

International public interest groups slam EU on double standards on drug laws

Wednesday, October 21, 2009 08:00 IST

Joseph Alexander, New Delhi

International public interest organizations have charged the European Union with adopting double standards vis-à-vis poor and developed countries, and blocking the access to essential medicines across the world, especially in the underdeveloped countries.

The Oxfam international and Health Action International, in their latest report on the issue, have claimed that the EU was contradicting the world trade rules by putting the interests of big drug companies before the two billion people in the world who cannot access essential medicines.

The EU's actions also undermine its obligations to achieve the Millennium Development Goals, as well as World Trade Organization agreements, the two organizations said in the report. The strong criticism from the two international organizations comes amid the moves by countries like India and Brazil to file complaint at the WTO against the European Commission in connection with the seizure of drugs last year.

The report also assumes significance against the backdrop of the renewed efforts by the European Union to reframe the counterfeit drugs laws and insistence on tough new intellectual property rules in bilateral free trade deals that go beyond the WTO's existing TRIPS agreement.

The report says that, since late 2008, Germany as well as the Netherlands have made customs seizures together totalling 19 shipments of generic medicines bound for developing countries. Oxfam and HAI (Europe) say the generic shipments were legitimate under WTO rules. The EU is increasing pressure on developing country governments to surrender their rights to obtain affordable, generic medicines in order to protect public health, even though these rights are guaranteed under global trade rules, according to the report.

The EU is pushing these measures that will result in higher medicine prices in developing countries at the same time it is trying to reduce domestic medicine prices. Twenty-four out of 27 EU Member States have taken steps to implement price controls for medicines. Furthermore, the European Commission is carrying out a high profile investigation into the pharmaceutical industry for intellectual property abuses in the European Union, and is contemplating action against these companies, the organizations claimed.

"EU is guilty of double standards, one rule for the rich and another for the poor. A crackdown on European pharmaceutical prices is happening alongside a

concerted effort to further push intellectual property rules that prevent poor countries from buying affordable medicines," a spokesman of Oxfam said, adding that EU's policies are increasing the cost of medicines and it was hitting the poorest people in developing countries disproportionately hard, as 20 to 60 per cent of their health budgets are spent on medicines.

Millions of poor people have to pay for medicines out of their own pockets so even a small price rise can make them unaffordable. Europe's policies are directly responsible for this scandal. The EU's trade policies demand that developing countries protect the interests of drug companies above public health priorities, the report said. It has detailed a number of policies that were blocking the access to medicines in the developing world.

It also contains details on the promotion of a new global framework to enforce Intellectual Property rules which delay access to generic medicines in developing countries, including through seizures of legitimate medicines, obstructing progress at the World Health Organization towards new models of research and development that meet health needs in developing countries; and spending on R&D for developing countries that remains insufficient in spite of increases in recent years.