



CENTRE FOR DEVELOPMENT AND THE ENVIRONMENT  
UNIVERSITY OF OSLO

# POLICY BRIEF

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## WHAT NORWAY SHOULD ASK OF THE PHARMACEUTICAL INDUSTRY IN THE COVID-19 PANDEMIC



### KEY MESSAGES

**Norway** has played an important role in **global public-private partnerships** to fight Covid-19 but has demanded **too little, too late** of the pharmaceutical industry

To **safeguard the public interest**, Norway should be much more **concrete** about necessary pharma action, and about how it will **ensure that its expectations are met**

Norway should take a **stronger role** not only as a donor, but also as a **thought leader** on the future of public-private cooperation in global health

# BACKGROUND

Since the establishment of Gavi, the Vaccine Alliance in 2000, Norway has been a major proponent of public-private partnership (PPPs) to solve global health challenges. It is a major donor to global PPPs including Gavi, the Global Fund, CEPI, ACT-A and COVAX. As co-chair of the ACT-A Facilitation Council, Norway has expressed its commitment to ensuring that Covid-19 vaccines, therapeutics, and tests 'are manufactured, procured and distributed equitably and effectively'.

To turn this aspiration into practice, in February 2021, Norway's Minister of International Development and Global Health Ambassador proposed four 'principles for urgent pharma action' through the World Economic Forum.

Although they come late – a year into the pandemic – enacting the principles remains relevant as the pandemic enters its next phase.

To be effective, Norway's demands on industry partners must be much more concrete. Norway's appeals to voluntary action are insufficient, and must be backed by contractual standards and legal requirements for pharma companies.

This policy brief proposes specific ways Norway can leverage its significant influence within global PPPs and multilateral initiatives to oblige the pharmaceutical industry to turn the principles into practice.

## NORWAY'S FOUR PRINCIPLES FOR URGENT PHARMA ACTION TO COMBAT COVID-19

- 1: File for registration rapidly, widely and on the basis of the most rigorous standards
- 2: Price health technologies fairly
- 3: Expand production & supply capacity
- 4: Greater transparency

[www.weforum.org/agenda/2021/02/4-principles-pharma-action-combat-covid19/](http://www.weforum.org/agenda/2021/02/4-principles-pharma-action-combat-covid19/)



## ROUNDTABLE

The PANPREP project convened a roundtable discussion about Norway's proposed principles for pharma action on February 19, 2021.

Participants were representatives from four Norwegian civil society organisations and academics involved in research and advocacy on vaccine equity.

The discussion was held under Chatham House rules. The organisers have drafted this brief based on the roundtable discussion, but it does not reflect official positions or endorsements from invited participants or their organisations.

## THE PANPREP PROJECT

The Public-private cooperation for pandemic preparedness (PANPREP) project examines how such public-private collaboration operates in practice in Norway's pandemic preparedness and response, both domestically and through involvement in global initiatives.



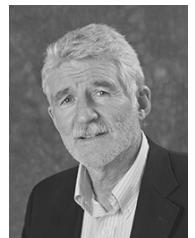
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# PRINCIPLE 1: RAPID AND WIDE REGISTRATION



Norway calls on pharmaceutical companies to file for registration as quickly and as widely as possible, to work collaboratively with the WHO on the Emergency Use Listing procedure and to complete access plans for late-stage products.

## We call on Norway to

Make the contribution of Norwegian public funds to future R&D, manufacturing support and pre-purchase agreements for Covid-19 tools and vaccines conditional on companies registering with WHO in parallel with the European Medicines Agency (EMA) and the US Food and Drug

Administration (FDA) and submitting equitable access plans.

Exert diplomatic pressure on the EMA, the FDA and other major regulatory agencies to further harmonise their approval mechanisms with WHO's Emergency Use Listing procedure.



# PRINCIPLE 2: FAIR PRICING

Norway calls on the pharmaceutical industry to implement pricing strategies that take both an individual country's ability to pay and the exceptional circumstances of the pandemic into account. This includes taking a 'cost plus pricing' approach to lower-income countries, agreeing affordable prices with the COVAX Facility for the 92 Advanced Market Commitment (AMC) eligible countries, and filling gaps in equitable pricing strategies for products outside multilateral procurement agreements.

## We call on Norway to

Implement the 2019 WHO Resolution on Improving the Transparency of Markets for Medicines, Vaccines, and other Health Products into national law.

Contribute to establishing global norms about what constitutes 'affordable' and 'equitable' pricing, and acceptable absolute or relative target margins on Covid-19 tools.

Insert clauses in future AMCs to procure vaccines for Norway - including via the EU procurement mechanism - to ensure access at cost to low-income countries.

Work through CEPI and COVAX to strengthen political mechanisms to resolve disputes and, when necessary, use existing legal mechanisms to enforce contracts with the pharmaceutical industry.

In future contracts, phase payments and publicly specify procedures for suspending instalments if contracts are breached.

## PRINCIPLE 3: EXPAND PRODUCTION AND SUPPLY CAPACITY

Norway calls on pharmaceutical companies to implement all possible strategies to increase manufacturing capacity, including artificial intelligence-powered demand forecasting, closer collaboration with local distributors, and technology licensing – even non-exclusive voluntary licensing – when in-house manufacturing cannot meet demand.



### We call on Norway to

Explicitly support compulsory licensing, the use of other TRIPS flexibilities and, if necessary, the suspension of intellectual property rights if pharmaceutical companies do not urgently engage in voluntary licensing and technology transfer to expand production and supply capacity of Covid-19 tools.

Be a stronger advocate for C-TAP and work through CEPI to oblige grantees to commit to C-TAP or other technology transfer mechanisms.

Strengthen financial support for technology transfers and back this funding with political pressure (including naming and shaming of companies) to encourage uptake.



## PRINCIPLE 4: TRANSPARENCY

Norway calls for more transparency from all actors, including the pharmaceutical industry, to enable governments to coordinate global financing and distribution systems in response to the pandemic.

### We call on Norway to

Conduct a public review of CEPI, COVAX and EU contracts for Covid-19 tools to assess whether the terms of the contracts adequately take into account public subsidies for R&D and corporate risk reduction (through APAs).

With the WHO, establish a global price and access policy observatory that publishes pricing information on Covid-19 tools and companies' access policies.

Make disbursements of Norwegian funding to CEPI, GAVI, COVAX and ACT-A conditional on supported companies' transparency about scientific data, R&D and manufacturing costs, and access policies.

Commission independent evaluation of how pharma companies benefiting from direct and indirect public support make Covid-19 tools more accessible to people in LMICs.

**Conclusion:** Promoting such concrete industry standards and requirements would improve Norway's position as a global health thought leader, and ensure that its taxpayers get the most out of Norway's global health spending.