

India to lodge complaint with WTO against seizure of drug exports at EU ports

Tuesday, October 20, 2009 08:00 IST

Ramesh Shankar, Mumbai

The Indian government will soon file a complaint at the World Trade Organisation (WTO) against the European Union (EU) on the issue of seizure of Indian drug shipments at EU ports, as efforts at different international forums to find an amicable solution to the nagging issue did not bear fruits so far.

"The government has decided to file a complaint against the EU and a lawyer has been appointed in this regard. India will file the complaint soon, possibly in a month or so as the issue is not resolved amicably in spite of our best efforts," joint secretary in the Union Ministry of commerce Rajeev Kher said.

Though the country had engaged in hectic negotiations at different international forums during the last several months to find an amicable solution to this vexed issue, there have been no desired results as there was no abatement in the seizure of Indian drug shipments at different EU ports. There were several instances of seizures by EU/US Custom authorities of the Indian generic medicines in transit to various developing countries in Latin America and Africa on the grounds of counterfeit/patent infringement, patent litigations in US courts, etc.

The government so far failed to cut much ice with the EU authorities in relaxing regulations on patent and trade mark issues so that at least the drug shipments on transit cannot be seized at the EU ports on charges of counterfeiting and patents infringement. Though the government had provided data of Indian drug shipments which were seized at EU ports, the EU authorities have so far defended their action.

The entire issue was triggered last year when the EU countries began implementing local patent rules rigidly some months back. These EU rules stipulate that any product patent that has been granted in EU countries, if being transported through their countries, is also liable for confiscation under their patent law.

Since then, there were reports of increasing incidence of seizures of Indian drug shipments meant for other countries at EU ports on charges of counterfeiting and patents infringement. Major places where Indian goods were seized included the ports in Miami, Germany, France and The Netherlands. Most of these drugs were on its way to countries like Brazil, Peru, Columbia, etc where these drugs are not patented.

For instance, the customs authorities at Rotterdam in the Netherlands had seized shipments of the generic drug Losartan, which was manufactured in India and was in transit to Brazil. Losartan, indicated to treat high blood pressure, is not under patent protection either in India or Brazil.