



UNIVERSITY OF
TORONTO
FACULTY OF LAW

Access to Drugs Initiative

Ghana and Access to Medicine— Putting TRIPS to work



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Sarah Perkins
s.perkins@utoronto.ca

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Global Health Crisis

- Impact of HIV/AIDS:
 - ◆ Less than 10% in Sub-Saharan Africa receiving treatment
 - ◆ 14 million AIDS orphans
- Barriers to treatment:
 - ◆ Poverty
 - ◆ Infrastructure for health care delivery
 - ◆ Human resource capacity
 - ◆ Lack of local manufacturing capacity
 - ◆ Patent regimes



Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS)

- To remedy barriers posed by patents, the WTO permits all countries to issue compulsory licenses.
- Limit on licenses- can only be used to supply the domestic market
- Doha Declaration (2001), and WTO General Council Decision (August 2003):
 - ◆ Permits government to issue compulsory license for export (example: Canada's Jean Chrétien Pledge to Africa Act)
 - ◆ Goal: to assist countries with little or no manufacturing capacity.



ADI and Ghana

- Working to streamline compulsory licensing in Ghana to ensure Ghana can lower the cost of medicine through the import or domestic production of generic medicine.
 - ◆ Broader grounds for issuing license, licenses issued through an administrative regime, provisions to protect government from liability, timelines, transparent application procedure.
 - ◆ C-9 equivalent for Ghana



Regional Procurement

Countries unite to place one large drug order through one portal country.

➤ **Gulf Cooperative Council**

- Has reduced prices by an average of 30%.
- Issued \$234.5 million U.S. worth of tenders in 2001.
- Fills 80% of public sector drug needs through regional procurement. Through the GCC, Saudi Arabia fills 100% of its public sector drugs needs (2002)



2. GATT exception- August 2003 Decision

Permits a developing country who is a party to a regional trade agreement to re-export product to neighbouring countries.

Requirements:

- **Must be a recognized trade agreement**
- **50% of RTA members must be least-developed**
- **May only export to countries sharing health problem**



Benefit:
Allows developing countries to harness economies of scale. More purchasing power = ability to negotiate lower prices

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Steps to make Regional Procurement a success

- Political will, regional cooperation
- Permanent, autonomous secretariat
- Legislative amendments
- Good pharmaceutical procurement practices
- Secure financing and prompt payment
- Quality assurance



The GATT Model in West Africa

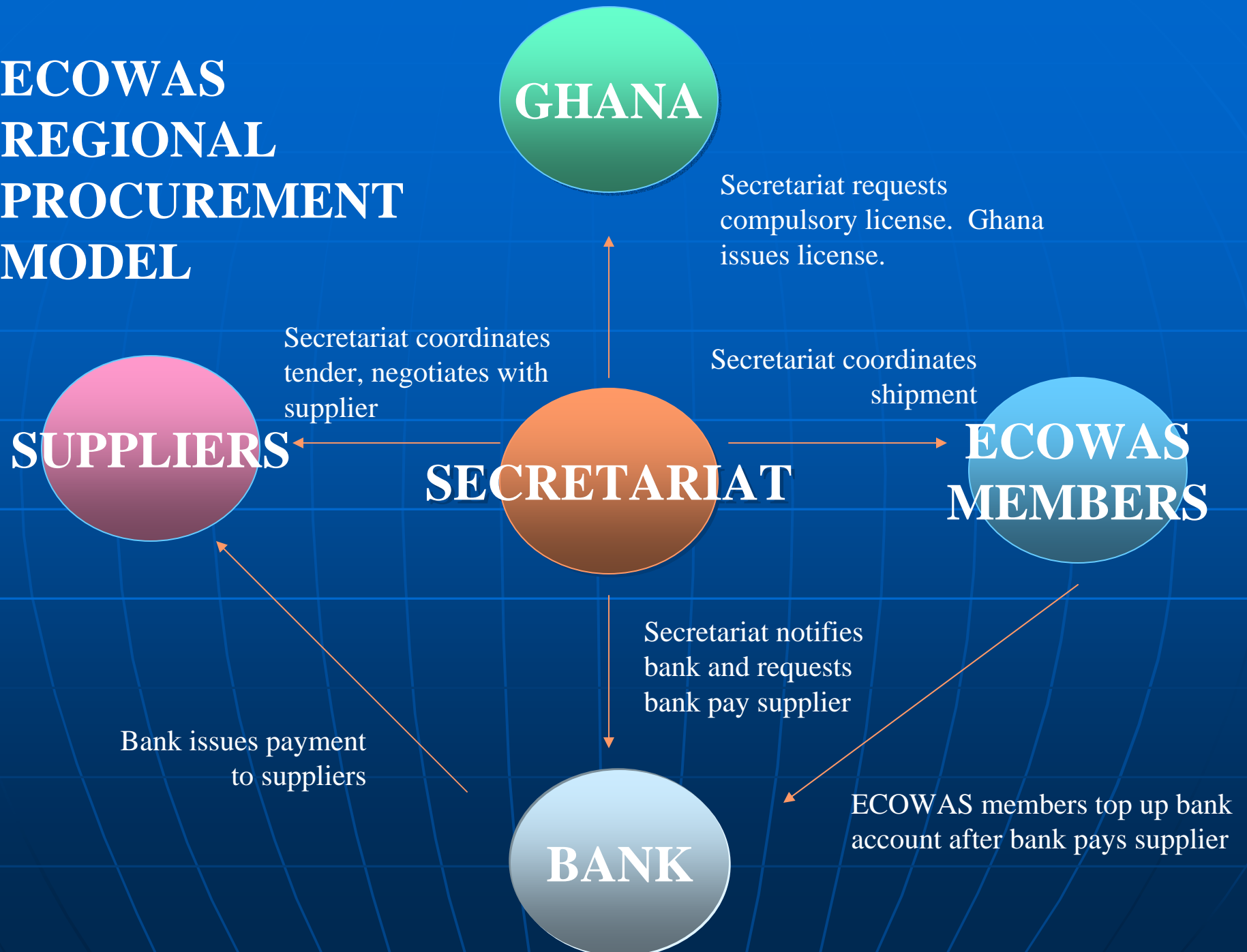
- Ghana is poised to become the first country in the world to have implemented the GATT exception into domestic legislation.



- Ghana has the administrative and legislative infrastructure to issue compulsory licenses.



ECOWAS REGIONAL PROCUREMENT MODEL



Benefits of Regional Procurement

**Large orders
+
Single Purchaser
= Incentive for
Canadian
manufacturers**

**Single port of entry
+
single license
+
single
administrative body
= efficient treatment
for countries in need**

**Allows developing
countries to
harness
economies of
scale. More
purchasing power
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Conclusion

- Cannot continue to ignore TRIPS and compulsory licensing- use it or lose it!
- Need to continue identifying long-term sustainable solutions that will carry us forward into the future.

