Companies reduce prices for HIV drugs in developing countries

In an unprecedented effort to combat acquired immunodeficiency syndrome (AIDS) in sub-Saharan Africa, five of the world’s leading pharmaceutical companies have agreed to decrease the price of drugs used to treat those infected with the human immunodeficiency virus (HIV). Some of the companies have pledged to sell the pharmaceuticals at prices just above manufacturing costs, at discounts as great as 90%.

Glaxo Wellcome said it would offer its drug Combid — a mixture of lamivudine and zidovudine — for US$ 3 a day in many of the world’s developing countries. The drug currently costs about US$ 11 a day in Canada and US$ 25 in the United States.

“The HIV epidemic in developing countries threatens to wipe out development and economic gains made in the second half of the last century,” Richard Sykes, Chairman of Glaxo Wellcome, said in a prepared statement. “The private sector has a role to play in contributing to a multisector response to this epidemic,” he said.

“It’s really a very exciting announcement,” said Dr Mark Wainberg, a physician and President of the International AIDS Society. “It’s something that a lot of pharmaceutical companies have been under pressure to do for a long time.” However, Wainberg said, even at these prices, the drugs will be beyond the financial grasp of many in Africa, whose average per-capita income is less than US$ 80 a month. Some experts also fear Africa does not have enough trained medical personnel to administer the drugs. “If the drugs are not taken properly, then resistance almost certainly will be an aftermath,” Wainberg said.

In addition to Glaxo Wellcome, the participating companies include Boehringer Ingelheim, Bristol-Myers Squibb, Hoffman-La Roche and Merck & Co. Other companies are preparing to join the group.

Experts say that new efforts to improve prevention, medical infrastructure, international funding and political will are also needed. “Lowering the price of medicines ... is only one critical factor in what must become a much broader and more urgent effort to help people living with HIV and AIDS lead healthier and more productive lives,” said Dr Peter Piot, Executive Director of the Joint United Nations Programme on HIV/AIDS (UNAIDS). “We need significant new funding that is on a level with the enormous human, social and economic challenges now being imposed by the epidemic.”

Getting these medications to the world’s developing nations has become a rallying cry for AIDS activists around the world. In recent months, they have disrupted drug firms’ annual shareholder meetings and pressured the Clinton Administration to force the industry to offer the drugs at more affordable prices. Earlier this month, President Clinton issued an executive order suggesting that the United States Trade Representative’s office no longer would threaten trade sanctions against developing nations that use the World Trade Organization’s intellectual property rules to gain access to cheaper drugs. The World Trade Organization allows countries to manufacture generic versions of patented drugs if they are used to combat national health emergencies and some countries like South Africa are considering this option.

As a result, industry insiders say the pharmaceutical companies had little choice but to act quickly. Some developing nations were poised to manufacture their own cheap versions of HIV drugs. Brazil, India and Thailand already make generic zidovudine at 10% of the price in the United States. Another proposed United States trade policy would have given authority to companies in Africa to make generic AIDS drugs, regardless of patents.

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