

Press Release

Addressing medicine shortages in Europe: Competition is crucial for patient access

For Immediate Release

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- Generic medicines massively increase patient access and can help prevent medicine shortages by increasing the number of suppliers on the market.
- Medicines policies that encourage manufacturers to exit the market increase the risk of shortages.
- Medicines for Europe proposes concrete recommendations to prevent medicine shortages for patients in partnership with payers and regulators.

Generic medicines have proven to be pivotal in increasing patient access and preventing medicine shortages. However, generic medicines policies have recently focused exclusively on reducing prices thereby increasing the risk of shortages. Short-term cost-cutting measures, such as ad-hoc price cuts, external reference pricing, payback, tendering etc., have driven the prices of some off-patent medicines to unsustainably low levels. This causes manufacturers of generic medicines to withdraw from the market, resulting in the increased risk of medicine shortages^{1,2,3} (see [our position paper](#) and [reading list](#)).

To address this public health risk, Medicines for Europe has commissioned The Economist Intelligence Unit (EIU) to investigate the impact and causes of medicine shortages. In the recent report, '[Address medicine shortages in Europe](#)', the EIU underlines the importance of tackling the economic root causes of medicine shortages with healthy, predictable and pro-competitive market policies as well as regulatory efficiency and transparency in the supply chain from manufacturer to patient.

Adrian van den Hoven, Director General Medicines for Europe, commented: 'Our industry supplies well over 60% of Europe's medicines for hundreds of millions of patients each and every day. To avoid medicine shortages, the Economist study shows that we need predictable market policies for companies to continue investing in manufacturing. Preventing and mitigating shortages is a shared responsibility between manufacturers, regulators and payers who need to cooperate better in this field.'

¹ SFK (Foundation for Pharmaceutical Statistics), Pharmaceutisch Weekblad. 2014.

² APM Health 2015. Available at: <http://www.apmhealthurope.com/home.php>.

³ QuintilesIMS Health. An International Comparison of Best Practice Approaches to Drug Shortages. 2015.

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 for Europe, based on 5 important pillars: patients, quality, value, sustainability and partnership. Its members employ 160,000 people at over 350 manufacturing and R&D sites in Europe, and invest up to 17% of their turnover in medical innovation.

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