

The TPP and access to medicines

Our government is negotiating an international agreement that could have a huge effect on the lives of ordinary kiwis. It's called the Trans-Pacific Partnership Agreement (TPPA), and it involves eleven Asian and Pacific-rim countries, including the United States. If it goes ahead, we risk damage to our innovative economy, our pristine environment, our health, and the ability to shape our own future.

Because the negotiations are being conducted in secret, what we know about the TPPA comes from leaked documents and detective work. This is not acceptable. We live in a democracy, which means we have the right to know what is done in our name and to have a say.

One of many causes for concern around the TPPA is its potential effect on access to medicines.

Subsidised medicines

The Pharmaceutical Management Agency (PHARMAC) decides what medicines the New Zealand government buys and subsidises for use by the public. Because PHARMAC purchases in bulk and makes its decisions in the interests of New Zealanders, we pay far less for medicines than we otherwise would.

A **leaked negotiating text**¹ shows what the US is demanding on behalf of its big drug companies (known as "Big Pharma") and how the benefits New Zealanders enjoy under PHARMAC are threatened by the TPPA. Although PHARMAC itself **will not be dismantled**², under the leaked text PHARMAC would:

- not be able to negotiate a bulk discount for medicines
- have to give detailed reasons to the drug companies about every purchasing decision
- give pharmaceutical companies the right to appeal PHARMAC's decisions
- publish the identities of all decision-makers around the purchasing of medicines.

If adopted, this text would strengthen Big Pharma's leverage over PHARMAC. The drug companies' would gain new rights and opportunities to lobby PHARMAC decision makers and challenge their credentials, demand reasons if PHARMAC rejects their 'expert' reports and data, and pressure its decisions by constant threats of appeal. The goal of the big pharmaceutical companies is to influence PHARMAC's criteria and decisions in their favour at the expense of affordability for the public. If the leaked text is adopted then government would have to massively increase the health budget, reduce the availability of subsidised drugs, or increase the price paid by ordinary New Zealanders.



"First they came for the car plants, then they came for the clothing and textile sector jobs but the country was silent. Now they are coming for our affordable medicines, our land, our environment, our work rights, the rest of our economy, our sovereignty. We can remain silent no longer."

–Robert Reid, General Secretary, FIRST Union

Links:

1. <http://www.citizenstrade.org/ctc/wp-content/uploads/2011/10/TransPacificTransparency.pdf>
2. <http://www.stuff.co.nz/national/politics/5978921/No-Pharmac-in-Trans-Pacific-Partnership>



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The TPP and access to medicines – continued

Affordability of medical devices

Medical devices like heart valves, replacement hip joints and lenses for cataract operations are all now being brought under PHARMAC, so the same problems will apply as with medicines.

Generic pharmaceuticals

One reason why life-saving drugs are affordable for ordinary people – in New Zealand and overseas – is the availability of “generic” alternatives to branded pharmaceuticals. Generics are identical to their branded equivalents, but cost only a fraction of the price. Their availability helps PHARMAC keep the price it pays for medicines down.

Generics can only be sold in New Zealand where no local patent has been granted, where that patent has expired, or a licence has been issued. **Another leaked negotiating text**³ from February 2011 threatens kiwis’ ability to access generic medicines:

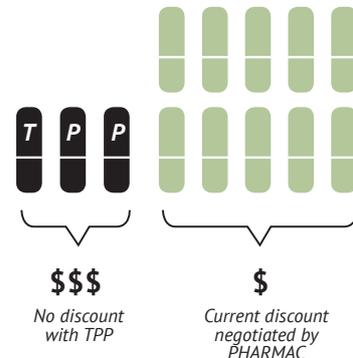
- Patents on medications could in effect be extended, as pharmaceutical companies would be able to claim additional patents on medications where they discover an alternative use for them, or make a minor modification. This would apply even if the modification were clinically insignificant. It would effectively mean the original product would be withheld from the generic market even though its patent had expired.
- The life-time of patents could be extended to take into account the time taken for a new medicine to be approved as safe.
- Medsafe – the government body responsible checking whether new pharmaceuticals are safe for New Zealanders – would be forced to investigate whether the drugs they are approving have patents on them or not. This is called “patent linkage”, and it would delay the approval of generics even though drug patenting has nothing to do with drug safety.
- Big pharmaceutical companies would be able to prevent generic manufacturers from using original safety testing data for longer, meaning that the registration of generic medicines is postponed.

Every delay in the availability of generic medicines means more money for big pharmaceutical companies, and higher prices for kiwis.

Patenting of medical techniques

The leaked February 2011 text would require the New Zealand government to allow companies to secure patents on “diagnostic, therapeutic, and surgical methods for the treatment of humans or animals.” The idea is deeply unethical as it would mean either higher costs for medical treatment or that many New Zealanders were denied access to life-saving medical techniques.

TPP – no more bulk discount negotiating on medicines



“Does the TPPA sound like something New Zealand should be a part of?”



Links:

3. <http://keionline.org/sites/default/files/tpp-10feb2011-us-text-ipr-chapter.pdf>
4. www.itsourfuture.org.nz/take-action/
5. www.avaaz.org/en/stop_the_corporate_death_star/
6. www.itsourfuture.org.nz/news/