

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:2564
ANSWERED ON:07.03.2003
IMPORT RESTRICTION ON DRUGS
VILAS BABURAO MUTTEMWAR

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether the European Union Commission (EUC) has proposed to the Government for consultations on the justification for import restrictions on certain drugs under the EXIM Policy;
- (b) whether the restrictions imposed by the Government constitute infringement of World Trade Organisation (WTO) in any way;
- (c) if so, the details thereof;
- (d) the names of the medicines on which the import restrictions have been imposed by the Government;
- (e) whether any consultations have been held as requested by the EUC; and
- (f) if so, the result thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY)

(a) to (f) On 23 December 2002 the European Communities requested consultations with India under the Dispute Settlement Mechanism of the World Trade Organization regarding import restrictions maintained by India on more than 100 products, including certain medicines, under its Export and Import Policy 2002-2007. The medicines restricted for import include Penicillins and its salts, 6-APA, Rifampicin, 3 Formyl Rifa SV (Rifa int), Rifa S/Rifa S Sodium (Rifa int), 1-Amino-4-methyl piperazine, medicament containing penicillin or derivatives thereof

These import restrictions are maintained by India under Articles XX and XXI of GATT 1994. Subject to certain conditions, restrictions under Article XX of GATT 1994 are normally permitted for certain purposes including (i) protecting public morals; (ii) protecting human, animal, plant life or health; (iii) relating to importation or exportation of gold or silver; (iv) for securing compliance with domestic laws or regulations; (v) for protection of national treasures of artistic, historic or archeological value; and (vi) for conservation of exhaustible natural resources etc. Import restrictions under Article XXI of GATT 1994 are permitted for protection of essential security interests.

India and the European Communities have held consultations in this case on 17th February 2003 under the Dispute Settlement Mechanism of the WTO during which certain clarifications on these import restrictions sought by the EC were provided by India.