Federica Mogherini High Representative of the Union for Foreign Affairs and Security Policy European Union

Cc:

Vytenis Andriukaitis Commissioner, Health & Food Safety European Commission

Neven Mimica Commissioner, International Cooperation and Development European Commission

Carlos Moedas Commissioner, Research, Science and Innovation European Commission

30 March 2017

Dear High Representative Federica Mogherini,

Member states of the World Health Organization (WHO) are currently engaged in intersessional negotiations on a resolution on cancer prevention and control that would provide the Organization with a robust mandate to tackle cancer. This is a timely discussion as health systems are under siege due to the soaring costs of cancer medicines. In December 2016, the United Kingdom's National Institute for Health and Care Excellence (NICE) rejected a breast cancer drug, Kadcyla, on financial grounds, as the medicine had a price of £90,000 a year per patient. We are writing this letter to request the European Union to support a WHO resolution on cancer that would provide the Organization a mandate to conduct a feasibility study of creating a multi-country push and pull fund for cancer R&D predicated upon the principle of the delinkage of the costs of R&D from the price of health technologies.

In 2012, cancer was the 2nd leading cause of death in the world (8.2 million); cancer cases are projected to increase from 14.1 million in 2012 to 21.6 million in 2030. A 2016 ESMO European Consortium study on the availability of cancer medicines in Europe demonstrated a "profound lack of availability" in Eastern Europe "largely related to the cost of target agents approved in the last 10 years." For melanoma and renal cancer, the ESMO study showed a stark contrast between access to free or highly subsidized access to new anticancer treatments in Western Europe in contrast with the situation in Eastern Europe where "many of these medications were unavailable or only available at full cost to patients." 2

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¹ Cherny N et al. ESMO European Consortium Study on the availability, out-of-pocket costs and accessibility of antineoplastic medicines in Europe. *Ann Oncol* 2016; 27 (8): 1423-1443. ² Ibid.

An unresolved component of the WHO cancer resolution is language on a feasibility study to create a cancer R&D fund proposed by India and supported by Brazil:

OP2.5ter) [to conduct a [preliminary] (Brazil) feasibility study of creating a multi-country push and pull fund for cancer R&D, as an alternative to incentives-based intellectual property rights and/or regulatory monopolies and to progressively delink cancer R&D costs from product prices;] (India)

The proposed language on delinkage is congruent with the European Parliament resolution of 2 March 2017 on EU options for improving access to medicines (2016/2057(INI)) which calls on the Commission and the Council to "explore the numerous tools based on delinkage mechanisms."

The primary incentive to invest in R&D for new cancer drugs is the grant of a monopoly that allows pharmaceutical developers to charge high prices for many years. These high prices have resulted in unjust outcomes including rationing, unnecessary pain and death.

Some governments and experts have proposed the creation of very large innovation funds that would allow countries to take measures to lower drug prices without having an adverse impact on R&D. These include proposals made to the WHO by developing countries during the CEWG process, but also in hearings in the European Parliament, the US Congress and in submissions to the UN Secretary-General's High-Level Panel on Access to Medicines.

A feasibility study would examine the challenges and opportunities of such a fund, including by examining the magnitude of the investments needed to ensure appropriate levels of investment for the development of new products, and the mechanics of the push and pull mechanism, including robust innovation inducement prize rewards, for successful drug development, as well as research grants. A feasibility study would also explore some of the challenges relating to finding agreement among countries on the appropriate levels of funding, which some have proposed be a percentage of the country expenditures on cancer treatment.

We call on the European Union to strengthen WHO's mandate to work on cancer, including the language contained in OP2.5ter of the draft resolution on a feasibility study of the WHO creating a push and pull fund for cancer R&D predicated upon the principle of the delinkage of the costs of R&D from the price of health technologies. In order to truly realize the right to health, it is imperative that delinkage becomes part of the DNA of the European Union's quest to achieve universal health care.

Access to Medicines Ireland
Alliance for Public Health
All-Ukrainian Network of People Living with HIV/AIDS
Commons Network
Consumer Association the Quality of Life-EKPIZO
Dying for a Cure
Health Action International (HAI)
Health and Trade Network
Hepatitis Scotland
Just Treatment

Knowledge Ecology International Europe (KEI Europe)
Prescrire
Public Eye
Salud por Derecho
STOPAIDS
UAEM Europe
Union for Affordable Cancer Treatment (UACT)