

Europe supporting competitiveness of pharma industry

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Singapore: European Federation of Pharmaceutical Industries and Associations (EFPIA), representing pharmaceutical industry in Europe is supporting the agenda to strengthen the competitiveness of the pharmaceutical industry.

Sir Andrew Witty, EFPIA President, said "Innovation is vital to any successful long-term economic strategy. Pharmaceutical innovation can be one of the key platforms of a growth programme for Europe. The pharmaceuticals sector is by far EU's most R&D intensive industry. Europe is a world leader in this area, but other locations, such as the US and certain Asian countries, present increasingly strong competition for manufacturing and R&D activities."

The best way to support innovation is to use it and reward it by paying fair prices for added value. The research-based pharmaceutical industry has significant concerns about pharmaceutical pricing and reimbursement policies that are being implemented across the EU. Drastic reductions in national budgets, the lack of coherent policy approach and the succession of short-term cost containment measures with extra-territorial impacts are driving down the competitiveness of the research-based pharmaceutical industry. The legitimate concern to limit public expenditure in these difficult times should not lead to measures that undermine both patient benefit and the status of Europe as a home for innovation. It is ironic that many EU Member States use various incentives to attract R&D and manufacturing investment, but then create hurdles and market distortions that prevent innovative medicines from reaching patients.

Sir Andrew continued "In these extraordinary times for Europe, its economies, and its citizens, business as usual - cost-

containment policies that create market distortions - will drive investment elsewhere and consign Europe to a gradual decline, to the second rank of the new global order. Europe needs a more vigorous industrial and innovation policy. The Commission's proposal can lead to enhanced coordination, and deliver concrete measures at national level to help to stimulate and deploy innovation in Europe. We need to solve difficult questions in a way which is economically viable, maximises the possibility for patients to get access to the medicine from which they could benefit, and balances the need for value for money for the payer with the need for innovation incentive for the supplier. The industry will play a full part in addressing these goals".