

EUROPEAN UNION
DELEGATION OF THE EUROPEAN COMMISSION TO THAILAND

The Head of Delegation

Bangkok, 18 July 2007
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Subject: **Compulsory licensing of pharmaceutical patents in Thailand**

Dear Minister,

Please find attached a copy of the letter from Commissioner Peter Mandelson concerning compulsory licensing of pharmaceutical patents in Thailand. The original letter has been sent to Commerce Minister H.E. Mr. Krirkkrai Jirapaet.

Please accept, Excellency, the assurance of my highest consideration.


Friedrich HAMBURGER

H.E. Dr. Mongkol Na Songkhla
Minister of Public Health
Tiwanon Road
Nonthaburi 11000

Brussels, 10 July 2007
2007/CAB24/PM/PTH/cmp/D-900

Mr. Krirk-krai Jirapaet
Minister of Commerce
44/100 Thanon Nonthaburi 1
Bangkrasor, Amphoe Muang
Nonthaburi 11000
Thailand

Via
Office of Commercial Affairs
Royal Thai Embassy
Avenue Franklin D Roosevelt 188
1050 Brussels



I am writing to you about the approach of the Thai Government to the use of compulsory licensing for patented drugs. As you know, we strongly support the Doha Declaration on the TRIPS Agreement and Public Health, including the flexibilities it contains. We recognise the right of WTO Members to grant compulsory licences.

But I am concerned by recent indications that the Thai Government may be taking a new approach on access to medicines. Your Government has announced the use of compulsory licensing for a number of patented drugs and stated that if drug companies wish to do business in Thailand, they should offer their drugs for no more than 5 percent above the generic cost.

This approach is a matter of concern to the European Union and would be detrimental to the patent system, and so to innovation and the development of new medicines. It risks forcing more drug companies to abandon their patents and could lead to the isolation of Thailand from the global biotechnology investment community.

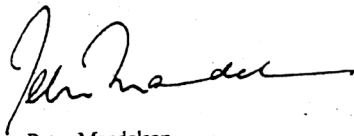
In our view, other means should be explored to increase the access to essential medicines among the Thai people before resorting to such exceptional measures. Neither the TRIPS Agreement nor the Doha Declaration appear to justify a systematic policy of applying compulsory licences wherever medicines exceed certain prices.

The EU therefore encourages the Thai Government to engage in direct discussions with the right holders, in particular with Sanofi-Aventis on *Clopidogrel (Plavix)*. Establishing through constructive dialogue a partnership for the long-term benefit of populations in need seems to us the most promising way forward for both parties.

I would be grateful if you could further clarify the Thai Government's approach on the matter and confirm its openness to negotiations with patent holders.

I am copying this letter to your colleagues Mr. Nitya Pibulsonggram and Dr. Mongkol Na Songkhla, in charge of Foreign Affairs and Public Health matters respectively.

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Peter Mandelson

c.c.: Mr. Nitya Pibulsonggram, Minister of Foreign Affairs.
Dr. Mongkol Na Songkhla, Minister of Public Health