Maggie De Block

“ Care to change
Change to care ”

THIS BROCHURE IS A RESUME OF THE ACTUAL ‘PACT FOR THE FUTURE’.
THE COMPLETE DOCUMENT IS AVAILABLE AT WWW.DEBLOCK.BELGIUM.BE

FOREWORD

This Pact of the Future with the pharmaceutical industry is all about the patient. Medicines are literally a vital link in the therapeutic process. I want to ensure that patients continue to have access to the best medical care and that medicines meet the highest quality standards. Medicines must be as effective as possible, and in Belgium, we must continue to have access to the most innovative therapies.

We can only achieve that aim through an innovative pharmaceutical industry that invests in research and development (R&D), in safety and in unmet medical needs. Fortunately, Belgium is a fertile terrain for pharmaceutical innovation. We have reaped the rewards of an excellent collaboration between our knowledge centres, the high quality of our medical care, an advantageous tax system that reduces the cost of R&D, our culture of permanent dialogue between industry and the government, etc. The figures speak for themselves: this sector accounts for 35,000 direct high-skilled jobs and 11.2% of our export. Each year more than 170,000 Belgian patients receive early access to innovative medicines by participating in clinical trials. In this regard, we are the absolute leaders within Europe and rank second in the world. In many cases, participation in clinical trials is the last hope for patients to extend their life expectancy, improve their quality of life or even have a chance of recovery. Moreover, many Belgian academics have achieved worldwide recognition as scientific leaders precisely thanks to their involvement in such clinical studies. The Belgian hospitals receive severaltens of millions of euros per year for participating in clinical trials.

But we cannot remain complacent. Nothing guarantees that we will be able to maintain this privileged position. Technological progress is nothing short of spectacular. Recent breakthroughs in ATMP and cell therapy, and the potential of nanotechnology and biotechnology, are opening the door to diagnostic and therapeutic options that would have been unimaginable only a few years ago. There has been a lot of discussion about personalised medicine and the potential for treatment of very rare diseases has risen considerably. That is a good thing, for with the benefit of genotyping, some people say that all disorders will ***de facto*** *become very rare, because of the individualisation of treatments.*

In the next 4 years we will set aside 1.4 billion euros for innovative products by enhancing the efficiency of the system by, among other things, injecting more competition into the post-patent market. Every euro we spend on medicines must deliver optimal health gains. Belgium in fact uses a unique operational model for the pharmaceutical market. As Minister, I will ensure that, both the companies that bring the original medicines to market and those that produce generics and biosimilars, can operate here within a sustainable framework. The manufacturers of generics are also very important in order to secure the necessary competition on the market, thus pushing the prices down.

The development of potential wonder medicines, niche medicines and biomarkers come with a price tag. These innovations oblige us to think about new financing and reimbursement vehicles. I will therefore have to make room within my budget to ensure that innovative and often lifesaving medicines with proven effectiveness reach the patient. The solidarity of our system must work for everyone.

In addition, increasing amounts of investment are going to the emerging markets. This competition is healthy and keeps us on our toes, but also means that we have to improve our system constantly in order to remain competitive. The Clinical Trials Regulation could lead to an erosion of our lead over our European partners, but can also serve as a lever to consolidate and strengthen our top position.

In short, we face important challenges and must take the necessary measures in the interests of the patient. The government must rise to the challenges of the coming years. The industry needs perspective and predictability. These, in a nutshell, are the goals of this Pact of the Future.

First of all, this pact strives for greater patient access to innovative therapies. This is the most important aim of this agreement. More international, and especially European, collaboration is one of the guiding themes of the pact. In addition, we will more than halve the portion of the price of medicines borne by the patient, so that the entire patient bill will fall by more than 50 million euros in the coming years. We will shorten a number of procedures so that innovative medicines can reach the patient sooner, among others via greater international and European cooperation and better use of risk-sharing agreements. A knowledge system will be developed for patient registers, and we are looking for an adequate answer to the problem of shortages. Patient Support Programmes will be continued and expanded, and we guarantee independent and high-quality information about medicines. Finally, we are looking into whether the simultaneous reimbursement of predictive tests carried out prior to a medicinal treatment is feasible.

Innovation is the cornerstone of the second pillar of this Pact of the Future.

Investing in innovation today is a form of insurance against the illnesses of tomorrow. We are devoting all our efforts to a **big data** and **real-world** data strategy in order to be in a better position to separate the wheat from the chaff. Orphan medicines are a key element of my policy. In consultation with the pharmaceutical industry, a new business model will be developed that guarantees both the production of older and the development of new antibiotics and other anti-infective agents. With regard to clinical trials, we are developing in consultation with the hospitals, the Federal Agency for Medicines and Health Products (FAMHP) and the industry, a strategic plan in order to hold on to our 'yellow jersey' within Europe. Recruiting patients is facilitated by the establishment of shared and communicating registers and by means of legislation anticipating the latest technological developments for patient recruitment. A clear legal framework is being created for biobanks that fosters both the development and the production by the industry of advanced therapy medicinal products (ATMPs), including those bearing an orphan medicine designation. **Centres of excellence** are being set up, including for vaccines, an area in which Belgium is considered a world leader.

Thirdly, we want to draw up a new ethical framework for the industry. How do we organise our interactions? What practices need to be reined in? A few examples: my staff and I will no longer meet with representatives of companies while scientific and evaluation procedures are in progress. All results of clinical trials will have to be published on a centralised portal, and any conflicts of interest will have to be reported in advance. Finally, strict rules of transparency will be imposed via the BeTransparent.be project.

The capstone of this Pact of the Future is a multi-year budgetary framework and accompanying growth path. This is a unique approach which offers the industry perspective and predictability. At the same time, the industry contributes to the efforts at budget control included in the government coalition agreement.

The pharmaceutical industry makes an extraordinary contribution to the health of Belgians and of the Belgian economy. With this Pact of the Future, I would like that to continue and to be further strengthened for the coming generations.

Maggie De Block
Minister of Social Affairs and Public Health

ARTICLE

A LEGACY FROM OUR FOREFATHERS, A DUTY TO OUR CHILDREN

Throughout our brochure, you will find a number of informative and often historical articles. Accompanied by photographs, these interludes show that Belgium has been at the very top of the pharmaceutical world for over 150 years. Moreover, we have an obligation not only towards our forefathers, but also primarily towards our children and grandchildren to make sure that we preserve this heritage. That is why, with this agreement, we want to build a new future based on the strong foundations of the past.

Maggie De Block

1. ACCESSIBILITY

Access to care is one of the basic pillars of health care policy.

That is why this Pact strives first of all for greater patient access to innovative therapies. This is the most important objective of this agreement. As mentioned in the foreword, Belgium currently holds a top position in the world within the innovative pharmaceutical industry. Therefore we must also maintain our ambition of being a pioneer within Europe with regard to patient access to innovative medicines and of The government commits itself to fulfil this ambition, and to that end will conduct **analyses** at regular intervals, in cooperation with all stakeholders, to determine **the extent to which Belgian patients have access to innovative medicines**, as compared to those in other European countries. A working group may develop a methodology for this purpose. The results will enable the government to evaluate its policy, based on the data obtained, and to make adjustments where necessary. Moreover, this analysis will be a regular agenda item for the semi-annual bilateral consultation between the Minister and the innovative pharmaceutical industry.

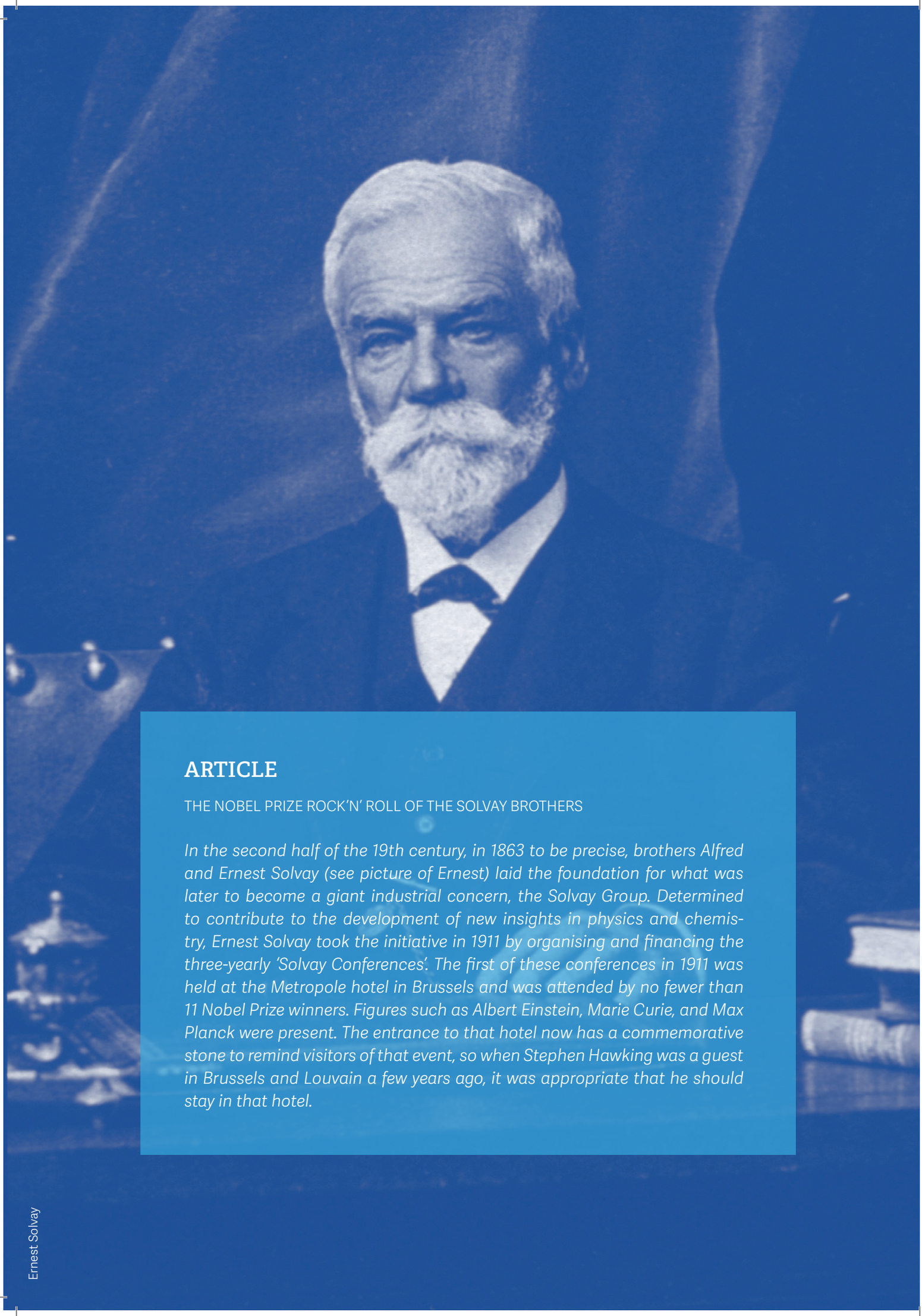
In addition to these aims, the pact is intended to attain a number of other objectives or identify pathways that can be grouped under the following headings:

- Supporting the patient in accessing care
- Patient access to innovative medicines
- Effective use of medicines
- Availability of medicines

1.1. Supporting the patient in accessing care

Health care begins and ends with the patient. The cost to be borne by the patient is thus an important aspect. Via the first package of measures implemented in 2015, the total bill to patients has been reduced by 23 million euros. The measures taken in this Pact will reduce the cost of medicines paid by patients by a further 30 million euros. In other words: **patients save more than 50 million euros** in structural terms.

The **safety margin will be limited to 5 euros** instead of the current 10.8 euros. As well, the **Patient Support Programmes** will be continued and extended in collaboration with the National Institute for Health and Disability Insurance (NIHDI) and the Federal Medicines Agency (FAMHP). This joint effort will take the form of a generic “memorandum” in collaboration with the sector, the FAMHP and the NIHDI. Patient Support Programmes will also be included in the evaluation of the user-friendliness and added value of new medicines.



ARTICLE

THE NOBEL PRIZE ROCK'N' ROLL OF THE SOLVAY BROTHERS

In the second half of the 19th century, in 1863 to be precise, brothers Alfred and Ernest Solvay (see picture of Ernest) laid the foundation for what was later to become a giant industrial concern, the Solvay Group. Determined to contribute to the development of new insights in physics and chemistry, Ernest Solvay took the initiative in 1911 by organising and financing the three-yearly 'Solvay Conferences'. The first of these conferences in 1911 was held at the Metropole hotel in Brussels and was attended by no fewer than 11 Nobel Prize winners. Figures such as Albert Einstein, Marie Curie, and Max Planck were present. The entrance to that hotel now has a commemorative stone to remind visitors of that event, so when Stephen Hawking was a guest in Brussels and Louvain a few years ago, it was appropriate that he should stay in that hotel.

Ernest Solvay

1.2. Access to innovative medicines

1.2.1. Accessible innovation

Both the actual availability of innovation and the speed with which it is made available to Belgian patients are important considerations here.

Medicines that are approved for reimbursement by the Minister for Social Affairs and Public Health, after they have gone through the reimbursement process, will be reimbursed as soon as possible after notification. Taking into account a minimum period for updating the ICT systems for the pricing services, reimbursements will come into effect as soon as the positive decision has been published on the website of the NIHDI, as is already the case for implants. **This means that innovations will reach the patient at least two months sooner**. The declaration of intent concluded by Belgium with the Netherlands for more cooperation in the context of orphan drugs reimbursement (see point 1.2.3.) will allow to reduce the lead time of the Belgian reimbursement procedure, by aligning it on the one in the Netherlands.

It is important that new medicines that have been approved at European level or in another EU Member State should become available to Belgian patients as quickly as possible. For that reason, the government will continue to improve the existing procedures by further reducing the waiting periods wherever possible and **by avoiding that work that has been done at other (international) levels will be repeated**. In order to continue to guarantee patients' access to innovation, the industry is encouraged to submit dossiers for the **extension of indications for market authorisation and reimbursement**. To this end, an innovation-stimulating method will be developed that will help foster a more objective pricing, related to the product's clinical value and the number of patients treated.

With regard to risk-sharing agreements (article 81), the government's policy will be to encourage **contracts that place health results for the patient at the centre ('Pay for Performance')**, rather than purely financial agreements. This approach is in line with the general policy approach taken by the Minister, which focuses on maximising the quality of patient care.

Finally, we are examining whether **simultaneous reimbursement of predictive tests (biomarkers) carried out prior to treatment with medicine** is feasible. We are also looking into whether prescribing of certain complex and expensive medicines can be reserved to a number of centres of diagnostic expertise.

1.2.2. Focus on unmet medical needs

Belgium will strive to develop, in collaboration **with other Member States and the EMA, criteria that prioritise indications for areas with the greatest unmet medical needs**, in order to foster research in these domains. There will be a consultation with the Member States, in the context of preparing a long-term agenda for better innovation in the interests of patients, to which the European Council committed itself on 1.12.2014, for example in view of launching the "prioritising orphan designations" project during the EU presidencies of Luxembourg (2/2015) and The Netherlands (1/2016). Belgium will aim, among other things, to set up pilot projects for joint negotiations between Member States and companies with regard to prices and reimbursement, in particular in the case of orphan medicines. The industry will contribute actively and examine, in consultation with the government, how valuable pilot projects with regard to research and with regard to reimbursement could be initiated.

Furthermore, the **new procedure for unmet medical needs** will be evaluated at the end of 2016 and, depending on the result of the evaluation, the procedure and the budget will be adjusted. As well, based on the recommendations of the study by the Belgian Health Care Knowledge Centre (KCE) on off-label use, it will be examined how this new procedure can be implemented, with regard to off-label use of medicines for unmet medical needs.

1.2.3. Focus on orphan medicines

We are working on a more **international approach to orphan medicines**. Our country has announced more intense collaboration with The Netherlands in this area, and also wishes to investigate the possibility of further collaboration within Europe (including with regard to negotiations).

The need for approval for reimbursement via the College of medical doctors for orphan medicines will be limited to cases where a **simple electronic authorisation system** cannot provide a solution. Applications for the reimbursement of orphan medicines for which the intervention of such a college continues to be necessary could be linked to electronic data collection.

Orphan medicines that still meet the orphan drug definition after the 10-year period is over, will continue to be eligible for the **reduced levy on orphan medicines**.

The **market exclusivity** for which orphan medicines are eligible, has served as a stimulus for developing new pharmaceutical specialities. In some cases, certain companies abuse that exclusivity, which can give rise to pernicious effects. For this reason we are looking into whether the conditions for granting that exclusivity are still sufficiently decisive, and how this issue could be addressed at European level.

ARTICLE

THE FIRST PHARMACEUTICAL PIONEERS (1920-1945)

The Solvay conferences soon acquired renown, and, together with the top-class performances of our universities, they have confirmed the reputation of Belgium as a hospitable and progressive pharmaceutical country. This has inspired other companies to set up activities in our country. For example, Léon Sorg et Cie, which later became part of the Novartis Group, was formed in 1923, and the Belgian division of Roche was formed on 12 February 1924. A few years later, Emmanuel Janssen established Union Chimique Belge (or UCB), which is the biggest purely Belgian pharmaceutical concern in the world with its current 8,500 employees.

The virtually unique interaction between academics and businesses has continued to develop and has led to even more activity. While new enterprises have followed (e.g. Couvreur in 1936, later Alcon, now part of Novartis, and in 1941, amidst the turbulent war years, the Laboratoires de la Société de l'Azote , now part of the French Sanofi Group), our scientists have also been awarded the highest international distinctions. In 1938, pharmacologist Corneel Heymans (1892-1968) was awarded the Nobel Prize for Medicine and Physiology for his discovery of the chemo receptors in the carotid artery. He was head of the Pharmacological and Therapeutic Institute in Ghent (now the Heymans Institute), in those days a forum for renowned researchers such as Dr Paul Janssen from the similarly named pharmaceutical concern Janssen Pharmaceutica.

Corneel Heymans

1.3. Effectiveness

In line with the government coalition agreement, physicians will be encouraged to be more focused on effectiveness in their prescribing of medicines, as regards both the price and the volume. Since 1 January 2015, the definition of "cheap medicine prescribing" has been revised. The aim is to encourage practitioners to prescribe the cheapest medicines for their patients, so that the patient will have to pay less for the medicine and the government will have more resources left over to invest in, amongst others, innovation. In 2016, the system will be evaluated one year after its launch: have physicians succeeded in attaining the new quota of 'prescribing the cheapest medicines'? Do we have to adjust the quota?

More objective information will be provided to prescribers, in collaboration among others with EBMPracticeNet via **electronic decision-support systems**. We are also investing in simple **decision-supporting applications** for prescribers and patients, whichwill be integrated into the software packages used by health care providers as well as into the Electronic Patient Dossier or users' smartphones. Applications that enhance therapeutic adherence should be considered a quality-enhancing feature of an application for reimbursement.

We are examining whether incentives could be attached to effective changes in prescribing practice in favour of cheap prescribing, without hampering the diagnostic and therapeutic freedom of prescribers, which is also confirmed in the government coalition agreement.

Competition on the off-patent market will be tightened in order to achieve lower prices on behalf of the patient and the health insurance, while ensuring that this has no negative effect on the availability of medicines. In a number of specific cases, the conditions for reimbursement of a number of in-patent medicines could also be reviewed, based on arguments regarding their therapeutic value and cost effectiveness, in line with evidence-based medicine. Products with equivalent effectiveness will have to meet the same reimbursement conditions.

A **knowledge system of patient registries** will be developed to make possible reciprocal communication between registers, similar to the model of the more efficient gathering of epidemiological data via healthdata.be, in collaboration with our EU partners, and maintaining respect for privacy.

1.4. Availability

An appropriate solution will be sought for the problem of shortages and unavailable medicines. In the meantime, a central **interactive portal** will be integrated within the FAMHP, intended to make more efficient management and communication regarding unavailabilities possible. The pharmaceutical industry will make every effort to supply the Belgian market in order to minimise shortages of stock for Belgian patients. In addition, the Minister will see to it that all other actors within the distribution chain of medicines contribute to this objective.

Paul Janssen

ARTICLE

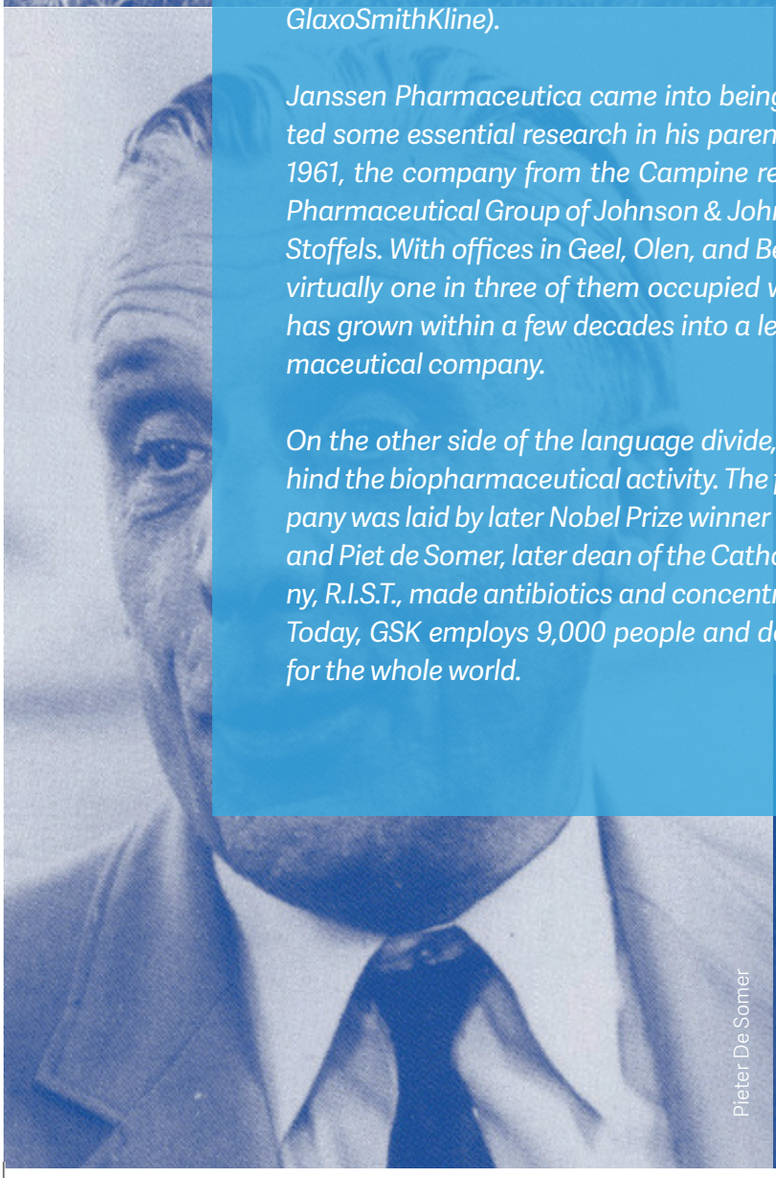
THE BELGIAN PHARMACEUTICAL GIANTS ARISE (1945-1975)

It was particularly after World War II that the pharmaceutical industry really took off in our country. This was partly due to the enterprising spirit of brilliant and progressive Belgian scientists, and partly due to the fact that our country managed to attract major foreign investors. For example, from the end of the 1940s onwards, and supported by the economic revival under the impulse of the Marshall Plan, big American multinationals started setting up in Belgium: Abbott (now AbbVie) in 1948, Wellcome (now part of GlaxoSmithKline) in 1949, Pfizer in 1952, Baxter in 1954, and Merck followed a little later in 1965.

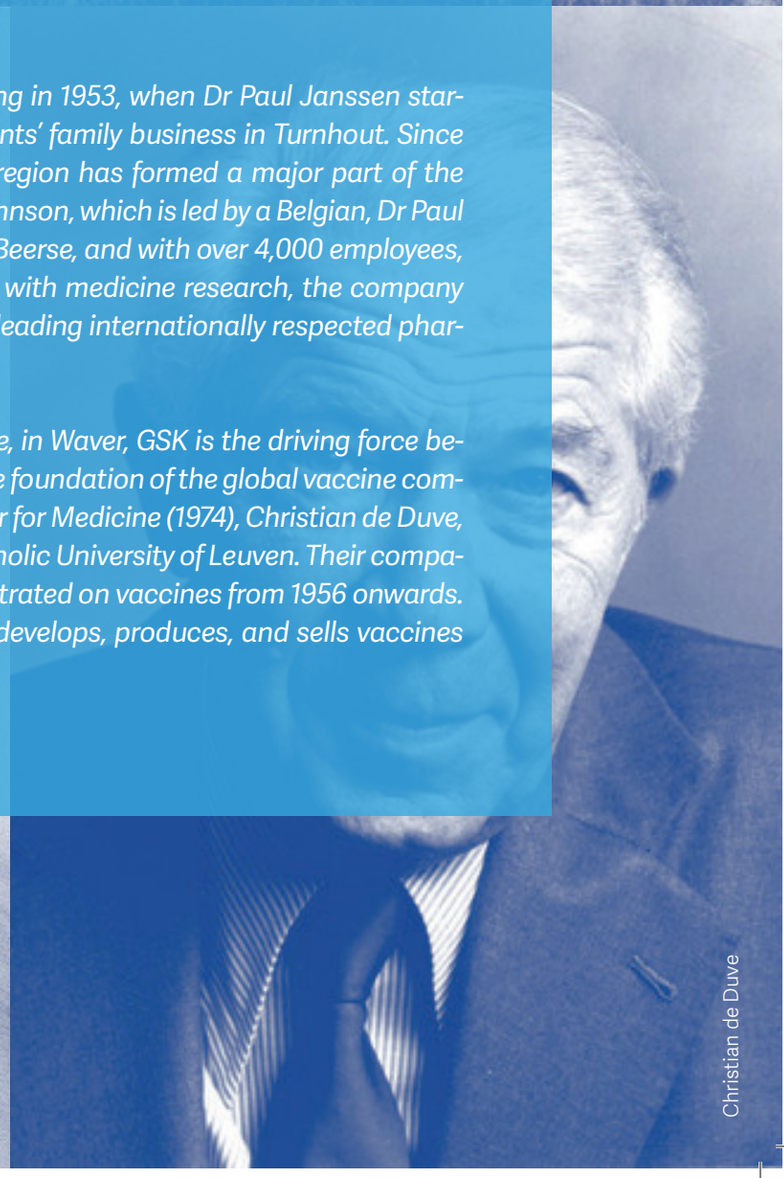
In that same period, under the impulse of three Belgian scientists, the foundations were laid for two big companies of worldwide renown, namely Janssen Pharmaceutica (now part of Johnson & Johnson) and R.I.S.T. (now part of GlaxoSmithKline).

Janssen Pharmaceutica came into being in 1953, when Dr Paul Janssen started some essential research in his parents' family business in Turnhout. Since 1961, the company from the Campine region has formed a major part of the Pharmaceutical Group of Johnson & Johnson, which is led by a Belgian, Dr Paul Stoffels. With offices in Geel, Olen, and Beerse, and with over 4,000 employees, virtually one in three of them occupied with medicine research, the company has grown within a few decades into a leading internationally respected pharmaceutical company.

On the other side of the language divide, in Waver, GSK is the driving force behind the biopharmaceutical activity. The foundation of the global vaccine company was laid by later Nobel Prize winner for Medicine (1974), Christian de Duve, and Piet de Somer, later dean of the Catholic University of Leuven. Their company, R.I.S.T., made antibiotics and concentrated on vaccines from 1956 onwards. Today, GSK employs 9,000 people and develops, produces, and sells vaccines for the whole world.



Pieter De Somer



Christian de Duve

2. GROWTH AND INNOVATION

We must have the ambition to develop a patient-friendly and innovation-driven environment within the European context. Three policy priorities are directed to achieving this end: guaranteeing a stable, predictable and reliable environment, keeping up with developments elsewhere in Europe and supporting innovation.

ARTICLE

FROM LOCAL RABBIT FARM TO BIOTECHNOLOGICAL WORLD PLAYER

But also in the margin of those big companies, there are some magnificent pharmaceutical stories. Just think of the pioneer work of the Turnhout gynaecologist, Dr Nand Peeters, in the 1960s. In the deepest secrecy, he worked on the first practicable contraceptive pill, and thereby contributed greatly to the sexual and social liberation of women. Many years later, in Geel, also in the Campine region, five scientists started breeding genetically manipulated rabbits so that they could use the milk of the female animals to obtain a therapeutic enzyme for the production of an orphan medication to combat Pompe's disease. Almost three decades and a total of 600 million euros worth of investments later, Genzyme in Geel is an ultramodern biotechnological production complex which also develops the same enzyme in large bioreactors. Yet the locals still refer to it as the 'rabbit factory'.

Around major investors, we are witnessing the emergence of a unique biopharmaceutical ecosystem, with university spin-offs, and other biotech companies, which are laying the foundation for the new and often highly complex, but also very promising and effective treatments of tomorrow. The major impetus which the ViB (Flemish Institute for Biotechnology) on the Flemish side and BioWin on the French-speaking side are providing must not be underestimated. Those spin-offs are also attracting new investors, such as the American companies Celgene and Amgen, which are strongly committed to biological (orphan) medication, and carry out a large part of their clinical studies in Belgium. Many of our Belgian biotech companies have contracts with large multinationals to develop biomarkers, the forerunners of tomorrow's medication.

2.1. Biotech

Our country is a model in the field of biotech policy, according to the OECD. We are praised for the quality of our higher education and close collaboration with the industry. The Flemish Institute for Biotechnology (VIB) brings together 1,300 scientists and is the absolute world leader in the field of basic research. In addition, thanks to the appropriate fiscal stimulus, we have been able to attract the capital and investments that make possible the rise of Belgium, the country of biotech. While in 1990, Belgium had 2 'life sciences' companies, today there are more than 120. A study by KBC calculated that the entire sector is worth more than 11 billion euros, representing a 30% market share in Europe and more than 30,000 high-skilled jobs. We want to keep it that way and do even better.

In order to create a stable regulatory framework and to support and promote the R&D activities of the innovative Belgian pharmaceutical sector, the "**Biopharma R&D consultation platform**" that brings together the government, representatives of the major pharmaceutical investors, and pharma.be, will be continued. A working group will examine **the transparency of the prices of medicines**.

The **fiscal measures** that have enabled innovation will be maintained and, upon examination and evaluation, possibly further strengthened or extended. These measures include the existing 80% tax-exemption on movables for researchers, the existing tax deduction for patent revenues ('patent box'), the existing system of tax modulation on the sales levy on reimbursed medicines (in consultation with Europe), and the existing exemption from the sales levy for orphan medicines. In addition, in consultation with the Minister of Finance and the government, the introduction of a **biotech tax shelter** for the early development phase will be considered.

A central contact point for start-ups and SMEs will be developed so that biotech spin-offs and start-ups may obtain the necessary **regulatory support** for the development of their activities. To this end, the FAMHP will set up a national innovation office, in a network with EMA and other national agencies. The Minister for SMEs will be consulted for this purpose.

Human body material is an essential instrument for the research and development conducted by biotech companies seeking innovative medicines for "unmet medical needs". Greater sharing of samples of human body material from academic biobanks with industry, and vice versa, will be instituted in order to optimise their use in R&D.

After evaluation, a clear legal framework will be created to stimulate and develop the **production by the industry of advanced therapy medicinal products** (ATMPs), including those designated as orphan medicines.

2.2. Observatory

The innovative pharmaceutical industry in Belgium is one of the best in the world. But that is no reason for complacency. Other (European) countries are determined to attract more of this innovative industry. If we wish to maintain and strengthen the innovative pharmaceutical industry in Belgium, we must **continually monitor its competitive position**. For this reason, in consultation with the Ministers of Finance and of Economy, we shallestablish a working group known as the "Pharmaceutical industry observatory", which will look into the possibility of designing an instrument to analyse, observe and monitor the added value of the various industry segments, based on which recommendations can be made for optimising our position on the world market.

2.3. Leader in clinical trials

It is essential for Belgium to remain the European leader in the area of clinical trials. Various initiatives need to be taken to this end. The **expertise of the FAMHP** for a fast evaluation and authorisation of requests for clinical studies **will be further strengthened**. We will do everything possible to secure recognition for the FAMHP by 1 July 2016 as "preferred reporting member state" within Europe for multinational clinical trials for specific syndromes. The competitive environment for phase 1 (mono-national) clinical trials will be enhanced, given that today we have the **fastest approval times** for phase 1 studies within Europe and already enjoy a good collaborative relationship with sponsors and the FAMHP. We will develop a unique representation of ethics committees. Moreover, we will have to look at the extent to which the **patient's voice** can be represented on ethics committees. The procedures (applications, protocols, advice, etc.) will be streamlined. **Simplified systems** will be introduced for a coordinated evaluation by the FAMHP and the ethics committees. The recruitment of patients will be simplified, among other things by harmonising **registers and databases with each other**, via the creation of a collaborative network of specialised centres or via the availability of centralised information on ongoing clinical trials in Belgium. The government will support a pilot project running in all university hospitals in which electronic **patient dossiers, with the necessary guarantees for privacy, will be scanned automatically**. If this project receives a positive evaluation, the federal government will begin working on designing a legal framework.

ARTICLE

BELGIUM AS AN IVY LEAGUE ENVIRONMENT FOR CLINICAL STUDIES

Belgium's leadership in clinical studies results from short approval procedures, an advantage to which ethics committees and competent authorities stick to. Besides, Belgium has highly skilled clinical researchers and strongly developed research centres. As a result and thanks to good cooperation agreements between university centres and the industry, Belgian academics can be involved throughout the development process, from fundamental research to clinical trials. These pillars make that Belgium is an attractive destination to carry out clinical studies. Pfizer has only two centres for clinical phase 1 studies worldwide: one in Harvard, and the other at the Erasmus Hospital of ULB. Merck (MSD) does no less than 80% of its worldwide First-in-Human studies in Belgium.

In addition, a constant dialogue will be held between the government (FAMHP, NIHDI, and KCE), the innovative medicines industry and the academic centres with respect to research into medicines and innovative applications that meet the criteria for clinical research and 'unmet medical need'. Moreover, as recommended by the KCE, independent clinical research with a focus on orphan medicines will be encouraged.

2.4. 'Open, Big and Real World Data'

Based on a needs analysis, it will be investigated how the industry may gain access to anonymised data on the use of medicines and health care for the purpose of scientific epidemiological research. The possibility of **using databases** (such as for instance farmanet or the permanent sampling by the inter-mutual agency IMA-AIM) for purposes of data collection, for example in the course of a reimbursement application procedure, and after irreversible anonymisation (and thus only on the basis of a specific information need), will be examined and rolled out. This will be done on the basis of a protocol to be evaluated, for each application, by a 'trusted third party' to determine whether the data available make it possible to provide a relevant answer to the question being posed. We will ensure that these requests shall be addressed quickly and at cost.

There has been a lot of discussion about personalised medicine and the potential for treatment of very rare diseases has risen considerably. That is a good thing, for with the benefit of genotyping, some people say that all disorders will **de facto** become very rare because of the individualisation of treatments. But that means that it is becoming ever more costly and difficult to find sufficient numbers of participants in clinical trials of therapies targeting very specific patient groups. In line with the recommendations, among others, of the EMA, we therefore encourage conditional reimbursement agreements (could be further refined, for instance, within the framework of the article 81 procedure) that place **less emphasis on data from clinical trials and more on real-world data**. Support will therefore be given to systems that can collect and disclose such real-world data in an anonymised manner that fully respects privacy. This does not, of course, detract from our commitment, as already stated, to remain an attractive country to perform clinical trials.

2.5. The spearhead field of vaccinology

The "Vaccine centre of excellence" as a spearhead field is intended to develop into a reference institution within Europe. This means, among other things, organising **clinical cohort research**, partly by setting up a **one-stop shop**, as well as by an optimised system for recruiting patients/volunteers. Other components of this plan include the establishment of national registers, thanks to which the vaccinated cohorts (also in 'real life') will be monitored during the entire lifetime of the patient/volunteer and a **state-of-the-art vaccination vigilance** will be developed, allowing the results to be used globally.

2.6. Rational use of antibiotics

Following the lead of the World Health Organisation (WHO), initiatives will be developed to promote the rational use of antibiotics (for human and animal use). In consultation with the pharmaceutical industry, BAPCOC, AMCRA and if possible in collaboration with other member states, a **new business model will be developed that guarantees both the production of older and the development of new antibiotics** and other anti-infective agents. A data collection system, managed by the government, will be developed for this purpose.

NEWS ITEM

BELGIUM NOW HAS THE EUROPEAN YELLOW JERSEY!

1st in number of clinical studies per head
1st in investments (in absolute figures)
1st in R&D investments per head
1st in employment per head
2nd biggest exporter (in absolute figures)
4th in R&D (in absolute figures)
5th as regards employment (in absolute figures)
7th in production (in absolute figures).

3. ETHICAL FRAMEWORK

3.1. General

Medicines contribute to the highest human good: health and quality of life. It is the social role of the pharmaceutical industry to bring the people and the financial resources together in a sustainable manner to conduct research into medicines, to develop them, to manufacture them and to bring them to market.

It is precisely this task that puts the pharmaceutical industry in a position of social tension: the medicines it commercializes have to do with what is most precious to us; their purchasing is, moreover, financed to a large extent with public funds, alongside the personal contribution of the patient. In order to be successful and to be able to survive, pharmaceutical companies often have to make major investments and take considerable risks.

Therefore, it is no coincidence that since the 1960s, the pharmaceutical **sector is one of the most highly regulated sectors in the world**. The strict registration procedure is meant to guarantee that every medicine brought to market in the EU is safe, of high quality and effective.

Next to that, the pharmaceutical industry itself has taken more and more initiatives of self-regulation over the past few years. Many sectoral organisations have thus draw up their own **codes of professional ethics**, for example regarding the information on and promotion of medicines which they bring to market. Self-regulation has the advantage of being quick, cost-effective, flexible and able to operate in a well-informed manner. A typical example of this is the Belgian Mdeon platform. Mdeon succeeds each year in handling around 6,000 requests for approval ("visas") within 5 working days. All stakeholders agree that Mdeon has made a significant contribution to improving the quality of the scientific events supported or organised by Belgian pharmaceutical companies. The Belgian Mdeon model is unique in Europe.

Over the years, the understanding has grown that self-regulation within the sector can be complementary to the role of government. This conviction has found expression, for example, in the creation in 2013 of the "List of Guiding Principles Promoting Good Governance in the Pharmaceutical Sector". That text came into existence under the auspices of the EU and was co-signed by EFPIA and EGA, the European umbrella organisations to which pharma.be and FebelGen belong.

Self-regulation is characterised by a proximity that a government oversight body can never attain. Conversely, self-regulation comes up against a number of limitations, in particular because it cannot intervene with companies that do not consider themselves bound by it. It is precisely on this point that the government can be – and must be – complementary in its approach, by establishing **a general binding framework and sanctioning any actors that do not submit to self-regulation**. At the same time, the government must ensure that the self-regulation works as it should. In Belgium, this is done for example by providing an official recognition to Mdeon; this recognition can, however, always be revised by the government.

The year 2015 has not, of course, seen the completion of this project. Although the vast majority of the pharmaceutical companies act in an ethical manner, a number of incidents, both here and abroad, have unfortunately demonstrated that some enterprises are not able to deal appropriately with the areas of social tension in which they are involved. The environment is also changing at lightning speed. To give one example: whereas until about five years ago patient organisations were almost unknown actors in health care, today they have evolved into fully fledged opinion leaders with whom the pharma companies aim to have good working relationships.

In what follows, a number of general principles, measures and action plans have been formulated with regard to specific areas of concern which have come to the fore in the past few years. All these suggestions fit within the efforts at complementarity between the ethical, self-regulatory approach of the industry on the one hand and the monitoring and, where necessary, sanctioning role of the government on the other hand.

3.2. The patient as the ultimate ethical touchstone

Although the social, economic, scientific and societal context in which pharmaceutical companies must operate is highly complex, the signatories nevertheless agree that the **ultimate ethical touchstone for their own behaviour and that of their members must be the interest of the patient**. The objective must be that the individual patient, as well as all present and future patients must be able to enjoy the best possible treatment.

3.3. Maximum transparency

The workings of the pharmaceutical industry must be made more transparent. Both self-regulation and the legislative framework are being strengthened. Pharmaceutical companies are therefore showing **maximum transparency** in their relations with health care workers and their organisations, health care institutions (such as hospitals), patients and patient associations. As this is the case in every economic sector, it is therefore to be expected that the pharmaceutical industry engages in relations with actors from its own environment. But society rightfully expects the pharmaceutical industry to be transparent about this. That is possible, for instance, by publishing on a centralised portal all donations made by the pharmaceutical companies to patient associations.
Transparency must also apply to all 'Transfers of Value' made directly or indirectly, in cash or in kind or in any other manner, to the persons or organisations mentioned above. Goods, services or personnel who are the subject of a transfer of value are also subject to the requirement of transparency. Transparency may not be undermined by maximising legislative or other legal boundaries. **Where there are several legal options, preference is to be given to the option with the greatest transparency**.

All partners will endeavour to limit any additional administrative procedures to a minimum.

3.4. Conflicts of interest

The pharmaceutical science can only make progress if there is continuous interaction between the pharmaceutical industry on the one hand, and academics, health workers, patients and other stakeholders on the other hand.

However, a conflict of interest can arise if the above-mentioned persons - with whom the pharmaceutical industry maintains professional relations - also sit in official bodies that must decide about, or give advice on, the safety, efficacy, effectiveness, price, reimbursement, cost-effectiveness or any other characteristic of a medicine.

The point of departure of this pact is that, if a person has a real or alleged conflict of interest in a certain medicine dossier, he may not participate in the voting on it. However, one must deal carefully with this point of departure, since there are different **degrees in conflicts of interest**. It is also a fact that the (top) scientific expertise is very limited in certain research areas. A proper balance has to be found. The policy conducted by the EMA on the subject via its ´European Medicines Agency policy on the handling of declarations of interests of scientific committees´ members and experts´ can serve as a reference point here.

First of all, in order to make this nuanced approach possible, it is necessary that **all persons sitting in an official body (e.g. CRM, Medicines Commission) must make in advance, and periodically, a detailed statement on the direct and indirect interests that they may have in pharmaceutical companies**. They must not be allowed to sit in the involved body, as long as this declaration of interests has not been made (and has not been validated)..

Notification of conflicts of interest must also be done in the case of ad hoc consultation with the Minister or other policy makers, as well as with other government authorities such as the FAMHP and the NIHDI. A **special procedure** must also be provided **in case of a breach of trust**, like the one that is also used at the EMA.

3.5. Clinical trials

For pharmaceutical science to progress, it is important that **all results of clinical trials are published**, even when they are negative or unfavourable. All results of clinical trials shall therefore be made known via a centralised portal, within reasonable periods; the ´raw data´ will also be made available on request; data related to the safety of the medicinal product will be reported in a transparent manner and in such a way that they are clinically relevant. In order to ensure coherence, one will strive as much as possible to adopt a **European approach**, taking the ´only once principle´ into account.

3.6. High-quality information

3.6.1. General

The **information on medicines may only encourage their rational use** and must correspond to their marketing authorisation. The publication of the patients leaflets by the FAMHP must be further optimised along these lines, amongst other things via user-friendly apps. The information on medicines must be based on observations that are accurate, objective, complete, honest and verifiable. The elements substantiating the information must be communicated to each stakeholder who submits a reasonable request for this, without prejudice to the legal provisions.

3.6.2. Medical information agents

Medical information agents play a key role in the dissemination of information on medicines amongst health workers. Medical information agents must be adequately trained by the company where they are employed and must possess sufficient health-economic and medical-pharmaceutical knowledge in order to provide information that is accurate and as complete as possible about the medicines they represent.

Therefore, a method will be developed in consultation with the pharmaceutical sector, in order to further optimise the **quality control on the information provided**; the internal delegation of responsibility within the companies is being further developed, for example by analogy with currently-existing mechanisms for pharmacovigilance.

3.6.3. Advertising for self-care medicines: better protection of the patient

Under currently-applicable legislation, pharmaceutical companies may also engage in advertising for their products amongst the general public, at least when it involves self-care medicines (advertising amongst the general public is prohibited for medicines requiring a prescription). This public advertising is regulatorily embedded within a very detailed framework, of which one may fairly ask whether it actually serves the interests of the patients. For example, at present all public advertising must be accompanied by a large number of obligatory communications, resulting in a risk that the truly important messages are not being fully received by the public; the legislation should be evaluated on this point. In any case, the **patient must be informed that medications can never be used over the long term without the necessary medical supervision**.

4. BUDGETARY SUSTAINABILITY AND PREDICTABILITY

4.1. Multi-year perspective

The capstone of this Pact of the Future is a multi-year budgetary framework and accompanying growth path. This is a unique approach which offers the industry perspective and predictability. At the same time, the industry contributes to the budgetary efforts contained in the government coalition agreement.

Thanks to a smart policy of maximum competition on the off-patent market, in the coming 4 years more than 1.6 billion euros of budgetary room is being created in order to reimburse innovative therapies. Given the ageing population and the advent of innovative therapies, the needs will be high as well. In total, we proceed on the assumption of an average annual growth of 1.39%. **This means that we are freeing up 1.4 billion euros for new, innovative medicines!**

In 2015, reforms were already implemented that resulted in estimated annual budgetary savings for the health insurance of 100 million euros. To ensure that the medicine sector contributes to the budgetary effort in the coming years as well, we are striving for an **average growth path of 0.5% per year**. Concretely this means that from 2016 through 2018, measures must be taken which generate at least 126 million euros in structural savings. **Over the entire legislative term, the pharmaceutical industry will thus be delivering an additional structural contribution of approximately 230 million euros!**

In order to guarantee access to the latest medical developments for our patients and protect the innovation capacity of our companieswe make savings on the post-patent market. In a number of specific cases, the reimbursement conditions for a number of in-patent medicines can also be revised on the basis of arguments concerning their therapeutic added value and cost effectiveness, in line with evidence-based medicine. The following tables present the agreements for the coming 3 years:

YEAR	2016
GROWTH IN % (average 0.5% / year over 3 years)	1,3 % (60)
MEASURES AND BUDGETARY BENEFIT FOR PATIENT AND GOVERNMENT	• Patent cliff "R" Patient: 11 Government: 59,3 • Max safety margin 5: Patient: 3,2 Government: 0,9 • Croissance taxe sur le chiffre d'affaires Patient: 0 Government: 1,1 TOTAL Patient: 14,2 Government: 61,3
REDUCTION OF THE SALES LEVY FOR THE COMPANIES	—
POSITIVE MEASURES AND BUDGETARY COST	Strengthen administrations and implementation of pact (-1,1)
TOTAL, NET STRUCTURAL SAVINGS (CUMULATIVE)	• For the patient: 14,2 • For the government: 60,3

Hence this budgetary framework **also gives the patient greater access** to pharmaceutical care in the amount of more than 50 million euros over the period 2015-2018.

2017	2018
0,1 % (36)	0,1 % (30)
• EBM on ATC 5 level Patient: 6,4 Government: 32 • Δ definition application R Patient: 0,6 Government: 3,1 • Biosimilars and biologicals[1] Patient: 4 Government: 20 • Patent cliff “not yet R” Patient: 3 Government: 16 • Increase in sales levy Patient: 0 Government: 1,1 TOTAL Patient: 14 Government: 72,2	• Ceiling price, e.g. ß blockers Patient: 0,7 Government: 3,5 • Volume antibiotics Patient: 0,5 Government: 2,5 • 1% more ‘cheapest’ Patient: 5 Government: 25 • Increase in sales levy Patient: 0 Government: 1,1 TOTAL Patient: 6,2 Government: 32,1
1% (-35)	—
Strengthen administrations and implementation of pact (-1,1)	Strengthen administrations and implementation of pact (-2,5)
• For the patient: 28,2 • For the government: 96,4	• For the patient: 34,4 • For the government: 126

4.2. Innovation in tax and budgetary support

In order to support the innovative potential of the pharmaceutical companies - a large number of which are established in Belgium - that do research, development and production, **additional supportive tax measures** are necessary.

- The sales levy of 7.73% is being reduced to 6.73%, a decrease of 13%.
- Refunds within the framework of article 81 (bis) contracts will be exempted from the sales levy.
- We are studying whether the refunds above a certain amount, for example 30 million euros, within the framework of the art. . 81 (bis) contracts can be deducted from the ´clawback´.
- In consultation with the Minister of Finance, we are examining within the framework of the biopharma platform whether a biotech tax shelter can be introduced for ´early developments´.

In brief, via this Pact of the Future
1/ the patient bill is structurally reduced by more than 50 million euros,
2/ the government saves approximately 130 million euros and
3/ the taxes on the sales for the pharmaceutical sector decrease by 13%!
All of this is financed via structural measures that do not harm the innovation.

4.3. Hepatitis C

In addition, a number of specific themes with an important budgetary impact require our particular attention. For example, a structural system will be developed for the reimbursement of **Hepatitis C medicines**. A national register, patient support programmes, an extension to fibrosis stage 2 for which there is a high medical need and an extension to certain peripheral centres will form a part of this.

[1] The measures will respect the 80-20 rule for original and generic medicines, respectively.

4.4. Patent cliff

A ´**patent cliff**´ is also entering into force. This means that when the reference cluster is opened, a one-time decrease in the basis of reimbursement is implemented (this amounts to 54.35% for category B medicines, and 60.73% for category A medicines) instead of successive price reductions within the framework of the reference reimbursement system/old medicines. This system offers the advantage of simplicity, transparency and administrative simplification, but will also stimulate innovation by shortening the innovation cycle: companies have every interest in having a sufficiently effective ´R&D pipeline´ in order to be able to offset the steep losses of revenue due to the ´patent cliff´ on innovative products. The more limited price reductions, applying at present for certain forms, naturally also continue to exist within the new system.

4.5. A re-start for biosimilar medicines in Belgium

Biological medicines form an ever-growing expenditure item in the medicines budget. For the affordability of health care, a price competition in the sector of biological medicines is absolutely necessary. Promotion of the use of biosimilar medicines is a strong lever for this. It is important to emphasise here that these products are subject to the strictest safety standards at the European level. The registration procedure for a biosimilar guarantees that there are no therapeutically relevant differences between the biosimilar and the reference medicine.

5. CONCLUSION

This is our pact.

Our population is ageing, and as a result it also has increasing numbers of chronic patients. Moreover, science is evolving at lightning speed and offering ever greater possibilities in terms of personalised medicine. At the same time, the government budget to pay for these innovations is limited. We must take measures to meet these challenges. This is one of the most important objectives of our government coalition agreement.

With this pact we, as government and industry, are laying the foundations to ensure that we will be able to meet the needs of our patients in the coming years. Thanks to this pact, patients will have new medicines at their disposal more quickly. For the industry, we are creating room to invest in innovation, safety and unmet medical needs. For example, we are strengthening our basis for more international, and above all European, cooperation on orphan medicines.

Through this pact, we are also reducing the medicine bill for our patients, while at the same time we are giving the pharmaceutical industry enough oxygen to remain at the top, both worldwide and in our own country. In the coming four years we are freeing up 1.4 billion euros for this purpose.

Finally, we are establishing agreements for an ethical framework for the industry, so that the relations between industry and government are transparent and correct.

Together we are undertaking long-term reforms, because we are convinced that this is the right path towards accessible, sustainable and high-quality health care.

We care to change, and we change to care.

Joris Van Assche, Maggie De Block and Catherine Rutten

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