

IPR and the great drug pricing dilemma

Susmita Dey@timesgroup.com



PAKISTANI HEADS: Ventriiloquist Ramdas Padhye with Obama and Modi puppets

• **New Delhi:** The Obama visit could prove crucial for India's healthcare system. Intellectual property rights (IPR) is listed as a priority area for discussion between the two nations, officials said. At stake are the healthcare cost for Indians and the the domestic generic drug manufacturing industry's competitiveness.

The foreign ministry reportedly sought a list of pending issues from the commerce ministry. Apart from policies to boost trade and investments, the list included IPR and patents issues, mainly in medicines.

India is working on an IPR policy to determine the fate of many innovations. An inter-ministerial committee is also finalizing a mechanism to

negotiate patented-medicine prices. While both decisions are important for pharma MNCs and those planning investments, Obama is likely to push for liberal policies. India has held firm with a law setting high the bar for what merits a patent. The US

government and industry began pressuring India to amend its patent law after New Delhi issued a compulsory licence against Bayer's cancer drug Nexavar in 2012. This allowed generic drug makers to manufacture the drug for a royalty to the innovator firm, and slash prices by almost 97%.

The US pressure amplified after SC's landmark 2013 decision refusing patent protection to Novartis for its leukemia drug Glivec. Of late, other MNCs such as Pfizer, Gilead, Bristol-Myers Squibb and Roche have been facing tough times in India seeking patent protection for their products. The US is pushing for an investment treaty to ensure more transparency, accountability and guarantee IPR protection. Government sources indicate the mounting US pressure may result in an

alternative policy balancing incentives with innovation and affordability. But patient groups and domestic pharma industry sources are worried this may make India adopt intellectual property measures similar to those in America and EU, which would make medicines dearer for Indians and countries relying on affordable made-in-India drugs.

"The US is pushing India to play by its rules, which will lead to medicines priced out of reach for millions," says Manika Balasegaram, executive director, Medicins Sans Frontieres (MSF) Access Campaign. MSF procures malaria, TB and HIV drugs from India.

Many view the US-India Trade Policy Forum mechanisms and probes into Indian patent laws by the US International Trade Commission as signals of the growing pressure on India.

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