

'TPPA balances interests of big pharma and the low-income'
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US President Barack Obama noted the balance struck in the Trans-Pacific Partnership Agreement (TPPA) between the interests of big pharmaceuticals and low-income groups, the US Embassy in Kuala Lumpur said.

The president highlighted this at a meeting with 500 youths from Southeast Asia at Taylor's University last Friday.

"He highlighted the balance struck in the TPP between intellectual property right protections for drug manufacturers and protection for generic drugs for low-income persons," the embassy said.

Obama had said: "(Part) of our job is to promote the US drug industry, but part of our job is also to be good partners with countries that have people who are sick.

"And we've got to make sure that they also are able to get access to drugs [...] And over time, we actually believe that the costs of drugs are going to go down in many countries that currently have a lot of barriers in terms of those drugs."

Malaysia does not impose tariffs on the import of medicines.

The president also said that eliminating trade barriers across the 12 TPPA negotiating countries will open new markets for the partner countries.

Asean is one of the largest export markets for the US, the embassy said.

"TPPA is a win for the kind of trade that companies and workers in all 12 countries need to compete in the 21st century.

"It makes sure that globalisation is working for us, and not against us," it said.

Critics of the TPPA had long argued that the agreement would keep generic drugs out of the market for a longer period of time, hence allowing branded drugs to hold a longer monopoly and charge higher prices.

According to previously leaked drafts of the TPPA text, US negotiators had been pushing for a 12-year data exclusivity period for a new class of biologics, which would be in line with current laws in the US.

The final text stipulates at least an eight-year protection, or in the alternative, a five-year protection coupled with other measures that would deliver equivalent results. The Malaysian government has indicated that it is going for the latter option.

A participant at the youth event, who introduced himself as Rizal, raised concerns that the TPPA is an “elitist deal” that will burden the majority of Malaysians, especially those from the lower-income group.

In context of Malaysia, Rizal asked Obama to explain how the expected increased burden on indigenous people, women and others from the lower-income group, falls in line with the US principles of leadership.

The TPPA is slated to be debated in Parliament in January next year. The full text of the agreement - numbering over 6,000 pages spanning 30 chapters - was released on Nov 5, after five years of secret negotiations.