
education etc.

Regulatory incentives with transferable exclusivity vouchers under strict conditions

Financial incentives with **procurement mechanisms** (HERA)

5 Targets, incl on the total **EU consumption of antibiotics for humans** (ECDC) → reduction
by 20% by 2030

(Council Recommendation)

#### **AMR** voucher

- Additional year of data protection
- Strict conditions (only novel antimicrobials, full transparency of all funding, obligation of supply, max 10 vouchers in 15 years, review after 15 years, etc.)





# Regulatory incentives with transferable exclusivity vouchers under strict conditions



**Transferable data protection voucher**: allow the developer of a novel antimicrobial to benefit from **additional year of data protection** on a product in their portfolio, or sell the voucher to another company to use

**Strict conditions** e.g. only novel antimicrobials that address AMR, full transparency of all funding, obligation of supply, 1 time transfer etc.

Max 10 vouchers in 15 years, review after 15 years.



## Economic considerations and conclusions (1 voucher/year scenario)

- •' Estimated\* value/cost of each voucher: between €280 m and €440 m per product
- Likely share of value\* if there is one voucher/year: the buyer is likely to capture 43% of the value/cost \*based on historic sales data

#### Conclusions

- Reward goes to antimicrobials that have proven to be a 'game changer' against AMR
- Addresses market failure and helps increase reward of investment attract venture capital
- Can be implemented immediately: No ex ante budgetary appropriations required, no regulatory burden
- Part of a broader toolkit against AMR
- Measure is able finance the EU fair share of novel antimicrobial development
- Expected costs to health systems (€441m. which includes unserved patients in 1 voucher/y scenario)
- High cost for health systems should be weighed against cost of AMR/year (est.) €1,5bil. –
   35.000 deaths/year.

## Thank you



© European Union 2020

Unless otherwise noted the reuse of this presentation is authorised under the <u>CC BY 4.0</u> license. For any use or reproduction of elements that are not owned by the EU, permission may need to be sought directly from the respective right holders.

