

Press Release

Smart policies will encourage more critical medicines manufacturing in Europe

EU dialogue focuses on Europe's strategic manufacturing sector

Brussels, 26 February 2021

With COVID-19 still a threat, both Europe's physical and economic health is in the balance. The EU's structured dialogue provides a springboard to address the long-standing issue of securing predictable and sustainable supplies of medicines in Europe - keeping patients' essential needs at the very centre of planning.

Medicines for Europe members supply and manufacture the majority of dispensed chronic and emergency medicines, widely used to treat cancer, cardiac conditions, infectious and respiratory diseases including COVID-19. The association welcomes the acknowledgement of the current trends hindering the continent's pharmaceutical manufacturing and supply chains and its multibillion-euro contribution to European healthcare systems.

During the structured dialogue, a group of Medicines for Europe members outlined the necessary foundations to support manufacturing in Europe. A combination of smart market policies, supportive investment funds and agile regulatory frameworks will encourage a healthy industry in Europe.

Medicines for Europe President, Christoph Stoller (TEVA) said: *"It is very painful to see Europe gradually losing its essential pharmaceutical production. This cannot continue. This dialogue is a first concrete step to map and assess strengths and vulnerabilities; define policy changes and funds to secure and attract significant investments in Europe. Additionally, it is important to maintain open trade. Medicines for Europe will engage constructively in the dialogue to advance the security of supply of medicines for Europe."*

Medicines for Europe Vice-President, Rebecca Guntern (Sandoz) said *"cost-containment measures for off-patent medicines typically take the form of price-only tenders and have led to major consolidation of the manufacturing supply chain. The EU Pharma Strategy has highlighted the importance of sustainable procurement practices. We need reform."*

Valerie Fontaine (Fresenius Kabi) said *"to strengthen Europe's security, we need to build on existing medicines production sites with thousands of high-tech jobs. EU regulation can be adapted to maintain high scientific standards while reducing administrative delays and unnecessary duplication of paperwork. This is vital for many lower cost critically important hospital medicines."*

Markus Sieger (Polpharma) said *"our industry is investing heavily in complex manufacturing infrastructure and know-how to secure the end-to-end supply chain for critical medication in Europe. We also need the EU to invest in robust digital infrastructure to improve healthcare. This should include a major digital upgrade of the medicines regulatory network to enable more efficient regulation and crisis management."*

Elisabeth Stampa (Medichem) said *“Europe still has a critical mass of medicines and active pharmaceutical ingredients manufacturers to guarantee supplies to our population. Among other initiatives, more flexible and simple regulatory pathways would encourage companies to invest in diversified sources for production. We will all lose if Europe loses its ability to manufacture its critical medicine supplies.”*

Theodore Tryfon (Elpen) said *“since the 2009 financial crisis, our industry has suffered through extreme cost containment policies. Yet, we have continued to invest in European jobs and R&D. It’s time to recognise our role in security of supply with market reforms that encourage more investments in manufacturing.”*

Medicines for Europe

Medicines for Europe represents the generic, biosimilar and value-added medicines industries across Europe. Its vision is to provide sustainable access to high quality medicines, based on 5 important pillars: patients, quality, value, sustainability and partnership. Its members directly employ 190,000 people at over 400 manufacturing and 126 R&D sites in Europe and invest up to 17% of their turnover in R&D investment. Medicines for Europe member companies across Europe are both increasing access to medicines and driving improved health outcomes. They play a key role in creating sustainable European healthcare systems by continuing to provide high quality, effective generic medicines, whilst also innovating to create new biosimilar medicines and bringing to market value added medicines, which deliver better health outcomes, greater efficiency and/or improved safety in the hospital setting for patients. For more information please follow us at www.medicinesforeurope.com and on Twitter @medicinesforEU.