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Summary

Title: Covid-19 and the Distribution of Its Vaccines to Developing Countries: Roles of WTO Played for HIV/AIDS in 2001 and for Covid-19 at Present

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The new Director-General of WTO, Dr. Okonjo-Iweala, stated in her inaugural message last March that WTO must play a role to find a new way to handle intellectual property rights (IPRs) for supplying COVID-19 vaccines to the world. Her declaration echoed South Africa and India's proposal of suspension of IPRs on the vaccine at WTO. It was a great surprise that the United States decided to take the side of the new DG on May 5. Even though the EU and Germany are still negative on the proposal, realization of the suspension of IPRs becomes more probable.

A basis of the proposal is what WTO did in 2001 at its Doha Ministerial meeting. IPRs were weakened for health / sanitation purposes in the world at the meeting. The decision allowed anti AIDS medicines to be widely and cheaply distributed to low-income countries all over the globe. The Doha Declaration and its complementary framework to enhance incentive to innovate vaccines, i.e. the Advance Market Commitment (AMC), revived upon the outbreak of COVID-19.

Referring to the arrangements made by WTO and international community in 2001 and thereafter for HIV/AIDS, I will pose the following observations concerning development and distribution of COVID-19 vaccines:

(1) Doha Declaration and AMC, which were arrangements made for HIV/AIDS by WTO and others in 2001 and thereafter, played a role of building block of global collective actions to supply of COVID-19 vaccines to developing countries. Without these schemes, the international community would have to start constructing a mechanism of distribution of vaccines to developing countries from scratch.

(2) Both a centralized scheme, i.e. Gavi for COVAX, and decentralized actors, i.e. pharmaceutical companies based in China, India, Europe, Russia, US and so on, played their own important roles. Keen competition among the pharmaceutical companies generated a variety of vaccines with respect to (i) speed of delivery, (ii) efficacy, (iii) conventional / innovative methods of production, and (iv) price. Meanwhile, COVAX AMC set a set of standards of a plan to supply vaccines to developing countries as early as June 2020, in terms

of quantity and price of the vaccines. That gave a benchmark upon which all individual actors appeal its contribution to curbing COVID-19.

The following issues should be kept in mind to foresee how the distribution of COVID-19 vaccines to developing countries will take shape in the near future.

(1) Withdrawal of export restriction on the vaccines by the United States and EU

(2) Scope of IPR suspension: Will it cover vaccines to be developed in the future, or only those which have been already developed? Will it include medicines for COVID-19, too?

(3) Capacity of drug manufacturers in the world: Are there many drug manufacturers which can produce mRNA / virus-vector vaccines?; how quickly these manufacturers will be equipped to start the production?

(4) Incentive of the big pharmaceutical companies to continue R&D: Will they keep being motivated to develop vaccines to cope with new variants of Covid-19?

(5) Prices of Vaccines: Will the prices be maintained as low as the level which is affordable to developing countries?