

House moves to trim prices of drugs; patent law faces revision

Alarmed by the runaway prices of medicines manufactured by multinational drug companies, two committees of the House of Representatives have fasttracked deliberations on bills aimed at lowering the cost of pharmaceutical products in the country.

Members of the committee on trade and industry headed by Rep. Junie Cua (Quirino) and the committee on health headed by Antonio Yapha Jr. (3rd district, Cebu City) reacted to published reports that the government, through the state-owned Philippine International Trading Corp. (PITC), is being prevented by a multinational drug company from importing cheap, but quality medicines.

The solons pushed government

intervention through the enactment of a law that would regulate, if not lower, the prices of drugs in the local market.

Rep. Arthur Pingoy Jr. (2nd district, South Cotabato) cited studies conducted by the National Drug Policy Program of the Department of Health (NDPP-DoH) and research by non-government organizations (NGOs) showing that prices of drugs and pharmaceutical products in the country are highest in the Asean region.

The two House committees are discussing three bills aimed at lowering the cost of medicines, among them, House Bill 499 authored by Pingoy, which seeks to shorten the patent of pharmaceutical products from 20 to 10 years.

Pingoy said the NDPP-DoH studies

revealed that drugs sold in the country have high mark-up costs from manufacturing to distribution and retail. He added, prices of branded drugs are sold as high as possible to achieve maximum industry profits, to the detriment of poor consumers.

Earlier, consumer and labor groups had picketed the head office of Pfizer in Makati City to denounce the multinational firm's move that sought to enjoin the government from importing a medicine for hypertension which it manufactures in the Philippines. The lawsuit involves the patent on the drug Norvasc which expires on June 13, 2007.

The groups questioned why Amlodipine Besylate, an anti-hypertension drug marketed in the Philippines by Pfizer as Norvasc, is

sold in the country at prices 650 percent and 750 percent higher for the 5 mg tablet and 10 mg tablet, respectively, than in India.

Pingoy said despite attempts by foreign drug companies to dispute the NDPP-DoH studies, data presented by a representative from Pfizer affirmed that drug prices in the country are, indeed, high compared to other countries in the region.

This information surfaced when members of the two committees asked Karen Villanueva, corporate affairs director of Pfizer, to present the prices of its products sold in different countries. It was found out that Pfizer medicines in the country are priced higher than in India and Pakistan, for example, by as much

as 4,000 percent.

Pingoy said the pricing scheme by drug companies and drug outlets, which has persisted through the years, is due to four factors: monopoly of patents and brand names by multinational drug firms; heavy dependence on imported drugs; transfer pricing; and ineffective and weak implementation of the Generics Act of 1988.

House Bills 305 and 3830 principally authored by Representatives Jesli Lapus (3rd district, Tarlac) and Rolox Suplico (5th district, Iloilo), respectively, also proposed to bring down the cost of medicines by establishing and maintaining an effective drug regulatory system and setting up a coordinating or price regulation board.