



Delhi Policy Group

Advancing India's Rise as a Leading Power



DPG POLICY BRIEF

**The International 'Politics' of COVID-19
Vaccines: How Did We Reach Here?**

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By

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The International 'Politics' of COVID-19 Vaccines: How Did We Reach Here?

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Introduction

As the COVID-19 pandemic rages, the world faces serious vaccine shortages. After 170 million cases, over 3.5 million deaths and eighteen months, nations continue to grapple over a mechanism for ensuring the equitable distribution of vaccines. The state of the vaccination project is worrisome, as the gap in vaccine availability between the developed and developing countries widens day-by-day. According to [Science](#) magazine, nearly 85% of total doses administered till May 25, 2021 have gone to rich and middle-income countries.

The global vaccination drive is overrun by great power politics that have compromised international efforts at vaccine accessibility. The COVAX initiative, despite being a laudable multilateral initiative for wider global availability, has [hit](#) problem after problem. The vaccine supplies are coagulated: [the West](#) produces most of the vaccines; [India](#) and [Russia](#) struggle to scale up their production; and the efficacy of [Chinese](#) vaccines is questionable. This is exacerbated by the unavailability of raw materials, big-pharma profiteering, and pharmaceutical lobbies that vehemently support intellectual property controls over the vaccines at the cost of human health and survival. Moreover, vaccine diplomacy has become a tool for great powers to garner international influence. Where the West [risks](#) losing international turf as a trade-off to inoculate its own population first, China and Russia have [rolled-out](#) their stocks in the developing world to establish their soft power. What should have been a mission to save humanity from the deadly virus has turned out to be a power-grabbing contest for certain states and companies.

This brief traces the evolution of international politics around COVID-19 vaccination and outlines potential dangers of the current approach towards global vaccine distribution.

The Collapse of COVAX

The biggest challenge to the global vaccination drive was always going to be ensuring the supply of vaccines to poor countries. The identified solution was [COVAX](#) - a global initiative to create a common pool of vaccines from which all countries alike were to be allotted their share. It was executed through an

[Advanced Market Commitment](#) (AMC), where the developed world would self-finance their quota in advance to burden-share the costs for providing free vaccines to the developing countries. The country-wise quota was set to be 20% of the population, that would be revised once all members had met their quotas. Although started in April 2020, COVAX will still miss the May-end target of delivery by 190 million doses. What went wrong?

COVAX would have worked if it had remained the only source of vaccine supply for all countries. However, rich countries [directly negotiated](#) with the pharmaceutical companies for their quotas while booking through COVAX as an insurance (for instance, the UK and EU signed deals for doses as much as [three times](#) their population). This created a double whammy. On the demand side, COVAX faced fund shortages as rich countries did not buy from it. On the supply side, pharma companies [made profits](#) by selling their doses to rich countries and did not divert their stocks adequately to the COVAX pool. As very few suppliers turned up, the vaccine supply chains became deeply cluttered. The low-income countries are most affected, as they are majorly dependent on COVAX for vaccine supply. Then began the supply chain disruptions.

Supply Chains Disruptions Hit the Developing World

The rising demand for vaccines pressured the vaccine supply chains at multiple levels. Firstly, vaccine [nationalism](#) in developed countries led to pre-purchase of doses, often more than their immediate requirements. Although hefty donations were pledged to COVAX, the initiative did not have enough vaccines to buy because of this hoarding. Consequently, it was disproportionately dependent on countries like India and China to meet the global demand. Secondly, the [export regulations](#) on raw materials by the US limited India's capabilities to ramp up production. Thirdly, the global supply chains suffered the ultimate blow when the devastating second wave struck India in March-April this year. Despite being the world's largest vaccine manufacturer, India had to divert its doses to address the imminent crisis at home under relentless partisan political criticism. As COVAX heavily depended on the Serum Institute of India (SII) for its supplies, vaccine delivery was severely affected. SII now expects to resume overseas supply only by the [late 2021](#).

At this juncture, the developing world had two choices - first, making a case at the World Trade Organisation (WTO) for securing a temporary intellectual property waiver on vaccines; and second, searching for alternate vaccine supplies from Russia and China. The spill-over effects of exercising both options has left the developed and developing worlds at loggerheads.

The Quest for Intellectual Property Waiver

In December 2020, India and South Africa [requested](#) the World Trade Organisation (WTO) to temporarily suspend the intellectual property rights to COVID-19 diagnostic tools, treatments and vaccines during the pandemic. The argument was that without these special measures, the rich countries will benefit from the new technologies as they come on the market, whereas the less economically developed will continue to be ravaged by the pandemic, which in turn would rebound on both. The proposal was based on the principle that intellectual property rights, such as patents, are preventing new medical products from being available and affordable. A temporary prohibition, it was opined, would enable various countries to start production early, rather than manufacturing being concentrated in the hands of a small number of patent-holders, allowing for rapid scalability deemed to be the need of the hour. Both countries [reiterated](#) the draft proposal in May 2021, and were backed by 62 countries.

This waiver is strongly [opposed](#) by most developed countries on the grounds that IPR de-regulation would hamper the production and accessibility of quality vaccines. Moreover, the pharmaceutical companies based in the West argue that such a waiver will hinder innovation in the field and degrade the quality of the vaccines. They also questioned the technical capability of pharma producers in developing countries to deliver safe vaccines in required quantities. Lately, the United States has [agreed](#) to support IPR waivers, but only for vaccines and only through a series of text-based negotiations. However, the opponents of the proposal have still [maintained](#) their position on the ground that "there is an ocean between this waiver proposal and what was suggested by the US." The EU is pursuing an even harder line than the US, and has put forward an alternative that will make a deal on the temporary waiver even more unlikely. This process is thus expected to take years to fructify, if indeed it does, defeating the very purpose of meeting immediate requirements for vaccine doses in the developing world. Commercial considerations and self-interest seem to have prevailed to sequester long term monopoly rents for western big pharma.

Cometh China and Russia

Meanwhile, vaccine diplomacy from [China and Russia](#) has filled the supply vacuum created by the West and India. The reliability of these vaccines has long been under question. For instance, China has [not shared](#) the data of the third-phase clinical trials of their vaccines Sinopharm and Sinovac. The trials carried out in the receiver countries have shown mixed results - from 50.7% efficacy in

Brazil to 83.5% in Turkey. Despite this, China has exported over [265 million doses](#) so far, more than all other countries combined. Notwithstanding the somewhat dubious efficacy benchmark, the WHO has granted emergency approval to [Sinopharm](#) and [Sinovac](#) on the strength of China's economic muscle and contributions to international bodies. China has also [replaced](#) India as the largest vaccine contributor to the COVAX initiative; its vaccine diplomacy is clearly [winning](#). Even though public opinion favours western origin vaccines, their irregular supplies have forced peoples in the developing world, [especially](#) in Latin America, West Asia, Southeast Asia and Eastern Europe, to depend upon Chinese vaccines.

Russia has also [advanced](#) its vaccine diplomacy, albeit on a much smaller scale. It was the first country to develop a COVID-19 vaccine. After early criticism, it established its legitimacy in early 2021 when Sputnik-V trials reported 92% [efficacy](#). Although vaccine hesitancy looms in Russia itself (8.2% population vaccinated), it has exported doses to [43 countries](#).

It is only recently that President Biden has announced that the US will donate around [80 million doses](#), after it became clear that the West had visibly lagged in its vaccine diplomacy.

Conclusion

Vaccines have become another weapon of global geopolitics and part of what some have termed as global nationalism, to wield in the geopolitical struggle. While rich nations vaccinate their populations at a scale of one dose per second, the peoples in several developing and less developed countries await their first dose. The higher-income countries are largely being driven by their technological and IPR monopoly over vaccine development and focus on rapid economic recoveries, largely because of increasing economic competition with China. With the US and the West dragging their feet on global vaccine outreach, Moscow and Beijing have set out to fill the vacuum through bilateral accords. India's unexpected vaccine shortages have resulted in not only utilising its surge capacities for internal consumption, but also to import additional quantities to vaccinate its population affected by a virulent second wave. As a result, after extending help to 66 developing countries, the "Vaccine Maitri" programme stands suspended.

Today, while the developed West is vaccinating its population at a rapid pace, middle-income countries are struggling to meet demands and even worse, less developed countries must wait for a minimum of two to three years to even start their modest vaccine drives.

The failure of vaccine supply chains also confirms that international organisations like the WHO have become sclerotic and largely redundant. The COVAX initiative could not ensure compliance from the developed world because of their inward-looking attitudes, while the global health organisation was rendered toothless right from the start of the pandemic. From its failure to conduct an impartial enquiry into the origins of the COVID-19 virus to diluting its regulatory standards and according emergency approval for Chinese vaccines, the WHO has been arm-twisted and overwhelmed by great power politics. At a time when perhaps there are more rising powers than ever before in the course of history, the erosion of international organisations will only pave the way for disruptions in world order and further undermine the prospects of a tired and enfeebled multilateralism.



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