

## **WTO enshrines drugs' deal for poor states in treaty**

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**By Richard Waddington**

GENEVA - The World Trade Organisation (WTO) strengthened on Tuesday a two-year-old temporary deal on cheaper drugs for poor countries by agreeing to enshrine it in a treaty.

In 2003, the WTO said members could, under certain conditions, waive patents on medicines to let poorer nations import cheaper copied versions when facing health emergencies such as AIDS.

But negotiations proved complex on turning this waiver into a permanent right under the WTO's treaty on Trade-Related Aspects of Intellectual Property Rights (TRIPS).

"The agreement to amend the TRIPS provisions confirms once again that members are determined to ensure the WTO's trading system contributes to humanitarian and development goals," WTO Director-General Pascal Lamy said in a statement.

States had been rushing to end the wrangling over medicines before a key ministerial conference next week in Hong Kong to avoid any risk of complicating the already difficult task of making progress in the WTO's troubled free trade talks.

"It shows we care about people who suffer pandemics," said Kenyan ambassador Amina Mohamed, who chairs the WTO's executive General Council.

Several non-governmental organisations (NGOs) had been urging developing states not to rush into agreeing the wording of the formal amendment and to seek to negotiate better terms for drugs' imports.

### **OVERLY CUMBERSOME**

Because it must be used on a country-by-country, drug-by-drug basis, the NGOs argue the system does not create the sort of large-scale market that gives the economies of scale needed to push down generic drugs' prices.

The conditions imposed were one reason why the waiver has so far not been used by any developing country, they say.

"(It) has long been viewed by MSF and other public health groups as overly cumbersome and inefficient," Medecins sans Frontieres (Doctors without Borders) said in a statement.

But Kenya's Mohamed defended the WTO decision, saying that while nobody had yet imported drugs under the system it had nevertheless helped drive down international prices.

"We have seen prices drop 70 or 80 percent," she said, adding that she expected her own country to make use of the right to import generics.

But MSF and others say that while prices for so-called first line AIDS drugs have fallen, those for second-line medicines, which are needed when the disease begins to develop resistance, have not.

"The amendment does not allow for the procurement of medicines through international tendering, which is the most common and efficient way of purchasing drugs," MSF said.

The move was welcomed by major trading powers such as the European Union and the United States, whose pharmaceutical companies hold many of the world's drugs patents.

"This is a landmark achievement that we hope will help developing countries devastated by HIV/AIDS and other public health crises," said United States Trade Representative Rob Portman in a statement.