WORKING DOCUMENT - BARBADOS AND BOLIVIA

PROPOSAL 4

Cancer Medicines and Vaccines in Developing Countries

Prizes as a Reward Mechanism for New Cancer Treatments

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The Problem

Developing countries are facing an increase in health problems associated with cancer. New cancer treatments are priced far too high for the majority of people living in developing countries.

Prizes to Reward Innovations for New Medicines and Vaccines for Cancer

This is not a proposal for a global prize fund. Rather, it is a proposal that national governments in developing countries introduce a new system of rewarding the development of new medicines and vaccines for cancer. Specifically, the proposal is that developing countries de-monopolize the entire sector of medicines and vaccines for cancer, and permit free entry by generic suppliers. In return for ending the monopoly, the governments should agree to provide a domestic system of rewards for developers of new medicines and vaccines for cancer that is funded as a fixed proportion of one of the following possible bases:

- 1 The national budget for cancer treatments.
- 2 The national budget for the purchase of ca0ncer drugs,
- 3 The national budget for healthcare, or
- 4 Some other base.

WHO Meeting on this Proposal

The WHO should evaluate the underlying need for access to medicines and vaccines for cancer, and determine if the pricing of new products is consistent with sustainable access for all. A meeting should be held in April 2009 to consider new business models for rewarding developers of new medicines and vaccines for cancer, specifically including proposals that would replace monopolies on new medicines with a system of rewards linked to improvements in healthcare outcomes. This discussion should compare the returns to the developers of new products under the existing approach and under the new proposal, and also consider the impact of the proposal on access and outcomes in developing countries.

This proposal is responsive to WHA60.30.