



WS201

ASSESSING THE SITUATION OF COVID-19 AND INTERNATIONAL TRADE AND HEALTH

| BACKGROUND

The COVID-19 pandemic brings numerous unexpected problems with wide impacts beyond health. Significant increase in demands of the healthcare services and relevant supplies in responding to the disease results in shortage of supplies worldwide. Temporary export restriction is immediately introduced in more than 80 countries which the top five products include face and eye protection, protective garments, gloves, sanitizer and disinfectants, pharmaceuticals[1]. Other countries take the utmost measurement with export prohibition on medical supplies, while some has a more subtle procedure with a licensing or permit requirements to export[2]. Undeniably, the domino effects cannot be avoided since no country has the ability to produce all the needed products, still an effort to alleviate the shortage problem for many countries is either by the reduction on tariff or suspension on certification requirement on their import aspect. However, suspension on commercial flights have spiked air freight prices as demand surges, still an increase in air freights cannot yet meet the capacity, while some borders remains open, land freight is being slow down due to complicated procedures which increase delay and costs. The restriction poses obstacles especially in pharmaceutical drug as China who is the key raw material suppliers and India who is the major producer for generic drugs lock down their countries[3] and other sites are shut down due to lack of raw materials or site affected the pandemic.

This imbalance of market mechanism disrupts global supply chain as countries trying to secure medical supplies and raw material shortage drive ups its price where payment terms of 50% upfront payment required, delivery delay as highest-paying customers move to the front and excessive mark-ups create new economic model that offer significant advantages to only those who can afford[4]. Smuggling of substandard medicine is another major issue to consider, especially in the poorer countries. The rising in demand, falling in supply and distracted regulators widen opportunities for substandard medicines as countries receive falsified medicines supplies related to COVID-19[5], as well as poor quality medicines for diabetes, heart disease, depression, and rheumatism, cancer[6]. This subsequently adds burden to the health systems.

The process of work to prepare for this session is to commissioned expert(s) to review the situation and analyze the impact of international trade on health during COVID-19 especially access to medicine and medical devices. This commissioned paper will be provided as an input to the webinar discussion.

[1] https://www.wto.org/english/tratop_e/covid19_e/export_prohibitions_report_e.pdf

[2] <https://www.macmap.org/en/covid19>

[3] <https://hub.jhu.edu/2020/04/06/goker-aydin-global-supply-chain/>

[4] <https://blogs.worldbank.org/health/covid-19-coronavirus-panic-buying-and-its-impact-global-health-supply-chains>

[5] <https://www.who.int/news-room/detail/31-03-2020-medical-product-alert-n-3-2020>

[6] <https://www.kcl.ac.uk/news/the-covid-19-pandemic-increases-the-chances-that-other-medicines-wont-work>

| OBJECTIVES

To discuss the situation of COVID-19 and implication on international trade and health.



Panelist

Sudarshan Jain

Secretary General

The Indian Pharmaceutical Alliance
India

Sudarshan Jain

- Secretary General, Indian Pharmaceutical Alliance (IPA)
- Senior Advisor, APAX Partners, India
- Visiting Faculty, Indian Institute of Management (IIM), Ahmedabad
- Formerly Managing Director, Abbott Healthcare Solutions, India
- Board member, Healthcare and Education Sector

Sudarshan has a strong passion for healthcare and the education sector. He is currently the Secretary General of Indian Pharmaceutical Alliance (IPA), Senior Advisor with APAX Partners and is also a Board member of multiple organizations. He has served in several leadership positions over the years and was earlier the Managing Director at Abbott Healthcare Solutions.

Sudarshan has a rich healthcare business experience of over 40 years which includes stints in Abbott, Johnson & Johnson and leading Indian companies. He has got extensive experience in field force management, brand building, and overall business operations in healthcare companies. He has been associated with over 30 brands which are among the top 300 in the Indian Pharmaceutical industry. His experience covers Pharmaceutical, OTC, Hospital, Diagnostic & Nutrition business. He has received a number of recognitions for his contributions within the company, with academic institutions and with industry associations. He is the first Indian recipient of the Global Chairman's Award at Abbott.

Sudarshan has also served as Vice President of Organization of Pharmaceuticals Producers of India (OPPI) representing research-based pharmaceutical companies. He is currently the member of the Board of Abbott India, Healthium Limited (APAX portfolio company), Zandu Chemicals Limited, PharmEasy, Indian Institute of Health Management Research, Jaipur, member of the Advisory Board of Narsee Monjee University, Mumbai (NMIMS), Board Member of Indian Education Society (IES) and Charter Member of The Indus Entrepreneurs, Mumbai (TiE). He is a Certified Executive Coach from Coaching Foundation of India. He has also contributed in shaping the healthcare policy and improving access to healthcare in India.

Sudarshan is an alumnus of St. Stephens College, Delhi and Indian Institute of Management, Ahmedabad.