

# SENATE OF PAKISTAN

House of the Federation



REPORT NO. 3 OF 2019

REPORT OF THE SENATE STANDING COMMITTEE ON NATIONAL HEALTH  
SERVICES, REGULATIONS & COORDINATION

ON

“POINT OF PUBLIC IMPORTANCE REGARDING THE RECENT INCREASES IN  
THE PRICES OF MEDICINES IN THE COUNTRY RAISED BY SENATOR SIRAJ-  
UL-HAQ IN THE SENATE SITTING HELD ON 24-01-2019

PRESENTED BY

SENATOR MIAN MUHAMMAD ATEEQ SHAIKH  
CHAIRMAN (COMMITTEE)

## SENATE SECRETARIAT

### REPORT OF THE SENATE STANDING COMMITTEE ON NATIONAL HEALTH SERVICES, REGULATIONS & COORDINATION ON THE POINT OF PUBLIC IMPORTANCE REGARDING THE RECENT INCREASES IN THE PRICES OF MEDICINES IN THE COUNTRY RAISED BY SENATOR SIRAJ-UL-HAQ

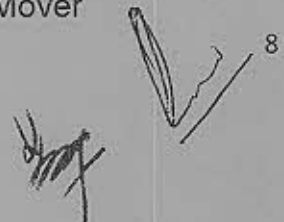
I, Senator Mian Muhammad Ateeq Shaikh, Chairman, Senate Standing Committee on National Health Services, Regulations & Coordination, have the honour to submit, on behalf of the Committee, this report on the Point of Public Importance raised by Senator Siraj-ul-Haq in the Senate, regarding the recent increases in the prices of medicines in the country, referred by the House on 24-01-2019 to the Committee for consideration and report.

2. The Composition of the Standing Committee is as under:-

1) Senator Mian Muhammad Ateeq Shaikh	Chairman
2) Senator Dr. Ghous Muhammad Khan Niazi	Member
3) Senator Ayesha Raza Farooq	Member
4) Senator Dilawar Khan	Member
5) Senator Dr. Asad Ashraf	Member
6) Senator Dr. Ashok Kumar	Member
7) Senator Dr. Sikandar Mandhro	Member
8) Senator Liaqat Khan Tarakai	Member
9) Senator Prof. Dr. Mehr Taj Roghani	Member
10) Senator Sana Jamali	Member
11) Senator Sardar Muhammad Shafiq Tareen	Member
12) Senator Manzoor Ahmed Khan Kakar	Member

3. The Point of Public Importance was placed on the agenda of the meetings held on 13-02-2019 and 13-05-2019. The following attended the meeting on 13-02-2019:-

10) Senator Mian Muhammad Ateeq Shaikh	Chairman
11) Senator Dr. Ghous Muhammad Khan Niazi	Member
12) Senator Dr. Asad Ashraf	Member
13) Senator Dr. Ashok Kumar	Member
14) Senator Liaqat Khan Tarakai	Member
15) Senator Prof. Dr. Mehr Taj Roghani	Member
16) Senator Sana Jamali	Member
17) Senator Manzoor Ahmed Kakar	Member
18) Senator Siraj-ul-Haq	Mover



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4. Since conclusive discussion could not be held on the agenda item within 60 days of being referred from the House, extension of 60 working days was solicited from the Chairman Senate and subsequently the matter was again brought on agenda in Committee meeting held on 13-05-2019, which was attended by following:-

1) Senator Mian Muhammad Ateeq Shaikh	Chairman
2) Senator Dr. Ghous Muhammad Khan Niazi	Member
3) Senator Ayesha Raza Farooq	Member
4) Senator Dr. Asad Ashraf	Member
5) Senator Dr. Ashok Kumar	Member
6) Senator Dr. Sikandar Mandhro	Member
7) Senator Liaqat Khan Tarakai	Member
8) Senator Prof. Dr. Mehr Taj Roghani	Member
9) Senator Sana Jamali	Member
10) Senator Sardar Muhammad Shafiq Tareen	Member
11) Senator Siraj-ul-Haq	Mover

5. The mover, Senator Siraj ul haq while highlighting issue informed that prices of more than 70,000 medicines have been increased. The Committee showed displeasure regarding 15 % increase in drug prices across the board, even where raw material had not been imported. The Secretary, Ministry of NHS,R&C apprised the Committee that the issue of price hike in medicines started from the proposal of 15% rise in 2015. But it was withdrawn immediately. Pharmaceuticals raised the issue in Supreme Court of Pakistan in 2018. In August, 2018 Supreme Court decided to raise the prices according to the notification issued by government for 15% rise. It was directed by the court to implement the said decision within 10 weeks. The prices of 395 medicines were lowered on case to case basis. Prices of 464 medicines were raised. During the November's hearing of the case, Supreme Court directed to include the rise in dollar prices as well. Till then 30 to 40 thousands medicines did not undergo appreciation since 2017. Hence 51% case of raw material (imported) was also included. During the same period, pharma did not decrease case of 395 medicines prices. They got stay from Sindh High Court. On 16<sup>th</sup> April Sindh High Court rejected their plea. The Ministry directed Pharmaceuticals to publish the latest data regarding current prices of 395 medicines in National Newspapers so that the relevant depreciation level may be known. Regarding the issue of price hike of 464 medicines (under hardship cases), the prices of 360 medicines was raised upto 50%. Remaining 52 medicines prices was raised upto 70-75%. The ministry also informed the Committee that they would take up the matter of unjust price hike for the 52 medicines in Cabinet meeting to be held on 14<sup>th</sup> May, 2019. They would also file cases in Drug courts against these pharmaceuticals which had not lowered the prices of 395 medicines. The matter was

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disposed of Hon'ble Mover Sen. Siraj-ul-Haq was satisfied with the response of Secretary.

6. Although the Committee unanimously decided to dispose of the matter and decided to present the same before the House, but at the same time the committee also decided to make the following recommendations on the matter since it had been under intensive debate in the several meetings of the standing committee. i.e.13-02-2019, 05-04-2019 and 13-05-2019 consecutively.

7. In addition to the above, and while taking special consideration of the matter of public importance, the committee recommended that Ministry should give briefing upon its hardship policy, 2.4 factors, and the grounds of taking the decision of price rise as approved by the cabinet in its meeting held during the previous government's regime. The committee expressed its reservations as to why the ministry had not sought the approval from the cabinet for the said price hike during the incumbent government's regime.it was further recommended that the ministry should prepare detailed presentation for the justification of unjust price-hike done by DRAP as the Ministry and the then Minister had themselves admitted of the said mistake at different forums.



**(JAMIL AHMED KHOSO)**  
Secretary Committee



**(SENATOR MIAN MUHAMMAD ATEEQ SHAIKH)**  
Chairman (Committee)

Islamabad  
The 30<sup>th</sup> May, 2019