

EU Commission pushes its trade agenda on Andean nations despite public health consequences



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A new round of trade negotiations between the European Union (EU) and a dwindling number of engaged Andean Community (CAN) countries started yesterday in Bogota, Colombia. Whilst Colombia and Peru remain at the table, Ecuador and Bolivia, original members of CAN, have left or significantly decreased their involvement in the deliberations because of their opposition to an emerging agenda that focuses exclusively on trade issues and the EU's strong stance on intellectual property (IP). The *CAN-EU Alliance*, a civil society coalition of European and Latin American NGOs, are very concerned about the public health consequences of the EU's IP demands.

According to studies conducted by Bogota-based IFARMA and Health Action International (HAI), using a WHO methodology, the acceptance of the European proposal on IP would cost the Colombians approximately 750 million USD annually. Strong IP enforcement measures, including controversial border measures, would potentially lead to a further decline in the trade in generic medicines, which could negatively affect access to treatment.

The impact studies on Colombia found that patent extension and data exclusivity provisions proposed by the EU would have dire consequences;

The number of medicines on the market under patent would rise from approximately 8% to 21% of all the products on the market.

Governments and consumers would need to increase annual spending on health by approximately 750 million USD.

Without this increased expenditure on health, more than 4.1 million Colombians would lose access to essential medicines.

The EU is also insisting on a chapter in the text of the agreement on the *enforcement* of IP rights. The chapter strengthens the protection of IP rights and has the effect of restricting competition from cheaper, generic medicines. Implementing such provisions to protect private rights would impose significant financial cost to the state, and therefore to the Colombian people, despite it being a public policy priority of the EU rather than Colombia.

The chapter on enforcement includes the provision on border measures of regulation 1383/2003 that recently led to the seizures of legitimate generic medicines in transit to developing countries in the Netherlands and in Germany. These provisions allow customs to check for IP infringement in the country of transit, disregarding trade principles such as freedom of transit and the territoriality of IP rights. By hampering trade in generic medicines, these measures can have a negative effect on access to medicines.

Sophie Bloemen from HAI Europe stated, "it is inconceivable that the EU could insist on these provisions, which will so clearly have negative effects on public health in the Andean region. The fact that both Bolivia and Ecuador are not accepting the EU's proposals on IP should be an indication to the world of the EU's misplaced ambition to protect their own industry and along the way, sacrifice the health of the poor overseas".

The negotiations are set against a backdrop of civil disquiet and unrest that has resulted in well reported human rights abuses and even deaths of indigenous peoples in Peru, who were protesting over the effects of the implementation of the US Free Trade Agreement (FTA)." It seems that for the EU negotiators, trade is more important than human rights.

PRESS RELEASE

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