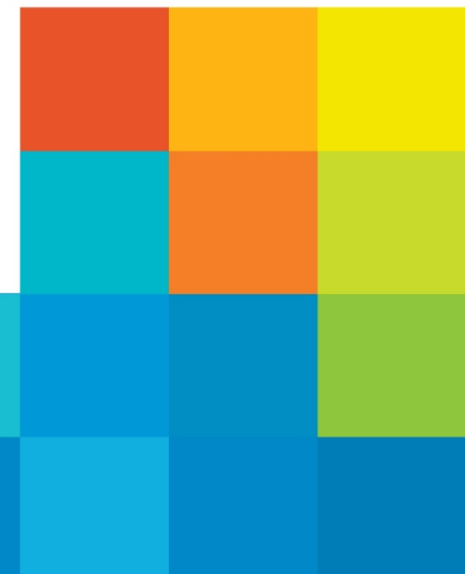




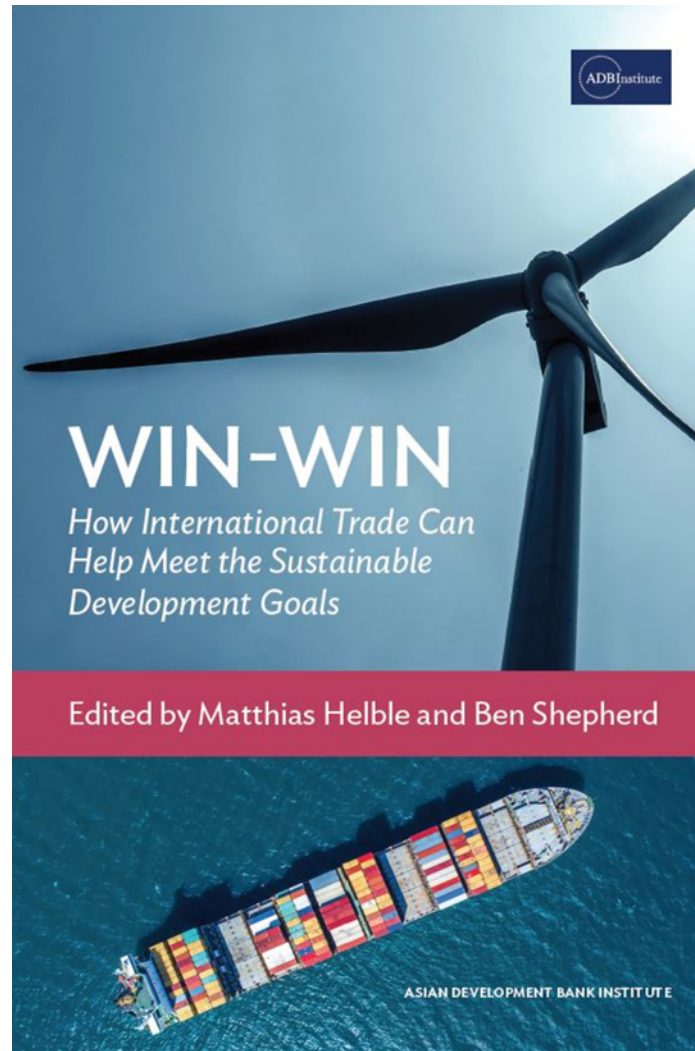
Win–Win: How International Trade Can Help Meet the Sustainable Development Goals

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Senior Economist, Co-Chair, Research Department
Asian Development Bank Institute
International Trade and Health Conference 2017, Bangkok
29 November 2017



Motivation

- SDG documents contain some references to trade, but few specifics.
- Trade mainly means of implementation
- Objective of this book is to reframe the debate so as to highlight trade's **direct** and **indirect** links with the development framework put in place by the SDGs.
- Important to move beyond income arguments to embrace a broader view of the ways trade can promote and pose risks for development.
- Key research question: **How to maximize benefits of trade opening while limiting risks?**



Part I: Poverty, Hunger, and Inclusive Growth

Part II: Trade and Sustainable Growth

Part III: Trade and Education / Health

Part IV: Other Linkages between Trade and the SDGs

Part I: Poverty, Hunger, and Inclusive Growth

Trade and Poverty Reduction

Irene Brambilla & Guido Porto (University of La Plata, Argentina)



Agricultural Trade and Hunger

Will Martin (IFPRI, Washington, DC)



Trade and Women

Ben Shepherd (Developing Trade Consultants) & Susan Stone (UNESCAP)



Can Trade Benefit Employment?

Paul Vandenberg (ADB)



Trade and Inequality

Shujiro Urata (Waseda University) & Dionisius A. Narjoko (ERIA)



Part II: Sustainable Growth

Trade and Environment

Dale Andrew (Consultant, previously OECD)

Trade and Climate Change

Andrew Prag (OECD)

Trade and Sustainable Fisheries

U. Rashi Samaila (University of British Columbia)

Trade and the Water Nexus

Alexandre le Vernoy (Groupe d'Economie Mondiale)

Trade, Labeling, and Food Safety

Norbert Wilson (Tufts University)



Part III: Trade and Education / Health

Trade in Education Services and the SDGs

Aik Hoe Lim (WTO), Pamela Apaza (WTO) & Alin Horj (OECD)



Trade in Medical Products and Pharmaceuticals

Matthias Helble (ADB) & Ben Shepherd (Developing Trade Consultants)



Trade in Health Services

Rupa Chanda (Indian Institute of Management, Bangalore)

Part IV: Other Linkages between Trade and the SDGs

Trade and Urbanization

Zhang Yuan (Fudan University) & Guanghua Wan (ADB)

Trade, Infrastructure, and Development

Marcelo Olarreaga (University of Geneva)

Facilitating Trade for Development: Aid for Trade

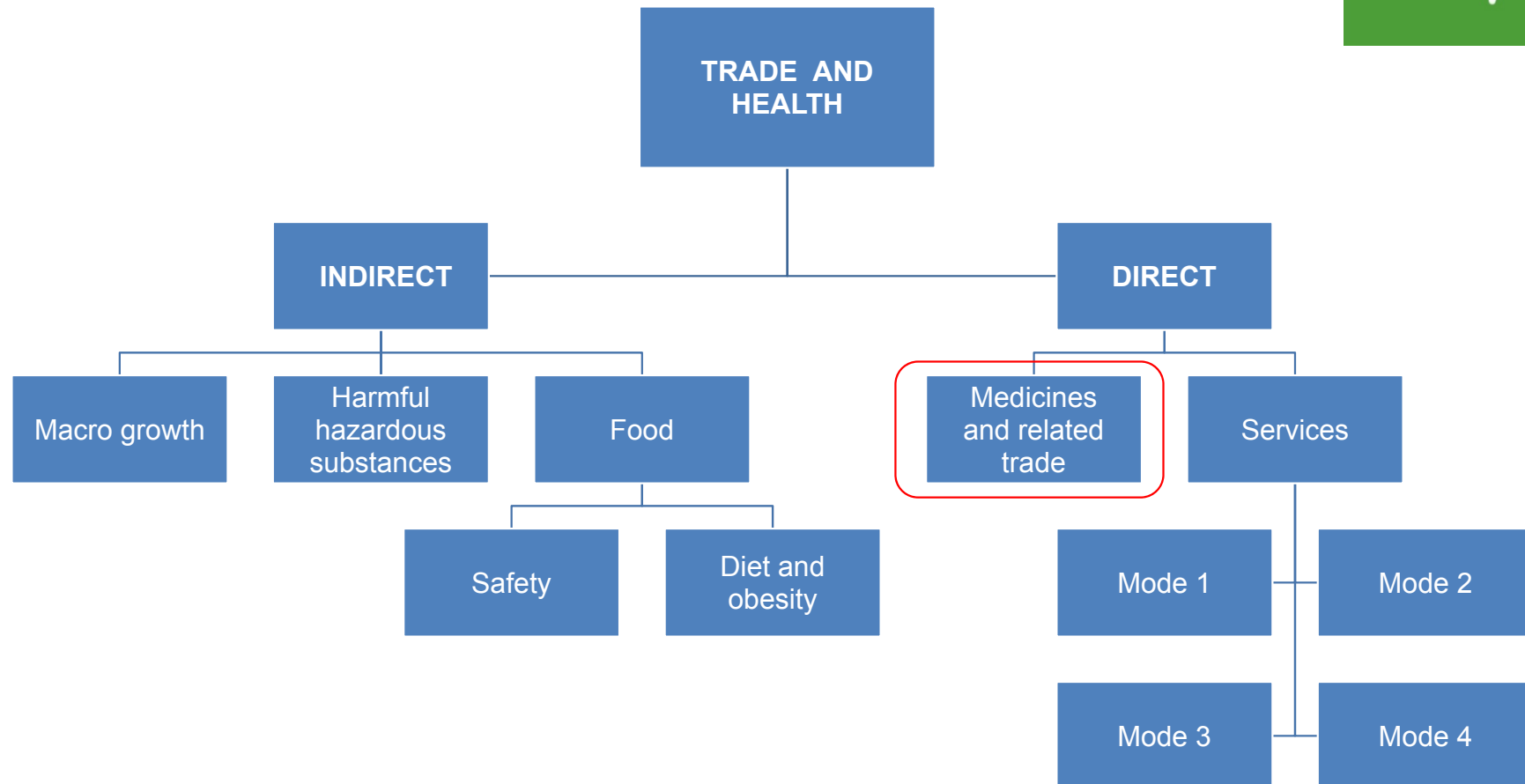
Frans Lammersen (OECD) & William Hynes (OECD)

Conclusion: Directions for Future Research and Policy Making

Matthias Helble (ADB) & Ben Shepherd (Developing Trade Consultants)

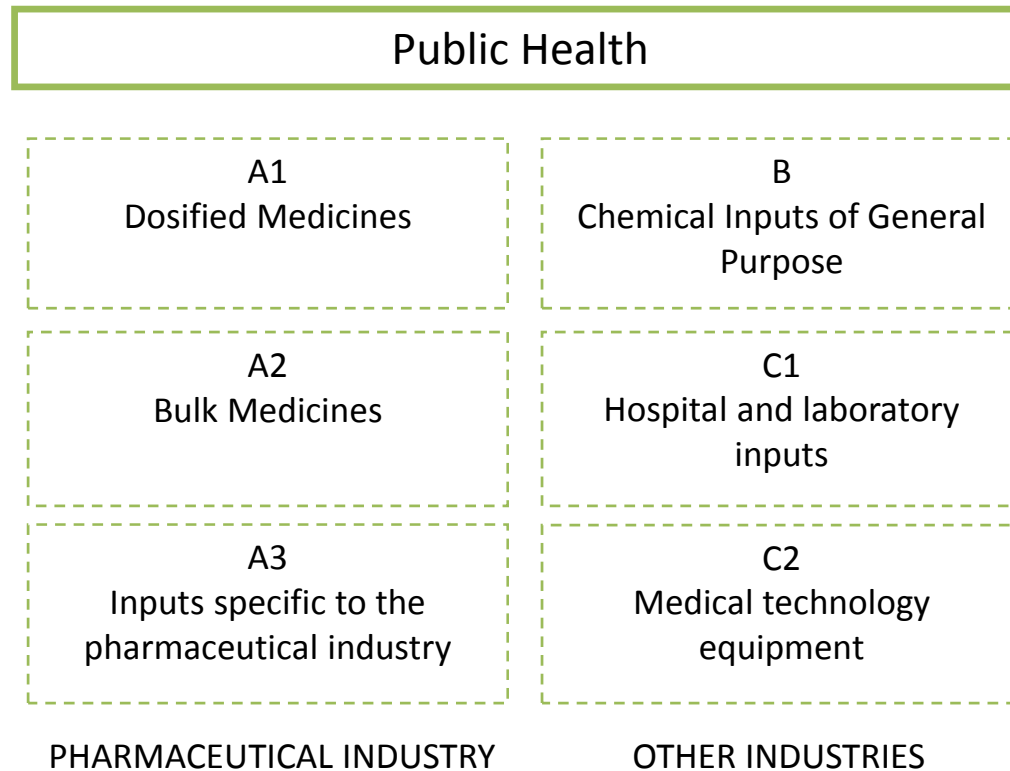


The Trade and Health Linkage

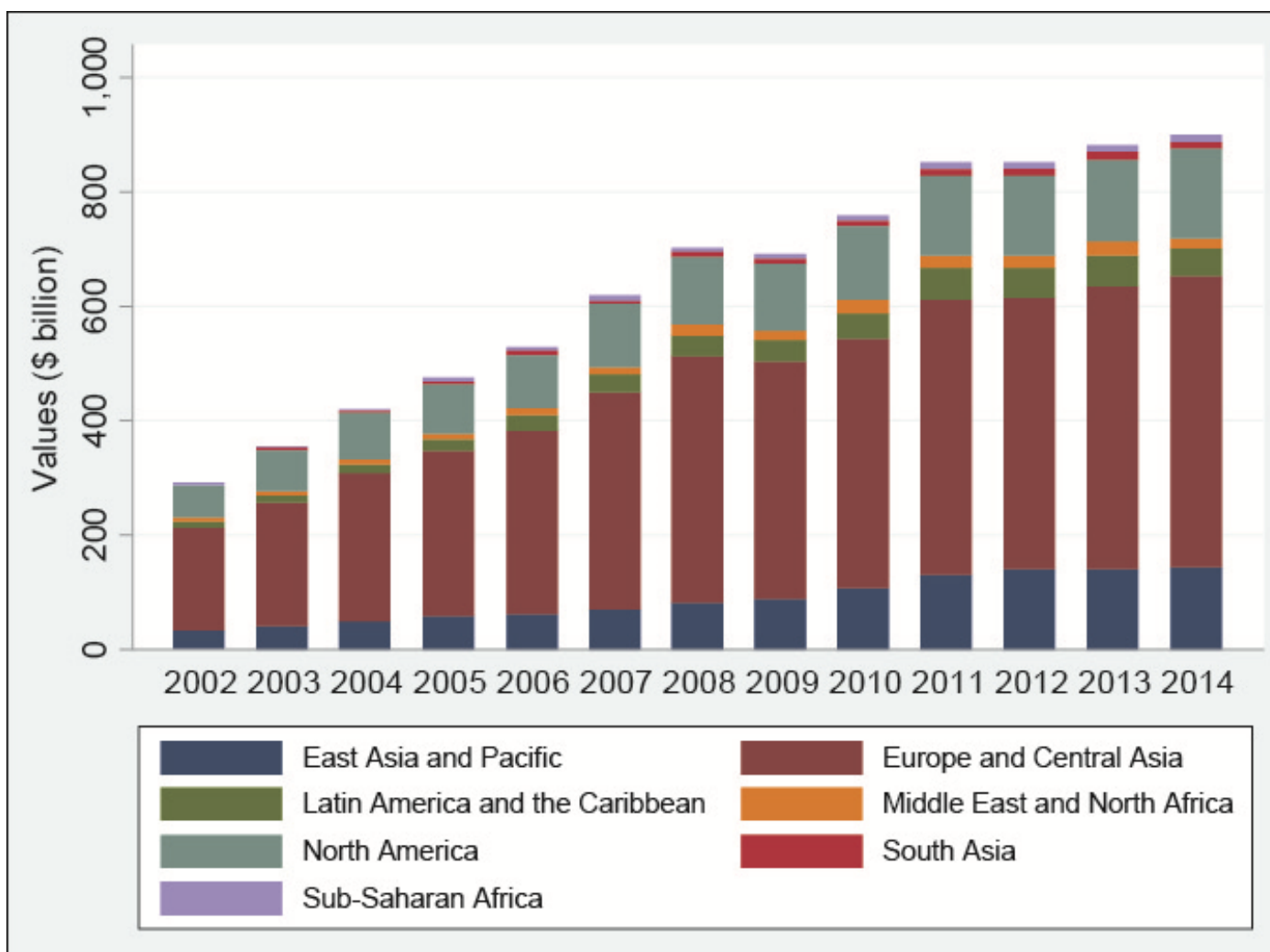


The “Universe” of Health Products

207 HS subheadings based on Helble (2012)

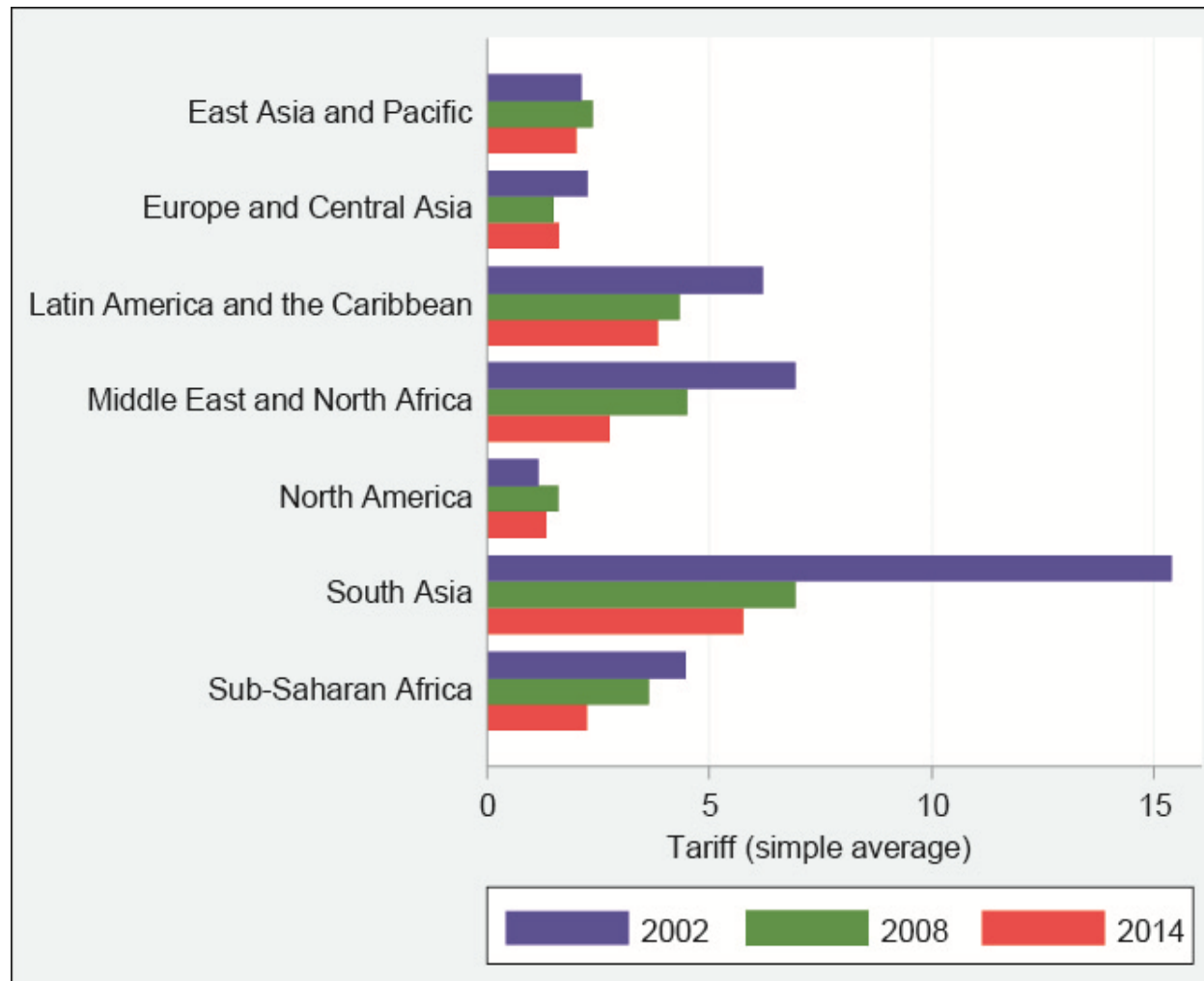


Increasing world trade in health products



Source: Helble and Shepherd (2017).

Applied tariffs on health products



Source: Helble and Shepherd (2017).

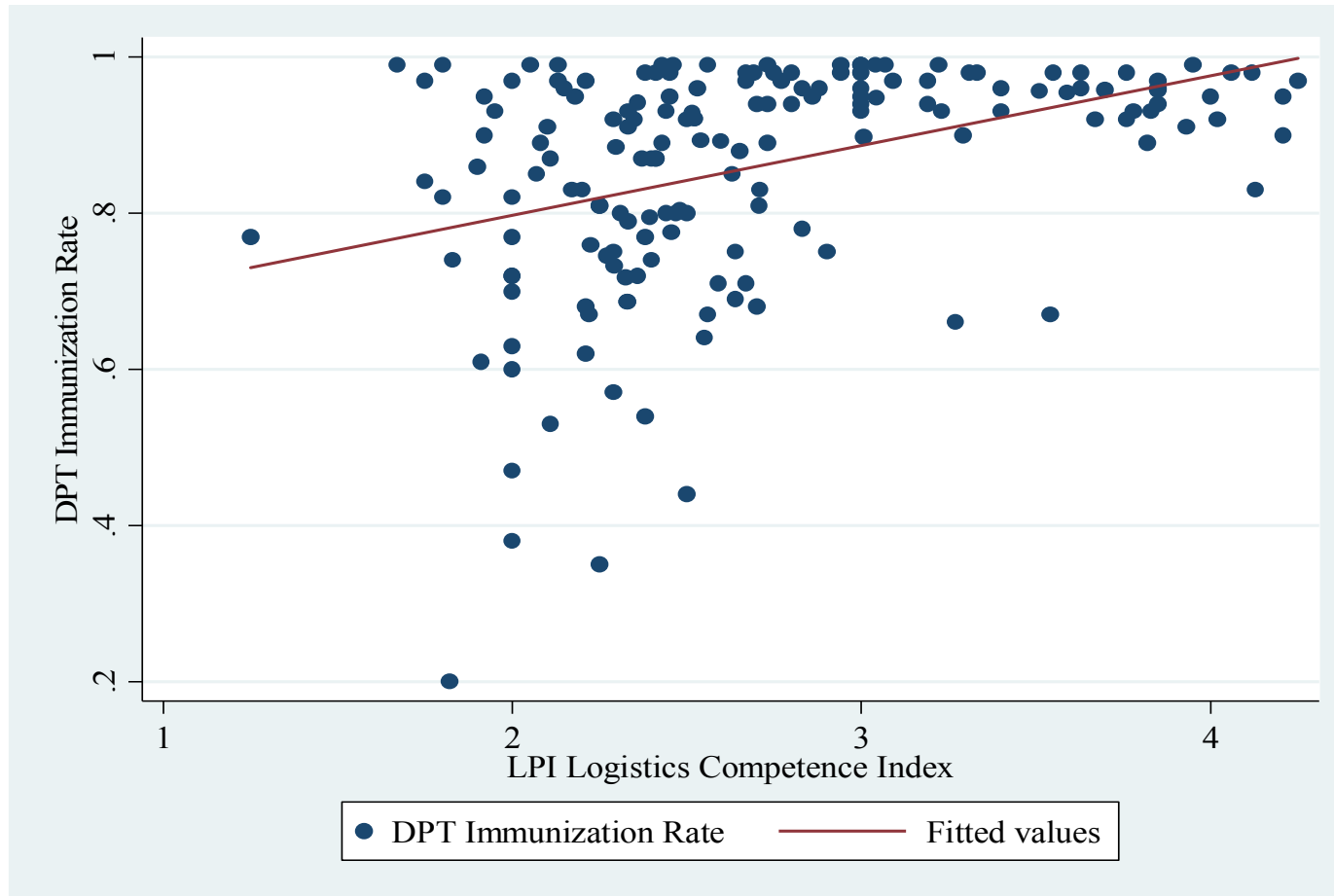
Averages hide considerable variation...

- Many developing countries provide duty free access for pharmaceuticals. But, other countries still apply substantial tariffs:
 - India 10%, Pakistan 12%
 - Tunisia and Djibouti 11%
 - Ghana 9%
 - Lao PDR 8%
- NTMs can also be important, e.g. Nigeria's import ban on some pharmaceuticals, including chloroquine, some antibiotics, and some deworming treatments.

Case study: Trade logistics and vaccines

- Over past decade large roll-out of vaccination campaigns in developing countries
- Vaccination most cost-effective health intervention
- Massive funding provided by UNICEF, Global Alliance of Vaccines and Immunization, BMGF, and others
- Vaccines require consistent cold chain from production to usages
- Better trade logistics help to increase vaccination rates

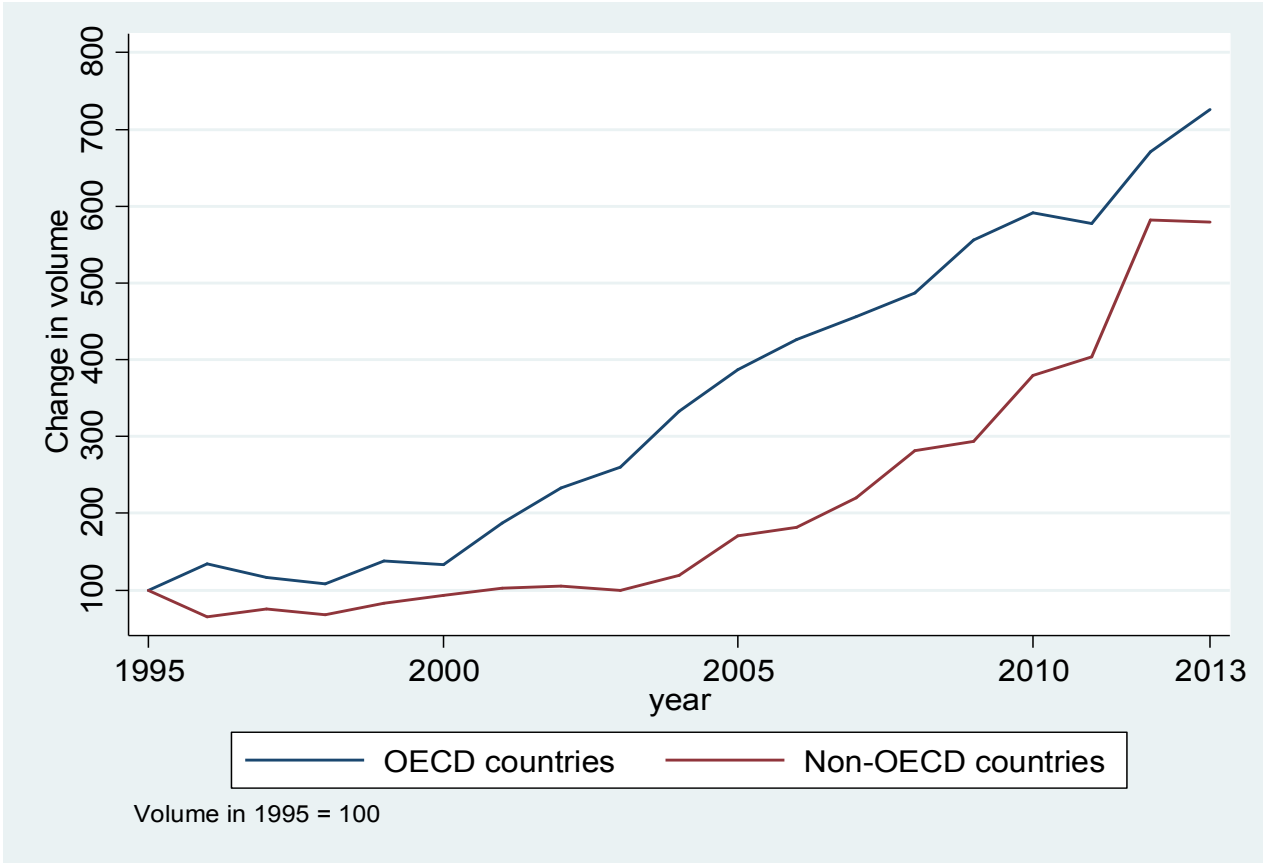
Higher trade logistics competence leads to higher DPT immunization rates...



Source: Pasadilla and Shepherd (2012)

Case study: Insulin Trade

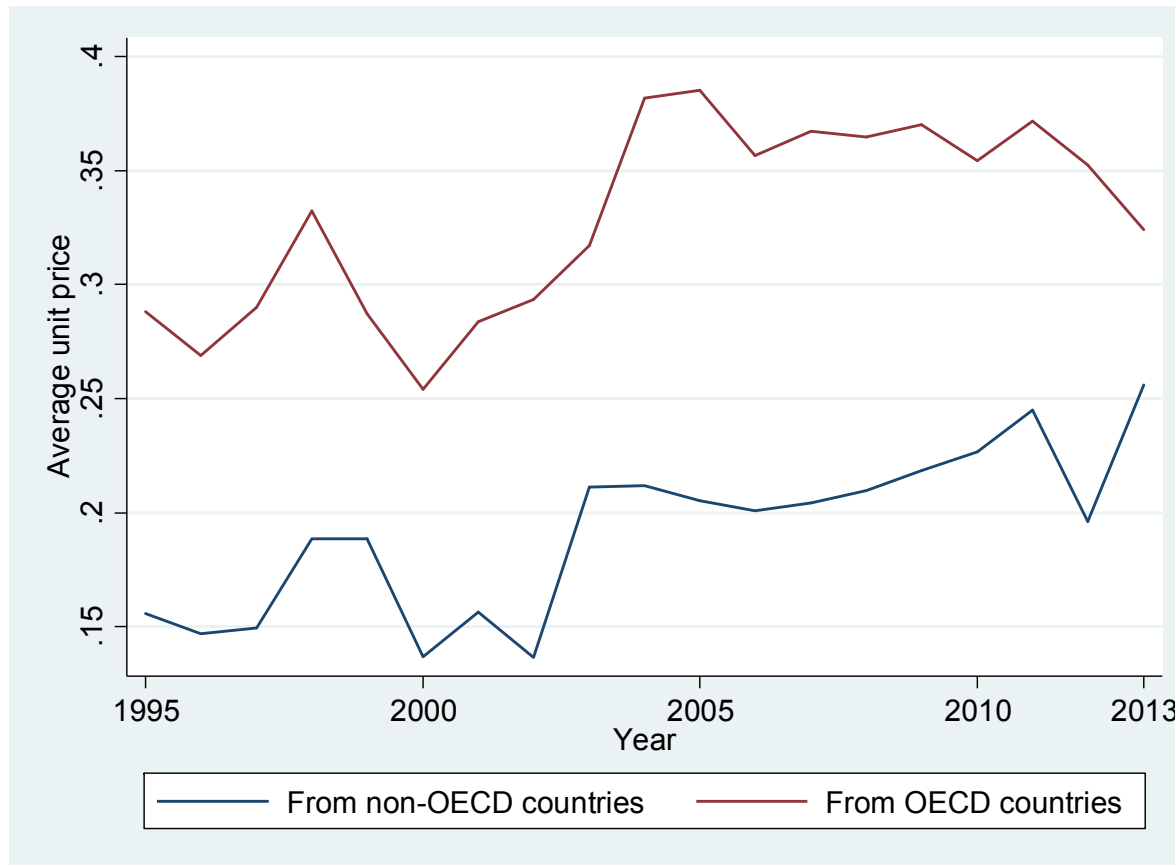
Evolution of Imports of HS 300431 (\$, indexed to 1995=100)



Source: Helble and Aizawa (2017).

Price of insulin originating from OECD countries is systematically higher...

Evolution of Average Import Unit Prices of HS 300431, 1995–2013 (simple average)



Source: Helble and Aizawa (2017).

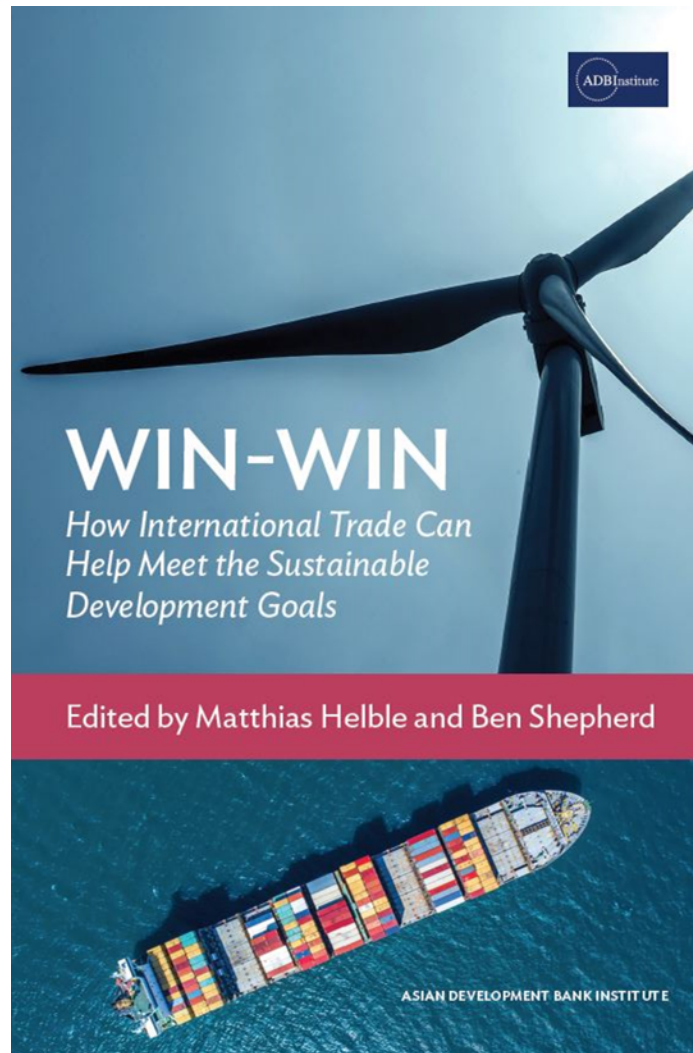
Price determinants of insulin

- Price discrimination across countries
- Price higher in countries with higher OoP payments
- Higher volumes help to reduce prices
- Trade-related aspects: Trade openness can help to increase number of suppliers and thus reduce prices
- Trade opening is necessary, but not sufficient condition for lower prices
- Domestic regulations can be as important to improve access

Conclusion: Trade and Health

- International trade crucial for procurement of health products.
- Market dominated by developed countries.
- Tariffs are falling, but still substantive, especially in South Asia.
- Trade logistics facilitates delivery of health care services, especially vaccines.
- Price of health products can be lowered by sourcing from various producers and pooling purchases.
- Trade in health products necessary, but not sufficient condition to improve health systems and health outcomes.
- [Video Blog](#)

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