



Ottawa, Canada K1A 0G2

February 23, 2023

Mr. Ali Ehsassi, M.P.
Chair
House of Commons Standing Committee
on Foreign Affairs and International Development
House of Commons
Ottawa, ON K1A 0A6

Dear Mr. Ehsassi:

Pursuant to Standing Order 109 of the House of Commons, I am pleased to respond on behalf of the Government of Canada to the recommendations made in the Report of the Standing Committee on Foreign Affairs and International Development entitled, "*Overcoming the Barriers to Global Vaccine Equity and Ending the Pandemic*" on October 24, 2022.

Canada has helped lead a robust international effort to stop COVID-19, address its devastating impacts, champion vaccine equity, and strengthen pandemic preparedness going forward. Canada has committed close to \$3.5 billion in international assistance in response to the COVID-19 pandemic. As the COVID-19 pandemic has evolved, Canada remains committed to continuing to support collective efforts to improve equitable global access to COVID-19 vaccines, therapeutics and diagnostics, working with the Access to COVID-19 Tools (ACT) Accelerator and COVAX Facility.

Canada has been a top supporter across all ACT-Accelerator pillars and is one of only three donors to meet its ACT-Accelerator burden share for 2021 and 2022. Canada is supporting countries in their efforts to reach their national vaccination targets through investments in the COVID-19 Vaccine Global Access (COVAX) Facility, investments valued at \$840 million to date, and by continuing to work toward the commitment to donate the equivalent of 200 million doses by the end of 2022. As global vaccine supply stabilized over 2022 and country needs for vaccine delivery support grew, Canada increased support for vaccine roll-out and health systems strengthening to help countries turn vaccines into vaccinations and be better prepared for future crises. This effort includes Canada's Global Initiative for Vaccine Equity (CanGIVE), Canada's signature response to increase vaccine distribution to priority groups, increase vaccine demand, strengthen health systems and scale-up regional production capacity.

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In addition to Canada's global health COVID-19 response, Canada continues to deploy a range of near-term solutions to enhance immunization and access to COVID-19 medical interventions globally, including by addressing supply chain constraints and export restrictions as part of the WTO Response to the Pandemic. Canada recognizes that all WTO Members are united in the shared objective of ensuring the availability both of existing COVID-19 diagnostics and therapeutics and those that are still in development. Pursuant to the December 20, 2022 decision of the WTO General Council to extend the decision deadline on the extension of the Ministerial Decision on the TRIPS Agreement, Canada remains committed to engaging productively to ensure that any actions taken by the WTO contribute to this goal.

Advancing global vaccine equity requires coordination across Canada's domestic and international efforts to advance research, development and manufacturing regarding pathogens of high-risk global concern. To that end, Canada recognizes the benefits of a strong and resilient domestic biomanufacturing industry that contributes to current and future pandemic prevention and preparedness. Canada will continue to advance the objectives of its biomanufacturing and intellectual property strategies to ensure innovation and access to that innovation through contextually appropriate mechanisms.

The Government of Canada takes this opportunity to thank the members of the Committee for their work in preparing this report. The Government welcomes the Committee's continued interest in Canadian efforts to advance equitable access to medical countermeasures in the context of the COVID-19 pandemic and recovery, as well as through Canada's efforts to enhance pandemic prevention, preparedness and response in advance of future global health crises.

Sincerely,



The Honourable Harjit S. Sajjan, PC, OMM, MSM, CD, MP

Cc: The Honourable Jean-Yves Duclos, P.C., M.P.
Minister of Health

The Honourable Francois Philippe-Champagne,
Minister of Innovation, Science and Industry

Enclosures

Government Response to the Fifth Report of the House of Commons Standing Committee on Foreign Affairs and International Development: *Overcoming the Barriers to Global Vaccine Equity and Ending the Pandemic*

Recommendations 1 and 2: That the Government of Canada increase its funding for health systems in low-income countries with low vaccine rates and for community-based projects that combat vaccine misinformation and hesitancy; that the Government of Canada increase funding for its Global Initiative for Vaccine Equity.

Response: The Government welcomes the recommendations for the Government of Canada to provide additional funding to strengthen health systems in low-income countries with low COVID-19 immunization rates, support community-based projects that combat vaccine misinformation and hesitancy, and increase funding for Canada's Global Initiative for Vaccine Equity (CanGIVE). As part of Canada's global COVID-19 response to date, the Government of Canada has committed \$670 million to reinforce country health systems and increase country capacity to deliver vaccines. Canada is also the third largest donor to the ACT-A Health Systems Response Connector (HSRC), following the United States and Germany. Most recently, on September 21, 2022, as part of Canada's efforts to reinforce health systems, Canada announced an additional \$25 million to the World Health Organization to continue supporting ten target countries in their efforts to address ongoing needs identified for the delivery of essential health services and for strengthened equity-oriented primary health care in the context of COVID-19 response and recovery.

Canada's efforts to advance vaccine equity and strengthen health systems include Canada's signature Global Initiative for Vaccine Equity (CanGIVE), a \$200 million initiative aimed at supporting vaccine delivery, demand and production capacity across twelve (12) countries, most of them in Africa. CanGIVE builds on Canada's long-standing commitment to investing in and supporting health systems worldwide. CanGIVE's bespoke programming in each of the twelve countries complements the efforts of multilateral COVAX partners such as the Gavi Alliance and UNICEF as well as existing Canadian bilateral health system strengthening programs. The initiative will also target improved access to COVID-19 vaccines for countries experiencing humanitarian contexts. Informed by country level analysis, CanGIVE aims to reinforce health systems by supporting the integration of COVID-19 vaccination and increasing gender-responsiveness within primary health care and routine immunization. The government is actively exploring opportunities to increase funding for CanGIVE to enhance vaccine delivery for high priority and marginalized populations, address misinformation and barriers to vaccine confidence, and reinforce the capacity of overstretched health systems in low and middle income countries.

Canada remains concerned about the spread of COVID-19 mis- and dis-information and its impact on public confidence in vaccines, health authorities, and democratic institutions. In addition to continued CanGIVE support for targeted community outreach and evidence-based information campaigns, Canada is providing global leadership on misinformation and vaccine confidence as part of the US-led COVID-19 Pandemic Prioritized Global Action Plan. Through this forum, Canada is working with partners to convene global and regional moments to exchange best practices, highlight impactful approaches, and map opportunities to scale efforts moving forward. Canada will continue to work with partners to support community-led strategies and work with the international community to defend reliable, science-driven data that is necessary for strong democracies and an effective global pandemic response.

Recommendation 3: That the Government of Canada make every effort to ensure that Medicago's COVID-19 vaccine, Covifenz, receives the World Health Organization's Emergency Use Listing and can be used by the COVAX Facility.

Response: The Government of Canada recognizes the benefits of a strong and resilient domestic bio-manufacturing industry as a contribution to ensure Canada and the world are better prepared for future waves of COVID-19 and future pandemics. The Government of Canada registers concern with the recommendation to make every effort to ensure that Medicago's COVID-19 vaccine, Covifenz, receives the WHO Emergency Use Listing (EUL) and can be used by the COVAX Facility.

The WHO has a robust EUL process in place that is trusted by the international community. Canada has full confidence in the WHO's scientific and regulatory process, including the Organization's EUL process. The Government of Canada regularly shares information with the WHO on Health Canada approved vaccines, while maintaining a position of non-interference in WHO's scientific and regulatory processes. The Government of Canada commits to advocate on behalf of Canadian companies in multilateral fora where it is appropriate to do so. Regardless of determinations regarding WHO EUL, at this stage of the COVID response it appears unlikely that COVAX will onboard any new vaccine candidates into its portfolio, as it reduces supply to align with falling international demand.

Recommendation 4: That the Government of Canada ensure that any additional funding it provides to the ACT-Accelerator is more equitably distributed across its four pillars.

Response: The Government of Canada is a leading donor in its prioritization of support across all ACT-Accelerator pillars: Diagnostics, Therapeutics and Vaccines, as well as the cross-cutting Health Systems Response Connector (HSRC). Canada's approach reflects a recognition that a strong public health response requires robust testing, access to available treatments - including vaccines and oxygen - and systems to ensure their effective delivery. This cross-pillar support applies to the more than \$2 billion committed by Canada to ACT-Accelerator partners since the beginning of the pandemic, including \$732 million announced on May 12, 2022 from Budget 2022.

Canada's investments in the ACT-Accelerator to date reflect the needs set out in the ACT-Accelerator investment case and 2021-2022 Strategic Plan and Budget. The ACT-Accelerator budget indicated a demand for approximately three times as much funding for the vaccines pillar as for the other ACT-Accelerator pillars. These needs were determined based on extensive consultations with relevant stakeholders and were updated throughout the pandemic to reflect country demand. Correspondingly, as of January 2023, Canada has committed \$1.272 billion for the vaccines pillar; \$290 million for the therapeutics pillar; \$265 for the Diagnostics Pillar and \$310 for the HSRC. Canada is one of the only donors to invest so significantly across all ACT-Accelerator pillars.

As global COVID-19 efforts shift from pandemic emergency response towards endemic COVID-19 control activities, the ACT-Accelerator and its partners are similarly entering a transition phase towards endemic disease control, integration of COVID-19 within routine health services and future pandemic preparedness. Through this next phase of the pandemic, Canada is well placed to continue advancing the goals of all ACT-Accelerator pillars through existing commitments, maintaining flexibility and surge capacity to respond to any rapid changes in the pandemic context as required. The Government does not anticipate any further ACT-Accelerator investment cases but will continue to support a cross-sectoral

approach for equitable access to COVID-19 medical countermeasures across global health partners for the current pandemic and in the application of lessons learned towards future global health crises.

Recommendation 5: That the Government of Canada provide additional funding to the South Africa mRNA vaccine technology transfer hub.

Response: The Government of Canada welcomes the recommendation to provide additional funding to the South Africa mRNA Vaccine Technology Transfer Hub. Canada is committed to addressing barriers to equitable access to vaccines by improving local manufacturing capacity across the global south, through current investments to scale-up production capacity. The concentration of vaccine manufacturing in a few countries and the reliance of low- and middle-income countries (LMICs) on global markets and mechanisms contributed to inequitable access in the early phases of the pandemic. Equipping developing countries with the necessary medical technologies, training and production capacity plays a key role in strengthening local health systems and promoting equitable pandemic preparedness going forward.

Canada was an early supporter of the COVID-19 mRNA Technology Transfer and Manufacturing Hub program (the Hub), announcing \$15 million in Canadian funding at the G20 Summit in 2021. In alignment with Recommendation 5, Prime Minister Justin Trudeau announced \$15 million in additional funding for the Hub on November 16th at the 2022 G20. Canada's additional support will help advance the work of the Hub for COVID-19 mRNA vaccines in South Africa, facilitate technology transfer, develop second-generation mRNA technology and an mRNA vaccine pipeline for COVID-19 and other diseases. Canada's support will also enhance the capacity of a network of manufacturing facilities, with a focus on Senegal, Nigeria, Kenya, and Bangladesh.

While at the G20 in 2022, Canada also announced \$15 million for the Pan-American Health Organization (PAHO) to strengthen vaccine production capacities in Latin America and the Caribbean. Canada's support will increase the manufacturing of quality-assured, safe, and effective COVID-19 mRNA vaccines. This initiative aims to strengthen national regulatory systems and policies while increasing multi-country coordination across public and private sector partners. More specifically, Canada's funding will enable PAHO to build out vaccine development, know-how and production processes and capacities of institutions in countries like Brazil and Argentina, as "spokes" within the mRNA Technology Transfer Hub Programme, in partnership with the World Health Organization and Medicines Patent Pool. Canada will continue to closely monitor evolving regional manufacturing capacities, program results, the evolving risk environment, and program budget needs in considering additional investment.

Recommendation 6 and 7: That the Government of Canada continue to consider the funding it provides to the ACT Accelerator as distinct from, and supplementary to, its official development assistance; that, given the increased global needs as a result of the COVID-19 pandemic, the Government of Canada significantly increase its overall contributions to official development assistance in line with the 0.7% of GNI target.

Response: The Government of Canada takes note of the recommendation to consider the funding it provides to the ACT-A as distinct from, and supplementary to, its official development assistance. To date, the majority of the Government of Canada's contributions to ACT-A partners have been sourced

from new international assistance resources (over 95%). This, coupled with internal reallocations resulting from projects that could not proceed due to the COVID-19 pandemic, meant there has been minimal displacement of Official Development Assistance (ODA) for other development and humanitarian challenges.

The Government also takes note of the recommendation to significantly increase its overall contributions to ODA in line with the 0.7% of GNI target. According to the Organisation for Economic Co-operation and Development's Development Assistance Committee, Canada's ODA flows have increased every year since 2016, with its ODA/GNI ratio reaching 0.32% in 2021 (latest available data), its highest level since 2011. Canada has allocated close to \$3.5 billion in international assistance resources for COVID-19 recovery in developing countries. As a result of its extraordinary COVID-19 spending, Canada's international assistance spending reached a record high of \$8.4 billion in 2020-21.

Canada also remains committed to making its aid more effective by generating better results for the poorest and most vulnerable and by leveraging new and complementary sources of funding. In line with Canada's Feminist International Assistance Policy, Canada's international assistance places an emphasis on investments with the greatest potential to improve gender equality and empower women and girls, therefore enhancing Canada's contributions to poverty reduction. In response to the economic impacts of the COVID-19 pandemic, Canada provided a \$1-billion contribution to the International Monetary Fund's Poverty Reduction and Growth Trust to meet urgent financing needs in low-income countries through concessional, interest-free loans.

Additionally, from May 2020 to December 2021, Canada provided almost \$100 million in temporary debt service relief for the poorest countries through the G20 and Paris Club agreed Debt Service Suspension Initiative.

Recommendation 8: That the Government of Canada ensure that its agreements to provide research and development funding include clauses that allow intellectual property resulting from that funding – including vaccines, therapeutics, and diagnostics – to be easily licensed to manufacturers serving low- and middle-income countries.

Response: The Government of Canada registers concern with the broad application of the recommendation regarding unilateral licensing commitments for research and development funds, noting that Canada will continue to consider appropriate licensing and access commitments as opportunities arise. The Government's view supports the principle that the public should benefit when public funds are invested in research and development. As such Canada's biomanufacturing strategy aims to contribute to pandemic preparedness and to support the development of a competitive domestic biomanufacturing industry. Additionally, Canada's Intellectual Property strategy aims to enable the economic benefits of investments in science and innovation. Public benefit is maximized when IP terms and conditions are tailored to address the specific context and objective of each funding opportunity on voluntary, mutually agreed terms. One size fits all solutions can put the desired public benefit at risk. Where it is appropriate to consider possible licensing and access commitments, officials will do so on a contextualized basis.

Canada remains committed to supporting access to COVID-19 vaccines, therapeutics, and diagnostics, through a range of near-term mechanisms and initiatives, including investments of over \$2 billion in the ACT-Accelerator and its COVAX Facility. To this end, the Government notes Canadian investments of \$45 million to scale-up regional manufacturing capacity through the mRNA Technology Transfer and Hub program in South Africa and the Pan-American Health Organization manufacturing platform. These efforts aim to increase and diversify access to mRNA vaccine production capacity in lower and middle income countries.

Additionally, Canada's partnership with the Coalition for Epidemic Preparedness Innovations has contributed to research and development of vaccine platforms for pathogens of global concern, including COVID-19. CEPI has been a vital player in the global response to COVID-19. CEPI's investments in vaccine research, development and manufacturing supported the COVAX Facility in securing access to almost 2.6 billion doses of CEPI-supported vaccine for low and lower middle income economies, and accelerated the development of a significant number of vaccines. Canada has contributed \$90 million to CEPI for COVID-19 vaccines, as well as \$24 million to support CEPI's vaccine research and development efforts for other high consequence pathogens. Canada remains committed to supporting CEPI's critical work in research and development as part of global efforts to prevent and prepare for future pandemics.

Recommendation 9: That the Government of Canada advocate for an extension of the June 2022 Ministerial Decision on the TRIPS Agreement to cover the production and supply of COVID-19 diagnostics and therapeutics.

Response: The Government takes note of the recommendation to advocate for an extension of the June 2022 Ministerial Decision on the TRIPS Agreement to cover the production and supply of COVID-19 diagnostics and therapeutics. The Government notes that, pursuant to the December 20 decision of the WTO General Council to extend the December 17 Ministerial Decision deadline on the extension of the TRIPS waiver to cover the production and supply of COVID-19 diagnostics and therapeutics, the General Council has committed to consider a new deadline at its next meeting, in March 2023. The extension of the deadline will facilitate further consideration of the extension of the scope of the TRIPS waiver to COVID-19 diagnostics and therapeutics.

Canada continues to engage with WTO Members on this matter, and to encourage an evidence-based exchange among WTO Members, with a view to identifying whether Members have experienced challenges related to the production and supply of COVID-19 diagnostics and therapeutics, related to or arising from the TRIPS Agreement. In addition to discussions on this matter in the TRIPS Council, Canada also continues to pursue a range of near-term solutions, such as efforts to address supply chain constraints and export restrictions under the WTO Response to the Pandemic, as well as ongoing support for the Access to COVID-19 Tools Accelerator.

Recommendations 10 and 11: That the Government of Canada immediately launch a public consultation on Canada's Access to Medicines Regime (CAMR) and publish the findings within one year of the tabling of this report in Parliament, and improve its communications and administration related to the CAMR; that the Government of Canada immediately add COVID-19 vaccines, diagnostics, and treatments to Schedule 1 of the *Patent Act*.

Response: The Government of Canada takes note of the recommendations to launch a public consultation on Canada's Access to Medicines Regime (CAMR) and add COVID-19 vaccines, diagnostics and treatments to Schedule 1 of the *Patent Act*. Given the complex legal and technical considerations that must inform any potential reforms to Canada's Access to Medicines Regime, the Government does not consider broad public consultation to be the most effective platform to gather insight on the mechanism. However, the Government has received and continues to welcome further input from diverse stakeholders with requisite technical and legal expertise in the manufacture of pharmaceuticals to inform CAMR's future work. The Government will explore ways to improve its online communications and administration related to the CAMR. The Government will continue to approach listing decisions, including those pertaining to COVID-19 as well as more generally, in an evidence and equity-based manner.

This will include consideration of Canadian manufacturing capacity, global supply issues, and the practical benefits likely to arise from a Schedule 1 listing decision.

Canada remains committed to deploying a range of near-term solutions to enhance immunization and access to COVID-19 medical countermeasures globally. This includes ongoing efforts to enhance vaccine delivery, health systems strengthening, and local vaccine production, including through the CanGIVE initiative. Canada will also continue to address supply chain constraints and export restrictions to COVID-19 medical interventions as part of the WTO Response to the Pandemic.