Interview: Gerard Schouw – Director, Nefarma, The Netherlands



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As Director of the Netherlands' association for innovative medicines, Gerard Schouw outlines new strategies to enhance the Dutch research climate; foster greater collaboration between all stakeholders and improve public perception of the industry. In light of the upcoming Dutch Presidency of the European Union, the Netherlands intends to lead the way with new initiatives as Nefarma plans to implement five new pricing models including pay-for-performance to contribute to the sustainable pricing of innovative medicines.



Taking on the role of Director of Nefarma could be considered a change of direction for you given your political background. What was it about Nefarma that really resonated with you and that motivated you to make this change?

Before I joined the association, I was a member of Parliament and an active member in public services for over twenty-five years. Moreover, from 2001 to 2010, I was the Managing Director of a

knowledge center for cities firstly in the Netherlands and then, later, in some other European cities. Last year, I was contemplating what the next step in my career should be. Although I was not an expert in healthcare before I started here, I thought it was a very interesting field to be involved in because everyone knows someone who is ill and who wants to get better. As such, I focused on healthcare, and I discovered that there is a lot of ground-breaking innovation and progress taking place in this sector. Ironically, just at that moment, Nefarma approached me, and I thought why not? It was a crucial time for the association because the board had decided to progress its agenda to increase the engagement and collaboration between the private and public sectors. They, therefore, thought that it would be good to have an outsider's perspective for the association, and that is why I am here.

Given your own extensive background in the political sphere, what kind of new perspectives and capacities do you bring to Nefarma?

What I can bring to the association is, firstly, my experience as a director of the knowledge center of cities: I know how to manage an organization. Secondly, I am well versed in connecting the public and private sectors. The third attribute is my political experience: I know about the policies in place here in the Netherlands, and I have a unique understanding of the attitude of the public vis-à-vis the pharmaceutical industry.

What are the main priorities of Nefarma at this time?

The main goal of Nefarma is to be a trusted partner for all the stakeholders across the healthcare value chain. I, therefore, developed a new strategy based on the three Dutch words "verbinden", "vertrouwen" and "verantwoordelijkheid"; meaning collaboration, trust, and responsibility respectively. In this vein, our main priorities are, firstly, to create swifter access to innovative drugs for patients. We want to be the number one in Europe for market access, and, in order to achieve this, we need to remove a lot of the red tape. There was an interesting study carried out by ACTAL which stated that there are so many rules that, if we were to reform them all, it would be possible to bring medicines to the market up to a year earlier.

Our second goal is to contribute to the sustainable pricing of health care and, for this, we have defined five new pricing models which were presented in a KWF report earlier this year. We hope that insurance companies, hospitals, and our members will try out these new models and that we will be able to evaluate their effectiveness over a year and a half.

Thirdly, we aim to contribute to the effective use of drugs and to monitor the effects of medicines because it is really important to sell effects rather than drugs. Furthermore, as healthcare evolves

towards personalized and smart medicines, it will be necessary to know much more about the effects of these treatments. A final priority is to stimulate the R&D climate in the Netherlands. In order to reach towards these goals, we want to work together with all of our partners on development agendas. Concretely, we want to have a very proactive policy and to develop new future scenarios in collaboration with the government.

One of the key roles of the association is to act as an advocate for the industry. What is your assessment of the public perception of the industry, and do you believe it is an important priority to work towards an improved public perception of the industry?

This is a very important issue. I think that public perception could be better, and Nefarma is working very hard to try and improve this. For us, it is important to show the public what can be achieved with new medicines. There is an intensive debate in the Netherlands about pricing and that is one of the reasons why Nefarma decided to come up with new innovative pricing models for health care. We also want to encourage more public discussions about issues regarding the pharmaceutical industry. In fact, I am trying to avoid phrases like ‘pharmaceutical industry’ because, in my opinion, this is not the future. I prefer to speak of ‘medicine developers’ because this term better describes what our members are doing as inventors creating new solutions for extremely complex problems.

What is Nefarma doing to take advantage of the Netherlands strong R&D infrastructure and to encourage more innovation locally?

Over the last three months, I have visited over a hundred companies and associations to discuss the research climate in the Netherlands. The feedback that I have had is that the research climate is not as strong as it used to be, so this is an issue which we have to put on our agenda once more. Naturally, I have been wondering why this is the case when we have such a strong infrastructure. The first step will be to create awareness of this problem and to look more precisely at the strengths and the weaknesses of the current system. This knowledge will make it possible to develop a plan to tackle this issue. One initiative that we have is, alongside the Ministry of Health, Welfare and Sport (MOHWS), to have discussions with other European leaders investing in similar plans. Additionally, looking at the figures, there are between 35 to 40,000 high-skilled workers in the life sciences industry. I would like to increase that to around 75,000 in five to ten years’ time because this would be beneficial for the Netherlands, for our knowledge industry, and, of course, for the patients.

What are the key challenges that your members face here in the Netherlands?

There are, of course, many discussions revolving round the issues of pricing and market access. However, horizon scanning is also an important topic, as the MOHWS, insurance companies, and hospitals try to gauge what kinds of products might come on to the market. Up till now, this issue has been more or less a black box, as only the companies have known what is coming to the market. Physicians also want to know about the new therapies for their patients, and the insurance companies want to know the effect on cost of healthcare. Estimations in the past have been very unreliable, so we are now working towards a more reliable horizon scan for next year and to develop registries. One of my wishes is to create a national registry authority because I think this is necessary if we are to know more about the effects of medicines and also to make the sector more reliable and acceptable to the public.

Drug expenditure only accounts for between 7 and 8% of the healthcare budget. As such, how effective is the government's continued focus on lowering pharmaceutical spending to ensure long-term affordability of healthcare in the Netherlands?

It is, of course, important to look at the whole when considering possibilities for cost-containment. However, the pharmaceutical spending segment is also of particularly interest. For example, I believe that the MOHWS initiative to jointly negotiate orphan drug prices with other small European countries such as Belgium could be a solution that would ensure Dutch patients have access to the treatments they need. Moreover, Minister Schippers is very aware of the new possibilities of drugs, and that medicine developers, particularly for orphan drugs, have to do their job well.

Looking to the Dutch Presidency of the European Union next year, how has Nefarma collaborated with the government to shape the agenda vis-à-vis the pharma and biotech industries?

We have been in discussion with the MOHWS regarding some of the key topics such as the sustainable financing of healthcare transparency vis-à-vis new products coming to the market, and registries which will be of importance not just in the Netherlands but also at a European level. One of the key priorities for the Minister is addressing the problem of antimicrobial resistance (AMR). We have offered to contribute to this goal in any way possible, as this is an issue affecting not just the government but also the industry. Last but not least, we are looking together at reducing some of the bureaucracy affecting market access and creating more flexible paths, so that patients can gain access to the treatments that they need as soon as possible.

How can the Netherlands use this opportunity to most meaningfully strengthen its positioning within the European life sciences community?

I have seen a lot of presidencies, and I have never seen a ‘big bang’ during a presidency: it is always made up of small steps forward. We should be very happy is the Minister can make some progress in the AMR dossier and the bureaucracy and market access agenda because this will have a real impact on the patients.

What are your expectations for the evolution of market and the industry in the coming years, and what will role will Nefarma play in this evolution?

First of all, when I look to the R&D climate in the Netherlands, I want it to be more attractive and with more people working in the sector. In this way, people will be able to say that, although we lost Organon in 2010, the ecosystem is much stronger and that is something we could be proud of. The other questions relate to the impact that medicines being developed within the next five to ten years can have on the patients. Having a better idea of what the industry will look like in ten years’ time will allow us to look at our current laws and regulations and assess whether they are really made for the future. I believe that the conclusion will be the system we have in place just now is not ready for the future in terms of all the new medicines that will come to the market. For my organization, it is necessary to get a clearer overview of the where the industry will be in 2025 and then we will have to develop an agenda to change the existing laws and regulations so they are better adapted to the future of the healthcare and life sciences industries.

What would be your key message to the European and international community on behalf of Nefarma?

Let’s talk about the inventions! Here in the Netherlands, there are a lot of great inventors and researchers who are creating solutions for highly complex problems that we are unable to solve at the moment. It may sound a bit romantic but, in essence, this is what is taking place here and which needs to be highlighted.

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