

## Several countries join India-EU dispute at WTO as interested or affected parties

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Several countries such as Brazil, Ecuador, Canada, China, Turkey and Japan have joined as interested or affected parties in the on-going dispute between India and European Union (EU) at WTO on the seizure of generic medicines in transit via ports and airports in EU countries.

India's dispute with the EU on the seizure of generic medicines in transit via ports, predominantly Rotterdam, and airports like Schipol & Frankfurt, by EU customs authorities was formally taken up by the Indian government to WTO's dispute resolution mechanism on May 11 2010, 'Seizure of Generic Drugs in Transit' (Dispute DS408) on the grounds that EU domestic regulations and seizures are inconsistent with the obligations of the EU under Articles V and X of GATT and various provisions of the TRIPs Agreement.

In the first stage, consultations between India and the EU will be held to try and amicably sort the dispute. Several other countries have reportedly filed to join the consultations as they are interested/affected parties.

According to sources, Brazil, Ecuador and Canada have requested to join the consultation in the dispute. Brazil filed to join the consultations to take action against the seizure of consignments of generic medicines by EU customs meant for import into Brazil from India. In addition, Brazil has also filed for consultation on the ground that it is also an exporter of generic medicines.

Ecuador filed a request to join the consultations on the grounds that it has a substantial trade interest in these consultations as shipments of generic drugs destined for Ecuador have been seized in transit in the territory of the European Union in 2008 and 2009. Ecuador is also concerned that these measures could adversely affect the shipment of drugs destined for Ecuador in the future.

Canada sought to join the consultation on grounds that it has a substantial trade interest in these consultations, as it exports 40 per cent of generic drugs manufactured in Canada to over 120 countries. Canada is also an active WTO Member on the issue of public health, including access to medicines.

China, Turkey and Japan have also requested to join the consultations. China a significant exporter of APIs to India and Latin America has also sought to join the consultations on the ground that it is a "big producing country of generic drugs" and therefore has substantial interest in these consultations.

Japan has filed that it has substantial trade interests in the seizure of medicines from India, but it is not clear whether it seeks to support EU on the seizures as it the principal country that proposed the ACTA to other G8 members. ACTA provisions on border measures are similar to EU's domestic regulations that have deliberately sought to prevent trade in legitimate generic medicines between countries mainly between India, a key producer of essential medicines and other developing countries in Africa and Latin America.

EU ports and airports are transit hubs for the export of generic medicines from India to other countries and the seizures have led to destruction of medicines, delays in shipments of medicines, and more expensive transit routes which bypass EU ports and airports.