

## **G7 should support WTO TRIPS waiver without conditionalities; ensure financial support and tech transfer to enhance production in developing nations, say experts**

New Delhi, June 12

G7 countries should facilitate an early successful conclusion of the TRIPS waiver negotiations at the WTO in manner that would help boost production of COVID-19 vaccines, diagnostics and therapeutics in developing countries including those in Africa, according to experts. They also wanted the G7 to ensure financial support, tech transfer, and ease access to raw materials in this regard and opposed any conditionalities that could encumber effective implementation of the TRIPS waiver provisions. According to them, subsequent urgent amendments in the related domestic laws that enable using the waiver are also vital in this context. Similarly addressing issues in logistics and value chains and building capacity in pharmaceutical sector in Africa is crucial.

This development comes amid the G7 agreeing to a health declaration and to utilise their resources to prevent a repeat of the pandemic. It also comes in the backdrop of the WTO members agreeing to a text-based process to take up the proposal submitted by 60 delegations including India and South Africa for a temporary waiver from certain provisions of the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) for the prevention, containment and treatment of COVID-19. Incidentally, the initiative taken by India and South Africa on the TRIPS waiver proposal has received the backing of the UN Secretary General Antonio Guterres.

Speaking at a webinar on 'TRIPS Waiver: Issues and Challenges for Africa' co-hosted by the think-tank RIS and the Geneva-based South Centre, Professor Carlos Correa, Executive Director, South Centre, said the outcome of the TRIPS waiver negotiations at the WTO should not have any cumbersome conditions on its implementation. He said the temporary waiver should free WTO members from complaints on patent infringement. Prof Correa said developing countries including Cuba, India and Thailand have shown the capability to produce vaccines, and therefore, developing country-cooperation can help in expansion of production in the Global South. He said the G7 should ensure greater financial allocation for increasing production capacities in the developing world.

Ms. Sanusha Naidu, Institute for Global Dialogue, Pretoria, said investor-state dispute settlement provisions in trade pacts and national laws should be reviewed to prevent the Big Pharma from using them to make any WTO agreement on TRIPS waiver ineffective. She also said intra-African value chains and production capabilities should be enhanced, adding that the institutional architecture in this regard will have to be strengthened.

Professor Sachin Chaturvedi, Director General, RIS, expressed concern regarding the 'strong' position taken by Germany against the TRIPS waiver proposal and the 'non-cooperative' response of the EU, adding that the G7 should support TRIPS waiver without conditionalities. He said it was important to look beyond solutions such as Compulsory Licensing and enhance the capacity of developing countries for negotiations on the issue at the WTO as well as a providing special financing window to ramp up production capacity in the developing world.

Professor Faizel Ismail, Nelson Mandela School of Public Governance, University of Cape Town, said global health should be treated as a systemic issue and a human right. He pointed out that investments by major pharma companies have gone mainly into profit-making drugs and to address the health concerns of the rich countries, and as a result the poor countries had to suffer. He said it was important to review the TRIPS Agreement and IPR laws including those on patents at the national level to correct imbalances and review provisions favouring the Big Pharma. The pandemic has shown that no one is safe unless everyone is safe, Prof Ismail said. Citing Africa's huge imports of vaccines and medicines as well as aid dependency, he said it was crucial, therefore, to promote tech transfer and joint ventures

in R&D as well as expansion of local manufacturing. Developing countries including India and South Africa, along with China should work together with the support of institutions such the New Development Bank to boost production capacities in the developing world including in Africa, he said. Nelson Mandela School of Public Governance and RIS should facilitate discussions and research on all these issues, he added.

Professor Yousuf Vawda, School of Law, University of KwaZulu-Natal, said most African countries lack the legal and technological expertise on TRIPS-related issues. He added that even if there is an agreement on the TRIPS waiver at the WTO, the crucial aspect will be to address the challenges regarding implementing the waiver provisions at a national level through amendments in domestic laws.

Dr. Amaka Vanni, School of Law, Leeds University, referred to the transition period given to LDCs under TRIPS Agreement to protect intellectual property (i.e, exemption accorded to LDCs from TRIPS obligations) by taking into account their financial and administrative constraints, and noted that the transition period will be coming to an end on July 1 this year. She said it is important for the WTO members to agree to extend this transition period, adding that countries in Africa, including LDCs, will need financial assistance, and a mechanism to access trade secrets and the relevant data. Dr Vanni said African nations will have to amend local laws and bring out innovative policies to create local markets, increase their domestic production capacity as well as to help their companies move up the value chain.

Dr. Kirti Narsai, HealthValue Consulting, said it is crucial for African countries to increase their R&D spend, prevent brain drain, ensure tech transfer including those related to mRNA vaccines, and support local MSMEs in meeting the standards set by larger companies in the value chain. She said such strategies can help in breaking the cycle of external dependency in the health sector. Dr. Krishna Ravi Srinivas, Senior Fellow & Consultant, RIS, also spoke on the occasion. (ENDS).

\*\*\*\*\*

(Tish Malhotra)

Publication Officer and Head DG Office

Research and Information System for Developing Countries (RIS)

Core IV B 4th Floor, India Habitat Centre, Lodi Road, New Delhi 110003, India

Tel: 91-11-24682176

Email: [dgoffice@ris.org.in](mailto:dgoffice@ris.org.in)