

## **2002 Kananaskis Interim Compliance Report**

### **Africa – Health**

#### **Commitment**

Pressing ahead with current work with the international pharmaceutical industry, affected African countries and civil society to promote the availability of an adequate supply of lifesaving medicines in an affordable and medically effective manner.

#### **Background:**

There are two distinct methods of providing African countries with “lifesaving medicines in an affordable and medically effective manner.” The first method is to directly subsidize medicines or necessary distribution systems in Africa. The second method is to adjust the international patent laws so that African countries can legally produce or import cheaper generic versions of patented medicines. This is known as “compulsory licensing.” In December 2002, delegates at the World Trade Organization (WTO) Trade-Related Aspects of Intellectual Property Rights (TRIPS) Council failed to reach an agreement on the issue of the implementation of paragraph 6 of the Doha Declaration on the TRIPS Agreement and Public Health, which would have implemented compulsory licensing and effectively reduced the price of many life-saving medications. However, much progress was made in the negotiations. All countries are now in agreement regarding the text except for the United States, which wants to limit the drugs eligible for compulsory licensing to only those needed to treat emergency infectious diseases (AIDS, tuberculosis etc), and exclude medications for other diseases and illnesses such as asthma and diabetes.

**Assessment:**

<b>Score</b>	<b>Lack of Compliance -1</b>	<b>Work in Progress 0</b>	<b>Full Compliance +1</b>
<b>Country</b>			
<i>Canada</i>			+1
<i>France</i>		0	
<i>Germany</i>		0	
<i>Italy</i>		0	
<i>Japan</i>		0	
<i>Russia</i>		0	
<i>United Kingdom</i>			+1
<i>United States</i>		0	
<b>Overall</b>			<b>+0.25</b>

**Individual Country Compliance Breakdown:****1. Canada: +1**

Canada is one of the two countries, along with Britain, that has directed new money since the Kananaskis Summit to subsidizing medicines for African countries.<sup>15</sup> In an effort to adhere to its intention to invest in the people and future of Africa (one of the three primary areas in which Canada is focusing its AAP-related efforts) Canada has allocated \$50-million towards research on a HIV/AIDS vaccine and other HIV/AIDS related research, and announced the same amount of funds to be dedicated to the Global Polio Eradication Initiative operated by UNICEF and the WHO.<sup>16</sup> In regards to patents, Canada has also made progress in agreeing to modify the TRIPS so that African countries may implement "compulsory licensing".

**2. France: 0**

There is no evidence that France has allocated new money or resources since the Kananaskis Summit to ensure that life-saving medicines become more affordable. However, France has committed itself to taking a more flexible approach on intellectual property rights (IPR) concerning the access to essential medications. It is urging more concerted action within the EU, as well as within

<sup>15</sup> Clare Short, Secretary of State for International Development and Susan Whelan, Minister for International Cooperation, Canada, "Press Release: Deliver on the Promise to Eradicate Polio G8 Can Score High in Securing a Global Public Good," 5 December 2002, <[www.dfid.gov.uk](http://www.dfid.gov.uk)>.

<sup>16</sup> Government of Canada, "Canada Helps Build New Partnership with Africa," 27 June 2002, <<http://www.isa-africa.com/G8/en/canafnp.htm>>.

the WTO. The Ministry of Commerce has also initiated a series of meetings and consultations with the affected parties (pharmaceutical industries, professional federations, NGOs), with the objective of developing the best conditions not only for the access to the drugs, but also for their distribution.<sup>17</sup> France's "work in progress" compliance score is due to its progress in agreeing to modify the TRIPS so that African countries may implement "compulsory licensing".

### **3. Germany: 0**

There is no evidence that Germany has attempted to comply with its commitments regarding health and availability of medicines. While Germany has committed itself to providing approximately one billion euro for Africa in 2002/2003, of which 110 million has been earmarked towards directly supporting the AAP,<sup>18</sup> it is unclear how this money will be allocated. Nevertheless, Germany receives a "work in progress" compliance score is due to its progress in agreeing to modify the TRIPS so that African countries may implement "compulsory licensing".

### **4. Italy: 0**

There is no evidence to suggest that Italy has fully complied with its commitment to increase availability of medicines. Italy's "work in progress" compliance score is due to its progress in agreeing to modify the TRIPS so that African countries may implement "compulsory licensing".

### **5. Japan: 0**

There is little to be found regarding Japan's compliance with its commitment to affordable and available medicines. Japan's "work in progress" compliance score is due to its progress in agreeing to modify the TRIPS so that African countries may implement "compulsory licensing".

### **6. Russia: 0**

There is no evidence to suggest Russia has obtained full compliance with this commitment. Russia's "work in progress" compliance score is due to its progress in agreeing to modify the TRIPS so that African countries may implement "compulsory licensing".

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<sup>17</sup> French Ministry of Foreign Affairs, "Responses du Ministre Des Affaires Etrangeres, M. Dominique De Villepin, et du Ministre Delege a la Coopération et a la Francophonie, M. Pierre-Andre Wiltzer, Aux Questions Des Deputes A L'Assemblée Nationale," 13 November 2002, <<http://www.diplomatie.gouv.fr/actu/bulletin.asp?liste=20021108.html&submit.x=5&submit.y=6#Chapitre13?liste=20021108.html&submit.x=5&submit.y=6>>;

French Ministry of Foreign Affairs, "Acces aux Medicament des pays en developpement Communiqué du Ministère du Commerce Extérieur," 7 November 2002, <<http://www.diplomatie.gouv.fr/actu/bulletin.asp?liste=20021108.html&submit.x=5&submit.y=6#Chapitre13?liste=20021108.html&submit.x=5&submit.y=6>>.

<sup>18</sup> Ibid.

## 7. United Kingdom: +1

Since Kananaskis, Britain is one of the two countries, along with Canada, that has directed new money to subsidizing medicines for African countries since the Kananaskis Summit.<sup>19</sup> The British DfID has committed \$37.9 million (including the 25 million committed before Kananaskis) by the end of 2005 to the eradication of Polio, partly through expenditure on medicines.<sup>20</sup> In regards to international patents, Prime Minister Blair created the High Level Working Group on Access to Medicines which in November 2002 reported back to the Prime Minister emphasizing the need to “facilitate a framework for voluntary, widespread, sustainable and predictable differential pricing as the operational norm” and sets a timeline whereby there will exist “significant international commitment to an overarching framework for differential pricing... in time for the 2003 G8 Summit in France.”<sup>21</sup>

## 8. United States: 0

Although the United States conceded that lifesaving medications for infectious diseases should be eligible for “compulsory licensing”, it is the only country opposing an even more ambitious proposal.<sup>22</sup> The United States was the only country out of 144 to oppose an agreement that would have allowed poor countries to impose “compulsory licensing” for all drugs combating diseases or illnesses self-declared by poor countries as a medical emergency. Many NGOs and WTO member-countries argue that the American proposal is insufficient, as it only covers drugs needed to combat emergency “epidemics,” which would not include, for example, diabetes or asthma, two diseases responsible for many deaths in Africa.<sup>23</sup> However, the American proposal regarding infection diseases is certainly a strong step towards compliance. In the January 2003 State of the Union address, President Bush asked congress to approve \$15 billion dollars over the next five years to fight AIDS in Africa, beginning with 2 billion in 2004. This measure, according to the US Administration, will prevent 7 million new infections.<sup>24</sup>

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<sup>19</sup> Clare Short, Secretary of State for International Development and Susan Whelan, Minister for International Cooperation, Canada, “Press Release: Deliver on the Promise to Eradicate Polio G8 Can Score High in Securing a Global Public Good,” 5 December 2002, <[www.dfid.gov.uk](http://www.dfid.gov.uk)>.

<sup>20</sup> Government of the United Kingdom, “G8 Africa Action Plan: Towards the 2003 Summit,” <[www.dfid.gov.uk](http://www.dfid.gov.uk)>.

<sup>21</sup> Clare Short, “Report to the Prime Minister: UK Working Group on Increasing Access to Essential Medicines in the Developing World: Policy Recommendations and Strategy,” 28 November 2002, <[www.dfid.gov.uk](http://www.dfid.gov.uk)>.

<sup>22</sup> Office of the United States Trade Representative, “U.S. Announces Interim HIV/Aids Plan for Poor Countries,” 23 December 2002, <<http://allafrica.com/stories/200212280006.html>>.

<sup>23</sup> The Guardian, “Bush’s Bitter Medicine,” 30 December 2002, <<http://www.guardian.co.uk/leaders/story/0,3604,866420,00.html>>.

<sup>24</sup> President George W. Bush, “U.S. State of the Union Address,” 28 January 2003, <<http://www.whitehouse.gov/news/releases/2003/01/20030128-19.html>>.

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