Congress of the United States House of Representatives

Washington, DC 20515

March 15, 2013

Michael Froman
Deputy Assistant to the President and
Deputy National Security Advisor for
International Economic Affairs
The White House
1600 Pennsylvania Ave
Washington, DC 20500

Dear Mr. Froman:

We write with regard to the ongoing period of reflection and internal consideration of potential revisions to the U.S. proposal for intellectual property (IP) and access to medicines for the Trans-Pacific Partnership (TPP) Free Trade Agreement (FTA). Specifically, we wish to express our concerns related to the proposal in order to begin a dialogue on steps that may be taken to improve it as the TPP negotiations continue.

As you know, the May 10, 2007 Bipartisan Trade Deal (New Trade Policy) was adopted in Peru in 2009 as the US-Peru Trade Promotion Agreement, and by Panama and Colombia in 2011. The New Trade Policy provides even more generous intellectual property standards for pharmaceuticals than those established in the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), in particular by requiring parties to provide exclusivity for innovative medicines.

We are concerned that although USTR's proposal maintains the chapters for Labor and the Environment reflected in the New Trade Policy, it departs dramatically from the IP chapter, especially with respect to the pharmaceutical IP provisions. Based on evidence of drug registrations and launches from the Peruvian regulatory authorities, the pharmaceutical market in Peru has been robust and access to medicines has only improved since implementation of the agreement. We therefore see no reason to abandon a trade policy that already increases IP protections beyond TRIPS, has garnered bipartisan support and is agreeable to our trading partners.

As concerning, we understand that the chart developed by USTR showing drug launches in many TPP markets contains grossly inaccurate data. Such misinformation has been relied upon to support changes in IP policy related to pharmaceuticals in the TPP and to mistakenly suggest that the IP regime in Peru, for instance, is inadequate to incentivize marketing of pharmaceutical products. We believe it is critical that USTR correct this error without delay so that policymakers have the most accurate data with which to make informed decisions.

We wish to schedule a meeting with you in the near future to discuss these critical issues and look forward to your prompt response.

Sincerely,

Member of Congress

JANICE D. SCHAKOWSKY Member of Congress

Member of Congress