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## U.S. probing 'discrimination' in Indian trade policies

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**WASHINGTON:** India's policies for regulating foreign trade and investment, particularly in the context of Intellectual Property Rights (IPR) affecting the pharmaceutical industry, were in the crosshairs of the U.S. Congress this week as a lengthy investigation was launched into whether such policies were harming the U.S. economy by discriminating against American firms.

The "fact-finding" investigation on 'Trade, Investment, and Industrial Policies in India: Effects on the U.S. Economy,' which kicked off on Wednesday, is being undertaken by the U.S. International Trade Commission upon authorisation by the Senate Finance Committee and the House of Representatives' Ways and Means Committee.

The launch of the investigation comes in the wake of an increasingly strident tenor of debate on whether India's IP environment, relating to generic pharmaceuticals and copyright issues linked to music and film piracy, and similar concerns, is "deteriorating," or whether India is simply prioritising access, for example to life-saving drugs, over commercial profits.

At the heart of the discussion are India's decisions to deny patents to certain cancer drugs such as Novartis' Glivec and Bayer's Nexavar, even as it granted compulsory licenses to domestic producers of generic versions of these drugs.

The USITC process comes a day after the U.S. Trade Representative (USTR) announced that the agency was seeking World Trade Organisation (WTO)

dispute consultations with India over the latter's local content requirements for solar panel manufacturing, which is alleged to discriminate against U.S. producers of solar components.

The investigation also comes as the USTR called for hearings, starting on February 24, to prepare its 2014 "Special 301 Report" on the adequacy of IP rights protection by U.S. trading partners.

The mandate of the bipartisan Commission convening this week is to consider testimonies from a wide range of stakeholders and "enumerate restrictive trade and investment policies that India maintains or has recently adopted, determine which sectors of the U.S. economy are most affected by these policies, and describe the competitiveness of Indian firms in these sectors."

*Regulatory.*