

Disclosure UK: understanding the data

Guidance notes for analysis of the 2023 data

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Preface

These guidance notes have been prepared by RAND Europe for The Association of the British Pharmaceutical Industry (ABPI) to support researchers and other interested parties in their interpretation of the ‘Disclosure UK’ dataset of transfers of value (ToVs) from pharmaceutical companies to UK healthcare professionals (HCPs), healthcare organisations (HCOs) and Other Relevant Decision Makers (ORDMs) during 2023. The notes are intended to be read in conjunction with the disclosure data published on the ABPI website, along with the ABPI Code of Practice for the Pharmaceutical Industry 2021,¹ which incorporates requirements from the consolidated European Federation of Pharmaceutical Industries and Associations (EFPIA) Code of Practice 2019.²

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¹ ABPI (2021); <https://www.pmcpa.org.uk/>

² EFPIA (2019); <https://www.efpia.eu/relationships-code/the-efpia-code/>

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Abbreviations

ABPI	The Association of the British Pharmaceutical Industry
CCG	Clinical Commissioning Group
COVID-19	Coronavirus Disease 19
CRO	Clinical Research Organisation
EFPIA	European Federation of Pharmaceutical Industries and Associations
GDPR	General Data Protection Regulation
GP	General (Medical) Practitioner
HCO	Healthcare Organisation
HCP	Healthcare Professional
ICS	Integrated Care System
MEGS	Medical and Educational Goods and Services
ORDM	Other Relevant Decision Maker
OTC	Over-the-Counter (medicine)
R&D	Research and Development
ToV	Transfer of Value
VAT	Value-Added Tax

Introduction

In light of wider efforts to increase transparency around the relationships between the pharmaceutical industry and the healthcare sector, all pharmaceutical companies abiding by The Association of the British Pharmaceutical Industry (ABPI) Code of Practice for the Pharmaceutical Industry are required to disclose Transfers of Value (ToVs) to healthcare professionals (HCPs), other relevant decision makers (ORDM) and healthcare organisations (HCOs).³ The ABPI defines ToVs as “a direct or indirect transfer of value, whether in cash, in-kind or otherwise, made, whether for promotional purposes or otherwise, in connection with the development or sale of medicines”.⁴ The ABPI Code also requires companies to provide an accompanying note summarising the methodologies they used to prepare the disclosures for the reporting period (i.e. the calendar year 2023). The following guidance notes for analysis of the 2023 data draw on information from the 143 methodological notes submitted by these companies.⁵ The document provides an overview of variations in methodology that may affect the comparability of the data across companies.

The ABPI Code provides some, but not exhaustive, examples of the type of information the methodological note is expected to cover. This means methodological notes vary widely between companies in the scope and content of information provided. We provide an indication of how frequently a methodological approach is used by noting the number of disclosing companies that report using it. However, the number of companies does not necessarily correspond to the total monetary value of the ToVs that the difference in methodological approaches affects. For example, one company may disclose VAT in their submission but the total value of their submission could be much smaller than another company which does not disclose VAT in their submission. Thus, how frequently a methodological approach is used does not have a direct relationship to any monetary value.

Occasionally, disclosing companies and their associated data are removed from the Disclosure UK database before the end of the three-year publication lifespan for disclosure information. This can be due to one of several reasons, such as the entity closing operations in the UK, or no longer being commercially active in the UK, or the legal entity has changed due to a merger or acquisition. In such instances, a researcher may

³ ABPI (2021, Clause 1.9).

⁴ ABPI (2021, Clause 1.25).

⁵ Note that sometimes a company will submit more than one set of data and hence more than one set of notes, for reasons such as a name change or a merger part way through the year. We count these as distinct sets of data and distinct notes.

see that the number of disclosing companies for a single data year has reduced since the initial June data publication.

Chapter 1 discusses companies' approaches to the calculation and collation of ToVs, including matters concerning value-added tax (VAT), currency and exchange rates, identifying ToV dates, the lawful basis for disclosure, aggregation and disaggregation of ToVs, as well as cross-border payments.

Chapter 2 outlines the ways that methodological notes approach defining key terms such as HCPs, ORDMs and HCOs.

Chapter 3 discusses the types of ToVs and the scope of disclosure, including companies' approach to collaborative working, contributions to costs of events, contracted services, indirect ToVs, and some additional considerations related to the scope of disclosures.

These guidance notes should be read in conjunction with the ABPI Code of Practice, which details in full the requirements for disclosure, which are consequently not repeated in these guidance notes. Commentary on the differences between company methodological notes is not a judgement on adherence to the requirements of the ABPI Code of Practice, as variations in approach between companies are to be expected. Some companies may be disclosing more information than required by the ABPI Code.

Where patterns of difference in methodologies are identified, the ABPI, PMCPA and companies endeavour to address these via development of training, communications, and other resources. Any comments or complaints relating to the ABPI Code of Practice or disclosure should be directed to complaints@pmcpa.org.uk.

1. Calculation and collation of transfers of value

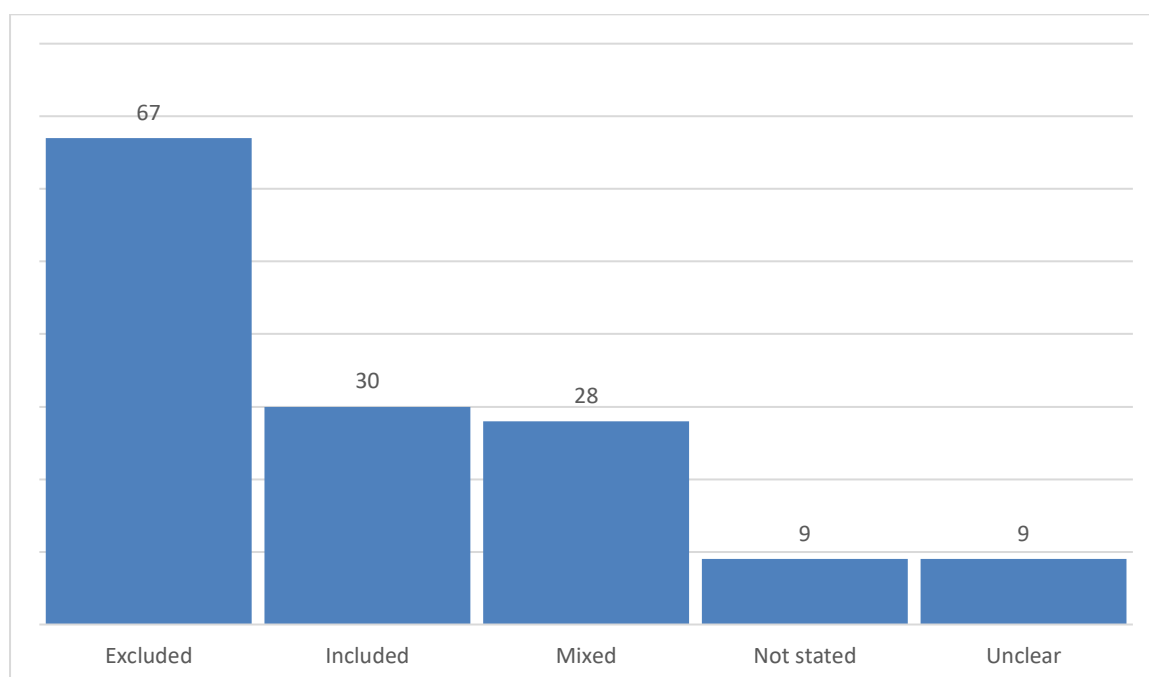
This section presents considerations relating to the calculation and collation of all types and categories of ToV which are discussed in subsequent sections, thereby relating to the analysed dataset as a whole.

1.1. Value-Added Tax

As shown in Figure 1, out of 143 methodological notes disclosed for 2023, 134 included mentions of how Value-Added Tax (VAT) was approached in the disclosed dataset. Of these, 67 reported excluding VAT from the disclosed transfers of value, while 30 reported including VAT. Twenty-eight companies detailed a mixed approach to VAT, including it in some cases while excluding it in other instances (see Box 1 for examples). The approach of nine companies was unclear based on the methodological notes. This included instances where the company stated that VAT was specified at local rates, or mentioned that transfers were accounted for correctly, or noted that VAT was paid where applicable or relevant.

Box 1. Examples of how different companies described a mixed approach to VAT.

- Excluding VAT for direct ToVs and including VAT for in-kind ToVs.
- Excluding VAT for direct ToVs and including VAT for ToVs related to travel and accommodation.
- Excluding VAT for ToVs related to collaborative working, benefits in-kind to HCOs, and service-related honoraria, but including VAT for ToVs related to hospitality.
- Excluding VAT for ToVs related to fees for service, donations, grants, sponsorships and financial support, while including VAT for ToVs related to services or products (e.g. flight tickets, hotel fees).
- Disclosing exact amounts paid to HCPs, HCOs and ORDMs, as shown on the original invoices (i.e. a mixed approach, depending on whether the invoice included or excluded VAT).
- Specifying that while VAT is not deemed applicable for fees for service, out of pocket expenses would be disclosed in full (regardless of VAT). This approach included further specifications noting that registration fees, travel and accommodation are reported including VAT, while other transfers of value, such as sponsorships, are reported exclusive of VAT.

Figure 1. Companies' approach to VAT disclosure.

1.2. Currency and exchange rates

Currency

Only 15 out of 143 companies did not provide information about ToV currency in their methodological notes. One hundred and one companies stated that ToVs were disclosed in British Pounds Sterling (GBP), 25 noted that ToVs were disclosed in the currency of payment or in the local currency, while one company stated that disclosure was made in GBP or local currency. One company specified that all ToVs were disclosed in Euros, British Pound Sterling or US Dollars.

Exchange rates

One hundred and nineteen companies explained their approach to ToV exchange rates in their methodological notes. Of these, 21 stated that they used the exchange rate prevailing at the time of the payment, 20 used the exchange rate of the date of ToV, 13 used the exchange rate of the month, and another 13 used the average annual exchange rate. Eleven companies stated that they used exchange rates approved internally by their financial systems. Ten companies noted that all payments were made in GBP so there was no need for any currency exchange to take place. Thirty-one companies specified other approaches to ToV exchange rates (see Box 2 for examples).

Box 2. Examples of how different companies described their approaches.

- One company aligned the exchange rate with the date shown on the expense claim.
- One company stated that they used the day of approval *or* the time of disclosure, using a currency converter tool at a commercial bank website.
- Companies used different sources to determine exchange rates. One company used the exchange rate converter found on www.oanda.com, accessed on the 27th of March 2024. Another one quoted using www.exchangerates.org.uk to determine exchange rates. Other companies were less explicit. For example, one stated that they used a “well-known, reputable provider” for obtaining currency exchange rates, while another noted that they used “a reasonably established methodology”.
- Three companies specified the exchange rates used, e.g. £1 GBP = \$1.3532.
- Three companies specified only the date of the exchange rate conversion, but not the source of information used to obtain exchange rates.
- Five companies specified their approach to exchange rates depended on the nature of the ToVs. For example, one company noted that they used the transaction date exchange rates for direct and indirect TOVs, but that they used an average monthly exchange rate for cross-border ToVs.

1.3. Identifying transfer of value dates

From the 143 companies that provided methodological notes, 70 (49%) did not provide information about how the date of the ToV was determined. This number is slightly higher than last year, where 45% of disclosing companies did not include information about the date of the ToV in their methodological notes.⁶

Of the 73 companies that included information about identifying ToV dates, 38 disclosed them based on the date the ToV was made, 22 disclosed them in different ways, depending on the nature of the ToV, and 10 disclosed them based on the activity for which the ToV was made. Three companies had a different methodology for identifying ToV dates:

- One company used the date of event or service rather than the date of payment as date of ToV.
- Another used the date of the activity as date of ToV.
- The third company considered the date of activity as the date of ToV for payments related to travel, accommodation and registration fees, while for payments processed through a third party the payment date to the third party or the date provided by the third party was recognised as the ToV date.

Multi-year agreements and contracts

In their methodological notes, 94 out of the total 143 companies explained how they approached agreements and contracts spanning multiple years. Most of these companies (n=74) stated that they included ToVs related to the period of reporting, i.e. the proportion of ToVs relating to 2023. Seventeen

⁶ Adams, A, Z Marciniak-Nuqui, J Sussex (2023). “Disclosure UK: understanding the data. Guidance notes for analysis of the 2022 data.” RAND Europe Report.

companies noted that they did not have any multi-year agreements in place, while one disclosed the full ToV amount using the date of last payment. Two companies mentioned that they had multi-year agreements in place but were unclear about how these were reported.

1.4. Disclosing data based on 'Legitimate Interests'

In December 2021, the ABPI released new guidance⁷ encouraging companies to adopt Legitimate Interests to increase the number of named individuals included in their disclosure. Legitimate Interests refers to a lawful basis under UK data protection laws which allows companies to disclose the individual names of HCPs and ORDMs unless they have explicitly objected to this and the subsequent balancing test falls in favour of the objecting HCP/ORDM. As a result, the number of companies using 'Legitimate Interests' as their lawful basis for disclosure has been increasing each year (see Figure 2). Legitimate Interests was used by nine companies for disclosure of 2021 data (7% of all companies that submitted methodological notes that year) and by 23 companies for 2022 (16% of all companies).^{8,9} There has been a slight increase in companies using Legitimate Interests as the basis for disclosure for ToVs that took place in 2023, namely to 29 companies, constituting 20% of all companies that submitted methodological notes.

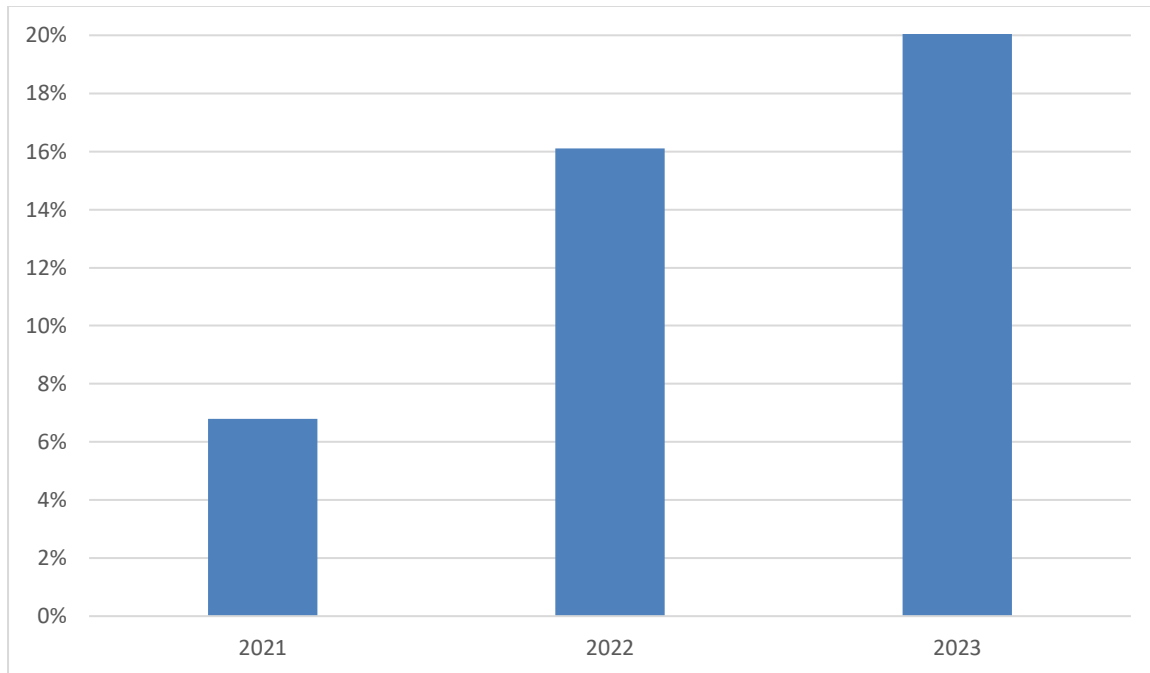
It is important to note there may be other companies using Legitimate Interests as their lawful basis for HCP/ORDM disclosure who have not mentioned this in their methodological notes.

⁷ ABPI Press Release "ABPI champions use of 'Legitimate Interests' to boost transparency" 9 December 2021: <https://www.abpi.org.uk/media/news/2021/december/abpi-champions-use-of-legitimate-interests-to-boost-transparency/>

⁸ Leach, B, A Adams (2022). "Disclosure UK: understanding the data. Guidance notes for analysis of the 2021 data." RAND Europe Report.

⁹ Adams, A, Z Marciniak-Nuqui, J Sussex (2023). "Disclosure UK: understanding the data. Guidance notes for analysis of the 2022 data." RAND Europe Report.

Figure 2. Percentage of companies that disclosed data based on Legitimate Interests (excluding those transitioning in 2023).



Three companies described being in the process of transitioning from disclosing HCP or ORDM details based on the lawful basis of Consent to that of Legitimate Interests during 2023. These companies stated that they changed their approach on the following dates: 15 May 2023, 10 February 2023 and “the latter part of 2023” respectively. This means that for these three companies, any financial arrangements that took place before the specified date in 2023, ToVs were disclosed only after HCP/ORDM consent was obtained. After these dates, new ToVs were disclosed with reference to the name of individual HCPs and ORDMs without the need for consent but under the lawful basis of Legitimate Interests.

1.5. Aggregation and disaggregation of transfers of value

HCP/ORDMs and aggregate disclosure

Out of the total 143 companies that submitted methodological notes, 125 included information on how they approach consent for HCP/ORDM disclosure. Most of these companies stated that they relied on Consent as the lawful basis for disclosure (n=87; 61%), while, as noted above, 29 companies relied on Legitimate Interests (20%). Six companies discussed their approach to HCP/ORDM disclosure, but detailed other approaches. Some of these approaches are summarised in the box below (see Box 3). As described above, three companies were transitioning from consent to Legitimate Interests in 2023.

Box 3. Approaches to HCP/ORDMs and aggregate disclosure.

- In instances where an HCP registered their practice at their home address, one company disclosed all ToVs in the aggregate disclosure to protect the HCP's privacy.
- Three companies stated that they relied on Consent in some countries, without specifying their approach for the UK.
- Two companies were not explicit about how they approached HCP Consent, with one stating that they relied on the initial contract with the HCP as basis for disclosure, while the other would either obtain consent or rely on Legitimate Interests.

In terms of the details about the level of data aggregation, 101 out of 143 companies provided information about how they disclosed the number and/or percentage of HCP/ORDMs and HCOs that are reported in aggregate. Of these, 77 stated that they provided the total number of all HCP/ORDMs and HCOs that are reported in aggregate, ten noted that they provided both the total number of recipients and the percentage of that number that was reported in aggregate, while five only disclosed the percentage of all submissions that were reported in the aggregate. Another nine companies noted that they disclosed the number of ToV recipients reported in the aggregate.

HCOs and aggregate disclosure

UK data protection laws mean a lawful basis is not required to publish individual information about HCOs. As such, it is not possible to publish aggregated non-R&D HCO data on Disclosure UK. Nonetheless, some companies have referred to HCO aggregate methodology which we include here for completeness.

Only 36 companies provided information on how they approached using a lawful basis for HCOs. Of these, 21 stated they did not seek HCO consent, while seven explicitly stated that they sought consent. Eight companies detailed other approaches to seeking HCO consent, some of which have been detailed in the box below (see Box 4). It is important to note that all HCOs were named in Disclosure UK, regardless of how the companies in question described their approach in the methodological notes.

Box 4. Approaches to HCOs and aggregate disclosure.

- Six companies noted that they required HCO consent where applicable, with some companies specifying that they sought HCO consent if it was required by the law.
- One company stated that HCO ToVs were automatically disclosed, except for cases in which the transactions couldn't be traced back to the HCO.
- Another company mentioned securing agreement for disclosure through their initial contract with the HCO.

Partial consent and partial disclosure

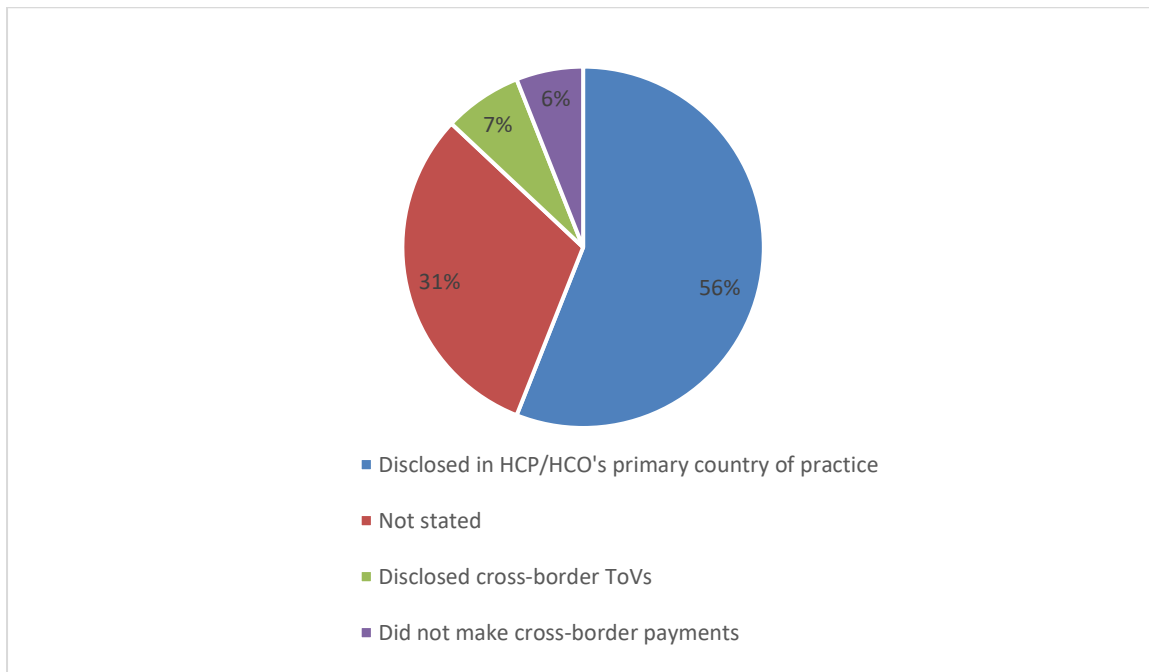
Most companies did not submit information about their approach to partial consent in their methodological notes (n=100; 70%). Of those that did, 38 specified that their policies do not allow for partial consent, i.e. situations in which HCP/ORDMs or HCOs decide which ToVs can and which cannot be publicly

disclosed against their name. Three companies noted that they allow partial consent. Two companies were ambiguous in the wording used, making their approach unclear.

1.6. Cross-border payments

Ninety-nine out of the total 143 companies (69%) provided information about how they disclose cross-border payments. This is more than last year, when 59% of the companies included this information in their methodological notes. This year, nine companies noted that they did not make any cross-border payments within the disclosure period. Eighty companies reported disclosing cross-border payments in the HCP/ORDM/HCO's primary country of practice (see Figure 3), ten of which specified that this includes payments made by their overseas affiliates to HCPs/ORDMs/HCOs whose primary place of practice is the UK. Two companies stated that when HCPs/ORDMs/HCOs are based in countries in which the companies do not have affiliates, relevant ToVs have been disclosed on their company websites.

Figure 3. Approach to cross-border payments specified in disclosure methodological notes.



Non-UK recipients

Ten companies reported disclosing ToVs made to non-UK recipients. Box 5 provides details of these companies' reporting.

Box 5. Approaches to disclosures made to non-UK recipients.

- Two companies which specified including ToVs to healthcare professionals registered in Ireland in their UK disclosure;
- One company noted that any ToVs made by their UK affiliate to HCPs/ORDMs/HCOs in Europe are also included in their UK disclosure, as well as including ToVs to UK-based HCPs/HCOs made by the company's overseas affiliates.
- One company stated that in 2023, they only made one cross-border payment, to an HCP in France.
- One company noted that they included all cross-border activities required by the ABPI Code but did not specify exactly what activities they were referring to.
- Three companies specified their methodology in cases where the HCP or HCO is registered to practice in more than one country. Of these:
 - One company decided to select one country as primary and declare all ToVs to that HCP/HCO in that country.
 - One company explained that in cases where an HCP/HCO has multiple countries in which it is registered to practice, the ToV is reported in the country where the ToV took place.
 - The remaining company noted that in cases where the HCP/HCO changes their principal country of practice, the ToV data is disclosed in the place of principal practice at the time of disclosure.
- Two companies were more generic in their description, with one noting that they included all cross-border ToVs in their disclosure, and another specifying that they included all ToVs in Europe.

2. Classification and identification of recipients

2.1. Healthcare Professionals and Other Relevant Decision Makers

Classification of HCPs

According to the ABPI Code of Practice:

“The term ‘healthcare professional’ includes members of the medical, dental, pharmacy and nursing professions and any other persons who in the course of their professional activities may administer, prescribe, purchase, recommend or supply a medicine.”¹⁰

Transfers of value to either HCPs or ORDMs are published under the category of HCPs via Disclosure UK. Out of 143 methodological notes disclosed for 2023, 79 companies commented on the classification of HCPs. Of these, 70 specified compliance with the ABPI and/or EFPIA Codes’ definitions of HCPs, while nine made further specifications – see Box 6.

Box 6. Further specifications to the classification of HCPs.

- Considering employees out of scope to avoid disclosing salary or benefits (2)
- Disclosing payments to employees who are HCPs except salary and benefits (1)
- Considering employees of the National Health Service as HCPs/ORDMs regardless of their occupation (2)
- Only including HCPs whose place of incorporation was in the UK (2)
- Only including HCPs whose place of incorporation was in Europe (1)
- Considering any member of a pharmaceutical company whose primary occupation is that of a health professional, to be a HCP (1)

¹⁰ ABPI (2021, Clause 1.9)

Classification of ORDMs

According to the ABPI Code of Practice, the term ORDM:

“includes someone with an NHS role who could influence in any way the administration, consumption, prescription, purchase, recommendation, sale, supply or use of any medicine but who is not a health professional.”¹¹

Out of 143 companies, 59 defined ORDMs in their submission. Of these companies, 58 classified ORDMs in line with ABPI and/or EFPIA guidelines. Only one company provided further detail about their approach, and they specifically stated that they regarded all employees of the NHS or any non-statutory or private HCO as an HCP/ORDM regardless of their professional status.

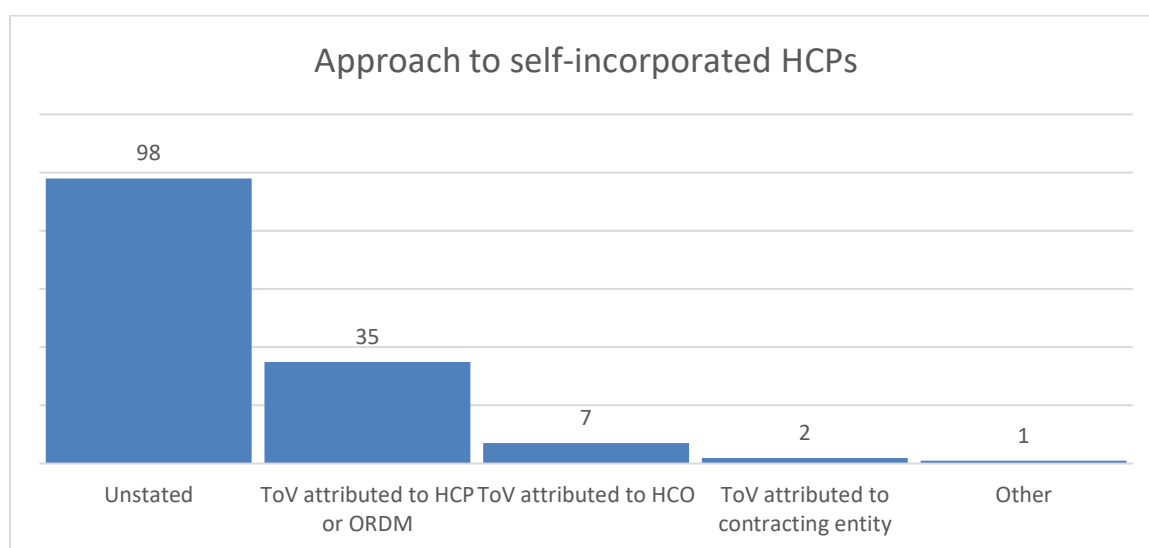
Classification of self-incorporated HCPs and companies owned/run by an HCP

According to the ABPI Code of Practice:

“If a healthcare organisation consists of only one healthcare professional or other relevant decision maker, then it would be subject to the requirements in the Code regarding individual health professionals.”¹²

Out of 143 companies, 45 provided information about their classification of self-incorporated HCPs or companies owned and/or run by an HCP. Of these 45 companies, 35 attributed the ToV to the individual HCP or ORDM, while seven companies attributed the ToV to the HCO. A further two companies attributed ToVs either to the HCP, ORDM or HCO depending on the underlying contract, while one company stated that payments for promotional stands at events organised by an HCP’s company would be treated as if made to an HCO (see Figure 4).

Figure 4. Companies’ approach to self-incorporated HCPs and companies owned/run by an HCP.



¹¹ ABPI (2021, Clause 1.13)

¹² ABPI (2021, Clause 1.8)

2.2. Classification of Healthcare Organisations

According to the ABPI Code of Practice, the term HCO refers to:

“either a healthcare, medical or scientific association or organisation such as a hospital, clinic, foundation, university or other teaching institution or learned society whose business address, place of incorporation or primary place of operation is in Europe or an organisation through which one or more health professionals or other relevant decision makers provide services.”¹³

Out of 143 companies, 80 defined HCOs in their submission. Of these companies, most (75; 94%) classified HCOs in line with ABPI and/or EFPIA guidelines, while five provided further specifications. Of these five, two considered HCOs whose business address, place of incorporation or primary place of operation is in the UK; two considered all hospitals, GPs and other places of work for HCP/ORDMs including medical associations and networks; and one considered any entity that can purchase, lease, recommend, use, or prescribe medications, including (for example) purchasing agents and healthcare associations. Additionally, one company, which did not provide further specification to its definition of HCOs, noted that it had recorded a grant made to a “Health Forum” to support the delivery of care under this category, because said forum included HCP/ORDMs.

2.3. Patient organisations and members of the public

Companies are required to publish disclosures of ToVs to patient organisations and members of the public on the company’s own website.¹⁴ Additionally, disclosing companies can submit a link to their individual webpage(s) to the Disclosure UK platform via separate ‘gateways’. These gateways comprise of hyperlinks to patient organisation data and/or member of the public data stored on individual company sites and are updated in-line with the publication of HCP, ORDM and HCO data, annually. The data on ToVs to patient organisations and members of the public is not included in this report in the same detail as that on ToVs to HCPs, ORDMs and HCOs.

Patient organisations

Out of 143 companies, 55 provided information on their procedure regarding ToVs to patient organisations, a decrease from 62 the previous year. Of these 55 companies, 34 stated that they provide this information via their company website; six companies disclosed full or partial ToVs made to patient organisations in their HCP/ORDM/HCO submission; seven companies noted that they did not include information about patient organisations in their disclosure; and eight companies provided further specifications (see Box 7).

¹³ ABPI (2021, Clause 1.8)

¹⁴ ABPI (2021, Clause 29 and 30)

Box 7. Approaches of companies that provided further specifications to how they approached the disclosure of ToVs to patient organisations.

- Three companies stated that ToV with patient organisations would be disclosed as a separate report but did not provide further details.
- Two companies stated that data would be provided on the company website but that a ToV associated with an individual HCP working with a patient organisation may be disclosed twice.
- One company stated that patient organisations would only be included in the disclosure report if they are in scope for reporting in a given country.
- One company reported that no payments were made to patient organisations for 2023.
- One company stated that it would fulfil ABPI requirements to disclose fees to patient organisations but provided no further details.

Members of the public

With regard to members of the public, 35 companies out of 143 provided information on their procedure regarding ToVs to members of the public. Of these 35, 22 stated that they provide this information via their company website and six companies disclosed full or partial ToVs made to members of the public in their HCP/ORDM/HCO submission; one company referred to the inclusion of ToVs to members of the public on Disclosure UK but was otherwise unclear; two companies noted they did not include ToVs to members of the public on Disclosure UK and four provided further specifications (see Box 8).

Box 8. Approaches of companies that provided further specifications to how they approached the disclosure of ToVs to members of the public.

- One company mentioned operating procedures to ensure processing of ToV to members of the public but provided no further details.
- One company stated that fees for contracted services to members of the public in certain markets would be disclosed in aggregate in certain markets, but did not specify which ones.
- One company only mentioned disclosure to members of the public outside of the UK, whereby their details would be passed on for disclosure in the relevant territory.
- One company stated that it would fulfil ABPI requirements to disclose fees to members of the public but provided no further details.

3. Types of transfers of value and scope of disclosure

While ToVs related to non-R&D activities are published against individually named HCPs, ORDMs or HCOs where possible, the ABPI Code requires that companies disclose such ToVs in relation to R&D activities as a single, aggregated value via Disclosure UK. How companies have defined these ToVs is detailed in the following sections.

3.1. Research and development

Out of 143 companies, 71 provided information on how they defined R&D in their methodological notes. Of these, 60 defined R&D in line with the ABPI and/or EFPIA codes, using the definition of:

- Non-clinical studies as defined in *OECD Principles on Good Laboratory Practice*
- Clinical trials and prospective non-interventional studies as defined in *Directive 2001/20/EC* and Section 15.01 of the *Good Clinical Practice Code*.

Eleven companies provided further specifications, as detailed in Box 9.

Box 9. Further specifications to the classification of R&D.

- Considering any ToV related to pre-clinical and clinical development paid to an HCO through an HCP directly or indirectly (2)
- Including any payment related to the ToV for R&D in aggregate (1)
- Including payments for pre-clinical research, clinical trial agreements, fees for independent professionals and investigator meetings, but excluding payments to clinical research organisations (CROs) (1)
- Excluding the loan of laboratory equipment used for a clinical study and biological samples and investigational compounds (1)
- Excluding retrospective non-interventional studies or other studies that are not submitted to the authorities as per the local drug law (1)
- Excluding fees paid in connection with R&D activities (1)
- Excluding basic research unconnected to the development or enhancement of products (1)
- Including all company-commissioned research held in the UK (1)
- Including only clinical trials designed to verify or study the clinical effects of one or more medical products (1)
- Including ToVs relating to a meeting with an educational club where research projects were discussed but no promotional activity was made (1)

Disclosure of ToVs for 'blind' market research

The ABPI Code of Practice¹⁵ requires disclosure of payments in relation to market research where the identities of participants are known. Out of 143 companies, 30 (21%) commented on their approach towards the disclosure of blind market research. Twenty-seven of these companies stated that they do not disclose such ToVs. Of these companies, 14 provided further details:

- Twelve implied the inclusion of blind market research by including ToVs only where the identity of the HCP is known to the company.
- One implied inclusion but stated that no payments were made in this area in 2023.
- One stated that fees paid in connection to R&D or market research are not disclosed.

A further three companies made reference to market research but were otherwise unclear about the inclusion of ToVs relating to blind market research.

3.2. Collaborative working

Collaborative working arrangements, including what in the past was known as Joint Working, between the pharmaceutical industry and healthcare organisations are aimed at benefiting patients or the NHS or both. Out of 143 companies, 71 commented on their approach to collaborative working. Of these, 29 mentioned both collaborative and Joint Working, 22 companies mentioned only collaborative working, while 20 mentioned only Joint Working.

3.3. Contributions to costs of events

This category refers to events organised or sponsored by pharmaceutical companies, including internal events and payments to third party, non-HCO, event organisers. The category also includes associated costs such as sponsorships, registration fees, and costs related to travel, accommodation and subsistence. Of the 143 companies, 131 commented on at least some aspect of their approach to disclosing ToVs relating to contributions to the cost of events.

Disclosure of ToVs for internally organised events

Eight companies included mention of whether they include disclosure of ToVs for internally organised events. Of these, five stated that they do not disclose ToVs related to internally organised events. A further three companies adopted different approaches:

- Two companies disclosed travel and accommodation costs for persons attending internal events but under the relevant category. One of these companies also disclosed where registration fees for internal continuous development sessions were waived for certain healthcare professionals.
- One company disclosed ToV for internal events using the value of a comparative course or event.

¹⁵ ABPI (2021, Clause 24.5)

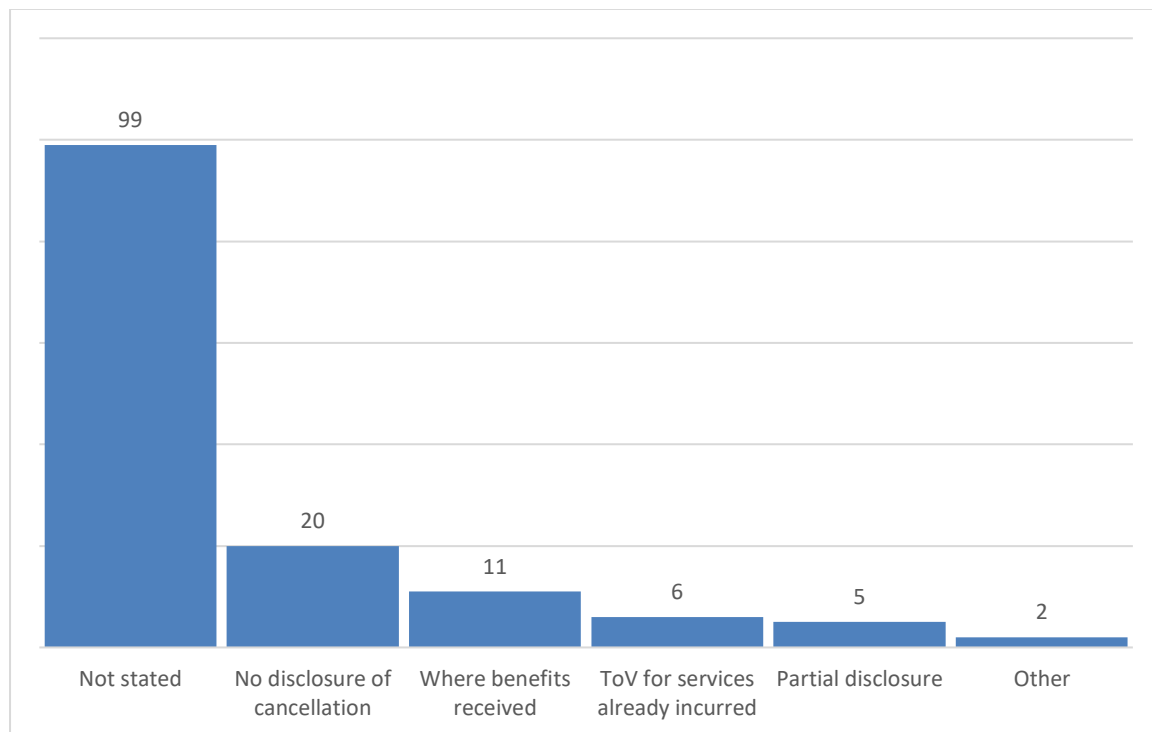
Disclosure of ToVs for events in case of cancellation or non-attendance

Out of 143 companies, 44 commented on how they handle disclosure in the case of cancellation and non-attendance. Of these companies, 20 stated that they did not disclose cancellation or non-attendance and one stated there were no cases of cancellation or partial attendance in 2023. Of the remaining 23 companies, five disclosed some ToVs in case of cancellation or non-attendance, for example only in cases when expenses were not reimbursable. Eighteen companies provided further details on how they approached partial attendance or cancellation:

- Eleven companies only reported transfers of value where benefits were received.
- Six companies reported the compensation of services already incurred, such as paying HCPs to prepare for an event which was cancelled.
- One company stated that they disclosed ToVs based on what was paid, excluding HCP cancellation. For third party events cancelled independently of the company, the ToV would be disclosed equal to any costs not recovered.

Full details of this are shown below in Figure 5.

Figure 5. Companies' approaches to cancellation and non-attendance.

*Disclosure of ToVs for food and drink*

The ABPI Code of Practice states that if a company contributes towards the overall cost of subsistence while providing sponsorship to an event, this cost must be disclosed.¹⁶ However, there is no requirement to

¹⁶ ABPI (2021). Clause 28.1)

disclose subsistence provided along with support to individual HCPs or ORDMs. Under the Code, ‘the costs of any subsistence (food and drink) provided must not exceed £75 per person, excluding VAT and gratuities.’¹⁷

Out of 143 companies, 59 companies commented on how they handle disclosure for food and drink. Of these, 26 companies stated that they do not generally disclose these ToVs unless they are inseparable or part of a larger payment (such as an accommodation package or sponsorship agreement); 24 companies stated that they do not disclose ToV related to food and drink; and six companies stated that they do include such ToVs. Finally, the approach of three companies was unclear:

- One company cited ABPI/EFPIA rules on food and drink but provided no further details.
- One company only mentioned that meals would be excluded ‘wherever possible’ under the R&D category specifically.
- One company implied the inclusion of meals but was otherwise unclear.

Disclosure of ToVs for travel and accommodation

Out of 143 companies, 119 commented on how they handle disclosure for travel and accommodation. Of these, almost all (116; 97%) included ToVs for travel and accommodation in their disclosure. Two companies noted that they did not include ToVs for travel and accommodation because no payments/sponsorships had been made in 2023. One company made reference to travel but was otherwise ambiguous about the handling of these ToV.

Disclosure for sponsoring HCPs to attend events

Out of 143 companies, 113 commented on how they handle disclosure for sponsoring HCPs to attend events. Of these, 110 companies (97%) stated that sponsorship costs were included. Two companies noted that they did not have any costs associated with this category because they did not sponsor any HCPs; while one company stated that while they do not support individuals to attend scientific congresses, sponsorships may include travel and accommodation costs for individual HCPs.

Disclosure for sponsoring an event

Out of 143 companies, 117 commented on how they handle disclosure for costs related to the sponsorship of events. These are typically agreements with HCOs, or third-party event organisers working on behalf of HCOs, for pharmaceutical companies to sponsor a scientific meeting or event. Of the 117 companies who commented on disclosure in this area, 114 (97%) noted that they disclosed information on ToVs for sponsoring an event. Two companies stated that they were not involved in any events or sponsorships, while one company was unclear but stated that only costs associated with HCPs attending events would be included.

¹⁷ ABPI (2021, Clause 10.7)

3.4. Contracted services

Disclosure of ToVs related to contracted services – fees

This category includes ToVs for services and consultancy performed by HCPs, ORDMs or HCOs that do not fall under R&D. The majority of ToVs that fall under this category relate to speaker fees, speaker training, development of educational materials, advisory boards, and related fees for travel and accommodation. A total of 117 companies (82%) discussed their approach to disclosure of ToVs related to contracted services, with all of these companies stating that they do disclose such fees.

Disclosure of ToVs related to contracted services – travel and accommodation expenses

Out of 143 companies, 79 discussed their approach to the disclosure of ToVs for travel and accommodation related to contracted services. Of these, 77 companies stated that they included such ToVs; one company stated that they made no payments for travel and accommodation in 2023; while one company made reference to travel but was otherwise ambiguous about the handling of these ToVs.

Disclosure of ToVs related to medical and educational goods and services (MEGS)

Under the 2021 ABPI Code of Practice, medical and educational goods and services (MEGS) are likely to be disclosed under either donations or collaborative working. Out of 143 companies, only seven (5%) commented on their treatment of ToV related to MEGS. Of these companies, four stated that they included these ToVs in their disclosure; one stated that they excluded these ToVs; and two made reference to these ToVs but were otherwise unclear.

Disclosure of ToVs related to training and development other than MEGS

Out of 143 companies, 30 (21%) made reference to ToVs relating to training and development other than MEGS. Of these, 29 either stated that they included ToVs related to training or otherwise implied that through reference to training. Some examples of the terminology used can be seen in Box 10. Finally, one company stated that internal and external trainings where HCPs were invited to participate without any additional transfer or cover of expenses would not be included.

Box 10. Examples of the terminology used for training and development other than MEGS.

- Speaker training
- Training on the use of medication, medical or product training
- Medical training
- Training for clinical trials and non-interventional studies
- Assistance with training
- The provision of training resources

ToVs related to co-promotions

Out of 143 companies, 16 (11%) commented on their disclosure of ToVs related to co-promotion. Of these, nine companies either stated that they did not include these ToVs in their disclosure or that only the

ToV made by the company itself (and not the co-promotional partner) would be disclosed. Five companies stated that these ToVs would be included. Finally, two companies provided further detail:

- One company stated that a stand-alone distributor report would be provided where a distributor is involved in the promotion of medicines.
- One company stated that ToVs would be divided between each of the pharmaceutical companies participating in the co-promotion.

3.5. Indirect ToVs

The ABPI Code defines an indirect ToV as “one made on behalf of a company for the benefit of a recipient or through an intermediary and where the company knows or can identify the recipient that will benefit from the transfer of value”.¹⁸ Eighty-five companies out of the total 143 included information on their approach to disclosing indirect ToVs in their methodological notes. Thirteen of these companies noted that they attributed indirect ToVs to HCP/ORDMs, three attributed them to HCOs, while 23 attributed them to either HCPs, ORDMs or HCOs. A further 45 companies mentioned including indirect ToVs in their disclosure but did not detail their methodological approach. One company stated that they did not include indirect ToVs because they did not make any such transfers in 2023.

3.6. Additional considerations related to the scope of disclosures

ToVs related to over-the-counter medicines

Only 37 out of the total 143 companies included information about their approach to ToVs related to over-the-counter medicines. Of these, 33 noted that they do not include over-the-counter medicines in their disclosure. Three companies stated that they do disclose information about ToVs related to over-the-counter medicines, while one mentioned that they may have included some ToVs related purely to over-the-counter products.

ToVs related to medical devices

Just as in the case of over-the-counter medicines, only 37 companies described their approach to disclosing ToVs related to medical devices. Of these, 24 companies stated that they did not include ToVs related to medical devices in their disclosure, while seven companies noted that they included this information in their disclosure. Six companies did not mention their approach to ToVs related to medical devices specifically, but they did indicate not including ToVs related to items of medical utility.

Donations and grants

Ninety-nine companies included information about the methodology they used when disclosing donations and grants. Eighty of these companies noted disclosing donations and grants under the HCO category, while three reported disclosing them under the HCP or HCO category. Ten companies provided further

¹⁸ ABPI (2021, Clause 1.25)

specifications about how they approach the disclosure of donations and grants – see Box 11. Six companies stated that they did not provide donations and grants in this disclosure period.

Box 11. Examples of the types of services included under the donations and grants category.

- Funding provided for training and education (when individual beneficiaries were unknown),
- Grants contributing towards the costs of R&D work,
- Therapy review services,
- Benefits in-kind,
- Free services for supporting healthcare, scientific research, or education,
- Monetary donations to support non-profit organisations,
- Grants and donations to patient advisory groups,
- Production costs for an organisation's clinical treatment guidelines,
- Costs of managing an organisation's website,
- Administrative costs for a medical society or patient group,
- Use of company resources, training, books, and computers.

Excluded ToVs beyond those discussed

Fifteen companies provided information about additional types of ToVs excluded from disclosure. These exclusions are:

- Medicinal products
 - Samples,
 - Promotional aids,
 - Items for patient support,
 - Items for HCPs/ORDMs or HCOs,
 - Healthcare packages provided by private entities, which have been purchased for their employees,
 - Materials such as study medication, injection kits, testing etc.,
 - Standard purchases and sales of medicines by and between HCPs/HCOs and the company,
 - Discounts and price reductions.
- Educational products
 - Patient educational materials.
- Research
 - Payments made to medical journals and publishing companies,
 - The provision of a medical writer to an HCP to assist in the publication of data and analysis that originates from the company,
 - ToVs related to investigational compounds and biological samples,
 - ToVs related to anonymous marketing research,

- Benefits in kind that do not result in the permanent enrichment of an HCO, such as loans of laboratory equipment to hospitals, e.g. for conducting clinical trials.
- Fees and services
 - Fees for services paid to retired HCPs,
 - Fees for services paid to persons registered, but not practicing as HCPs,
 - HCPs/HCOs that have been contracted by third parties unless the third party (i) is required to disclose such information to the company; and (ii) informed the company of the individuals or organisation and their ToV, (in which case the ToV would be included in the Disclosure report),
 - Fees charged by logistics companies assisting in transporting HCPs for meetings and events,
 - Financial support for company employees (who are HCPs) attending third-party meetings or events,
 - Costs of internal and external company trainings attended by HCPs, where no monetary transfers were made,
 - ToVs to the company's collaboration partners who are HCPs and are able to prescribe medicines,
 - ToVs to corporate entities providing healthcare-related consulting services, which employ HCPs working as consultants, but not as medical staff,
 - Salaries paid to HCPs employed by the company.
- Other
 - Overhead costs,
 - Non-financial support to HCPs/HCOs that cannot be monetised,
 - ToVs made to charitable organisations,
 - Third-party recipients of donations from independent charitable organisations, which have themselves previously received donations from the company,
 - ToVs provided in accordance with Clauses 10.4, 10.5 and 19.2 of the ABPI Code of Practice,
 - Costs related to civil or criminal action or administrative proceedings (including legal defence, prosecution, and settlement of civil/criminal action and/or arbitration).

3.7. Other

There were some other cases where companies provided unusual or uncommon approaches to disclosure in their methodological notes. One such case relates to a company that stated that their UK-based legal entity provided a grant to an HCO in Ukraine. Given that the company does not have an affiliate organisation in Ukraine, this ToV was disclosed in the UK via Disclosure UK for 2023.

Another unusual approach was mentioned in Section 3.5, regarding other ToVs which were excluded from disclosure. This was the exclusion of ToVs related to costs for civil or criminal action and related administrative proceedings. The company in question did not elaborate on why this exclusion was made, nor on the details of the cases in question.

Similarly unusual was the company that noted excluding payments for medical writers provided for HCPs to help in writing up company-related data and analysis (see Section 3.5). The company explained that the rationale for this was two-fold: the HCP obtained no financial benefit as a result of being provided with a medical writer and the social benefits of sharing scientific knowledge in a timely manner outweighed any potential drawbacks of this practice. At the same time, the company noted that they did disclose fees paid to medical writers if they were made independently of the company, that is, if the HCP/HCO paid upfront and was later reimbursed by the company.

Finally, one company submitted several ToVs with no monetary value. An additional note was provided to clarify that this had been done to recognise forms of informal support provided by the company to which no monetary value could be assigned.

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