



EU proposes a strong multilateral trade response to the COVID-19 pandemic

Brussels, 4 June 2021

Today, the EU has submitted its proposal seeking the commitment of World Trade Organization (WTO) members for a multilateral trade action plan to expand the production of COVID-19 vaccines and treatments, and ensure universal and fair access. With this proposal to the WTO, divided in two communications, the EU underlines the WTO's central role in the response to the COVID-19 pandemic and urges fellow WTO members to agree on a set of commitments, including on intellectual property rights.

President **von der Leyen** said: *"The EU has actively shown solidarity with the world since the beginning of the pandemic. The European Union authorized exports of around half of the total amount of vaccines produced in Europe. Our immediate, urgent goal is to ensure equitable access for low – and middle-income countries, to share vaccines wider and faster. And we continue to help ramping up production. The EU proposes concrete short and medium term solutions to ensure universal access at affordable prices. I am looking forward to discuss with the G7 leaders next week how to achieve this goal. Beyond the current crisis, it is important to ensure global preparedness for future pandemics: diversifying manufacturing so that it is not centralised only in a handful of countries and strengthening the resilience of the healthcare infrastructure in least developed countries".*

Executive Vice-President and Commissioner for Trade Valdis **Dombrovskis** said: *"The pandemic is still with us and there can be no room for complacency. We need to urgently concentrate on proposals that accelerate the equitable distribution of COVID-19 vaccines worldwide. In this respect, a strong multilateral trade response could deliver a huge boost in the fight against COVID-19. In reality, the main problem at this moment relates to the lack of sufficient manufacturing capacity to rapidly produce the required quantities. The objective must be to ensure that any available and adequate manufacturing capacity anywhere in the world is used for the COVID-19 vaccines production."*

More on the EU's proposal

The EU calls on governments to:

1. Ensure that COVID-19 vaccines, treatments and their components can cross borders freely;
2. encourage producers to expand their production, while ensuring that those countries most in need of vaccines receive them at an affordable price, and;
3. facilitate the use of compulsory licensing within the WTO's existing Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS). The TRIPS Agreement already provides this flexibility, which is a legitimate tool during the pandemic that can be used swiftly where needed

The **first element** aims to limit the use of export restrictions and keep supply chains open. Vaccine-producing countries should be ready to export a fair share of their domestic production. Supply chains are highly interconnected and should not be disrupted. In addition, the EU considers that supplies to the [COVAX Facility](#) should never be restricted, and no measures should limit trade in inputs necessary for the production of COVID-19 vaccines and treatments.

The **second element** calls on governments to strongly encourage and support vaccine manufacturers and developers to expand production and ensure the affordable supply of vaccines to low- and middle-income countries. Such actions could include licensing agreements, the sharing of expertise, tiered pricing including non-profit sales to low-income countries, contract manufacturing and new investments in manufacturing facilities in developing countries. The EU expects all vaccine producers and developers to make concrete pledges that increase supplies to vulnerable developing countries. In this regard, the EU welcomes the commitment of companies such as BioNTech and Pfizer, Johnson & Johnson and Moderna, which have already committed to delivering 1.3 billion doses this year to low-income countries at no profit and to middle-income countries at lower cost.

The **third element**, on intellectual property, sets out that voluntary licences are the most effective instrument to facilitate the expansion of production and sharing of expertise. Where voluntary cooperation fails, compulsory licences, whereby a government grants a targeted licence allowing a willing producer to make a vaccine without the consent of a patent holder, are a legitimate tool in the context of a pandemic. The EU considers that all WTO members should be ready to:

- agree that the COVID-19 pandemic is an exceptional circumstance of national emergency, and that the requirement to negotiate with the rights' holder may be legitimately waived where needed;
- support manufacturers that are ready to produce vaccines and/or treatments at affordable prices under a compulsory licence so that the level of remuneration paid by the manufacturer to the patent holder reflects such affordable prices;
- agree that the compulsory licence could cover any exports destined to countries that lack manufacturing capacity, including via the COVAX facility.

The EU is also tabling a dedicated communication on intellectual property to the WTO body in charge of implementing the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS Council). Here, the EU provides more detail and clarity on each of the three points on intellectual property and links them with the specific provisions in the TRIPS Agreement. As regards the broad waiver proposed by a number of WTO members, the European Commission, while ready to discuss any option that helps end the pandemic as soon as possible, is not convinced that this would provide the best immediate response to reach the objective of the widest and timely distribution of COVID-19 vaccines that the world urgently needs. Today's proposals aim at achieving that objective in a swift and effective manner*.

For More Information

[Questions and answers](#)

[Factsheet](#)

[EU communication to the WTO General Council](#)

[EU communication to the WTO TRIPS Council](#)

Modified on 04/06/2021 at 13:21

IP/21/2801

Press contacts:

[Miriam GARCIA FERRER](#) (+32 2 299 90 75)

[Alvaro Rangel-Hernandez](#) (+32 2 291 36 65)

General public inquiries: [Europe Direct](#) by phone [00 800 67 89 10 11](#) or by [email](#)

Related media

 [Coronavirus - First vaccinations, Italy](#)