

THAILAND-U.S.: Freer Trade Weakens Access to HIV/AIDS Drugs

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BANGKOK, May 21 (IPS) - Thailand's impressive achievement in caring for those with HIV is under threat if the government signs a free trade agreement (FTA) with the United States, activists say as Bangkok prepares to start discussions in June.

This fear stems from the likelihood that once the FTA is signed, Thailand will find it all but impossible to produce the cheap generic drugs that it offers thousands of people living with HIV.

"Thailand will not be able to produce new generic drugs to stall the spread of AIDS because of the tough conditions that the U.S. plans imposing in the FTA," said Jacques-chai Chomthongdi, researcher at Focus on the Global South, a Bangkok-based think tank.

Among these conditions are Washington's efforts to extend the number of years that a patent for a drug can be held by a pharmaceutical company before it can be produced as a generic one.

U.S. trade negotiators are enforcing a 25-year period for drug patents under the FTA, as opposed to the 20-year period under the current rules governing global trade.

In addition, Thailand's state-owned pharmaceutical company, the lead agency in producing a host of generic drugs, will be hampered from accessing basic data necessary to make the cheaper medicines.

"The U.S. wants test data to be kept a secret," Jacques-chai said in an interview. "They are determined to protect the monopoly of their pharmaceutical companies."

Critics of the FTA are also alarmed at the possible plans by the United States to change the rules by which those who violate intellectual property rights (IPR) are prosecuted - and make this a criminal rather than just a civil offence.

As worrying, say international humanitarian agencies, is the risk that an FTA with the United States could limit Thailand's sale of generic drugs to poverty-stricken countries like Cambodia, Laos and Burma to help those with HIV.

"With the FTA, Thailand will not be able to export generics to Cambodia, Burma and Laos," Paul Cawthorne of Medecins Sans Frontiers (MSF) told IPS. "The U.S. has targeted medicine in the FTAs it has signed with Singapore and Latin American countries."

Earlier in May, officials from the U.S. Chamber of Commerce revealed how serious the intellectual property issue was during a hearing on the planned Thai-U.S. FTA held in Washington by the U.S. International Trade Commission.

"(We) will not support the signing of the final agreement unless IPR were protected and that protection enforceable," Myron Brilliant of the chamber was quoted in the media as having told the trade commission.

Negotiators from Washington and Bangkok are due to start trade talks in June, with the aim of completing the free trade deal in 2005. That would make Thailand the second South-east Asian country after Singapore to have such a trade pact with the United States.

Currently, the United States tops the list of Thailand's trading partners, while Thailand ranks as the 18th largest trading partner of the United States. The value of their two-way trade exceeded 21 billion U.S. dollars in 2003, with the scales tipped in favour of Thailand.

U.S. companies have also invested extensively in Thailand. The Washington-based U.S.-Thailand FTA Business Coalition estimates such investments to be over 16 billion dollars.

Critics of the FTA say that Thailand will end up the worst off in this deal, offering as a case in point the U.S. government's cool attitude toward cheaper drugs for the sick and the dying among the world's poor.

"Thailand appears ready to give up on the IPR issues and give what the U.S. wants in order to gain access to U.S. markets for its agriculture exports and products from its industrial sector," said Jacques-chai of Focus of the Global South.

Humanitarian agencies like MSF back their concerns by pointing to the cold reception Washington has given the recent achievements that enable developing countries to access low-cost medicines.

Shortly before the fifth ministerial conference of the World Trade Organisation (WTO) held in September in Cancun, Mexico, member governments struck an agreement in favour of the world's poor. Under that deal, developing countries were given the right to import generic medicines to cope with public health emergencies, such as HIV/AIDS.

That followed another a groundbreaking achievement at the WTO meeting in Doha in 2001. At that ministerial meeting, governments - including the United States - agreed that the Trade-Related Aspects of Intellectual Property Rights (TRIPS) will not be a hurdle for those afflicted with pandemics to gain access to cheaper drugs.

This optional clause under TRIPS, which protects patents, meant that developing countries could either import generic drugs or issue compulsory licences for the

production of generic drugs still protected by patents.

Thailand, along with Brazil and India, were held up as the sources of hope in the wake of those agreements given their record of producing generic drugs.

The state-run pharmaceutical company here has come in for much praise by MSF and other development agencies due to the cheap medical therapy it offers people with HIV.

The monthly cost for a cocktail of anti-AIDS drugs produced by the state agency amounts to 1,200 baht (30 U.S. dollars), as against 30,000 baht (750 dollars) per month that a dose of brand-name drugs from a pharmaceutical giant costs.

More than 20,000 of the estimated 200,000 people living with HIV in Thailand who need the anti-AIDS drug have access to them through state-run hospitals.

This South-east Asian country has close to 670,000 people with HIV out of a population of over 63 million people. Over 300,000 people have died due to AIDS since the pandemic was first detected here in the 1980s.

Thailand's ability to offer generic drug therapy to 10 percent of its population with HIV is much higher than the average across Asia - where some 43,000, or only four percent, of the one million people with HIV who need the strong cocktail of anti-AIDS drugs have access to them.

In order to protect this achievement, some Thai activists from across the social spectrum have mounted a campaign that seeks to scuttle the FTA with the United States and similar trade pacts Bangkok has in mind.

"We are against the FTA because it is detrimental to Thailand," Witoon Lianchumroon, coordinator of an umbrella group called FTA Watch, said in an interview. "The government has not revealed all the details, including the consequences, to the public in Thai." (END/2004)