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Overcoming the socio-economic crisis sparked by the Covid-19 pandemic

Addendum to the report¹

Committee on Social Affairs, Health and Sustainable Development

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1. Introduction

1. As these lines are being written and although important advances have been made to control the Covid-19 pandemic, it remains one of the main global challenges for the time to come and continues to take its deadly toll worldwide. Whereas most countries in the global north are racing to vaccinate their population, new and more infectious variants of the coronavirus are hitting countries especially in Asia, Africa and South America. So, whilst the wealthiest countries are seeing significant improvements in their epidemiological situation thanks to the massive deployment of vaccines, poorer countries worldwide are struggling to fight the epidemic with limited means.

2. Those limited means in the countries currently suffering most from the pandemic concern both treatments and vaccination. International organisations have warned that the socio-economic disruption due to the pandemic threatens millions of livelihoods, with a huge negative impact on the public health situation and food supply systems.² Targeted deployment of anti-Covid vaccines would provide vital relief to both healthcare systems and socio-economic life, as it is currently doing for the countries with access to vaccines.

3. However, worldwide deployment of vaccination remains slow, with the countries that have managed to develop and produce those vaccines in a record-short time being now the key beneficiaries. As the coronavirus vaccination tracker worldwide shows,³ by 8 June 2021, 117 doses have been administered per 100 people in Israel (but only 13 in Palestine), 102 in the United Kingdom, 90 in the United States, 65 in Germany, 63 in Italy, but only 17 in India, 5 in the Philippines and only 1 in Vietnam. In most African countries, vaccination rates hardly exceed 1-2% of the population (except Morocco with 41 doses per 100 persons and Tunisia with 9). The vaccination picture in Latin America is filled with contrasts, as Chile can boast of a rate of 103, Uruguay 87, Brazil 34, while several countries have rates below 10 (Guatemala 4, Honduras 4, Paraguay 6). Two big vaccine-producing countries – China and the Russian Federation – have rates of, respectively 56 and 21.

4. The limited supply of medical treatments⁴ and vaccines is due to many factors, notably limited production capacity and intellectual property issues, affordability challenges and logistical problems. To boost the availability of medical solutions to protect the population, production capacity for essential medicines and vaccines has to be scaled up significantly – worldwide. If the wealthiest countries only help themselves, prospects for billions of persons in the global south are obscured. Slowing down vaccine production and

1. Approved by the committee on 17 June 2021.

2. Joint statement by the International Labour Organization, the Food and Agriculture Organization of the United Nations, the International Fund for Agricultural Development and the World Health Organization on “Impact of Covid-19 on people's livelihoods, their health and our food systems”, 13 October 2020. See www.who.int/news/item/13-10-2020-impact-of-covid-19-on-people's-livelihoods-their-health-and-our-food-systems.

3. See www.nytimes.com/interactive/2021/world/covid-vaccinations-tracker.html.

4. Such as antiviral and anti-inflammatory drugs, oxygen therapy, immune system modulators, etc.



distribution by not loosening intellectual property rights could also hit back on countries with high vaccination rates if new variants “bred” in such conditions turn out to be more vaccine-resistant, or even “escape” vaccine protection. An economic argument can also be made: the global economy is so integrated that economic problems in the global south, just like the virus, do not stay in that part of the world. Important policy decisions thus have to be taken urgently to overcome both the pandemic and the resulting socio-economic crisis everywhere in the world.

5. As stated by the Assembly in [Resolution 2361 \(2021\)](#) “Covid-19 vaccines: ethical, legal and practical considerations”, member States and the European Union are urged to “overcome the barriers and restrictions arising from patents and intellectual property rights in order to ensure the widespread production and distribution of vaccines in all countries and to all citizens.” In practice and in a global context, this call means that the world needs a waiver on Covid-19 vaccine patents under the World Trade Organization (WTO) Trade-Related Aspects of Intellectual Property Rights (TRIPS)⁵ to boost supply by mobilising production capacities wherever they exist. India and South Africa have led a group of some 60 countries in trying to convince the WTO’s 164 States to do so. In early May 2021, the US administration backed the idea of a “temporary waiver.” However, if the World Health Organization Director-General hailed this historic announcement, there are still many opponents (mainly, influential pharmaceutical companies) to such a move.

6. The critics of a waiver approach also point out that bottlenecks occur due to existing trade barriers⁶ that hamper global production and supply chains for Covid-19 vaccines. Moreover, lifting the patents needs to be accompanied by a proper technology and know-how transfer to ensure safe and effective production of vaccines. The European Union and the UK therefore favour a system of licencing which could be made compulsory (and involving a minimum compensation to companies concerned). It appears that one of the world’s biggest Covid-19 vaccine producers located in India (the Serum Institute) is producing the Oxford-AstraZeneca vaccine under a licensing agreement. More such licencing agreements would most probably provide a faster solution than lengthy negotiations on a temporary waiver under the WTO’s TRIPS Agreement. Moreover, the US backing for a temporary waiver could help reduce compensation claims by the patent-holding pharmaceutical companies under compulsory licensing agreements.⁷

7. But an even faster solution could come from greater solidarity: rich countries could share/transfer more swiftly part of their stock of Covid-19 vaccines with poor countries to provide protection to health care staff and the most vulnerable population. In the longer term, however, countries in the global south have good reasons to negotiate more waivers on essential medicines’ patents with a view to improving their population’s access to basic healthcare.⁸

8. In a public health emergency situation, we have to reiterate the need for striking a better balance between global public health needs and private economic interests. Governments must show more leadership and understanding for “no one is safe until everybody is safe” which implies greater international solidarity with the countries in need, in particular with regard to sharing anti-Covid-19 vaccine stocks and essential know-how, as well as technology, to produce more of those vaccines at affordable cost.

9. As rapporteur, I would therefore like to propose two additions to the draft resolution of the Committee on Social Affairs, Health and Sustainable Development as follows:

2. Proposed amendments

After paragraph 7, insert the following paragraph:

“The continuing global public health emergency calls for greater international solidarity between the wealthiest and the poorest countries in order to share the existing anti-Covid-19 vaccine stocks by targeting the most vulnerable population and health care staff. In this context, the Assembly believes that European countries should lead by example and donate part of their vaccine stocks to the neediest countries in a coordinated manner. They should support the worldwide expansion of production capacity for Covid-19 vaccines by endorsing the modalities for a temporary waiver on patents for those

5. TRIPS – Trade-Related Aspects of Intellectual Property Rights – is an agreement that “establishes minimum standards of protection and enforcement that each government has to give to the intellectual property held by nationals of fellow WTO members” (see www.wto.org/english/thewto_e/whatis_e/tif_e/agrm7_e.htm).

6. The Economist (8 May 2021 edition) reported that, in India, aid shipments with life-saving medical equipment and medication were held up by customs as the State-driven bureaucracy wanted to impose import duties.

7. See article on “Covid: US backs waiver on vaccine patents to boost supply”, 6 May 2021, www.bbc.com/news/world-us-canada-57004302.

8. See www.who.int/topics/essential_medicines/en/.

vaccines under the World Trade Organization (WTO) Trade-Related Aspects of Intellectual Property Rights (TRIPS) agreement and foster compulsory licencing arrangements to enable the know-how and technology transfer for life-saving vaccines and essential medicines or treatments.”

After paragraph 8.2.7., insert the following sub-paragraph:

“urgently expand production capacity for Covid-19 vaccines and medicines worldwide through know-how and technology transfer via compulsory licensing arrangements, as well as a temporary waiver under the WTO’s TRIPS agreement, as appropriate, and donate part of the existing vaccine stock to the countries most in need;”