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EU double standards threaten to leave poor countries without medicines – Oxfam and Health Action International Europe

The European Union is contradicting world trade rules by putting the interests of big drug companies before the 2 billion people in the world who cannot access essential medicines, according to a new report today by Oxfam and Health Action International, Europe.

The EU's actions also undermine its obligations to achieve the Millennium Development Goals, as well as World Trade Organization agreements.

The report coincides with recent news that India and Brazil are filing a complaint against the European Commission at the WTO after the Netherlands seized anti-HIV and other medicines earlier this year. The medicines were going from India via Europe to Brazil, Colombia and Nigeria.

The report says that, since late 2008, Germany as well as the Netherlands has made customs seizures together totaling 19 shipments of generic medicines bound for developing countries. Oxfam and HAI (Europe) say the generic shipments were legitimate under WTO rules.

The EU is increasing pressure on developing country governments to surrender their rights to obtain affordable, generic medicines in order to protect public health, even though these rights are guaranteed under global trade rules, the groups say.

The EU is also insisting on tough new intellectual property rules in bilateral free trade deals that go beyond the WTO's existing TRIPS agreement.

The EU is pushing these measures that will result in higher medicine prices in developing countries at the same time it is trying to reduce domestic medicine prices. Twenty-four out of 27 EU Member States have taken steps to implement price controls for medicines.

Furthermore, the European Commission is carrying out a high profile investigation into the pharmaceutical industry for intellectual property abuses in the European Union, and is contemplating action against these companies.

Elise Ford, Oxfam head of EU advocacy, said: "The EU is guilty of double standards. One rule for the rich and another for the poor. A crackdown on European pharmaceutical prices is happening alongside a concerted effort to further push intellectual property rules that prevent poor countries from buying affordable medicines."

The EU's policies are increasing the cost of medicines. This is hitting the poorest people in developing countries disproportionately hard, as 20-60% of their health budgets are spent on medicines.

"Millions of poor people have to pay for medicines out of their own pockets so even a small price rise can make them unaffordable. Europe's policies are directly responsible for this scandal," Ford said.

The EU's trade policies demand that developing countries protect the interests of drug companies above public health priorities, and the EU demands exceed even those made by the much-criticised US administration of President Bush.

Sophie Bloemen, Projects Officer for Health Action International Europe, said: "The EU must accept its moral and legal obligations. There is growing evidence that the EU's trade agenda is causing severe damage to public health in developing countries."

The report details a number of other EU policies that are damaging access to medicines in developing countries including:

- promotion of a new global framework to enforce Intellectual Property rules which delay access to generic medicines in developing countries, including through seizures of legitimate medicines;
- obstructing progress at the World Health Organization towards new models of research and development that meet health needs in developing countries; and
- spending on R&D for developing countries that remains insufficient in spite of increases in recent years.

These policies lack coherence and undermine broader EU development objectives to promote access to health care. While the EU is increasing funding to improve health care for European citizens, it is denying developing countries the affordable medicines they need to ensure good health, the report says.

"It's time that the EU joins up its policies. Both the EC and Member States must promote access to health care in their development policies and access to affordable medicines through their trade policy", Ford said.



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Notes to editors:

The TRIPS (Agreement on Trade Related Aspects of Intellectual Property Rights) global patent system restricts the availability of low-cost generic medicines but has failed to speed up to the development of new medicines for poor countries.

The TRIPS Agreement and the Doha Declaration on TRIPS and Public Health (2001) gives governments the right to use legal safeguards and flexibilities to prioritize public health over the enforcement of intellectual property rules.

Least-developed countries have until 2016 to fully implement TRIPS.