<u>Civil society letter calls on European Parliament to support global access to medical tools by</u> removing export prohibition in Union compulsory license

Brussels, 5 March 2024

Dear Members of the European Parliament,

Ahead of the March 2024 plenary meeting of the European Parliament, we, the undersigned civil society organisations, call on you to support crucial amendments allowing the export of medical tools to third countries in the proposed Union Compulsory License.

As Civil Society Organisations, we support the creation of a Union Compulsory Licenseⁱ in addition to national Compulsory License provisions, as it can significantly enhance the operationality of compulsory licenses within the European Union (EU).ⁱⁱ By benefiting from economies of scale and overcoming legal barriers related to cross-border production and supply, a Union Compulsory License has the potential to foster a more effective response to public health challenges.

However, the current draft proposal put forward for a plenary vote of the European Parliament contains restrictive provisions (article 11 & 12) explicitly prohibiting the exportation of products produced under the Union Compulsory License outside the EU. Such prohibition goes against flexibilities enshrined in Article 31(f)ⁱⁱⁱ of the World Trade Organization (WTO) TRIPS Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPS Agreement) and against the EU's position on export restrictions at the WTO.^{iv} This limitation is problematic, especially considering the use of a Union Compulsory License would likely be triggered by situations that would affect not only EU countries but also countries outside of the EU, either in the region or globally.

The COVID-19 pandemic has made clear that major health emergencies need to be addressed at local, national, regional and global level and showcased that the EU's advanced industrial capacity can be used to help protect EU citizens while also aiding and supplying non-EU countries, aligning with the principle that *"No one is safe until everyone is safe"*. It is therefore disheartening to note that, when preparing for the next crisis, the EU risks turning its back on the rest of the world, including non-EU countries in Europe, with this compulsory license proposal.

The European Commission maintains that the Union Compulsory License for export remains theoretically possible under Regulation 816/2006, Yet, this procedure, intended exclusively for export, is widely deemed cumbersome and has never been used. More importantly, it currently cannot be used to simultaneously supply both EU countries and countries outside the EU. Amending the Union Compulsory License proposal to allow simultaneous supply to EU countries and non-EU countries would not only promote global access to medical tools but also be invaluable during international health emergencies.

Article 31(f) of the TRIPS agreement allows the export of a non-predominant part of the supply produced under a compulsory license. Having this *option* included and available under a Union Compulsory License, to be used in case needed, is not just a matter of international solidarity but is also in the EU's interest. This can effectively help in controlling potential outbreaks and emergencies that could spill over into the EU, allowing EU-based manufacturers to respond promptly to the needs of non-EU countries.

Recognising the importance of this issue, the European Parliament Trade Committee has put forward amendments allowing export of a non-predominant part of the supply under a Union Compulsory License as well proposed updates to Regulation 816/2006 dealing exclusively with exports.^v We urgently call for your support to these amendments to promote a more inclusive and effective response to global health challenges.

Sincerely,

National and regional civil society organisations

A.O. "Positive Initiative", Moldova Access to Medicines Ireland, Ireland All India Drug Action Network, India Asociación por un Acceso Justo al Medicamento, Spain Association of Women of Southern Europe AFEM, France Australian Fair Trade and Investment Network, Australia BUKO Pharma-Kampagne, Germany CF "Patients of Ukraine". Ukraine CO «100% Life» (former the All-Ukrainian Network of PLWH), Ukraine Coalition for Research and Action for Social Justice and Human Dignity (CRASH), Finland Consumer Association the Quality of Life-EKPIZO, Greece Fundacion Ifarma, Colombia Grupo de amigos con Vih AC. Mexico Grupo de Trabalho sobre Propriedade Intelectual, Brazil Health Action International Asia Pacific, South East Asia - Pacific Region Health and Development Foundation, Thailand Human Rights Research Documentation Centre (HURIC-Uganda), Uganda Initiative for Health & Equity in Society, India Innovarte NGO, Latin America Institute for Health, Social Policy and Research Development, Albania ITPC Global, South Africa JSA-Mumbai, India Kamukunji Paralegal Trust (KAPLET), Kenya Kerala Sastra Sahithya Parishad (KSSP), India Madhira Institute, Kenya Medico international, Germany Medics for the People, Belgium Misión Salud, Colombia Network TB People Georgia, Georgia People Health Movement South Africa, South Africa People's Health Movement Uganda (PHMUGA), Uganda People's Vaccine Alliance - Asia (PVA Asia), Asia People's Vaccine Alliance Latin America (PVA LAC), Latin America Pharmaceutical Accountability Foundation, The Netherlands Public Citizen, United States Salud por Derecho, Spain Salud y Farmacos, United States South African Non-Communicable Diseases Alliance, South Africa Thai Network of People Living with HIV/AIDS (TNP+), Thailand The Delhi Network of Positive people, India

World Vision Deutschland e.V., Germany

Global civil society organisations

AVAC Consilium Scientific Drugs for Neglected Diseases initiative (DNDi) GI-ESCR Global Initiative for Economic, Social and Cultural Rights Harm Reduction International Health Action International (HAI) Health Global Access Project Médecins Sans Frontières Access Campaign NoGracias Oxfam Public Eye ReAct- Action on antibiotic resistance (Europe) Society for International Development (SID) Wemos

Individuals

Anand Grover, Former UN Special Rapporteur on the Right to Health 2008-2014 Biswajit Dhar, Professor of Economics, India Denis Joseph Bukenya, PHM and Consortium Against Privatisation, Uganda Dinesh Abrol, TRCSS JNU, India Diogo Lopes Nunes Galvao, Access to medicines expert, Brazil Dr Gopal Dabade, Drug Action Forum - Karnataka, India Dr Richard Stern, HIV and access to medicines activist, Costa Rica Duncan Matthews, Queen Mary University of London, United Kingdom Ellen't Hoen (PhD.), Director Medicines Law & Policy, The Netherlands Els Torreele, Independent Global Health Researcher and Advisor, Belgium Ganesh Acharya, TB survivor and TB/HIV Activist, India Janis K. Lazdins-Helds, Retired WHO, Switzerland Jyotsna Singh, Health Journalist, India Kirsten Myhr, Independent expert, Norway Narendra gupta, Prayas Centre for Health Equity, India Olga Gurgula, Brunel University London, United Kingdom Priya Anuragini, Dr Ram Manohar Lohiya National Law University, Lucknow, India Professor Brook K. Baker, Northeastern University School of Law, United States Ramya Sheshadri, Independent Researcher on Access to Medicines, India Richa Chintan, Jan Swasthya Abhiyan Delhi, India Salomé Meyer, Cancer Alliance, South Africa, South Africa Santanu Kumar Tripathi, Professor Pharmacology, India Warren Kaplan (PhD, JD, MPH), Boston University, United States

ⁱ COM(2023)224 - Proposal for a regulation of the European Parliament and of the Council on compulsory licensing for crisis management and amending Regulation (EC) 816/2006 <u>https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM%3A2023%3A224%3AFIN</u>

ⁱⁱ The possibility to issue compulsory licenses is an important public interest safeguard provided in the TRIPS agreement allowing alternative production or importation of a generic version of a patented medical product without the prior consent of the patent

holder. Compulsory licenses are regularly used to protect public health, for example to ensure the supply of medical products which are not available or affordable, including during the COVID-19 pandemic.

ⁱⁱⁱ Article 31(f) of the TRIPS agreement: "*any such use shall be authorized predominantly for the supply of the domestic market of the Member authorizing such use*;" <u>https://www.wto.org/english/res_e/publications_e/ai17_e/trips_art31_oth.pdf</u> ^{iv} WTO WT/GC/W/823 Covid-19 and beyond: Trade and Health. 15 July 2021.

https://docs.wto.org/dol2fe/Pages/SS/directdoc.aspx?filename=Q:/WT/GC/W823.pdf

WTO WT/MIN(22)/31 WT/L/1142 Ministerial Declaration on the WTO Response to the Covid-19 Pandemic and Preparedness for Future Pandemics.17 June 2022. https://docs.wto.org/dol2fe/Pages/SS/directdoc.aspx?filename=g:/WT/MIN22/31.pdf&Open=True

^v OPINION of the Committee on International Trade for the Committee on Legal Affairs on the Proposal for a Regulation of the European Parliament and of the Council on Compulsory licensing for crisis management and amending Regulation (EC) 816/2006 (COM(2023)0224 – C9-0151/2023 – 2023/0129(COD)) <u>https://www.europarl.europa.eu/doceo/document/INTA-AD-753730_EN.pdf</u> POLITICO, *MEPs, campaigners decry Europe-first health crisis plan*, 28 February, 2024. <u>https://pro.politico.eu/news/176294</u>