



**EU PHARMACEUTICALS
DEVELOPMENTS
JULY 2006**

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FOREWORD

This report provides an overview of the latest EU political, legislative and regulatory developments that may be of interest to the pharmaceutical industry. It covers developments involving European institutions that occurred in July 2006 concerning key pharmaceutical regulatory issues, public health initiatives, the protection of intellectual property as it relates to access to medicines, and policies focused on research, innovation, and the competitiveness of the EU pharmaceutical sector.

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Highlights are:

- Commission adopts opinion on draft paediatric medicines regulation
- EMEA CHMP adopts first negative opinion for a would-be biosimilar
- The European Parliament adopts a resolution criticising the European Commission and United Nations for insufficient efforts to combat HIV/AIDS
- The European Court of Justice dismisses application by Spanish federation of healthcare technology companies, which had sought to use EU competition law to challenge serious delays by Spanish healthcare system

Time sensitive issues:

- Consultation on draft EMEA post-authorisation guidance on parallel distribution: Deadline 10 August.
- Consultation on tightening of animal testing directive: Deadline 18 August.
- UK government issues report on phase I clinical trials (study challenges “phase I-2-3” clinical trial paradigm and suggests phase 1 tests in healthy volunteers may not always be appropriate): Deadline 14 September.
- EMEA consultation on draft document on principles to be applied for the deletion of commercially confidential information for the disclosure of EMEA documents: Deadline 30 September
- European Commission invites comments on the draft concerning “non-commercial” clinical trials: Deadline 1 October 2006.
- Workshop on Regulatory and Scientific issues related to the investigation of medicinal products intended for Neonatal use to be held at the EMEA on Wednesday, 11 October.
- EMEA publishes a draft guideline relating to the viral safety in clinical trials of biotechnological medicinal products: Deadline 31 December.
- EMEA publishes a draft guideline on presenting results of a population-specific pharmacokinetic analysis: Deadline 1 January 2007

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I. PHARMACEUTICAL REGULATORY AND POLICY DEVELOPMENTS

A. Paediatrics

Commission adopts opinion on draft paediatric medicines regulation: On 19 July, the European Commission adopted an opinion accepting the European Parliament's amendments to the Common Position on medicines for paediatric use relating to:

- the Commission's adoption of guidelines on the operation of the six-month extension of the supplementary protection certificate (SPC),
- the introduction of a five-year transitional period for implementation of the regulation (since the application for extension of an already-granted SPC must be lodged not later than six months before the SPC's expiry),
- clarification on the transparency of the Paediatric Committee and independence of its members,
- early dialogue between the Committee and industry on whether products should be developed for children, and
- avoidance of delays in the authorisation process.

The Commission's opinion was transmitted to the European Council and to the European Parliament on 20 July, and now the second reading by Council is pending.

EMA issues a guideline on the role of pharmacokinetics in the development of medicinal products in the paediatric population: On 12 July, the EMA published a guideline to advise on the use of pharmacokinetic studies in paediatric drug development and on methodological issues concerning pharmacokinetic studies in paediatric patients. The guideline was adopted by the Committee for Medicinal Products for Human Use (CHMP) on 28 June and will come into effect on 1 January 2007. It provides recommendations on the use of pharmacokinetics and pharmacokinetic-pharmacodynamic relationships in efficacy and safety assessments, on study design, on data analysis, presentation and evaluation of results, and on the description on the results in the summary of product characteristics.

EMA adopts a guideline on pharmacovigilance for medicines used by the paediatric population: The guideline, issued on 17 July, aims to clarify and emphasise the particular aspects of pharmacovigilance and risk minimisation that are relevant for the paediatric population. This is the first EMA guideline to focus exclusively on the safety of medicines in children. The guideline will come into effect once the EU regulation on medicinal products for paediatric use enters into force.

EMA publishes package of paediatric related documents: On 17 July the EMA also published on its website the following paediatric related guidance documents:

- Assessment of Paediatric Needs: Migraine
- Assessment of Paediatric Needs: Diabetes Type I and II
- Assessment of the Paediatric Needs: Chemotherapy Products (Part II)- Supportive Therapy
- Concept Paper on the Impact of Brain Immaturity when investigating medicinal products intended for neonatal use
- Assessment of the Paediatric Needs: Rheumatology
- Overview of Comments received on List on Paediatric Needs on Rheumatology

- Announcement: EMEA/PEG Neonates-Workshop Regulatory and Scientific issues related to the investigation of medicinal products intended for Neonatal use to be held at the EMEA on Wednesday 11 October 2006
- Workshop on Regulatory and Scientific issues related to the investigation of medicinal products intended for Neonatal use

B. Biosimilars

EMEA CHMP adopts first negative opinion for a would-be biosimilar medicinal product: The EMEA CHMP issued a negative opinion on an application for marketing authorisation for Alpheon, which contains the active substance interferon alfa-2a and was intended for the treatment of hepatitis C where liver damage had been detected. The CHMP reported safety, quality and comparability concerns about Alpheon. During the clinical study phase, the disease recurred in many more patients after treatment with Alpheon ended as, compared to patients using the reference product. Also, there were also more side-effects and impurities with Alpheon, and the CHMP reported concern that there are insufficient data on the stability of the active substance in Alpheon and in the finished product.

EBE/EFPIA position paper on naming biosimilar medicinal products aims to improve product safety: On 7 July, Emerging Biotechnology Enterprise (EBE) and the European Federation of Pharmaceutical Industries and Associations' (EFPIA) published a position paper on "Naming of Biosimilar Medicinal Products: Options for Addressing Unique Safety Concerns." As biosimilar medical products may have different clinical characteristics compared to those of its reference product, and these characteristics cannot be detected through premarket testing, the associations call for special post-market requirements. They propose three ways to improve the safety of biosimilars: (i) strengthen existing post-marketing safety requirements, (ii) classify biosimilars as "non-substitutable" or subject to "restricted substitution" rules, or (iii) develop a special system of nomenclature for biotechnology medicinal products indicating the manufacturer of each product.

Stada applies for EPO biosimilar authorisation to the EMEA: According to a report from Scrip dated 7 July, the German generics company, Stada, has submitted an application for a biosimilar of erythropoietin (EPO) to the EMEA. The article reported that the World Health Organisation had approved the INN "erythropoietin-zeta." Stada reportedly seeks EU authorisation of the product for use in oncology and dialysis indications. Interestingly, the article reported that Stada's comparability exercise did not refer to a marketed reference product but rather to the European Pharmacopoeia monograph for EPO. *(Note: this approach appears to be problematic under the relevant legislation and EMEA guidelines.)* Stada stated its belief that it can obtain approval in 2007 and market the medicine in 2008.

C. Authorisation and control of pharmaceuticals: policy

EMEA post-authorisation guidance on parallel distribution: On 4 July, the EMEA published a guidance document addressing questions which parallel distributors or marketing authorisation holders may have about the parallel distribution notification procedure. The guidance clarifies the current handling of notifications in accordance with the "Procedure for notifications of parallel distribution of Centrally Authorised products." The document will be updated regularly to reflect new developments resulting from experience. It is currently open for consultation and the deadline for comments is 10 August.

Pharmaceutical Forum's Working Group on Information to Patients reviews draft progress report on information to patients: The Pharmaceutical Forum was created by the European Commission in 2005. The Forum is a successor to the former "G-10" group

and aims to improve the performance of the pharmaceutical industry and its competitiveness and contribution to social and public health objectives. The Forum brings together ministers from all European Member States, representatives of the European Parliament, the pharmaceutical industry, health care professionals, patients and insurance funds. The Pharmaceutical Forum is supported by a Steering Committee and three expert Working Groups (The Working Group on Information to Patients; the Working Group on Pricing; and the Working Group on Relative Effectiveness). Last June the working group on information to patients considered a draft progress report on non-statutory information to patients, statutory information and accessibility. The steering Committee was to agree on the progress report in July and the Forum is expected to provide a political mandate for objectives on 29 September.

Europe to tighten the legislation on animal testing: The European Commission has announced that it intends to modify the Directive on the Protection of Animals in Scientific Experiments, based on information received during a just-launched consultation. According to the Commission, the current directive needs to be updated in light of new technical developments, such as xenotransplantation and cloning. The Commission has launched a consultation process aimed at harmonising existing procedures in Member States for animal testing. The Commission's consultation uses two questionnaires, one for the public which is available in all EU official languages and one for the experts which is only in English. The deadline for consultation is 18 August.

EMA adopts guidelines on the accelerated assessment procedure: The guidelines which were adopted on 17 July extend the time at which the CHMP scientific committee can give an opinion from 90 to 20 days. The accelerated procedure is designed for medicines for human use which are of major interest from the point of view of public health and in particular from the viewpoint of therapeutic innovation.

EMA publishes guideline on re-examination procedures: On 14 July, the EMA published a guideline on procedures for the re-examination of opinions by the CHMP opinions. It describes the procedure and gives guidance for the re-examination of different types of opinions, on the timetable for the applicants/MAHs involvement as well as for the assessment by CHMP, rapporteurs, and SAG (Scientific Advisory Group - where necessary), and on the documentation to be supplied. The guideline was adopted by the CHMP in June.

EMA seeks comment on a draft document on principles to be applied in deletion of commercially confidential information prior to disclosure of EMA documents: According to this draft document, published on the EMA's website on 28 July, "commercially confidential information" is generally considered to fall broadly into three categories: (i) trade secrets (including formulas, programs, process or information contained or embodied in a product, etc.); (ii) commercial confidences (i.e. structures and development plans of a company); and (iii) intellectual property (trademarks, patents, etc.). Furthermore, according to the draft document, any kind of information is considered commercially confidential if disclosure would hurt the interest or, in other words, prejudice to an unreasonable degree the commercial interests of individuals or companies concerned. Deadline for comments is 30 September 2006.

EMA adopts a new procedure for the appointment of rapporteurs and co-rapporteurs: The new procedure was published on 17 July and will be followed in the appointment of rapporteurs, co-rapporteurs and assessment teams in the evaluation of marketing authorisation applications submitted to the CHMP, as well as in referral procedures. The new procedure will enter into force in September 2006.

EMA provides guidance on contacts between COMP members and sponsors: In a document published on the EMA website on 27 July, the EMA provides guidance on

contacts between industry representatives applying for a positive opinion from the Committee on Orphan Medicinal Products (COMP) and COMP members. The document contains provisions on how to avoid conflicts of interest and rules to avoid unnecessary contact between the officials reviewing an application and the applicant's representatives.

EMA adopts rules of involvement for patients' and consumers' organisations in committee activities: The rules were published on 6 July and set out a procedure for the different types of consultation by members of patient and consumer organisations on products, diseases or treatments. The rules cover consultations of patient and consumer organisations by EMA's (i) Scientific Committees; (ii) Working Parties or Scientific Advisory Groups; and (iii) Rapporteurs.

EMA guideline on the procedural aspects and dossier requirements for consultation on an ancillary medicinal substance used in a medical device: On 6 July, the EMA published a draft guideline on the procedural aspects and dossier requirements for the consultation with the EMA initiated by a medical device "notified body" (conformity assessment body) on an ancillary medicinal substance in a medical device. The guideline is intended to provide interested persons with information about procedural aspects as well as format and data requirements to facilitate the consultation procedure. The deadline for comments on the guideline is 30 September.

European Commission publishes updated version of Notice to Applicants on CTD: On 3 July, DG Enterprise and Industry of the European Commission released an updated version of the Notice to Applicants, Volume 2B on medicinal products for human use. The update relates to the presentation and format of the Common Technical Document (CTD). The revised version provides information required by various competent authorities.

European Commission publishes updated Notice to Applicants concerning renewals of marketing authorisations: On 20 July, DG Enterprise and Industry of the European Commission published an updated version of the Volume 2C and 6C, the application form for renewal of a marketing authorisation. The updated application form should be used for national and EMA procedures.

DG Enterprise releases for consultation a draft guidance on "specific modalities" for non-commercial clinical trials referred to in the 2005 Good Clinical Practices Directive (2005/28/EC): The draft includes information on the definition of non-commercial clinical trials and the specific modalities, labelling and documentation concerning the investigational medicinal product. Specific provisions on monitoring have not been included in the draft as the Commission considers that this would fall outside the scope of the Directive. DG Enterprise invites comments on the draft until 1 October 2006. This initiative responds to criticism of the applicability of the EU Clinical Trials Directive to non-commercial research. Universities and researchers in the UK had been particularly vocal in this regard. The pharmaceutical industry generally has been wary of creating a double standard in which non-commercial research is subject to fewer regulatory safeguards.

European Commission guidance on the definition of IMPs and NIMPs: On 28 July, DG Enterprise and Industry of the European Commission published a proposal for a guidance on the definition of Investigational Medicinal Products (IMPs) and Non-Investigational Medicinal Products (NIMPs). The guidance presents a definition of the products as agreed between EU Member States and the Commission. The proposal will be open for consultation until 1 October 2006.

First edition of Volume 10 – Clinical Trials Notice to Applicants published: On 27 July, DG Enterprise and Industry published “The Rules Governing Medicinal Products in the European Union”, Volume 10 - Clinical trials. Volume 10 is comprised of the following:

- Chapter I deals with applications for a clinical trial
- Chapter II deals with safety monitoring and reporting of adverse reactions
- Chapter III deals with requirements for the manufacturing and import authorisation
- Chapter IV deals with qualification of inspectors and inspection procedures
- Chapter V provides information on the modalities for non-commercial trials, the recommendation for the trial master file and archiving, the guideline on the datafields from the European clinical trials database (EudraCT) that may be included in the European Database on Medicinal Products, Questions and Answers, and CPMP/ICH/135/95 guideline on good clinical practice, and
- Chapter VI provides the relevant legislation for clinical trials and manufacturing and importation of investigational medicinal products.

EMEA guideline on reporting the results of population-specific pharmacokinetic analyses: On 12 July, the EMEA published a draft guideline on how to present the results of a population-specific pharmacokinetic analysis, to provide a level of detail that enables a secondary evaluation. The document provides guidance on the content of the analysis plan and makes recommendations on information to be included in the report. The draft guideline will be open for consultation until 1 January 2007.

EMEA guideline on virus safety evaluation of biotechnological investigational medicinal products: On 4 July, the EMEA published a draft guideline intended to provide scientific guidance relating to the viral safety of biotechnological medicinal products used in clinical trials. The guideline deals with (i) the criteria for and the extent of viral safety evaluation studies, (ii) the extent to which manufacturers are able to refer to in-house experience concerning virus safety evaluation, and (iii) the risk assessment which should form part of the safety evaluation. The deadline for comments on the draft is 31 December.

EMEA guideline on detection of early signals of drug-induced hepatotoxicity on non-clinical studies: On 12 July, the EMEA published guidance on how to identify, collect and report early non-clinical signs of medicinal product-induced hepatotoxicity, to decrease the risk of clinical adverse liver reactions. The guideline applies mainly to new active substances. The draft document is open for consultation until 1 January 2007.

EMEA guideline on the limits on genotoxic impurities: On 12 July, the EMEA published a guideline describing a general framework and practical approaches on how to deal with genotoxic impurities in new active substances. It also relates to new applications for existing active substances, where assessment of the route of synthesis, process control and impurity profile do not provide reasonable assurance that no new or higher levels of genotoxic impurities are introduced as compared to products currently authorised in the EU containing the same active substance. The guideline was adopted by the CHMP on 28 June and will come into effect on 1 January 2007.

EMEA guidelines on the core SpC for human plasma derived hepatitis-B immunoglobulin: On 4 July, the EMEA published two guidelines on the core summary product characteristics (SpC) for human plasma derived hepatitis-B immunoglobulin, one for intramuscular use, the other for intravenous use. The documents provide general guidance on format and text and should be read in conjunction with the core SpC and the Guideline on Summary Product Characteristics. The guidelines were adopted by the CHMP on 27 April and will come into effect on 1 November.

EMA guidelines on human anti-D immunoglobulin for intravenous and/or intramuscular use: On 4 July, the EMA published three guidelines on human anti-D immunoglobulin, one on clinical investigation, one on the core SpC (summary of product characteristics) for intravenous use and one on the core SpC for intramuscular use. Human anti-D immunoglobulin medicinal products are sterile liquid or freeze-dried preparations containing immunoglobulins as active substances, with specific antibodies against erythrocyte D-antigen. The guidance note describes the information to be documented when an application for a marketing authorisation for an anti-D immunoglobulin preparation is made, including biological data, clinical trials and patient follow-up. The guidelines on core SpC provide general guidance on format and text. The three documents have been released for consultation, and the deadline for comments for all three is 1 November.

D. GSK in the news:

GSK reported to have signed a development agreement with Futura Medical: On 5 July, Wall Street Journal Europe reported that GSK has signed a development agreement with Futura Medical to develop Futura's gel MED2002 as a non-prescription treatment for impotence.

GSK reported to have unveiled a vaccine for the deadly bird flu virus: On 27 July, the Financial Times reported that GSK has unveiled a vaccine for the deadly bird flu virus. GSK's vaccine against the lethal H5N1 strain has been produced using lower levels of antigen, the active ingredient in vaccines that causes the body to produce an immune response.

GSK files EU application for nelarabine: According to Scrip, GSK has filed its guanine arabinoside prodrug, Atriance (nelarabine), in the EU for the treatment of adults and children with relapsed or refractory T-cell acute lymphoblastic lymphoma (T-ALL) and T-cell Lymphoblastic lymphoma (T-LBL).

E. Regulatory initiatives

European Commission publishes the Pharmaceutical Committee's meeting summary: On 11 July, the Commission's DG Enterprise and Industry published the summary record of the Pharmaceutical Committee meeting held on 2 May 2006. Discussions at this meeting covered the Advanced Therapies Regulation; the revision of the Variations Regulations; the public consultation on pharmacovigilance; and an update on WHO and Council of Europe activities to combat counterfeit medicines.

European Commission expresses support to European Network for modelling infectious diseases: On 17 July, the European Commission Directorate General for Health and Consumer Protection (DG SANCO) announced its support for a new European network on modelling control strategies for infectious diseases and other health threats. The European Network on Mathematical Modelling - NEMO - will aim at developing and improving mathematical models which would help to predict and simulate the behaviour and development of infectious diseases and their effect on society. The network will be mainly composed of national experts in the Member States in the field of mathematical modelling of the dynamics and control of diseases. DG SANCO will chair the Network's steering committee in collaboration with the Commission's Joint Research Centre.

F. Associations' actions

EBE and EuropaBio welcome the Commission Report on Orphan Drugs: On 27 June the joint industry taskforce formed by the European Biopharmaceutical Enterprises (EBE) and the European association for Bioindustries (EuropaBio) issued a press release welcoming the European Commission's report on the implementation of EU Regulation 141/2000 on orphan medicinal products. The taskforce considered that the report increases awareness about rare diseases in the EU and promotes the continuation and further support of the Orphan Medicines Regulation. Currently, the total cost of approved orphan medicines in any Member State accounts for less than 1% of the total national healthcare budgets designated to medicines. However, patient access to the approved medicines is still problematic. For the industry, the 10 years market exclusivity for an orphan medicine in respect of similar products is the main incentive to continue research and development, in the current situation where there are no policies at Member State level to stimulate private sector research. EuropaBio is, however, concerned that the delay in reimbursement and late access for patients "cuts broadly into the 10-year market exclusivity, eroding the incentive quite a bit." (For further details please refer to June monthly report.)

Follow-up to EFPIA's annual meeting: patient information is a key priority. On 28-29 June as a follow-up to its annual meeting in Prague, EFPIA published press releases and newsletters on the main topics discussed. Following an interactive workshop on how to improve European patients' access to relevant health and medicines information in their own languages, Scott Ratzan, chairman of EFPIA's 'The Informed Patient' task force, noted that the European pharmaceutical industry strongly supports increased provision of high quality medicines information. However, according to Mr. Ratzan, the industry is often put on defensive, as there is a fundamental belief that the information it provides is biased. EFPIA has issued a policy memorandum setting out a proactive and strategic way to address European policy on the provision of non-promotional information on prescription medicines.

G. Influenza

1. European Commission

Commission's measures to protect EU against avian influenza: On 4 July, the European Commission published a press release informing that the Standing Committee on the Food Chain and Animal Health of the European Commission backed a series of measures aimed at protecting the EU against avian influenza. The measures are various in scope and they concern restrictions on movements of animals from third countries and quarantine measures. These measures also include the extension of the Dutch preventive vaccination programme, which was approved in February 2006 and will be extended to cover more species. Besides restrictions on imports of animals from third countries, the measures adopted by the European Commission also concern the extension of import restrictions of untreated feathers from third countries.

Commission publishes table on current situation concerning avian influenza to humans: On 4 July, the Health Threat Unit of the European Commission's Directorate General for Health and Consumer Protection (DG SANCO) published a table with information on documented avian influenza infections in humans from the years 1997 to 2006 and updated to 4 July 2006. The table indicates that in 2003 some cases of avian influenza, subtype H7N7 were reported by Netherlands, Belgium, and Germany. In those cases, the infection originated from chickens, and transmission to humans occurred.

2. EMEA

European Medicines Agency adopts positive opinion for avian influenza vaccines for use in birds: In its meeting of 18-20 July, the EMEA's Committee for Medicinal Products for Veterinary Use adopted its first positive opinion on the granting of a community authorisation for avian influenza vaccines for birds. The vaccines concerned were Nobilis Influenza H5N2 from Intervet International BV, and Poulvac FluFend H5N3 RG, from Fort Dodge Animal Health. The use of these products will be restricted to administration as part of disease control campaigns carried out by national competent authorities in compliance with European Community legislation on the control of avian influenza.

3. Industry, doctors and patients

Dossiers of prototype flu vaccines are expected to be submitted to the EMEA: According to Scrip, EFPIA has stated that manufacturers such as Novartis and Sanofi are developing 12 mock-up vaccines in Europe and are expected to submit new flu vaccine dossiers for EMEA assessment in autumn or by the end of 2006 at the latest. According to this report, GSK and Chiron had already submitted dossiers to the EMEA.

EMV's influenza pandemic preparedness plan: On 27 June, EFPIA reported in its annual meeting newsletter on the European Vaccine Manufacturers' (EVM) revised Influenza Pandemic Preparedness Plan. It lists three main points which contribute to pandemic preparedness: strengthening R&D activities, adapting and preparing production of pandemic vaccines and evaluation of alternative or complementary vaccination strategies. EVM called for participation from the EU and the EU Member States. It said that, whilst industry continues working on R&D, the EU's support is needed for further research and development activities. Also, Member States' implementation of WHO coverage objectives for inter-pandemic influenza vaccination (75%) would contribute towards collaborative efforts to face a possible pandemic.

PowderMed applied permission for clinical trial of its needle-free vaccine: On 11 July, the Wall Street Journal Europe reported that PowderMed has applied to UK regulators for permission to conduct a clinical trial to test a needle-free vaccine targeting the deadly H5N1 strain of bird flu. This is the first time that the effects of PowderMed's needle-free injection device, which fires gold particles coated with DNA containing the virus genes at supersonic speed into skin cells, would be examined in humans.

H. Products for arthritis and related diseases

EU approves of MabThera for rheumatoid arthritis treatment: In July, Roche Holding received an approval from the European Commission to sell its cancer drug MabThera for use in combination with methotrexate to treat patients with severe rheumatoid arthritis who have had an inadequate response or are intolerant to current treatments.

I. Oncology

Pfizer obtains EU conditional approval for its orphan drug Sutent (sunitinib malate): The drug was approved conditionally for two indications: (i) advanced and/or metastatic renal cell carcinoma, after failure of interferon alfa and interleukin-2 therapies, and unresectable and/or metastatic malignant gastrointestinal stromal tumour after failure of the imatinib mesylate treatment due to resistance or intolerance. Conditional approval is given when a drug appears to be efficacious for the treatment of important diseases, but the EMEA CHMP believes that further evidence on product efficacy or safety is necessary.

J. Diabetes

More international co-operation needed for diabetes research: On 12 July a report published by the high-level diabetes workshop, which is jointly hosted by DG Research and the US-based Juvenile Diabetes Research Foundation, noted that experts hope for more international research cooperation and communication among research teams and other important actors, on both sides of the Atlantic. The EU has almost tripled funding for diabetes/obesity research from Euro 44.5 million in the Fifth Framework Programme (FP5) to Euro 127 million in FP6 (at its midway mark). According to the Commission, this extra investment has paid off in terms of increased collaboration.

K. HIV

European Parliament resolution on HIV/AIDS: On 6 July, the European Parliament adopted a resolution on HIV/AIDS. Despite recognizing important achievements and commitment on the part of the European Commission in the fight against HIV, the European Parliament criticized the European Commission's poor track record in development spending in the healthcare sector and called on the Commission to double its budget for healthcare in developing countries. Additionally, the European Parliament called on the Commission to allow for large-scale increases in sectoral budgetary support to health sectors, and urged the promotion at international regional, national and local level of access to HIV/AIDS education, information, voluntary counselling, testing and related services.

The European Parliament has also declared itself dissatisfied with the United Nation's June declaration on stepping up the fight against HIV/AIDS, on the ground that it lacks any global targets or timelines on treatment, resources and prevention and does not provide a viable action plan to back up the goal of providing universal access for all HIV-affected people by 2010.

L. Chemicals/REACH

Ministers adopt a common position on REACH on 4 July: Also, on 13 July Finland's Minister of Trade and Industry Mauri Pekkarinen addressed the Committee of the European Parliament principally responsible for the legislation ("ENVI Committee") and announced that REACH is one of the priorities of Finland's Presidency. His objective is to achieve agreement on the content of the Regulation on the second Parliament reading. He expressed the view that Finland is satisfied with the cooperation between the Parliament and the Council at the first reading and with the Parliament's decision on a swift timetable for the second reading. He also stated that, as REACH is a large legislative package, it is important to keep the overall number of amendments on a moderate level to guarantee the adoption of the Regulation. The ENVI Committee will examine the draft and will ask for any amendments by Members of the European Parliament (MEPs) to be submitted by 11 September.

M. Information and Data Privacy

No new developments.

N. Research

The EU and the US renew the mandate for the EU-US Task Force on Biotechnology: On 3 July European Commission's DG Research reported that Janez Potocnik, EU Commissioner for Science and Research, and John Marburger, Director of the White House Office of Science and Technology Policy, agreed for the fourth time to renew agreement on the EC-US Task Force on Biotechnology. Both parties supported the renewal

and expressed commitment to continued efforts toward closer scientific cooperation in the field of biotech research.

Compromise on stem cell research saves EU's FP7: On 24 July the EU's Competitiveness Council succeeded in reaching a political agreement on the Seventh Framework Programme (FP7) for research at an extraordinary meeting in Brussels. The agreement on the Framework Programme means that decision-making process for FP7 will proceed, enabling the European Parliament to commence the second reading in autumn. Due to a compromise between Germany and Italy on one side, and the rest of EU on the other, FP7 will now be able to fund stem cell research, subject to strict ethical principles, regulations and methods.

Danish researchers worried about access to clinical trial data: Researchers working at the Nordic Cochrane Centre in Copenhagen, have issued a report in which they conclude that Danish researchers have more problems in accessing data generated from pharmaceutical company sponsored clinical trials today than 10 years ago. According to the study, sponsors create legal and practical obstacles for investigators wishing to access clinical trial data.

Tegenero trial disaster slows down process to revamp UK clinical trial legislation: According to Scrip, UK Health Minister Andy Burnham declared that the clinical trial regulations are currently under close scrutiny as a result of the Tegenero trial and that a re-examination of the current legislation is ongoing.

O. Health care

Current obesity trend threatens life and health expectations: On 21 July EurActiv reported that according to Commission Director General of the DG SANCO, Robert Madelin, the current European obesity trend could undermine the central demographic assumption that everybody will live longer and healthier lives. The incidence of obesity in the EU territory is now three times higher than in the 1980s, and the number is increasing. It is estimated that 7% of total EU healthcare costs are spent on treating obesity-related illnesses.

G8 summit conclusions on the fight against infectious diseases: On July 16, 2006 during the Moscow summit the leaders of the G8 agreed among other things to:

- i. improve cooperation on the surveillance and monitoring of infectious diseases;
- ii. intensify scientific research and exchanges of information in the areas of infectious diseases, involving scientists from developing countries;
- iii. support efforts to respond effectively to outbreaks of influenza and to help prepare the global community prepare for a possible influenza pandemic;
- iv. mobilizing support for the Global Fund to Fight Aids, Tuberculosis and Malaria;
- v. improve access to treatment for those in need and;

to support the efforts of the relevant international organisations to mitigate the health consequences of natural and man-made disasters.

Drug Prices and Trends

Germany has reached an agreement on health reform: On 3 July Germany's coalition government agreed on a reform of the inefficient health care system which costs about €140 billion per year. The system, which was created in the 19th century, has been co-financed by the insured themselves and by employers. However, the increase in health expenditure has led Germany to have some of the highest non-wage labour costs in Europe. The new health care system will be funded by a mixture of tax revenues and increased contributions. From 1 January 2007 onwards, the insured have to pay 0.5 percentage points more in health care contributions.

France consumes the most medicines per person annually: On July 18 EurActiv reported that, according to a recent study by French research and statistics institute, DREES, concerning the structure and evolution of the five largest pharmaceutical markets in the EU, the French spent 284 euros annually per inhabitant on drugs. The Germans were the second largest drug consumers (244 euros) followed by the British, Italians and Spanish (around 200 euros each). The French were also the largest consumers of medicines in quantity.

Poland reduces prices for reimbursable drugs: Poland has reduced by an average of 5% the regulated prices of drugs listed in its medicine reimbursement list. The price cuttings will be effective as of 1 July. According to Poland's Health Ministry the price reduction is the result of unfavourable exchange rates, which increase the burden on the country's health budget.

II. INTELLECTUAL PROPERTY

A. Intellectual Property/Public Health debate

See page 14, **European Court of Justice ruling on jurisdiction for patent infringements:**

EGA's position paper on anti-counterfeit policy: On 19 July, the European Generic Medicines Association (EGA) published a position paper on anti-counterfeit policy entitled "Business with Certified Partners Only." The EGA sees counterfeiting as a threat to the reputation of EU health care systems, to the trust of health care professionals in products, to the reputation of EGA's suppliers and to the safety of consumers. Current basic anti-counterfeiting measures involve precise identification and correct immediate tracking and tracing. However, the EGA is of the opinion that technology based anti-counterfeit measures only result in a brief delay of counterfeit product entry and therefore supports the enhancement of legal enforcement measures against counterfeiting.

European Commission holds hearing on EU patent policy: On 12 July, the European Commission held a public hearing in order to assess stakeholders' views on how the EU's patent policy should be taken forward following the formal end of the consultation period. Charlie McCreevy (EU Commissioner for Internal Market) concluded that there is still widespread support from industry for a Community Patent, but not for the compromise which is currently being discussed by the Council. The pharmaceutical industry does not desire further harmonisation of patent law and believes that Community involvement should be limited to what has already been achieved by the European Patent Convention. The Commission intends to focus on simplifying the structure and procedures for patent grant and litigation, decreasing the cost of obtaining patents, and maintaining and improving the quality of patents. (For further details on consultation please refer to June monthly report.)

Doha Round negotiations suspended: On July 24, WTO Director-General Pascal Lamy decided to suspend the Doha Development Agenda negotiations after discussing with the heads of delegations in an informal meeting of the Trade Negotiations Committee.

Although the blockage mainly concerns the agricultural sector the suspension will apply to all negotiating groups. As regards to the pharmaceutical sector the Doha Declaration had confirmed, among others, the right of developing countries to use compulsory licences to override patents on medicines, in order to allow generic drug manufacturers to produce cheaper versions of patented medicines.

B. Other Intellectual Property Issues Involving EU Institutions

Slovak “linkage” provision targeted by generic companies as contrary to EU law: On 12 July Scrip reported that the generic industry questions the legality of a provision in the new Slovak legislation. This provision allows the State Institute for Drug Control to refuse approval applications for generic versions of medicines that are still covered by a patent. The Slovakian Association of Generic Medicines Producers (GENAS) brought the matter to the attention of the European Generics Association (EGA), which believes that the amendment was contrary to the new EU Bolar clause, which allows companies developing generics in the EU to do so without infringing the originator's patent rights or supplementary protection certificates (SPCs). GENAS said it had been notified the European Commission about its views and is preparing an official submission to the Commission.

European Commission programme supports anti-counterfeiting technology: On 14 July Scrip reported that the Commission is funding the so-called BRIDGE programme (Building RFID solutions for the Global Environment) through the sixth framework programme for research and technological development with a total grant of Euro 7.5 million. RFID technology can be used to prevent the counterfeiting of pharmaceuticals. The RFID technology consists of a system of tags and sensors to improve the tracking of products. This funding suggests that the Commission will recommend this autumn to the European Parliament and the Council of Ministers the implementation of the RFID technology, an issue that currently is under consultation.

Council of Europe (CoE) best placed to fight against counterfeiting: According to a preliminary report commissioned by the CoE, the CoE is the most appropriate body to implement the structures needed to combat counterfeiting, and it is best prepared to propose anti-counterfeit legislation and initiatives. According to the report, the CoE's experience in IP rights infringements places it at a better position than the WHO or the EU to launch initiatives to combat pharmaceutical crime.

III. COMPETITIVENESS OF THE PHARMACEUTICAL SECTOR

A. Studies and Statistics

Conclusions of the biotechnology roundtable: The roundtable was organised as part of the effort by the contact network with Member States' ministries with responsibility for competitiveness in biotechnology, led by the European Commission's DG Enterprise. The roundtable's aim is to provide input for the mid-term review of the “Life Sciences and Biotechnology – A Strategy for Europe.” The roundtable concluded that there is need for a substantial co-ordination effort, as well as deepened coordination among various stakeholders. The roundtable also agreed that improved policy coherence in Member States as well as in the European Commission is necessary if the Lisbon Strategy objectives of creating a competitive European biotechnological industry are to be achieved.

EFPIA fights for EU competitiveness. Re-elected chairman Franz B. Huber stressed that EFPIA's overall priority is to continue to fight for a strengthened European science base and improved competitiveness in order to keep Europe attractive for

pharmaceutical research and development. He said that, although the Member States recognise the value of reinvigorating the competitiveness in the pharmaceutical sector, their political statements are not backed up with concrete actions

Eurobarometer shows increased trust in biotechnology: On 14 July European Commission’s DG Research reported that according to the latest Eurobarometer opinion survey, “Europeans and Biotechnology 2005”, 52% of the citizens believe that biotechnology will improve their lives. Biotechnology applications in area of pharma and medicine reached the highest support, but the GMO’s and other agricultural and food applications remained on the low side. The survey, which is carried out every three years, was published on 19 June.

IV. EUROPEAN COURT OF JUSTICE (ECJ) & COURT OF FIRST INSTANCE (CFI) DECISIONS AND JUDGEMENTS

The European Court of Justice dismisses FENIN’s application: On 11 July, the European Court of Justice (ECJ) dismissed an application by FENIN--the Spanish federation of healthcare technology companies--to set aside the Court of First Instance’s (CFI) decision to dismiss FENIN’s action for annulment of Commission Decision of 26 August 1999. FENIN sells medical instruments to 26 bodies in Spain, which include three ministries operating the national health care system (SMS). In 1997 FENIN submitted a complaint to the Commission against these 26 bodies. It claimed that SMS’ payments were seriously delayed and that SMS’ behaviour constituted an abuse of dominant position under Article 82 of the EC Treaty. However, the Commission took the position that SMS was not acting as an undertaking and was, thus, not subject to Article 82 of the EC Treaty. FENIN took the matter to the CFI, which in 2003 agreed with the Commission and dismissed the action. Now the ECJ has dismissed FENIN’s application to set aside the CFI judgment. According to the ECJ, the CFI was right in considering that the SMS was not an undertaking, as it was operating according to the principle of solidarity, was funded through a combination of social security contributions and state funds and provided care free of charge of the basis of universal coverage.

European Court of Justice ruling on jurisdiction for patent infringements: On 13 July in the GAT/LuK (Gesellschaft für Antriebstechnik mbH & Co. KG v Lamellen und Kupplungsbau Beteiligungs KG, Case C-4/03) and Roche (Roche Nederland BV and Other, v Frederick Primus & Milton Goldenberg C-539/03) cases, the ECJ concluded that disputes on the validity of a patent must be decided by the courts of the country where the patent was granted and not in the country where the defendant is based or has a physical presence. The Roche case involved a dispute over a patent for immuno-assay kits while the GAT/LuK case involved a dispute over a patent for mechanical damper springs used in vehicles. The outcome is not surprising but demonstrates the difficulty of enforcing patents in the EU.

V. ACCESSION OF MEMBER STATES:

Acceding countries	Target date of accession	Developments of interest
Bulgaria	1 January 2007	On July 20, Euralex reported that the Bulgarian health ministry continues the harmonisation process reducing regulatory barriers for introducing drugs into the Bulgarian market. The final aim is to reach the EU principle of free access to the market. For achieve this

		<p>Bulgarian ministry adopted quality control for local and imported drugs, refined drug registration procedures and improved market regulation forms, as well as other decisions.</p> <p>Bulgaria's Drug Agency, the country's pharmaceutical regulator, has joined EudraNet.</p>
Romania	1 January 2007	
Candidate countries		
Turkey	Accession negotiations not yet started	
Croatia	Accession negotiations not yet started	
The former Yugoslav Republic of Macedonia	No target date	
Potential candidate countries:		
Albania	No target date	
Bosnia and Herzegovina	No target date	
Serbia and Montenegro	No target date	
Kosovo	Under UN Security Council Resolution 1244. No target date	
Ukraine	No target date	<p>International scientific cooperation policy and research opportunities in life sciences: On 7 July 2006 the European Commission published a leaflet titled "Excellent Research Opportunities in Biotechnology in the Russian Federation, Ukraine, Eastern Europe and Central Asia " and a brochure titled "Cooperation and Innovation in the Life Sciences (ISTC and STCU: International Science and Technology Centre and Science and Technology Centre in the Ukraine)." The publications contain information about the EU's international scientific cooperation policy and research</p>

		opportunities reaching from Eastern Europe to Central Asia.
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VI. EU DOCUMENTS:

EMEA		
Subject	Publication Date	Deadline for Comments
Reflection paper on methodological issues in confirmatory clinical trials with flexible design and analysis plan		30 September 2006
Guideline on the risk assessment of medicinal products on human reproduction and lactation – from data to labelling	6 April 2006	30 September 2006
CHMP Draft Guideline CPMP/EWP/281/96, Revision 1: Clinical Investigation of Drugs Used in Weight Control	1 June 2006	30 November 2006
Post-authorisation guidance on parallel distribution	4 July 2006	10 August 2006
Draft document on principles to be applied in deletion of commercially confidential information prior to disclosure of EMEA documents	28 July 2006	30 September 2006
Guideline on the procedural aspects and dossier requirements for consultation on an ancillary medicinal substance used in a medical device	6 July 2006	30 September 2006
Guideline on reporting the results of population-specific pharmacokinetic analyses	12 July 2006	1 January 2007
Guideline on virus safety evaluation of biotechnological investigational medicinal products	4 July 2006	31 December 2006
Guideline on detection of early signals of drug-induced hepatotoxicity on non-clinical studies	12 July 2006	1 January 2007
Guideline on the limits on genotoxic impurities	12 July 2006	1 January 2007
Guidelines on human anti-D immunoglobulin for intravenous and/or intramuscular use	4 July 2006	1 November 2006
CHMP Concept Papers		
Subject	Publication Date	Deadline for Comments

Concept paper on the impact of lung and heart immaturity when investigating medicinal products intended for neonatal use	27 April 2006	30 September 2006
Guideline on the Pharmaceutical Quality of Inhalation and Nasal Products	24 April 2006	1 October 2006
Concept paper on Similar Biological Medicinal Products containing Recombinant Alpha-Interferon	8 May 2006	1 August 2006
Guideline on Clinical trials with Haematopoietic Growth factors for the Prophylaxis of Infection following Myelosuppressive or Myeloablative Therapy	12 May 2006	31 October 2006
Concept paper for an addendum to the Note for Guidance on the investigation of bioavailability and bioequivalence	23 May 2006	31 July 2006
Concept Paper on Pharmacogenomic EMEA experience in Oncology	24 May 2006	30 August 2006
Concept Paper on the Use of Genomics in Cardiovascular Clinical Trials	31 May 2006	30 August 2006
CHMP Concept paper: Development of a Guideline on Dossier Structure and Content of Marketing Authorisation Applications for Influenza Vaccines with Avian Strains with a Pandemic Potential for use outside of the Core Dossier	29 May 2006	30 August 2006
European Commission		
Subject	Publication Date	Deadline for Comments
Commission Opinion on draft paediatric medicines regulation	19 July 2006	
Updated version of the Notice to Applicants, Volume 2B on medicinal products for human use	3 July 2006	
Updated version of the Volume 2C and 6C, the application form for renewal of a marketing authorisation	20 July 2006	
Draft guidance on “specific modalities” for non-commercial clinical trials referred to in the		1 October 2006

2005 Good Clinical Practices Directive (2005/28/EC)		
Proposal for a guidance on the definition of Investigational Medicinal Products and Non-Investigational Medicinal Products	28 July 2006	1 October 2006.
Summary record of the Pharmaceutical Committee meeting held on 2 May 2006		
Press release informing that the Standing Committee on Food Chain and Animal Health backed a series of measures aimed at protecting the EU against avian influenza	4 July 2006	
Health Threat Unit of the European Commission's Directorate General for Health and Consumer Protection published a table with information on documented avian influenza infections in humans from the years 1997 to 2006 and updated to 4 July 2006	4 July 2006	

VII. AGENDA

August 2006

10 Deadline for comments on EMEA post-authorisation guidance on parallel distribution

September 2006

11-13 UK Health Protection Agency Conference Pharmaceutical Forum (reporting expected on three priorities, i.e. patient information, relative efficacy, and pricing/reimbursement) (University of Warwick)

18-19 FT Global Pharmaceuticals and Biotechnology Conference – A New Hope? (future of medicine and big pharma model, medical technology, investing in R&D and biotech business model) (London)

21-22 EGA Annual Conference 2006 - Budapest (Hungary)

21-22 SMI's 4th Annual Conference on Pharmaceutical Stability Testing (London)

29 European Commission's High Level Pharmaceutical Forum (Future of Europe as a location for pharmaceutical R&D)

October 2006

10-11 EuropaBio's Brussels Day (Heads of national biotech industry associations and two to three CEO's of biotech SME's)

16-17 European High Level Ministerial Forum "TB is a regional emergency"

No date available International Greek Biotechnology Forum (IGBF3) - Athens