

**BRIEF TO THE HOUSE OF COMMONS STANDING COMMITTEE ON HEALTH:
How a lack of transparency and accountability in the supply of COVID-19 vaccines has
impacted Canadians throughout this pandemic**

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The COVID-19 pandemic has highlighted the vital importance of ensuring access of the population to vaccines, essential medicines, and health technologies, to curb the spread of COVID-19, save lives, and eventually bring an end to the pandemic. This brief focuses mainly on the procurement of COVID-19 vaccines by the Canadian government. Given the large number of public funds involved in the research and development processes; the global urgency for all citizens to be inoculated; and the public confidence at stake, the deployment and procurement of safe and effective COVID-19 vaccines has been vital. These processes also demand transparency in all stages, from initial negotiations with suppliers to the distribution of vaccines to the Canadian public.¹ This transparency has been very much limited throughout the pandemic. What is more, COVID-19 vaccines are a global public good that anyone, anywhere, can benefit from. Yet, according to a recent World Gallup Poll, 32 per cent of people—1.3 billion people globally-- are currently unwilling to get a vaccine.² Vaccine hesitancy could put a critical dent in the efforts to end this pandemic.³

¹ Natalie Rhodes et al., “For Whose Benefit? Transparency in the Development and Procurement of COVID-19 Vaccines.” (Transparency International, May 2021), <http://ti-health.org/wp-content/uploads/2021/05/For-Whose-Benefit-Transparency-International.pdf>.

² Ray, Julie, “Over 1 Billion Worldwide Unwilling to Take COVID-19 Vaccine” (3 May 2021) <https://news.gallup.com/poll/348719/billion-unwilling-covid-vaccine.aspx> accessed 14 June 2021.

³ Baragona, Steve, “Worldwide Vaccine Hesitancy Poses Risk to Ending Pandemic” (3 May 2021) <https://www.voanews.com/covid-19-pandemic/worldwide-vaccine-hesitancy-poses-risk-ending-pandemic> accessed 14 June 2021.

When information related to vaccine development and supply is not released to the public, the resulting information gap creates space for public distrust, growing vaccine hesitancy, and widespread misinformation.⁴ Additionally, a lack of transparency when reporting adverse effects from clinical trials can further contribute to vaccine hesitancy. The only effective way to address the uncertainty and misinformation that contribute to vaccine hesitancy is to share information, often and clearly.⁵ The more this is done, the more likely we are to generate public trust and bolster Canada's vaccine deployment efforts.

In the recent study, *For Whose Benefit*, by Transparency International UK in collaboration with my research team, we found that Canada has done relatively well in making publicly available the clinical study reports of COVID-19 vaccine trials. Canada was only one of two countries to do so, out of the nine countries that our research examined. However, Canada has also participated in the very troubling trend of censoring key information from procurement contracts with pharmaceutical companies, or not publicly releasing the information at all, creating the perception of asymmetric power between public officials and the pharmaceutical industry.⁶

In the best of times, the public procurement of health products is a government function that is at the highest corruption.⁷ In the worst of times, during public health emergencies like the COVID-19 pandemic we are experiencing, these risks are amplified, as the speed and flexibility required do not always allow for due process and adequate oversight. This makes transparency and accountability in emergency procurement processes essential-- let me explain why.⁸

Accountability here can reduce the risk of abuse of power, assure compliance with standards and procedures is met, improve performance, and offer organizational learning. It also demands that institutions justify actions to stakeholders, internal and external monitors, and permits the imposition of sanctions when performance falls short or corruption is found.⁹ Transparency in the procurement process allows for easy comparison of prices paid, enabling informed decisions to be made and potentially leading to greater negotiating and purchasing power. Additionally, transparent pricing data can highlight patterns and expose outliers, such as overpayments,

⁴ Rhodes et al.

⁵ Rhodes et al.

⁶ Rhodes et al.

⁷ Kohler, Jillian Clare, and Deirdre Dimancesco. "The risk of corruption in public pharmaceutical procurement: how anti-corruption, transparency and accountability measures may reduce this risk." *Global health action* 13, no. sup1 (2020): 1694745.

⁸ Vian, Taryn and Jillian Care Kohler. "Medicines Transparency Alliance (MeTA): Pathways to Transparency, Accountability and Access." (2016).

⁹ Kohler and Dimancesco.

collusion, or kickbacks. Reversely, procurement systems without accountability and transparency mechanisms create risks in terms of credibility and trust in the process.¹⁰

Still, the Canadian government has demonstrated a glaring deficit in both transparency and accountability, particularly in its negotiations and purchasing agreements with companies. Canada's reluctance to release the details of its procurement contracts for COVID-19 vaccines unfortunately illuminates the asymmetric power relations between the government and the pharmaceutical/vaccine industry. In crisis there is opportunity, and the current pandemic offers the government of Canada, as well as other governments and international organizations, an opening to change the traditional model of how procurement contracts with vaccine suppliers are managed. Allowing for full public information regarding the prices paid, the terms of agreements, and more, will serve the government well by heightening its accountability to the Canadian people. The public has a right to know how much their government is paying for vaccine doses, what it's negotiating, and why, all of which will contribute importantly to boosting public trust and confidence in Canada's supply and deployment of COVID-19 vaccines.

And, let's not forget without pricing transparency, inequity abounds. We have already found that there is inconsistency in prices paid for vaccine doses across countries of different economic profiles. South Africa – an upper-middle-income country, has paid an average of 25% more per contract for AstraZeneca's COVID-19 vaccine than high-income countries, like the US.¹¹

Canada currently has 11 COVID-19 vaccine procurement deals in place, translating to nearly 16 doses per Canadian. Despite the overabundance of doses, the Canadian government failed to dictate clear timelines for deliveries, resulting in an erratic supply and uncertainty in the first quarter of 2021. Furthermore, very early on, the government of Canada tapped into COVAX, a multilateral initiative designed to address inequity in COVID-19 vaccines globally.¹² While Canada was permitted to turn to COVAX, it has brought Canada's standing as a global health leader and its moral standing on the global stage, into question.¹³

Canada is in a relatively powerful negotiating position with suppliers given it has purchasing agreements for large quantities of vaccines. The Canadian government should use its positioning to push for a higher standard of transparency, a standard at which, to some extent, is being upheld by the United States, and the European Union.

¹⁰ Seidman, Gabriel, and Rifat Atun. "Do changes to supply chains and procurement processes yield cost savings and improve availability of pharmaceuticals, vaccines or health products? A systematic review of evidence from low-income and middle-income countries." *BMJ global health* 2, no. 2 (2017): e000243.

¹¹ Rhodes et al.

¹² Kohler, Jillian. "Developing Countries Won't Forget Canada's 'Me-First Approach' to Vaccines." *The Globe and Mail*. (8 February 2021) <https://www.theglobeandmail.com/opinion/article-developing-countries-wont-forget-canadasme-first-approach-to-vaccines> accessed 14 June 2021.

¹³ Kohler.

At the 2019 World Health Assembly, a Resolution was passed to improve the transparency of markets for medicines, vaccines, and other health products, which brings my arguments for Canada in line with the direction of global health policies.¹⁴ Governments must ensure that procurement is carried out efficiently and with due diligence to guarantee quality in public service delivery and to protect public interests. Integrating transparency and accountability mechanisms into procurement processes is essential to ensure better access to vaccines and other essential medical supplies.¹⁵

Based on the aforementioned, I have three key recommendations for the Standing Committee on Health to consider:

- 1) Canada should advance pricing transparency and release all COVID-19 vaccine procurement contracts without any redactions;
- 2) Canada should support efforts to waive intellectual property rights for COVID-19 vaccines and related technologies to help bolster global supplies and equity;
- 3) Canada should support the creation of regional hubs for vaccine supplies globally through targeted funding and knowledge sharing.

Thank you,



¹⁴ Ido, Vitor Henrique Pinto. "Transparency in the Pharmaceutical Industry: A New Dimension in the International Debate Regarding the Access to Medicines?." (2019).

¹⁵ Kohler and Dimancesco.