



POLICY BRIEF

Vaccine Hypocrisy

How the G7 are putting millions of lives at risk by prioritising pharmaceutical monopolies over vaccinating the world.

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Summary

- G7 promises to vaccinate the world are pointless if they fail to support the waiving of intellectual property and sharing of technology, which would allow more Covid-19 vaccines, diagnostics and treatments to be made.
- Millions of people could die unnecessarily of Covid-19, because of pharmaceutical companies' monopolies, which are being protected by a handful of rich countries. This is an appalling indictment of G7 failure. Vaccines have been made artificially scarce and are hugely expensive.
- Vaccine developers received \$100 billion in public funding, but the successful vaccine science has been privatized giving a few Pharma corporations a monopoly. Firms like Pfizer and Moderna are reaping billions in profits. Nine new 'vaccine billionaires' have been created. A handful of Pharma firms control how many vaccines are made, who gets them and what prices are paid.
- [Qualified vaccine producers](#) all over the world are ready to produce Covid-19 vaccines but are unable to because of Big Pharma monopolies, creating an artificial scarcity.
- The much-heralded COVAX initiative is in crisis. It has only delivered a third of the vaccines it had aimed to by this point. Many developing countries have run out of vaccines as supplies dry up. On current trends the poorest countries will only reach full vaccination in 57 years. The G7 will have vaccinated everyone within months.

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- Only the US supports waiving intellectual property on vaccines. Japan have said they will not oppose such a move. The UK is fiercely opposed, as is Germany. France, Canada and Italy are on the fence.
- The Peoples Vaccine is calling for the immediate waiving of intellectual property Covid-19 Vaccines, Treatments and Diagnostics, and the open sharing of technology through the WHO Covid-19 Technology Access Pool. This should be combined with a big increase in financing from the G7 to boost in global manufacturing. This is the only way to enable every qualified manufacturer in the world to produce Covid-19 vaccines as fast as possible. It is the only way vaccinate the world rapidly and end this cruel disease.
- The [Peoples Vaccine](#) is supported by a host of world leaders, Nobel Laureates, scientists, and religious leaders including the Pope and the Dalai Lama. 2.7 million people have given their support to the aims of the campaign. On average, 70% of the public in G7 nations support the ending of Pharma monopolies.

Vaccine Hypocrisy

This year the G7 meet in the face of a global pandemic. One that has already taken as many as eight million lives.¹ One that has cost trillions of dollars. One that has caused immeasurable suffering and pain.

A pandemic that is increasingly under control in the rich world but that continues to rage with increasing ferocity in the developing world, taking thousands of lives each day. Thousands dying, struggling for breath. While the G7 make plans to vaccinate children as young as 12, in developing countries, doctors and nurses still risk their lives to treat Covid-19 patients daily with no hope of vaccination. The poorest countries on current trends will reach full vaccination [in 57 years](#), in the year 2078.

A pandemic that we now have the power to end within months. We have multiple, highly successful vaccines. We have global mechanisms in place to deliver these vaccines. The only thing that stands between us and ending this cruel disease is the failure and hypocrisy of the richest nations on earth.

This is entirely self-defeating. The virus is mutating all the time. The majority of epidemiologists [surveyed](#) by the People's Vaccine Alliance that unless we move fast to vaccinate the world it could be a year or less before Covid-19 mutations mean our current

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vaccines are rendered largely ineffective. At the same time, the cost to the global economy of failing to vaccinate the world is estimated to be [\\$9 trillion dollars](#).

The G7 between them are home to some of the most successful vaccines. They poured billions of dollars of taxpayer's money into their development. They then privatized them, giving a handful of pharmaceutical corporations the power to decide how many vaccines are made, who gets to buy them and at what price. Allowing pharmaceutical monopolies has created an inexcusable and entirely artificial global scarcity. It is a model that has successfully created 9 new vaccine billionaires but is failing to vaccinate billions of people.

G7 will be vaccinated in months. Poorest countries could take 57 years.

As of the end of May 2021, the G7 had administered 524 million doses. 41% of G7 citizens have had at least one vaccine. While the G7 countries, except for Japan, are registering an impressive vaccination campaign, the situation is grievous for the world's poorest countries who, at the current rate, will take 57 years to fully vaccinate their population, according to a [People's Vaccine tally](#). The world's low-income countries, that together have a similar population to the G7 have given one dose per hundred people at the end of May. Africa, with its 1.34 billion people, had vaccinated a meagre 24.5 million people with at least a single dose. In contrast, the United Kingdom alone had given out two times more jabs than the entire African continent despite having a population that is twenty times smaller. The English county of Cornwall, where the G7 is being held, has a population of 566,000 people, and has administered more vaccinations than 22 African countries with a combined population of 345 million peopleⁱⁱ.

Average daily vaccinations in G7 and LICs, Dec 15 2020 to May 31 2021



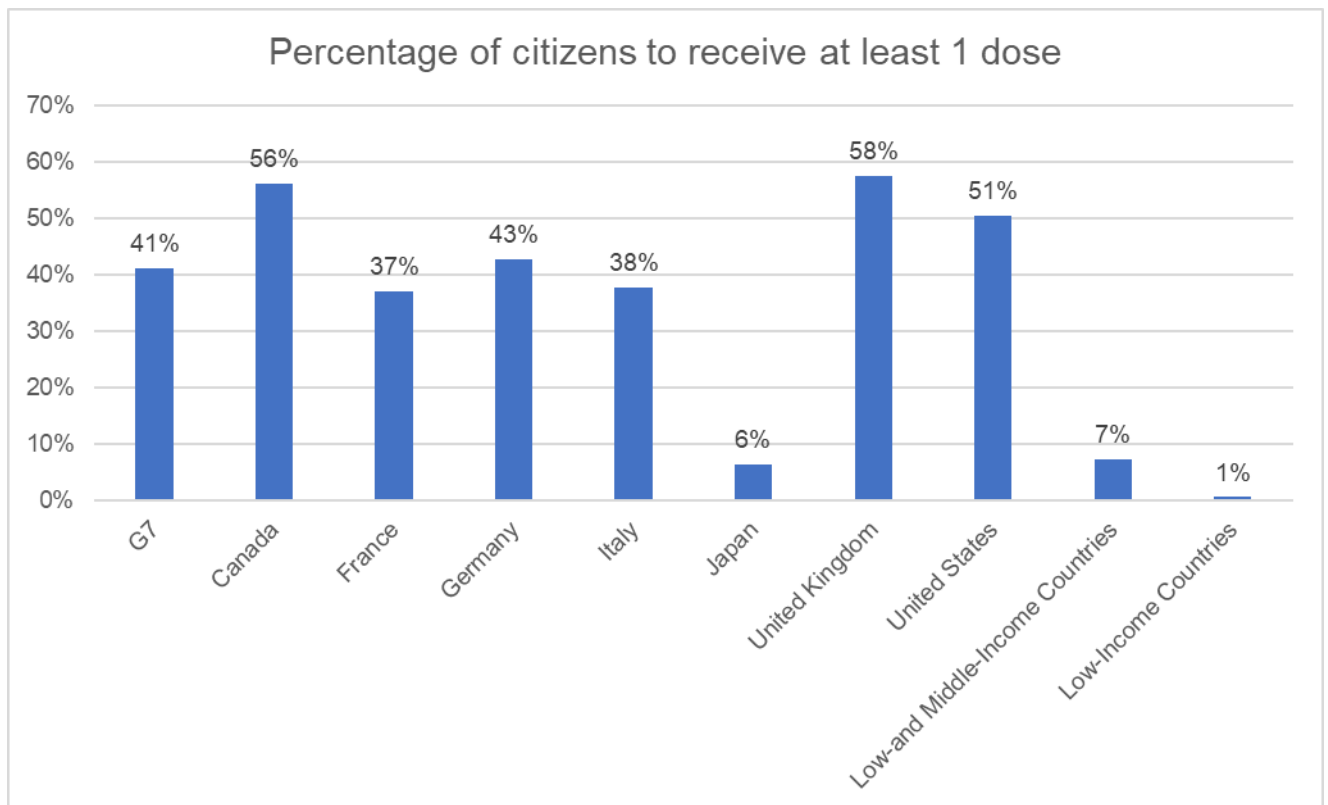
Data sourced from Our World in Data

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The G7 countries are on track to fully vaccinate their population in the first week of January in 2022. The United Kingdom, the United States and Canada have already vaccinated the majority of their population with at least a single dose. The UK and US have fully vaccinated two-fifths of their population. Japan has been slower to vaccinate, but not because it does not have enough doses.

And as the world's poorest countries struggle to even inoculate their most at risk population, the G7 countries have already started or are on course to start inoculating children, the group least at risk of COVID-19. The [UK](#), the [US](#), [Canada](#) and the [EU](#) have already approved the Pfizer-BioNTech jab for children.



Data source: Our world in data, as of May 31, 2021.

Nine new vaccine billionaires created as Pharma revenues soar

Two of the most successful vaccines are driving huge revenues. Moderna and Pfizer/BioNTech's successful mRNA vaccines are set to become two of the three bestselling pharmaceutical products in the world with projected revenues in 2021 alone of \$60.3 billionⁱⁱⁱ.

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Their vaccines are also the most [expensive](#), ranging from \$13.50 to \$74 per course, with both firms looking to increase prices. In an investor call, Pfizer [cited](#) between \$150 and \$170 a dose as the typical price it r

eceives for vaccines. This is despite [a study](#) from the Imperial College in London showing that the cost of production of new mRNA vaccines could be between 60 cents and \$2 a dose.

Since the beginning of the COVID-19 pandemic, Moderna, BioNTech and CanSino, the makers of successful Covid-19 vaccines, have created at least nine new vaccine billionaires with a combined net wealth of \$19.3 billion, our analysis of [Forbes 2021 billionaires](#) list shows.

This contrasts with Astra Zeneca who have agreed a not-for-profit price during the pandemic. The deal done by Oxford with Astra Zeneca for non-profit vaccines with some technology transfer to vaccine manufacturers in the global south will be held up as the model solution. Nevertheless, its over-dependence on just one producer in India to supply the majority of developing nations and the continued prioritization of contracts with rich nations have shown that the Astra Zeneca position is far from ideal. It is also clear that no other successful G7 based pharmaceutical corporation has 'volunteered' to pursue the same model and Pfizer/BioNtech and Moderna are instead making eye-watering monopoly driven profits and selling almost all their vaccines to rich nations. Any indication that the G7 will continue to rely on the 'voluntary' agreement of pharmaceutical corporations to do the right thing should be judged as a complete failure of leadership

Meanwhile, [qualified vaccine producers](#) all over the world are ready to produce Covid-19 vaccines but are unable to because of Big Pharma monopolies, creating an artificial scarcity.

G7 country positions on waiving intellectual property protections for Covid-19 technologies including vaccines

Waiving intellectual property rules on successful vaccines and enforcing technology transfer could ensure that every qualified vaccine manufacturer worldwide is able to make Covid-19 vaccines- this will drive up supply and drive down prices. Combined with increased investment in manufacturing capacity in developing countries, it is the only way to vaccinate the world successfully and sustainably. Yet this move is fiercely opposed by Germany and the UK.

This is history repeating itself - in the fight against another global pandemic, HIV/AIDS, it was the production by several companies in developing countries that led to a collapse in the cost of treatment and millions of lives were saved. Yet this only happened after years of global campaigning against the pharma monopolies so vehemently protected by rich nations despite millions of unnecessary deaths.

India and South Africa [proposed](#) at the WTO last year in October that intellectual property protections on all Covid-19 technologies including vaccines are suspended until global herd

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immunity to the virus is achieved. Over 100 countries support this move. A year ago, the World Health Organisation also set up the [Covid-19 Technology Access Pool \(C-TAP\)](#), to facilitate the sharing of intellectual property and technology. C-TAP has been dismissed and ignored by Pharma firms and most rich nations.

Covid-19 vaccines received [\\$100 billion](#) in taxpayer subsidies. All the leading G7 vaccine Pharma firms received billions in subsidies and guaranteed orders. Yet despite this, monopoly control over the production of these vaccines has been handed to this handful of corporations despite the fact they can't make enough for everyone and will always prioritize more profitable contracts in rich nations. This monopoly means they are set to make billions in profits, and nine new 'vaccine billionaires' have been created already. At the same time manufacturers from across the world have signaled they are ready to produce vaccines but are unable to because of these artificial monopolies.

In May President Biden shocked the world by supporting the lifting of intellectual property rules on Covid-19 vaccines. The US signaled its qualified support for the plan proposed by South Africa and India that has the backing of over 100 nations. But the US are the only G7 nation who are currently in support.

The UK and Germany are still opposing the proposal. While despite months of negotiations, Canada, France and Italy are sat on the fence and requesting more information. The Japanese Government has confirmed that they do not intend to oppose the waiver. This is an important step given that domestic implementation of the waiver is voluntary. If a G7 country doesn't like it - they don't have to implement it. This means it's particularly callous to attempt to block the efforts of over 100 countries pushing for its implementation.

The US' support also doesn't go far enough. The US have indicated they may only support a waiver on vaccines and leave out COVID-19 tests and treatments. This makes no sense as intellectual property barriers also means that life-saving tests and treatments are in short supply and are priced out of reach for too many nations. It is important that the G7 support the waiver to the full extent as proposed by India and South Africa.

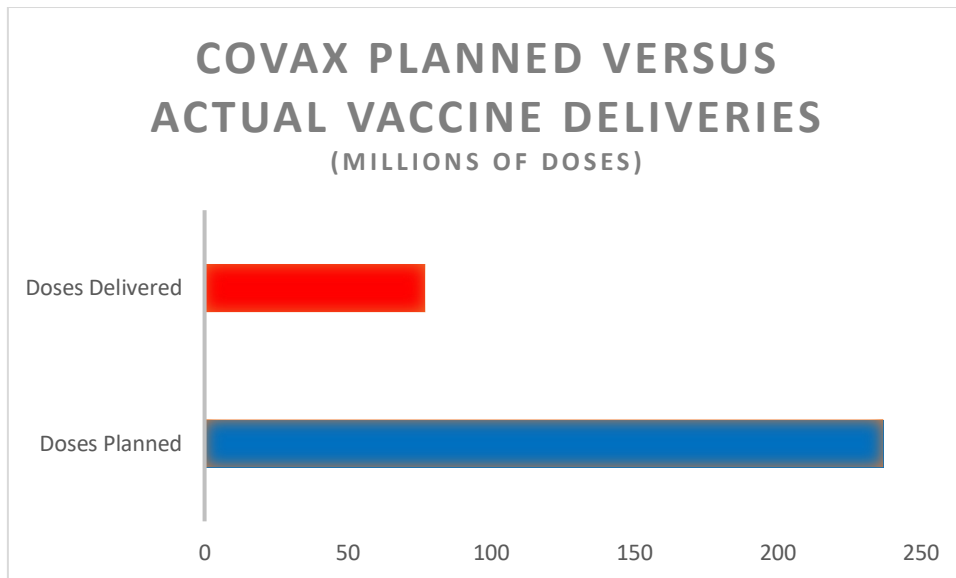
The G7's opposition to the waiver runs in the face of huge public support. Polling shows that an average of 70 per cent of people across G7 nations believing that governments should ensure pharmaceutical companies share their formulas and technology, so that qualified manufacturers around the world can help increase the supply. It is also entirely self-defeating as health and economies in the G7 nations will continue to be at risk if the virus continues to thrive uncontrolled in other parts of the world.

Massive shortfall from COVAX

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The flagging vaccination campaign in the world's poorest countries is partly because COVAX, the global facility that is distributing vaccines to low and lower-middle-income countries, is experiencing a massive vaccine shortage. After nearly a 100 days^{iv} since it began vaccine distribution, COVAX had [distributed 77 million doses](#) in total to all countries, a third of the [237 million doses planned for delivery by this time](#). To date, 52.6 million COVAX doses have been distributed to poor countries^v, [enough to fully vaccinated just 1% of the 3.9 billion people in countries eligible to benefit from the scheme](#). Developing countries are rapidly running out of vaccines, and many who have received a first dose have no idea when or if they will receive a second one.



At this rate, COVAX will only be able to deliver 250 million doses (including the 77m already distributed) by the end of 2021, equivalent to 10% of the population AMC eligible countries (excluding India)^{vi} receiving a single dose. Its supply crisis is in large part due to COVAX's failure to use its huge leverage to challenge pharmaceutical monopolies and because of its subsequent over dependence on one supply of AstraZeneca vaccines from India. These doses are now being used in India for the foreseeable in response to the crisis. But the global vaccine sharing facility is still bullish that it will be able to deliver [two billion doses](#) to its participating members in 2021. To achieve this, it would need to deliver more than 9 million doses per day, 12 times greater than the current rate, from 1st June.

But while an important and needed step, vaccine donations are never likely to reach this scale as so much uncertainty remains over future vaccine needs including regular booster shots. Charity, as has been demonstrated over the last 15 months, will also always fail to

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deliver a sustainable or sufficient response or help advance future pandemic preparedness. The fact that donations are even being discussed is a clear signal that global vaccine production and supply is failing. Rather than relying on hand-outs, countries must be given the right to develop and produce their own vaccines.

G7 spin and what to watch out for

The G7, and particularly the UK government, will be trying hard in the next week to obscure their hypocrisy and abject failure to vaccinate the world and control this disease.

- They will talk about a global goal to vaccinate the world by end of 2022. Such a goal while absolutely needed, will be completely impossible without sharing of intellectual property and vaccine technology – to which the UK is firmly opposed, as is Germany. Without this a global target is not worth the paper it is written on.
- They will be bullish about the prospects for COVAX despite it actually being close to failure. COVAX has only delivered one in three of the vaccine doses it had planned to by this point in the year. Developing countries are running out of their already meagre supplies and continue to be priced out of the market.
- They will announce millions of doses they will donate to poor countries once they have finished vaccinating their populations. Donations must happen- but the fact that they have to at all is a clear sign that plans to vaccinate the world are failing and all indicators suggest the number of doses to be donated will constitute a drop in the ocean of need. Instead developing countries could be producing their own vaccines by now, and not relying on unpredictable and insufficient G7 charity.
- They will say supply of vaccines is not a problem, despite firms systematically failing to meet production targets and pricing their vaccines out of reach. They will also make this claim despite the fact that the market for booster shots in rich countries is already set to displace further production of vaccines for the developing world.
- The deal done by Oxford with Astra Zeneca for non-profit vaccines with some technology transfer to vaccine manufacturers in the global south will be held up as the model solution despite its over-dependence on just one producer in India to supply the majority of developing nations and the continued prioritization of contracts with rich nations. It is also clear that no other successful G7 based pharmaceutical corporation has 'volunteered' to pursue the same model and Pfizer and Moderna are instead making eye-watering monopoly driven profits and selling almost all their vaccines to rich nations. Any indication that the G7 will continue to rely on the

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‘voluntary’ agreement of pharmaceutical corporations to do the right thing should be judged as an abysmal failure of leadership.

- They will talk about their mission to create new vaccines in 100 days – the recommendations of the Pandemic Preparedness Partnership. This was drawn up by the Pharma industry and the UK government with no developing country involvement and completely fails to address vaccine access. There is no value in a new vaccine if no one can get it or afford it.

What the People’s Vaccine is calling for:

The Peoples’ Vaccine Alliance has a straightforward common sense, plan to ensure global vaccination. Our members have done the detailed [technical analysis](#) that shows that 8 billion doses could be produced in a year, for as little as \$25 billion dollars.

The G7, when they meet this week, have a choice. Continue to thinly conceal their naked self-interest with minimal, highly spun gestures. Continue to fiercely defend the indefensible monopolies and profit of pharmaceutical giants. Or agree to change course.

1. Agree a **global goal to vaccinate 60%** of the world by the end of 2021 and with everyone reached in the next 12 months.
2. Immediately support the **suspension of intellectual property rules** and; insist companies share the **vaccine technology** with the WHO C-TAP so that all qualified manufacturers worldwide can help in scaling up vaccine production;
3. **Pay their fair share of the money needed** to manufacture these billions of doses as fast as possible and support health systems and especially the health workers, to ensure they get to every person, free of charge.

ENDS

ⁱ The WHO has estimated that the true death toll from Covid-19 is likely between six and eight million lives lost globally and that the officially reported figure of 3.7 million at the time of going to print is a significant undercount due to a lack of testing, poor record keeping or simply lack of resource.

ⁱⁱ Global stats from Our World in Data. Cornwall stats from <https://www.england.nhs.uk/statistics/statistical-work-areas/covid-19-vaccinations/> (3 June)



ⁱⁱⁱ Pfizer has announced new 2021 sales figures of \$26 billion. BioNTech has announced additional separate sales figures of \$15.1 billion. Moderna has raised its covid vaccine 2021 earnings figures to \$19.2 billion

^{iv} From February 24th to 31st May

^v <https://www.unicef.org/supply/covid-19-vaccine-market-dashboard>

^{vi} COVAX had distributed 77 million doses from February 24th to 31st May, 802,083 per day on average. Excluding India, AMC eligible countries have a combined population of 2.5bn people.

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