



## Brazil will break the company's patent rights to Merck ARV drug Efavirenz

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Brazilian President Luiz Inacio da Silva (Luiz Inacio Lula da Silva) ordered on Friday to break the patent rights of drug Efavirenz, which belong to the American pharmaceutical company Merck (MRK). Da Silva proposed Act, which allows the government to buy generic versions of the drug Efavirenz laboratories certified the World Health Organization (WHO).

According to Brazilian officials, the decision was taken after Merck refused to reduce the price of Efavirenz to a level required by the government. At the same time, the decision may be revoked if Merck will make a new proposal would fit the Brazilian Ministry of Health.

Presidential Directive was the first such ruling since then, in 1996, Brazil has committed itself to respect patent rights on drugs. The government has described this as a forced, as it costs for drugs to treat AIDS excessive and trying to reduce. To date, Brazil has 200,000 HIV-positive.

Merck Company offered to buy Efavirenz at a price of \$ 1.10 per pill, which is 30% below the price at which the drug is available in the United States. However, the Brazilian leadership required to lower the cost to 65 cents per pill on the ground that it was for a price Efavirenz available in Thailand. Efavirenz is a key component of "cocktail" of 17 different drugs, which take 38% of people infected with HIV in Brazil.

The Brazilian government also stated that the decision conforms to the World Trade Organization, WTO, which in 2001 allowed limited patent infringement of medicines in those cases where there was a threat to public health. According to the Ministry of Health of Brazil, the purchase of generic versions of Efavirenz of Indian pharmaceutical companies would save \$ 237 million until 2012.

**The head of the Washington Institute for Trade, Standards and Sustainable Development Lawrence Kogan (Lawrence Kogan), said that before violate the patent rights of pharmaceutical companies, the Brazilian government to reform government spending and curb corruption. "The Brazilian government is inefficient use of budget funds and invests them for the benefit of the country and therefore a violation of patent law does not seem to me a fair and selfless efforts to help the citizens of Brazil," said Kogan during a telephone interview.**

Source : <http://www.k2kapital.com>

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