Rationale for suspending trade & investment treaty negotiations during coronavirus outbreak

SOME IMPLICATIONS OF INTELLECTUAL PROPERTY (IP) PROTECTION FOR ADDRESSING THIS CORONAVIRUS 1

TRADE AND INVESTMENT NEGOTIATION SUSPENSION

CURRENT TRADE AND INVESTMENT AGREEMENT NEGOTIATIONS

THE RATIONALE FOR SUSPENDING CURRENT TRADE INVESTMENT NEGOTIATIONS INCLUDES:

On the health side:

Getting citizens home:

On the economic front:

Overall:

OTHERS CALLING FOR A HALT TO TRADE NEGOTIATIONS DURING THIS PANDEMIC

Some implications of intellectual property (IP) protection for addressing this coronavirus

Some examples are provided below.

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<th>Technology needed to deal with COVID-19</th>
<th>Type of IP protecting this technology¹</th>
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<td>Trade secrets or patents – e.g. on the buffer used²</td>
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<td>Masks</td>
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<td>Medicines to treat COVID-19 (e.g. remdesivir⁴)</td>
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<td>Vaccine</td>
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<td>• Software – copyright⁶</td>
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<td>• Machining templates and quality assurance protocols etc – trade secrets⁷</td>
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<td>Artificial intelligence (see Case Study 3 below)</td>
<td>• Algorithms – copyright and trade secrets</td>
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<td>• Patents</td>
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<td>• Dataset and training process – copyright, database rights and trade secrets</td>
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Case Study 1: reagent needed for test kit:⁸

- Most Dutch testing laboratories work with Roche equipment and depend on Roche for supplies of the liquid buffer needed to run the tests.
- A shortage of this buffer is one reason why the Netherlands has not been able to do mass testing.
- Roche refused to provide the recipe for the buffer and after the Dutch Health Minister floated the idea of issuing a compulsory license on the formula, which would allow the government to override any Roche patents and arrange for alternate production, Roche agreed to release the recipe for others to make.

Case Study 2: ventilator valves:
• The World Health Organization (WHO) has noted there are shortages of ventilators around the world.\textsuperscript{9}

• During the COVID-19 outbreak, an Italian hospital ran out of ventilator valves (which cost $11,000 each) and their regular supplier could not produce them on time.\textsuperscript{10} After scanning an existing valve, replacement valves were 3D printed costing about $1 each which has saved 10 lives to date.\textsuperscript{11}

• However a law firm cites this exact example to warn that 3D printing (eg of ventilator valves) may violate patents or industrial designs on the valves or other medical equipment and there can also be copyright on the digital model/computer aided design (CAD) file.\textsuperscript{12} 'From the patent holder’s point of view, it would potentially suffer significant loss to its business as a result of infringing copies being made. It will undoubtedly have made a very significant investment in research and development to design, produce and testing the valve for supply to hospitals, and the usual per valve price tag is likely to be representative of that investment. This case goes to show that it is very important that socially responsible manufacturers and volunteers recognise the complex legal implications of producing copies of life-saving parts. To avoid finding themselves on the receiving end of legal action, any person or company intending to manufacture parts using 3D printing should carry out some due diligence to identify:
  - who ultimately holds the intellectual property rights in the component;
  - whether the part is protected by patent or registered design; and
  - whether the rights holder is willing to permit the parts to be manufactured in return for a small or nominal royalty for the wider public benefit;\textsuperscript{13}

Case Study 3: artificial intelligence:

• In the COVID-19 outbreak, artificial intelligence (AI) has already been used to:\textsuperscript{14}
  - identify the outbreak and model travel patterns for its spread,
  - screen passengers based on temperature
  - diagnose patients based on CT chest scans
  - develop vaccine candidates
  - identify possible medicines
  - predict possible reinfections as countries reopen

• Types of IP protecting this AI:\textsuperscript{15}
  - AI algorithms can be protected by copyright and trade secrets,
  - some AI technology may have patent protection
  - the dataset and training process to train the AI can be protected by copyright, database rights and trade secrets

Companies are still filing patents on technology that can be used to deal with COVID-19\textsuperscript{16}.

**Trade and investment negotiation suspension**

**Current trade and investment agreement negotiations**

Despite the pandemic and economic crisis described in this note, some trade negotiations are still continuing. E.g. in the midst of this pandemic when hours matter and government officials (including in Ministries of Trade) are working around the clock (as President Trump’s trade adviser said ‘we are doing everything possible working 24/7\textsuperscript{17}’) to deal with the pandemic:

• At the WTO:
Restrictions on fisheries subsidies negotiations are continuing by email.\(^{18}\)
Agriculture negotiations are continuing in writing.\(^{19}\)
An alternative appellate body mechanism was agreed on 27 March 2020 by 15 WTO Members and the European Union.\(^{20}\) These WTO Members now have until 24 April 2020 to identify and nominate arbitrators, then they expect the WTO Director General and chairs of the WTO’s General, Goods, Services and TRIPS Councils and dispute settlement body to pre-select arbitrators by 22 May and these WTO Members will then try to reach consensus on the arbitrators by 19 June 2020.\(^{21}\)

- Australia and Singapore concluded negotiations of a Digital Economy Agreement on 23 March 2020\(^{22}\) and the text is now being legally scrubbed before it is signed.\(^{23}\)
- UK-EU negotiations are continuing with draft legal texts exchanged in the week of 16 March and informal discussions continuing.\(^{24}\)
- US intends to start free trade agreement (FTA) negotiations with Kenya by mid-June 2020\(^{25}\) this means that the USA’s objectives for these negotiations must be developed by mid-May 2020.\(^{26}\) The US government has extended its social distancing guidelines until the end of April\(^{27}\) and some US states expect their coronavirus cases to peak in mid-May.\(^{28}\)

Current trade and investment treaty negotiations which should be suspended include those in:

- the WTO including:
  - fisheries subsidies
  - the plurilateral joint statement initiative on ecommerce
  - the plurilateral joint statement initiative on investment facilitation
  - the plurilateral joint statement initiative on services domestic regulation disciplines
- FTAs (for example EUFTA negotiations,\(^{29}\) EFTA FTA negotiations,\(^{30}\) Kenya-USFTA negotiations,\(^{31}\) RCEP schedule negotiations\(^{32}\))
- Bilateral investment treaties (BITs)

**The rationale for suspending current trade investment negotiations includes:**

- Some trade negotiations have already been:
  - Suspended, eg the March Brexit round\(^{33}\) and WTO negotiations in person.\(^{34}\)
  - Delayed, e.g. for the United States-Mexico-Canada Agreement (USMCA) implementation the “technical-level meetings on the uniform auto regulations and “procedural rules on dispute resolution” were being delayed due to the pandemic.\(^{35}\)
- Governments are focused on fighting this coronavirus at the moment on multiple fronts. Eg:

  **On the health side:**

- The Belgian government is ‘working without respite’ to safeguard the health of the population and medical staff.\(^{36}\)
- Among many other tasks, governments are frantically trying to:
  - locate sufficient masks, ventilators, gloves etc for their hospital staff amid a global shortage,\(^{37}\) e.g. New York has people shopping in China for ventilators,\(^{38}\) maybe 10% of leads pan out and the US federal government had to charter and pay for flights to import masks and gloves etc.\(^{39}\) In the USA, to deal with this President Trump’s trade adviser noted that ‘We are engaged in the most significant industrial mobilization since World War Two.’\(^{40}\)
  - find enough healthcare workers including getting retired staff back to work (the first time governments have tried this\(^{41}\) and medical students\(^{42}\) who need to be trained\(^{43}\) and re-registered\(^{44}\), especially as 40% of the healthcare workforce could be sick at any one time due to the higher infection rate of healthcare workers\(^{45}\)
  - relying on volunteers (e.g. 250,000 needed in the UK)\(^{46}\)
  - create additional hospitals\(^{47}\) including in exhibition and convention centres, carparks\(^{48}\) and hotels\(^{49}\)
  - create temporary morgues in ice rink in Spain\(^{50}\) and tents in New York City\(^{51}\)

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of course all this is much harder in developing and least developed countries as the UNDP notes: ‘When we have even the most advanced and rich societies closing down due to its impact, what happens to those that have weak healthcare systems with minimal emergency facilities and capacity? . . . How do you practice social distancing if you live in a one or two room dwelling in a slum? How do you wash hands without clean water? . . . And for those who have employment that can be home-based, how do you work when there is inadequate electricity, never mind internet.’

decide whether and when to close schools and if they are closed:

- 83% of the world’s student population have been impacted by school closures with 1.4 billion students in 156 countries now at home. This has happened in the last month.
- how to provide childcare for critical workers (including deciding which workers are critical)
- how to continue providing any free school meals (e.g. pick-up or delivery by school bus, or through supermarket vouchers)
- identifying students without internet access or a computer to study online and supplying them with them and figuring out what to do in rural areas with no or insufficient internet coverage. This is even worse in least developed countries where only 20% of the population have internet access.
- how to replace cancelled exams with other forms of assessment and what kinds of assessment that would be.
- how to decide what businesses to shut down (and enforce it) and the flow-on effects for unemployment (see below) and the unemployed being unable to pay their rent or mortgages, so need rent/mortgage relief or suspension of evictions etc.
- E.g. the flower industry has lost 75% of revenue and most of its flowers are being composted or left to rot.

Translating resources into community languages

- all this requires loosening some regulations and passing new regulations eg for police to have power to isolate those infected. One government took at least 124 actions re this coronavirus just to 24 February 2020 including ‘including border control from the air and sea, case identification (using new data and technology), quarantine of suspicious cases, proactive case finding, resource allocation (assessing and managing capacity), reassurance and education of the public while fighting misinformation, negotiation with other countries and regions, formulation of policies toward schools and childcare, and relief to businesses.

Getting citizens home:

- Ministries of Foreign Affairs (which are often also responsible for negotiating trade agreements for example in Australia, Japan, New Zealand etc) are organising their biggest ever repatriations of citizens from abroad while helping visiting foreigners return home when many countries have closed their borders, few airlines are still flying and some airports are closed. E.g.

  - for Australia, this involves Department of Foreign Affairs and Trade staff ‘working around the clock to provide information and assistance to those affected by this crisis.’
  - The British ‘Foreign Office was “working around the clock to support British travellers” and seeking to keep key transit routes open as long as possible’ but its citizens (including doctors) were still stranded in countries without repatriation flights.
  - To help Swiss stranded in other countries, the Swiss government’s ‘increased the Helpline's staff from 13 to 55 people in order to respond by e-mail or telephone to the numerous requests made by Swiss travellers blocked by border closures and travel restrictions. Around the clock, seven days a week. The volume of work for the consular experts has risen sharply. Since the second phase of the FDFA's strategy for the return of stranded Swiss travellers, the organized return, came into force, the FDFA Helpline has been handling daily since 21 March 2020:
Around 1000 calls
Up to 1500 mails, 8223 since 19 March 2020.

Since 19 March alone, there have been around 15,000 requests, of which the Helpline has handled almost all. That is already almost a third of the annual requests. 60 FDFA staff in Bern alone will be working on the implementation of this unprecedented recapture operation.

On the economic front:

- It is not just a health crisis, as 3 billion people are locked down worldwide, this coronavirus has also caused a shock to the global economy that has been faster and more severe than the 2008 global financial crisis and even the Great Depression (happening in three weeks rather than three years).
- The International Monetary Fund (IMF) is predicting a recession at least as bad as during the global financial crisis.
- Governments are struggling to deal with this even in developed countries as unemployment increases by millions which is crashing websites for unemployment benefits that had already been upgraded to cope with 20 times more traffic than usual and resulting in queues from 5AM for hours for unemployment benefits.
- On 18 March 2020, the International Labour Organization estimated global unemployment could rise by up to 25 million due to the pandemic.
- 5 million lost their jobs in China in the first two months of 2020 and 9 million people in Chinese cities are predicted to lose their jobs this year because of the coronavirus.
- The President of the Federal Reserve Bank of St Louis is predicting 30% unemployment and a 50% drop in US GDP growth in April, May and June. 3.3 million Americans claimed unemployment benefits in the last week with 32 times more people claiming unemployment benefits in Louisiana last week than the week before. Others are predicting 18 million unemployed Americans with 5 million losing their jobs in April alone.
- If this coronavirus is not seasonal and social distancing take until June to contain it in Europe and the USA, McKinsey notes the potential for ‘Layoffs and bankruptcies in the most affected sectors rise sharply throughout 2020, feeding into a self-reinforcing downward spiral’.
- Even in Switzerland, only 40% of the workforce can work from home and half of these have some difficulties in doing so such as they do not have a laptop, microphone or video-camera.
- This can require governments to negotiate and pass multiple bailouts.
  - The IMF notes that ‘advanced economies are generally in a better position to respond to the crisis, but many emerging markets and low-income countries face significant challenges. They are badly affected by outward capital flows, and domestic activity will be severely impacted as countries respond to the epidemic. Investors have already removed US$83 billion from emerging markets since the beginning of the crisis, the largest capital outflow ever recorded.’
- As Ecuador’s former Central Bank General Director noted, this capital outflow means developing countries for example in Latin America are likely to face balance of payments crises which then also limit their ability to import the medical tools they need to deal with this coronavirus.
  - Nearly 80 countries are requesting IMF help in these extraordinary circumstances when many countries are already taking unprecedented measures. 20 countries in Africa have already asked for emergency funding from the IMF and at least another 10 are expected as debt levels are higher now than during the 2008 financial crisis so there is less room to increase spending.
  - Other countries are asking the World Bank for loans to deal with this coronavirus. ‘Both the IMF and the World Bank have expressed concerns about the possibility of a new debt crisis among developing countries.’
  - UNCTAD’s 30 March 2020 report notes that: ‘the financial turmoil from this crisis has already triggered sharp currency devaluations in developing countries, which makes servicing their debts and paying for necessary imports for their industrial activity far more onerous.’
currency devaluations have been even faster than during the 2008 global financial crisis for many developing countries.

- In one month of this coronavirus crisis, the net portfolio outflows from the main emerging countries is more than double the net portfolio outflow from the same countries in 2 months during the 2008 global financial crisis (GFC).
- ‘there are clear indications that things will get much worse for developing economies before they get better. First, the full effects of the health crisis have yet to hit many developing countries, and we have yet to reach the “end of the beginning” of the economic crisis in the advanced economies.’ And many of the conditions for bounce back are absent or weaker than they were in 2010. Commodity prices (beyond oil) are also falling and from a lower level than in the GFC. Some developing country international reserves have been falling and ‘Given the massive expected impact of the Covid-19 crisis, reliance on such self insurance is not an option, with reserves likely being drained very fast.’
- ‘Tighter fiscal space and weaker healthcare and social protection systems expose developing countries to higher human and financial toll while limiting their ability to respond, triggering a potentially dangerous vicious circle. Moreover, with fast increasing need for imports of specialized goods and services to deal with the health crisis the balance of payments constraint can only expect to tighten further.’
- Slower growth in advanced economies will reduce their demand for exports from developing countries so ‘developing countries as a whole (excluding China) will lose nearly $800 billion in terms of export revenue in 2020.’
- ‘Total developing country debt stocks stood at 193 per cent of their combined GDP at the end of 2018, the highest on record, compared to just over 100 per cent in 2008’ and ‘the wall of debt repayments about to hit a large number of developing countries is unsustainable.’
- For developing countries such as India where 94% of the workforce are employed in the informal sector where ‘Most do not have access to pensions, sick leave, paid leave or any kind of insurance. Many do not have bank accounts, relying on cash to meet their daily needs’ even if governments have the budget to provide cash transfers for these poor workers during the lockdown, it is difficult to get it to them. 81 percent of India's workforce, comprising daily wage earners and the self-employed who have no paid leave, sick leave or other benefits to fall back on when demand for their goods and services dries up. Akhilesh Yadav, the former chief minister of Uttar Pradesh, admits these challenges are huge, acknowledging that "nobody in any government has faced them before". "All governments need to act lightning fast because the situation is changing every day. We need to activate big community kitchens and deliver food to people who need it. We need to hand out cash or rice and wheat - irrespective of who comes from which state," he said. "hard" lockdowns like the one India has embarked on require sharp planning to ensure the supply lines to deliver essential supplies to more than a billion people are not disrupted, and that there's no panic and social unrest. In a largely informal economy, such lockdowns means income losses for tens of millions of people.

- Within a space of weeks, governments in countries which are locked down have turned into command economies, with all the staff and effort that entails when deciding which are the essential services to keep running and what they need to function effectively etc.
- Coordinating additional flights for freight and prioritising medical supplies as well as advising exporters how to navigate coronavirus measures.
- To lift the lockdowns without a resurgence in the number of infections that could again overwhelm hospitals, countries will need to be able to set up and have the trained staff to do extensive testing, contact tracing and enforcement of quarantines of those infected.
Overall

- Governments are already running to catch-up with a fast-moving situation, e.g. the United Kingdom closed schools before having a plan in place to continue providing free school meals for poor students and before a process to replace cancelled exams was sorted out. Governments already do not appear to have the time and staff to think through the implications of coronavirus measures and consult the affected sectors to make sure they are practical etc. E.g. the Australian government set a 30 minute cap on hairdressing appointments and then had to remove it within 48 hours because it was impractical.

  - As the Pennsylvania Governor noted ‘This is an evolving situation and decisions will continue to be made and revisited as needed.’ He pointed out that ‘These are uncharted waters and, in this situation, we’re not going to do everything perfectly, but we’re going to do the best we can to prevent our hospital system from crashing’. His initial order to shut all physical locations of all non-life-sustaining businesses was changed within 24 hours to exclude hotels, laundromats etc and a system was set up for businesses to apply for exemptions (which requires staff to assess the waiver requests etc).

- The US President’s trade advisor noted that with respect to dealing with this coronavirus, ‘We cannot afford to lose a single day’. As a US Republican Senator noted, with coronavirus infections increasing at a logarithmic rate, hours matter and minutes matter.

- Armed conflict impact:

  - ‘Pope Francis on Sunday backed a call by United Nations Secretary-General Antonio Guterres for a global ceasefire so the world can focus on fighting the coronavirus pandemic. . . Guterres warned that in war-torn countries health systems have collapsed and the small number of health professionals left were often targeted in the fighting.’

  - The UN call for a ceasefire has been heeded by a number of armed groups including in Cameroon to allow coronavirus testing and Colombia for humanitarian reasons due to the coronavirus.

  - Governments are so focused on fighting this pandemic the edge has been taken off conflict in major flashpoints around the world. ‘many of the problems and projects that dominated the defense scene just weeks ago have lost some of their immediacy — the ongoing battles against the Islamic State group, the drawing down of troops in Afghanistan, the stand-up of a Space Force, the grand plan for shifting the military’s focus toward China.’

- Countries are taking whole of government approaches at national and subnational levels to dealing with this coronavirus e.g.:

  - In his update on COVID-19, the World Health Organization’s Director-General (DG) has ‘said from the beginning that countries must take a whole-of-government, whole-of-society approach, built around a comprehensive strategy to prevent infections, save lives and minimize impact.’ The WHO’s recommendations include:

    - ‘First, expand, train and deploy your health care and public health workforce;
    - Second, implement a system to find every suspected case at community level;
    - Third, ramp up the production, capacity and availability of testing;
    - Fourth, identify, adapt and equip facilities you will use to treat and isolate patients;
    - Fifth, develop a clear plan and process to quarantine contacts;
    - And sixth, refocus the whole of government on suppressing and controlling COVID-19.

  - The WHO DG noted that ‘Aggressive measures to find, isolate, test, treat and trace are not only the best and fastest way out of extreme social and economic restrictions – they’re also the best way to prevent them. More than 150 countries and territories still have fewer than 100 cases. By taking the same aggressive actions now, these countries have the chance to prevent community transmission and avoid some of the more severe social and economic costs seen in other countries. This is especially relevant for many vulnerable countries whose health systems may collapse under the weight of the numbers of patients we’ve seen in some countries with community transmission.’ E.g.
- Singapore has 20 teams of contact tracers who can trace 4,000 contacts per day when it only has 558 COVID-19 cases.  
- Wuhan had 1,800 teams of epidemiologists, (with at least 5 people in each team) tracing tens of thousands of contacts per day.
  - As President Trump noted ‘My administration is marshalling the full power of the American government, and we will do that, and that’s what we’ve done, and we will continue to do it until our war is won. Economic, scientific, medical, military, and homeland security — all of this to vanquish the virus.’ This meant that in the US government, ‘the West Wing reoriented itself entirely around a singular mission. . . stall the coronavirus.’
  - President Trump and his entire Administration are focused on leading this whole-of-government response to slow the spread of COVID-19, expand testing capacities, and expedite vaccine development.
  - Various national government departments/ministries are dealing with different aspects of COVID-19 from the health to the economic impact.
    - Subnational governments such as state governments in many countries are also frantically dealing with COVID-19 as they decide whether and what businesses to lockdown for how long as well as try to get sufficient medical supplies etc.
    - A US state governor when pleading for federal government help with this coronavirus said ‘I need partnership out of the federal government. We have to be all hands on deck here.’ Subnational governments are often affected and consulted (or participate) in trade negotiations, so they would also be diverted from their pandemic responses if trade negotiations continue.
  - British embassies worldwide have been instructed to try and source vital health equipment and ship it back to the UK.
  - Every US state has mobilised the guard to deal with this coronavirus.
  - The private sector such as the International Chamber of Commerce (ICC) also urges governments to focus on the pandemic: The ‘ICC strongly endorses WHO’s call on national governments everywhere to adopt a whole-of-government and whole-of-society approach in responding to the COVID-19 pandemic. Reducing the further spread of COVID-19 and mitigating its impact should be a top priority for Heads of State and Government.’

- Even developed country governments already do not have enough staff to deal with issues in time. E.g.:  
  - The British ‘government says it is working "around the clock" to provide support to the NHS and social care staff’ but textile manufacturers have waited 2 weeks and still have not been asked to produce gowns and masks already desperately needed by hospitals.
  - a company offered the British government 5,000 ventilators but when they had not heard from the UK government in five days, they were bought by other customers. The British Department of Health said it ‘had “over 1,400 lines of requests and enquiries” and that this “will take time”’.
  - the company then managed to source another 500 ventilators but still had not heard from the UK government in 24 hours except for a reply that the ‘Cabinet Office have confirmed and apologised for being slow to respond to all offers made via the BEIS registration page, but this has been due to the huge amounts of offers they have received. The team are working hard to deal with the shortage of ventilators and are doing the best they can in matching relevant offers of support.’

- Mistakes are already being made e.g. the British government missed the first joint European procurement initiative because a communication problem meant it did not receive the invitation in time.

- Governments also have to deal with unforeseen consequences, e.g.
  - In India the lockdown resulted in thousands of people leaving Delhi by foot to return to their villages as they otherwise could not survive the 3 week lockdown, so buses had to be organised and sent to transport them.
the coronavirus restrictions meant staff shortages which forced some schools to close anyway. 146

• Some trade negotiators have coronavirus, eg the EU’s chief Brexit negotiator147 and the UK government estimates that up ‘to a fifth of the workforce may be off sick during the peak of a coronavirus epidemic in the UK. 148 Some key decision makers have the coronavirus, eg the British: Health Minister, 149 Prime Minister and Health Secretary 150. The US government is making contingency plans for this coronavirus to last 18 months or longer. 151

• Some trade officials are already being diverted into responding to this coronavirus. E.g.:
  o To deal with this coronavirus, President Trump’s trade adviser has been appointed Defense Production Act coordinator, 152 so Peter Navarro is focused on 153 leading the government’s production effort for equipment needed to deal with the coronavirus. 154
  o The Office of the US Trade Representative has reopened the submissions process for whether products relevant to the medical response to this coronavirus should be exempted from tariffs.155 These will take time and staff to review. E.g. even before the COVID-19 outbreak, the Trump Administration’s tariffs have meant ‘the Commerce Department and USTR have been flooded with clemency pleas. As of mid-December, steel and aluminum users had requested exclusions on about 152,000 specific products. . . Importers of goods from China had requested about 44,000 exclusions . . . A single company — AEP Holdings, a private equity-owned supplier of aftermarket car parts — filed more than 10,000 exclusion requests. So far, about 2,600 have been denied and only a handful approved. . . Adjudicating each request is an enormous undertaking, and the federal government was ill-prepared. The Commerce Department at first had projected that it would see only about 4,500 applications — a threshold that was passed almost instantly. According to a regulatory filing, USTR estimated that each exclusion request would take applicants two hours to prepare, at a cost of $200 each, and two and a half hours for USTR to process. For the China tariffs, adjudicating cases is expected to take 175,000 staff hours over the course of a year, at a cost of $9.7 million. To keep up, agencies have had to borrow staff from other departments and brought on dozens of contractors, giving them a crash course in tariff codes. 156
  o some of the UK government officials who had been working on Brexit (no deal contingency planning) have been moved to work on this coronavirus instead.157

• The travel restrictions by many countries (in prohibiting their officials from going abroad or in entering other countries158) make it unfeasible to conduct negotiations in person.

• It is not feasible for many developing and least developed countries to conduct negotiations virtually given the digital divide as the WTO found out when it tried to conduct virtual fisheries subsidies negotiations: 'A “virtual” meeting of World Trade Organization negotiators discussing how to curb harmful fishing subsidies, planned for Friday, has been canceled due to technical difficulties and governmental restrictions in Geneva, sources told Inside U.S. Trade. . . The plan for Friday’s meeting was to employ a virtual meeting platform, sources said, but some delegations could not make a clear connection. The meeting would have also used live interpretation, so clear connections were particularly important. 159

• Even if it is technically possible, virtual negotiations can still be problematic, eg the head of the European Policy Centre noted this re Brexit: “Remote facilities cannot replace the multiple exchanges that take place during a negotiation round, let alone replicate the personal relationships that make a negotiation work” 160

Others calling for a halt to trade negotiations during this pandemic

• ‘the Welsh and Scottish governments called on the prime minister to halt the negotiations over the UK-EU’s future relationship, with the latter claiming the talks were an “unwelcome and unnecessary distraction” from the current crisis. Roseanna Cunningham, the environment secretary in Scotland, said the outbreak of the coronavirus was a “distressing period” for the entire country, adding: “All available government resource needs to be put towards tackling Covid-19 and mitigating its effects on almost every area of Scottish society . . . Continuing to plough on
could seriously harm our ability to tackle a virus which threatens lives and livelihoods across these islands.”161

- Before the USMCA’s deadline to enter into force by 1 June 2020, negotiations on uniform automotive regulations etc need to be concluded. ‘Senate Finance Committee leaders Chuck Grassley (R-IA) and Ron Wyden (D-OR) this week urged the administration to show some flexibility and re-evaluate its June 1 entry-into-force goal. Grassley backed the case made this week by the U.S. auto industry, which lamented what it called a compressed timeline to develop uniform regulations that would be further complicated by the global pandemic. Wyden, meanwhile, said the deal should not enter into force until “facts indicate” that the countries are complying with obligations outlined in the deal.’162 Senator Grassley noted that “The Trump administration “would be wise to reconsider” its plan for the U.S.-Mexico-Canada Agreement to enter into force on June 1, Senate Finance Committee Chairman Chuck Grassley (R-IA) said on Monday after the auto industry argued against it. “And I think the administration would be wise to reconsider and show some flexibility for the sake of our economy,” he told reporters on a conference call.’163

- ‘the Freight Transport Association, representing UK logistics, also urged the government to seek an extension to the Brexit transition period amid widespread disruption to business across the country. . . “This is purely and simply so the businesses tasked with keeping the UK’s supply chain intact can concentrate on the serious issues which the Covid-19 pandemic is placing on industry. “Logistics is facing unprecedented challenges, both in terms of keeping the UK economy supplied with all the goods it needs to function, as well as coping with the increased disruption to staffing levels caused by sickness and self-isolation and concerns about the viability of their businesses. “Our first priority is always to deliver for our customers, and there is simply not enough capacity available to plan the major structural changes needed to implement a successful departure from the EU, as well as the myriad of other planned legislation changes on the horizon, as well as dealing with unprecedented pressures caused by Covid-19.”’164

- USMCA:
  - Even on 16 March, the US private sector was already struggling to cope with the disruptions from this coronavirus and so was concerned about the USMCA entering into force on 1 June 2020: “‘We are in the midst of a global pandemic that is significantly disrupting our supply chains, and the industry is throwing all available resources into managing production through this crisis for our employees and for the broader U.S. economy,’” the groups -- including the American Automotive Policy Council, the Motor & Equipment Manufacturers Association, and the National Automobile Dealers Association, among others -- said in the statement. “Even if it were reasonable to divert our attention to USMCA compliance, the United States, Canada and Mexico have yet to issue, even in draft form, the uniform automotive rules of origin regulations. Without them, many questions remain unanswered regarding how to interpret the new rules.”165
  - ‘Major auto groups are arguing that managing supply-chain disruptions caused by the virus outbreak has taken precedence over achieving USMCA compliance, which they’ve noted is complicated on its own.’166
  - ‘Auto industry groups in the U.S., Mexico and Canada have already been vocal in urging the three countries to hold off on enforcing the deal. “It would be a mistake for them to rush it,” one source familiar with the talks said. “I’d rather see companies like [General Motors] making ventilators than having to worry about implementing new auto rules of origin.” . .
  - The U.S., Mexico and Canada are two days away from missing a deadline in order to meet their June 1 target date for the deal to enter into force. The three countries would have to exchange letters by Wednesday that certify they have each met all the necessary obligations — including developing uniform regulations that govern how cars qualify for reduced tariffs — outlined in the deal. Once the letters are exchanged, USMCA rules state that the deal would go into effect “on the first day of the third month following the last notification.” But industry officials and people familiar with the talks say they have
received no indication that the North American trading partners are ready, particularly given all three countries’ focus in recent weeks on combating the coronavirus.°

- Uniform regulations for automakers need to be drafted to implement the USMCA and “No one has even seen a draft of the uniform regulations, and to think that’s going to happen in such a short time frame … it’s just probably not doable,” an industry source said. “While the industry is doing as much work in advance as they can, once the uniform regulations are available, it will still take an additional period of time to solicit the necessary information throughout the supply-chain to certify that our cars and trucks qualify under USMCA,” the American Automotive Policy Council, American International Automobile Dealers Association, Here for America, National Automobile Dealers Association and Motor & Equipment Manufacturers Association said in a joint statement. Last week, Concamin, Mexico’s Confederation of Industrial Chambers, and Mexican auto industry groups asked that the new auto rules be delayed until January 2021 given the complexity of the new requirements. “If we add to this scenario the problems created by the Covid-19 in terms of parts and components supply and reduction of operations … it’ll be impossible for companies in our country to comply with the new rules starting on June 1,” Concamin said in a statement.

- ‘The three countries are preparing internal legislation, customs procedures and uniform regulations’ and a trade adviser noted that to meet the deadline by 1 June “will be a challenge because my understanding is that they are nowhere near completing the technical work” for auto uniform regulations.

- The auto industry has been pushing for a delay in USMCA implementation: ‘the Alliance for Automotive Innovation, the National Automobile Dealers Association and the Motor & Equipment Manufacturers Association argue “immediate action” is needed to “confront the economic slowdown being caused by COVID-19.” One action: “Delaying the June 1st date of entry into force for the USMCA.” A broader coalition of auto groups sent a similar message in a joint press statement last week.

- Re the 1 June date for USMCA implementation, ‘Myron Brilliant, the U.S. Chamber of Commerce’s executive vice president and head of international affairs, told reporters on Monday that while the administration has discussed June 1 as its goal, “It’s not a date that we think should be hard-and-fast.” He cited unforeseen obstacles created by the coronavirus outbreak, including potential challenges to USMCA’s implementation. “Had it not been for the coronavirus, it could have been a hard-and-fast date, but we encourage some flexibility in light of the coronavirus and the difficulty companies are going to have in complying with the new rules of origin -- that’s the big concern,” Brilliant said. “And so making sure that we have that flexibility so that industry isn’t hurt at a time they’re already struggling with coronavirus; we don’t want to pile on by creating some arbitrary date.” Businesses will be operating in full force to make sure the administration gets that message, he added. “The big question for us is giving transition periods that make sense for business because we don’t want not only businesses big and small to be impacted, we don’t want the employees to be impacted by rash decisions around supply chain [issues].”

- A number of British civil society organisations (CSOs) have called ‘on the government to pause all trade negotiations until the Covid-19 crisis is under control’ because ‘it would be deeply inappropriate for trade negotiations with the United States to commence at this time – or for the foreseeable future. The UK government’s attention should be focused on dealing with the public health and economic crises which face our nation.’

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1 This under TRIPS, not TRIPS+ protection eg because of an FTA.
3 There are more than 1,000 patents in the U.S. alone that mention the N95 standard  for masks, [https://www.bloomberg.com/news/articles/2020-03-20/world-war-ii-style-production-may-carry-legal-risks-for-patriots. China has mapped patents on masks, [http://www.cnipa.gov.cn/zscqgz/1146801.htm](http://www.cnipa.gov.cn/zscqgz/1146801.htm)
4 Remdesivir patent status in low and middle income countries: [https://www.medspal.org/?keywords=remdesivir&page=1](https://www.medspal.org/?keywords=remdesivir&page=1)
5 https://www.shoosmiths.co.uk/insights/articles/covid-19-can-the-manufacturing-giants-play-a-part-in-saving-
lives
6 and https://www.wipo.int/copyright/en/activities/software.html
9 E.g. see https://www.who.int/docs/default-source/coronaviruse/transcripts/who-audio-emergencies-
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15 https://www.foxnews.com/media/peter-navarro-coronavirus-china-medical-supply-chain
16 E.g. see https://www.wto.org/english/news_e/news20_e/fish_23mar20_e.htm
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https://www.theguardian.com/world/2020/mar/19/coronavirus-suspects-may-be-detained-under-uk-emergency-powers

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E.g. the US State Department has never before undertaken an evacuation operation of such geographic breadth, scale, and complexity. We are using all the tools at our disposal to overcome logistical and diplomatic challenges and bring Americans home from hard-to-reach areas and cities hardest-hit by the virus. This effort has involved close collaboration with the U.S. Department of Homeland Security, the Department of Defense, foreign governments, commercial airlines and other private-sector partners, and NGOs.

https://www.state.gov/department-of-states-global-effort-to-bring-americans-home/

E.g. see https://www.iatatravelcentre.com/international-travel-document-news/1580226297.htm

E.g. Emirates has stopped all flights for two weeks:

https://www.express.co.uk/travel/articles/1259168/Flights-dubai-emirates-travel-ban-UAE-how-to-get-home.

Qantas is stopping all international flights until at least the end of May:


E.g. London City Airport until the end of April: https://www.reuters.com/article/health-coronavirus-britain-cityairport/london-city-airport-to-close-until-end-of-april-idUSL9N2BB00C


https://www.cnbc.com/2020/03/20/the-upcoming-job-losses-will-be- unlike-anything-the-us-has-ever-seen.html

E.g. the ‘marathon negotiations’ to pass the third coronavirus stimulus package in the USA which is the biggest economic rescue measure in US history: https://www.bloomberg.com/amp/news/articles/2020-03-25/white-house-senators-strike-deal-on-massive-stimulus-package after a 1404 page proposal: https://www.forbes.com/sites/kellyphilpordes/2020/03/24/you-thought-the-senate-stimulus-bill-was-huge-house-hold-my-beer/


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