# Vaccine Inequity - Implications

## What is the issue?

- The Government of India unveiled a completely revamped vaccine strategy.
- The resultant vaccine inequity could make containment measures more difficult.

## What is the recent decision?

- Two key elements are the hallmark of this new strategy, which will be implemented from May 1, 2021.
- **1)** The phased roll-out of the vaccination drive (initiated on January 16, 2021), under which the vaccine-eligible sections of the population were gradually increased, has now been extended to the entire adult population.
- All above 18 years will now get vaccinated.
- **2)** A significant deregulation of the vaccine market has been effected.
- Vaccine manufacturers now have the freedom to sell 50% of their vaccine production to State governments and private hospitals.
- This can be sold at prices that can be substantially higher than that hitherto fixed by the government.
- A third element of the vaccine strategy, which was not announced formally, is a grant of ₹45 billion to the two vaccine manufacturers to boost their capacities.
    - Serum Institute of India (SII) and Bharat Biotech.

## What are the concerns?

- In the midst of the second wave of the pandemic, the Central government has abdicated its responsibility to ensure vaccine equity through free vaccination for the poor across all age groups.
- State governments were never consulted or given prior notice about the change in vaccination policy.
- And the two vaccine manufacturers are given a free hand to decide the price at which vaccines will be sold to State governments.
- This has made universal COVID-19 vaccination a difficult task to achieve.
- A large percentage of those aged 18-44 years does not have the resources to pay for vaccines.
- Most of them will hence go without being vaccinated.

- So, the States will have to take a leading role in the free immunisation programme.
- Nearly two dozen States have already committed to vaccinate for free the target population.
- It remains to be seen if they use any criteria to identify the beneficiaries.

## What are the implications?

- The Union government restricts itself to vaccinating for free just 300 million.
- Never before has universal immunisation of nearly 600 million people been left to State governments and the private sector.
- With this precedent, States will probably be required to vaccinate children too, when vaccines become available.
- This will burden them even further and thereby actively promote vaccine inequity.
- Making States pay for vaccines is an ill-conceived idea.
- And forcing them to shell out more than what the Union government pays for the same vaccines will for sure exacerbate vaccine inequity.
- Notably, vaccination is now the only safe way to end the pandemic.
- So, undertaking any exercise that leaves a large population unprotected will cost the country enormously in terms of lives and livelihoods.

## Is financial resource a constraint?

- The Union government has already allocated ₹35,000 crore for COVID-19 vaccination in the current Budget.
- It has also committed to provide further funds if required.
- With this, it will have to spend less than ₹10,000 crore to vaccinate for free all above 45 years.
- The sudden change in policy is therefore not due to lack of financial resources.
- But, the State governments, which have not factored in funds for vaccination, will now be required to garner funds for the same.
- There is hence a great compulsion to make pricing more transparent and allow States to collectively bargain for a lower price and assured timelines to receive supplies.

## How does the future look?

- The new policy takes the States and the companies to a completely uncharted territory leading to competition among States, and between State governments and private hospitals.
- Vaccine shortage from both manufacturers is likely to last a few months.

- There is less likely to be a smooth roll-out of vaccines for the target group given the combination of -
    - policy pandemonium
    - profiteering by vaccine manufacturers in the thick of the pandemic
    - vaccine shortage
- This could lead to a dangerous situation where containment and mitigation measures become even more difficult.
- In all, the new vaccine strategy could undermine “vaccination for all” (in a country that has long championed the cause of access to affordable medicines in international forums.)

**Source: The Hindu**

