



PRESS RELEASE

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For immediate release

‘Investor-to-state dispute settlement’ in EU–US trade deal risks access to affordable medicines

NGO coalition urges European Commission to exclude mechanism from TTIP

BRUSSELS—Several European and American health NGOs publicly criticised the inclusion of investor-to-state-dispute-settlement (ISDS) in the Transatlantic Trade and Investment Partnership (TTIP) today, warning that it will undermine public health policies of European Union (EU) Member States and severely jeopardise access to affordable medicines and public health protection.

“We urge the European Commission not to lead EU citizens down a dangerous path towards ISDS,” said Aliénor Devalière, policy advisor with Health Action International Europe. “ISDS is neither needed, nor justified, in TTIP. Both the EU and United States (US) have well-developed legal and court systems in place to handle disputes.”

In a joint response to the European Commission’s ‘Public consultation on modalities for investment protection and ISDS in TTIP’, the NGOs caution that adding ‘intellectual property’ to the definition of ‘investment’ within ISDS will strengthen intellectual property protections. This will enable pharmaceutical companies to sue EU Member States that take measures to improve access to medicines, or exclude less effective treatment from reimbursement.

The coalition therefore calls on the Commission to exclude both intellectual property from the definition of ‘investment’ and the ISDS mechanism from the investment chapter of the trade deal.

“ISDS will equip pharmaceutical companies with a means to challenge EU Member States’ or regulatory bodies’ use of legitimate TRIPS flexibilities, such as patent reform and compulsory licensing,” said Brook Baker, senior policy analyst with Health GAP. “This is bad news for patients and consumers. Greater intellectual property protections delay the market entry of cheaper generic medicines, keeping medicine prices substantially higher, affecting availability and affordability.”

“Without doubt, if ISDS is allowed in TTIP, governments will end up refraining from implementing measures that improve access to affordable medicines for citizens for fear of being sued,” said Sophie Bloemen, coordinator with the Commons Network. “Legal battles between governments and pharmaceutical companies are both lengthy and costly, so most governments will do all they can to avoid them. In addition, many governments, particularly those in low- and middle-income countries, do not have the resources to endure lawsuits.”

The NGO coalition consists of Health Action International Europe, the Commons Network, Salud por Derecho, the International Society of Drug Bulletins, the Medicines in Europe Forum, Health GAP (Global Access Projects) and Universities Allied for Essential Medicines.

The coalition’s comprehensive consultation response, which includes in-depth analysis and examples that highlight ISDS concerns, is available on the Health Action International Europe website: <http://bit.ly/1rkHQG8>.

TTIP is a comprehensive free trade and investment treaty being negotiated in secret between the EU and US. The sixth round of negotiations began today in Brussels.

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FOR FURTHER INFORMATION AND COMMENT:

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