

TRADING THROUGH THE PANDEMIC: THE WTO's RESPONSE TO COVID-19

The COVID-19 pandemic has had devastating health and economic consequences, causing unprecedented disruption to people's lives and the global economy. The multilateral trading system was severely impacted by the pandemic, yet trade policy settings were also integral to the evolving global response. The WTO undertook a wide range of initiatives, integrated with broader international efforts, to deal with the health, societal and economic impacts of COVID-19. This briefing note offers a snapshot of the main elements of the WTO's response to inform ongoing dialogue and practical initiatives on pandemic readiness and global resilience against future health crises.

Clarifying: enhancing transparency and the flow of information



From the outset, governments across the globe were faced with intense pressure to make difficult and urgent policy calls in a fast-evolving environment in which access to accurate and reliable information was key. The WTO's transparency mechanisms and analytical capacity were put to work immediately, publishing timely data on trade flows and disruptions affecting access to essential health products and services; analysing obstacles in critical supply chains; reporting on members' trade policy responses to the pandemic; publishing information notes on key developments, and building a unique information base of policy options relevant to current and future health crises.

Members adopted some 156 COVID-19 measures affecting trade in services and 458 COVID-19 measures relating to trade in goods. Just over half these goods measures facilitated trade (e.g. reducing or eliminating import tariffs and taxes on medical products). Export-restrictive measures included export bans, prohibitions and requirements for licensing or authorizing exports. Most of the services measures facilitated trade. Overall, the trend was from earlier restrictions on trade towards more focused efforts to expedite trade as a necessary pandemic response, including streamlining customs procedures; easing regulatory procedures and requirements; improving access to intellectual property (IP); and expediting the processing of IP rights.

To chart the dramatic impact of the pandemic on trade flows, the WTO developed new tools such as the COVID-19 Vaccine Trade Tracker to follow critical trends in the trade in vaccines – a major public health concern at the height of the pandemic.

Convening: providing a platform for dialogue for WTO members and other stakeholders



The stark reality of mutual interdependence in a global crisis meant that focused, timely dialogue and sharing experience were essential to the pandemic response. The WTO's existing multilateral framework immediately provided the necessary forums for information sharing and collective expert review of the full array of pandemic response measures. Members considered the pandemic response impact in ten distinct bodies under the Council for Trade in Goods, the Council for Trade in Services and the Council for Trade-Related Aspects of Intellectual Property Rights. Issues addressed at Council sessions included: unilateral trade easing and trade facilitation; streamlining regulatory procedures; measures easing or restricting trade; and the IP system. The 2022 Ministerial Declaration on the WTO Response to the COVID-19 Pandemic and Preparedness for Future Pandemics confirmed and consolidated this activity and established a forward-looking perspective to continue work on pandemic readiness. A wide range of external stakeholders provided essential insights, and the WTO used its convening power to draw upon the expertise of many international partners and initiatives from civil society, academia and the private sector.

At the peak of the pandemic, the WTO worked to build networks and initiatives to analyse and address obstacles to the supply of critical goods, in particular vaccines. These included the Multilateral Leaders Task Force, led by the heads of the International Monetary Fund (IMF), the World Health Organization (WHO), the WTO and the World Bank; and the WTO Director-General's high-level network of CEOs of vaccine manufacturers that addressed critical disruptions and obstacles to distribution. Established trilateral cooperation between the WHO, the World Intellectual Property Organization (WIPO) and the WTO enabled prompt organization of specialist programmes to build capacity in developing economies to implement policy tools, as well as the establishment of a dedicated technical assistance facility and the publication of joint analyses of the impact of COVID-19 and policy responses.



The pandemic has highlighted the importance of working towards enhancing timely, equitable and global access to safe, affordable and effective COVID-19 vaccines, therapeutics, diagnostics and other essential medical goods. We recognize the role of the multilateral trading system in supporting the expansion and diversification of production of essential goods and related services needed in the fight against COVID-19 and future pandemics, including through identifying opportunities and addressing barriers.

12th WTO Ministerial Conference, June 2022

Declaration on the WTO Response to the COVID-19 Pandemic and Preparedness for Future Pandemics

Cooperating: working together with international partners on practical responses



In response to the challenges of the pandemic, the WTO undertook innovative initiatives with established international partners and forged new partnerships. These efforts led to novel tools to track trade in critical products; comprehensive analyses of the evolving policy landscape; technical assistance tailored to urgent pandemic needs; and action to address obstacles to trade in critical products.

Examples of WTO cooperation to combat COVID-19

Accelerating COVID-19 Vaccine Deployment: Removing Obstacles to Increase Coverage Levels and Protect Those at High Risk:

Prepared by the Multilateral Leaders Task Force, Gavi – the Vaccine Alliance and UNICEF, this report examines vaccine distribution and sets out key actions to accelerate vaccine deployment to countries with low vaccination rates.

An Integrated Health, Trade and IP Approach to Respond to the COVID-19 Pandemic: The WHO–WIPO–WTO Trilateral Study is regularly updated and maps the policy landscape, informing joint technical cooperation activities have included a trilateral web platform, capacity-building workshops, tailored national and regional activities, and high-level policy symposia.

WTO–IMF COVID-19 Vaccine Trade Tracker: This tool provided unique data on the trade and supply of COVID-19 vaccines by product, economy and arrangement type, giving direct insights into the trade flows during the most critical period for vaccine rollout and global distribution.

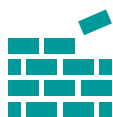
Trade Therapy: Deepening Cooperation to Strengthen Pandemic Defenses: This joint publication with the World Bank studies how to leverage trade to support global health security. It provides new trade data on medical goods and services, surveys the evolving policy landscape and sets out an action plan to improve trade policies and deepen international cooperation to deal with future pandemics.

Revisions to the Harmonized System classification: This cooperation with the World Customs Organization aims to facilitate the tracking of trade in critical medical products.

COVID-19 Trade Facilitation Repository: Hosted by the WTO Trade Facilitation Agreement Facility, the Repository, provides access to a wide range of information from various organizations to maintain safe cross-border trade during the pandemic.

Joint Indicative List of Critical COVID-19 Vaccine Inputs for Consultation: Together with numerous experts, the WTO developed this essential point of reference for industry, analysts and trade policymakers.

Catalysing and consolidating: considering the lessons learned for future health crises



Even at the height of the pandemic, WTO members agreed on the need to consider the lessons from the pandemic and to take collective action to prepare for future health crises. This understanding shaped the 2022 Ministerial Declaration on the WTO Response to the COVID-19 Pandemic and Preparedness for Future Pandemics, adopted while the pandemic remained an international health emergency. The Declaration took a forward-looking perspective and catalysed the WTO's pandemic response within the broader context of international cooperation. Members worked to consolidate the policy insights from the pandemic experience, affirming the importance of a stable, predictable trading environment, in line with WTO rules, for the manufacture, supply and distribution of vaccines, therapeutics, diagnostics and other essential medical goods and services. They underscored the multilateral trading system's support for expanded, diversified production of essential medical goods.

Key insights included the critical importance of transparency and related support for developing economies, and timely and accurate information on pandemic disruptions in supply chains. Members agreed that where emergency trade measures were necessary, they should be targeted, proportionate, transparent and temporary, and should not create unnecessary trade barriers or supply chain disruption. The relevant WTO bodies have developed reports on the pandemic response setting out practical insights in greater detail. Common themes include:

- the need to improve coordination and cooperation at international and domestic levels, and the value of a whole-of-government response to deal with future pandemics;
- greater transparency and sharing of experience within and beyond the established scope of the trade monitoring framework;
- the transformative impact of digitalization, accelerated during the pandemic, and the need for support for developing economies to benefit fully from digital technologies and tools;
- the need for improved information tools to identify critical inputs and products;
- the significance of trade-easing measures to accelerate imports and ensure resilient supply chains, and restraint in imposing emergency interventions onto supply chains and other trade flows;
- transparency, convergence and appropriate flexibility in regulations and the application of standards;
- the significance of international travel rules, especially for key health workers; and
- the value of sustaining inclusive and evidence-based discussion on all trade policy issues raised by the pandemic.