Changes to India's patent law may deny cheap drugs to millions

Ganapati Mudur *New Delhi*

India's proposed changes to its 35 year old patent laws will deny inexpensive generic drugs to millions of people in India and other developing countries, international humanitarian agencies and health activists have warned.

This week the Indian parliament has been debating amendments to patent laws that will introduce product patents on drugs, as part of India's obligations under an international agreement on intellectual property rights and trade.

India's patent act of 1970 granted patents on chemical processes but did not permit patents on drugs. This allowed Indian drug companies to reverse engineer molecules to produce generic versions of patented drugs.

Health activists say the

amendments would make it easier for companies to acquire patents on new uses of old drugs and on new combinations of old drugs. Under the new legislation, compulsory licensing that allows local companies to produce generic products would become difficult.

"Millions of people in the developing world will lose their lifeline of generic drugs from India if the amendments are passed," said Rhona MacDonald, head of Oxfam, an Oxfam initiative that tries to get doctors involved in combating global poverty.

Médecins Sans Frontières has said that the amendments would drastically restrict the production of generic drugs in India and their supply to developing countries. Without competition from gener-

ic drugs the prices of new patented drugs will go up.

"A two tier system may emerge: new patented medicines for the rich and old generic products for the poor," said Ellen T'Hoën, director of policy advocacy and research for Médecins Sans Frontières's campaign for access to essential medicines.

Médecins Sans Frontières said that half the 700 000 people who receive antiretroviral drugs in developing countries rely on Indian generic products. The agency itself provides antiretroviral drugs to 25 000 people in 27 countries, 70% of whom use drugs from India.

Ms T'Hoën said the impact of India's generic manufacturers is most visible in HIV treatment. Five years ago the average cost of antiretroviral treatment was \$10 000 (£5200; €7500) a year. With competition from Indian generic drugs the price has fallen to \$250 a year.

Under the international treaty, the new patent laws should have come into effect on 1 January this

year. The government passed an ordinance in December 2004 and introduced a bill in parliament for debate last Friday.

Health activists say the amendments would also virtually eliminate opportunities to oppose patents before they are granted. Since 1995 more than 8000 patent applications have accumulated with the Indian government.

"The amendments are skewed in favour of Western multinational companies," said Anand Grover, director of Lawyers Collective, a legal organisation in Mumbai campaigning for public health issues.

India's drug industry is divided on the bill. Most small and medium sized firms favour the present situation, but some big firms look forward to the new law and have begun efforts to develop new drugs. "How long should Indian companies be dubbed as reverse engineers and copycats?" asked Harinder Sikka, a top officer with Nicholas Piramal, a leading drug company. □

Falling EU population will affect healthcare provision

Rory Watson *Brussels*

The European Union is facing unprecedented demographic change, according to the European Commission, which is so concerned at the implications of a falling population that it has issued a consultation paper on the subject.

The native population of the EU's 25 member countries grew by only 0.04% in 2003, and of the 10 countries that joined the EU last year, all except Cyprus and Malta saw their populations decline. Across the EU the fertility rate is below the threshold needed to renew the population (around 2.1 children per woman), and in 16 countries it has fallen below 1.5. This contrasts with the situation in 1960, when the average fertility rate of the EU's current 25 members was just over 2.5 children and only Hungary and Latvia were below the renewal threshold.

The consultation paper indi-

cates that the EU's current population of 458 million people will grow by just 2% by 2025—and only because of immigration—and thereafter will start to decline. In contrast the number of people living in the United States is set to increase by 26% over the next two decades.

Between now and 2030 the number of people of working age (15-64 years) in the EU will fall by 20.8 million. The paper estimates that by 2030 every two economi-

cally active people will have to take care of one inactive person and that the EU will have 18 million fewer children and young people than today. In the five largest countries of the EU, population increases over the next 45 years will be seen only in the United Kingdom (8%) and France (9.6%).

The commission warns that never before in history has there been economic growth without population growth and that the

implications of the changes will reach far wider than just the status of older workers, pension reform, and the provision of health care.

The commission is asking what innovative measures can be taken to support an increase in the birth rate.

The consultation period will run until 1 September 2005. □

Confronting Demographic Change is at www.europa.eu.int/comm/employment_social/news/