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Plenary sitting

B9-0311/2021

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MOTION FOR A RESOLUTION

to wind up the debate on the statements by the Council and the Commission

pursuant to Rule 132(2) of the Rules of Procedure

on meeting the global COVID-19 challenge: effects of the waiver of the WTO TRIPS Agreement on COVID-19 vaccines, treatment, equipment and increasing production and manufacturing capacity in developing countries (2021/2692(RSP))

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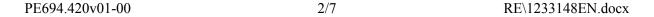
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European Parliament resolution on meeting the global COVID-19 challenge: effects of the waiver of the WTO TRIPS Agreement on COVID-19 vaccines, treatment, equipment and increasing production and manufacturing capacity in developing countries (2021/2692(RSP))

The European Parliament,

- having regard to the World Trade Organization (WTO) Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), which entered into force on 1 January 1995.
- having regard to the Doha Declaration on the TRIPS Agreement and Public Health adopted on 14 November 2001,
- having regard to the proposal for a waiver of provisions of the TRIPS agreement by India and South Africa of 2 October 2020,
- having regard to the statement by Ambassador Katherine Tai of 5 May 2021 on the COVID-19 TRIPS waiver,
- having regard to the revised proposal for a waiver of the TRIPS provisions as communicated on 21 May 2021 by 62 WTO Members,
- having regard to Rule 132(2) of its Rules of Procedure,
- A. whereas on 11 March 2020 the World Health Organisation declared the COVID-19 outbreak a global pandemic; whereas on 24 May 2021 there had been more than 166 million confirmed cases worldwide and more than 3.4 million confirmed deaths;
- B. whereas the current global COVID-19 pandemic requires a global strategy for vaccines, diagnostics, treatments, and equipment production and distribution; whereas a holistic, science and fact-based approach is required to address the health challenges related to the pandemic;
- C. whereas the WTO has warned that the pandemic represents an unprecedented disruption to the global sanitary situation, economy and world trade; whereas sanitary disruptions such as pandemics require a coordinated response to a worldwide threat; whereas global trade disruptions and barriers require global cooperation and solutions, and must be addressed at international and European level wherever possible; whereas the production and distribution of vaccines and medical equipment related to the COVID-19 pandemic can especially benefit from a broad and holistic approach to production and distribution;
- D. whereas on 2 October 2020 India and South Africa communicated to the Members of the TRIPS Council at the WTO a proposal for the waiver of certain provisions of the TRIPS Agreement for the prevention, containment and treatment of COVID-19 and a



proposed draft decision text; whereas as of 25 May 2021, of the 227 million vaccines exported the vast majority had been sent to developed countries and close allies; whereas as of 8 May 2021, 72 million had been exported to Japan, 19 million to the UK, 18 million to Canada, 10 million to Mexico, 7 million to Saudi Arabia, 5 million to Turkey, 5 million to Switzerland, 3 million to Singapore, 3 million to Colombia and 3 million to Korea;

- E. whereas as of 30 May 2021, the EU had distributed 260 million vaccines internally and exported 226 million vaccines; whereas the EU is a lead contributor to COVAX;
- F. whereas the Biden-Harris administration released a statement on 5 May 2021 in support of waiving intellectual property protections for COVID-19 vaccines and emphasising that the US will actively participate at the WTO in the text-based negotiations needed to make this happen; whereas it is still unclear what the US proposal entails and whether it is in line with the proposal made by India and South Africa;
- G. whereas the US has been leading the world in COVID-19 vaccine production; whereas the US has used a wartime power known as the Defense Production Act (DPA) to compel private companies to fulfil its contracts in the US ahead of other orders; whereas the DPA is a de facto export ban on both vaccines and intermediate goods for vaccine production, under which the US hardly exported any vaccines or components thereof until the beginning of May 2021 and thereby slowed down the global production of vaccines;
- H. whereas due to the unprecedented and alarming epidemiological situation in India, the Indian Government imposed an export ban on vaccines leading to disruptions in global supply; whereas COVAX is highly dependent on vaccines produced in India for the global distribution of vaccines;
- I. whereas on 21 May 2021, 62 WTO Members submitted a revised proposal for a temporary waiver of the TRIPS agreement aiming to progress to text-based discussions; whereas the revised proposal aims to waive the implementation of Sections 1, 4, 5 and 7 of Part II of the TRIPS Agreement as well as the enforcement of Part III of the TRIPS Agreement in relation to health products and technologies for the prevention, treatment or containment of COVID-19 for a period of at least 3 years;
- J. whereas this new proposal goes beyond the initial proposal of India and South Africa, covering not only patents on vaccines but all health products and technologies across the whole spectrum of intellectual property rights (IPR) protection, with the exception of performers, producers of phonograms or broadcasting organisations;
- K. whereas universal and fair access to COVID-19 vaccines and treatments is a top priority for the European Union; whereas the rapid and efficient protection of all countries is required to protect all EU citizens, limit the emergence of new variants of concern in Europe and restore the mobility of EU citizens throughout the world; whereas ramping up production is essential to achieving global vaccination; whereas increasing vaccine manufacturing is a global priority; whereas global supply chains for raw materials must not be hindered by protectionist measures or non-tariff barriers to trade; whereas the EU considers that there are many promising avenues and actions that must be taken in order to contribute to this goal;

- L. whereas the COVID-19 vaccines and the subsequent intellectual property protection they entail are an enabler for global production and distribution, as well as research, development and innovation; whereas intellectual property protection creates an environment of trust for producers and investors, as well as long-term certainty; whereas research and development will be crucial in the long term to produce booster vaccines that protect against new variants of COVID-19;
- M. whereas WHO Director-General Dr Tedros Adhanom Ghebreyesus stated in April 2021 that 890 million vaccine doses have been administered globally, more than 81 % of which to high- and upper-middle-income countries; whereas low-income countries have received only 0.3 % of the vaccines;
- N. whereas on 14 April 2021 WTO Director-General Ngozi Okonjo-Iweala said that she expected from WTO members: 'action to further reduce export restrictions and supply chain barriers, and to work with other organisations to facilitate logistics and customs procedures. We are monitoring this as part of our regular work, and we will continue doing so to increase supplies and maintain robust supply chains. Trade has been underlined as a critical factor in production; it is incumbent upon WTO members to act'1:
- O. whereas many countries are relying on COVAX to get COVID-19 vaccines; whereas the Commission has announced that Team Europe would donate at least 100 million vaccines to low- and middle-income countries by the end of 2021; whereas the COVAX mechanism is strongly weakened by the decision of the Serum Institute of India to suspend donations to COVAX due to the high intensity of the pandemic in India;
- P. whereas some developing countries that received vaccines through COVAX did not use them due to a lack of confidence and vaccine hesitancy; whereas the supply chains in developing countries must be improved; whereas the expansion of local production, awareness among the population and increased assistance for distribution in developing countries could increase the global number of persons vaccinated;
- Q. whereas EU priorities should be to fight against health nationalism, to keep supply chains open and to use all available tools to support access to vaccines, diagnostics, therapeutics and other medical supply solutions to make the COVID-19 vaccine a global public good available for everyone;
- 1. Is deeply concerned about the spread of COVID-19 and its variants around the globe; believes that it is not only the responsibility of the EU and its partners, but a global responsibility to guarantee the rapid production and distribution of vaccines in each and every country; considers that exceptional circumstances require exceptional solutions; underlines the important role of the European Centre for Disease Prevention and Control (ECDC) and the European Medicines Authority (EMA) for the European Union to detect and assess new variants of COVID-19;
- 2. Commends the unprecedented efforts undertaken by the scientific and pharmaceutical communities in developing several vaccines in such a short time that have proven to be

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¹ https://www.wto.org/english/news e/spno e/spno7 e.htm

- successful in the fight against the spread of COVID-19;
- 3. Recalls that the Commission entered into advance purchasing agreements with individual vaccine producers on behalf of Member States and financed a part of the upfront costs faced by vaccines producers from the EUR 2.7 billion Emergency Support Instrument;
- 4. Is convinced that donations and exports of vaccines to third countries are crucial steps in the distribution of vaccines, but that increased global vaccine production, better coordination of supplies, and strengthened, diversified and resilient value chains for vaccines are also necessary for vaccines to be distributed all around the globe; stresses that technology transfer and licensing agreements between laboratories and production units in third countries are crucial to ramping up global vaccine production and are a beneficial way to increase production in third countries, especially in Africa; considers that diversified and complementary tracks should be explored to improve the fight against the pandemic; underlines that pharmaceutical companies thus have a key role in the expansion of vaccine production and distribution;
- 5. Stresses that greater priority should be given to the production capacity of vaccines and highlights the need to avoid placing additional pressure on manufacturers by creating a battle for raw materials for the creation of vaccines:
- 6. Calls in this regard for a thorough analysis of how to apply and successfully implement Article 31bis of the TRIPS Agreement and allow exporting licences to countries that cannot satisfy domestic demand;
- 7. Underlines that in the long term, global production of vaccines must be expanded to meet global demand; stresses that the production and distribution of vaccines in developing countries must be based on good governance and equal access to vaccines; underlines that investment in the production capabilities of developing countries is needed to make them self-sufficient in the long term; stresses that the pandemic has demonstrated that due to the low level of development regarding healthcare systems in certain countries, a global health strategy for future pandemics should be discussed at multilateral level;
- 8. Emphasises that it is important for WTO members and the international organisations concerned to work jointly in the implementation of the Access to Medicines strategy and the global endeavour of improving health outcomes and access to affordable medical products;
- 9. Is concerned about the de facto export ban that the US and the UK have put in place concerning COVID-19 vaccines and intermediate goods needed for vaccine production, leading to very few vaccines actually being exported and a lack of access to the resources needed to create the vaccines, such as raw materials and active pharmaceutical ingredients (APIs), and that the pace of global vaccine production is being slowed; strongly encourages the US and the UK to immediately abolish the export ban and engage with the EU, the WTO and other partners in coming up with concrete proposals to make vaccines available on a global scale; notes that the proposal made by the US is limited to a text-based negotiation on waiving intellectual property rights for COVID-19 vaccines in the framework of the WTO, with no concrete proposal tabled to

- ramp up production and lift export restrictions; regrets that the US and other countries have delayed discussions on the penning of a pandemic treaty initiated by the EU which aims to strengthen WHO preparedness and the response to health emergencies;
- 10. Considers that increases in the global production and distribution of the vaccine critically depends, in the short term, on the elimination of present and future export barriers and an enhanced level of international dialogue and cooperation; calls on all major international vaccine-producing countries to uphold their level of global commitment and eliminate all restrictions on exports in order to increase the sharing and world supply of vaccines;
- 11. Welcomes the intention of the Commission to make every effort to help vaccine developers globally find reliable partners with whom they can share their know-how and technology or enter into manufacturing agreements; welcomes the Commission's assessment that cooperation and voluntary licensing are the most effective tools to facilitate the expansion of production and the sharing of know-how; strongly insists on the need to closely cooperate with Unitaid and the Medicines Patent Pool in order to ensure equitable access to vaccines, treatments and diagnostics in low- and middle-income countries; notes that the Commission's effort to identify and solve production bottlenecks for COVID-19 vaccine has brought good results, and similar initiatives should be envisaged with our international partners;
- 12. Strongly supports the use of the WHO Medicines Patent Tool (MPP) platform to ensure vaccine and treatment access in low- and middle-income countries; calls on pharmaceutical companies to use voluntary licensing to deliver 'turnkey' vaccine production packages to transfer knowledge and facilitate production in all countries with limited resources;
- 13. Emphasises that it is important for WTO members to work together to ensure timely access to affordable medical products; takes note of the current discussion by some members in the WTO on the possibility of temporarily waiving the TRIPS Agreement for COVID-19 vaccines; is of the opinion that a TRIPS waiver would not improve global production capacities in the short term, that the EU should be strong in its support for innovation and IPR in global discussions, and that any decision taken within the existing framework should be conditional on the effective ramping up of global production capacity, ensuring that vaccines are fairly and evenly distributed; supports the Commission's and the European Council's recent declaration and their readiness to engage in discussion with our partners in the WTO on the existing flexibilities within the TRIPS Agreement, such as compulsory licensing; recalls that possible individual solutions do not solve current global production needs, but belong to a comprehensive package of actions which should all be designed to reduce export restrictions, increase production and overcome logistical challenges;
- 14. Underlines the need to support manufacturing capacities on the African continent and strongly welcomes the announcement of Team Europe to back by EUR 1 billion an initiative aimed at improving manufacturing and access to vaccines, medicines and health technologies; stresses also the importance of an adequate regulatory framework for pharmaceutical products and insists on the need to support the establishment of an African Medicines Agency;

- 15. Takes note of the Commission announcement that it is open to the possibility of facilitating the use of compulsory licensing where necessary, in the framework of the TRIPS Agreement in the case of proven production problems related to intellectual property, in order to ensure swift global access to vaccine production; calls on the Commission to provide objective criteria for if, when and in what cases it will resort to compulsory licensing; stresses that the TRIPS Agreement does not specify the reasons which might be used to justify compulsory licensing; emphasises that the Doha Declaration on TRIPS and Public Health confirms that countries are free to determine the grounds on granting compulsory licenses and to determine what constitutes a national emergency; stresses that compulsory licensing requires an effective legal framework and could lead to legal difficulties in developing countries; calls on the Commission to explore if and how it can provide legal support for compulsory licensing in least developed countries;
- 16. Stresses that special attention needs to be paid to emerging challenges as a consequence of the increase in the number of producers, such as potential supply chain disruptions and the scarcity of and price increases in raw materials and intermediary products;
- 17. Welcomes the statement made by the Commission during the Global Health Summit in which it announced an increase in Team Europe's pledge to at least 100 million vaccines before the end of 2021; insists that this donation is made via COVAX; calls on all the Member States to share doses via COVAX; welcomes the support made available for the delivery of the vaccines and ancillary material by the EU Civil Protection Mechanism; calls on the Member States to significantly increase their contribution to COVAX while ensuring the achievement of the objective of vaccinating 70 % of the adult population of the EU by July 2021; recalls that the European Union has provided for around 30 % of COVAX vaccines for the time being;
- 18. Calls on the Commission to consider all available means to guarantee the swift production of COVID-19 vaccines and their swift distribution around the globe; underlines the importance of increasing the production capacity and enabling the security of supply of the raw materials and APIs needed to produce COVID-19 vaccines;
- 19. Calls on the EU leaders to do everything in their power to collaborate effectively, remove all obstacles to vaccine distribution and ensure widespread vaccination globally; stresses that failing to do so will constitute a catastrophe for our economy and public health, and will ultimately prolong this world state;
- 20. Instructs its President to forward this resolution to the Council, the Commission and the Director-General of the World Trade Organization.