

CSO recommendations on ODA eligibility of spending related to Covid-19 vaccines

As some DAC donors are considering using their ODA budgets to cover expenditures related to Covid-19 vaccines, the work of the DAC is critical to ensure that ODA eligibility rules uphold ODA's integrity and credibility, prevent an artificial inflation in ODA budgets, and avoid unduly valorising donor countries for a behaviour that exacerbated vaccine inequality in the first place.

We appreciate the DAC's efforts to consult with civil society organisations (CSOs) on these issues, including through a meeting with the DAC WP-Stat in May and an expert workshop in June. With this paper, we share our positions on ODA eligibility regarding in particular Covid-19 R&D and vaccine dose donations. We look forward to further elaborating and exchanging on these points in the months to come, as the DAC makes progress in deliberating on these issues.

- **Vaccine inequality.** Access to Covid-19 vaccines has largely been determined by countries' purchasing power, leaving the world's poorest people out in the cold. Almost one in four people on average in high-income countries have received a Covid-19 vaccine; while in low-income countries, it is one in more than 500, according to the World Health Organization (WHO). This vaccine inequality is the result of some of the wealthiest countries failing to make the vaccines a global public good—free of charge to the public, fairly distributed and based on need – and instead hoarding enough doses to vaccinate their own populations several times over.
- **This comes at intolerable health and economic cost for developing countries,** where the death toll is on the rise, extreme poverty is skyrocketing for the first time in two decades, and economic and gender inequality are further widening. While development and humanitarian needs are immense and continue to grow, development finance is at risk of collapsing as the COVID-19 crisis unfolds, with all resources available to developing countries – domestic, international, public and private – under major stress. The OECD estimates that as a result of the crisis, the annual SDG financing gap could increase from \$2.5 to \$4.2 trillion.
- In this context, **ODA has a vital role to play** in providing Covid-19 vaccines, tests and treatments to developing countries; supporting developing countries to shore up their health systems more generally; and supporting developing countries to strengthen their capacity to manufacture vaccines.
- However, this support must be provided through **new and additional funds.** Tapping into existing ODA budgets diverts funds away from other vital humanitarian and development programmes. This would be short-sighted, undo decade-long efforts to fight other deadly diseases, poverty and inequality, and push the international community even further off track in achieving the SDGs.
- In addition, **the DAC must ensure that ODA-eligibility rules for activities related to Covid-19 vaccines uphold ODA's integrity and purpose of promoting 'economic development and welfare of developing countries', avoid an artificial inflation in ODA budgets, and avoid unduly valorising donors for a behaviour that created and exacerbated a situation of vaccine inequality in the first place.** In particular:

- **Research for a vaccine, tests and treatments for COVID-19 should not be ODA-eligible**, as it contributes to addressing a global challenge and benefits both developed and developing countries. The DAC must approach any exceptions to this blanket exclusion of research with much caution and on a case-by-case basis.
- **Covid-19 vaccine doses that were initially purchased with donor use as the intent but ultimately donated to ODA-eligible countries should not count as ODA. Only vaccine dose donations to developing countries that were purchased with that donation as the intent can legitimately be counted as ODA. In this case, the DAC should set strict ODA-eligibility criteria on dose valuation and principles for dose-sharing, to ensure the lowest costs possible and high quality standards.**
- More generally, vaccine dose donations are welcome but they are a drop in the ocean compared to needs, and should not undermine commitments towards sharing patents, confidential information and trade secrets, copyright, and industrial design rights. The global response cannot be treated as a fundraising exercise where rich countries donate leftover, potentially less effective vaccines to countries with less wealth or political heft. Governments must do more to regulate the power of pharmaceutical companies to hoard life-saving intellectual property in the name of profit-seeking. This means unlocking the technology through supporting a WTO TRIPS waiver, sharing the technology and know-how through C-Tap and investing now in regional vaccine hubs across the world to defeat this and future pandemics. That is why we are pushing for a [People's Vaccine](#) that is free, fairly distributed, and fully accessible to all.

Endorsing CSOs:

1. 11.11.11
2. ACT Alliance
3. ActionAid
4. Act Church of Sweden
5. Aidwatch Canada
6. Africa Future Foundation
7. Africa Network for Environment and Economic Justice (ANEJ)
8. Alliance Sud
9. Bond
10. Civil Society Platform for Peacebuilding and Statebuilding (CSPPS)
11. CNCD 11.11.11
12. Coastal Development Partnership (CDP)
13. Cooperation Canada
14. Coordinadora de la Mujer
15. Coordination Sud
16. Cordaid
17. Estonian Roundtable for Development Cooperation
18. Eurodad
19. FIAN Sri Lanka
20. Global Responsibility – Austrian Platform for Development and Humanitarian Aid
21. Health GAP (Global Access Project)
22. Ibon International
23. Initiative for Social and Economic Rights (ISER)
24. Japan NGO Center for International Cooperation (JANIC)
25. Korean Advocates for Global Health (KAGH)
26. Lithuanian National Non-Governmental Development Cooperation Organisations' Platform
27. Oxfam International
28. Plan International – Korea
29. Reality of Aid Network
30. Reality of Aid – Asia Pacific
31. Save the Children
32. SOMO- Centre for Research on Multinational Corporations
33. Sri Lanka Nature Group
34. Wemos



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The Reality of Aid

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