

# Trade and Health

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# Trade and health: building a national strategy

## WHO 2015 report

In the same year, the UNGA adopted the Agenda 2030:

**Transforming our world: the 2030 Agenda for Sustainable Development**

WHO report 2015 says about trade and health the following: “Globalization and the rise of international trade of goods and services (People and capitals) in terms of volume and speed influence human health, This influence can be both positive and negative.

Our (WHO) work on “trade and health” is all about **harnessing and maximizing opportunities to promote public health and minimizing the risks and threats.**”

# Agenda 2030

## Four elements

The Declaration

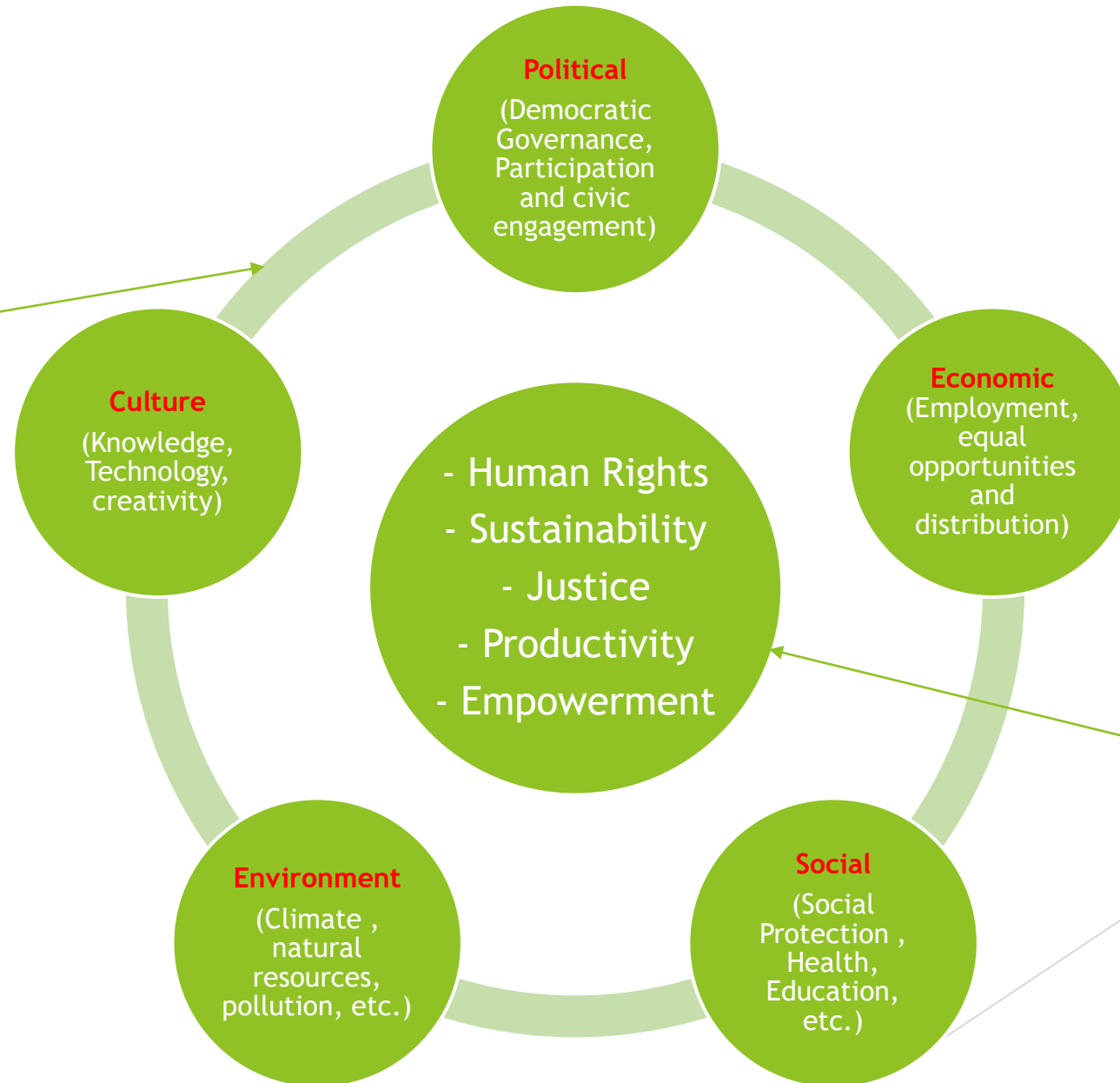
16 SDGs and targets

SDG17  
The means of  
implementations and  
global partnership

Follow up and review

# Agenda 2030 (Not SDGs)

5 Dimensions

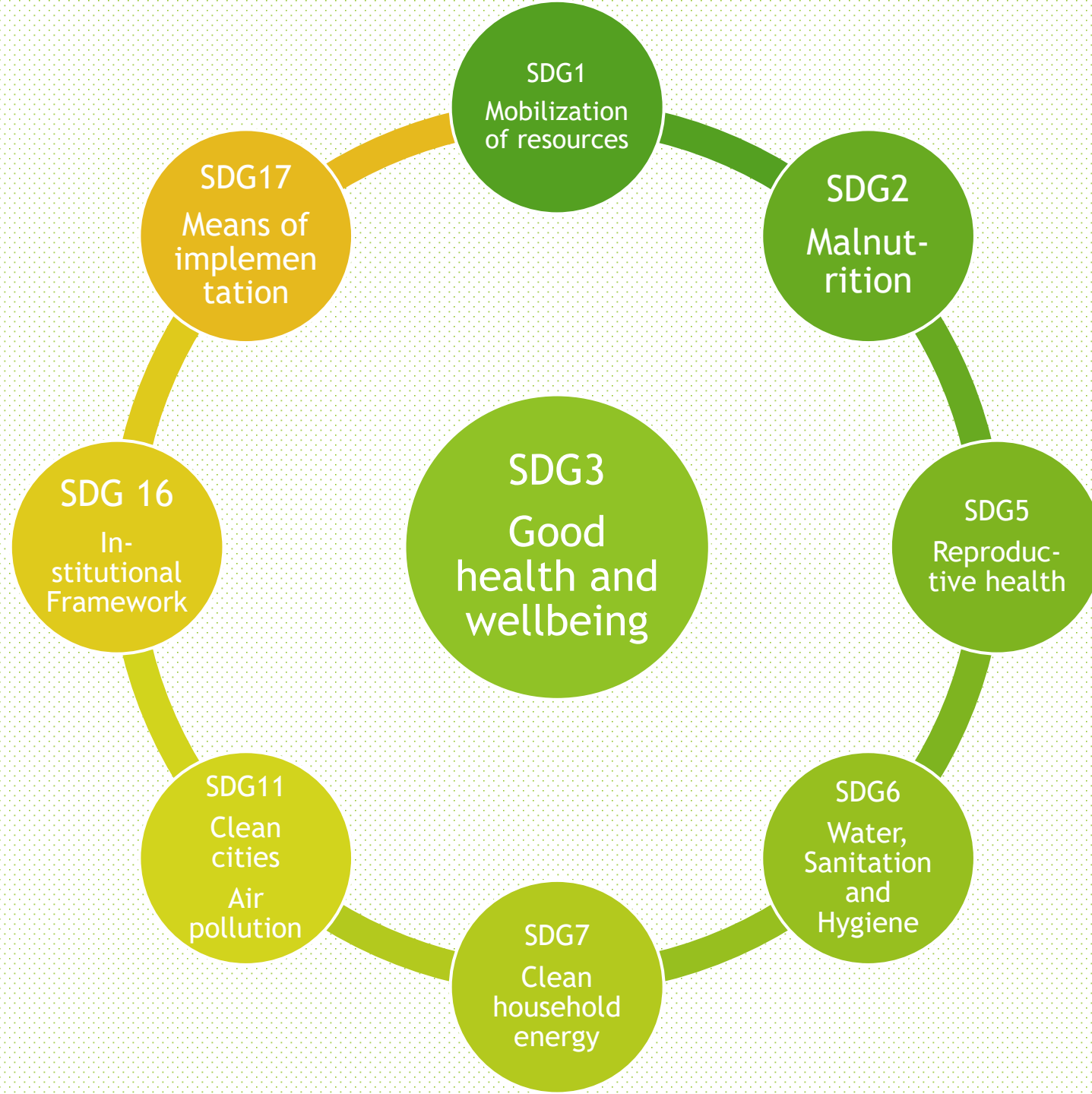


5 Principles

# SDG3 Good Health and Well Being

## Linkage to trade

- ▶ **3.8** Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all.
- ▶ **3.B** Support the research and development of vaccines and medicines for the communicable and noncommunicable diseases that primarily affect developing countries, provide access to affordable essential medicines and vaccines, in accordance with the **Doha Declaration on the TRIPS Agreement and Public Health**, which affirms the right of developing countries to use to the full the provisions in the Agreement on Trade Related Aspects of Intellectual Property Rights regarding flexibilities to protect public health, and, in particular, provide access to medicines for all.



# SDG3

## Ensure healthy lives and promote well-being for all at all ages

### SDG1

- 1.3 Implement nationally appropriate **social protection systems** and measures for all, including floors, and by 2030 achieve substantial coverage of the poor and the vulnerable
- 1.A Ensure significant mobilization of resources from a variety of sources, including through enhanced **development cooperation**, in order to provide adequate and predictable means for developing countries, in particular least developed countries, to implement programmes and policies to end poverty in all its dimensions

### SDG2

- 2.A **Increase investment**, including through enhanced international cooperation, in rural infrastructure, agricultural research and extension services, technology development and plant and livestock gene banks in order to enhance agricultural productive capacity in developing countries, in particular least developed countries.
- 2.B **Correct and prevent trade restrictions and distortions in world agricultural markets**, including through the parallel elimination of all forms of agricultural export subsidies and all export measures with equivalent effect, in accordance with the mandate of the Doha Development Round.
- 2.C Adopt measures to ensure **the proper functioning of food commodity markets and their derivatives and facilitate timely access to market information**, including on food reserves, in order to help limit extreme food price volatility.

### SDG5

- 5.6 Ensure universal access to sexual **and reproductive health and reproductive rights** as agreed in accordance with the Programme of Action of the International Conference on Population and Development and the Beijing Platform for Action and the outcome documents of their review conferences
- 5.A Undertake reforms to give women **equal rights to economic resources**, as well as access to ownership and control over land and other forms of property, financial services, inheritance and natural resources, in accordance with national laws
- 5.B Enhance the use of enabling technology, in **particular information and communications technology**, to promote the empowerment of women

### SDG6

- 6.1 By 2030, achieve universal and equitable **access to safe and affordable drinking water for all**
- 6.A By 2030, expand **international cooperation and capacity-building support to developing countries in water- and sanitation-related** activities and programmes, including water harvesting, desalination, water efficiency, wastewater treatment, recycling and reuse technologies

### SDG7

- 7.A By 2030, enhance **international cooperation to facilitate access to clean energy research and technology**, including renewable energy, energy efficiency and advanced and cleaner fossil-fuel technology, and promote investment in energy infrastructure and clean energy technology

### SDG11

- 11.1 By 2030, **ensure access for all to adequate, safe and affordable housing** and basic services and upgrade slums

### SDG16

- 16.3 Promote **the rule of law at the national and international levels** and ensure equal access to justice for all
- 16.4 By 2030, significantly **reduce illicit financial and arms flows**, strengthen the recovery and return of stolen assets and combat all forms of organized crime
- 16.8 Broaden and strengthen **the participation of developing countries in the institutions of global governance**
- 16.10 Ensure public access to information and protect fundamental freedoms, in accordance with national legislation and international agreements

### SDG17

- **Trade**
- 17.10 Promote a universal, rules-based, open, non-discriminatory and equitable multilateral trading system under the World Trade Organization, including through the conclusion of negotiations under its Doha Development Agenda
- 17.11 Significantly increase the exports of developing countries, in particular with a view to doubling the least developed countries' share of global exports by 2020
- 17.12 Realize timely implementation of duty-free and quota-free market access on a lasting basis for all least developed countries, consistent with World Trade Organization decisions, including by ensuring that preferential rules of origin applicable to imports from least developed countries are transparent and simple, and contribute to facilitating market access
- **Multi-stakeholder partnerships**
- 17.16 Enhance the global partnership for sustainable development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the sustainable development goals in all countries, in particular developing countries
- 17.17 Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships

# Trade and Health

- ▶ Development Paradigm: Growth leads to increase in social spending
  - ▶ Positive relation between trade and growth is questionable
    - ▶ current trading system; unfair agreements, FTA
  - ▶ Positive relation between growth and social justice is questionable;
    - ▶ Democratic governance
    - ▶ Equal opportunities, distribution and redistribution
- ▶ The implementation of this paradigm increased:
  - ▶ Poverty and increased vulnerability (due to structural adjustments and Austerity)
  - ▶ Unemployment (reduced productivity vs enhancing financial sectors)
  - ▶ Debt crisis (Debt service, increased interest rate, aggressive bank lending strategies)
  - ▶ Financial liberalization (FDI in portfolio investments, traded shares and bonds etc.)



# Illicit trade

- ▶ Illicit trade in pharmaceutical products (2019) US\$ 9-28 bn 1.3-4.2% total value of pharmaceutical trade Overall illicit trade (2019) US\$ 535 bn 2.8% total world trade Loss in tariff revenue US\$ 87 bn *According to WTO estimates*
- ▶ This has not only a direct negative impact on consumer health and safety, but also results in increased government health care costs as well as costs associated with regulation and enforcement.
- ▶ Seizures of pharmaceutical products during COVID-19 is 5% higher in 2020 vs 2019 (*The average value of customs seizures of counterfeit and stolen medicines grew by 5 per cent in 2020 (OECD/EUIPO, 2021). World Custom Organization (WCO) customs seizure data also shows increased illicit trading activity over this period (WCO, 2022).*)

# TRIPs: Vaccine

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- ▶ In the TRIPS Agreement, secret information of commercial value is protected in Article 39 under the heading titled “Protection of Undisclosed Information”. The proposal to waive TRIPS obligations includes a waiver of this clause of the Agreement.
- ▶ However, a major problem to the entry of non-originator vaccine manufacturers is the structure of the regulatory system and, linked to that, the role of regulatory agencies in de facto protecting trade secrets
- ▶ **The IP regime attempts to strike a balance between IP protection and public interest.** Unfortunately, there is little articulation of flexibilities surrounding trade secrets protection in the context of protecting public health. This urgently necessitates the waiver of such protection in the context of COVID-19 medical products.
- ▶ The recent announcement by the United States supporting a waiver of intellectual property rights for COVID19 vaccines has increased the probability of adoption of a TRIPS waiver decision in the World Trade Organization (WTO). **Unsurprisingly, the announcement also triggered reactions arguing that in the case of vaccines the barrier is “less about intellectual property and more about knowledge transfer”.**
- ▶ *Moderna’s CEO reportedly stated: “Drug makers interested in manufacturing a similar mRNA vaccine would need to conduct the clinical trials, apply for authorization and then scale the manufacturing, which could take upward of 12 to 18 months.”*

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# TRIPs: Agriculture

What is farmers loan waiver? (India)

- ▶ Farm loans are loans taken from the banks by the farmers for agriculture requisites and production. In a farm loan waiver scheme, the Centre or the state Government repays the loan to the banks on behalf of the farmers, simply by using public money collected

*(<https://www.elearnmarkets.com/blog/farm-loan-waiver-temporary-permanent/> in the form of taxes.)*

- ▶ The majority of arguments against the debt waiver schemes widely accepted amongst bankers, policy makers and even economists are based on **perceptions** and are not backed by sound economic logic and analysis

# Trade in services

- ▶ The direct impact of trade in services is **Shrinking policy space** by limiting the regulatory and institutional framework; the right to regulate especially regulations in emerging or non existing stages (servicification of economy and digitalization of services)
- ▶ **Privatization of services**, providing FDI market access and trade facilitations (namely Water and health besides other vital services)
- ▶ **Government procurement** (market access for multinational companies)
- ▶ **Highly intrusive on the administration** of fees systems limiting the ability to charge certain fees for the purposes of achieving national policy objectives or for use in support of regulatory functions or public services.

# Conclusions

- ▶ Within the **current trading system**, trade and investments have the negative impact on public interests
- ▶ Many **non-trade issues** being negotiated within the WTO such as IP, Government procurement (protecting local producers, SMEs etc.), certain aspect of agriculture (Food security, structural adjustment, poverty reduction, environment, rural development etc.)
- ▶ The **current agreements** on TRIPs, Agriculture, Trade in services may have negative impact on health (if not through multilateral negotiations through FTA)

**For the proper implementation of the Agenda 2030 the concept of global partnership ought to be reconsidered.**