



the dtic

Department:
Trade, Industry and Competition
REPUBLIC OF SOUTH AFRICA

THE NATIONAL ASSEMBLY

QUESTION FOR WRITTEN REPLY

QUESTION NO. 2269

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Inkosi R N Cebekhulu (IFP) to ask the Minister of Trade, Industry and Competition

- (1) In light of the fact that the Republic to date has received 23,4% of its Johnson & Johnson supply, yet Aspen has been exporting some of its Johnson & Johnson vaccines abroad, what efforts is his department making in negotiating for Aspen to receive a full technology transfer agreement and not leave the fight to civil society alone considering the monopoly enjoyed by Johnson & Johnson,
- (2) whether his department will consider a revision of the Republic's patent laws to ensure that big pharmaceutical companies do not take advantage of the intellectual property laws at the expense of ordinary South Africans whose health should be a priority; if not, why not; if so, what are the relevant details? [NW2577E]

REPLY

- (1) **the dtic** and other Government departments have worked together to build local capability in the production of Covid-19 vaccines. The actions included among others:
 - Support to Aspen Pharmacare for the building of a world-class manufacturing facility in the Eastern Cape that was able subsequently to meet the technical standards to qualify as one of seven manufacturing plants globally for the completion of fill and finish contracts with J&J
 - Initiating a request at the World Trade Organisation (WTO) in October 2020, together with India, for a waiver of certain provisions of the TRIPS agreement that regulates use of intellectual property. The effect of this would be to enable production of

vaccines and use of technologies during the pandemic without the veto that patent-holders currently have. This has now secured the support of more than 100 countries, a number of former Heads of State and Nobel laureates as well as religious organisations, civil society formations, medical professionals and members of parliaments across the world; and holding bilateral meetings with a number of countries to secure their support

- Engagement with J&J that resulted in an agreement that the bulk of vaccines manufactured in SA would be for use domestically and elsewhere on the African continent
- Advocacy efforts to have licensing agreements between SA-based companies (including Aspen Pharmacare) and large global pharmaceutical companies, accompanied by transfer of technology. We refer the Honourable Member to the announcement by Aspen Pharmacare in respect of talks on a licensing agreement with J&J and the public statement by **the dtic**.
- Engagement with the German and French governments and BionTech regarding the transfer of technology and manufacturing rights in respect of the Pfizer vaccine to another SA company, namely Biovac, which h was followed by the announcement of a partnership agreement; and
- Discussions with Nantworks about Covid-19 vaccine development and the prospects of establishing a manufacturing facility in SA in future.

SA is now designated by the World Health Organisation (WHO) as one of the new production Hubs for COVID-19 vaccines using approved mRNA technology. We continue to engage with intellectual property patent holders for full access to the requisite technology under the Access to COVID Tools (ACT)-Accelerator initiative, launched by WHO and partners, and co-chaired by SA and Norway.

- (2) **the dtic** has completed extensive work on a draft Patents Bill (PB) that will be submitted to Parliament in due course, after it has been considered by Cabinet. The PB aims to update and reform SA's patent legislation, bring it in line with new developments in the patent regime and ensure consistency with international best practice. Subject to the outcome of the consideration of the Bill within the executive, it is expected that it will

provide for special measures to address use of patented products during a health crisis. As soon as the terms of the Bill is finalised and agreed, a public consultation process will commence.

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