

EU plans to launch dispute settlement with AstraZeneca

18 March 2021



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The European Commission plans to launch the dispute settlement process in its coronavirus vaccine contract with pharma giant AstraZeneca, EU spokesmen said Thursday.

Chief spokesman Eric Mamer said Brussels is waiting for the go ahead from EU member states to write to the firm to demand talks on its alleged failure to honour its contract.

Mamer said the letter "will allow us to start a dialogue with the company as part of a dispute settlement process."

By its own admission, the British-Swedish company has fallen well short of promised deliveries, and this shortfall has slowed Europe's troubled vaccine roll-out.

The dispute has also triggered an international row, with European officials furious that AstraZeneca has delivered on its UK contract while falling short in the EU.

European Commission president Ursula von der Leyen singled out Britain on Wednesday when she warned that Brussels was seeking a way to ensure

"reciprocity" in shipments.

This was taken as a threat to prevent EU vaccine exports to Britain while UK-based suppliers are not shipping to Europe.

The letter would be the first formal measure by the EU since the row erupted and activates a clause in the supply contract between Brussels and the firm.

This could lead to [legal action](#) if AstraZeneca is not able to assure European officials it has met its obligation to make its "best efforts" to ship the promised doses.

Commission health spokesman Stefan de Keersmaecker said that, once the letter was sent, the firm would have 20 days to arrange a senior level meeting with EU officials.

"The aim of that process is to arrive at a solution which resolves the conflict in good faith ... in a way that is satisfactory to all parties," he said.

AstraZeneca had been expected to deliver 90 million doses of vaccine in the first quarter of 2021, but will likely only be able to supply 30 million, after production delays at its EU plants.

In the [second quarter](#) it hopes to deliver 70 million, many fewer than the 180 million initially promised.

Brussels has, however, worked to accelerate production at plants operated by other drugs firms and still hopes to vaccinate 70 percent of European adults before the end of summer.

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APA citation: EU plans to launch dispute settlement with AstraZeneca (2021, March 18) retrieved 8 May 2021 from <https://medicalxpress.com/news/2021-03-eu-dispute-settlement-astrazeneca.html>

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