



Pricing & Regulatory Frame Work for Affordable Medicines



Issues and Options for Price Regulation: Industry Perspective



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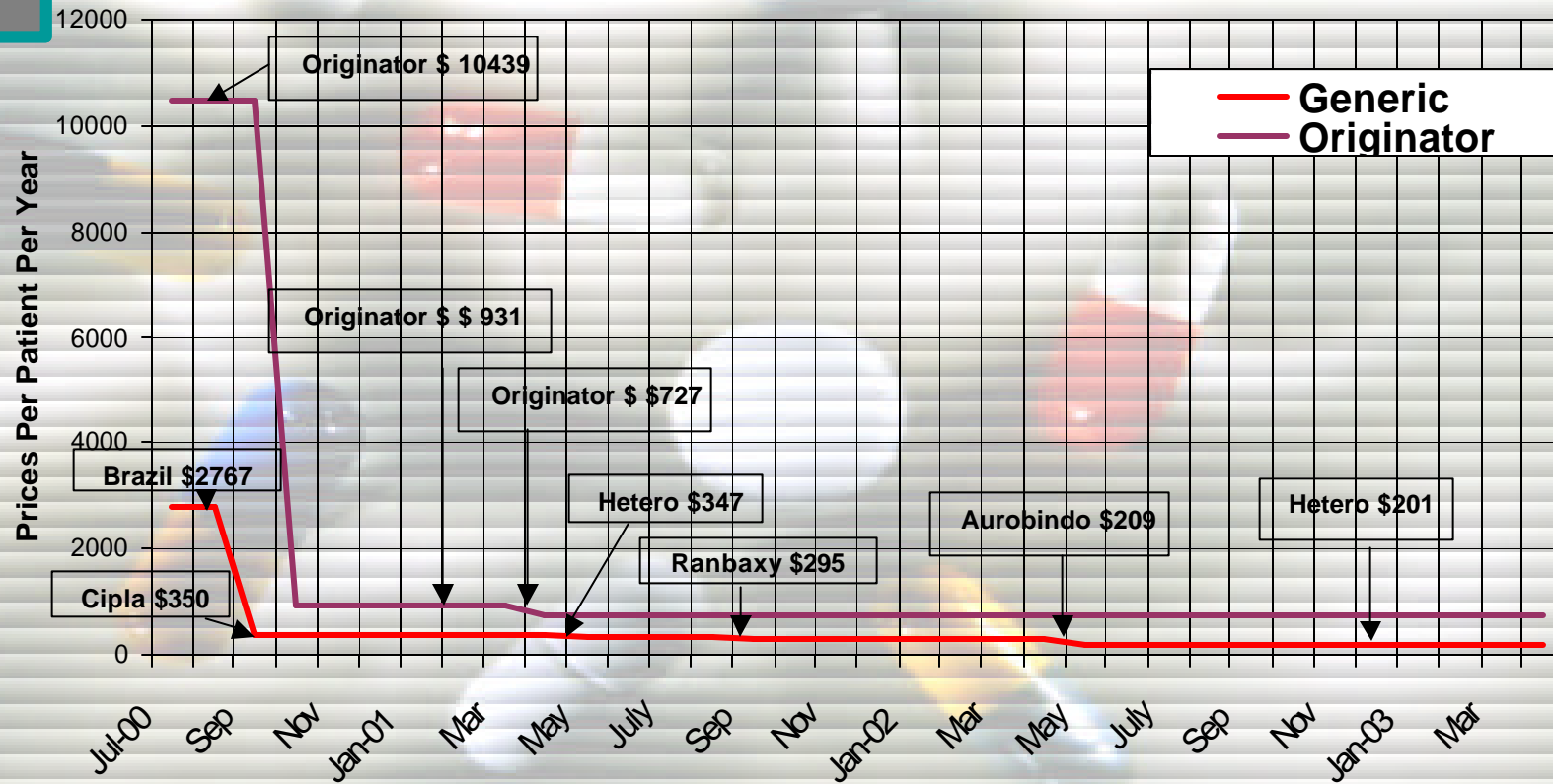


Outline of Presentation

- Global Experience
- Pro-Competitive Policy Framework
- Balanced Policy Approach
- Indian Experience

Global Experience

Prices of ARV Triple Combination: 2000-2003



Source: Sources and Prices of Medicines June 2003, A Joint Unicef, UNAIDS, WHO, MSF Project



Global Experience

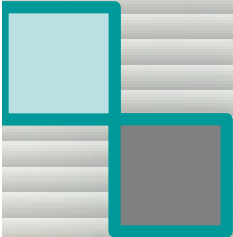


Lesson from Prices of ARV Triple Combination

- Predictability of Demand
- Sustainability of Funding
- Economy of Scale
- Single Regulatory Approval
- Transparency in Procurement
- Multisource Supply



Pro-Competitive Policy Framework



Creating Conditions for Affordable Medicines

- Augmenting Supply
 - Encouraging New Entrants
 - Reducing Risks – Stability of Policy
 - Rewarding Enterprise
 - Weighing Cost v/s Benefits
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Pro-Competitive Policy Framework



Barriers to Affordable Medicines

- Multiple Regulatory Approvals
 - Fragmented Capacities
 - High-Risk Business
 - Over Regulation of Industry
 - Single Source of Supply
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Balanced Policy Approach



Policy Framework

- Short Term & Long Term
- Cost v/s Quality, Safety, Efficacy
- Current Needs & Future Growth
- Access & Innovation



Indian Experience

Lesson from DPCO 1979

- Shortages/ Black Marketing of Medicines
 - Emergence of Spurious & Counterfeits
 - Slowdown of Investment
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Statement from 1986 Drug Policy

“Creating an environment conducive to new investment into the Pharmaceuticals industry, to encouraging cost-effective production with economic sizes and to introducing new technologies and new drugs”.



Indian Experience



Lesson from DPCO 1995

- Abundance of Medicines
Except "Scheduled Formulations"
 - Intensely Competitive Market
 - Robust Growth
 - Innovations in Delivery Mechanism
 - Quality & GMP – Differentiator from Others
- 



THANK YOU

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