



Dr Michelle McMurry-Heath
President & CEO

April 19, 2021

The Honorable Katherine Tai
United States Trade Representative
600 17th Street, NW
Washington DC

Dear Ambassador Tai,

Thank you for your serious and thoughtful engagement on the issue of the proposed WTO TRIPs waiver for COVID related products. I read with interest your statement this past week at the WTO virtual conference on COVID-19 vaccine equity, and in the interest of contributing to the goals you outlined, would like to share our perspective.

BIO shares your goal of striving toward equitable global distribution of vaccines and shared sacrifice to achieve that goal. As representatives of one of America's most globally competitive sectors which employs hundreds of thousands of American workers and includes hundreds of start-ups and small enterprises, we also share the Biden Administration's goal of a "worker centric" trade policy. It is in this spirit that we would like to share comments on how to give effect to these critically important goals.

- **Global Social Justice for Vaccines.** BIO shares your concerns about global equity in the distribution of vaccines. We believe that the most vulnerable patients anywhere in the world should have priority access. Unfortunately, some countries (including ours) are stockpiling or blocking the shipment of vaccine doses, impeding their global distribution, and choosing to vaccinate their low-risk populations before focusing on higher risk patients abroad. We call for the U.S. and other countries to prioritize the distribution of vaccines to the most at-risk patients wherever they may be in the world.

We also call for the U.S. to play a leadership role in the WTO to focus on proposals that will truly be effective and not symbolic or detrimental, and put an end to vaccine nationalism. We note that allowing the uncontrolled, forced transfer of vaccine technology by WTO members will only impel countries to try to go it alone in turns of supplying vaccines. This in turn will stretch scarce vaccine inputs and world capacity to the breaking point, and potentially create chaos instead of cooperation in allocating global supplies. Manufacturers are already experiencing delays in the availability of key raw materials and consumables as they work to significantly increase their production worldwide.

- **Shared Sacrifice.** We agree that these extraordinary times require extraordinary sacrifices by governments, industry, and other stakeholders. In just 13 months, over 900 companies around the world, over 70% of them small enterprises, and 50% of them in the United States, have redirected their limited resources from other vital health research into COVID medical countermeasures to address this crisis. Some of them have been successful, but many will not be. Moreover, the successful ones have quickly concluded

voluntary agreements (current partial list attached) to share their manufacturing know how with manufacturers in other countries. And we are working hard to do more – in both the research and manufacturing areas.

Moreover, due to close cooperation between companies, governments, multilateral organizations and donors under the COVAX initiative, in less than 5 months over 850 million Covid vaccine doses have been administered in over 100 countries, with production and deliveries accelerating every week. Major vaccine companies have made significant pledges relating to pricing or non-enforcement of patents globally.

In short, our sector is “walking the walk.” At the same time, governments also need to do their part by eschewing restrictive nationalist policies that restrict the flow of inputs in global supply chains and vaccines across borders to patients. The WTO needs, with U.S. leadership, to play a central role in ensuring that global supply chains for vaccines are open and resilient.

- **Benefits to Workers** – Companies in the US and elsewhere have been able to successfully turn years of research and investment in platform technologies such as mRNA into products that are saving lives now. In the United States, these are some of the crown jewels of our technological base, involving the efforts of thousands of workers and billions of dollars of investment.

The United States and other WTO members countries should seek solutions that do not allow countries to forcibly expropriate these technologies without voluntary consent or recourse by the companies who have developed them. To do so would be to give license to other countries – some of them our economic competitors -- to hollow-out our world leading biotechnology base, export jobs abroad, and undermine incentives to invest in such technologies in the future. This is true of any country that has technological leaders. But as for the United States, allowing the uncontrolled and involuntary expropriation of our top technologies abroad could not, to us, be considered “worker centric” trade policy.

Instead of the forced cession of U.S. vaccine manufacturing capacity abroad, better to make the development of such capacity here – for the benefit of patients worldwide – a priority under President Biden’s “Build Back Better” program.

- **Employ More Resources to Global Efforts.** This Administration made an important start in engaging and leading in global efforts to spur vaccine manufacturing and distribution when it joined the COVAX facility and re-engaged with the WHO. BIO applauds these steps. But so much more can and should be done. Beyond the robust programs for COVID relief here at home, the United States should devote significantly more resources to multilateral and unilateral efforts to procure vaccines for low-and middle-income countries, and to support weak and under-resourced health care systems in these countries so that they can be quickly and effectively distributed. In addition, the U.S. can increase their support of the implementation of the WHO’s No Fault Compensation (NFC) program and COVAX indemnification program. Many low- and middle-income countries are in need of both expertise and financial support as they stand up their national programs. This will help protect patients, healthcare providers and many others as vaccination programs increase in more countries.

These are just our initial, broad views. We are working hard to produce specific, actionable policy proposals that can quickly and effectively expand vaccine capacity and access to patients around the world. We look forward to working with you and the Administration on this more specific set of proposals soon.

Yours Sincerely,

A handwritten signature in black ink, appearing to be 'MMH', written in a cursive style.

Michelle McMurry-Heath, MD, PhD
President and Chief Executive Officer

1201 Maryland Avenue SW Suite 900 Washington DC 20024 202.962.9200 P 202.488.6307 F bio.org