

# A Joint Declaration on the Importance of Collaboration, Open Trade, and Innovation in Tackling COVID-19

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# I Introduction

**We are an international coalition of public policy research institutes and think tanks that believes that the solutions to the COVID-19 crisis will come from collaboration, open trade and innovation.**

We are concerned that many countries are looking to the failed protectionism of the past to address the crisis. Barriers are being erected that are deepening shortages of medical supplies, undermining innovation and hampering efforts to beat the disease.

Now is not the time for countries to look inwards. The crisis will only be resolved, and economies will only recover, if countries are allowed to trade and collaborate freely with each other.

Fortunately, there are many simple measures that governments can make to save lives now:

1. Abolish tariffs on medical supplies and medicines
2. Reject export bans on medical supplies
3. Reduce customs red tape
4. Enable the free flow of relevant health data across borders
5. Maintain transparency in collecting and sharing epidemiological data
6. Increase cooperation with other countries to speed up drug approval
7. Support innovation, including intellectual property rights

**Implementing these measures will help us overcome COVID-19, and if made permanent would better prepare the world for future pandemics.**



# 1 Keep medical supplies trading freely

**International trade is vital for widespread access for medicines, protective equipment and medical devices, as very few countries are self-sufficient in their production. The EU, for instance, sources 32% of its COVID-19 related imports from outside its borders, and that figure is far higher for the majority of developing countries. Shortages of supplies are a growing problem so governments should reject measures that undermine international trade.**

## 1.1 | Remove tariffs on medical supplies

All countries need access to medical supplies as cheaply as possible. Yet governments raise their price by levying needless import tariffs:

- Nearly a half of WTO members apply [tariffs on medicines](#). The countries with the highest average tariffs are Nepal (14.7%), Pakistan (11.3%), India (10%) and Brazil (9.3%);
- Five Latin American countries (Ecuador, Bolivia, Venezuela, Brazil, and Argentina) have the highest tariffs on [protective facemasks](#), ranging from 17% to 55%;
- No vaccine is yet available for COVID-19. But when one emerges it should be noted that the highest [vaccine tariffs](#) are in India (10%), Djibouti (8%), and Pakistan (5.7%).

Some countries have shown leadership by exempting COVID-19 related medicines, vaccines and medical supplies from import duties and taxes including [Pakistan](#), [Brazil](#), [Colombia](#) and [Norway](#).



Many of these reforms are only temporary. Although a positive step, they create uncertainty for exporters over the long-term direction of individual markets and undermine preparation for future pandemics.

**Governments should commit to permanent tariff reductions on medical supplies, devices, medicines and vaccines via legally binding WTO commitments.**

- For medicines and relevant medical devices, this means joining the [WTO Pharmaceutical Agreement](#) and the [Information Technology Agreement](#).
- For other medical supplies, likeminded members of the WTO should establish a new plurilateral agreement for tariff-free trade. This could be modelled on the above plurilateral deals.

## 1.2 | Reject the use of export bans on medical supplies

By late April 2020, [80 countries and separate customs territories](#) had instituted some kind of export curb on medical supplies related to COVID-19.

Medicines and medical supplies have global supply chains and are therefore particularly disrupted by these export bans. For instance, ventilators have over [700 separate components](#), sourced from various countries. Medicines also rely on globally distributed manufacturing supply chains, particularly in the supply of active ingredients. While they may secure access to existing stock, export bans will eventually [hurt the countries](#) that impose them.

Some countries have shown global leadership by rejecting export bans. Singapore and six other Asia-Pacific countries provide a model through their joint [commitment to maintain open supply chains](#).

**To ease shortages of medical supplies, all countries should reject export curbs, bans and other trade-reducing measures.**

## 1.3 | Reduce customs red tape

Governments can also free up the flow of COVID-19 related goods between countries by [reducing inefficient customs and trade procedures](#). These barriers to trade have recently worsened due to new restrictions on air traffic and freight. They cause delays and hold-ups and add to the price of essential supplies.

**Governments should help the flow of essential COVID-related supplies by simplifying and accelerating customs procedures.**

- Customs authorities can create priority lanes at borders for essential medical supplies.
- Countries should waive import licenses for such supplies given that embassies are not currently functioning normally.

Some countries have taken steps in this direction, notably [Brazil](#) which has granted priority customs clearance to goods used to combat COVID-19 and to reduce licensing requirements for surgical supplies including gloves. Other countries should follow this example.



## 2 Work together to bring new treatments and vaccines

**COVID-19 is a newly identified disease and as yet, there is no approved treatment or vaccine. Innovation will therefore be crucial to a long-term solution to the crisis – not just in the invention of new therapeutics and vaccines, but also in their mass manufacture and rapid distribution throughout the world.**

The private sector, often in partnership with universities and government research institutes, has responded rapidly. [More than 140 experimental coronavirus treatments](#) and vaccines are under development worldwide, including 11 in clinical trials. Another 254 clinical trials are underway for coronavirus treatments or vaccines derived from drugs already approved to treat other diseases.

More needs to be done to turn this promise into lifesaving treatments. Governments, industry, the philanthropic sector and academia must be able to collaborate freely, across borders where necessary. The following are priority areas for action.

### 2.1 | Enable the free flow of essential epidemiological and clinical data across borders

Access to detailed epidemiological and clinical data is essential to Research and Development efforts for COVID-19. But health data are often subject to strict localisation requirements wherein governments require data to be stored locally. Many countries also impose cross-border data flow restrictions, often in the name of privacy and security. Such policies weaken global monitoring and undermine research and development by restricting access to key clinical data.

**Governments that have adopted robust privacy safeguards should facilitate the cross-border transfer of health data, in particular data related to pandemics in order to strengthen monitoring, response and international R&D.**

## 2.2 | Maintain transparency in collecting and sharing epidemiological data

A coordinated, effective global response to COVID-19 requires transparency in the collation and sharing of national epidemiological data. There are concerns that this is not happening in every country.

**Governments should commit to provide full, open, and accurate information and data to international public health organizations and share all relevant scientific information.**

## 2.3 | Cooperate with other countries to speed up drug approval

The process of gaining marketing authorisation for a new medicine in developing countries [can take many years](#), even if the product has already been declared safe and effective by a stringent regulatory authority such as the European Medicines Agency. Many developed countries also suffer (less pronounced) delays while their regulators review mandatory regulatory submissions.

**To avoid duplication and delays, governments should cooperate with and refer to the decisions made by major drug regulatory authorities such as the US Food and Drug Administration and the European Medicines Agency.**

## 2.4 | Support innovation, including intellectual property rights

Biopharmaceutical innovation will play a pivotal role in resolving this crisis, both in the form of new treatments that can mitigate the worst effects of COVID-19, and ultimately a preventative vaccine. Such life-saving technology is less likely to be forthcoming if [governments sacrifice intellectual property \(IP\) rights](#) for new COVID-19 therapeutics and vaccines, even before they have been invented.

IP rights facilitate cooperation and the sharing of proprietary data, know-how and technology between different and often competing companies and organisations, both domestically and across borders. They also provide an incentive for the private sector to commit and share resources with competitors to manufacture billions of doses and distribute them globally in a short space of time. Even if IP rights were confiscated, no government has the capacity to manufacture novel, complex vaccines and medicines at vast scale. Cooperation with rights holders is surely preferable to confiscation.

The IP system is working well in the pandemic. [More than 140 experimental coronavirus treatments](#) and vaccines are under development worldwide, including 11 in clinical trials. Life-sciences companies everywhere are searching their patent and molecular reference libraries for promising compounds – all of which owe their existence to the patent system.

There is no evidence that IP rights will pose a barrier to access, as most companies working in this area have stated any new products will be available on a non-profit basis. This is welcome, although it is important as many organisations as possible are incentivised to commit their resources to COVID-19 treatments and vaccines.

**Now is not the time to undermine IP rights. They underpin the global medicine innovation ecosystem. Governments should therefore commit to cooperating with the private sector in the quest for COVID-19 treatments and vaccines.**

