

The SOUTH CENTRE Monthly

January 2019, Issue 7

***The South Centre Monthly* is a monthly update which provides a snapshot of the publications and social media activities of the South Centre**

QUARTERLY REPORT

South Centre Quarterly Report, 1 October to 31 December 2018



This report summarizes the programmatic activities of the South Centre during the period 1st October to 31 December 2018. It is intended to provide information, organized by Program and themes, about recent developments in the areas covered by the South Centre's Work Program and publications made and meetings organized or co-organized by the Centre to examine particular issues or to provide analytical support for international negotiations taking place in various fora. It also informs about external conferences and other meetings where the Centre has participated.

Le présent rapport trimestriel résume les activités programmatiques du Centre Sud pour la période allant du 1^{er} octobre au 31 décembre 2018. Il présente, par programme de travail et par thème, des informations concernant les dernières évolutions dans les domaines de travail des programmes du Centre Sud, ainsi que les publications diffusées et les réunions organisées par le Centre Sud ou organisées en collaboration avec d'autres institutions en vue d'examiner des sujets particuliers ou d'apporter un appui analytique aux négociations internationales ayant lieu dans plusieurs instances. Il liste également les conférences et autres réunions auxquelles le Centre a assisté.

En este informe trimestral se resumen las actividades programáticas realizadas por el Centro del Sur entre el 1 de octubre y el 31 de diciembre de 2018. El informe presenta, por programas y temas, información sobre acontecimientos recientes en las diferentes áreas abordadas por el programa de trabajo del Centro del Sur, así como sobre las publicaciones difundidas y las reuniones organizadas y coorganizadas por el Centro para examinar cuestiones específicas o prestar apoyo analítico en relación con las negociaciones internacionales que tienen lugar en varios foros. También incluye una lista las conferencias y otras reuniones externas en las que el Centro del Sur ha participado.

Available from: <https://www.southcentre.int/south-centre-quarterly-report-october-december-2018/>

PUBLICATIONS

Policy Briefs

Policy Brief 57, January 2019: Will the Amendment to the TRIPS Agreement Enhance Access to Medicines?



POLICY BRIEF
No. 57 ■ January 2019

Will the Amendment to the TRIPS Agreement Enhance Access to Medicines?*

By Carlos M. Correa**
Executive Director, The South Centre

Introduction

After the entry into force of the Agreement on Trade Related Aspects of Intellectual Property Rights ('TRIPS Agreement'), all members of the World Trade Organization (WTO) had adopted measures to protect pharmaceutical products. As a result, generic producers that in some countries were formerly able to supply low-cost generic pharmaceuticals to local and foreign markets could not continue to do so without infringing the patent rights of generic drugs. This new scenario affected not only the producing countries, but also those import generic drugs that were left without the option of purchasing them from their patent owners at unaffordable prices. While those countries could issue compulsory licenses, their grant would not provide a solution if there is no manufacturing capacity in the country and the needed pharmaceuticals cannot be imported at low-cost providers. The TRIPS Agreement did not allow the grant of compulsory licenses to exports only, thereby preventing generic manufacturers from eventually exporting the required products to countries unable to produce them.

The problem created by the TRIPS Agreement was recognized in the context of the Doha Declaration on the TRIPS Agreement and Public Health, through paragraph six of the Doha Declaration on the TRIPS Agreement and Public Health (hereinafter 'the Doha Declaration'), which introduced the amendment for TRIPS and an 'existing' solution to address this serious public health problem: if a medicine is patented in a country where there is insufficient or no manufacturing capacities in the pharmaceutical sector, and a medicine is unavailable (because of high prices or other reasons),

Abstract

An amendment to the TRIPS Agreement by incorporation of the decision of the WTO General Council on 30 August 2003 (as article 31bis) has been made in response to the problem identified in paragraph 6 of the Doha Declaration on the TRIPS Agreement and Public Health. This paragraph sought a solution to situations where patented pharmaceuticals which are not available in a country with no or insufficient manufacturing capacity can be supplied by a foreign provider. As originally adopted, the TRIPS Agreement did not allow the grant of compulsory licenses for exports only, thereby preventing generic manufacturers from exporting the required products to countries unable to produce them. While the new article 31bis is a step forward as it reflects public health concerns, it would be necessary to streamline the procedures to effectively ensure broader access to pharmaceutical products at low cost and in a timely manner.

Le texte de la décision du Conseil général de l'Organisation mondiale du commerce (OMC) du 30 août 2003 (dit ajouté en tant qu'article 31bis) a été ajouté à l'accord sur les aspects des droits de propriété intellectuelle (ADPIC) afin de résoudre le problème identifié au paragraphe 6 de la Déclaration de Doha sur l'Accord sur les ADPIC et la santé publique. Ce paragraphe visait à traiter les cas où des produits pharmaceutiques non disponibles dans le pays dont les capacités de fabrication sont insuffisantes ou inexistantes peuvent être obtenus auprès d'un fournisseur étranger. Tel qu'il avait été initialement adopté, l'accord sur les ADPIC n'autorisait pas la délivrance de licences obligatoires pour les exportations seulement, ce qui empêtrait les fabricants génériques de exporter les produits nécessaires à des pays où il n'y a pas la capacité de les fabriquer. Si le nouvel article 31bis est un pas en avant car il prend en compte les préoccupations de santé publique, il est toutefois nécessaire de simplifier les procédures en vue de véritablement élargir l'accès aux produits pharmaceutiques à bas prix et de manière rapide.

El Acuerdo sobre los ADPIC ha sido modificado mediante la incorporación (como artículo 31bis) del texto de la Decisión del Consejo General de la OMC del 30 de agosto de 2003, en respuesta al problema identificado en el párrafo 6 de la Declaración de Doha sobre el Acuerdo sobre los ADPIC y la Salud Pública. Este párrafo buscaba una solución para situaciones en las que un proveedor extranjero no puede suministrar medicamentos patenteados que no están disponibles en el país donde las capacidades de fabricación son insuficientes o inexistentes para la fabricación suficiente. Tal como se adoptó originalmente, el Acuerdo sobre los ADPIC no permitía la concesión de licencias obligatorias sólo para exportaciones, lo que impedia a los fabricantes genéricos exportar los productos requeridos a países que no podían producirlos. Si bien el nuevo artículo 31bis es un paso adelante ya que tiene en cuenta las preocupaciones de salud pública, es necesario simplificar los procedimientos para garantizar un acceso más amplio a los productos farmacéuticos a bajo costo y de manera rápida.

* This paper was also published in Richard Parker and Jonathan García, eds., *Routledge Handbook on the Politics of Global Health*, 1st ed. (London & New York, Routledge, 2018).

** E-mail: director@southcentre.int

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Available from: <https://www.southcentre.int/policy-brief-57-january-2019/>

Tax Cooperation Policy Brief 6, January 2019: Illicit Financial Flows: Conceptual and Practical Issues


SOUTH CENTRE TAX COOPERATION POLICY BRIEF
www.southcentre.int No. 6 • January 2019

Illicit Financial Flows: Conceptual and Practical Issues

*By Hon. Irene Onyangi-Odida and Algesria Akwi-Ogojo**

1. Introduction

Neither the abolition of slavery nor the end of colonial rule over African countries has translated into economic affluence, prosperity or comfort for the majority of African citizens. African countries remain some of the poorest and least developed in the world, despite having large natural resources and the youngest growing populations in the world. As Bastian Obermair and Frederik Obermaier note in their book,

"Africa is a poverty trap. Half the world's diamonds, 90 percent of the world's gold reserves, 10% of oil reserves and 9% of gas reserves. And there's uranium, mineral ores, and much more. The population gets virtually nothing from it: the money simply disappears into the coffers of large multinational companies or into the pockets of their élite."¹

Although African countries receive and benefit from oil and mineral revenues, they continue to suffer from a crisis of insufficient resources for development. Research and reports reveal the sheer scale and magnitude of illicit financial flows from Africa that have been draining the continent of its resources since developed countries in the world. The African Union (AU)/United Nations Economic Commission for Africa (UNECA) High Level Panel on Illicit Financial Flows (IFFs) from Africa (the Mbeki panel) established that Africa annually loses more than fifty billion dollars (\$50 billion) through illicit financial outflows.

In this policy brief we seek to show how the current political scenario in the world, coupled with certain international practices have not only created a world order that is not only regrettably skewed against African countries in favour of the richer, more developed Western economies but also enables, facilitates and supports the huge illicit financial flows out of Africa. The situation is made worse and debilitating because of the role of co-opted local élites including political leaders, the business class and technical experts as active participants or silent complicit in managing African countries' wealth. Notable Nigerian Shasmon in his book *Treasure Islands*² reveals that "the African curve of the Atlantic Coastline supplies about a sixth of the world's oil and gas production. Oil from Nigeria and, just beneath the veneer of great wealth lay terrible poverty, inequality and conflict", intrinsically linked to "a system of corruption linking the French political and intelligence élite, the French oil industry and Giscard's corrupt ruler, Omar Bongo".

There is a direct link between the seeming inability of African countries to overcome their development challenges and the current global political scenario of processes and practices that free Africa through sanctity and generally accepted principles, rules and/or practices for conducting world trade and business. The design and application of these principles, rules and practices are at the heart of the international tax system; the systems of tax-cutting and financial deregulation; the existence of tax havens, offshore funds and accounts; the practice of corporate tax dodging and tax haven states among others. Addressing these injustices such as the Organisation for Economic Co-operation and Development (OECD) led investigations on tax evasion and avoidance practices by governments and the activities of Multi-National Corporations (MNCs); to name but a few, are some of the ways the globalisation project has been conceptualised to undermine any real chance of Africa achieving the United Nations Sustainable Development Goals (SDGs) and targets.

Efforts to reduce this situation remain futile to date. Hence, the importance of persistently flagging up the problem of illicit financial outflows from Africa and raising world consciousness to the injustice towards Africa. As

Abstract

The issue of illicit financial flows (IFFs) is of great significance for many countries looking to mobilize domestic resources for achieving their development goals. The High Level Panel on Illicit Financial Flows from Africa, led by H.E. Thabo Mbeki, brought the issue into the global spotlight, notably since the release of exposés like the 'Panama Papers'. This policy brief elaborates on the conceptual underpinnings of IFFs, its sources and the development costs they generate. Building on the report of the High Level Panel, it provides recommendations to stem IFFs from developing countries.

* Hon. Irene Onyangi-Odida was a Member of the African Union/United Nations Economic Commission for Africa High Level Panel on Illicit Financial Flows from Africa and CEO of the Uganda Association of Women Lawyers (FIDA). Algesria Akwi-Ogojo is Executive Director of the Uganda Land Alliance and former Africa Director of ActionAid International.

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Available from: <https://www.southcentre.int/tax-cooperation-policy-brief-6-january-2019/>

SouthViews

SouthViews No. 173, 23 January 2019: E-commerce and Developing Countries: The South Asian Experience

The evolution of Electronic Commerce or E-Commerce has brought about a significant change in the way business is conducted across the globe. The e-commerce which emerged during early 2000 in the United States and other developed parts of the world has expanded to almost all the developing countries by now. Developing countries like India, Brazil, and Indonesia have provided a fertile ground for the growth of this sector and even surpassed many developed countries in terms of market size. There exist a lot of differences in the e-commerce market in South Asian countries. Although there has been a significant growth in this sector in the South Asian region, still it has a way to go.

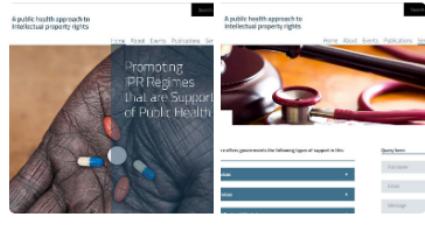
Available from: <https://us5.campaign-archive.com/?u=fa9cf38799136b5660f367ba6&id=3fb4cb574b>

Social Media

Twitter Highlights:

Top Tweet

earned 2,065 impressions
We have launched a new dedicated web site (ipaccessmeds.southcentre.int) describing the various types of support the **@South_Centre** provides for full implementation of the **#TRIPSflexibilities** that can be used to foster legitimate competition and enhance **#accesstomedicines**.
pic.twitter.com/pHAf4Nu341



11 23

Top mention

earned 102 engagements
We have launched a new dedicated web site (ipaccessmeds.southcentre.int) describing the various types of support the **@South_Centre** provides for full implementation of the **#TRIPSflexibilities** that can be used to foster legitimate competition and enhance **#accesstomedicines**.
pic.twitter.com/pHAf4Nu341

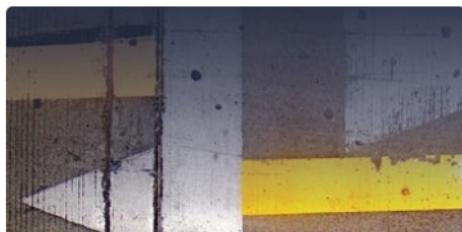


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Top media Tweet

earned 1,938 impressions

Analysis on inequalities in the Intl. system by Carlos Correa, Exec Dir & Manuel Montes, Sr. Advisor at [@South_Centre](#), published in 'International Policy Rules and Inequality: Implications for Global Economic #Governance' (editor J.A Ocampo, Columbia Univ. Press) #globaleconomy pic.twitter.com/OK4qkjpWtu



8 9

South Centre @South_Centre · Jan 30
Manuel F. Montes, @South_Centre Sr. Adviser, spoke on reform proposals toward New Intl. #Financial & #EconomicArchitecture at symposium "Financing for #SustainableDevelopment: Toward an #Economy of Life" on Role of Religion & Faith Based Orgs. in Intl. Affairs, #UN, NY, 29 Jan'19



Butch Manuel Montes

3 2

South Centre @South_Centre · Jan 30
Dr. Carlos Correa, Exec. Director, @South_Centre discussed with Ambassador of Mozambique, Amadeu Da Conceição, development issues relevant for #Mozambique and possible activities in support of #nationalpolicies and Mozambique's participation in #internationalfora.

Translate Tweet



Carlos Maria Correa

1 1

JAN 2019 SUMMARY

Tweets	Tweet impressions
31	44.7K

Profile visits	Mentions
3,881	50

New followers	
39	

South Centre @South_Centre · Jan 30
Dr. Carlos Correa, Exec. Director @South_Centre discussed with Algeria's Ambassador Boudjemâa Delmi issues covered by the South Centre's programs of particular interest for #francophone and for Arab countries, and how to enhance the Centre's cooperation with these countries.



Carlos Maria Correa

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South Centre @South_Centre · Jan 29
@South_Centre signed MOU with @COMSATS_en #SouthSouthCooperation
Source: COMSATS Newsletter (Issue 5, Volume 10), September - October 2018

COMSATS Signs Cooperation Agreement with the South Centre, Geneva

On September 03, 2018, a Memorandum of Understanding was signed between COMSATS and South Centre. The Executive Directors of the two organizations, Dr. S.M. Junaid Zaidi and Dr. Carlos Correa, signed the agreement, respectively.

Under this agreement, COMSATS and South Centre will collaborate to advance South-South and Triangular Cooperation through various regional and cross-regional cooperation initiatives, as well as exchange information and technical resources

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South Centre @South_Centre · Jan 29

SOUTH CENTRE South Centre met Amb. Ramses Cleland & his staff to discuss developments in int'l fora & further cooperation with #Ghana, including in IP, health & trade. The vision of Pres. Nyerere in promoting the creation of the @South_Centre as a research institution of the South was evoked.



1 2 3

South Centre @South_Centre · Jan 24

SOUTH CENTRE From 24 Jan-1 Feb 2019, the 144th session of the @WHO Exec Board #EB144 is taking place in Geneva. @South_Centre is following the deliberations particularly on issues of relevance for #developingcountries, including #AMR, #TB, #Access to medicines and #UHC. [who.int/news-room/even...](#)



1 1 7 3

South Centre @South_Centre · Jan 17

SOUTH CENTRE The @South_Centre organized a briefing for the @WHO #EB144. 29 delegates from various developing countries participated.



German Velasquez and Nirmalya
1 2 6 3

South Centre @South_Centre · Jan 17

SOUTH CENTRE New analysis - '#TRIPS amendment on compulsory licenses for #export of #medicines (article 31bis of TRIPS)' by Exec. Dir. @South_Centre Carlos Correa, Publ. in Routledge Handbook on the Politics of #GlobalHealth (ed. by Richard Parker & Jonathan Garcia)



Routledge Handbook on the Politics of Global Health...
In the early twenty-first century, key public health issues and challenges have taken centre stage on the global scene, and health has been placed at the heart of our... [routledge.com](#)

1 1 5 3

South Centre @South_Centre · Jan 16

SOUTH CENTRE At handover ceremony of chairmanship of #G77 & China. Special Advisor G. Velasquez thanked, on behalf of Exec. Dir. Carlos Correa, Amb. Farukh Amil of Pakistan, for his leadership & reiterated continuing support of the Centre to the group & new chair, Amb. Diego Aulestia, Ecuador



1 1 5 3

South Centre @South_Centre · Jan 15

SOUTH CENTRE Recent analysis shows that returns from #cancerdrugs are much higher than what would be considered justifiable return for R&D costs; confirms need to develop new models for #drugresearch. See [jamanetwork.com/journals/jaman...](#); [who.int/phi/cewg/en/](#) #research #development #cancerresearch



Consultative Expert Working Group on Research a...
WHO Member States requested the establishment of the Consultative Expert Working Group on Research and Development: Financing and Coordination (CEWG) in ... [who.int](#)

1 5 8 3

South Centre @South_Centre · Jan 24



#EuropeanParliament backs €120B #EU #research budget - example of State intervention to promote #industrialdevelopment. #Developingcountries' right to implement #industrialpolicies & achieve #SDGs need to be equally respected. sciencebusiness.net/framework-prog... See southcentre.int/research-paper...

0 3 2

South Centre @South_Centre · Jan 4



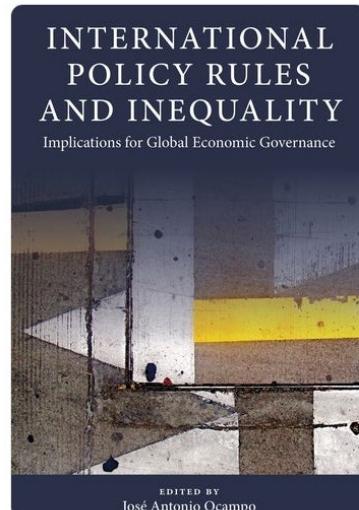
It's time to seriously consider proposals for #developingcountries to withdraw consent - through unilateral declarations - for investor-state disputes under current BITs and move to a more balanced #investmentregime. See ccsi.columbia.edu/2018/04/24/cle... #ISDS #investments #investmentlaw

0 7 2

South Centre @South_Centre · Jan 10



Analysis on inequalities in the Intl. system by Carlos Correa, Exec Dir & Manuel Montes, Sr. Advisor at @South_Centre, published in 'International Policy Rules and Inequality: Implications for Global Economic #Governance' (editor J.A Ocampo, Columbia Univ. Press) #globaleconomy



Columbia's Initiative for Policy Dialogue, Carlos Maria Correa and Butch Manuel Montes

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