# NOTE FOR FINANCE COMMITTEE

## **Donation of Coronavirus Disease 2019 Vaccines**

#### **PURPOSE**

This note informs Members of the donation of 7.5 million Coronavirus Disease 2019 (COVID-19) vaccine doses to the COVAX Facility (COVAX) under the World Health Organisation (WHO).

# **BACKGROUND**

2. With a view to procuring sufficient doses of COVID-19 vaccines for the entire Hong Kong population, the Legislative Council Finance Committee approved on 28 September 2020 a non-recurrent commitment of \$8,441.3 million to procure COVID-19 vaccines. To diversify risks as some vaccines under development may not come to fruition, the strategy is to procure at least two candidate vaccines from different vaccine developers across different vaccine platforms and to procure sufficient doses of vaccines to cover at least two times the Hong Kong population.

## LATEST DEVELOPMENT

#### **Procurement situation**

- 3. With the above strategy, we have so far entered into advance purchase agreements with three vaccine developers as detailed below. Due to the confidentiality agreements with the vaccine developers concerned, we are not at liberty to disclose the contract amount of the individual purchase agreements.
  - (i) 7.5 million doses of CoronaVac by Sinovac Biotech (Hong Kong) Limited. CoronaVac is developed from the inactivated virus platform;
  - (ii) 7.5 million doses of Comirnaty jointly developed by German manufacturer BioNTech and Fosun Pharma. Comirnaty is developed from the mRNA platform; and

- (iii) 7.5 million doses of the COVID-19 vaccine (AZD1222) jointly developed by AstraZeneca (AZ) and the University of Oxford. This vaccine is developed from the viral vector platform.
- 4. With the delivery of CoronaVac and Comirnaty doses from February 2021, we launched the territory-wide COVID-19 Vaccination Programme (Vaccination Programme) on 26 February 2021. As at early October, over 11 million doses of COVID-19 vaccines have arrived in Hong Kong (4.5 million CoronaVac and 6.7 million Comirnaty) and over 8.8 million doses have been administered. Over 67% of the eligible population has received at least one dose of vaccine, and we are poised to meet the 70% vaccination milestone in October.

# **Donation to COVAX**

- 5. As mentioned above, Hong Kong has secured sufficient supplies of CoronaVac and Comirnaty and we expect Sinovac and BioNTech/Fosun Pharma to be able to continue to deliver the vaccine doses required to meet our demand under the current Vaccination Programme of the Government. Taking into account the favourable supply for Hong Kong, the local epidemiological situation and the ongoing administration of CoronaVac and Comirnaty, we consider that there is no need for AZD1222 by AZ to be delivered to Hong Kong under the current purchase agreement, as it would certainly lead to stockpiling and wastage without helping our Vaccination Programme. Vaccine wastage is highly undesirable and even irresponsible in face of the global shortage of vaccines and the raging epidemic situation worldwide.
- 6. A global pandemic requires no less than a world effort to end it and "no one is safe until everyone is safe". According to a statement made by the WHO<sup>1</sup>, as at early September 2021, the global picture of access to COVID-19 vaccines is unacceptable. Only 20% of people in low- and lower-middle-income countries have received a first dose of vaccine compared to 80% in high- and upper-middle income countries. While addressing the 13th BRICS summit, President Xi said that China has provided more than one billion doses of finished and bulk vaccines to over 100 countries and international organisations, and will strive to provide a total of two billion doses by the end of 2021. Furthermore, on top of the US\$100 million donation to COVAX, China will donate an additional 100 million doses of vaccines to fellow developing countries within 2021<sup>2</sup>. Meanwhile. WHO appealed repeatedly the global the has

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https://www.who.int/news/item/08-09-2021-joint-covax-statement-on-supply-forecast-for-2021-and-early-2022

https://www.fmprc.gov.cn/mfa\_eng/zxxx\_662805/t1906191.shtml

FCRI(2021-22)12 Page 3

community to donate COVID-19 vaccine doses to lower income countries. Making donations through COVAX will have the maximum impact as it will ensure efficient and equitable targeting of doses based on local need and capacity.

Against the above background, we have reached a tripartite agreement with AZ and Gavi (the administrator of COVAX) to donate 7.5 million doses of AZD1222 (i.e. our entire purchase order) to COVAX Advance Market Commitment (AMC) Eligible Economies, which comprise 92 low income and lower middle-income economies based on statistics and classification by the World Bank<sup>3</sup>. According to the latest timetable, the 7.5 million doses will be delivered to COVAX before Q2 2022 by shipments in batches. Ancillary expenses, if any, will be covered under the non-recurrent commitment approved for the procurement of COVID-19 vaccines (paragraph 2 above). Separately, we will continue to maintain our participation in COVAX for access to other types of vaccines which cannot be otherwise procured through bilateral purchase agreements, but we will only exercise our right to make the purchase after carefully considering the needs of Hong Kong, the scientific evidence on the vaccines, etc.

# **ADVICE SOUGHT**

8. Members are invited to note the latest development regarding the donation of COVID-19 vaccines developed by AZ to COVAX.

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<sup>&</sup>lt;sup>3</sup> Comprises 80 low income and lower middle-income economies eligible for COVAX AMC support based on 2018 and 2019 World Bank Gross National Income data, and the 12 other economies eligible for the International Development Association under the World Bank.