Meeting with EPFIA
31.01.2014

Participants:
- [ART 4.1b], MSD, [ART 4.1b]
- [ART 4.1b], Eli Lilly, EFPIA [ART 4.1b]
- [ART 4.1b], GSK, [ART 4.1b]
- [ART 4.1b], Novo Nordisk, EFPIA [ART 4.1b]
- [ART 4.1b], EFPIA [ART 4.1b]
- [ART 4.1b], Pfizer, EFPIA TTIP [ART 4.1b]
- [ART 4.1b], EFPIA [ART 4.1b]

- Fernando PERREAU DE PINNINCK (TRADE);
- Ivone KAIZELER (TRADE);
- Thomas HEYNISCH (ENTR);
- Isabel FEZAS VITAL (TRADE);

Summary:

EPFIA: TTIP is a model agreement and should set the precedent in several areas. Industry from both sides is calling for pricing and reimbursement transparency provisions similar to the ones existing in EU-Korea FTA and US-Korea FTA. There is no intention to disrupt MS pricing and reimbursement decisions as texts are in line with EU Directive on the matter (Council Directive 89/105/EEC). US system is becoming more and more publically funded (around 50%), so the issue should be seen on a long term perspective. In Industry view, if EU and US do not set the example then they will not be able to ask other third countries to move on the right direction.

COM: There were not yet detailed discussions on pharmaceuticals pricing and reimbursement within TTIP. EU has had offensive interests when negotiating with certain third countries, in particular when those countries had not in place transparency provisions on pricing and reimbursement decisions. This was the case with Korea and Singapore. In addition, those countries have, as the EU, social security schemes largely publically funded. The US system is mostly privately funded and therefore a smaller share of pharmaceuticals products exported from EU to US would likely be subject to transparency provisions as compared with US products exported to EU and EU Member States. Some Member States and social partners have voiced concerns about the impact that KORUS or KOREU-like provisions could have on the price and affordability of medicines in the EU. Whilst fully upholding the application of current EU rules (the transparency Directive), the EU has significant misgivings about including pricing and transparency provisions in TTIP that could impinge on the application of EU rules and on their current revision, which are first of all internal issues. Implementing the EU Directive and corresponding case law would seem at first sight sufficient to address industry concerns in the EU market. On the US market, it would be important to know better what type of pricing and reimbursement transparency provisions exist in US law, to whom they apply (Federal level, State level, publically/privately funded etc.) and how the US system works in terms of pricing and reimbursement decisions.