



Trade Agreements and Health: Addressing Chronic Noncommunicable Diseases (CNCDs)

**Workshop on Private Sector Response to NCD Declaration
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FOCUS OF PRESENTATION

- Background on NCDs
- WTO-Structure and Function
 - Health Related Agreements
- CSME- Structure and function
 - Health Related Issues
- EPAs- Structure and Function
- Trade Agreements and Follow-Up to POS Declaration
- Approaches into incorporating Health Issues into Trade
- Management of NCDs
- Recommendations

RATIONALE FOR FOCUS ON NCDS

Caribbean Cooperation in Health (CCH)

Leading Causes of Death in CAREC Member Countries

	1985	1990	1995	2000
1	Heart disease	Heart disease	Heart disease	Heart disease
2	Cerebrovascular disease	Cancers	CVD	Cancers
3	Cancers	CVD	Cancers	CVD
4	Diabetes	Diabetes	Diabetes	Diabetes
5	Hypertension	Hypertension	Hypertension	AIDS
6	Accidents	ARI	Accidents	Hypertension
7	Acute Resp. Infections	Accidents	ARI	Accidents
8	Nutritional deficiencies	Diseases of Urinary sys.	AIDS	Assault

NCDs- 5 leading causes of death. Only since 2000 has AIDS has risen to the top 5

Prevalence of Diabetes, Hypertension and Obesity in Barbados St. Lucia and Jamaica, (self reported) 1992-1995

Disease Prevalence (%)	Barbados		St. Lucia		Jamaica	
	M	F	M	F	M	F
Diabetes	8.18	9.48	2.63	8.86	10.18	14.74
Hypertension	31.82	33.81	27.33	30.94	21.09	27.61
Obesity	14.24	40.00	8.30	28.43	8.88	34.81

Economic Burden of Diabetes in Selected Caribbean Countries (2004)

	Bahamas	Barbados	Jamaica
Direct Cost	12,788,055	54,740,590	7,052,427,167
Indirect Cost	10,523,286	7,203,470	1,354,880,911
Total in Local Currency	23,311,341	61,944,060	8,407,308,077
Total in US\$	23,311,341	30,972,030	140,121,801

Economic Burden of Hypertension in Selected Caribbean Countries (2004)

	Bahamas	Barbados	Jamaica
Direct Cost	20,863,811	76,941,170	8,480,679,227
Indirect Cost	16,339,814	44,590,030	3,017,325,600
Total in Local Currency	37,203,625	121,531,199	11,498,004,786
Total in US\$	37,203,625	60,765,600	191,633,416

Recommendations of the Regional Strategy on NCDs

Control the use of tobacco.

curb the consumption of fat, sugar and salt

• Fiscal policies. Price has strong implications for food purchasing behaviour, therefore -

increase the consumption of fruits and vegetables

Increase taxes on undesirable foods

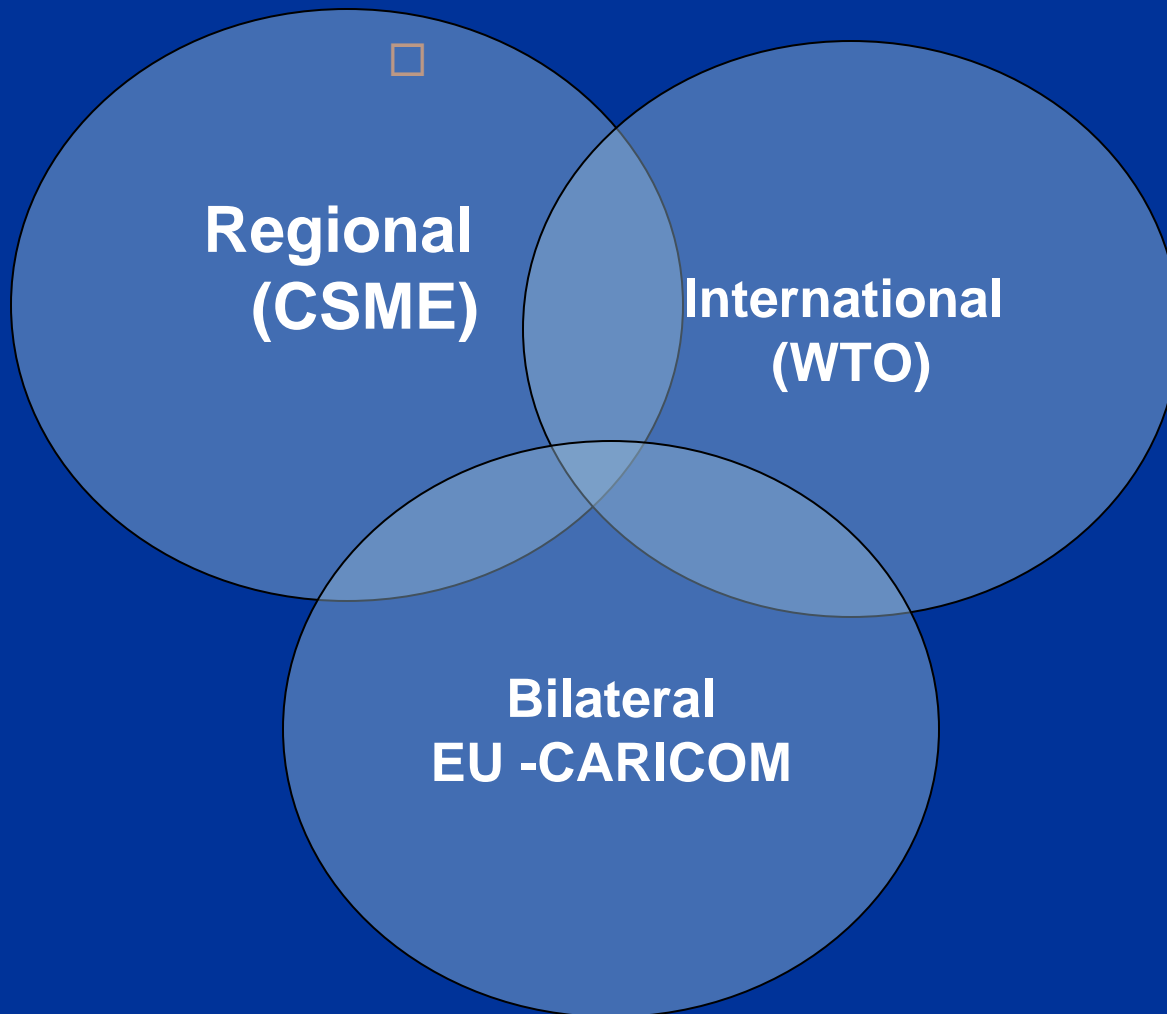
subsidise fruits, vegetables, whole grain foods

The essence of interventions which are focused particularly on CVD

increase physical activity mainly in children;



TRADE, HEALTH AND NCDS



World Trade Organisation

Basic WTO principle is non-discrimination:

- Cannot discriminate between trading partners (Most Favoured Nation)
- Cannot discriminate between imported and locally-produced goods if goods are similar (National Treatment)

W TO: Ministerial Council

Trade Policy
Review
Body

Dispute
Settlement
Body

General
Council

Trade
Negotiations
Committee

Trade and
Environmen
t

Council
for Trade
in Goods

Council for
Trade-Relate
Aspects of
Intellectual
Property Rights

Council
for Trade
in
Services

Committees on
:
Market Access
Agriculture
Sanitary and
Phyosanitary
Technical
Barriers to
Trade
Subsidies and
Countervailing
Measures



CARICOM Single Market and Economy

- The CARICOM Single Market and Economy is intended to benefit the people of the Region by providing more and better opportunities to produce and sell our goods and services and to attract investment. It will create one large market among the participating member states.
- The main objectives of the CSME are: full use of labour (full employment) and full exploitation of the other factors of production (natural resources and capital); competitive production leading to greater variety and quantity of products and services to trade with other countries. It is expected that these objectives will in turn provide improved standards of living and work and sustained economic development

CSME: COTED AND COHSOD

Elements of CSME:

- ❑ Free Movement of goods and services
- ❑ Right of Establishment
- ❑ Common External Tariff
- ❑ Free Circulation of goods
- ❑ Free Movement of Capital
- ❑ Common Trade Policy
- ❑ Free Movement of Labour

CARCIOM-EU External Partnership Agreement

- Integral Part of Cotonou Agreement 2000 signed by ACP countries
- Cotonou has central objectives of:
 - poverty reduction
 - sustainable development and
 - progressive integration of ACP countries into world economy

CARCIOM-EU External Partnership Agreement

Elements of EPA (as defined by EU)

- Trade will be WTO compatible
- Reinforce ongoing integration movement CSME
- Promote foreign Investment
- Lower price paid for capital and intermediate goods

CARCIOM-EU External Partnership Agreement

HOWEVER:

- ❑ DEVELOPMENTAL SUPPORT FROM EU SEEMS TO HAVE BEEN MINIMISED IN TERMS OF COMMITMENT
- ❑ ACADEMICS AND OTHER STAKEHOLDERS CALLING FOR A REVIEW OF TERMS INITIALED BY CRNM ON DEC 1 , 2007
- ❑ SIGNING OF AGREEMENTS ORIGINALLY SLATED FOR MARCH 15, POSTPONED TO APRIL AND NOW TO JUNE

Joint CARIFORUM-EC Council

Power to take decisions in respect of all matters covered by Agreement- Decisions binding

Trade and Development Committee (Art 4)

(Wide powers for supervision, monitoring and implementation)

Implementation Committee

Special Committee on Customs Co-Operation and Trade Facilitation

CARICOM-EC Parliamentary Committee

(Promote exchange of views)


CARIFORUM-EC Consultative Committee

(promote dialogue among social partners and stakeholders)

- WHAT DO ALL THESE TRADE AGREEMENTS MEAN FOR THE CCARIBBEAN AND FOLLOW UP TO THE DECLARATION ON NCDS?

Declaration of Port-of-Spain: NCD SUMMIT

- Our support for the efforts of the Caribbean Regional Negotiating Machinery (CRNM) to pursue fair trade policies in all international trade negotiations thereby promoting greater use of indigenous agricultural products and foods by our populations and reducing the negative effects of globalisation on our food supply;

- 
- ❑ OPPORTUNITIES FOR ACCESS TO TRADE AND PRODUCTION OF NUTRITIOUS FOODS
 - ❑ OPPORTUNITIES TO ENHANCE REGIONAL INITIATIVES
 - ❑ CHALLENGES-REDUCING THE AVAILABILITY OF UNHEALTHY FOOD

Globalisation, Food and Nutrition in the Caribbean

Globalisation affects several spheres of development including food and nutrition

Focus relationship between globalisation and distribution and marketing and consumption of foods

WTO, CSME and EPAs expected to reform economies of the Region

**Dietary intake changing
From diets rich in Fibre to diets High in fats, refined sugars and salt**

Nexus between health status, food security and agricultural trade needs to be recognised



Regional Trade Situation

**46 % of beverages
and tobacco**

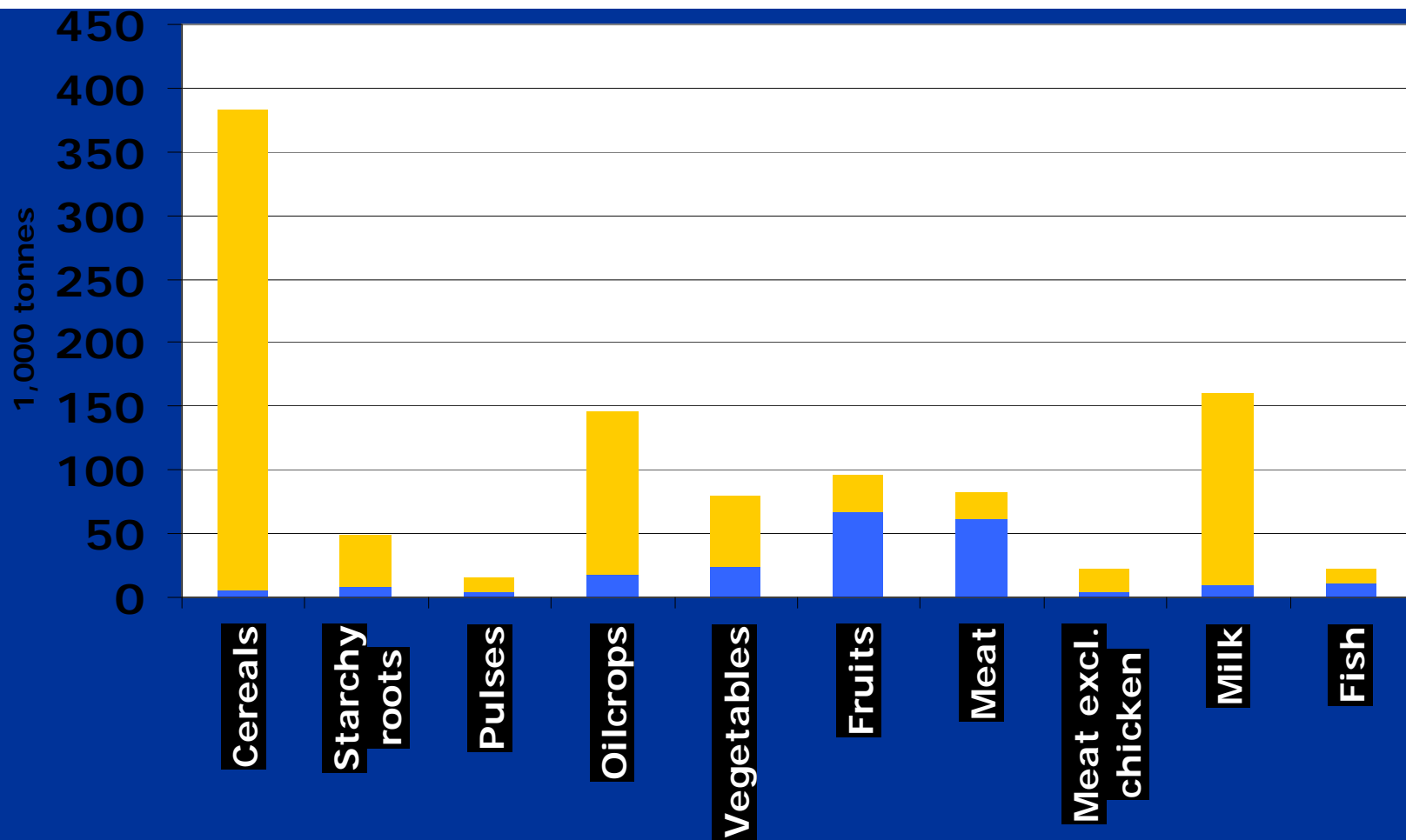
**CARICOM absorbs
about 20% of its total
domestic Imports**

**CARICOM region
is a
net importer of food**

**80% of regional
production
of items such as
aerated beverages,
unsweetened
biscuits and beer**

**85% of animal
and vegetable oils**

Food Supply, Trinidad and Tobago 2004



TRADE, HEALTH AND NCDS in the CSM

Article 226 of revised Treaty- Authority to take Action; to protect Human, Animal or Plant Life / Health

The Community's trade regime underpinned by policies, instruments and measures

**Community Trade Policy
Chapter 5
Revised Treaty**

CSM launched in January 2006

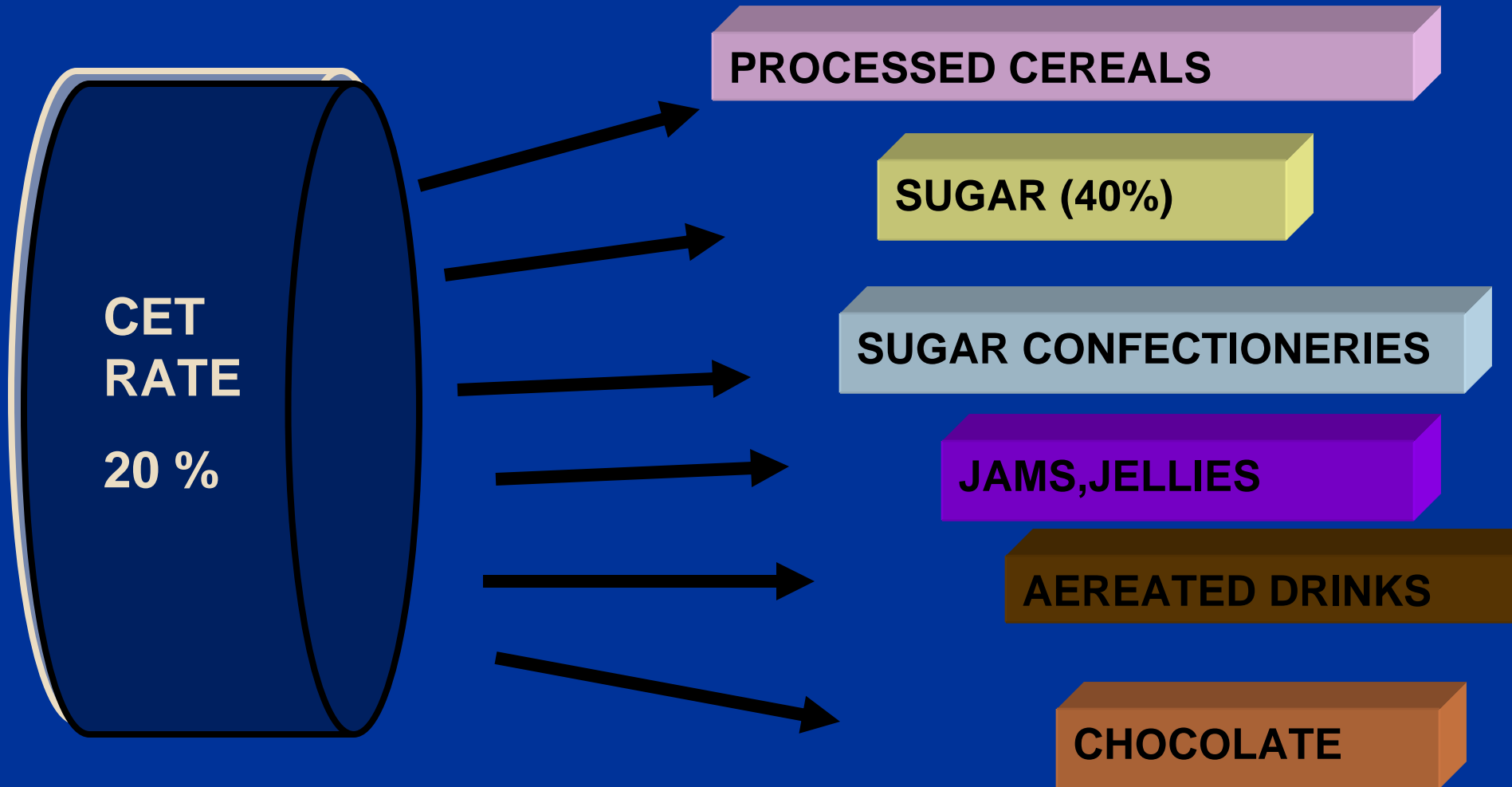
However Applied CET rate varies across region for imported foods

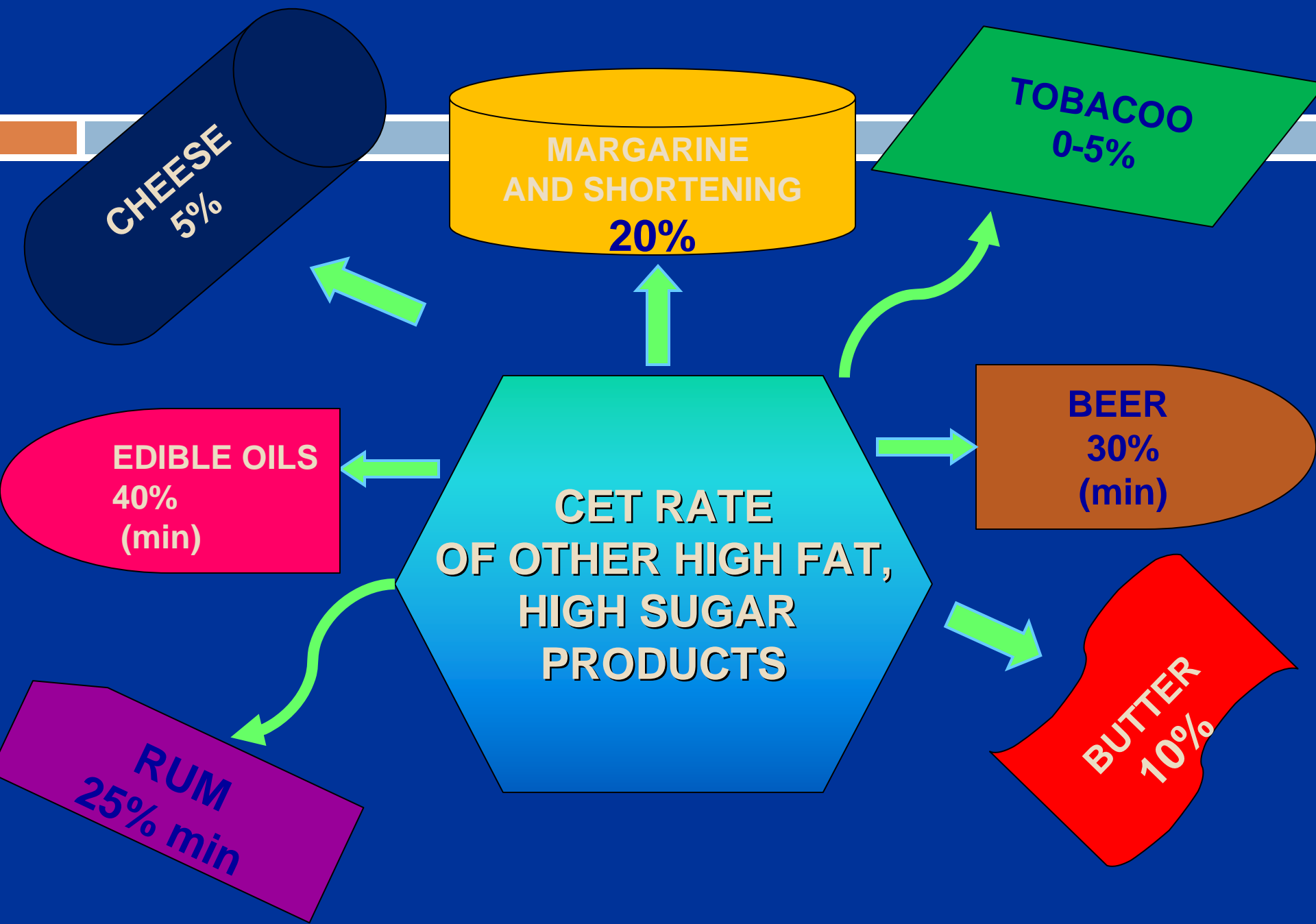
Authorised exception of non-application of tariff and non-tariff barriers

CET Rates of Selected High Salt, High Fat Food Products

PRODUCT	CET RATE	APPLIED RATE by SELECTED MEMBER STATES				
		40%	30%	20%	5-10%	Free
Ham	40%	Bel, Guy, , Jam, Guy	Ant & Bar, Dom, Gren ,	Sur	Mont, St Kitts & Nevis, St Vincent	Bar, St Lucia
Salted Fish	30%		T&T	Sur (25 %)		Ant&Bar, Dom, Gren, Jam, Mont, St Kitts, St Lucia, St Vincent
Milk (>6% fat)	40%	Guy, Jam, T& T			Mont, St Kitts, Sur	Bar, Bel, Dom, Gren, St Lucia, St Vincent

CET RATES OF OTHER HIGH FAT, HIGH SUGAR FOOD PRODUCTS





OPPORTUNITIES FOR TRADE IN FOOD PRODUCTS

TRADE

- Under WTO Rules Region can use Bound Rates under a Common External Tariff (CET)
- Undesirable foods can attract internal taxes
- Caribbean like other developing countries calling within WTO for special treatment of goods that are important to food security

OPPORTUNITIES FOR TRADE IN FOOD PRODUCTS

Agriculture

- Under WTO Agreement on Agriculture calls for removal of domestic subsidies
- AoA speaks to access and availability of agricultural goods not based on decisions of nutrition
- CARICOM region could facilitate trade in nutritionally favourable foods through domestic agricultural support policies
- Net Food importing developing countries could request aid to develop agriculture sector

TRADE STRATEGY

Defensive interests

**public health
interest**

**restriction
of selected
food items**

Trade Dilemma



**Same goods being
produced and traded by
CARICOM Member
States within the CSME**

Reducing the Availability of Unhealthy Foods

- Promotion of Healthy lines of Foods at affordable prices
- Examining the situation of CET in CARICOM
- Results of the KAIRI Study on CET



**Duty-free importation of
Gym and other athletic
equipment**



**Prevention
of
NCDs**



**Safe
environments**

**PE in Schools and
Work Sites**



Diet

Exercise

**Management
Of
NCDs**

**Negotiations with
Pharmaceutical
Companies
(TRIPS)**

**Duty
Free
Drugs**

**Low- cost
Medications**



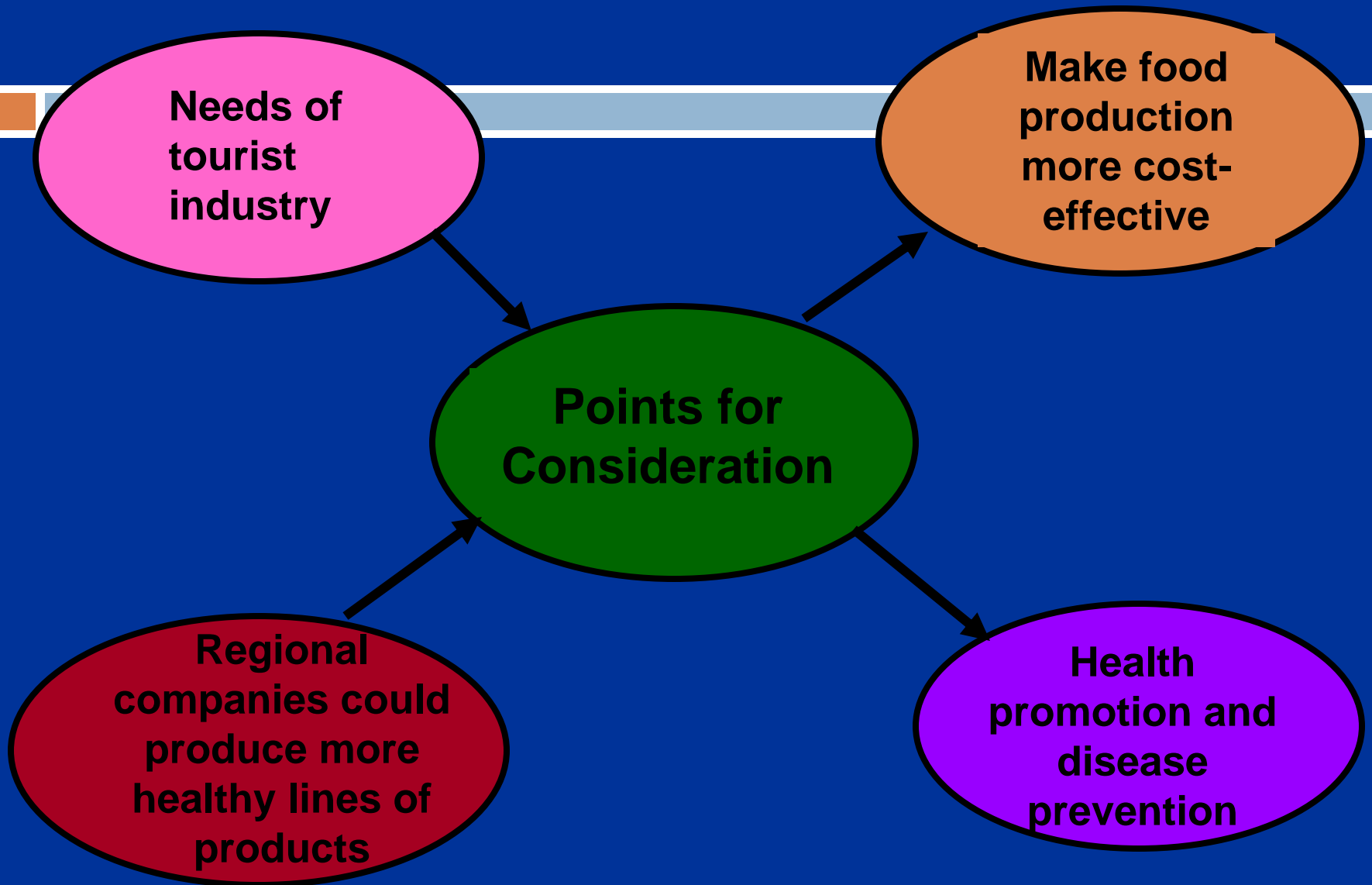
**WTO Committees
on Agriculture,
SPS,
Environment**



**Regional Trade-
COTED (CSME**

**Existing mechanisms
through which
Discussions could be
Channeled**

**Trade-Negotiations
on Bilateral
Agreements**





TORs of TAG to include, *inter alia*, policies in agriculture, health and trade

Establish a Technical Advisory Group

RECOMMENDATIONS

Feed recommendations of TAG to wider regional consultation

**Mainstream
health-related trade
issues into
regional framework
for trade (CSME)
as well as multi-and
bilateral trade
negotiations**

**Send
recommendations
from
regional consultation(s)
to COTED**

RECOMMENDATIONS

**Actively promote
Health Promotion
and
Disease Prevention**

**Develop coherence
among trade,
agriculture
and health policies
based on
recommendations
from TAG**



**Outcome of
regional
consultations**

**Trade negotiators argue
public health clauses in
international
agreements**

**Trade within CSM
consistent with
regional health
goals**



THANK YOU