## EHFG 2013: EU-US FREE TRADE AGREEMENT WOULD HAVE MAJOR EFFECTS ON HEALTH CARE SYSTEMS

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*The purpose of the Transatlantic Free Trade Agreement (TAFTA) currently being negotiated between the EU and the US is to create the largest free trade zone in the world. Its implementation would also have significant effects on health care systems according to experts at the European Health Forum Gastein.*

**Bad Hofgastein, 3 October 2013** – “Health care is not a sector that functions perfectly in the free market. If the purpose of the Transatlantic Free Trade Agreement (TAFTA) currently being negotiated between the EU and the US is to create the largest free trade zone in the world, its effects on health care systems must be carefully examined,” Professor Angela Brand from the Institute for Public Health Genomics, University of Maastricht said at the European Health Forum Gastein (EHFG). She elaborated: “It has also become much more important to view European health issues also in a global context and to push for global networking, not least in view of TAFTA. The EU has to position itself clearly in health care policy so that it can help to set the direction of this sector on time.”

Critics fear that the agreement at worst could be implemented at the expense of health, consumer and environmental protection. Professor Brand: “I see the agreement as an historical chance for constructively working through some issues currently burdening relations between Europe and the US, for instance, the differing positions on genetic engineering or on security standards.”

Customs barriers are not the only obstacles to trade. So too are the different regulation systems and standards in the two economic areas in particular.  Professor Brand: “There are good reasons for such regulations especially in areas such as health, consumer and environmental protection, but they can also be unnecessary trade barriers. Reducing these barriers through harmonisation, simplification or mutual recognition can yield economic benefits without undermining the actual purpose of the protective regulations.”

**Will approvals be mutually recognised?**

The question of mutual recognition of the approvals of drugs and medical products could be one subject of negotiations. Professor Brand: “A key issue in negotiations is the role the independent national testing and supervisory authorities will play in the future. The question arises whether the US Food and Drug Administration (FDA) will accept the European approvals and vice versa.”

**Services more important than products**

Professor Brand noted that it would be important that the negotiations in health care focus more heavily on services than in other sectors. “Personalised medicine is ever more important and in this segment in particular it is becoming increasingly impossible to distinguish between products and processes, i.e. services. Drugs are more and more used diagnostically and therapeutically as tools and will develop in the direction of ‘just-in-time’ therapies tailored to individual treatment needs at a specific point in time.”

**Learning from each other**

Professor Brand sees the negotiations as a chance for both sides to learn from each other in important areas. “The US, on the one hand, could move in the direction of values such as solidarity and equal access to high quality health care for all citizens, values that are firmly anchored in the European welfare states,” the expert said, adding. “Europe, on the other hand, could learn from the open-access approach to data that is wide-spread in the US. Personalised medicine can only become a reality if we get away from individual approval for data use in data privacy and adopt a user accountability approach and the principle that citizens are the owners of their own data.”

**Transatlantic Free Trade Agreement**

On 14 June 2013 the EU Member States gave the EU Commission the go-ahead to negotiate with the US on entering into a bilateral trade agreement to create the world’s largest free trade zone. The agreement is to be completed by November 2014, but the negotiations will presumably drag on into 2015. The expectations are enormous regarding the economic improvements the agreement could bring: It is estimated that the agreement could produce yearly GDP growth of 0.5% for the EU and 0.4% for the US up to the year 2027.

“Resilient and Innovative Health Systems for Europe” is the slogan for this year's EHFG. More than 550 participants from some 45 countries are attending Europe's most important health policy conference in Bad Hofgastein to exchange views on key issues affecting European health systems.

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