

## European Union has launched two WTO cases concerning import duties in India and import measures in Turkey

On 2<sup>nd</sup> April 2019 the European Union (EU) brought two actions before the World Trade Organization (WTO) against respectively the Government of India (India) and the Government of the Republic of Turkey (Turkey).

Pursuant to the WTO regulations, the two actions triggered a 60-day consultation.

### Action against India

The EU is questioning the tariff treatment accorded to certain goods of the information and communications technology business segment (ICT) imported in India.

India appears to apply import duties in excess of the rates bound in the Schedule of Concessions and Commitments (Schedule) annexed to the General Agreement on Tariffs and Trade 1994 (GATT 1994) with the consequence that EU operators are being subject to a less favourable treatment than the one provided for in the Schedule.

### Action against Turkey

The EU initiated an action against Turkey since some provisions relating to the production, importation and marketing of pharmaceutical products appears to be forcing foreign operators to localize the manufacturing of pharmaceutical products in Turkey.

In particular, such products manufactured outside of Turkey appears to be excluded from the scheme for the reimbursement of pharmaceuticals products distributed by pharmacies to patients under the Turkey's social security system or, if not excluded, Turkish authorities can anyway prioritize the reimbursement of pharmaceutical products made locally as well the setting of prices or the granting of licenses.

The provisions could also lead to an import prohibition for foreign produced pharmaceutical products and force foreign producers to transfer technology (including patent rights) to producers established in Turkey.

If the consultations requested do not lead to a satisfactory solution, the EU can request the establishment of a panel according to the WTO dispute settlement system in order to rule on the issues raised.

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