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From: General Secretariat of the Council
To: Council

Subject: **Employment, Social Policy, Health and Consumer Affairs Council session on 7 December 2018**
Outcomes of conferences organised by the Austrian Presidency
- Information from the Presidency

Delegations will find in the Annex information on outcomes of conferences organised by the Austrian Presidency to be raised under "Any Other Business" at the session of the Council (EPSCO) on 7 December 2018.

Annex I contains a note provided by the Presidency about the outcomes of the conference "Matching Health Needs and Pharmaceutical Research - How to set the research agenda for public health" that took place in Vienna on 25 September, and

Annex II contains a note provided by the Presidency about the outcomes of the conference "People's Food – People's Health. Towards healthy and sustainable European Food Systems" that took place in Vienna on 22 and 23 November 2018.

Matching Health Needs and Pharmaceutical Research - How to set the research agenda for public health

On 25 September 2018, the Austrian Presidency hosted the conference "Matching Health Needs and Pharmaceutical Research – How to set the research agenda for public health".

The aim of the conference was to stimulate dialogue between public health actors and European and national public research funding institutions and to identify future ways of concerted prioritisation of the use of public health research funding. The conference was attended by some 100 health and research policy-makers, researchers, representatives of funds with pharmaceutical and/or industrial portfolios and representatives of civil society.

In their 2017 report, the UN High Level Panel on Access to Medicines estimated that 30% of research and development costs of medicines are funded through public channels. Indirect benefits, such as tax incentives or the provision of research infrastructure, are not considered in these calculations.

Research funding in the pharmaceutical sector in Europe is carried out through a large number of funds, most of them co-financed by public money. This highly fragmented funding landscape and the associated inadequate coordination makes it difficult to ensure an appropriate overview of existing demands and thus a coordinated prioritisation within research funding. If research and development (R&D) of new medicines are promoted and financed with public funds, governments must ensure that this research is geared towards the needs of patients and benefits to the public.

The Council conclusions of June 2016 also state that: “both public and private investments are essential for the research and development of innovative medicinal products. In those cases where public investment has played a major role (...), a fair share of the return on investment (...) should (...) be used for further innovative research in the public health interest for example through agreements made on benefit sharing during the research phase.”

The conference addressed the questions on how research funding can be targeted to meet medical needs, how government research priorities can be set according to those needs, and the incentive schemes put in place can ensure benefits for both developers and users. By presenting the key success factors of GARDP (Global Antibiotic Research and Development Partnership) possible conditions for partner organisations to achieve sustainable access were identified. The subsequent discussion addressed the issue of whether the current R&D system meets medical needs and what gaps persist in Europe and globally. The discussion showed that it is essential for Member States to have a clear vision of the research areas that should be promoted and prioritised. Moreover, a public return can only be achieved by fair contractual partnerships to ensure registration, access and appropriate use. Governments need to understand what they are financing and consider the desired results in terms of access and benefits for the public right from the start. In addition to growth and employment effects, access shall be a key criterion for funding eligibility. In addition, sufficient funding of basic research is essential.

In her keynote, Professor Mariana Mazzucato, an economist at the University College London, presented four principles for a research system focused on public value:

- 1) Directed innovation and "mission" setting: creating an incentive structure that rewards public health progress rather than market returns;
- 2) Collaboration and transparency: the public sector, the private sector and the civil society must work together and share knowledge - this requires transparency;
- 3) Affordability and access to innovation must be ensured on the basis of human rights;
- 4) Long-term horizon and funding: innovation is uncertain and may take time; public and private actors must commit to long-term goals.

Recommendations and continuation of the discussion

The conference organised structured small group discussions to capture the options and perspectives of the different stakeholders involved. The results of these discussions were collected and merged, and recommendations based thereon were drawn at the concluding panel discussion:

1) Mapping of the fragmented research funding landscape and its actors:

An overview of the existing actors, and their networks, as well as the resources used both nationally and internationally, and funding flows is missing and should be created. There is limited data available on goals (what is being funded?), levels of funding (how much is being promoted?), channels (who promotes?) and use of results and their impact (what happens to the results?). The discussions showed considerable heterogeneity between the Member States in terms of institutional responsibilities and objectives, some similarities however emerged – for example, most Member States reported limited explicit priority-setting and structured exchange of objectives on actual medical needs. There seems to be a lack of systematic links between health research and national public health plans, and between international and global priorities.

2) Decision-makers shall play an active role in setting goals and steerage:

In order to improve the needs orientation of public research, health policy makers must take a more active role in setting the research agenda. A public sector with clear priorities and a long-term vision can better track public interests in public-private partnerships. Coordinated research and development strategies are important not only at the national but also at a multilateral level. Strong leadership and sound governance frameworks are required to manage public and private investment. In addition, a standardised procedure for identifying needs and priorities should be developed.

3) Inclusive process and involvement of stakeholders:

Due to the complex research funding landscape and the variety of actors at different levels, real change towards needs-based research funding will only be achieved by involving all stakeholders through an inclusive process that builds fair global partnerships. In addition, there is a need to improve exchange between the actors as well as for overall transparency.

4) Roadmap with a clear vision and continuous feedback loops:

Research and development is complex and requires a long-term approach and willingness to provide funding. The pooling of resources is essential. This, in turn, requires strong partnerships between public health authorities, public and private investors, academia, industry and contracting authorities. Creating a common health research roadmap could be the next step in illustrating and tracking deliverables. Since priorities can also change during the process, corresponding feedback loops are required, which allow for adjustments.

Conclusion

The conference can be seen as the starting point for opening a joint discussion on how to direct public research funding towards patient needs. It is desirable to have a continuation of this discussion under the following Council Presidencies to promote a structured, long-term exchange between stakeholders in research and health policy.

People’s Food – People’s Health: Towards healthy and sustainable European Food Systems

On 22 and 23 November 2018 the Conference “People’s Food-People’s Health: Towards healthy and sustainable European Food Systems” took place in Vienna.

The European Food System is challenged in several ways. Health awareness and healthy lifestyles are playing an increasingly important role in Western societies. At the same time however, the prevalence of non-communicable diseases, often influenced by nutrition, is rising. In Europe alone, 60 million people suffer from diabetes and 55% of the adult population is overweight or obese. These figures clearly reflect the urgent need to find new solutions to the benefit of people, societies and the wider economy.

This calls for an open innovation approach in the food system. Cooperation across boundaries will create co-benefits for all stakeholders. With a view to addressing the challenges confronting the European food system, the Austrian Ministry of Labour, Social Affairs, Health and Consumer Protection organised a high-level, cross-sectoral interdisciplinary EU conference that brought together stakeholders from the entire food system.

We welcomed Director John Ryan from the European Commission and Bente Mikkelsen, WHO Europe Director. Keynotes were given by Professor Ilona Kickbusch “Food Systems – The next frontier of global health and sustainable development”, Dr David Stuckler “Externalities in the Spotlight: Economics of food systems and public health” and Professor Corinna Hawkes “Co-Benefits: Improving health, environmental sustainability and economic prosperity through food systems change”.

High level representatives of Ministries from Member States, European Regions and Cities presented examples of how collaboration and dialogue across sectors in the food system function on national, regional and local level. The Panel of Experts of Sustainable Food Systems (IPES) launched their newest report. Furthermore, organisations such as the WHO Regional Office for Europe, OECD, DG SANTE and DG RTD, the European Committee of the Regions, the Milan Urban Policy Pact, EuroHealthNet and the EAT Forum were actively involved in the programme. Conference participants represented different sectors from the four main domains (economy, civil society, health and environment) together constituting the food system. Together in boundary spanning projects, They addressed the topic of “people’s food – people’s health” together in boundary-spanning projects. The conference was a milestone on the way towards healthier and more sustainable European food systems.

This interdisciplinary, multilevel and highly interactive European conference thus served to facilitate an active dialogue between relevant stakeholders in the food system, allowed sharing best practice examples from the EU Member States, helped demonstrating how cross-collaboration can work, helped finding novel ways to innovate and foster healthy nutrition and to successfully tackle public health challenges by developing and launching concrete measures.

Finally, the European Observatory on Health Systems and Policies, with Corinna Hawkes and Kelly Parsons as authors, provided a policy brief “Connecting food systems for co-benefits: How can food systems combine diet-related health with environmental and economic policy goals?”