



EPSU statement on the Pharmaceutical Strategy for Europe

The European Public Service Union (EPSU) welcomes the Pharmaceutical Strategy for Europe published by the Commission on the 25th of November 2020. The strategy is embedded within the Commission's proposal for the European Health Union which includes further the Beat Cancer Plan expected early 2021 and is underpinned from funding of EU4Health. The initiative was supported by EPSU¹.

Undoing austerity to deliver quality care

EPSU agrees with the Commission that patients should have access to high quality, effective and safe medicines. But chronic underinvestment, austerity measures and privatization of health sector made medical treatment less accessible for the EU citizens. Already before the pandemic we observed the increase of costs of medicines such as those treating cancers or rare diseases, which become unaffordable for Member States' health systems. Furthermore, the pandemic visibly demonstrated the existing inequalities between the countries in access not only for Personal Protective Equipment but more importantly medicines.

Access to quality and affordable medicines

Access to quality and affordable medicines is crucial in terms of providing quality health care for European citizens. To that extend the presented strategy will play a pivotal role in the implementation of United Nations Sustainable Development Goals and the European Pillar of Social Rights. This includes principle 16: guaranteeing timely access to affordable, preventive and curative health care of good quality.

Improving transparency of price-setting

EPSU agrees with the Commission that the pharmacy industry is an important source of innovation and employment for the European Union. However, the progress in the medicine is not sufficient, due to the fact that the private sector for too long has been focused on short-term profits rather than costly, long-term investments. For example, for the last 30 years, no new antibiotics have been created nor has the treatment for many rare diseases been introduced. The industry lacks transparency in research costs, return of investment and in price settings. EPSU welcomes the proposed action of the strategy to engage with the Member States in implementing non-legislative measures to improve transparency, such as guidelines on principles and costing methods for establishing the research and development costs of medicines. The Commission should take further step and develop binding measures to enable full transparency.

A stronger role for the Public sector

Whereas supporting the European pharmaceutical industry is important, the European Commission should require the private sector to take on more responsibly in terms of its crucial role in providing affordable medicines. Given that the private sector is predominantly focused on delivering profits, it is essential to support the creation of public pharmaceutical companies, which are operating in the public interest. These can conduct research and be producing affordable and quality medicines. To that end EPSU calls on the Commission to move forward

¹ <https://www.epsu.org/article/commission-s-plan-european-health-union-first-step-more-be-done-strengthen-public-health>

with the request of the European Parliament to explore the possibility of creating non-profit pharmaceutical companies along with the creation of a public research institute focusing on research in medicine, which should mirror the structure of the European Organization for Nuclear Research (CERN) or European Molecular Biology Laboratory (EMBL). If the EU can afford to create one of the world's largest and most respected centers for scientific research in nuclear energy, it should be also able to create an institute that focus on research in medicines and treatments for existing and future diseases. For this reason, EPSU regrets to see that the strategy focuses on short-term objectives in pharmaceutical industry rather than providing the vision for the future of the research in the area of diseases treatment. Europe needs to be prepared not only for addressing the COVID-19 pandemic but for the possible pandemic to come and do not solely rely on private industry in this endeavor.

Pharma and the Beat Cancer Plan

Public service workers welcome the link between the strategy and the 'Europe's Beating Cancer Plan', which aims to ensure access to high-quality treatment and new therapies for patients. It is essential to underline that the cancer affects not only patients but health workers in the hospital, who are responsible for delivering treatment. EPSU reiterates its calls on the Commission to extend the number of carcinogenic and mutagens substances in the EU Directive on Carcinogens and Mutagens at work². The Directive should further include hazardous medicinal drugs, in particular cytotoxic drugs, to reduce the occupational exposure to those chemical agents that may cause cancer or mutations. This exposure causes thousands of additional deaths from cancer and tens of thousands more miscarriages, fertility problems and congenital disabilities each year in healthcare workers and patients.

Working conditions, social dialogue and collective bargaining

EPSU regrets that the strategy does not draw enough attention to healthcare workers nor other employees in the pharmaceutical industry. It is evident, that without health workers neither medicine will be administered to patients nor treatment will be provided. Quality health care including quality medicine is not possible without quality working conditions. The pandemic demonstrates that health sector faced enormous challenges in guaranteeing the appropriate level of personnel due to chronic underinvestment and privatization³. To that end the strategy should underline the crucial role of health and care workers, as well as workers employed in the pharmaceutical industry. EPSU welcomes the fact that Commission underlines the need for creating 'quality employment opportunities in the EU through the pharmaceutical value-chain' and to that end recognizes that the pharmaceutical industry requires access to skilled and specialized workforce. However, quality employment in this sector is not only defined by the qualification of workers but more importantly by working conditions. These are crucially part of guaranteeing its quality is through collective bargaining and social dialogue. In particular, in the value chain outside the EU it is crucial to assure quality employment through negotiations with trade unions and promote due diligence.

Health and Safety

Occupational Health and Safety is essential for the workers, patients and all sectors connected with the pharmaceutical industry. As rightly mentioned by the Commission 'measures should also be considered with the aim to ensure that medicines are safely handled by workers, including when administrating treatments.' This includes the collection of unused medical waste along with other hazardous pharmaceutical waste, within the circular economy action plan. However, according to the research commissioned by EPSU: 'the number of recycling and re-use activities takes place in the informal sector and/or have been exported to developing countries. There is a particular lack of knowledge about the working conditions and

² <https://www.stopcanceratwork.eu/>

³ <https://www.epsu.org/article/european-council-meeting-second-wave-pandemic-sends-disappointing-signal-workers-says-epsu>

health and safety of workers in the recycling and re-use sectors'⁴. Again, the strategy should focus on the health and safety of workers in the waste collection sector.

The Commission has rightly pointed out that public procurement can foster competition and improve access to medicines. However, it is important to underline that public procurement should promote collective agreements as recently proposed by the Commission in the initiative for the directive on the adequate minimum wages in Europe⁵.

Medicines – a public good

EPSU agrees with the Commission that increasing rapidly expenditure on medicines by hospital should be urgently addressed and welcomes the proposal of revising the pharmaceutical legislation to making medicines more affordable. In many instances, hospitals have to make dramatic decisions between purchasing the expensive medicine or spending their funds on other important tasks. Access to medicines like the access to public goods is a fundamental right and therefore there is stronger need for involvement of European and national authorities in that area. The initiative to develop a group of competent authorities to improve the affordability and cost-effectiveness of medicines and health system's sustainability is worthwhile. In the words of the Commission it will support: 'mutual learning through information and best-practice exchange, including on public procurement and the coverage of pharmaceutical costs by social protection systems, price-increase criteria and rational prescribing.' However, we are concerned about the aim to support 'rational prescribing', which could be used by authorities to restrict the access to medicines in particular in the framework of the austerity policies in the post COVID-19 economic crisis. Furthermore, EPSU is concerned about 'making the medicines cost- effective' in relation to the objectives of this group. Medicines as public good should be affordable and quality, not cost -effective.

The Commission's views on the need to develop a European health data space needs further exploration. It can be essential for improved research and should be delivered in compliance with protection of fundamental rights to privacy. The same challenge in terms of collecting data is observed in relation to information on work-related diseases and infections, whereby many Member States are not transparent in providing that information⁶.

EPSU agrees with the Commission that funding is a fundamental tool to support innovation in pharmaceutical sector, but the increase in public funding should go hand in hand with increased demand on transparency of the industry.

While recognizing the digital transformation in medicine, EPSU underlines that digitalization should be human centered.

The pharma chain

EPSU agrees that securing the access to medicines through supply chain is an important part of the EU autonomy in the pharmaceutical industry. It is also crucial to provide quality working conditions for workers employed in the value chained outside the EU and the European companies should be obliged to respect the due diligence principles in their subcontractors chains.

EPSU welcomes the launch of the structured dialogue between actors in pharmaceutical manufacturing value chain but for the dialogue to be sound it has to include social partners.

⁴ <https://www.epsu.org/article/safe-jobs-circular-economy-new-epsu-report>

⁵ COM(2020) 682 final

⁶ Opinion of the European Economic and Social Committee: Summary of the costs and benefits of investments in occupational safety and health (OSH): <https://www.eesc.europa.eu/en/our-work/opinions-information-reports/opinions/summary-costs-and-benefits-investments-occupational-safety-and-health-osh-exploratory-opinion-request-finnish-presidency>

To that end the Commission is encourage to initiate the dialogue with trade unions from outside the EU to improve the resilience of the supply chain, reinforce oversight of the supply chain and promote good manufacturing principles.

EPSU welcomes the creation of the EU Health Emergency' Response Authority, which should be provided with the sufficient budget to fulfill its ambitious tasks. This is however not realistic given that the EU4Health budget was significantly reduced in the process of negotiation on the future MFF and the Recovery Plans from 9.1 BN EUR to 1.7 BN to be belatedly increased to 5.1 BN after actions of EPSU and the European Parliament. This is about ½ of what the European Commission.

We agree that EU needs to strengthen its voice globally and that Europe has an important role to play in fostering upwards regulatory convergence to improve the quality of medicines available in the EU.

EPSU welcomes the co-operation with other countries to support a level playing field for European and other countries' companies. In our opinion the co-operation should support promoting social dialogue, trade union rights and improving working conditions in those countries. Public money cannot be spent on purchasing healthcare products developed by the companies in the countries, which do not respect ILO conventions and recommendations.

Finally, with the objective, that the strategy that should be delivered in the enhance co-operations with all relevant stakeholder, EPSU underline the need to include the voice of social partners in the future collaborative dialogue.