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Implementation and Challenges for the EU's Vaccine Diplomacy

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The EU has strongly supported the UN-led efforts to ensure equitable access to COVID-19 vaccines. However, problems in achieving this goal have already hurt the Union's image. Activities by China and Russia, which convinced a large group of countries to buy or produce their vaccines, constitute another challenge for the EU. The Union should continue its efforts to increase its vaccine production capacity, encourage cooperation between its major allies, and relieve tensions surrounding the vaccine supply.

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Since the onset of the COVID-19 pandemic, global vaccine demand has far exceeded supply. Therefore, controlling production rights and/or production capacity in this field has been providing states and international organisations with a clear advantage in diplomatic relations. They can pursue their economic and political interests by exporting or licensing vaccines to other entities, or by restricting access to them. Due to the lack of a model entity whose handling of the pandemic can be considered ideal, EU vaccine diplomacy should incorporate the experience of a number of countries.

National Vaccination Programmes

Mass vaccination based on domestic production was the fastest and most effectively developed by the countries that by the end of the last year were leading in infection and mortality: the United Kingdom, the United States, and some EU Member States. The infection rates and scale of outbreaks in these countries were associated with relatively late or inconsistent introduction of restrictions on the freedom of movement of people and public assembly. Now, though, the UK, the U.S., and the European Union—which coordinates the procurement and distribution of vaccines to the Member States—have become global leaders in vaccination development thanks to their research potential (own or collaborative) and significant production capacity. These entities use in their national vaccination campaigns a similar set of vaccines developed and produced within the value chains linking these three centres (e.g., BioNTech-Pfizer and Oxford-AstraZeneca, or AZ, vaccines have been produced in parallel in the EU, UK, and U.S.). In addition, the EU, U.S., and UK diversified orders between manufacturers as well as contracted significant surpluses of doses to guard themselves against problems with the implementation or production of some of the new vaccines. Finally, vaccines derived from these centres underwent the most extensive testing, and subsequently were the most broadly recognised by third countries (Pfizer, AZ, and Johnson & Johnson vaccines obtained positive WHO opinions in Q1 of 2021, while two Chinese vaccines gained it only in May and June).

The U.S. and UK lead over the EU in terms of the pace of vaccinations resulted mainly from the acceleration of their vaccine-registration procedures, the implementation of public-private partnerships for production, and more efficient contracting of supplies. The authorities' active role allowed the UK and the U.S. to in effect control the production chains of selected vaccines, including the mobilisation of unused production facilities on their territory. For example, the U.S.-based Pfizer took control of the production of the German BioNTech vaccine, while the UK government created the domestic AZ production chain and retained control over the vaccine's intellectual property (IP) rights, licensing it to India in exchange for vaccine supplies, and also prompted the GSK company to utilise available capacity to produce Novavax in Britain.

Equitable Access to Vaccines: Declarations and Reality

Internationally, the EU vaccine strategy outlined in the European Commission Communication of 17 June 2020 combines efforts to obtain vaccines as soon as possible and support for countries that otherwise would struggle to acquire them on their own. As part of the Coronavirus Global Response campaign initiated by the European Commission, Member States, and most developed countries pledged to spend €15.9 billion to support research into vaccines, methods of treating COVID-19 infections, and the production of medical equipment. The EU then supported the WHO's COVAX initiative to jointly fund vaccine research and production. It was intended to provide vaccines for both the financing countries and the 92 poorest countries. COVAX was supported by donations and

loan guarantees from the EU and its Member States to a total of around €1.7 billion. Nevertheless, the EU, like many other developed countries, held direct negotiations with producers in parallel. Meanwhile, China supported COVAX only symbolically and Russia did not join the initiative. As a result, this venture, conceived as a global mechanism for the fair distribution of vaccines, was reduced to an instrument to support the poorest countries. The WHO's goal of ensuring equitable access to vaccines has not been achieved and the majority of doses produced by Western companies by the end of Q1 2021 were delivered to the richest countries. While by 9 April COVAX had distributed 38 million doses to 104 countries, the UK itself had received a similar number and the EU over 100 million through the separate deals.

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The disparity in access to vaccines hurt the EU's credibility. Therefore, the European Commission granted additional financial support to COVAX, and in its Communication from January 2021 announced the creation of a mechanism enabling the transfer of some vaccines allocated to the Member States to partner countries. The Commission indicated that the main addressees of this support would be the countries of the Western Balkans, the EU's eastern and southern neighbourhood, and Africa. Since these areas are the closest geographically to the EU and have strong political and economic ties with the Union, the lack of support for mass vaccinations in those places would directly increase the pandemic risk for the EU and weaken the Union's influence in these regions. The EC financed 650,000 doses for Western Balkans countries, the distribution of which began in May. The EU also announced it will donate 100 million doses to low- and middle-income countries by the end of the year.

Other Countries' Vaccine Diplomacy

Until March, both the U.S. and the UK based their strategies on highlighting the development and production of vaccines as a crucial instrument in the global fight against the pandemic. While both countries supported COVAX (the U.S. only since the start of the Biden administration), they indisputably prioritised national vaccination programmes at the expense of exports. For instance, the U.S. used a pre-existing law to ban the export of vaccines until its own needs were met. However, as they approached the threshold of herd immunity, the U.S. and the UK undertook to revise their strategies. Extra supplies went first to countries connected to their security and/or with which the two states have close ties. The U.S. is particularly active in this field. Initially, its aid focused on Mexico, but in May, President Joe Biden announced that the U.S. would donate 80 million doses to countries in South America, Asia, and Africa, mainly through the COVAX mechanism. Meanwhile, the UK provided Australia with 250,000 AZ doses.

In a statement on 5 May, the United States expressed its willingness to suspend IP protection related to the production of vaccines. The push for this came through the WTO from India and South Africa, backed by more than 60 low- and middle-income countries. Its supporters argue that this would pave the way for a substantial increase in the supply of vaccines: not only for poorer countries but also for rich ones that do not have their own production (e.g., Japan and Australia). Pharmaceutical companies argue, however, that the start of production by new entities requires expensive and time-consuming preparations that raises problems with ensuring quality control.

In the case of countries with their own production potential, vaccine diplomacy may also involve the exchange of technology and know-how (e.g., production licensing and cooperation in the development of vaccines, or the exchange of information about the virus genome). Despite the

public-image competition, in recent months there has been intense scientific and economic cooperation within the EU, U.S., and UK triangle.

A separate set of conclusions comes from countries that have implemented vaccine diplomacy independent of the West and especially aimed at developing countries. India has significant research and production potential as the main producer of vaccines in the world, and participates in cooperative networks linking developed and developing countries (e.g., it produces the AZ vaccine for Asia and Africa under the name "Covishield"). India has also developed the third-largest national vaccination programme after China and the U.S. (231 million doses compared to 795 million and 303 million, respectively). However, India blocked exports of doses following the rapid increase in infections in April and May.

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The case of Russia confirms that it is possible to conduct relatively effective vaccine diplomacy with limited resources if it is properly calibrated. Its actions are aimed at small countries with strong pro-Russia sentiments where small supplies are enough for the vaccination programme to succeed. Even though the Sputnik V vaccine has not been accredited by either the WHO nor the European Medicines Agency, Russia managed to convince more than 20 countries (including Hungary and Slovakia in the EU) to purchase it. However, even in countries with as great an affinity for Russia as Armenia or Serbia, Sputnik V did not constitute the majority of the doses used (20% in Hungary). Implementation of more ambitious vaccine diplomacy by Russia is hampered by its insufficient production capacity. It has tried to remedy this problem by selling production licenses to, for example, India, Argentina, and Egypt (there have also been talks with several EU countries). While it is difficult to assess the possibility of a significant increase in Sputnik's supply, Russia's actions have managed to weaken EU unity.

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China, in turn, has several vaccines and considerable production potential. These vaccines constitute the majority or a significant share of those used in many of the most populous countries of the world, including Brazil, Indonesia, and Mexico. Chinese vaccines are also directed to countries crucial to the land part of the Belt and Road Initiative (BRI): Turkey, the countries of the Eastern Partnership, and the Western Balkans. The shortage of Western vaccine supplies—especially for countries less wealthy or less connected with the West—strengthens the attractiveness of the Russian and Chinese offers (e.g., Serbia developed its vaccination programme faster than the EU by using vaccines from Russia and China). Vaccine deliveries enhance the image of the exporting country and may lead to a strengthening of political and economic relations between exporters and importers, especially if they are also backed up by licensing of production.

Between Cooperation and Competition

Given the delays in vaccination programmes in the EU, export restrictions by its closest partners, and the rival vaccine diplomacies of Russia and China, the Union has struggled to implement a coherent strategy. At the request of the European Commission, in January a mechanism was introduced to enable blocking the export of vaccines from the EU (and further strengthened in March). However, it was used only once in respect of the export of 250,000 AZ doses to Australia, as the producer did not fulfil contractual obligations regarding deliveries to EU Member States. The Commission emphasises that the EU is one of the largest producers of vaccines in the world, but unlike the U.S. and UK, it

generally does not limit their exports. According to data from 1 May, the EU exported half of the doses produced in its territory, i.e., about 200 million, which constituted about 18% of doses used outside the EU. Nearly half of the vaccines administered in the UK were made in the EU.

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An improvement in the EU's image in developing countries is hampered by the hesitancy to suspend patents for vaccines. The revision of the U.S. position places the EU in an uncomfortable position as the main opponent of changes. Suspension is mainly supported by centre-left groups. However, the Commission and most Member States, despite their declared readiness to discuss the Biden administration's proposal, maintain that the best way to increase production is to license manufacturing or encourage producers to voluntarily share their know-how. They also call on the U.S. to increase its vaccine exports.

Conclusions and Recommendations

The EU needs consistency in its vaccine diplomacy, including a clear hierarchy of goals and methods to achieve them. Over the last 15 months, the Union simultaneously sought to satisfy its own needs, commercial exports, and humanitarian supplies, and was only partially able to reconcile these aims. However, the scale of production in the EU and strong commitment to international vaccine initiatives provide a solid basis for its activities in the future.

In the face of Russia's and China's vaccine diplomacy (backed by propaganda designed to divide the EU), the Union should increase the number of vaccine doses donated to neighbouring countries even before the vaccine herd immunity goal of 70% of its adult citizens is reached. Given the flows of people and goods between these countries and the Union, this action should be seen as a preventive action to protect the EU against mutations of the virus. It would also strengthen the EU's image as a global power supporting multilateralism. The example of Russia demonstrates how skilful the application of even modest resources can ensure diplomatic success in selected countries. In turn, if the Balkan states continue their vaccination programmes by relying mostly on Chinese vaccines, it would weaken the EU's influence in the region.

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Increasing resilience to health crises should be a priority within the wide-ranging project to boost the Union's strategic autonomy. In particular, this should include reducing dependence on imported pharmaceuticals and maintaining an advanced research and development sector. The development of the pharmaceutical industry in the EU would make it possible not only to make Union diplomacy independent of its partners' decisions but also would create attractive jobs. In the social dimension, EU vaccine diplomacy must be based on the support of the citizens, preconditioned by its ability to meet both its own vaccine needs and exports.

In the short term, the EU should increase both the production of vaccines within the current pharmaceutical production chains and cooperation with countries with similar interests and values. It is worth considering the positive experience of the U.S. and UK in contracting vaccines early. Their contracts contained effective mechanisms to protect supplies and pre-emption rights as well as provided effective public funding of the production base.