



## Implications of Access and Benefit Sharing (ABS) Commitments/Regimes and Other Proposed Commitments in the WHO Pandemic Agreement | January 22, 2024

We write as members of the [Interfaith Center on Corporate Responsibility \(ICCR\)](#), a coalition of faith- and values-based investors, in response to the request for comments by HHS on the implications of access and benefit sharing (ABS) commitments/regimes and other proposed commitments being considered under a WHO Convention, Agreement or Other International Instrument on Pandemic Prevention Preparedness and Response.

To meet the key outcomes in the negotiations outlined by HHS, the USG must recognize that intellectual property rights (IP) can be a barrier to access. In order for this agreement to change how the world prevents and treats pandemics, full access to scientific data for governments and scientists must happen in tandem with equitable resource allocation. As investors, we view healthcare as a human right and, under the UN Guiding Principles for Business and Human Rights, pharmaceutical companies have a responsibility to respect that right for all their stakeholders. This right was not upheld at the onset and during most of the COVID pandemic, undermined by both vaccine nationalism and intellectual property rights.

At the beginning of the COVID pandemic, CEOs of pharmaceutical companies acknowledged that one company alone could not vaccinate the entire world. Yet when vaccines became available, largely due to substantial public investment through direct investment in R&D, expedited regulatory reviews, and advance purchase agreements, not one company we engaged participated in the COVID-19 Access Technology Pool (C-TAP). Additionally, both Moderna and Pfizer refused to share the technological know-how of their mRNA vaccines with the mRNA hub in South Africa. The incongruence between the commitments around access made by CEOs and the actions taken by the companies to hinder access was stark. In 2021 and 2022 members of our coalition filed [shareholder proposals](#) requesting a report analyzing the feasibility of promptly transferring intellectual property and technical knowledge (“know-how”) to facilitate the production of COVID-19 vaccine doses by additional qualified manufacturers located in low- and middle-income countries, as defined by the World Bank. As universal owners with diversified investment portfolios holding a representative share of the market, we recognized the financial, legal, and reputational risks created by these companies’ actions.

We know that vaccine inequity causes adverse impacts on universal owners. In 2021, The International Chamber of Commerce projected that the global economy could lose \$9.3 trillion if vaccine inequity remained unaddressed. We saw lengthened delivery times for goods and order backlogs rise worldwide as evidenced by the Purchasing Manager’s Index (PMI). Lockdowns caused bottlenecks in supply chains and the emergence of COVID variants exacerbated disruptions in value chains across sectors. As of July 2023, there have been more than 6.9 million confirmed COVID-19 deaths worldwide, and we have seen the impact of long COVID on rates of morbidity. We are still learning how the shutdown and adaptation of educational systems worldwide has impacted student learning and achievement, which will have future implications for the global workforce.

For decades, ICCR members have encouraged pharmaceutical companies to adopt practices to promote greater health equity, including a commitment to ensure that advancements in life-saving medicine and technologies are available, accessible, and affordable to all people. We believe failure to do so conflicts with companies’ missions, represents significant risks to the company and its stakeholders, and threatens companies’ social license to operate. Impeding access to medicines not only threatens

companies' individual performance over the long term, but it may also undermine public health more broadly resulting in systemic risks to the economy and by extension investors' entire portfolios. In response to the COVID pandemic, we developed a set of [pharmaceutical equity expectations](#) that we shared with our portfolio companies.

As such, we support the desire of [“The Group of Equity”](#) led by the Philippines and a number of low and middle-income countries (LMICs) to "uphold equity as a principle and outcome of this global accord." It is not a matter of if another global pandemic will occur, but rather when. This is why the establishment of a global pandemic accord that supports universal, equitable, and rapid global access, by sharing intellectual property (IP) to ensure the scale-up, manufacturing, and mass distribution of health technologies at prices low enough so that they are accessible to all, is critical.

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