Ban Ki-Moon Flags Potential Impact of EU Trade Deals on India’s Generic Medicine Exports

The EU’s proposals for stricter protection of intellectual property rights could hinder access to cost-effective medicines that India exports to the Global South.

New Delhi: As the European Union (EU) pursues free trade agreements with India and Indonesia – two major generics-producing nations – former UN secretary-general Ban Ki-Moon has cautioned against the potential fallouts of EU policy that could threaten the affordability of generic medicines these countries export to the Global South.

India was the single largest supplier of pharmaceutical products to Africa in 2018, and accounted for a fifth of the continent’s pharmaceutical imports, Ki-Moon and Winnie Byanyima, executive director of UNAIDS, wrote in Politico.

UNAIDS is the United Nations’ programme on HIV/AIDS that works with 11 UN organisations to achieve universal access to HIV prevention, treatment, care and support.

The lessons learned from the HIV and AIDS pandemic highlight the significance of affordable generic medicines. India’s contribution of reasonably priced generic drugs helped lower treatment costs for AIDS from over $10,000 to less than $100 annually which saved countless lives. This was possible as the medicines were developed before India implemented the 1995 World Trade Organization (WTO) agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), the report said.

India’s vital role in supplying affordable medical products was also evident during the COVID-19 pandemic. However, the EU and other developed nations, facing relentless lobbying from the pharmaceutical industry, opposed India and South Africa’s proposal to temporarily waive some TRIPS obligations for COVID-19 medical products.

While the TRIPS agreement aimed to foster innovation and social benefits, critics argue that it has tipped the scales in favor of the pharmaceutical industry, compromising access to affordable medications. The development of long-acting HIV prevention and treatment medicines, with the potential to advance the end of AIDS, results in wide availability at low prices through large-scale generic production, the two wrote.

In negotiations with Indonesia, the EU has proposed an extensive intellectual property enforcement regime that could negatively impact access to medicines. Furthermore, it wants to extend pharmaceutical patent monopolies and expand exclusive data rights, which could cause delays in the availability of cost-effective generic versions.

Past experiences with similar proposals, termed TRIPS-plus measures, have raised concerns about their implications on access to medicines. In countries like Jordan and Guatemala, the implementation of data exclusivity clauses in trade agreements resulted in delays in accessing less affordable generic alternatives, straining public health programs financially.

The U.N. Special Rapporteur on the Right to Health said that developed countries should not encourage developing nations to enter into trade agreements with TRIPS-plus measures, as they infringe upon the right to health.

Recognizing the importance of medicines as global public goods, the European Parliament has repeatedly called on the Commission to exclude TRIPS-plus requirements in trade negotiations.

India’s negotiators note they’ve “firmly communicated” that data exclusivity and patent term extensions are “redlines” for them in these negotiations and that the EU should never have demanded such changes in the first place, the Politico report said.

Also Read