

Joint Foreign Chambers of the Philippines



**AMCHAM
PHILIPPINES**

AMERICAN

American Chamber of Commerce of the Phils., Inc. ♦ Australian-New Zealand Chamber of Commerce (Phils.), Inc.
Canadian Chamber of Commerce of the Phils., Inc. ♦ European Chamber of Commerce of the Phils., Inc.
Japanese Chamber of Commerce & Industry of the Phils., Inc. ♦ Korean Chamber of Commerce of the Phils., Inc.
Philippine Association of Multinational Companies Regional Headquarters, Inc.

May 23, 2017

Sen. Juan Miguel Zubiri

Chairperson
Committee on Trade and Industry



AUSTRALIAN-NEW ZEALAND

Sen. Joseph Victor Ejercito

Chairperson
Committee on Health
Philippine Senate
Pasay City



CANADIAN

Dear Senator Zubiri and Sen. Ejercito:

We write to convey our concerns, and the concerns of our members, regarding the review of the Cheaper Medicines Act being undertaken by the Quality Affordable Medicines Oversight Committee.

The Joint Foreign Chambers and its members do support the government's efforts to provide better healthcare to more Filipinos, by making quality medicines more affordable.

We recognize that Republic Act 9502 or the "Universally Accessible Cheaper and Quality Medicines Act" was enacted to promote and ensure access to affordable quality drugs and medicines for all. Pursuant to this, the State adopted a general policy of competition in the supply and demand of quality affordable drugs and medicines.

However, through government intervention, prices of several essential medicines were reduced. Despite this, studies revealed that most of these medicines continue to be inaccessible to most Filipinos primarily due to poverty and the need for increased government support for financing medicines.

The JFC further notes that while it did not achieve intended health outcomes, the government-mandated price reductions had undesirable effects, including reduced industry growth rates with probable implications on tax contributions. Several companies were also compelled to scale down operations and cut jobs to cope with the financial impact of such reductions.

More importantly, the use of price controls in any industry can be counter-productive, discourage existing and future investors in all industries, and potentially lead to price controls over other industries or products which, in no doubt, send the wrong signals to potential investors outside the Philippines.

We also support the development of a free and competitive environment that would allow market forces to lower prices and shape the development of the pharmaceutical industry. A coherent, predictable and nurturing business environment helps in ensuring the viability of the innovative medicines sector and the country's overall national competitiveness.



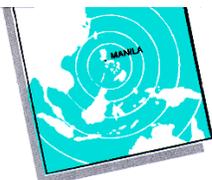
EUROPEAN



JAPANESE



KOREAN



PAMURI

The JFC supports government advocacy for Universal Healthcare, that is, accelerating momentum towards universal health coverage as it strengthens primary care and local government involvement while maintaining sufficient coverage for catastrophic illnesses. The JFC is one with the Department of Health in building disease registries, addressing supply chain issues, and other aspects that will enable successful implementation towards health for all.

The JFC is a coalition of the American, Australian-New Zealand, Canadian, European, Japanese, Korean chambers and PAMURI. We represent over 3,000 member companies engaged in over \$100 billion worth of trade and some \$30 billion worth of investments in the Philippines. The JFC supports and promotes open international trade, increased foreign investment, and improved conditions for business to benefit both the Philippines and the countries the JFC members represent.

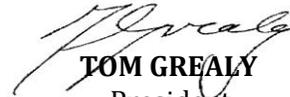
Regards,



BRUCE WINTON

President

American Chamber of Commerce
of the Philippines Inc.



TOM GREALY

President

Australian-New Zealand Chamber
of Commerce of the Philippines Inc.



JULIAN PAYNE

President

Canadian Chamber of
Commerce of the Philippines



GUENTER TAUS

President

European Chamber of
Commerce of the Philippines



HIROSHI SHIRAISHI

President

Japanese Chamber of Commerce
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HO-IK LEE

President

Korean Chamber of Commerce
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DAN MOLLOY

President

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Regional Headquarters, Inc.