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EU customs rules: India, Brazil move to WTO

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<http://www.financialexpress.com/news/EU-customs-rules---India--Brazil-move-to-WTO/618039/>

New Delhi: India and Brazil have finally moved to the World Trade Organisation against the Netherlands and EU on Wednesday on enforcement of European Union customs rules, claiming that EU has erred in confiscating generic Indian medicines in transit.

The EU, on the other hand, claims that the seizure was meant to prevent trade in counterfeit medicines. This comes at a time when the European Commission has hinted that it would work towards amending enforcement of laws responsible for seizures. A consultation paper on the same has been floated by Brussel-based office of the EC. However, Indian government officials feel that EU's reciprocation has been far from satisfactory.

EU officials argue that their checks aim to identify counterfeit medicine rather than stopping people in developing countries from getting treatment.

EU officials say they have no vested interest in halting the manufacture of generic drugs in developing countries or their legitimate export. Around 18 shipments of generic medicines from India have been seized in transit at European ports since the beginning of 2008 on the grounds of alleged patent infringement. Custom officials in Germany, France and the Netherlands have seized and detained Indian drug consignments for months at the request of companies including Sanofi-Aventis SA, Novartis AG and Eli Lilly & Co.

India claims that most of these were cases of trademark violations in the transit countries but the drugs are perfectly legitimate in the source country, that is India and destination countries in Latin America and Africa.

Brazil said in January 2009 that the seizure by customs authorities in Rotterdam of shipments of Dr Reddy's generic drug Losartan, used to treat high blood pressure, that were in transit to Brazil "raised doubts about the commitment of European countries to help people in developing countries gain access to medicines."

The current EU law permits customs authorities to seize goods in transshipment if the products are suspected of infringing intellectual property rights.

The first step in approaching the WTO entails request for consultations between countries involved in dispute. India, Brazil, the EU and the Netherlands would now hold talks for at least two months in an effort to resolve the dispute. If consultations fail, India and Brazil can then appeal to WTO judges to rule.