

# EU External relations and foreign affairs

## Trade vs. Development

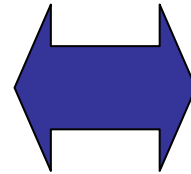


# Trade treaties

## Alcohol policy/WHO:

Use regulations for public health

- Discourage consumption
- Maintain monopolies
- Health warning labels
- Regulate to limit or ban consumption



## World Trade Organization (WTO):

Remove trade regulations

- Lower prices, increase choice
- Increase competition
- Protect brand images
- Eliminate non-tariff barriers – eg deregulate advertizing



# Trade Creep – “Disciplining Domestic Regulation”

- Negotiations to create new binding restrictions on standards, licensing, qualification requirements
- Apply to completely “non-discriminatory” regulation
- Negotiations started in 1999, close to approval of final text
- To successfully claim the health exception, governments must prove their measures are: really about health, proven to be effective, not unnecessarily restrictive, not a disguised restriction on trade, not discriminatory, not arbitrary.



# Trade creep

## GATS Negotiations

### 1. Expand “commitments”

- Get countries to commit MORE services to the GATS (Eg. advertizing and sales)

### 2. Expand what commitments mean

- Get new, binding restrictions on how governments can regulate committed services
- Trade creep – the extension of trade rules to govern increasing areas of government policy
  - Is health in all policies rather trade in all policies?
  - In practice, trade interests seem to be creeping into health policy.



# Trade in goods

Two examples – trade in goods

- **Wine liberalization demanded by EU in negotiations with Caribbean**
- **SWA+EU vs India on import duties on wine and spirits**



# Objectives of the international spirits industry

“The industry firmly believes that **distribution** rights and **advertising** freedoms are essential components of market access and should benefit from the broadest possible liberalisation within the Doha Round services negotiations”

World Spirits Alliance

“I want my negotiators – I say my negotiators because I think they negotiate for us – to try to do the utmost to open up the services trade market all over the world.”

Pascal Kerneis,  
Managing Director, European Services Forum

ALCOHOL, DRUGS  
AND DEVELOPMENT

