

11th Trilateral Symposium
Strengthening Manufacturing Capacities to Respond to
the Non-Communicable Diseases Burden

13 December 2024

10h00 – 16h30

Centre William Rappard, Room W

Opening Remarks by WTO Director-General Dr Ngozi

Excellencies, ladies and gentlemen,

1. Good morning, and welcome to this 11th Trilateral Symposium, jointly organized by the World Health Organization, the World Intellectual Property Organization and the WTO.
2. I'm happy and grateful that my colleagues from WIPO and the WHO have agreed to join us here today. I also want to extend a special welcome to our keynote speaker Sir Jeremy Farrar whom I have known for a long time.
3. Non-communicable diseases account for the bulk of the global disease burden - 74% of all deaths globally, the majority in low- and middle-income countries. It is anticipated that the number of such deaths will rise from 41 million per year today to 52 million in 2030.
4. So NCDs are having a major impact on people's health and lives, as well as on wider economies and societies.
5. Despite the urgent need to promote innovation and equitable access to NCD prevention, detection, and treatment technologies, the fact is that these diseases have not been at the top of the priority list.

6. Only a small fraction of funding from global health institutions has been allocated to NCDs. Many existing technologies to prevent and control NCDs remain unavailable or unaffordable in low- and middle-income countries.
7. It is not that NCDs have been ignored by the global public health community. Over the past decade various UN declarations, a WHO High-level Commission and Global Action Plan, and government-led initiatives have sought to address NCD prevention and control. The Sustainable Development Goals recognize the challenge presented by NCDs, and call for a reduction of mortality from NCDs by one third by 2030.
8. But the fact is we are not on track to achieve these goals. Some of the inattention is perhaps understandable. After all, just as NCDs had begun to gain traction as a policy priority, a novel strain of coronavirus came to light – exactly five years ago this month –shifting the world's focus back to infectious diseases.
9. Nevertheless, NCDs remain a global health challenge – one that some fear could spiral out of control. At the same time, the landscape is changing. New blockbuster drugs are revolutionizing the treatment of diabetes, obesity and other NCDs. Personalized medicines for cancer treatment offer enormous potential, but raise even bigger questions around global access and affordability.
10. This is the backdrop for today's Symposium. Our speakers will explore how health, trade and intellectual property policies can contribute, and in fact need to contribute, to reducing the global NCD disease burden. Specifically, they will focus on lessons learned during the COVID-19 pandemic about the need to strengthen and diversify manufacturing and innovative capacities across countries and regions.

11. Let's take a moment to think back to a few key takeaways from the COVID response as it relates to the intersection of our three institutions; WHO, WIPO and WTO. First: open trade is necessary for scaling up the production and diffusion of countermeasures. Second: swift and collaborative understandings around intellectual property are preferable for maximizing both innovation and access. And third: overconcentration in manufacturing and innovative capacity becomes a vulnerability when a crisis hits.
12. Today we are looking at how these lessons might apply to the NCD context.
13. In June 2022, when WTO Members adopted their Ministerial Declaration on the COVID-19 Response and Preparedness for Future Pandemics, they recognized that strengthening productive, scientific and technological capacity across the world would also be "instrumental for developing solutions to public health crises beyond COVID-19."
14. Ongoing work in WTO bodies to analyze lessons and challenges from the COVID-19 pandemic is yielding insights that will help build effective solutions to the looming NCD crisis. Let's look at five:
15. First, diversifying medical manufacturing capacity, a major element of pandemic preparedness, would also help respond to the global NCD disease burden. All of us remember how poor countries were pushed to the back of the queue for COVID-19 vaccines. Less well known is the fact that pandemic-related disruptions severely curtailed – and even cut off – access to NCD treatments in low and middle-income countries. Patients living with cardiovascular disease, diabetes, cancer, and mental health conditions were left in the lurch. WHO surveys indicate that 31% of

low-income countries reported NCD medicine unavailability or stockouts in 2020, a figure that rose to 41% in 2021.

16. Resilient supply chains and sustainable regional manufacturing can help to avoid such shortages in the future, while bringing prices down through enhanced competition.
17. Second, just as pre-pandemic vaccine production was highly concentrated in a few countries – 80% of global exports came from only ten economies – exports of NCD treatments are highly concentrated. For example, India, the EU and the US dominate exports of the human insulin commonly used to treat diabetes in low and middle-income countries. As major supplying firms switch to more lucrative products, concentration at the corporate level is also getting worse. A silver lining here is the opportunities for new companies and countries to enter the market for NCD medicines, bolstering supplies and access. But this can only happen if trade remains open and predictable.
18. A third lesson from the COVID-19 pandemic is that if efforts to diversify manufacturing capacities for NCDs are going to be sustainable over the long-term, they need sustained and predictable demand. In other words, diversification must go hand in hand with steps to ensure demand. Pooled procurement of medical products – as six African small island states are currently doing with WHO support – is one option to ensure demand for production from new NCD countermeasure manufacturing facilities.
19. A fourth set of insights revolve around the importance of transparency and coordination for new manufacturing initiatives. Many such initiatives have been launched since the COVID-19 pandemic, but we know little about whether they are coordinated to complement each other. In a similar vein, there is not enough transparency with regard to what

is being done to strengthen manufacturing. We have asked our panelists today to discuss what kinds of additional steps and coordinating mechanisms could be usefully put in place, and how our three agencies could help.

20. And finally, to tackle the global NCD disease burden effectively, innovation, not just manufacturing, needs to happen in more countries. Spreading innovative activities would make regional manufacturing more sustainable, and support the development of technologies better tailored to the needs of patients in a particular region. Diversifying innovation requires the sharing of technology and know-how. Ideally, this should be done through voluntary collaboration, licences and so forth. But where this does not materialize, governments have at their disposal a wide range of flexibilities under WTO rules to financially support research, and to use TRIPS flexibilities, including compulsory licences, to pursue equitable access.

21. Across all five of these areas, the pandemic experience underscored the importance of open and predictable trade for enabling access to medical products. During the most acute phase of the pandemic, global trade in pharmaceutical products boomed, growing by more than 30% from \$664 billion in 2019 to \$868 billion in 2021. By 2023, it reached \$904 billion – almost a trillion dollars. New regional value chains will not be able to develop unless inputs and final products can move around smoothly. Trade-facilitating measures and streamlined regulatory procedures have key roles to play here, as does the intellectual property system in supporting research and innovation, as well as related technology transfer. Better data would help as well. The pandemic revealed that we are poorly equipped to monitor medical trade flows at the most granular level. The WTO, WHO and the World Customs Organization have responded by working together to create highly detailed customs rules for vaccines. In addition, the WTO has a plurilateral Agreement on Trade in Pharmaceutical Products, in which

participating members reduce or eliminate tariffs - on an MFN basis - on finished pharmaceutical products as well as around 7000 active ingredients and chemical inputs. Non-participating Members could consider joining that initiative to signal their intent to participate in more diversified pharmaceutical supply chains.

22. We should acknowledge here that trade can contribute to the rise of certain NCDs. For instance, tariff reductions on fatty meats, tobacco and alcohol could lower prices and thus potentially encourage obesity, diabetes and cardiovascular diseases. But as is often the case, trade and the WTO are part of the solution as well. WTO rules and exceptions offer Members a solid basis to design and apply measures that promote public health objectives whilst minimizing negative impacts on trade. Australia's Plain Packaging rules for tobacco control have been affirmed by the WTO's dispute settlement system. A tax on all sugary beverages, both foreign and domestic, would disincentivize consumption more effectively than a tariff that applies only to imports.

23. Friends, let me now conclude. Even as we work to better respond to future pandemics, if we are serious about improving people's lives, we also need to step up on NCDs. So alongside governments' efforts to bring the WHO Pandemic Treaty negotiations to a swift conclusion, I encourage the public and private sectors to work together to build out the manufacturing and innovation capacities necessary to reduce the NCD burden everywhere. Here at the WTO, together with our partners at the WHO and WIPO, we stand ready to support your efforts to better prevent, control and treat NCDs. During the pandemic, we deepened our ties not just with each other, but with the private sector, NGOs and foundations. We hope to keep strengthening these partnerships to deliver on NCDs.

24. Thank you. I am looking forward to learning a lot today.