

September 30, 2011

## **Summary of Peruvian public comments on and analysis of the Trans-Pacific FTA in Peru:**

There has been major press in Lima this week publicizing statements by Peru's Minister of Foreign Commerce and Tourism and civil society representatives weighing in against accepting Trans-Pacific FTA proposals. In statements to the press, Minister José Luis Silva has publically stated Peru's intention to refuse any policy proposals that go beyond the current FTA between Peru and the US. In his strongest statement, he averred, "We will not move even one centimeter more." [Gestión](#)

Roberto Lopez, coordinator of AIS, Acción Internacional para la salud (International Action for Health), was also outspoken on civil society's concerns about the potential harm that could result from the US proposals on IP in the Trans-Pacific FTA. "These propositions [by the USTR] would bring about an open-ended extension of pharmaceutical monopolies in our country, affecting competition and attainable prices for drugs." [La Primera](#)

Santiago Roca, the former president of INDEPCOPI, Instituto Nacional de Defensa de la Competencia y de la Protección de la Propiedad Intelectual (National Institute of Defense of Competition and the Protection of Intellectual Property), also issued a statement denouncing the US IP proposal in the Trans-Pacific FTA. He warned that "The government should limit the extension of patents. These international trade agreements benefit developed countries most. They absolutely don't benefit national economies; they reduce the entry of generic medicines, and they put the lives of many people that cannot pay in danger." [La Primera](#)

### **Extended Summary:**

With the Trans-Pacific FTA, the US seeks to achieve more extensive patent protections than it did with the Peruvian FTA.

### **Statements:**

Jose Luis Silva, Peru's Minister of Foreign Commerce and Tourism, has said that Peru will not accept these proposals. Peru already has a FTA with the United States, and, according to Minister Silva, they don't intend to give up anything more than what they already negotiated in that agreement. The next round of negotiations will be in Lima, Peru, from the 19<sup>th</sup> to the 28<sup>th</sup> of October. [El Comercio Perú](#), [Gestión](#), [RPP](#), [La República Perú](#), [Perú21](#).

Roberto Lopez, the coordinator of AIS, Acción Internacional para la Salud (International Action for Health) also spoke out against the trade agreement, saying that the Trans-Pacific FTA goes beyond what Peru already accepted with the US-Peru FTA. Peru, he said, "has nothing to

gain” if they fold in this negotiation. [El Comercio Perú](#), [Alerta Perú](#), [Gestión](#), [La República Perú](#), [Perú21](#), [Mariátegui](#), [RPP](#).

Alejandra Alayza, the Executive Director of RedGE, asked, “If we already liberalized almost everything in the last FTA with the US, how much more can we give to this country?” [Gestión](#), [Mariátegui](#)

Santiago Roca, the former president of the INDECOPI, el Instituto Nacional de Defensa de la Competencia y de la Protección de la Propiedad Intelectual (National Institute for the Defense of Competition and the Protection of Intellectual Property) also spoke out against the gross extension of patents proposed in the Trans-Pacific FTA negotiations. He called for the government of Peru to limit the extension of patents, pointing out that international trade agreements like the Trans-Pacific FTA tend to benefit developed countries, while harming the economies of developing countries that participate by reducing the entry of generic medicines into the national markets and putting the lives of those who cannot pay brand-name prices in danger. [La Primera](#).

Julio Cesar Cruz, the director of PROSA, Programa de Soporte a la Autoayuda de Personas Seropositivas (Program in Support of the Self-Help of HIV-Positive People), expressed concern about the effects of expanded patent protection for drugs on price and access. He claimed that the Trans-Pacific FTA represents an attempt to halt the circulation of generic medicines in favor of pharmaceutical companies’ brand-name products. Currently, the government pays \$270 per person per year for generic medicines for HIV-positive people, while the unsubsidized brand-name cost for HIV treatment is estimated to be \$18,000 per person per year. The ratcheting-up of intellectual property protections for pharmaceutical companies would mean less affordable prices for all those with HIV, but especially for those who have built up resistance to treatment. [Mariátegui](#), [RPP](#), [La Primera](#).

### **Further Analysis:**

The NGO RedGE, Red Peruana para una Globalización con Equidad (Peruvian Network for Globalization with Equity) stated that the price of medicines in Peru could rise if they accept the USTR’s proposal on intellectual property policy in the Trans-Pacific FTA. Under the proposal, it would be easier for pharmaceutical companies to get patents for second uses, which include new forms or methods of use for medicines that are already known. The USTR also seeks to widen data exclusivity and patent extensions. [Gestión](#), [Mariátegui](#)

Roberto Lopez of AIS also commented that the Trans-Pacific FTA proposals would indefinitely extend pharmaceutical companies monopolies on the markets in Peru, affecting competition and affordable prices for medicines. [Perú21](#), [Gestión](#), [La Primera](#).

There are several concerning policy proposals expected to surface in the Trans-Pacific FTA intellectual property chapter, which is still unfortunately highly secretive, that echo the

proposals by the EU that Peru rejected as being prohibitive to access. One is the proposal of an extension of the patent period from 20 to 25 years, a change that, according to Lopez's analysis, would translate into 321 million additional dollars for Peru every year.

Another feared proposal that appeared in the recent EU FTA plan and that is expected to be present in the US Trans-Pacific FTA is the extension of data exclusivity, which is expected to cost Peru an additional 250 million dollars per year. So the new data exclusivity measures combined with the extension of the period of patent protection would mean additional costs of 570 million dollars per year for Peru. [La Primera](#), [La República Perú](#), [Perú21](#), [Gestión](#).

See Redge's list of media hits on their "Medicinas para tod@s" blog here:

<http://medicinasparatodos.blogspot.com/p/prensa.html>

#### **Links to Spanish Language Articles:**

"EE.UU. quiere volver a negociar patentes de medicamentos," September 28, 2011.

*ElComercio.pe*. <http://elcomercio.pe/impresanotas/eeuu-quiere-volver-negociar-patentes-medicamentos/20110928/1309454>. September 30, 2011.

*"The United States wants to return to negotiations on drug patents: Potentially asks for protection for second uses of medicines"*

"Estados Unidos busca extender monopolio," September 28, 2011. *La Primera*.

[http://www.diariolaprimeraperu.com/online/economia/estados-unidos-busca-extender-monopolio\\_95669.html](http://www.diariolaprimeraperu.com/online/economia/estados-unidos-busca-extender-monopolio_95669.html). September 30, 2011

*"The US seeks to extend monopolies"*

"Los Medicamentos desatan polémica," September 28, 2011. *Peru21.pe*.

<http://peru21.pe/noticia/1309628/polemica-entre-peru-eeuu-medicinas>. September 30, 2011.

*"Medicines spark controversy: The US calls for 10-year intellectual property exclusivity for new pharmaceuticals, but Peru will not yield to their request"*