RV VeKommunicate

JULY 2020 VOL.11

POLICYPULSE

FOREWORD

As COVID-19 continues to disrupt normal activity, businesses across the globe are focusing on the new normal to sustain and grow in a challenging environment. The forecasts for 2020, as expected are not encouraging, but agencies across the world believe that the economies will bounce back in 2021. This edition of Policy Pulse looks at several aspects of policies and developments that impact businesses across sectors.

MACRO-ECONOMIC SNAPSHOT

Forecast: Global Economy

The global growth projection has weakened drastically amid the uncertain environment created by the ongoing pandemic. While businesses are reopening in many countries, a second wave of viral infections is threatening the economic outlook. The World Bank, in its report Global Economic Prospects, June 2020, projected "5.2 percent contraction in global GDP in 2020—the deepest global recession in eight decades, despite unprecedented policy support". It also says that the economic disruptions are likely to be more severe and extended in those countries with larger domestic outbreaks and greater exposure to international spillovers. Many countries have avoided more adverse economic outcomes through sizable fiscal and monetary policy support measures. Despite these measures, the per-capita incomes in all emerging & developing economies have already faced contraction and the forecast does not post major changes in coming months.

IMF is projecting a deeper recession in 2020 and a slower recovery in 2021. It indicates a cumulative loss of over US$ 12 trillion to the global economy over two years (2020& 2021) due to COVID-19. Recently, it has projected 4.9% contraction in global GDP growth for the year 2020. The projection says that all advanced economies, including USA, EU, Japan, UK, Canada, etc. will witness a contraction ranging from 8% to 12.8%. Similarly, emerging and developing economies will also witness a negative growth in 2020. Interestingly, the story looks different for China. As per IMF's projection, China is the only country which will observe a positive growth in 2020. The chart below shows the details of IMF's growth projections across the globe:

			Projections	
	2018	2019	2020	2021
World Output	**3.6**	**2.9**	**-4.9**	**5.4**
Advanced Economies	**2.2**	**1.7**	**-8.0**	**4.8**
United States	2.9	2.3	-8.0	4.5
Euro Area	1.9	1.3	-10.2	6.0
Germany	1.5	0.6	-7.8	5.4
France	1.8	1.5	-12.5	7.3
Italy	0.8	0.3	-12.8	6.3
Spain	2.4	2.0	-12.8	6.3
Japan	0.3	0.7	-5.8	2.4
United Kingdom	1.3	1.4	-10.2	6.3
Canada	2.0	1.7	-8.4	4.9

	2018	2019	Projections 2020	2021
Emerging Market and Developing Economies	**4.5**	**3.7**	**–3.0**	**5.9**
Emerging and Developing Asia	6.3	5.5	–0.8	7.4
China	6.7	6.1	1.0	8.2
India	6.1	4.2	–4.5	6.0
ASEAN-5	5.3	4.9	–2.0	6.2
Russia	2.5	1.3	–6.6	4.1
Latin America and the Caribbean	1.1	0.1	–9.4	3.7
Brazil	1.3	1.1	–9.1	3.6
Mexico	2.2	–0.3	–10.5	3.3
Middle East and Central Asia	1.8	1.0	–4.7	3.3
Saudi Arabia	2.4	0.3	–6.8	3.1
Sub-Saharan Africa	3.2	3.1	–3.2	3.4
Nigeria	1.9	2.2	–5.4	2.6
South Africa	0.8	0.2	–8.0	3.5

Source: IMF

Regional Outlooks:

- East Asia and Pacific: Growth in the region is projected to fall the lowest rate since 1967.
- Europe and Central Asia: All countries across the region are likely to face the recession.
- Latin America and the Caribbean: The pandemic is set to drop the regional economic growth by -9.4% in 2020.
- Middle East and North Africa: Forecast of economic activity in the Middle East and North Africa is set to contract by 4%.
- South Asia: Economic activity in the region is projected to contract as pandemic mitigation measures hinder consumption and services.
- Sub-Saharan Africa: Economic activity in the region will contract by 3.2% in 2020, the deepest on record.

Global goods and services trade will witness 11% contraction in 2020, with advanced economies affected more than the emerging and developing economies. Oil and consumer goods prices will also hit a low in 2020.

Given the high uncertainty of the COVID-19 pandemic, including the possibility of second and third-wave outbreaks, the hope of the cure or vaccine will decide the direction and prospect of the economy. Despite all these contractions, economists still believe that, 2021 will witness a slow but steady growth. Emerging and developing economies will witness higher growth than the advanced economies. Cooperation across countries, between governments, non-governmental organizations, and the private sector is necessary to help in building the capacity to detect and respond to the health crisis appropriately, as well as in developing the vaccine.

Forecast: Indian Economy

India has entered into 'Unlock Phase-II" from 1 July, 2020 with resumption of businesses. The Government and the RBI have taken prompt policy measures, both short term and long term, in a regulated manner to revive the economy. Recently, IMF projected India's GDP growth in 2020 to contract by 4.5%, which is far better than the advanced economies. Other international rating agencies like World Bank, S&P, Moody's, Fitch, etc, have also projected a similar fall in 2020.

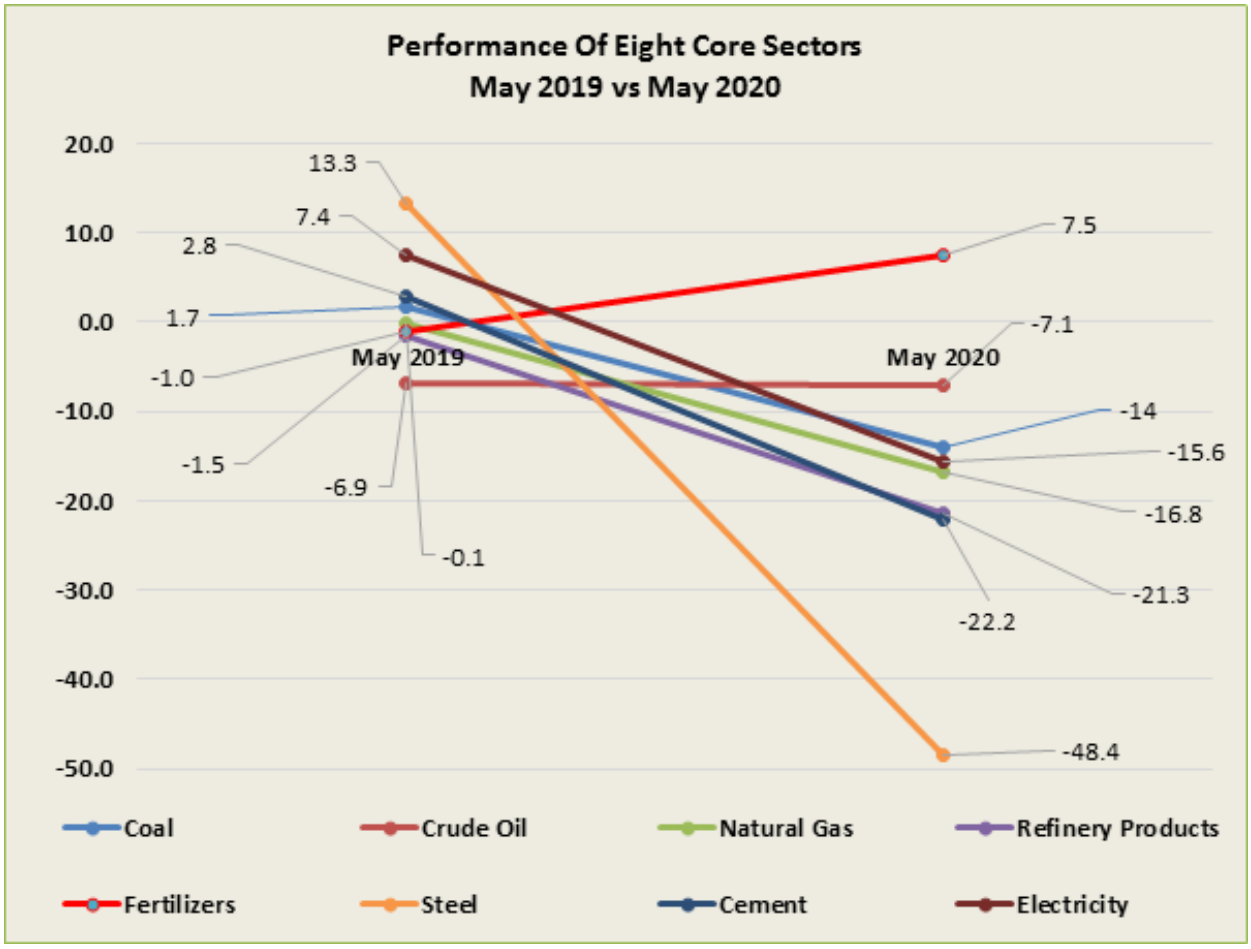
2020 Forecast Projection of India (%) - A Comparison				
IMF	WB	S&P	Moody's	Fitch
-4.5	-3.2	-5	-4	-5

India - Fitch's Forecast Summary				
(%) FY Starting April	FY19-20	FY20-21F	FY21-22F	FY22-23F
GDP	4.2	-5.0	8.0	5.5
Consumer Spending	5.3	-8.3	9.9	5.4
Fixed Investment	-2.8	-12.4	8.8	6.5
Net Trade	0.9	-0.5	-0.5	0.1
CPI Inflation	7.4	3.1	2.7	3.4
Policy Interest Rate	5.15	3.50	3.75	4.50
Exchange Rate, USD to INR	71.27	76.00	74.00	73.00

Source: Fitch

Performance of Economic Indicators

India's Index of Industrial Production (IIP) in April 2020 declined by a record 55.5%. Purchasing Managers Index (PMI) for April 2020 also recorded its sharpest deterioration to 27.4%. India's trade deficit stood at USD 3.1 billion in May 2020, the lowest recorded trade deficit since February 2009. India's merchandise exports contracted by a lower 36.5% in May. Iron-ore, drugs and pharmaceuticals, chemicals, spices and rice were positive contributors. India's top five imports, namely petroleum crude & products, electronic goods, gold, pearls, precious & semi-precious stones and coal were positive contributors to import growth. Consumer and wholesale price inflation stood at 7.4% in May 2020.



Source: Ministry of Finance

(The economic updates have been prepared by Deepak Sahoo, Senior Regulatory Director)

WTO TRADE UPDATES

Choosing the Next DG For WTO

As the current Director-General of the World Trade organization (WTO), Roberto Azevedo is stepping down on 31st August 2020, member countries are looking to nominate their candidates for taking over as the next DG at the WTO. The last date for filing nomination at the WTO is 8th July 2020. Countries like Egypt, Nigeria, South Korea, Moldova and Mexico have submitted nominations.

EU Stands Firm on Import Requirements – Food Products

During the WTO Committee meeting on Sanitary and Phytosanitary (SPS) Measures, held in the last week of June 2020, a group of 33 countries (mostly Latin and African members) requested the EU to provide relaxation from meeting the import requirements of modified minimum residue levels (MRLs) of certain pesticides that have been scheduled by the EU to be effective in 2020. Due to COVID -19 situations across the globe, countries mentioned the difficulties in equipping the small farmers and MSMEs to meet the reduced MRLs of pesticides.

Further, the countries sought attention of the EU on how such relaxation would help in avoiding disruptions in food supply and promote food security and enhance the trade of plant, animal and food products in the plight of vulnerable situation. However, the EU stated the MRLs are based on scientific studies and in addition, sufficient time had already been provided to the food business operators to meet the new requirements. Hence, the modified MRLs set by the EU will go into effect.

EU takes India to Dispute-ICT Products

Issue: The EU has raised its concerns to India's tariff treatment of ICT products which was identified to be against India's commitments at the WTO. The EU categorically stated that import duty levied on certain ICT products exceeds the India's commitment of 0% in the Schedule. Further, the EU stated that India's import duty of 20% has affected products worth 400 million Euros annually by such duties[1].

Products Concerned: Tariff lines – 85044002, 851712, 851761, 851762, 85177001, 85177002, 85177003, 85183001, 85444201 (HS 2007)

[1]WT/DS582/9 dated 18th February 2020

Follow-up: As the bilateral consultations with India in April 2019 did not bear the results as expected by the EU, Brussels requested consultations with India on importation of certain information and technology products (ICT) at the WTO. Although, New Delhi pointed out that the EU's concern falls under the scope of Information Technology Agreement (ITA-II) to which India was not a party and further provided an explanation for its levy, the EU went ahead and requested the dispute body of the multilateral organization to set up a panel.

Other Members: Japan, Chinese Taipei and USA have also raised the same concerns.

Panel: The Dispute Settlement Body (DSB) has agreed to establish a panel. Japan, Chinese Taipei, USA, Canada, Turkey, South Korea, China, Brazil, Indonesia, Norway, Singapore, Thailand, Russia and Pakistan have become the third party to participate during the forthcoming hearings.

FTA UPDATES

EU, Swiss Deal Hit by Pandemic, Brexit

The EU and Switzerland have a free trade agreement since 1972. Since then, both parties have signed and implemented over 120 bilateral agreements. Currently, these two trading partners are negotiating a market access and an institutional framework agreement, which are slated to be signed within this year.

Despite bilateral efforts, the Union and Switzerland had to stall negotiations on the agreement citing tackling of the COVID-19 pandemic as the current priority. Further, the two parties agreed to withhold the deal until the completion of Brexit from the Union. Brexit is slated by the end of 2020.

Meanwhile, the UK and Switzerland have initiated a bilateral deal that would mutually recognize each other's financial infrastructure and provide access to their respective financial markets. Further, both the countries would undertake an interim assessment at the end of this year before commencement of their bilateral financial agreements[2]

South Korea and Cambodia Plan FTA

As a part of its New Southern Policy, South Korea is launching negotiations for a free trade agreement with Cambodia in July, 2020[3]. While Cambodia is already a rising trading partner to Seoul, a deal would strengthen its bilateral relationship. It is to be noted that the South Korea already has an FTA with ASEAN since 2007. Textiles, apparels, tenderloin, footwear are some of the top products wherein an immediate tariff concession seems plausible between the countries.

[2]https://www.swissinfo.ch/eng/finance-ministers-work-towards-swiss-british-deal/45871326

[3]https://world.kbs.co.kr/service/contents_view.htm? lang=e&menu_cate=&id=&board_seq=386551

POLICY/REGULATORY BRIEF

Section I: Larger Policy/Regulatory Updates

EU's Green Deal: The Battery Plan

In 2020, COVID-19 has disrupted the global economy, however such disruption may also be fueling the world to move towards a greener economy. For instance, for the post COVID-19 recovery, Germany has announced a stimulus package which favours investments towards batteries, e-charging infra structure, railways and energy efficient buildings[4]. In Asia, South Korea has witnessed an increase in export of electric vehicles to Norway in 2019 due to its trade agreement with EFTA[5]. Further, this upward trend is likely to be reciprocated in current fiscal as Norway as one of the first countries driving the world in transitioning to electrical mobility is gaining closer to its set target year of 2025. Majority of the countries that planned to ban fossil fuel powered vehicles have set 2030 as the target year to make a transition towards electric powered vehicles. As a result, countries like UK, South Korea, Norway, Denmark, Netherlands, Sweden, Germany, France, Spain, Portugal, Canada and others may favour investments and provide institutional support to the automotive sector.

EU Regulation on Batteries: In this context, it is crucial to note that the European Commission (EC) is likely to propose changes to the existing regulatory framework on batteries in the forthcoming months. As a part of achieving Green Deal towards climate neutrality by 2050 and adapting to technological innovations, the EU is inclined towards advancing its regulations on batteries. Hence, it has

[4]https://www.euractiv.com/section/electric-cars/opinion/germanys-eu-presidency-a-chance-to-boost-electric-cars-at-home-and-abroad/

[5]https://en.yna.co.kr/view/AEN20200605002400320

undertaken an exercise as per its “Strategic Action Plan” of 2018 which resulted from the establishment of European Battery Alliance in 2017. This plan has emphasized focus on extraction and processing of raw materials, design and manufacturing phase of battery cells and battery packs, and their use, second use, recycling and disposal[6]. In accordance with this plan, the EU has published “Inception Impact Assessment (IIA) in May 2020. It proposes to modernize EU’s Batteries Directive – Dir 2006/66/EC. It focuses on bringing changes to energy storage systems, electric vehicle batteries, recycling and phasing out of non-rechargeable batteries[7]. Further, it intends to promote second use of batteries.

Expected Changes: Changes in definition of terms like lifetime, hazardous substances, mandatory level of recycled content, durability, reusability and recyclability conditions are expected. Further, the producer responsibilities in collection of used products may be increased to a great extent.

Products Covered: Consumer electronics, communication devices, industrial batteries for electric vehicles and energy storages, etc.

Regulatory Impact: This proposal to bring changes in Batteries Directive is likely to pose a high degree of impact on existing regulatory framework like EcoDesign Directive, Energy Labelling Regulation, and to a certain extent on REACH and Waste Framework Directive. Further, it is postulated to bring changes to the standards on batteries.

Secondary Impact: Sourcing and accessing raw materials would fall under the purview of regulatory mechanism as the raw materials for batteries production require mining of minerals like lithium, cobalt, nickel, manganese, graphite, silicon, copper and aluminium. Hence, mining regulation may also face certain additional changes.

Free Trade Agreements: Although it’s too early to predict changes in trade agreements, the focus on changes in the sourcing and production of batteries may result in additional requirements of certification, increase in inspection and control, rules of origin, etc.

[6]https://ec.europa.eu/transparency/regdoc/rep/1/2018/EN/COM-2018-293-F1-EN-ANNEX-2-PART-1.PDF

[7]https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12399-Modernising-the-EU-s-batteries-legislation

Impact on Other Countries: EU's trading partners who export raw materials or components of vehicles must keep a close watch on any further developments in this sector as the expected regulatory changes would focus on responsible sourcing of raw materials and components to the industry. With Germany taking over the Presidency of the Union, there is a strong possibility of this regulation taking shape faster than expected.

(This article has been prepared by R. Manonithya, Senior Research Analyst)

Revised Public Procurement (Preference to Make-in-India) order, 2017

With an aim of making the country self-reliant, Department for Promotion of Industry and International Trade (DPIIT), Ministry of Commerce, Government of India has issued a revised Public Procurement (Preference to Make-in-India) order, 2017 (PPO) on 4 June 2020. Prior to this third revision, it was revised in 2018 & 2019. Under this PPO, the DPIIT would give greater preference to companies in India whose goods and services have significant local content. In order to achieve the same, concept of Class-I, Class-II and non-local supplier has been introduced by the government.

Class-I local supplier: Supplier or service provider, whose goods, services or works offered for procurement, has local content equal to or more than 50 percent. This category will get the maximum preference in all government tenders.

Class-II local supplier: Supplier or service provider, whose goods, services or works offered for procurement, has local content more than 20 percent but less than 50 percent.

Non - Local supplier: Supplier or service provider, whose goods, services or works offered for procurement, has local content less than or equal to 20 percent. This category will not be able to participate in most of the government tenders.

(This article has been prepared by Kalyani Sharma, Policy Analyst)

Atmanirbhar Bharat Abhiyan/Self-Reliant India Mission

As a major step towards reviving the India economy, Prime Minister, Narender Modi announced the 'AtmaNirbhar Bharat Abhiyan' on 12 May, 2020 with an economic stimulus package of INR 20000 billion which is equivalent to 10% of India's GDP. The five pillars of AtmaNirbhar Bharat focus on Economy, Infrastructure, Technology Driven System, Vibrant Demography and Demand. In order to prove the resolve of AtmaNirbhar Bharat, government announced structural reforms around key sectors comprising of Coal & Mineral, Land, Labour & Liquidity Reforms, Defence, Power & Atomic Energy, MSMEs, Civil Aviation & Space and Healthcare. The economic stimulus package under AtmaNirbhar Bharat Abhiyan has been allocated by the government in five phases:

Phase 1: Businesses including MSMEs

These set of relief measures includes funding as well as loan guarantees for MSMEs, NBFCs/HFCs, discoms, contractors, real estate and salaried workers.

Phase 2: Poor, including migrants and farmers

These set of relief measures will focus on migrant workers, small farmers, street vendors and the poor.

Phase 3: Agriculture

The core focus of these measures is on the agriculture and allied sectors like dairy, animal husbandry, and fisheries so as to strengthen the overall farm sector.

Phase 4: New Horizons of Growth

These sets of measures will focus on eight critical sectors comprising of Coal, Minerals, Defence Production, Airspace Management, Social Infrastructure Projects, Power Distribution Companies, Space Sectors, and Atomic Energy.

Phase 5: Government Reforms and Enablers

These sets of measures cover seven key measures for providing employment, support to businesses, ease of doing business, and state governments as well as sectors such as education and health.

(This article has been prepared by Kalyani Sharma, Policy Analyst)

Section II: Region/Country Updates

Animal Health- An Issue of Emerging Importance and the EU Law

In a world under the grip of the COVID-19 pandemic, an outbreak caused by a virus believed to have a zoonotic origin, never before has there been more scrutiny on the subject of transmissible diseases especially in interactions between humans and animals. Due to their significance for the population's health, countries around the world have long since regulated the trade of animal products and established individual domestic surveillance regimes to control the quality of these products and ensure safety.

Need for Animal Health Regime: Animal disease outbreaks can have a widespread impact due to a variety of factors including the epidemiological characteristics of the disease, the structure of the sectors affected and the type and efficacy of the control measures imposed. These impacts can include negative effects for the health of animals and humans, the costs to farmers and related industries, the costs of dealing with disease and of business disruption, also public sector costs of disease eradication and monitoring, and changes in future consumption patterns. Further, disease outbreaks also have significant impacts on international trade of animals and animal products.

Animal health rules are thus essential both to fight certain animal diseases and also to ensure safe and smooth functioning of the internal market for live animals and their products. The importance of such laws is further reinforced by understanding the severity of economic impact an animal disease outbreak can have. Some animal diseases outbreaks in the last two decades and their impact can be seen in Fig.1 below.

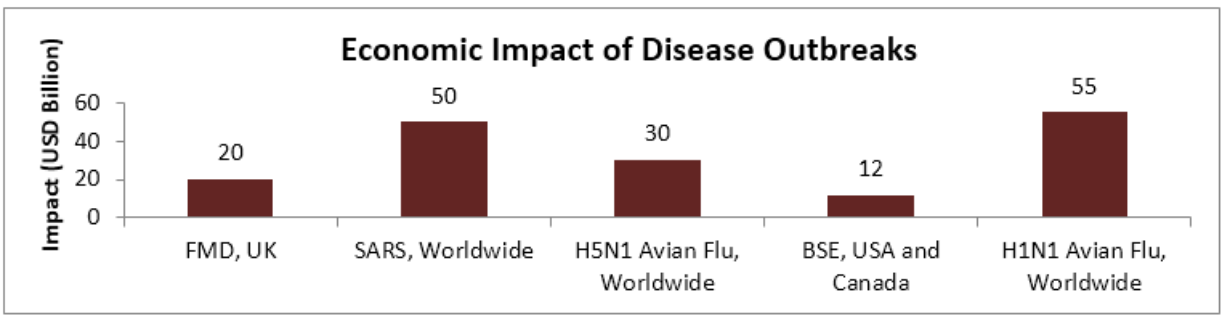


Figure 1 -Economic Impact of Disease Outbreaks

Source: Asia-Pacific Economic Co-operation Health Working Group

Internationally, the Sanitary and Phytosanitary Measures (SPS) Agreement, to which the members of the World Trade Organisation (WTO) are a party, regulates the use of measures necessary to protect human, animal or plant life or health so that they do not arbitrarily or unjustifiably discriminate between members. In the field of animal health, the SPS Agreement refers to the standards of the World Organisation for Animal Health (OIE) relating to animal health conditions for international trade.

EU Framework: The Union is considered to be one of the most stringent region globally in terms of laws governing food safety, had adopted a Regulation on Transmissible Animal Diseases in March 2016. Also known as the Animal Health Law, this single comprehensive law provides for principles and rules for the prevention and control of such animal diseases in kept animals, wild animals and animal products. It has become the overarching regulation due to incorporation of nearly 40 individual directives and regulations. With its enforcement commencing on 21 April 2021, this article takes a closer look at the EU's Animal Health Law.

Brief Overview of the Regulation

Primarily, this Regulation is about animal diseases that are transmissible to animals or humans. It sets rules governing the requirements for following key aspects:

- Disease prevention and preparedness
- Disease awareness
- Bio-security
- Traceability of animals and where necessary products thereof
- Intra-EU movements and entry into the EU of animals and animal products
- Surveillance
- Disease control and eradication and,
- Emergency measures.

A majority of these rules have already existed in one way or another in current legislation. Basically, those rules have been adapted, aligned and made more comprehensive and less burdensome. Some changes expected with the enforcement of the Animal Health Law are:

- Better early detection & control of animal diseases
- Simpler and clearer rules with a focus on key priorities such as preventing and eradicating disease
- New responsibilities are introduced and clarified for farmers, veterinarians and others dealing with animals;

- The new rules shall allow for greater use of new technologies for animal health activities - surveillance of pathogens, electronic identification and registration of animals
- There will be more flexibility to adjust rules to local circumstances, and to emerging issues such as climate and social change;
- It sets out a better legal basis for monitoring animal pathogens resistant to antimicrobial agents

Products Affected: The products covered under this regulation include kept and wild animals, germinal products such as animal semen and hatching eggs, products of animal origin including honey and blood; and animal by products and derived products such as hair, leather etc.

Impact for India: India's total exports of the concerned products to EU were approximately worth 240 million USD in 2018 and 176 million USD in 2019. This is less than 10% of EU's market share for these products. It is important to note that the new Regulation does not change rules for entry into the Union of animals and their products, but rather lends an increased aspect of transparency in international trade requirements. Hence, a simpler system for trade of these products may present an opportunity for Indian exports to increase.

(This article has been prepared by Aishwarya, Research Associate)

OFFBEAT

Telemedicine: The Future of Healthcare

COVID-19 has the entire world in its grip. The healthcare community has been at the receiving end with many getting infected with the disease. As physical distancing is emerging as a crucial precautionary measure in fight against COVID-19, the focus has shifted towards virtual healthcare.

Online appointments have become common during the pandemic and are likely to continue in future even when medical visits resume. The concept of telemedicine and telehealth has been around for years but the pandemic has pushed the need for its large scale adoption even more. Considering the unavailability of the required infrastructure during this pandemic, telemedicine could transpire as a crucial platform in the healthcare. The convenience, accessibility, cost-effectiveness and smart features will make it part of comprehensive medical care in the evolving digital age.

The World Health Organisation (WHO) has recognised telemedicine as an essential service in this situation with the need to be adopted on a large scale. Telemedicine is progressively accepted among doctors, paramedics and consumers.

Given its immense potential, telemedicine has triggered the interest of entrepreneurs. As per a report by McKinsey Global Institute (MGI), the implementation of telemedicine technology could save India US$ 4 billion to US$ 5 billion every year replacing half of in-person outpatient consultations in the country.

What Is Telemedicine?

WHO defines telemedicine as, “The delivery of health-care services, where distance is a critical factor, by all health-care professionals using information and communications technologies for the exchange of valid information for diagnosis, treatment and prevention of disease and injuries, research and evaluation, and the continuing education of health-care workers, with the aim of advancing the health of individuals and communities”.

This can be used to attend patients who are unable to get medical help due to shortage of medical staff and equipments. Specialist care can be provided virtually quashing away the need to visit clinics. The idea behind it is to manage effectively the disease until actual care is available or required.

The term telemedicine is closely associated with telehealth. According to the WHO, telehealth includes, “Surveillance, health promotion and public health functions.”

Although these terms are used interchangeably there is a distinction between the two. Telehealth includes broad range of technologies and services to provide patient care and improve the healthcare delivery system as a whole. Telehealth is different from telemedicine because it refers to a broader scope of remote healthcare services than telemedicine. While telemedicine refers specifically to remote clinical services, telehealth can refer to remote non-clinical services, such as provider training, administrative meetings, and continuing medical education, in addition to clinical services.

Telemedicine involves the use of electronic communications and software to provide clinical services to patients without an in-person visit. Telemedicine technology is frequently used for follow-up visits, management of chronic conditions, medication management, specialist consultation and a host of other clinical services that can be provided remotely via secure video and audio connections.

Global Scenario

The global telemedicine market size is projected to be US$ 185.66 billion by 2026 from US$ 34.28 in 2018. Globally, America dominates the global market due to the presence of a well-developed healthcare sector, telehealth service, increasing adoption of healthcare IT owing to high demand for telemedicine in the recent past followed by Europe.

Emerging economies like India and China and developing regions like Asia Pacific, Middle East and Africa are anticipated to experience positive growth owing swift demand for telemedicine especially in rural areas. Middle East & Africa has the least share in the global market due to the presence of poor economies, lack of healthcare services especially within the Africa region.

Key telemedicine market players include AMD Global Telemedicine, Inc., CardioNet, CareClix, Cerner Corporation, Cisco, GENERAL ELECTRIC, IBM Corporation, Intel Corporation, Iris Telehealth, Koninklijke Philips N.V., Medtronic, SHL Telemedicine, TeleVital, Aerotel Medical Systems, Allscripts Healthcare Solutions, Cardiocom, Honeywell Lifesciences, Tunstall Healthcare, Care Innovations, Medvivo Group Ltd., Aerotel Medical Systems Ltd. among others.

The Indian Ecosystem

India's large population poses a major goal of equitable distribution of healthcare services in public health management. Recent trend of concentration of healthcare facilities limit to the cities and towns away from rural India where majority of the national population live.

Telemedicine services in the country come under the combined jurisdiction of Ministry of Health and Family Welfare (MoHFW) and the Department of Information Technology. MoHFW and the state governments are working for development of telemedicine services in India to cater the increasing healthcare attention required.

WHO recommends a doctor-population ratio of 1:1000 while the current doctor population ratio in India is only 0.62:1000. This deficit is partly being made up by the active telemedicine services in various parts of the country.Telemedicine division of MoHFW has set up a National Telemedicine Portal for implementing a project on e-health establishing a National Medical College Network (NMCN) for interlinking the Medical Colleges across the country with the purpose of e-Education and a National Rural Telemedicine Network for e-Healthcare delivery. As a constituent of the e-health wing of the National Health Portal (NHP), National Digital Health Authority of India (NDHAI)/National e-health authority (NeHA) is being set up with a vision of achieving high quality health services for all Indians through the cost-effective and secure use of ICTs in health and health-related fields.

The MoHFW, together with NITI Aayog and Board of Governors (BoG) Medical Council of India (MCI), has issued a new set of Guidelines for doctors and caregivers pertaining to the use of telemedicine, its application, reimbursement, etc in March 2020.

Recently, the Insurance Regulatory and Development Authority of India (IRDAI) have asked insurers to allow telemedicine wherever regular medical consultation is allowed, in the terms and conditions of medical insurance policies. This step will bring relief to health insurance policy holders who may prefer to consult medical practitioners online or telephonically to avoid going out of their homes or if they are in quarantine themselves due to the coronavirus infection. Some hospitals have even started offering some nursing services at the homes to reduce patient's visits for safety and better social distancing. Some major players in the Indian Telemedicine market are Practo, DocPrime, mFine, CallHealth, Lybrate, Meddo and Navia Lifecare. Teleconsultations via audio and

video facilities will not only reduce the number of patients going to hospitals but also improve the doctor-patient ratio in India.

Conclusion

Telemedicine may not cater all the problems, but can prove to be an important factor in addressing many issues in the healthcare system. Through telemedicine initiatives, distance is no longer barrier in attaining quality healthcare. Lack of awareness and acceptance of new technology both by the public and professionals are holding back the great potential which telemedicine has not yet attained. Government is now taking keen interest in developing telemedicine practices and its rise in utilisation of public health.

As there is rapid growth of digitalisation in the country, demand for telemedicine is expected to pick up in not just urban but also rural areas. The regulatory aspects would be covered as Part-2 in the forthcoming issues.

(This article has been prepared by Anjali Chauhan, Research Analyst)

Role of Intellectual Property Rights amidst Covid-19

The COVID-19 pandemic has put enormous pressure on the pharmaceutical industry across the globe. With the responsibility of sustaining life and continuing to sustain the business, several pharmaceutical companies have been constantly in a process to develop medicines and vaccines to fight the corona virus. Till now, several companies across the globe have been able to develop medicines or vaccines which have hit the stages of
clinical trials.

These developments in future will put forth the question of patent rights in front of the whole world. Since countries across the world are looking to collectively fight against COVID-19, they may bring reforms to their Intellectual Property (IP) Rights regime. However, any attempt to comprehend such changes to the IP rights seems possible only when the treatment for COVID-19 gets formalized.

While, IP rights are of a significant importance for a pharmaceutical company so does the matter of sustaining life. Focussing on the principle of sustaining life, companies like Gilead have provided license of their patented medicines Remdesiver to five drug makers in India and Pakistan. The royalty free license of Remdesiver has been given to Cipla, Hetero labs, Jubilant Lifesciences and Mylan in India and Ferozons laboratories of Pakistan till the pandemic lasts.

Given this background, globally several initiatives have been undertaken which concerns IP rights.

Initiatives related to Intellectual Property Rights:

1. **COVID-19 IP Policy Tracker:** This tool has been launched by the World Intellectually Property Organization (WIPO). It keeps a track of all the policy changes or other measures implemented by the WIPO member states in response to this pandemic. In addition, the policy tracker provides information on legislative and regulatory measures for access and voluntary actions. This was launched on 5 May 2020.
2. **Open COVID Coalition launch of Open COVID Pledge**: This provides framework for organization around the world to make available their IP rights to fight against COVID- 19. With this pledge the right holders can openly license intellectual property to facilitate the development of tools and technologies to counter the COVID pandemic. These would include the manufacturing of medical equipment and testing kits, as well as the development of software, AI and biotech solutions to contain and end the virus. A form of licence "Open COVID License 1.0 (OCL)" is created to fulfill the pledge. Thus the pledger grants a "non-exclusive, royalty-free, worldwide, fully paid-up license (without the right to sublicense)" to exploit the IP (other than trademarks or trade secrets) in products, services and other articles of manufacture "for the sole purpose of ending the 'COVID-19 Pandemic' and minimizing the impact of the disease. The license remains valid from 1 December 2019 to one year till the WHO declares the end of COVID- 19.
3. **World Health Organization's (WHO) COVID-19 Technology Access Pool (C-TAP):** Based on Costa Rica's suggestion, the WHO launched this pool on 29 May 2020. The C- TAP would create a voluntary pool to offer access to patents and other forms of IP rights related knowledge, data and information that will help to speed up production of medicines, vaccines and diagnostics. Some of the key elements of the initiative includes:
    - Public disclosure of gene sequences and data
    - Transparency around the publication of all clinical trial results.
    - Governments and other funders are encouraged to include clauses in funding agreements with pharmaceutical companies and other innovators about equitable distribution, affordability and the publication of trial data.

- Licensing any potential treatment, diagnostic, vaccine or other health technology to the Medicines Patent Pool - a United Nations backed public health body that works to increase access to, and facilitate the development of life-saving medicines for low and middle income countries.
- Promotion of open innovation models and technology transfer that increase local manufacturing and supply capacity, including through joining the Open COVID Pledge and the Technology Access Partnership (TAP).

Role of Compulsory License Besides all initiatives concerning IP rights, compulsory license (CL) also has a vital role amid this emergency created due to COVID- 19 pandemic. Since major focus of countries across globe is to sustain life, many countries have already begun to bring reforms in their patent laws. The list includes the following countries:

- Canada and Germany have amended their patent laws to ease the process of granting a CL.
- Ecuador has adopted a resolution enabling the Minister of Health to issue CL over patents to Covid related technologies.
- Chile has adopted a resolution declaring that the use of CL is justified amid this pandemic to facilitate access to all technologies to fight against COVID- 19.
- Brazil's Parliament is contemplating to amend patent law that may introduce automatic compulsory licensing.

In India, the provision of a CL comes under Chapter XVI of the Indian Patent Act, 1970. The conditions for granting a CL are laid down in section 82 and 94 of the patent act. Under section 84 of patent act, any person can apply for a CL after 3 years from the date of grant of a patent based on following grounds:

- The reasonable requirements of the public with respect to the patented invention have not been satisfied
- The patented invention is not available to the public at a reasonably affordable price.
- The patented invention has not worked in the territory of India.

Since, this pandemic situation will most probably lead to fulfillment of all the above mentioned conditions; there is likelihood that India would be granting its second CL after 2012 which was granted to Natco Pharma for the generic production of Bayer Corporation's Nexavar. However, the problem lies in the fact that a CL can be granted only after 3 years which leaves India with a problem of early and affordable access to treatment.

(This article has been prepared by Himani, Research Analyst)

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