

TRADE AGREEMENTS IN THE HEALTHCARE SECTOR: COVID-19 AND A NEW REALITY?*

Abstract

International Trade is the vehicle in which the global economy is run. States in the bid to achieve sustainable economic growth have over the years, embraced the tenets of International Trade while adopting trade policies that fosters same. This has been made possible by trade agreements facilitated by the World Trade Organization (WTO) to guide trading activities among States. The COVID-19 Pandemic threw a spanner in the wheel of free flow of goods and services, health care in this instance, across the globe forcing States to adopt protective measures, albeit in the interim, aimed at self-preservation. This has contributed in no small measure in disrupting the global health care system. In acknowledging the knee-jerk measures which States deployed to save their respective economies, the question remains, whether these measures would form a blue print for global trade in the future after the havoc wreaked by the COVID-19 Pandemic had passed. There is no time, better than one, to welcome trade agreements that not only address the trade challenges in the global health care system but equally improves mechanisms to accessibility to health care for all and guards it against future shocks. This article highlights the primary norms of International Trade accepted and adopted by States for years before the Pandemic struck and equally attempts a summary of the emergence of the COVID-19 Pandemic, its origin, mode of transmission etc. The article further addresses the direct consequence of this pandemic on global trade on health care and poses a way forward to not only mitigate the havoc caused and restore the global economy but prepare the world in the event of future health shocks by revamping Trade agreements to strengthen the global health production, supply and distribution chain. The author hopes that the reader would appreciate the need for increased and improved trade relations in health care between States and adoption of trade policies and agreements required to revive and strengthen health care in domestic economies as well as foster global trade.

Keyword: Trade Agreements, Healthcare, Covid-19, New Reality

1. Introduction

Trade, simply known as the exchange of goods and services between/amongst parties, had existed for as long as man can remember. Trade is essential to maintaining balance in lives and livelihoods and policies are thus created to ensure smooth relations between parties on one hand, between states and parties on another hand and between states on another hand. Trade is essential to the growth and development of States. It is an avenue through which all States can interact and relate with each other. International Trade is regulated by the World Trade Organisation (WTO) through agreements which include Bilateral Investment Treaties (BITs), Free Trade Agreements (FTAs), Multilateral Trade Agreements (MTAs) etc. These WTO agreements create an international legal framework that regulates trade for 164 economies across the globe. These Agreements cover exchange of goods, services, intellectual property, information technology, health care, investments, agriculture and other issues that impact the flow of trade. The benefits of such agreements include fostering and deepening their economic strength of member States, providing better quality of life for its citizens and deepening diplomatic relationships with allied States. The COVID -19 (Corona Virus Disease 2019) pandemic which originated in Wuhan, China is arguably the deadliest disease to have plagued mankind in recent times; attacking not only human health but also the economic stability of States. The direct consequence is the drastic reduction in trade relations between States and the emergence of ‘Emergency Protective Policies’ by individual states in a desperate bid to save their respective economies. However, will this ‘Emergency Protective Policies’ be the norm in the years to come?. This paper highlights Trade Agreements regulating health care trade, studies the impact of the COVID-19 pandemic on the health care systems of States and proffers answers to expanding the tenets of trade agreements to provide for a better health care trade system in a Post COVID-19 World.

2. Trade Agreements and International Trade

Trade agreements, are any contractual arrangement between states concerning their trade relationships. Trade agreements may be bilateral or multilateral—that is, between two states or more than two states.¹ International Trade on the other hand, is the exchange of goods and services between States. International Trade allows States to access goods and services that may not be available domestically. For most countries international trade is regulated by unilateral barriers of several types, including tariffs, nontariff barriers, and outright prohibitions. Trade agreements are one way to reduce these barriers, thereby opening all parties to

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¹Britannica, T. Editors of Encyclopaedia. ‘Trade agreement.’ Encyclopedia Britannica, January 11, 2019. <https://www.britannica.com/topic/trade-agreement>, accessed on 2nd February, 2020.

the benefits of increased and seamless trade. Trade Agreements and International Trade are regulated by the World Trade Organisation (WTO). The WTO, in addition to numerous trade agreements and treaties, currently oversees four universally recognized international trade agreements: The General Agreement on Tariffs and Trade (GATT), The General Agreement on Trade in Services (GATS), Agreement on Trade-Related Intellectual Property rights (TRIPS) and Agreement on Trade-Related Investments (TRIMS). Long term economic growth is one of the desired goals of any State irrespective of its capacity. In order to achieve this, trade agreements contain some common features which facilitate free trade. Some of these features are;

Tariff Control:

Tariffs are forms of taxes imposed by a State on the goods and services imported into it. Tariffs are employed by States to restrict the import of certain goods into their States and make it less attractive to the domestic consumers. Tariffs basically perform three functions; to serve as a source of revenue for the government, to discourage the import of the affected goods and to remedy trade imbalance (where a trade agreement exists between two or more States).² They are alternatively called duties. Trade Agreements encourage States to relax and in most cases, offset Tariffs in order to ensure seamless trade relations with fellow States. This is in line with the International Trade motto of ‘Open Borders’. To this effect, States are permitted to import goods without the hassles of payment of Tariffs or duties to the recipient State.

Subsidies:

Subsidies are generally defined as the government payments, made to producers to lower the production price and increase production of locally made goods. It can also be defined as the differential between production prices and consumer prices, usually offset by the government. This is a trade policy adopted to keep consumer prices on a keel and control increase in prices of goods and services. It also serves as an incentive employed to encourage local production.

Comparative Advantage:

The theory of Comparative Advantage has been attributed to the English Economist, David Ricardo³. Comparative Advantage is a form of trade policy wherein a State trades with another State who offers desired goods at competitive and low cost.⁴ This is one of the founding principles of International Trade. In international Trade, States are encouraged to assess the opportunity cost⁵ of goods which they intend to trade with other States. An economy’s ability to produce a particular good at a relatively lower price than others puts it at a comparative advantage with respect to that particular goods or services and affords it the opportunity to exchange that goods or services with other goods or services that are relatively expensive to produce or trade.

Quotas:

Quotas are trade policies employed by States to limit the production, importation or exportation of specified goods within a period of time.⁶ They are usually government imposed and targeted at boosting the local economy. The primary function is to encourage local production. However, in International Trade, States employ Quotas to regulate the volume of trade between them and other States.⁷

Reciprocity:

Reciprocity, in trade, is the granting of mutual concessions in tariff rates, quotas and other commercial restrictions. It is the exchange of privileges and the recognition of mutual dependence between/among States. Reciprocity is a necessary feature of any trade agreement. If a State party derives no benefit from a trade agreement, there is no incentive to agree to it.

The Most-Favoured Nation (MFN) Clause:

The Most-favoured-nation (MFN) principle is a trade practice whereby all States are treated equally and no State is accorded special status in relation to Other States under a trade agreement. Under the WTO

²Ream Hakal, ‘*The Investors’ Guide to Global Trade*’, <https://www.investopedia.com/insights/what-is-international-trade/>, accessed on August 16, 2020.

³Adam Hayes, ‘*Economics > Microeconomics; Comparative Advantage*’, <https://www.investopedia.com/terms/c/comparativeadvantage.asp>, accessed on August 16, 2020.

⁴ Ibid

⁵Opportunity Cost is the potential gain or benefit that a person loses when selecting a particular option over another. In International Trade and in the consideration of comparative advantage, the opportunity cost is what an economy stands to lose for the gain of another economy.

⁶ Adam Barone, ‘*Quota, Economics*’, <https://www.investopedia.com/terms/q/quota.asp>, accessed on August 16, 2020.

⁷ ibid

agreements, States are prohibited from discriminating against their trading partners. This principle is considered necessary to the smooth execution of international trade and is so important that it is the first article of the General Agreement on Tariffs and Trade (GATT), which governs trade in goods. It is equally contained in Article 2 of the General Agreement on Trade in Services (GATS) and Article 4 of The Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS).⁸

3. The Emergence of the COVID-19 Pandemic:

Corona Viruses are Ribonucleic Acid (RNA)⁹ viruses globally distributed in a large but unknown number of animal species. Corona Viruses are a large family of viruses that can cause illnesses ranging from cold, catarrh to more severe illness such as The Severe Acute Respiratory Syndrome (SARS) which causes fatal respiratory and intestinal illness. The COVID-19 (Corona Virus Disease 2019) Pandemic, arguably the deadliest respiratory disease pandemic to have affected mankind in recent times, is a type of Corona Viruses (CoV) with its main agent referred to as CoV-2. According to The Center for Disease and Control Prevention, COVID 19 first identified in China, is a new strain of Coronaviruses that has not been previously identified in humans but was linked to animal sources.¹⁰ Like all known pandemics, the mechanism of its emergence in man is unclear. However, virology studies establishes that the Virus evolved directly or indirectly from the SARS(Severe Acute Respiratory Syndrome)-like-Virus predominantly found in bats and other like creatures in Asia and South-East Asia.¹¹ Some studies equally revealed that this virus was a result of animal-human transmission¹² while some studies claimed the virus had 'escaped' from a Laboratory in Wuhan, China. The COVID 19 Pandemic had gone on to spread to almost all States on the planet with the risk assessment classifying its transmission as very, very, very high and its incubation period ranging from 10-14 days. Its mode of transmission is usually air borne and through respiratory droplets like saliva, nasal fluids etc and symptoms present as shortness of breath, cough, fever, pneumonia and in most cases, kidney failure.¹³ The World Health Organisation (WHO) had on March 11, 2020 declared the COVID 19 a 'Pandemic and a Public Health Emergency', more than two months after its first reported case¹⁴ and as the time of writing this paper, over four million (4,000,000) people have been infected with over eight hundred thousand (800,000,000) deaths recorded.¹⁵ The COVID 19 Pandemic in addition to mounting enormous stress on the global health care system has adversely affected global trade leading to a significant decline in trade activities across all sectors of global economy as States shut down activities in a bid to control the transmission of the virus. This development has raised the all-important question. Would the reality of this Pandemic lead to a shift in trade agreements affecting the global health care system in order to guard against future shocks of any kind?

4. The impact of the COVID 19 Pandemic on International Trade in Health Care:

As stated earlier, Trade agreements as well as International Trade are regulated by the World Trade Organisation (WTO). As stated earlier, the WTO oversees four international trade agreements which among them include: The General Agreement on Tariffs and Trade (GATT), The General Agreement on Trade in Services (GATS), Agreement on Trade-Related Intellectual Property rights (TRIPS) and Agreement on Trade-Related Investments (TRIMS). The COVID 19 Pandemic has in no small measure, wreaked havoc on the global economy, disrupting the supply and distribution chain of global exchange of goods and services. This has resulted in adverse; short term and long term; consequences for International Trade. States have in response, resorted to policy measures aimed at protecting its respective economies. The health care sector, has been the worst hit in this crisis creating an unprecedented shortfall in supply of health care goods and

⁸ 'Principles of the trading system', https://www.wto.org/english/info_e/site2_e.htm, accessed on 10th September, 2020

⁹ A nucleic acid present in all living cells, and which sometimes carries genetic information.

¹⁰ Altakarli N, S: '*Emergence of COVID-19 Infection: What Is Known and What Is to Be Expected*' – Narrative Review Article. Dubai Medical Journal 2020; Vol. 3:13-18. DOI: 10.1159/000506678, accessed on August, 16, 2020, <https://www.karger.com/Article/FullText/506678#>

¹¹ David M. Morens, Joel G. Breman, Charles H. Calisher, Peter C. Doherty, Beatrice H. Hahn, Gerald T. Keusch, Laura D. Kramer, James W. LeDuc, Thomas P. Monath and Jeffery K. Taubenberger, '*The Origin of COVID-19 and Why It Matters*', The American Journal of Tropical Medicine and Hygiene 2020; DOI: 10.4269/ajtmh.20-0849, accessed on August, 16, 2020.

¹² Ibid

¹³ Altakarli N, S: '*Emergence of COVID-19 Infection: What Is Known and What Is to Be Expected*' – Narrative Review Article. Dubai Medical Journal 2020; Vol. 3:13-18. DOI: 10.1159/000506678, accessed on August 16, 2020, <https://www.karger.com/Article/FullText/506678#>

¹⁴ Dr. Sushma Shukla, '*COVID-19 and Globalization, An Analysis*', An International Multidisciplinary Double-Blind Peer-reviewed Research Journal Special Issue, Volume II Issue IV May 2020, accessed on August 16, 2020, <https://www.uneca.org/publications/trade-policies-africa-tackle-covid-19>

¹⁵ Hannah Ritchie, Esteban Ortiz-Ospina, Diana Beltekian, Edouard Mathieu, Joe Hasell, Bobbie Macdonald, Charlie Giattino, and Max Roser, '*Statistics and Research, Coronavirus(COVID 19) Deaths*', Our World in Data; accessed on August 16, 2020; <https://ourworldindata.org/covid-deaths>

services to States, which has led to a state of emergency on the global trade in the health care sector. Healthcare has long been an essential part of the global development agenda. Sustainable Development Goal 3 (SDG 3) of the 2030 Agenda for Sustainable Development specifically aspires to ensure good health and well-being for all. This includes a bold commitment to end Acquired Immune Deficiency Syndrome (AIDS), Tuberculosis, Malaria and other communicable diseases by 2030. In addition, it aspires to achieve universal health coverage, and provide access to safe and effective medicines and vaccines for all, as well as expanding access to affordable medicines for all.¹⁶ These health-related goals form part of the global trade governance framework. International trade in health care (health products and services) is governed by the various World Trade Organization (WTO) agreements, including Trade-Related Intellectual Property Rights (TRIPS) and the General Agreement on Trade in Services (GATS). Trade in health care can be broadly classified into three groups:

- a. Trade in goods which include health care equipment, drugs and medical waste.
- b. Trade in services which include health and medical services.
- c. Trade in ancillary services which include medical transcription, medical research, medical insurance, and distance medical education and training.¹⁷

With respect to the supply of health care services, goods and equipment, The WTO through The GATT and GATS has ensured an appreciable degree of free trade among States. This has enabled States to actively depend on others for the provision of health care products over time.¹⁸ The GATT has aided the free trade of health care products and services by prohibiting quantitative restrictions (of health care products) in both terms of exportation and importation.

Article I: 2 of The General Agreement on Trade in Services (GATS)¹⁹ defines ‘Trade in Services’ as ...the supply of a service:

- (a) from the territory of one Member into the territory of any other Member;
- (b) in the territory of one Member to the service consumer of any other Member
- (c) by a service supplier of one Member, through commercial presence in the territory of any other Member;
- (d) by a service supplier of one Member, through presence of natural persons of a Member in the territory of any other Member

Under Article II of The General Agreement on Trade in Services (GATS), each member is required to accord all WTO Member States the same (‘no less favourable’) treatment that it provides to any WTO Member State with respect to measures affecting trade in legal services. In other words, it is an ‘equal protection’ type of provision that requires equal treatment as between foreign countries.²⁰ This provision is referred to as the ‘Most-favoured Nation’ (MFN) provision and applies generally to all services and all service suppliers (through all modes of supply). Article IV: 1 of The General Agreement on Trade in Services (GATS), in special recognition of the unique interests of developing and least developed member States provides:

The increasing participation of developing country Members in world trade shall be facilitated through negotiated specific commitments, by different Members pursuant to Parts III and IV of this Agreement, relating to:

- (a) the strengthening of their domestic services capacity and its efficiency and competitiveness, inter alia through access to technology on a commercial basis;
 - (b) the improvement of their access to distribution channels and information networks;
- and

¹⁶‘Goal 3, Good Health and Well-Being’ <https://www.jointsdgfund.org/sustainable-development-goals/goal-3-good-health-and-well-being#:~:text=SDG%203%20aspires%20to%20ensure,medicines%20and%20vaccines%20for%20all>. accessed on 21st December, 2020

¹⁷Sangetta Khorana, ‘*International Trade in the Health Care Sector: Forgotten Frontier*’, Bournemouth University Research Online, Issue 126: DOI: 10.14217/20719914, accessed on 21st February, 2020, <http://eprints.bournemouth.ac.uk/23430/1/THT126.pdf>

¹⁸Since the accession of GATT after World War II, States has adopted the concept of comparative advantage in all its various sectors of production, including the health care sector. As a result of this, the provision of health care products has largely been the responsibility of States who had a comparative advantage in its production.

¹⁹The General Agreement on Trade in Services (GATS) is a treaty of the World Trade Organization (WTO) which entered into force in January 1995 as a result of the Uruguay Round negotiations. The treaty was created to extend the multilateral trading system to the services sector (not excluding trade), in the same way the General Agreement on Tariffs and Trade (GATT) provides such a system for merchandise trade. All members of the WTO are parties to the GATS.

²⁰‘GATS General Agreement on Trade in Services, A Handbook for International Bar Association Member Bars, www.Ibanet.org/document/default/pdf, accessed on 18th December, 2020. The basic WTO principle of most favoured nation (MFN) applies to GATS as well. However, upon accession, members may introduce temporary exemptions to this rule.

(c) the liberalization of market access in sectors and modes of supply of export interest to them.²¹

Article XI:1 of the General Agreement on Tariffs and Trade (GATT)²² provides;

No prohibitions or restrictions other than duties, taxes or other charges, whether made effective through quotas, import or export licenses or other measures, shall be instituted or maintained by any contracting party on the importation of any product of the territory of any other contracting party or on the exportation or sale for export of any product destined for the territory of any other contracting party.²³

Article 8 of The Agreement on Trade-Related Intellectual Property Rights (TRIPS) provides;

1. Members may, in formulating or amending their laws and regulations, adopt measures necessary to protect public health and nutrition, and to promote the public interest in sectors of vital importance to their socio-economic and technological development, provided that such measures are consistent with the provisions of this Agreement.

2. Appropriate measures, provided that they are consistent with the provisions of this Agreement, may be needed to prevent the abuse of intellectual property rights by right holders or the resort to practices which unreasonably restrain trade or adversely affect the international transfer of technology.

Article 8 of TRIPS provides for rules on compulsory licensing, parallel importation and the application of patent law and is relevant for developing countries. On 30 August 2003, the General Council of the WTO adopted the Decision on Implementation of Paragraph 6 of the Doha Declaration on the TRIPS Agreement and Public Health (the August Decision). The Decision makes access to patent protected medicines easier for countries with insufficient domestic manufacturing capacities in the pharmaceutical sector and provides for the possibility of granting such compulsory licenses for export purposes by waiving the application of the relevant provisions of the TRIPS Agreement.²⁴ This is in furtherance of the SDG 3 goal in ensuring access to medicines for all. With respect to access to medicine and pharmaceutical products, The WTO Agreement on Trade in Pharmaceutical Products (The Pharmaceutical Agreement) equally eliminates tariffs and other duties and charges on a large number of pharmaceutical products and the substances used to produce them, permanently binding them at duty-free levels.²⁵ These WTO Agreements despite its noble spirit clearly didn't contemplate a health calamity as the COVID 19 Pandemic and thus the trade agreements did not provide for guidelines on trade relations during a global health emergency. Despite the plethora of Trade Agreements aimed at facilitating seamless global trade in healthcare, the COVID 19 pandemic has created a serious challenge for global healthcare systems. The interdependence of States on health care services, equipment and products as facilitated by International Trade under the WTO has suffered a huge disruption as States struggle to provide essential health care products to their COVID endangered populations. States and regions have in response, rolled out trade and economic policies adverse to the spirit of the WTO Agreement as a response and defense mechanism to the crisis. A number of these policies include; suspension of import duties on specified health care products making them available and more

²¹WTO Analytical Index GATS– Article IV(Practice)', https://www.wto.org/english/res_e/publications-ai17_e/gats_art4_oth.pdf, accessed on 20th December, 2020.

²²The General Agreement on Tariffs and Trade (GATT) is a legal agreement between many countries, whose overall purpose was to promote international trade by reducing or eliminating trade barriers such as tariffs or quotas. Its principal purpose was the reduction of tariffs and other trade barriers and the elimination of preferences, on a reciprocal and mutually advantageous basis. It came into force on the 30th day of October, 1947.

²³Please note that this general provision is subject to the exemptions as listed in Article XI:2. This does not whittle down the import of the provision on the elimination of quantitative restrictions.

²⁴Sangetta Khorana, 'International Trade in the Health Care Sector: Forgotten Frontier', Bournemouth University Research Online, Issue 126: DOI: 10.14217/20719914, accessed on 21st February, 2020, <http://eprints.bournemouth.ac.uk/23430/1/THT126.pdf>

²⁵The 1994 Agreement on Trade in Pharmaceutical Products was concluded during the Uruguay Round of trade negotiations. The Agreement was signed by and applies to only a group of participants, who also committed to implement the outcomes on a most-favoured nation basis. Canada, the European Union, Japan, Macao (China), Norway, Switzerland, the United Kingdom and the United States currently participate in this Agreement. However, States are free to and have entered into regional agreements with regards to trade in drugs and pharmaceutical products guided by the foundational principles of the 1994 Agreement on Trade in Pharmaceutical Products.

affordable to all.²⁶ Conversely, in a bid to secure the Health care products and equipment needed by citizens, States have resorted to export and quantitative restrictions which have unfortunately led to gross disruptions in the global supply chain as well as price hikes and scarcity of essential health care products and equipment. Developing and least developed WTO member States who lack the manufacturing capacity of medical supplies have been cut off access to essential health care products and equipment by their developed partners as a result of export and quantitative restrictions imposed by them. For example, the European Commission issued Implementation Regulation 2020/402 in March, which was amended by Implementation Regulation 2020/568 in April, making the exportation of certain PPE subject to the production of an export authorization. Likewise, The Federal Emergency Management Agency (FEMA) of the United States promulgated the '*Prioritization and Allocation of Certain Scarce or Threatened Health and Medical Resources for Domestic Use*' in April, requiring that five types of PPE, subject to certain exemptions, should not be exported without approval from FEMA²⁷

This has resulted in acute shortage and scarcity in States that depend on imported medical equipment.²⁸ The consequence of this is manifold:

- a. Increased Death of non-COVID 19 Patients: The widespread fear and panic created by the pandemic has caused patients who otherwise, should be under the care of healthcare providers to stay home. This has unfortunately, resulted in the death of patients without medical attention.
- b. Safety of health care providers: Health care providers are at grave risk of falling victims to the virus as Protective gears and equipment such as N-95 masks, goggles, face shields, respirators, gowns etc are in short supply. A number of Health Care Providers have been lost to the virus due to the non-availability of the Protective Equipment while caring for patients. Based on WHO modelling, an estimated 89 million medical masks are required for the COVID-19 response each month. For examination gloves, that figure goes up to 76 million, while international demand for goggles stands at 1.6 million per month.²⁹
- c. A burdened Infrastructure: The strain on the capacities of hospitals and COVID 19 isolation centers has resulted in lack of measures to contain the spread within the hospitals and isolation centers. Health Care Providers contract the virus while administering to the medical needs of patients.

5. Trade Agreements and Health Care: Post COVID

The COVID 19 Pandemic has in more ways than one, strengthened the resolve of States in modifying the global trade framework on the health care sector (services, products and equipment). In a world largely connected by trade and with States dependent on International trade to meet its needs and demands, the COVID 19 Pandemic, though devastating, offers an opportunity to encourage more trade while simultaneously, addressing the challenges of free trade. International trade in the health care sector is in need of massive adjustments in its mode of production, supply and distribution to address its teeming challenges. Trade in the health care sector should be prioritized and Trade Agreements specifically designed for the health care sector should be encouraged amongst States. A comprehensive Trade Agreement could facilitate trade in healthcare sector and contribute to stronger global preparedness for future health shocks by:

- a. Prohibiting and abolishing tariffs on medical goods and equipment
- b. The establishment of a global framework applicable in times of health crisis, covering issues such as import and export restrictions, customs and transit, public procurement and transparency;
- c. The Modification and improvement of the existing WTO rules applicable to trade in medical and essential goods

²⁶Import duties have been criticized by a number of economists as a regressive form of taxation which affects the lower income households in larger proportion than the higher income households. This, a number of economists argue, is contributory to increased inequality more prevalent in consumption economies. A tariff, import in this case, affects the poor and vulnerable in higher proportion than the rich.

²⁷Xiuyan Fei & Jingdong Liu, '*Trade Regulations for Export Restrictions on Medical Supplies During the Pandemic: Shortcomings and Suggestions*' <https://www.unescap.org/sites/default/files/80%20Final-Team%20Xiuyan%20Fei-China.pdf>, accessed on 22nd December, 2020.

²⁸Gruszczynski, Lukasz, '*The Covid-19 Pandemic and International Trade: Temporary Turbulence or Paradigm Shift?*' *European Journal of Risk Regulation*. 1-6. DOI: 10.1017/err.2020.29., accessed on August 17, 2020; ion at: <https://www.researchgate.net/publication/340491229>. It is worthy of note that while this practice is acceptable by the WTO guidelines as acts which are necessary to protect public health, a balance is struck in order not to default the rules of International Trade.

²⁹Amit Lakhani, Ena Sharma, Kirti Gupta, Savita Kapila, Shivangi Gupta, '*Corona Virus (COVID-19) and its Impact on Health Care Workers*', *Journal of Association of Physicians of India*, ISSN 0004 - 5772, VOLUME : 68, September 2020, URL:<https://www.japi.org/x26474a4/corona-virus-covid-19-and-its-impact-on-health-care-workers->

- d. The Incentives provided to the manufacturing sector to ensure increase in production in the sector as companies currently serving domestic and regional markets can be expanded to serve global markets.
- e. In fulfillment of the purpose of Article IV of GATS, a minimum number of essential medical goods and equipment required of developing and least developed member States to have in its respective custodies at any material time.
- f. The expansion of The Information Technology Agreement³⁰ to include prohibition of tariffs on medical goods and equipment as well as more enhanced transfer of technology services in the operation of such medical goods and equipment.
- g. Access to patent protected medicines for States with challenging manufacturing capacities and elimination of tariffs on drugs and pharmaceutical products.

6. Conclusion:

The mode and system on International Trade on health care will no doubt, undergo several adjustments in trade agreements and framework as a result of the devastating effects of the COVID 19 Pandemic. States will for the most part, realize the need for sufficiency in medical goods and equipment of their respective economies. The principle of Comparative Advantage would be embraced by more States and in addition, the global health care supply chain would be more diversified and resilient. International Trade Agreements on health care would emphasize the importance of the adoption of the principle of comparative advantage, elimination of tariffs on medical goods and equipment and diversification of the global health care supply chain. The COVID 19 Pandemic, a new global reality, would affect not only the volume of trade in medical goods and equipment but in addition, the mode of trade for the next generation of policy makers.

³⁰The Information Technology Agreement (ITA) is a plurilateral agreement enforced by the World Trade Organization (WTO) and concluded in the Ministerial Declaration on Trade in Information Technology Products in 1996, and entered into force 1 July 1997. Since 1997 a formal Committee under the WTO watches over the following of the Declaration and its Implementations. The agreement was expanded in 2015. The aim of the treaty is to lower all taxes and tariffs on information technology products by signatories to zero., *Information Technology Agreement*, [https://en.wikipedia.org/wiki/Information_Technology_Agreement#:~:text=The%20Information%20Technology%20Agreement%20\(ITA,into%20force%201%20July%201997](https://en.wikipedia.org/wiki/Information_Technology_Agreement#:~:text=The%20Information%20Technology%20Agreement%20(ITA,into%20force%201%20July%201997), accessed on 22nd December, 2020