



PRESS RELEASE

Health activists and consumers ask for greater public return on EU health R&D spending and a turn to needs-driven innovation

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In a Policy Paper published today, Health Action International (HAI) Europe and the Trans Atlantic Consumer Dialogue (TACD) call on the European Union (EU) to spearhead the adoption of new research and development (R&D) models which strive for more openness and needs-driven innovation to ensure affordable access to biomedical knowledge and goods. The EU new policies for R&D - Horizon 2020 Research and Innovation Framework – provide the EU with the perfect opportunity to lead the way towards new models of health innovation. The Policy Paper, *Time for the EU to lead on innovation: EU policy opportunities in biomedical innovation and the creation of public knowledge goods*, underlines that the present model of health innovation results in high prices for medical products that threaten the economic sustainability of global healthcare systems, while neglecting the needs of the world's poor.

Today, billions of Euros' worth of EU funding in health research are awarded without any robust strings attached to ensure that the public receives a fair return. The EU needs to shift away from this current trend and become a wiser investor by imposing conditions to the granting of funds to ensure that EU taxpayers reap maximum benefits of their investments through less costly health products. The EU should consider innovative proposals for the development of sustainable models of biomedical innovation, especially proposals that de-link the R&D costs from the price of final products.

The need for new models of biomedical innovation is an ongoing global debate to which the EU must respond effectively. The recommendations of this Policy Paper generally coincide with the proposals of the World Health Organization's (WHO) *Consultative Expert Working Group on R&D Coordination and Financing* which came out on 5 April 2012. The WHO report is a powerful affirmation of the need to move beyond the status quo and traditional models of medical innovation and gives recommendations to WHO member states. As the HAI/TACD policy paper, it emphasizes the need for 'open knowledge innovation' and a structural change towards needs-driven innovation by means of an intergovernmental binding agreement.

David Hammerstein (TACD) says: "Current proposals for the EU R&D framework in Horizon 2020 socialise the risks of biomedical investment, while privatising the profits. This is not acceptable in a time where the economic sustainability of global healthcare systems is under threat."

Tessel Mellema (HAI Europe) adds: “This is the time for EU to take the lead and become a key player in the development of new sustainable models of biomedical innovation that promote both affordable access to R&D outcomes, and the creation of public knowledge goods. Innovation inducement prizes, open knowledge innovation and socially responsible licensing are the obvious ways forward.”

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The Policy Paper is available here:

http://haieurope.org/wp-content/uploads/2012/04/HAI-Europe_TACD-EU-Innovation-Paper.pdf