

Medicines and Developing Countries

“The widespread failure by all governments to address poverty and sickness in developing countries has become a worldwide subject of great concern.”

Report from the Commission on Intellectual Property Rights,
Innovation and Public Health.

Members of the public and parliaments worldwide have expressed their desire to help individuals living in developing countries gain access to needed care and medicines. The innovative pharmaceutical industry and the ‘high’ price of drugs is often blamed for the fact that people living in developing countries are still dying of AIDS, malaria and tuberculosis. However, placing the blame for the growth of diseases in the least developed countries solely on patents and prices is overly simplistic and does not take a plethora of other factors into consideration.

What is a Developing Country, or “Least Developed Country”?

The World Trade Organization does not have an official definition for “developing country”, however since 1971 the United Nations has defined “least developed countries” (LDCs) as “a category of States that are deemed highly disadvantaged in their development process (many of them for geographical reasons), and facing more than other countries the risk of failing to come out of poverty. As such, the LDCs are considered to be in need of the highest degree of attention on the part of the international community.”¹

Price does not matter

The average annual income in America is \$37,750. The average annual income in Sub-Saharan Africa is \$300. The table² below provides an idea of the desperate poverty of individuals living in least developed countries:

Country	Annual Income (Int. \$)	Country	Annual Income (Int. \$)
Democratic Republic of Congo	120	Ethiopia	160
Eritrea	220	Rwanda	230
Nepal	270	Uganda	280
Gambia	290	Mozambique	310
Zimbabwe	340	Togo	350
Central African Republic	370	Guinea	370

This means that more than 300 million people live on less than \$1 per day. A family living on such a low income cannot afford *any* medicine, even if it is a cheaper generic.

¹ United Nations Conference on Trade and Development,
<http://www.unctad.org/Templates/Page.asp?intItemID=3618&lang=1>

² World Bank Development Indicators 2006 <http://devdata.worldbank.org/wdi2006/contents/index2.htm>

Why don't drug companies just give the drugs away for free?

The pharmaceutical industry does give drugs away for free. Most manufacturers have compassionate use programs and donation schemes for those who are less able to pay, and are increasingly entering into public/private partnerships to provide their products at reduced prices in developing countries.

Is strong patent protection keeping drugs out of the hands of those who need them?

Tampering with patent rules does nothing to expand drug coverage for patients who most need access to medicines. A study³ published in 2004 found that the 319 products on the World Health Organization's list of essential drugs are rarely under patent in low- and middle-income developing countries (The scientific study investigated the actual level of patenting of essential medicines in 65 countries in Asia, Africa and Latin America, covering a population of over 4 billion people). In fact the author, Dr. Attaran, found that overall patent incidence for essential drugs in his sample of countries was only 1.4%. In his article, Dr. Attaran shows clearly that poverty, not patents, is the major determinant of access to medicines for people in developing countries.

If not patents & prices, then what is the problem?

Other issues have a much greater impact on whether an individual living in a developing country will be able to have access to a needed medicine. These factors include:

- The overwhelming poverty of the individuals living in the country;
- The absence of state-financed health care, or health insurance;
- A dearth of qualified medical personnel;
- Lack of adequate infrastructure; and even
- Lack of refrigeration (for some drugs).

The following example highlights some of the difficulties in getting medicines to the people who need them:

In July 2007, it was reported that billions of Ugandan Shillings' worth of needed medicines for AIDs and malaria drugs were 'rotting' in National Medical Stores in Uganda. These drugs were supplied by third party programs like Global Drug Funds. According to General NMS manager Mr. Mwesigye, the drugs expired because the NMS is "not involved in the planning and procurement of the items... big volumes of the drugs that expire have a short life span and are brought in without proper planning." Thousands of Ugandans die of malaria and HIV/AIDS annually due to inadequate drugs in hospitals countrywide.

³ Attaran, *A How Do Patents And Economic Policies Affect Access To Essential Medicines In Developing Countries?* Health Affairs, 23 no 3(2004) 155-166.