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For Immediate Release

## **CGPA Statement on US-Mexico Agreement-in-Principle**

**Toronto, August 28, 2018** – The following is a statement by Jim Keon, President of the Canadian Generic Pharmaceutical Association (CGPA), regarding the preliminary agreement-in-principle announced August 27, 2018 between the United States and Mexico:

The generic pharmaceutical and biosimilar medicines industries are gravely concerned by the agreement-in-principle reached between the U.S. and Mexico, which includes 10 years of data protection for biologic medicines and potentially other pharmaceutical intellectual property (IP) measures that go beyond Canadian law. Canada already provides 8 years of market exclusivity for biologic drugs.

Canada must reject any pharmaceutical intellectual property proposals that go beyond its current laws, which were amended in September 2017 as a result of concessions made by Canada to reach a Comprehensive Economic and Trade Agreement (CETA) with the European Union.

Prime Minister Trudeau and Foreign Affairs Minister Freeland have stated repeatedly that they will only sign an agreement that is in the best interests of Canadians, including the middle class. Concessions cannot be made in the area of pharmaceutical intellectual property.

The Ministerial mandate letter for Canadian Health Minister Ginette Pettipas-Taylor includes the priorities of improving access to necessary prescription medication and reducing the cost Canadian governments pay for these drugs.<sup>1</sup>

Increased pharmaceutical IP measures would have the effect of delaying access to more affordable prescription medicines for provincial governments and private drug plans while increasing the cost of prescription drugs as a result of longer IP protection periods.

Earlier this year the Government of Canada launched a National Advisory Council on the Implementation of National Pharmacare to develop recommendations for how to implement affordable national pharmacare for Canadians and their families, employers and governments. Any increases in pharmaceutical IP measures would undermine the work of this Council.

There is no correlation between increased intellectual property protection and R&D investments by brand-name drug companies. Despite a strong intellectual property system and high brand-name drug prices, the 2017 Annual Report of the Patented Medicine Prices Review Board reports that the R&D-to-sales ratios for all pharmaceutical patentees was 4.1% in Canada in 2017, a decrease from 4.4% in 2016.

The CGPA joins the generic and biosimilar medicines associations of the United States and Mexico in calling on the U.S., Mexico, and Canada to reject 10 years of data protection for biologics, which would benefit brand name drug companies to the detriment of public health and the affordability of medical care.<sup>2</sup>

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<sup>1</sup> <https://pm.gc.ca/eng/minister-health-mandate-letter>

<sup>2</sup> <https://accessiblemeds.org/resources/press-releases/statement-announcement-us-mexico-understanding-biologic-exclusivity>

**About the Canadian Generic Pharmaceutical Association**

The Canadian Generic Pharmaceutical Association (CGPA) represents Canada's generic pharmaceutical industry. The industry plays an important role in controlling health-care costs in Canada. Generic drugs are dispensed to fill 71 percent of all prescriptions but account for only 21 percent of the \$28-billion Canadians spend annually on prescription medicines.

**For more information, please contact:**

Jeff Connell  
Vice President, Corporate Affairs  
Canadian Generic Pharmaceutical Association (CGPA)  
Tel: (416) 223-2333  
Mobile: (647) 274-3379  
Email: [jeff@canadiangenerics.ca](mailto:jeff@canadiangenerics.ca)  
Website: [www.canadiangenerics.ca](http://www.canadiangenerics.ca)