



the vital link in healthcare

**EUROPEAN HEALTHCARE
DISTRIBUTION ASSOCIATION**
GROUPEMENT INTERNATIONAL
DE LA RÉPARTITION
PHARMACEUTIQUE

Lessons learnt from the COVID-19 pandemic

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Demand for medicinal products **rose sharply in the weeks shortly before and after lockdown** due to patients stockpiling.

Drastic drop in demand after 4-6 weeks of lockdown due to earlier peak of sales (up to 20% below levels of the same period in previous year) and major reduction in patient footfall in pharmacies – **volumes and sales at unsustainable levels.**



In many countries full-service healthcare distributors had to **reduce service-levels to reflect manpower limitations** (up to 30% in some distribution centres and pharmacies due to self-isolation and illness)

→ e.g. moving from multiple daily deliveries to once a day delivery, moving from normal orders to consolidated orders, and from full SKUs to reduced / priority SKUs



Demand peaks led to **high back orders of products from manufacturers**, while **stock levels** at full-service healthcare distributors' sites were **soaring** to secure highest possible service levels after peak sales

Some critical products experienced shortages (e.g. paracetamol, antibiotics, IU medicines) due to high demand levels, significant shortages regarding Personal Protective Equipment (PPE), disinfection solutions and gels also for own staff

Shortages exacerbated by export bans within EU (significantly impacting parallel trade) and outside (e.g. export ban of certain APIs from India) and by disruption in supply chains due to lockdowns (e.g. China)



Full-service healthcare distributors **heavily invested in staff, systems and stock to maintain the continuous supply of medicines and medicinal products** and distribute them in a fair and equitable manner.

Therefore, patients received their required medicines, as long as they were not in shortage, through the work of full-service healthcare distributors and their dedicated staff!



Lessons learnt from the COVID-19 pandemic

Problems encountered, measures taken by Member State or at EU level & proposals for additional measures

| Problem | Measure | Proposal for additional measures |
|---|---|--|
| Restricted areas in EU MS caused problems for full-service healthcare distributors to access quarantined areas/red zones and initially rendered delivery of medicines difficult. | Official recognition of full-service healthcare distributors as critical infrastructure , permitting staff to access the logistic centres and drivers to enter quarantined areas to deliver medicines to pharmacists, hospitals and other dispensing points (with exception of following countries: Estonia, Latvia, Lithuania, France and Slovenia). | Ensure recognition of full-service healthcare distributors as critical infrastructure in order to be able to fulfil their obligations of a fair and equitable distribution of medicines to patients in Europe. <ul style="list-style-type: none"> • Special permits for drivers to allow access to quarantined / locked-down / restricted areas and to travel without restrictions. • Staff permitted to travel to their work sites. • Special status for premises to have “rapid decontamination” or deep cleans, if required. • Staff access to on-duty schools and creches, where possible. • Staff access to special funding measures, where possible. • Access to PPE for staff and drivers. • Support from army or police, if necessary. |
| MS closed borders and applied border controls at the beginning of the crisis, which considerably impacted the transport of medicines for all actors in the supply chain. | The creation of green lanes proved very helpful and opened essential transportation routes. | Ensure the free flow of medicines within the EU Single Market: only allow temporary restrictions to the free movement of medicines through controls of (parallel) exports if they are in conformity with the set of clear EC recommendations and for specific listed medicinal products. |
| The ban by some MS of certain medicinal products from export to other EU countries inhibited the free flow of crucial medicines within the Single Market and created shortages across the EU. | No significant counter measures taken at EU or MS level which exacerbated the situation of medicines shortages across the EU. However, MS gradually lifted export restrictions. | |

Lessons learnt from the COVID-19 pandemic

Problems encountered, measures taken by Member State or at EU level & proposals for additional measures

| Problem | Measure | Proposal for additional measures |
|--|--|---|
| Shortage of medicines due to hoarding at hospital, pharmacy and especially patient level. | Some MS reacted by imposing quotas on patients (e.g. for paracetamol). | <p>Introduce the legal basis for a European-wide early warning system for anticipated and existing shortages, involving all supply chain stakeholders, from manufacturers, full-service healthcare distributors (wholesale distribution authorisation holders), pharmacists to prescribers, the national competent authorities and EMA for coordination at European level.</p> <p>Address the significant differences in shortages reporting and monitoring across the EU Member States and implement EU-wide harmonised categories for root causes of shortages, including APIs in national shortages databases.</p> |
| Shortage of PPE and sanitisers have led MSs to take at times unreasoned measures such as stock seizing and taking over the management of supplies, thereby interfering in market dynamics. | No significant counter measures taken. | Evaluate the capability of full-service healthcare distributors as the providers of the infrastructure for stockpiling measures for emergency preparedness (e.g. in the context of rescEU). |
| Shortage of PPE for healthcare distributors (warehouse workers and drivers) – despite recognition as critical infrastructure in most EU countries. | No significant counter measures taken at EU or MS level (partly due to overall shortage in PPE equipment). | |

PROPOSALS FOR ADDITIONAL MEASURES

- 1) Ensure recognition of full-service healthcare distributors as **critical infrastructure in order to be able to fulfil their obligations** of a fair and equitable distribution of medicines to patients in Europe:
 - Special permits for drivers to allow access to quarantined / locked-down / restricted areas and to travel without restrictions.
 - Staff permitted to travel to their work sites.
 - Special status for premises to have “rapid decontamination” or deep cleans, if required.
 - Staff access to on-duty schools and creches, where possible.
 - Staff access to special funding measures, where possible.
 - Access to PPE for staff and drivers.
 - Support from army or police, if necessary.
- 2) **Ensure the free flow of medicines within the EU Single Market:** only allow temporary restrictions to the free movement of medicines through controls of (parallel) exports if they are in conformity with the set of clear EC recommendations and for specific listed medicinal products.
- 3) Introduce the legal basis for **a European-wide early warning system for anticipated and existing shortages, involving all supply chain stakeholders**, from manufacturers, full-service healthcare distributors (wholesale distribution authorisation holders), pharmacists to prescribers, the national competent authorities and EMA for coordination at European level.
- 4) Address the significant differences in shortages reporting and monitoring across the EU Member States and **implement EU-wide harmonised categories for root causes of shortages, including APIs in national shortages databases.**
- 5) **Evaluate the capability of full-service healthcare distributors as the providers of the infrastructure for stockpiling measures for emergency preparedness** (e.g. in the context of rescEU).


ADDITIONAL PROPOSALS FOR MEASURES FOR INCREASED RESILIENCE


- 1) **Essential information sharing**, serving for the exclusive purposes of supplying medicines in times of crisis and limited to what is strictly necessary, **should be temporarily exempted from competition and data protection laws.**
- 2) Deviate medicines normally dispensed in hospitals to community pharmacists to be picked-up by out-patients to avoid contamination.
- 3) Full-service healthcare distributors' **competence could be further utilised to support and ensure the supply of medicines to hospitals**, in addition to nursing and special care homes (under pharmacy supervision).
- 4) Increase EU competency in health policy.

Thank you!



European Healthcare Distribution Association

 Rue de la Loi 26, 10th floor, box 14
B-1040 Brussels, Belgium

 T +32 2 777 99 77
F +32 2 770 36 01

 E girp@girp.eu
W www.girp.eu