

# Introduction:

## The pandemic and the multilateral trading system

All governments have, as a primary responsibility, the preservation of the health of their populations. International cooperation is not merely desirable but essential for governments to deliver on this responsibility. The World Health Organization (WHO) was founded on the principle that the health of all people is “dependent upon the fullest co-operation of individuals and States” and the “achievement of any State in the promotion and protection of health is of value to all.”<sup>1</sup>

The COVID-19 pandemic demonstrated the stark reality of this interdependence and highlighted the integral place of international trade in responding to the global health crisis. No domestic system, no matter how powerful or economically strong, could deal with the pandemic in isolation. As communities across the world reeled under the social and economic impact of COVID-19, WTO members unanimously declared in June 2022 that 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” and underscored the “critical role the WTO can play in promoting inclusive growth including industrialization, development, and resilience.”<sup>2</sup>

The trade component of the international response to the pandemic spanned the full gamut of the WTO's responsibilities and expertise: all communities depended to some extent on trade for inputs, for finished medical products and for related services, as well as new and adapted medical technologies and regulatory data. WTO members highlighted “the importance of a stable

and predictable trading environment for the provision of goods and services in accordance with WTO rules to facilitate manufacturing, and supply and distribution, of COVID-19 vaccines, therapeutics, diagnostics and other essential medical goods, including their inputs” and “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.”<sup>3</sup>

At the most practical level, monitoring and responding to the pandemic would have been impossible without this flow of information and without coordination at policy level. This essential collaboration ranged from the sharing of genomic data early on, which enabled development of new medical countermeasures, to cooperation on regulation. As understanding of the characteristics of a novel coronavirus developed, so did understanding of the impact of various policy responses to the health crisis. Thus, trade policy, and the international trading system, was the fundamental basis of this connected and integrated global response.

In the early stages of the pandemic, international trade in personal protective equipment spiked dramatically as governments struggled to gain access to the tools necessary to guard their populations, and especially health workers, against the scourge of the new pathogen. When vaccines were developed that would, ultimately, help turn the tide of the pandemic, this meant that all economies were dependent on trade for essential ingredients and other inputs for vaccine production and distribution.

A departure from the core principles of open, facilitated and non-discriminatory international trade was, in part, responsible (among many other factors) for the stark inequities in vaccine access at critical stages of the crisis. At the same time, the pandemic demonstrated that the world could not rely on “business as usual” and expect an open trading system alone to deliver critically needed new medical products urgently and equitably, without active intervention.

**The COVID-19 pandemic highlighted the integral place of international trade in responding to the global health crisis.**

## Box 1. The 2022 Pandemic Declaration

**In the lead-up to the 12<sup>th</sup> Ministerial Conference (MC12), WTO members negotiated a framework to guide and consolidate the WTO's response to the pandemic, to enhance the flow of practical knowledge, and to help render the multilateral trading system more resilient and better prepared for future crises.**

**Negotiations, based on various members' textual proposals, resulted in the Ministerial Declaration on the WTO Response to the COVID-19 Pandemic and Preparedness for Future Pandemics (Pandemic Declaration), adopted by consensus at MC12.**

**The Pandemic Declaration identified numerous priority areas on which to focus efforts, including export restrictions, food security, intellectual property, regulatory cooperation, services, tariff classification, technology transfer, trade facilitation and transparency, and tasked the General Council with an annual stocktaking exercise.**

*Source: Ministerial Declaration on the WTO response to the COVID-19 pandemic and preparedness for future pandemics, WTO document WT/MIN(22)/31, 22 June 2022.*

The COVID-19 pandemic therefore led to two contrasting insights: on the one hand, governments had to implement exceptional measures, legitimate steps taken in the public interest in an emergency; on the other hand, the pandemic accentuated the essential common interest in and mutual benefit from the core principles of the multilateral trading system, especially the benefits of open and well-functioning international production and supply chains, and non-discriminatory measures.

Experience has shown the scope for addressing essential non-trade interests, of which public health is paramount, while working robustly within the system of multilateral trade rules. Notably, at the height of the pandemic, reflecting the direct interplay between trade and health, G20 health ministers agreed on the urgent need “to eliminate WTO-inconsistent barriers that jeopardize the effective operation of the supply chains for essential medical goods” and the importance of promoting “open, resilient, diversified, secure, efficient and reliable global supply chains across the whole value chain related to health, and that trade, procurement and public health policies are transparent in order to facilitate the smooth flow of these goods.”<sup>4</sup>

The most authoritative survey of the trade policy dimension of the pandemic was that set out by WTO members in the June 2022 Ministerial Declaration on the WTO Response to the COVID-19 Pandemic and Preparedness for Future Pandemics (Pandemic Declaration) (see Box 1).<sup>5</sup>

Based on the clear articulation of the critical role of the multilateral trading system in the pandemic response, the Declaration underscored “the importance of understanding how WTO rules have supported Members during the COVID-19 pandemic, and their role in future

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pandemics” and affirmed “the need to review and build on all the lessons learned and the challenges experienced during the COVID-19 pandemic, to build effective solutions in case of future pandemics”.<sup>6</sup> It called on relevant WTO bodies to work on lessons learned and challenges experienced during the pandemic, and also noted the role of the Secretariat and the importance of cooperation with other international organizations, such as the WHO.

This publication provides a survey of the many facets of the WTO's response, as an accessible record of the role played and as a factual contribution to the ongoing international dialogue on how to learn from the pandemic to better prepare for future health crises. Given the wide range and complexity of the activities undertaken, it is necessarily selective while aiming to be representative and inclusive. Drawing on more technical reports, it organizes the activities undertaken and the practical lessons learned according to the following four themes.



## 1. Clarifying: Transparency in a pandemic

**As governments were confronted with difficult, pressing policy decisions, the WTO's transparency and monitoring mechanisms, adapted and extended to respond to the unique demands of the pandemic, came into their own.**

The flow of critical data on disrupted trade flows and immediate policy responses commenced early in the crisis, and new information and policy monitoring tools were swiftly developed and deployed. The WTO played a key role in continuing to track trade flows, notably for the burgeoning distribution of vaccines, and in stepping up the collation and analysis of trade policy approaches, so that governments had both a firmer empirical foundation for decision-making and a more comprehensive view of the evolving policy space.



## 2. Convening: Sharing experience and reviewing policy responses

**A coordinated and effective international response to the pandemic entailed drawing together insights and experience, as well as urgent dialogue at political, practical and expert levels, making indispensable the convening power of a multilateral organization such as the WTO.**

Existing avenues for dialogue were quickly implemented to provide a response to the pandemic, and new networks were established. Affirmed and further advanced through the Pandemic Declaration, intensive work went ahead in the main WTO bodies, but also through consultation, cooperation and information sharing with international partners, health programmes, industry and civil society. Notably, the WTO engaged at leadership level with international organizations and vaccine producers to identify and address obstacles to expeditious and equitable distribution of these urgently needed medical countermeasures.



## 3. Cooperating: From information and dialogue to action

**The rapid flow of data and policy insights, and the swift uptake of the pandemic response in existing forums and cooperative processes, as well as in newly forged collaborative arrangements, formed a solid foundation for urgent practical cooperation and for necessary action.**

WTO cooperation took on many forms, including new and adapted approaches to policy and statistical analysis with intergovernmental organizations and other partners. Working closely with international partners and a wide range of industry and civil society stakeholders, tailor-made technical cooperation and policy support programmes were rolled out for members, a grounded, inclusive and holistic approach.



## 4. Catalysing and consolidating: Building future responsiveness and resilience

**With the most severe and immediate impact of the pandemic now past, although COVID-19 remains a disease of significant concern attention has turned to analysing and applying the hard lessons learned during this experience, the systemic shortcomings and the lack of preparedness.**

These insights can shape a blueprint for future international cooperation, catalysing work on developing information and policy tools, building capacity and strengthening long-established and more recent partnerships, and consolidating the institutional framework for continuing cooperation on the intersections between trade and health. The Pandemic Declaration sets out, at the WTO's most senior political level, the core elements of an integrated, comprehensive and collaborative approach. The Declaration, together with further guidance from members, can help to consolidate an appropriate and practical role for the WTO within the multilateral and international framework for pandemic response and public health.