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## **BULLETIN**

## The Importance of COVID-19 Vaccines in Chinese Foreign Policy

Marcin Przychodniak

Shipments of Chinese vaccines abroad are to demonstrate China's effectiveness in fighting the COVID-19 pandemic and strengthen its political influence around the world. The country also wants to increase the credibility of its biotechnology companies on the global market. The implementation of these plans may be hampered by the lack of reliable studies on the Chinese vaccines and the demand for them in China itself. To fight the pandemic and counter China's influence, the EU may make some of its vaccines available to developing countries through COVAX, in cooperation with the U.S. when it joins the initiative.

Chinese Vaccines. In mid-2020, five vaccines entered Phase III clinical trials in China: two from Sinopharm and one each from Sinovac (called CoronaVac), CanSino Biologics, and Anhui Zhifei Longcom. Previous tests, carried out in different countries and on different groups, have shown varied effectiveness. The effectiveness of CoronaVac, which was tested in Turkey and Brazil, ranged from 50% in preventing infection (for reference, the Pfizer-BioNTech vaccine is 94% effective) to 90% in preventing a severe course of COVID-19. In the case of the Sinopharm preparations, these are 70% and 86%, and CanSino, 65% and 90%. For all these products, there is no reliable data verified, for example, by the European Medicines Agency (EMA), because the Chinese vaccines have not been submitted for approval in the EU. Their prices also vary: CoronaVac is usually more expensive than the Russian Sputnik V or the Pfizer-BioNTech product, but cheaper than the Moderna vaccine.

Chinese Vaccination Programme. The authorities allowed conditional vaccinations with some Chinese (including Sinopharm) in the last phase of their clinical trials in June 2020. These involved mainly soldiers or medical personnel. At the end of December last year, the authorities officially approved one of the Sinopharm vaccines for use in China, and in February this year, the Sinovac and CanSino products were approved for general use under emergency conditions. The authorities predicted that 50 million people would be vaccinated by the Chinese New Year

(12 February), but by 10 February it was just over 40 million. After the holiday season (12-17 February), mass vaccinations continued. By the end of February, slightly more than 50 million doses had been administered. The authorities then declared that by the end of June, more than 40% of the general population would be vaccinated. Bloomberg estimates that at the current rate, China would achieve herd immunity via vaccinations in five years (for example, in the U.S. it may be as early as 11 months). More than 80% of Chinese say they want to be vaccinated against COVID-19. The problem, however, is the limited trust in Chinese products, influenced, among others, by the events of 2017 when 250,000 doses of Chinese diphtheria, whooping cough, and tetanus vaccines administered in the country were damaged, possibly resulting in the death of children. Further, the authorities have not confirmed that Chinese products were used to vaccinate central party leadership, including leader Xi Jinping; however, there are reports showing that delegates (more than 5,000 people) to the sessions of the NPC and CPPCC (which started on 4 March) were vaccinated with Sinopharm. China had a contract for around 100 million doses of the Pfizer-BioNTech vaccine (so far, it has received about 100,000).

The implementation of the vaccination programme is delayed by the variable pandemic situation, which hinders logistics and the ability to reach people to be vaccinated. While there were reports of only a few new cases of infections at the end of February, a spike is still possible as

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a result of the traditional Chinese New Year, when many families travelled despite government restrictions (such as the quarantine obligations upon return).

Foreign Cooperation. In May 2020, President Xi assured the World Health Organisation (WHO) Assembly that China would make its vaccines a "global public good". The Chinese Ministry of Foreign Affairs declared that China will transfer the products free of charge to 53 countries (such as Egypt or Montenegro), and sell to 23 countries. China often takes advantage of developing countries' difficult access to other products. China is also offering loans for the purchase of vaccines, such as the \$1 billion for Latin American countries in June 2020. In total, China expects to sell up to 530 million doses. By 15 February, more than 45 million vaccines had been sent abroad. One of the purchase conditions was to use the vaccines for testing. This condition applied to sales to Brazil, Russia, the UAE, Mexico, Serbia, and some others. Working with these countries allowed the Chinese companies to expand their test groups given the few new infections in China. The country is implementing contracts for the supply of vaccines (mainly Sinopharm) in Europe (including Serbia and Belarus), the Middle East (UAE, Bahrain), South America (Brazil, Peru), Asia (Cambodia, Indonesia) and Africa (Morocco, Senegal). The Chinese media also emphasise the public vaccination of foreign leaders (e.g., the presidents of Indonesia and Turkey) as proof of acceptance of China's vaccines. Cooperation in the field of health protection, including the supply of Chinese vaccines, was also the subject of a recent summit of leaders of the "17+1" initiative.

The uncertainty among the public of other countries about the quality of Chinese products is reinforced by the inconsistent declarations by Chinese authorities regarding their effectiveness and delays in the Chinese vaccination programme. There are also concerns about the production and logistics capabilities of the Chinese companies. For example, Sinopharm suspended part of its vaccine supplies to the UAE and Turkey, which the Chinese Ministry of Foreign Affairs admitted was due to the need to use the doses domestically. China has also tried to force Nepal and other countries to buy the vaccine without sufficient documentation. Chinese companies declared their readiness to produce more than 1.6 billion vaccines in 2021. However, to achieve herd immunity, China itself should vaccinate about 1 billion people, which requires about 2 billion doses. Thus, it is possible China will withhold additional supplies for other countries.

Chinese producers may soon apply for product certification in the EU. In view of the 27-member bloc's problems with the supply of European and American vaccines, German and Polish authorities publicly mentioned the possibility their healthcare systems might use Chinese products. The Chinese companies may also be encouraged to register their vaccines as the EU considers introducing "vaccine"

passports" for people who have received EMA-approved products. So far, only one Member State, Hungary, has purchased a Chinese vaccine—one of the Sinopharm products—and allowed it to be used as part of a conditional procedure. Czechia also declared the purchase of a Chinese vaccine but it is mired in a political dispute there. However, it is hard to expect that the EU will decide to include Chinese products in the EC's general procurement procedure. This is due to the lack of trust in the products resulting from limited data, the uncertainty of supply, and past and current Chinese disinformation about vaccines from Europe and the U.S., including statements claiming the concealment of deaths resulting from their use.

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The readiness to supply Chinese vaccines against COVID-19 is intended to prove the benefits of a close relationship with China. Government-related media accuse the U.S. and the EU of human rights violations by reserving most of the vaccines for themselves, citing especially the EC disputes with producers about reducing their supplies to the EU. At the same time, China's joining COVAX and its approval in January and February this year of the WHO mission (although with limited ability to operate) is to divert attention from the mistakes of the Chinese authorities at the beginning of the pandemic. Widespread use of Chinese vaccines would also improve the image of the country's biotech sector and could increase its share of the global market. This happened after the WHO approved a vaccine from China for Japanese encephalitis in 2014. Vaccines may also be an element of repression against Taiwan. Its authorities say that China, where Pfizer-BioNTech is produced, has suspended shipments to the island.

Sales of Chinese vaccines to Hungary and the EU's neighbouring countries (Serbia, Ukraine) will be presented by China (but also Russia) as evidence that the Union is weak. This will reduce the EU's credibility, for example, in the Balkans, to China's benefit. The Union could limit this effect by transferring some of the vaccines it's ordered to its partners, for example Ukraine, the Balkan, or African countries (the French president is calling for the transfer of up to 5% of acquired vaccines to Africa). An important element of the EU's activities may also be cooperation with suppliers to increase the production capabilities of vaccines (announced at the February G7 meeting with the participation of the EU). The continued activity of the EU in COVAX will also be important, especially after the U.S. joins the initiative, as announced by the Biden administration.