



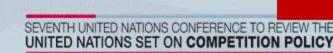
SEVENTH UNITED NATIONS CONFERENCE TO REVIEW THE UNITED NATIONS SET ON COMPETITION POLICY

Geneva, Palais des Nations

The Role of Competition in the Pharmaceutical Sector and its Benefits for consumers

Wednesday 8th June 2015

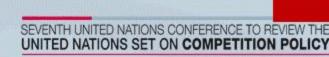
A presentation by the UNCTAD secretariat



Message

Advocating competition in the pharmaceutical sector.





Why?

Affordable essential drugs for everyone

Growing public pharmaceutical expenditure

New challenges for competition enforcement



Challenges: originator v. generic

Misuse of the patent strategy

Ever-greening: Pfizer (2014, Italy)

Product hopping

Reckitt Benckiser (UK)

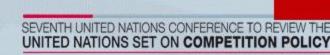
Misuse of <u>regulatory system</u>

AstraZeneca (2012, EU)

Pay for delay

Activais (2013, US) Lundbeck, Fentanyl (2013, EU)





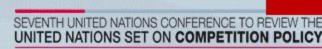
Theory: abuse of rights

"The abuse of rights does not suppose a formal infringement of laws, but the <u>distorted</u> exercise of the granted rights for <u>purposes</u> different from those <u>intended by the legislator</u>."

Pfizer Decision by

The Administrative Supreme Court of Italy,





New challenges: originator v. generic

Competition enforcement





Conventional Anticompetitive Conducts

Cartels:

Bid-rigging (2015, India), Boycott(2009, Spain), Discounts fixing (2014, Brazil)

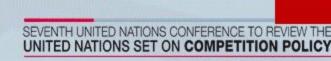
Abuse of dominance:

Refusal to license (HIV drug, 2002-2007, South Africa)

Vertical restraints:

Loyalty discounts (2013, France), Exclusive distribution (2011, China), Illicit rebates Debate (Korea)





Competition Advocacy at the policy level

IP regulatory systems

Best practice: South Africa

Public procurement systems (anti-corruption)

Best practice: Mexico

Healthcare consumer protection systems

Best practice: Chile

Price regulatory systems

Best practice: China



Thank you.

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