2016 ITH Technical Conference Trans Pacific Partnership: Impact on Thailand's Economy, Society, and Health System

Health related Issues in TPP

Tomoaki KATSUDA Ministry of Health, Labour and Welfare The Government of Japan

Outline of TPP

Establishment of advanced Rules for 21st Century

Ban against performance requirements, requirements to locate computing facilities in the territory, requirements to transfer source code of software, etc..

Contribution to the Development of SMEs and Communities

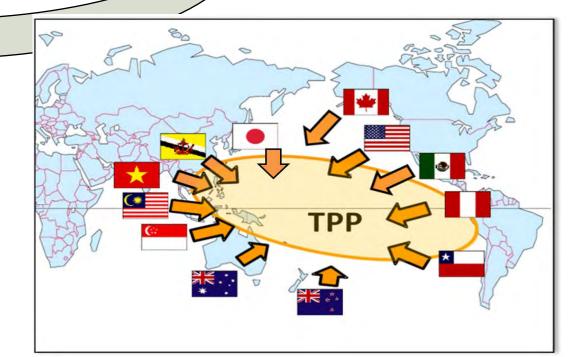
Attraction of new investment and free trade of goods and investment

Participating countries

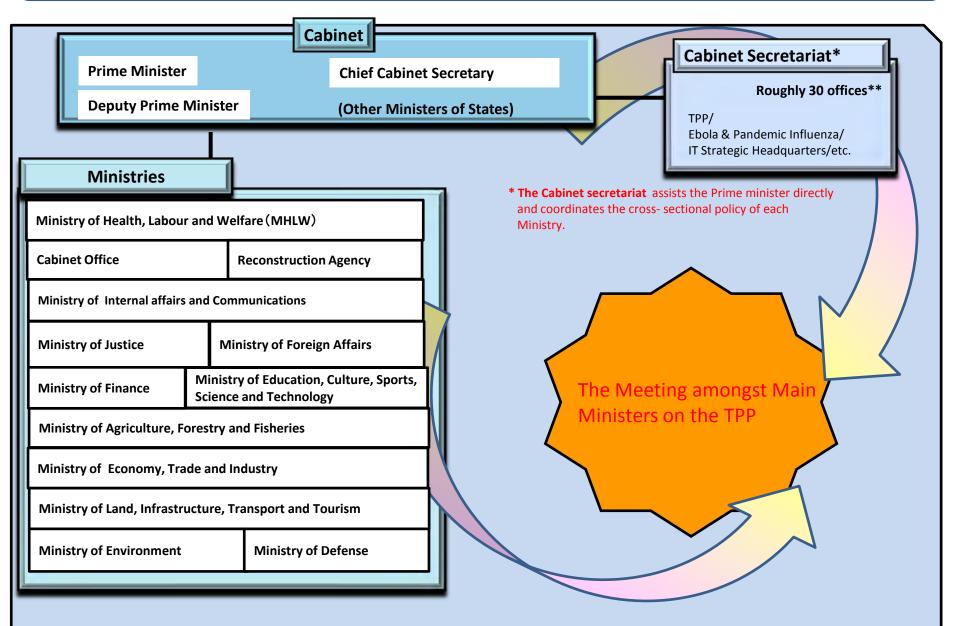
| Australia | Mexico |
|-----------|---------------|
| Brunei | New Zealand |
| Canada | Peru |
| Chile | Singapore |
| Japan | United States |
| Malaysia | Viet Nam |

Long term strategic significance

Facilitating the stability of the region by deepening economical relationship in the Asia Pacific Region



Outline of TPP (Organization of Government of Japan)



MHLW focuses on the chapters in TPP related with issues

on health affairs (Red Marked written below)

- 1. Initial Provisions and General Definitions
- 2. National Treatment and Market Access for Goods
- 3. Rules of Origin and Origin Procedures
- 4. Textiles and Apparel Goods
- 5. Customs Administration and Trade Facilitation
- 6. Trade Remedies
- 7. Sanitary and Phytosanitary Measures
- 8. Technical Barriers to Trade
- 9. Investment
- **10. Cross-Border Trade in Services**
- **11. Financial Services**
- 12. Temporary Entry for Business Persons
- 13. Telecommunications
- 14. Electronic Commerce
- 15. Government Procurement

- 16. Competition Policy
- 17. State-Owned Enterprises and Designated Monopolies

18. Intellectual Property

- 19. Labour
- 20. Environment
- 21. Cooperation and Capacity Building
- 22. Competitiveness and Business Facilitation
- 23. Development
- 24. Small and Medium-Sized Enterprises
- 25. Regulatory Coherence
- 26. Transparency and Anti-Corruption
- 27. Administrative and Institutional Provisions
- 28. Dispute Settlement
- 29. Exceptions and General Provisions
- 30. Final Provisions

The major concerns about TPP in Japan

- Q1 Will TPP change the public health insurance system of Japan?
- Q2 Will Provisions on IP Rights of Pharmaceutical Products result in higher price of medicines in Japan?
- Q3 Will standards for food safety of Japan be revised by TPP?

Q1 Will TPP change the public health insurance system of Japan?

Α.

- TPP does not have any provisions that change the public health insurance system of Japan.(e.g. calculation system for drug prices) Therefore, the universal health insurance system in Japan will be maintained firmly.
- For example, Chapter 9(Investment) and Chapter 10(Crossborder Trade in Services) allow reasonable measures that protect legitimate public welfare.(e.g. Article 9.8, Annex 9-B)
- Annex II of Japan contains Social Services which includes the Japanese public health insurance. In Social Services, Japan may maintain existing measures or adopt new or more restrictive measures which do not conform with the obligations of National Treatment etc.

Q2 Will Provisions on IP Rights of Pharmaceutical Products result in higher price of medicines in Japan?

Α.

- The following provisions related to IP rights of pharmaceutical products are stated in Chapter 18 (Intellectual Property).
 - (1) Patent term extension
 - (2) Data exclusivity on biologics and other pharmaceuticals(3) Patent linkage
- However, as Japan has already had regulations of pharmaceutical products which are consistent with the provisions in Chapter 18, there is no need to establish or amend any regulations of pharmaceutical products in Japan.
- Therefore, provisions on IP rights of pharmaceutical products under TPP will not result in higher price of medicines in Japan as the timing of generic drugs approval is not affected.

Q3 Will standards for food safety of Japan be revised by TPP?

Α.

- The standards for food safety of Japan do not need to be revised by TPP for the following reasons:
- Under TPP, the parties have the right to take necessary SPS (sanitary and phytosanitary) measures for food safety based on scientific principles.
- This chapter is consistent with the WTO SPS Agreement.
- Japan conducts SPS measures for food safety based on scientific principles.