

Asia-Pacific Economic Cooperation

Business Ethics for APEC SMEs Initiative

Communicating the Value of High-Standard Business Ethics (Externally) – Challenges and Opportunities

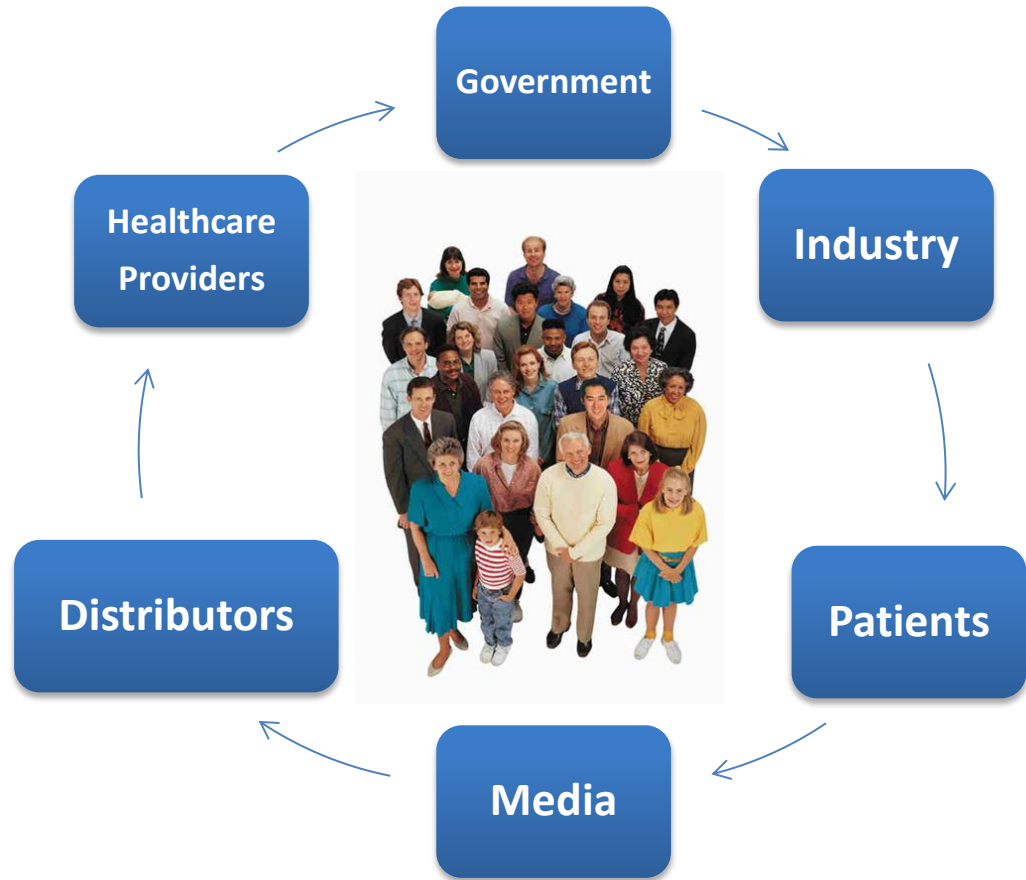


**Asia-Pacific
Economic Cooperation**

**Business Ethics for APEC SMEs
Biopharmaceutical Sector**

Ethical Business Practice is Everybody's Business

Industry alone cannot achieve ethical business practices. There should be continued engagement and partnership between all stakeholders to ensure an ethical environment.



Who are the Stakeholders?

Government

Hospitals

**Patients &
Patient Groups**



Pharmacists

**Healthcare
Professionals**

Distributors

Industry

Media



Government Stakeholders

Regulators, Enforcers, Customers, Payors, Champions

- Governments across the 21 APEC economies have endorsed the Mexico City Principles, but many of the relevant government stakeholders may not have heard of the Principles.
- Numerous potential stakeholders at national/regional levels:
 - Food and Drug Administration
 - Ministry/Department of Health
 - Pricing and Reimbursement/Procurement Agencies
 - Anti-Corruption Authorities
 - Ministry of Industry/Trade
 - Others?
- **Need for continued and ongoing engagement**



Healthcare Professionals (HCPs) Associations/Hospitals

Customers – “Demand Side” of Unethical Practices

- Industry interactions with HCPs can present most significant risks
- Industry interactions with purchasing agents in Hospitals, Institutions and Corporations also a point of risk
- Industry should help HCPs and their representative associations understand the new environment for ethical business practices
- Industry should partner with HCPs to motivate change
- In many of the APEC Economies, HCPs are also government employees



Pharmacists & Distributors

Intermediaries – Potential Conduits for Unethical Practices

- Important actors in the supply chain. For over-the-counter products, pharmacists in some economies may be relied upon by patients in the same way that they would other healthcare professionals.
- Like HCPs, pharmacists and distributors should understand industry Codes of Ethics to ensure understanding of new rules of road and that they do not inadvertently facilitate unethical business practices.
- Also like HCPs, they are well placed to explain if there are systemic issues that facilitate or encourage unethical business practices.



Patient Groups

Voice for Patients

- Shared goal of ensuring that medical decisions are made in the best interests of patients
- This principle underpins the APEC Mexico City Principles
- Patient groups need to understand the purpose of Codes of Ethics and to see results (change) following implementation
- In turn, Patient Groups can serve as strong advocates for Codes of Ethics with all other stakeholders, patients and broader society



Media

- Regardless of how successful industry companies and associations are in promoting and seeking implementation of codes of ethics, scandals will most likely take place.
- As a result, each industry company and association should consider its communication strategy with the media.
- Industry companies and associations should not wait for an issue to emerge. Building connections and informing media on steps that are being taken to implement ethical business practices on a consistent basis is critical so that when an issue arises the Code of Ethics is not being explained for the first time.
- It is in the interest of all stakeholders to embrace ethical business practices and demonstrate their commitment to patients and broader society. To this end, media can be a key ally.
- Virtuous circle – positive media interaction can also help promote Codes of Ethics to other stakeholders.



The Industry

- Unethical business practices by one or a few enterprises can damage the reputation of an entire industry within an economy or across borders.
- As such, it is important for companies and associations to promote code of ethics to all enterprises, even if they are not association members.
- Collaboration and unity presented to other stakeholders can place industry in a strong position to advocate for high ethical standards.



Working towards a Consensus Framework for Multi-Stakeholder Ethical Collaboration

- Aims to enhance credibility, dialogue, trust and respect between governments, organizations, professionals, institutions and the healthcare system and ultimately to improve health outcomes.
- Established to demonstrate the common commitment to professional integrity and appropriate ethical interactions among the signatory partners so that decisions are made in the best interests of patients.
- Ultimately, we can build trust and promote transparency by starting with what we have in common – where everyone is comfortable – and developing standards that allow us all to build relationships that are mutually beneficial.

