



# Media Release

## MINISTRY OF TRADE AND INDUSTRY COMMITTED TO PROTECTING CONSUMERS OF PHARMACEUTICAL PRODUCTS

**10 March, 2021:** The Ministry of Trade and Industry (MTI) has noted public discussions related to the merger involving firms within the local pharmaceutical industry and wishes to remind the public that the Trinidad and Tobago Fair Trading Commission (TTFTC) is an **Independent** Statutory Agency established pursuant to the Fair Trading Act, 2006. As such the MTI and the Government of Trinidad and Tobago plays **no role** in the decisions taken by the Commission in the exercise of its Functions.

The Fair Trading Act creates an institutional framework for the enforcement of competition policy in Trinidad and Tobago and addresses major issues including:

- i. The abuse of monopoly power
- ii. Anti-competitive mergers
- iii. Anti-competitive agreements and
- iv. The enforcement of the relevant clauses or enforcement measures.

Specific anti-competitive practices that are prohibited under the Act include price-fixing, market sharing, collusion, cartels and bid rigging.

The TTFTC has advised that the review and approval process associated with the particular merger within the local pharmaceutical industry took over four (4) months. The Commission has further advised that this review process involved consultations with various stakeholders in the pharmaceutical industry as the Commission needed to be satisfied that the proposed merger transaction would not adversely affect competition and would not be detrimental to consumers or the local economy.

In addition, the TTFTC has advised that with the full Proclamation of the Fair Trading Act in February 2020 by the Government of Trinidad and Tobago, the TTFTC now has the legislative power on its own initiative, or at the request of any person adversely affected, to take such actions as it considers necessary with respect to the abuse of a monopoly power by any enterprise in Trinidad and Tobago. Accordingly, the TTFTC has indicated that it will continue to monitor the local pharmaceutical industry to inter alia continue to safeguard the interests of consumers.

On its own part, the Ministry of Trade and Industry continues to actively pursue measures to safeguard the well-being of consumers of pharmaceuticals. For example, in 2020, the MTI sought the approval of the Council for Trade and Economic Development (COTED) of the CARICOM for the suspension of the Common External Tariff (CET) for 3,300 pharmaceutical items. The suspension of the CET was approved on over 2,800 pharmaceuticals products and took effect on April 21, 2020 to April 30, 2021. This ensured that the price of these items to all consumers were maintained. However, the suspension of the CET on some items were not approved as regional producers, namely Guyana and Jamaica indicated that it could supply similar products. The Cabinet of Trinidad and Tobago has recently authorized the Ministry of Trade and Industry to seek approval from the Secretary General of the Caribbean Community for the suspension of the CET on a list of 3,947 Pharmaceutical products for the period May 1, 2021 to April 30, 2022.

In addition, in an attempt to ensure transparency in the industry, the Minister of Trade and Industry has today instructed the Consumer Affairs Division to develop a mechanism for the monitoring and publishing of quarterly prices of the main essential pharmaceutical items in relevant business establishments throughout Trinidad and Tobago which will assist with empowering consumers to make the best purchasing decisions. The MTI has also noted reckless and erroneous social media commentary linking the recent merger in the pharmaceutical industry to the intended supply and availability of COVID-19 vaccines to the Trinidad and Tobago population. Members of the Public are advised that such vaccines **are only being sourced by the Government of Trinidad and Tobago through bilateral channels and the COVAX Facility** as previously disclosed by the Minister of Health. All vaccines procured by the Government will be consigned directly to the Ministry of Health.

The MTI remains committed in advancing policies which balance the interests of consumers and supports the development of local industry while observing regional trade obligations.

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