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Attack on Affordability of Cancer Treatments Revealed in New WikiLeaks Trans-Pacific Trade Pact Text

Obama Administration Budget Pledge to Cut Medicare, Medicaid Costs Would Be Undermined

WASHINGTON, D.C. – Access to affordable cancer treatments in the U.S and 11 other countries would be delayed for years if terms revealed today in the leaked draft Intellectual Property Chapter of the Trans-Pacific Partnership (TPP) were to go into effect, Public Citizen said. The text, obtained by WikiLeaks, analyzed in collaboration with Public Citizen and released today, also shows worrying developments in other patent and copyright issues and explains in part why TPP talks remain deadlocked a month before President Barack Obama's declared deadline for a deal.

"The leak shows our government demanding rules that would lead to preventable suffering and death in Pacific Rim countries, while eliminating opportunities to ease financial hardship on American families and our health programs at home," said Peter Maybarduk, director of Public Citizen's Global Access to Medicines Program. Read Public Citizen's analysis and background information.

Measures in the text, which advantage the patent-based pharmaceutical industry, face stiff opposition from most of the other TPP countries and health care advocates. Entrenched disagreements on these issues will be among the top challenges for TPP trade ministers who will be meeting in Australia at the end of October in an effort to meet Obama's November deadline to complete negotiations.

Large brand-name drug firms want to use the TPP to impose rules throughout Asia that will raise prices on medicine purchases for consumers and governments. With billions at stake, Big Pharma wants the TPP to be a road map for rules that would govern Pacific Rim economies for the next several decades.

A U.S. proposal in the text – to provide long automatic monopolies for biotech drugs or biologics, which includes most new treatments for cancer – contradicts the policies included in recent White House budgets and if adopted would undermine key cost savings touted by the administration. The past budgets have included a specific pledge to shorten the same monopoly periods so as to reduce cost burdens on Medicare and Medicaid.

If the TPP is ratified with this U.S.-proposed provision included, Congress would be unable to reduce monopoly periods without risking significant penalties and investor-state arbitration.

"The White House undermines its pledge to cut drug costs with the harmful position it is taking in these secretive negotiations, at the behest of the major pharmaceutical companies," said Maybarduk.

The TPP is a controversial agreement being pushed by multinational corporations and negotiated behind closed doors by officials from the United States, Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore and Vietnam. The newly leaked text is dated May 16, 2014; however, through close monitoring of negotiations, Public Citizen has been able to establish that contentious issues revealed in the text remain unresolved.

WikiLeaks obtained an earlier draft of the same chapter last year, dated Aug. 30, 2013. The measure on biotech drugs is one of several key revelations new to this leak that show how the TPP would undermine access to affordable medicines and Internet freedom. Others include:

- A measure that could expand online service provider surveillance of Internet users' activity, including in the United States; and
- A rule to require the patenting of plant-related inventions, such as the genes inserted into
 genetically modified plants, putting farmers in developing countries at the mercy of the
 agriculture industry, including seed manufacturers such as Monsanto, and threatening
 food security in these countries more broadly.

Following years of criticism from health advocates, the leaked text shows new proposals for mitigating the pact's harms to access to medicines in developing countries. However, these are insufficient.

Provisions in the leaked text also show where U.S. negotiators, even as they continue to pursue terms that would undermine public health and access to information, have backed down from some of their most extreme demands in the face of resistance from developing countries. The provisions include:

- The elimination of proposals for patents on surgical methods;
- A reduction in scope of other proposed monopoly protections for the pharmaceutical industry; and
- The expected failure of a thinly veiled U.S. attack on an India-style pro-competition patent law, which facilitates access to medicines.

"Many Pacific Rim negotiators deserve great credit for standing up to one of the most powerful industries on earth," said Burcu Kilic, a Public Citizen expert in intellectual property rules who has closely monitored the talks. "But still it is far from being acceptable. This text would hurt people and developing economies if it were implemented."

TPP negotiators are scheduled to sit down again in Australia on Oct. 19-24 with a ministerial-level meeting following on Oct. 25-27. Obama seeks a final announcement on the TPP on Nov. 11, when he will be with other TPP country heads of state in China at the APEC summit.

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