



Making Medicines Affordable

Generic Medicines: Key to European HealthCare Sustainability

Didier Barret

President EGA

17 November 2010



Making Medicines Affordable

Our Industry - Our Role



Generics Industry/Healthcare Systems

A Virtuous Circle for Sustainability

**Sustainable Healthcare
System provides**

**Healthy Generics
Industry provides**

PATIENT ACCESSIBILITY

- Affordability
- Availability

QUALITY

INNOVATION

FINANCIAL BALANCE

Generic Medicines: A Highly Competitive Industry

Generic Medicines Bring Savings of
30€ Billion p.a.

in the EU 27

Generic medicines account for
almost **50%**

of volume share and **18%**
of value share

One of the
Most
Competitive
Sectors in
Europe

More than **1000** Generic Companies
Employing

150,000

Employees in Europe

Price cuts of **30-90%**

After Patent Expiry, with

10-30 companies competing on one
product

Difficult-to-make products: Opportunity for more savings

**Bio-
similar**



**Oral solids:
new release
forms**



Differentiation

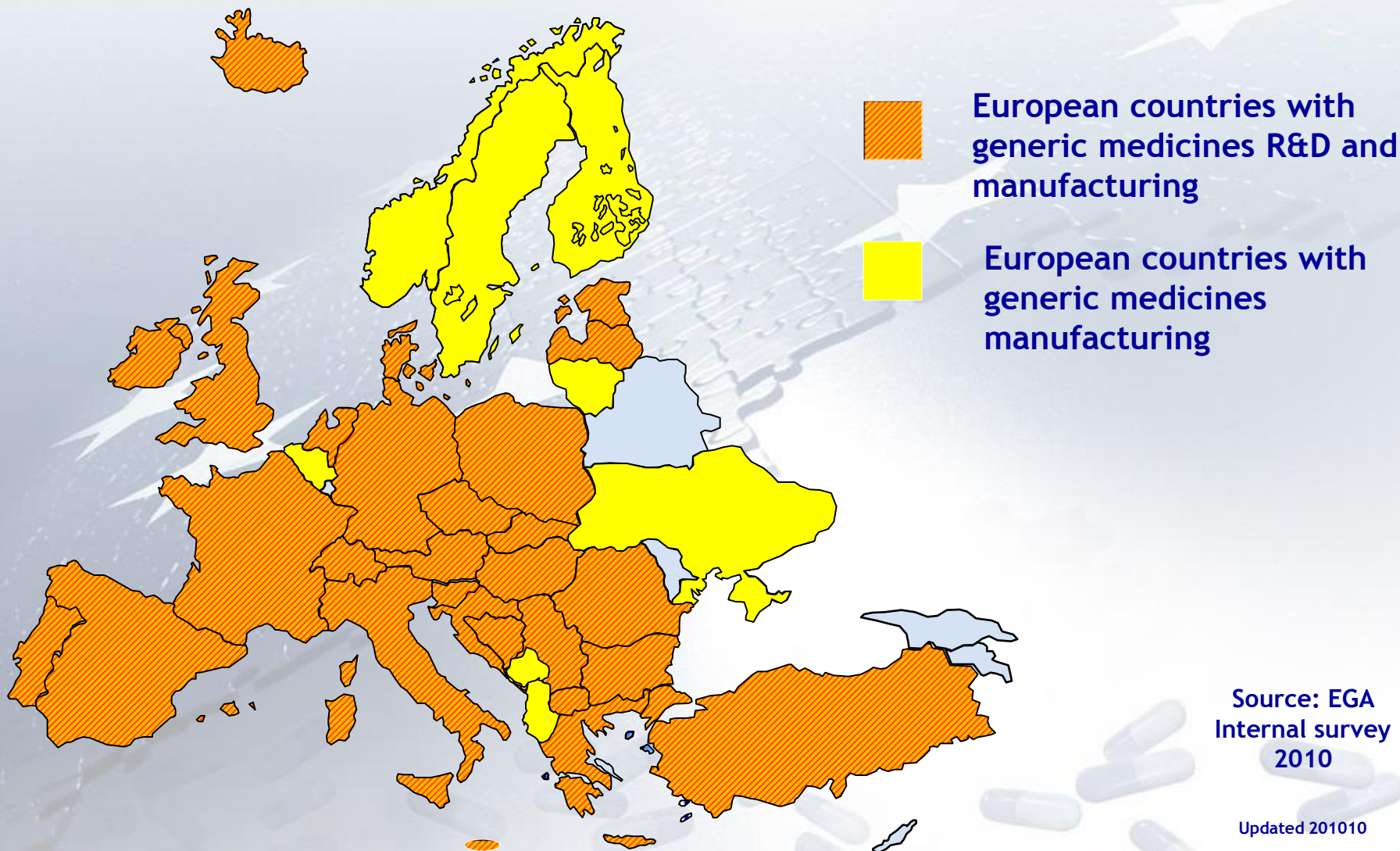
Inhalation



Patches



European Generic Medicines Development and Production

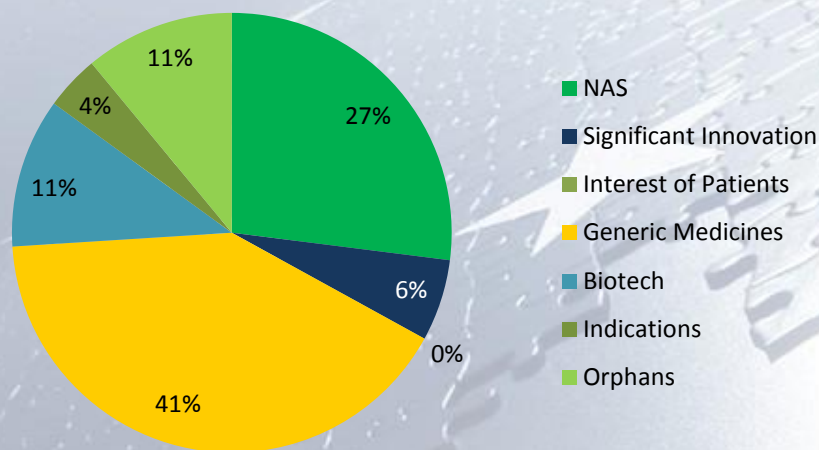


Source: EGA
Internal survey
2010

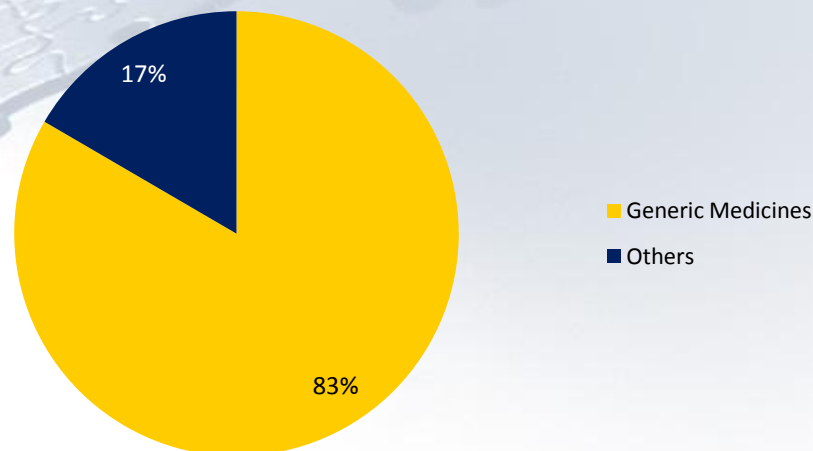
Updated 201010

Generic Medicines Represent Nearly Half of CP and the Majority of DCP Submissions

Breakdown of Applications for MA Submitted via CP (2009)



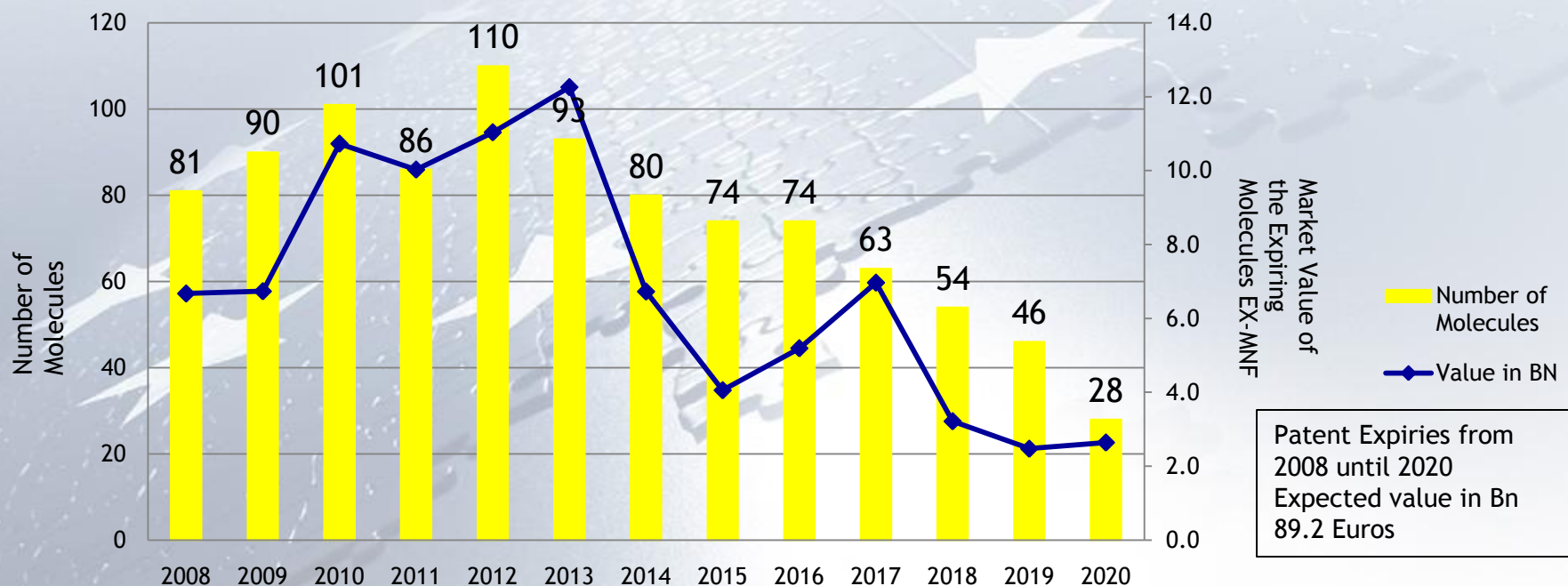
Breakdown of Applications for MA Submitted via DCP (2009)



Source: EMA & CMDh
Annual Report 2009

EU Patents Expiries : Opportunities for Affordability and Access

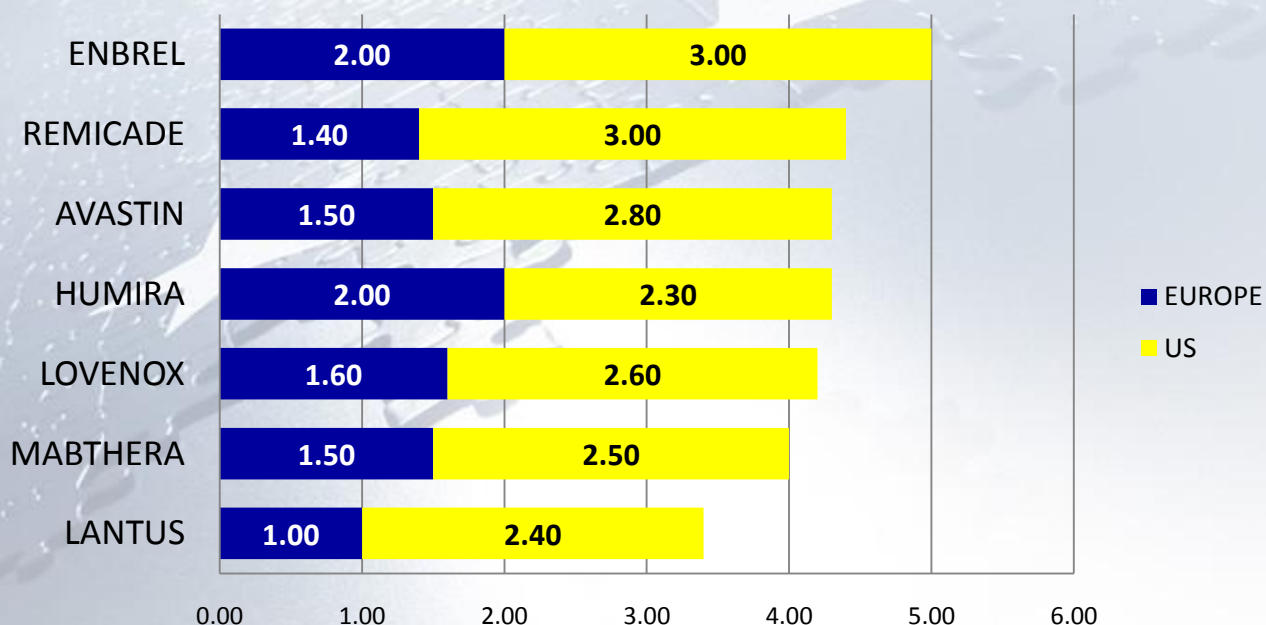
Europe: Opportunities for Affordability and Access



- Nominal patent expiries not corrected for supplemented patents, litigation probability
- Only molecules with associated sales were counted and from all European countries covered by IMS, sales of 2007

Biopharmaceuticals add to Medicines bill

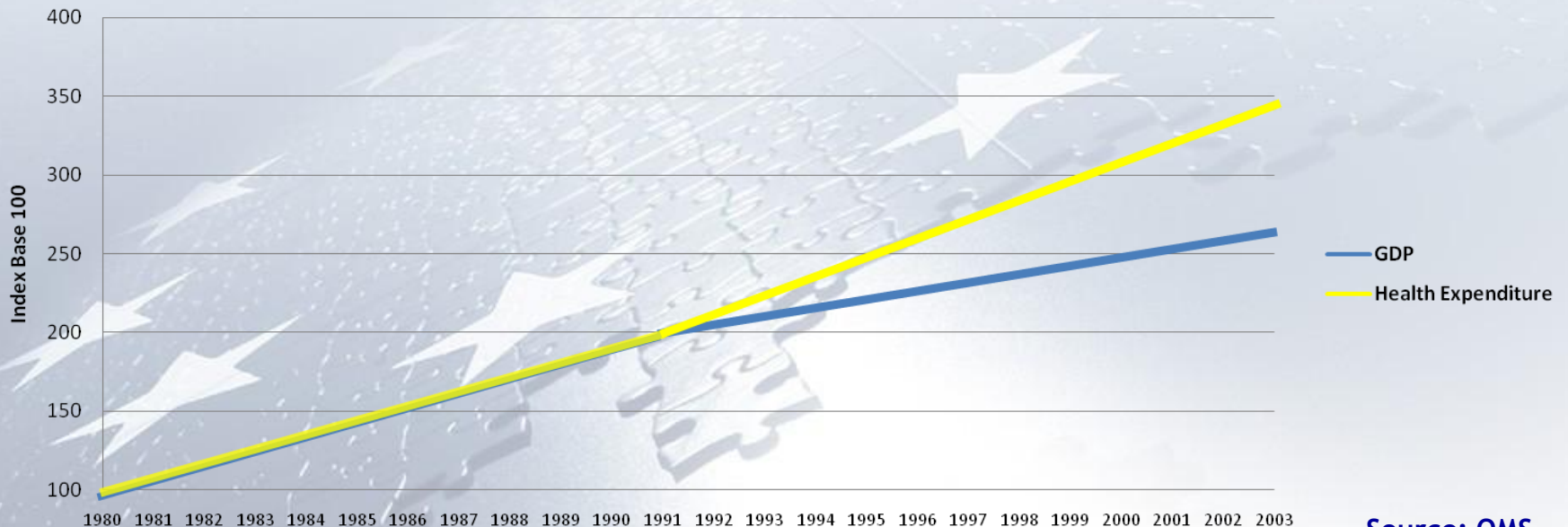
Top 6 Biopharmaceuticals, in \$US bn



Source: IMS 2009

Generic Medicines more Important than ever

EU27 Average GDP and Healthcare Growth

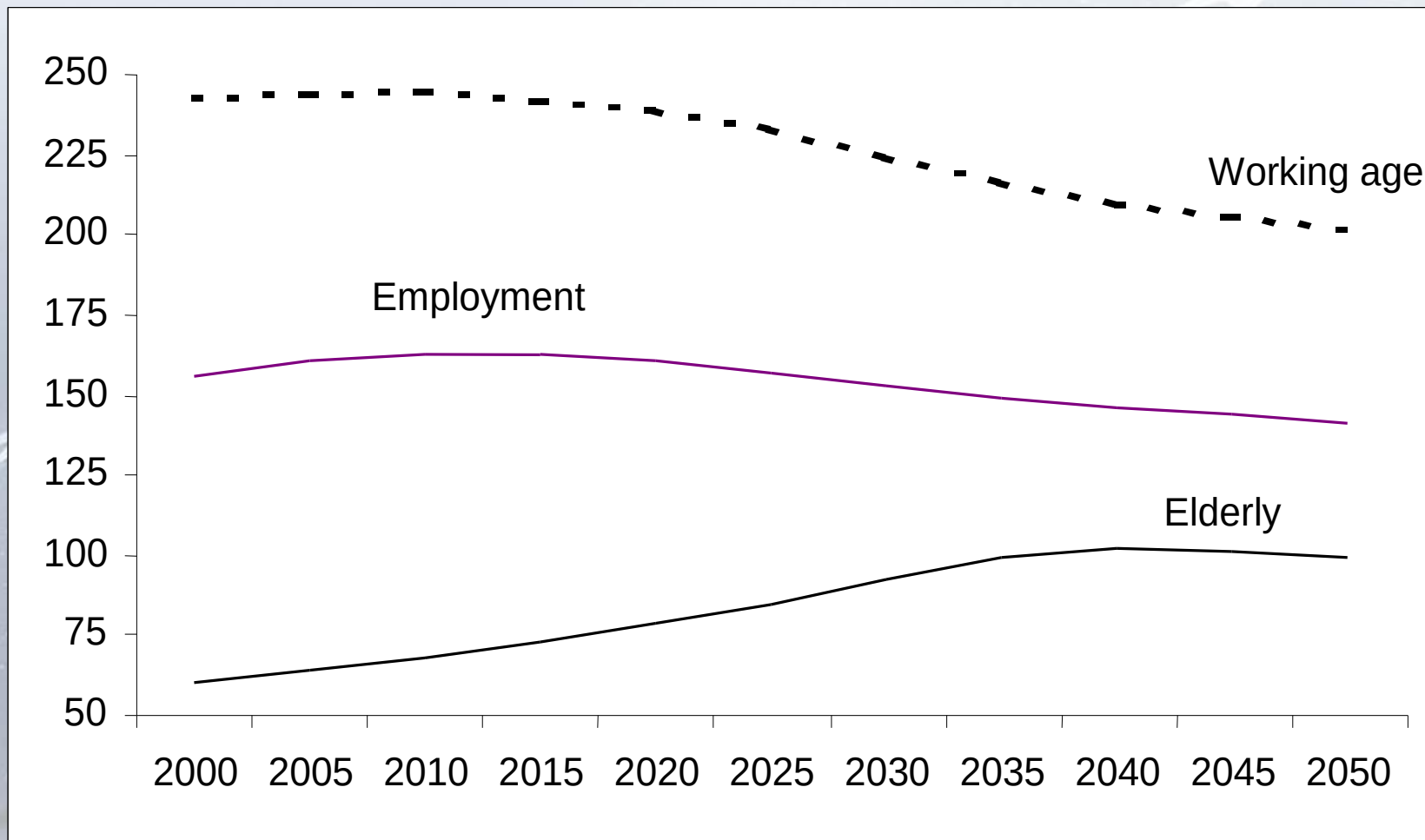


Source: OMS,
Bureau Europe,
2007

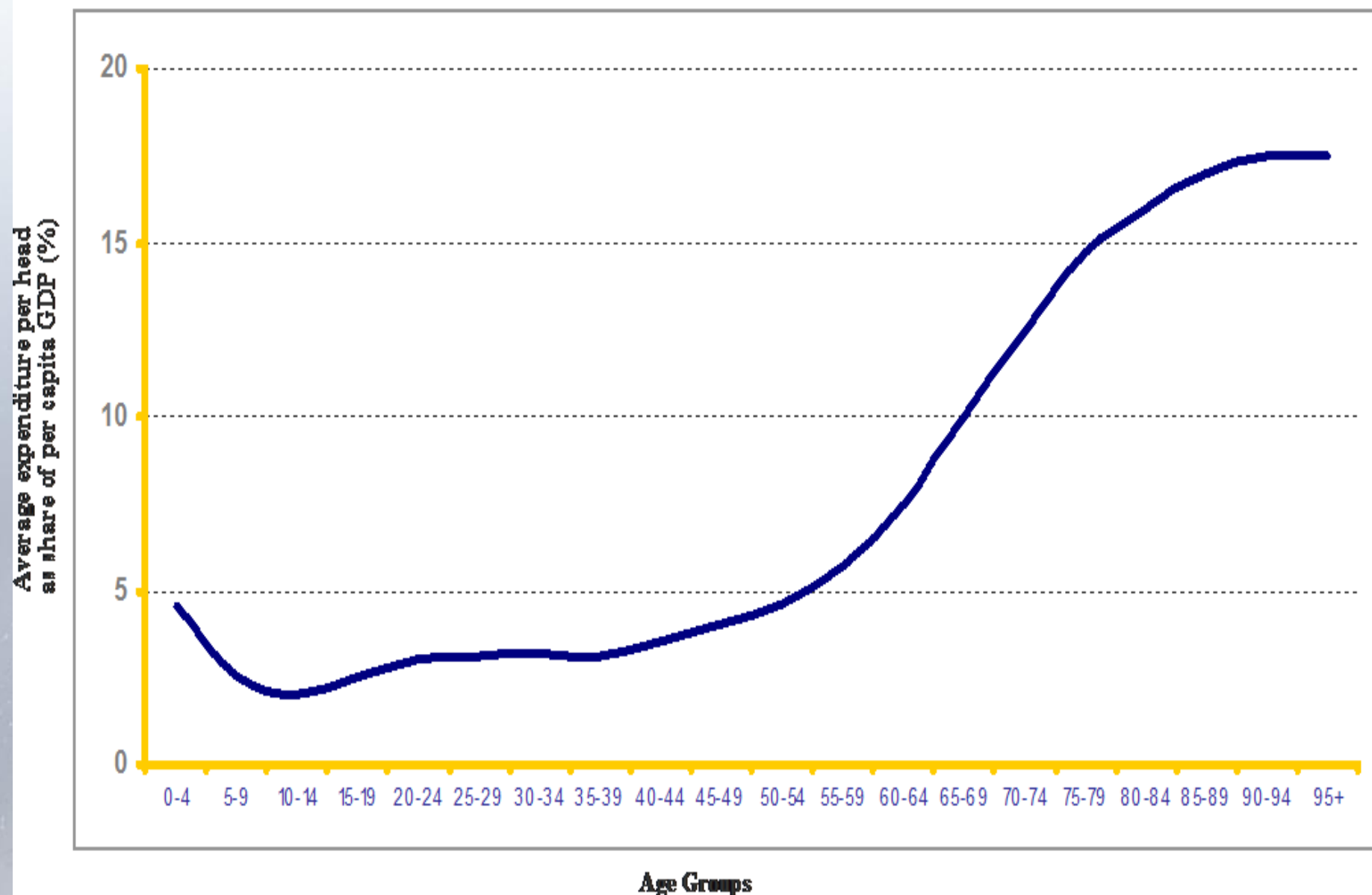
 **Health expenditure growing much faster than the EU27 Average GDP**



Europe's Ageing Population



Average EU Healthcare Expenditure Per Head by Age Group



A Shared Diagnosis

European Commission

Communication December 2008

“Safe, Innovative and Accessible Medicines: a Renewed Vision for the Pharmaceutical Sector”

“All actors should therefore ensure that generics can enter the market after expiry of patent and data exclusivity protections and compete effectively”

