

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

UNSTARRED QUESTION NO:2788

ANSWERED ON:07.12.2009

IMPOUNDING OF INDIAN DRUGS SHIPMENTS

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

(a) whether the Indian generic drug shipments have been impounded under the European Unions(EUs) Regulation 1383/2003 "concerning customs action against goods suspected of infringing certain intellectual property right"; and

(b) if so, the details thereof and the reaction of the Government thereto?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA M. SCINDIA)

(a) & (b): Yes, Madam. Some consignments of Indian generic drugs exported from India to countries in Latin America and Africa have been detained/seized by custom authorities of European Commission, particularly of the Government of Netherlands, on the grounds that these pharmaceutical products were patented in Europe and therefore infringed the rights of the patent holders in Europe. The matter has been taken up at diplomatic level with EC Trade Commissioner through Embassy of India, Brussels, clearly bringing out that since there was no patent protection available to the products in India or in destination countries and that since these were not being diverted to the European markets, there was no patent violation. Thus the action of European Commission was violative of the international legislation both General Agreement on Trade and Tariff (GATT) and Trade Related Intellectual Property Rights (TRIPS) which allow freedom of transit for products. Government has, accordingly, filed a complaint with the Disputes Settlement Mechanism of the World Trade Organisation.