



PRESS RELEASE

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Study: "The Death and the Taxes", prepared by the International Policy Network, London

SKOPJE, 25 JANUARY – The OHRID Institute for Economic Strategies and International Affairs, as partner Institute of the think tank International Policy Network from London has the honor to announce the new study which shows that import tariffs on medicines are gradually falling throughout the world, but remain stubbornly high in some countries – acting as a tax on the sick. The global average is now 3.5%, down from 5% in 2005. However, this masks exceptionally high tariff rates in countries such as Iran (30%), Burundi (15%), Nigeria (14.8%) and Tunisia (13%), the study shows.

Other low-income countries such as Ghana and Bangladesh increase the cost of medicines with import duties of between 6% and 8% - self-defeating in countries with such high disease burdens. Some countries levy especially punitive tariffs on antibiotics, hampering the fight against infectious disease. The worst offenders are Nigeria (20%), Burundi (15%), Nepal (15%) and Congo (15%).

Republic of Macedonia is on the 62nd place, and has an average of 3, 91 which is little bit higher from the world average, and simple average of 2, 19 little bit lower than the world average. Republic of Macedonia is also placed in the list of countries which levy higher tariffs on finished medicaments than ingredients. Furthermore, Republic of Macedonia is also in the list of countries which have abolished tariffs on active ingredients.

The percentage of the tax in Republic of Macedonia is 5%. The only country on the Balkan which has taxes on the medicines the same as Macedonia is Bosnia and Herzegovina. Namely, Bosnia and Herzegovina are on one place above us and has average of 4,1 and simple average of 2,19. In contrast, countries like Rwanda, Kenya, Gabon and Saudi Arabia have recently abolished import duties on medicines, joining the likes of wealthy European Union countries, Canada and the USA, as well as poorer countries like Benin, Malawi, and South Africa. Indian tariffs have fallen from 35% to 10% since 2001.

Study author Philip Stevens said: “Many lower income countries suffer high rates of diseases that are easy to treat or prevent with appropriate medicines. Lack of proper health systems means that many people have to pay for medicines out of their own pockets. It is therefore unconscionable that governments still tax sick people”.

“All countries should strive to abolish medicine tariffs, and join the increasing number of countries that do not impose these unfair taxes on the sick,” Stevens said.