



Clinton Foundation and UNITAID Announce Price Reductions on 16 AIDS Medicines for 66 Developing Countries

Cost of Second-Line Treatments Falls by 25 percent in Low Income, 50 percent in Middle Income Countries; "Next Generation" One-Pill, Once-Daily AIDS Treatment Now Available for less than \$1 per Day

New York, NY – Former President Bill Clinton today announced new agreements with generic drug manufacturers Cipla and Matrix that significantly lower the price of AIDS treatment for second-line anti-retroviral drugs (ARVs), as well as a new, once-a-day pill that is currently cost prohibitive in the developing world. These agreements lower the prices for 16 formulations of ARVs, which will be available to 66 developing countries in Africa, Asia, Latin America and the Caribbean through the Clinton Foundation's Procurement Consortium.

"Seven million people in the developing world are in need of treatment for HIV/AIDS," said President Clinton. "We are trying to meet that need with the best medicine available today, and at prices that low and middle income countries can afford. I applaud Cipla and Matrix for their commitment to lower the cost of new drugs at the forefront of the fight against AIDS, and I thank UNITAID for the funds that have enabled us to make these drugs widely available."

The Clinton Foundation negotiated new prices for second-line drugs that will generate an average savings of 25 percent in low-income countries and 50 percent in middle-income countries. Second-line treatment is required in patients who develop resistance to first-line treatment and currently costs 10 times the price of first-line therapy. Nearly a half million patients will require these drugs by 2010. These price reductions have been made possible by UNITAID, the international drug purchase facility established in 2006 by France, Brazil, Chile, Norway and the UK. UNITAID will provide the Clinton Foundation HIV/AIDS Initiative (CHAI) with more than \$100 million to buy second-line medicines for 27 countries through 2008.

Citing the importance of keeping AIDS treatment affordable as patients increasingly turn to newer drugs for effective first and second line treatment, President Clinton also announced a reduced price for the "next generation" first-line treatment, a once-daily pill that combines the drugs tenofovir, lamivudine and efavirenz. The equivalent product in the U.S., launched in July 2006, is widely perceived as a gold-standard treatment, as it offers greater convenience, fewer side effects, and improved treatment outcomes in comparison to the regimen used most commonly in developing countries. The new cost for this treatment of \$339 per patient per year represents a 45 percent reduction from the current rate available to low income countries, including those in sub-Saharan Africa, and is a 67 percent reduction from the price available to many middle income countries.

French Foreign Minister Philippe Douste-Blazy, chairman of the UNITAID board, added, "Every person living with HIV deserves access to the most effective medicines, and UNITAID aims to ensure that these are affordable for all developing countries. I am pleased that our partnership with President Clinton is lowering the price of second-line treatment, and that the new prices will be available to low and middle income countries alike."

(more)

Page 2

In partnership with UNITAID, CHAI issued an open invitation in March to 15 manufacturers for proposals to supply second-line drugs this year. Cipla and Matrix, a division of Mylan Laboratories, agreed to price their drugs on a “cost-plus” basis and collaborated with CHAI to lower production costs, in part by securing lower prices for key raw materials and by addressing major chemistry challenges. CHAI has agreed to use UNITAID funds to purchase these reduced-priced medicines, guaranteeing purchase volumes. Additional suppliers selected to participate in the program for 2007 include Abbott, Aurobindo, Bristol Myers Squibb, Gilead Sciences, Ranbaxy, and Aspen Pharmacare and IDS Group, as designated distributors of Gilead in Africa and Asia. CHAI will facilitate a similar process of competitive bidding and supplier selection for the 2008 portion of the program, and expects to announce further price reductions by the end of the year.

CHAI is committed to ensuring that its agreements offer high-quality products at sustainable prices. The products that will be supplied under CHAI’s partnership with UNITAID meet the quality assurance standards of the Global Fund to Fight AIDS, Tuberculosis and Malaria, which prioritize approval by the World Health Organization, the U.S. Food and Drug Administration or another stringent regulatory authority. These products have either already been approved by the WHO and/or FDA or have been submitted for review with data establishing bioequivalence, based on tests by research labs that have been successfully audited by the WHO and/or FDA. Products purchased with UNITAID funds will also be subject to routine quality control testing. Additional products included in today’s agreements have either been approved by the WHO/FDA or will be submitted for review in the next few months.

About the Clinton Foundation HIV/AIDS Initiative

Since 2002, the Clinton Foundation HIV/AIDS Initiative has assisted countries in implementing large-scale, integrated care, treatment and prevention programs. CHAI partners with 25 countries in Africa, the Caribbean and Asia. Individual governments take the lead, and the Foundation provides technical assistance, mobilizes human and financial resources, and facilitates the sharing of best practices across projects. CHAI also provides access to reduced prices for HIV/AIDS drugs and diagnostics to a total of 66 countries, which together represent more than 90 percent of people living with HIV/AIDS in developing countries. Today, 750,000 people are receiving ARVs purchased through the Clinton Foundation.

About UNITAID

Launched in 2006, UNITAID is an international drug purchase facility that is based on a stable, predictable and “innovative” form of funding – an airline ticket levy – used to fight HIV/AIDS, tuberculosis and malaria. In total, 34 countries have either joined or committed themselves to join UNITAID as donors. The funding for 2007 will total \$300 million, and is expected to exceed \$500 million in 2009. UNITAID relies on strong partnerships – e.g, with the WHO and Global Fund, with UNICEF for the supply of new malaria treatments, with the Clinton Foundation for the supply of antiretrovirals, and with the Stop TB Partnership for the supply of pediatric TB medicines – to make quality drugs affordable and available in the poorest countries. UNITAID has already begun to show results, with treatment in more than 50 countries and initial reductions in drug prices.

Contact Information for Press Inquiries

Clinton Foundation – +1 212 348 0360

Cipla – Shailesh Pednekar: +91 98 2060 9408

Matrix – Patrick Fitzgerald: +1 724 454 6113 or S. Srinivasan: +91 98 4854 3210

UNITAID – Denis Simonneau: +33 1 4317 5209

###