

Antitrust: Commission opens formal investigation into Aspen Pharma's pricing practices for cancer medicines

Commissioner Margrethe **Vestager**, in charge of competition policy, said: *"When we get sick, we may depend on specific drugs to save or prolong our lives. Companies should be rewarded for producing these pharmaceuticals to ensure that they keep making them into the future. But when the price of a drug suddenly goes up by several hundred percent, this is something the Commission may look at. More specifically, in this case we will be assessing whether Aspen is breaking EU competition rules by charging excessive prices for a number of medicines."*

The investigation concerns Aspen's pricing practices for niche medicines containing the active pharmaceutical ingredients chlorambucil, melphalan, mercaptopurine, tioguanine and busulfan. The medicines in question are used for treating cancer, such as hematologic tumours. They are sold with different formulations and under multiple brand names. Aspen acquired these medicines after their patent protection had expired.

The Commission will investigate information indicating that Aspen has imposed very significant and unjustified price increases of up to several hundred percent, so-called 'price gouging'. The Commission has information that, for example, to impose such price increases, Aspen has threatened to withdraw the medicines in question in some Member States and has actually done so in certain cases.

Aspen's behaviour may be in breach of the EU's antitrust rules (Article 102 of the Treaty on the Functioning of the European Union (TFEU) and Article 54 of the European Economic Area (EEA) Agreement, which forbid the imposition of unfair prices or unfair trading conditions on customers.

The investigation covers all of the EEA except Italy, where the Italian competition authority already adopted an [infringement decision](#) against Aspen on 29 September 2016.

This is the Commission's first investigation into concerns about excessive pricing practices in the pharmaceutical industry.

The Commission will now carry out its in-depth investigation as a matter of priority. The opening of formal proceedings does not prejudice the outcome of the investigation.

Background

Aspen is a global pharmaceutical company headquartered in South Africa. Aspen has several subsidiaries in the EEA.

In the EU, national authorities are free to adopt pricing rules for medicines

and to decide on treatments they wish to reimburse under their social security systems. Each country has different pharmaceutical pricing and reimbursement policies, adapted to its own economic and health needs. The pricing of original medicines that are protected by patents is highly regulated. For off-patent medicines, Member States may directly influence prices of generic entrants, but also encourage competition to achieve lower prices. As a result, prices generally fall significantly when a medicine goes off-patent. However, in the present investigation the Commission has indications of significant price increases for off-patent medicines.

[Article 102 of the Treaty of the Functioning of the EU](#) prohibits the abuse of dominant market positions. The implementation of these provisions is defined in the EU's Antitrust Regulation ([Council Regulation No 1/2003](#)), which is also applied by national competition authorities.

Article 11(6) of the Antitrust Regulation provides that the initiation of proceedings by the Commission relieves the competition authorities of the Member States of their competence to also apply EU competition rules to the practices concerned. Article 16(1) of the same Regulation provides that national courts must avoid giving decisions which would conflict with a decision contemplated by the Commission in proceedings it has initiated.

There is no legal deadline to complete inquiries into anti-competitive conduct. The duration of an antitrust investigation depends on a number of factors, including the complexity of the case, the extent to which the undertaking concerned cooperates with the Commission and the exercise of the rights of defence.

More information on the investigation will be available on the Commission's [competition](#) website, in the public [case register](#) under the case number [40394](#).

[Council adopts conclusions on indigenous people](#)

The Council adopted conclusions on indigenous people, recalling that the EU is founded on values of respect for human dignity, freedom, democracy, equality, the rule of law and respect for human rights, including the rights of persons belonging to minorities.

The Council underlines the importance of addressing discrimination and inequalities based on indigenous origin or identity as well as the importance of actions taken to address the threats to and violence against indigenous peoples. The Council also highlights the crucial importance of further enhancing opportunities for dialogue with indigenous peoples at all levels of EU cooperation.

These conclusions follow the joint staff working document “Implementing EU external policy on indigenous peoples” published by the High Representative and the European Commission in October 2016. The joint staff working document identified ways for the EU to strengthen its support to indigenous peoples through existing external policies and financing.

State aid: Commission finds Portugal’s extension of hydro-power concessions to EDP does not involve state aid

The use of public water resources for electricity production in Portugal is subject to a concession agreement. The government picks a concessionaire following specific procedures determined by law. In 2007, Portugal extended several hydro power concessions beyond the termination date that had originally been granted (2020 in average). These extensions were granted to EDP against the payment of €704 million.

This measure was never notified to the Commission for state aid approval and has the effect of maintaining 27 hydro power plants under the control of EDP, together accounting for 27% of Portugal’s generation capacity.

In September 2013, following the receipt of complaints, the Commission opened a [formal investigation](#) into the measure. The main concerns related to the price paid by EDP for the extension of the concessions and to the market impact of the extension given EDP’s strong position on the Portuguese market.

During the formal investigation, the Commission verified that the compensation paid by EDP for the extension of the hydro power concessions was in line with market conditions. The Commission concluded that the financial methodology used to assess the price for extending the concessions was appropriate and led to a fair market price .

On this basis, the Commission has now concluded that the compensation paid by EDP for the extension of the concessions does not involve state aid.

Note that the present decision does not address compliance of the measure with other provisions of EU law, such as EU public procurement rules and antitrust rules based on Articles 106/102 TFEU.

The non-confidential version of the decision will be published in the [State aid register](#) on the [competition](#) website under the case number [SA.35429](#) once eventual confidentiality issues have been resolved. The [State Aid Weekly e-News](#) lists new publications of state aid decisions on the internet and in the EU Official Journal.

Working people £2,300 worse off under Theresa May's watered down National Living Wage

The Tories are today claiming that they will 'continue increasing the National Living Wage'. However, hidden in the small print of their press release they let it slip that they are planning to water down the existing National Living Wage.

This change would leave the average full-time worker on the National Living Wage £2,283 worse off by 2020.

Earlier in the Parliament, George Osborne announced that the Tories' so-called National Living Wage (NLW) was to hit £9 per hour by 2020. To get here the Tories promised that it would reach the level equivalent to "over 60 per cent of median hourly earnings" by 2020.

Today, they've broken this promise and changed their commitment to increasing the National Living Wage only "in line with median incomes".

This means that the National Living Wage will be £8.20 in 2020 as opposed to the promise of £9 per hour under Osborne.

In contrast, Labour is committed to a Real Living Wage of £10 per hour by 2020.

Ian Lavery, Labour's National Campaign Co-ordinator, commenting, said:

"Theresa May is taking working people for fools.

"This morning she claimed she was standing up for working people, but hidden in the small print of her announcement is a cut to working people's incomes.

"The Tories cynical ploy to pull the wool over voter's eyes won't work.

"Today's ridiculous claims are yet more

evidence that this election is a choice between a Tory party that fails working people and a Labour Party that will stand up for working people and deliver a better, fairer Britain.”

Jeremy Corbyn speech at the Royal College of Nursing Annual Conference

*****Check against delivery*****

Jeremy Corbyn, Leader of the Labour Party, speaking at the Royal College of Nursing Annual Conference, said:

I want to say thank you.

Thank you to the nurses gathered here today.

And thank you to everyone in the nursing profession.

And to all National Health Service staff across Britain.

Our National Health Service, of which we are so proud, would be nothing without you.

Our politicians owe you a duty.

A duty to ensure you can work with dignity.

A duty to ensure you are not held back from providing the best possible standard of service to all your patients.

That is what Labour offers.

And let me make it clear today – Labour is ready to step in and save the NHS from

cuts and privatisation.

Every day our General Election team is reminded of the central importance of this.

At our headquarters in London, the walls are decorated with the original poster from the 1940s saying 'Labour's health service covers everyone

– Tories voted against it.'

Nothing embodies our campaign theme – 'for the many not the few' – better than the NHS.

Universal,
life-long health care, free at the point of need.

However it is being dismantled by stealth.

Over the past seven years, our NHS has been driven into crisis.

A&E departments are struggling to cope. Waiting lists are soaring and, as we saw last week, Tory cuts have exposed patient services to cyberattacks.

I would like to pay tribute to how all NHS staff have responded to this terrible cyber-attack. The stress you must have faced trying to keep patients safe must have been intense, this was just another example of the extraordinary lengths you go to every day to keep our country healthy.

And we know our NHS is under threat from privatisation, brought in by the Health & Social Care Act. The Tories are forcing through NHS privatisation on a huge scale – £13 billion of taxpayers' money was handed over last year to private companies to profit from NHS services.

Nye Bevan once said of the NHS:

"It will last only as long as there's folk with faith left to fight for it."

Be in no doubt that there are those folk.

I am one of them.

And in hospitals, health centres, and communities all across the land there are thousands of us.

People for whom working for the NHS is a privilege and a pleasure.

Like so many in public service everywhere.

People believe in the founding principles of the NHS.

A service like no other.

Not a service which checks your bank balance before it checks your blood pressure.

A service for the many not the few.

But Britain is not being run for the many, for the majority.

Across our country people are being held back.

If you're a student nurse without a bursary, doing a second job to make ends meet; you're being held back.

If you worry about your children because they can't get together the deposit for a home or afford the rent; then you are being held back.

If you manage a ward and can't free up beds because of the cuts in social care; the Government is holding you back – stopping you from doing properly the job you were trained to do.

In Britain – the sixth richest country in the world – this cannot be right.

It cannot be right that trained nurses are leaving the profession for other jobs.

It cannot be right that tax giveaways for the rich and big business have been put before funding for the NHS, Social Care and fair treatment of NHS staff.

The RCN has found that nursing shortages have doubled in just four years.

We could have 40,000 fewer nurses than we need by 2026.

Your pay has fallen 14 per cent in real terms since 2010, but you don't work any fewer hours.

That is the Tories' record.

I wish there could be a public debate on this record with Teresa May.

Did you hear her on a radio phone in last week?

A doctor from Leeds called Romena told her that she was considering quitting after 12 years of service – because of 'crippling frontline staff shortages which have worsened as a result of the government's failure to invest properly in the NHS'.

Romena asked why Jeremy Hunt was reappointed since he'd demoralised the entire workforce.

Theresa May simply dodged the questions.

She doesn't want to recognise the truth.

Or the real scale of the crisis.

Theresa May isn't
listening and doesn't care.

She herself called the Tories the nasty party.

And now she's trying to masquerade as someone who cares about
working people.

She's taking us for fools.

Theresa May and her Tory Government have failed to stand up for
the hundreds of thousands of workers not being paid the minimum wage

She has failed to tackle zero hours' contracts and employment
agency malpractices.

She's done nothing for the thousands of workers who have been
unfairly treated but can't afford to pursue a claim because of tribunal fees
—
introduced in the first place by the Tories.

They are still the nasty party.

And if they win this election, the people of Britain are in for
some nasty surprises.

Imagine what would happen to the NHS if the Conservatives under
Theresa May were to have another five years in power.

It would be unrecognisable: a national health service in name, cut
back, broken up and plundered by private corporations.

Only Labour will put the NHS back on its feet. To move towards a
National Social Care Service to give everyone the care and dignity they
deserve
and finally make parity of esteem for mental and physical health a reality.

Today we are pledging an extra £7.4 billion a year for the NHS
throughout the next Parliament, including £2 billion annually to modernise
buildings and IT systems.

This funding settlement will allow Labour to:

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Guarantee access to treatment within 18 weeks, cutting one
million from NHS waiting lists by the end of the Parliament.

.
Ensure those needing A&E services are seen within four
hours, helping another million people each year.

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Deliver the Cancer Care Strategy for England in full by 2020, helping 2.5 million people living with cancer.

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Create a new £500m Winter Pressures Fund to protect patients from the problems we saw earlier this year.

This is Labour's New Deal for NHS Patients.

It will give NHS staff the support they need – and deserve – to give the best possible service to patients.

And we will guarantee that level of service.

We will ensure the standards the Tories have failed to deliver – and to which patients are legally entitled – are met under Labour.

But Labour also recognises that great services depend on retaining staff by rewarding them properly.

You go above and beyond every day, and your ballot result yesterday showed how angry and frustrated your members are after a 14 per cent cut in real pay under the Tories.

Labour will not put you in that position.

We will lift the public sector pay cap.

And hand back decisions on pay to an independent review body.

Labour wants nurses to be paid a decent wage.

And we will fund training. We will restore the bursaries for nurses – the vital funding that the Tories chose to end.

This election will define the future of the NHS as no other.

You can't trust the Tories with our NHS. It's too much of a risk to take.

Labour founded the NHS and we will restore it to good health.

This is central to our plan to transform Britain – our plan to create a fairer Britain for the many not the few.

We will set out our policies in full in our manifesto tomorrow.

The scale of our ambition will be clear – it will be inclusive, fair and costed.

We are going to transform Britain, together, for the better.

Only a few weeks remain to take that message to the people of Britain

To show how we will hand power back to you.

So that everyone in this country has a stake in their future

A future, a Britain, for the many, not the few.