COMMUNITY CODE RELATING TO MEDICINAL PRODUCTS FOR HUMAN USE

(31st March 2004)


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THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 95 thereof,


Having regard to the Opinion of the European Economic and Social Committee (OJ C 61, 14.3.2003, p. 1),

After consulting the Committee of the Regions,


Whereas:


(2) The Community legislation so far adopted has made a major contribution to the achievement of the objective of the free and safe movement of medicinal products for human use and the elimination of obstacles to trade in such products. However, in the light of the experience acquired, it has become clear that new measures are necessary to eliminate the remaining obstacles to free movement.

(3) It is therefore necessary to align the national laws, regulations and administrative provisions which contain differences with regard to the basic principles in order to promote the operation of the internal market while realising a high level of human health protection.

(4) The main purpose of any regulation on the manufacture and distribution of medicinal products for human use should be to safeguard public health. However, this objective should be achieved by means which do not hinder the development of the pharmaceutical industry or trade in medicinal products in the Community.

(5) Article 71 of Council Regulation (EEC) No 2309/93 of 22 July 1993 laying down Community procedures for the authorisation and supervision of medicinal products for human and veterinary use and establishing a European Agency for the Evaluation of Medicinal Products (OJ L 214, 21.8.1993, p. 1. Regulation repealed by Regulation (EC) No 726/2004 (see p. 1 of this Official Journal)) provided that, within six years of its entry into force, the Commission was required to publish a general report on the experience acquired as a result of the operation of the marketing authorisation procedures laid down in that Regulation and in other Community legal provisions.

(6) In the light of the Commission’s report on the experience acquired, it has proved necessary to improve the operation of the marketing authorization procedures for medicinal products in the Community.
(7) Particularly as a result of scientific and technical progress, the definitions and scope of Directive 2001/83/EC should be clarified in order to achieve high standards for the quality, safety and efficacy of medicinal products for human use. In order to take account both of the emergence of new therapies and of the growing number of so-called ‘borderline’ products between the medicinal product sector and other sectors, the definition of ‘medicinal product’ should be modified so as to avoid any doubt as to the applicable legislation when a product, whilst fully falling within the definition of a medicinal product, may also fall within the definition of other regulated products.

This definition should specify the type of action that the medicinal product may exert on physiological functions. This enumeration of actions will also make it possible to cover medicinal products such as gene therapy, radiopharmaceutical products as well as certain medicinal products for topical use. Also, in view of the characteristics of pharmaceutical legislation, provision should be made for such legislation to apply.

With the same objective of clarifying situations, where a given product comes under the definition of a medicinal product but could also fall within the definition of other regulated products, it is necessary, in case of doubt and in order to ensure legal certainty, to state explicitly which provisions have to be complied with. Where a product comes clearly under the definition of other product categories, in particular food, food supplements, medical devices, biocides or cosmetics, this Directive should not apply. It is also appropriate to improve the consistency of the terminology of pharmaceutical legislation.

(8) Wherever it is proposed to change the scope of the centralised procedure, it should no longer be possible to opt for the mutual-recognition procedure or the decentralised procedure in respect of orphan medicinal products and medicinal products which contain new active substances and for which the therapeutic indication is the treatment of acquired immune deficiency syndrome, cancer, neurodegenerative disorder or diabetes. Four years after the date of entry into force of Regulation (EC) No 726/2004 (See p. 1 of this Official Journal), it should no longer be possible to opt for the mutual-recognition procedure or the decentralised procedure in respect of medicinal products which contain new active substances and for which the therapeutic indication is the treatment of auto-immune diseases and other immune dysfunctions and viral diseases.

(9) On the other hand, in the case of generic medicinal products of which the reference medicinal product has been granted a marketing authorisation under the centralised procedure, applicants seeking marketing authorisation should be able to choose either of the two procedures, on certain conditions. Similarly, the mutual-recognition or decentralised procedure should be available as an option for medicinal products which represent a therapeutic innovation or which are of benefit to society or to patients.

(10) In order to increase availability of medicinal products, in particular on smaller markets, it should, in cases where an applicant does not apply for an authorisation for a medicinal product in the context of the mutual-recognition procedure in a given Member State, be possible for that Member State, for justified public health reasons, to authorise the placing on the market of the medicinal product.

(11) Evaluation of the operation of marketing authorization procedures has revealed the need to revise, in particular, the mutual-recognition procedure in order to improve the opportunities for cooperation between Member States. This cooperation process should be formalized by setting up a coordination group for this procedure and by defining its operation so as to settle disagreements within the framework of a revised decentralized procedure.

(12) With regard to referrals, the experience acquired reveals the need for an appropriate procedure, particularly in the case of referrals relating to an entire therapeutic class or to all medicinal products containing the same active substance.
(13) There is a need to provide for the ethical requirements of Directive 2001/20/EC of the European Parliament and the Council of 4 April 2001 on the approximation of the laws, regulations and administrative provisions of the Member States relating to the implementation of good clinical practice in the conduct of clinical trials on medicinal products for human use (OJ L 121, 1.5.2001, p. 34) to apply to all medicinal products authorised within the Community. In particular, with respect to clinical trials conducted outside the Community on medicinal products destined to be authorised within the Community, it should be verified, at the time of the evaluation of the application for authorisation, that these trials were conducted in accordance with the principles of good clinical practice and the ethical requirements equivalent to the provisions of that Directive.

(14) Since generic medicines account for a major part of the market in medicinal products, their access to the Community market should be facilitated in the light of the experience acquired. Furthermore, the period for protection of data relating to pre-clinical tests and clinical trials should be harmonised.

(15) Biological medicinal products similar to a reference medicinal product do not usually meet all the conditions to be considered as a generic medicinal product mainly due to manufacturing process characteristics, raw materials used, molecular characteristics and therapeutic modes of action. When a biological medicinal product does not meet all the conditions to be considered as a generic medicinal product, the results of appropriate tests should be provided in order to fulfil the requirements related to safety (pre-clinical tests) or to efficacy (clinical tests) or to both.

(16) The criteria of quality, safety and efficacy should enable the risk-benefit balance of all medicinal products to be assessed both when they are placed on the market and at any other time the competent authority deems this appropriate. In this connection, it is necessary to harmonise and adapt the criteria for refusal, suspension and revocation of marketing authorisations.

(17) A marketing authorisation should be renewed once five years after the granting of the marketing authorisation. Thereafter, the marketing authorisation should normally be of unlimited validity. Furthermore, any authorization not used for three consecutive years, that is to say one which has not led to the placing on the market of a medicinal product in the Member States concerned during that period, should be considered invalid, in order, in particular, to avoid the administrative burden of maintaining such authorisations. However, exemptions from this rule should be granted when these are justified on public health grounds. The environmental impact should be assessed and, on a case-by-case basis, specific arrangements to limit it should be envisaged. In any event this impact should not constitute a criterion for refusal of a marketing authorisation.

(19) The quality of medicinal products for human use manufactured or available in the Community should be guaranteed by requiring that the active substances used in their composition comply with the principles of good manufacturing practice in relation to those medicinal products. It has proved necessary to reinforce the Community provisions on inspections and to compile a Community register of the results of those inspections.

(20) Pharmacovigilance and, more generally, market surveillance and sanctions in the event of failure to comply with the provisions should be stepped up. In the field of pharmacovigilance, account should be taken of the facilities offered by new information technologies to improve exchanges between Member States.

(21) As part of the proper use of medicinal products, the rules on packaging should be adapted to take account of the experience acquired.


(23) Directive 2001/83/EC should be amended accordingly,
TITLE I: DEFINITIONS

Article 1
For the purposes of this Directive, the following terms shall bear the following meanings:

2. Medicinal product:
(a) Any substance or combination of substances presented as having properties for treating or preventing disease in human beings; or
(b) Any substance or combination of substances which may be used in or administered to human beings either with a view to restoring, correcting or modifying physiological functions by exerting a pharmacological, immunological or metabolic action, or to making a medical diagnosis.

3. Substance:
Any matter irrespective of origin which may be:
- human, e.g. human blood and human blood products;
- animal, e.g. micro-organisms, whole animals, parts of organs, animal secretions, toxins, extracts, blood products;
- vegetable, e.g. micro-organisms, plants, parts of plants, vegetable secretions, extracts;
- chemical, e.g. elements, naturally occurring chemical materials and chemical products obtained by chemical change or synthesis.

4. Immunological medicinal product:
Any medicinal product consisting of vaccines, toxins, serums or allergen products:
(a) vaccines, toxins and serums shall cover in particular:
   (i) agents used to produce active immunity, such as cholera vaccine, BCG, polio vaccines, smallpox vaccine;
   (ii) agents used to diagnose the state of immunity, including in particular tuberculin and tuberculin PPD, toxins for the Schick and Dick Tests, brucellin;
   (iii) agents used to produce passive immunity, such as diphtheria antitoxin, anti-smallpox globulin, antilymphocytic globulin;
(b) 'allergen product' shall mean any medicinal product which is intended to identify or induce a specific acquired alteration in the immunological response to an allergizing agent.

5. Homeopathic medicinal product:
Any medicinal product prepared from substances called homeopathic stocks in accordance with a homeopathic manufacturing procedure described by the European Pharmacopoeia or, in the absence thereof, by the pharmacopoeias currently used officially in the Member States. A homeopathic medicinal product may contain a number of principles.

6. Radiopharmaceutical:
Any medicinal product which, when ready for use, contains one or more radionuclides (radioactive isotopes) included for a medicinal purpose.
7. **Radionuclide generator:**
Any system incorporating a fixed parent radionuclide from which is produced a daughter radionuclide which is to be obtained by elution or by any other method and used in a radio pharmaceutical.

8. **Kit:**
Any preparation to be reconstituted or combined with radionuclides in the final radiopharmaceutical, usually prior to its administration.

9. **Radionuclide precursor:**
Any other radionuclide produced for the radio-labelling of another substance prior to administration.

10. **Medicinal products derived from human blood or human plasma:**
Medicinal products based on blood constituents which are prepared industrially by public or private establishments, such medicinal products including, in particular, albumin, coagulating factors and immunoglobulins of human origin.

11. **Adverse reaction:**
A response to a medicinal product which is noxious and unintended and which occurs at doses normally used in man for the prophylaxis, diagnosis or therapy of disease or for the restoration, correction or modification of physiological function.

12. **Serious adverse reaction:**
An adverse reaction which results in death, is life-threatening, requires inpatient hospitalisation or prolongation of existing hospitalisation, results in persistent or significant disability or incapacity, or is a congenital anomaly/birth defect.

13. **Unexpected adverse reaction:**
An adverse reaction, the nature, severity or outcome of which is not consistent with the summary of product characteristics.

14. **Periodic safety update reports:**
The periodical reports containing the records referred to in Article 104.

15. **Post-authorisation safety study:**
A pharmacoepidemiological study or a clinical trial carried out in accordance with the terms of the marketing authorisation, conducted with the aim of identifying or quantifying a safety hazard relating to an authorised medicinal product.

16. **Abuse of medicinal products:**
Persistent or sporadic, intentional excessive use of medicinal products which is accompanied by harmful physical or psychological effects.

17. **Wholesale distribution of medicinal products:**
All activities consisting of procuring, holding, supplying or exporting medicinal products, apart from supplying medicinal products to the public. Such activities are carried out with manufacturers or their depositaries, importers, other wholesale distributors or with pharmacists and persons authorized or entitled to supply medicinal products to the public in the Member State concerned.
18 Public service obligation:  
The obligation placed on wholesalers to guarantee permanently an adequate range of medicinal products to meet the requirements of a specific geographical area and to deliver the supplies requested within a very short time over the whole of the area in question.

18a. Representative of the marketing authorisation holder:  
The person, commonly known as local representative, designated by the marketing authorisation holder to represent him in the Member State concerned.

19 Medicinal Prescription:  
Any medicinal prescription issued by a professional person qualified to do so.

20. Name of the medicinal product:  
The name, which may be either an invented name not liable to confusion with the common name, or a common or scientific name accompanied by a trade mark or the name of the marketing authorisation holder.

21. Common name:  
The international non-proprietary name recommended by the World Health Organization, or, if one does not exist, the usual common name.

22. Strength of the medicinal product:  
The content of the active substances expressed quantitatively per dosage unit, per unit of volume or weight according to the dosage form.

23 Immediate packaging:  
The container or other form of packaging immediately in contact with the medicinal product.

24 Outer packaging:  
The packaging into which is placed the immediate packaging.

25. Labelling:  
Information on the immediate or outer packaging.

26. Package leaflet (change of heading in the Portuguese version):  
A leaflet containing information for the user which accompanies the medicinal product.

27. Agency:  
The European Medicines Agency established by Regulation (EC) No 726/2004*  

28. Risks related to use of the medicinal product:  
- any risk relating to the quality, safety or efficacy of the medicinal product as regards patients’ health or public health;  
- any risk of undesirable effects on the environment;
28a. Risk-benefit balance:
An evaluation of the positive therapeutic effects of the medicinal product in relation to the risks as defined in point 28, first indent.

29. Traditional herbal medicinal product:
a herbal medicinal product that fulfils the conditions laid down in Article 16a(1);

30. Herbal medicinal product:
any medicinal product, exclusively containing as active ingredients one or more herbal substances or one or more herbal preparations, or one or more such herbal substances in combination with one or more such herbal preparations;

31. Herbal substances:
All mainly whole, fragmented or cut plants, plant parts, algae, fungi, lichen in an unprocessed, usually dried, form, but sometimes fresh. Certain exudates that have not been subjected to a specific treatment are also considered to be herbal substances. Herbal substances are precisely defined by the plant part used and the botanical name according to the binomial system (genus, species, variety and author);

32. Herbal preparations:
preparations obtained by subjecting herbal substances to treatments such as extraction, distillation, expression, fractionation, purification, concentration or fermentation. These include comminuted or powdered herbal substances, tinctures, extracts, essential oils, expressed juices and processed exudates.’

TITLE II: SCOPE

Article 2
1. This Directive shall apply to medicinal products for human use intended to be placed on the market in Member States and either prepared industrially or manufactured by a method involving an industrial process.
2. In cases of doubt, where, taking into account all its characteristics, a product may fall within the definition of a “medicinal product” and within the definition of a product covered by other Community legislation the provisions of this Directive shall apply.
3. Notwithstanding paragraph 1 and Article 3(4), Title IV of this Directive shall apply to medicinal products intended only for export and to intermediate products

Article 3
This Directive shall not apply to:
1. Any medicinal product prepared in a pharmacy in accordance with a medical prescription for an individual patient (commonly known as the magistral formula).
2. Any medicinal product which is prepared in a pharmacy in accordance with the prescriptions of a pharmacopoeia and is intended to be supplied directly to the patients served by the pharmacy in question (commonly known as the officinal formula).
4. Intermediate products intended for further processing by an authorized manufacturer.
5. Any radionuclides in the form of sealed sources.
6. Whole blood, plasma or blood cells of human origin, except for plasma which is prepared by a method involving an industrial process.

Article 4
1. Nothing in this Directive shall in any way derogate from the Community rules for the radiation protection of persons undergoing medical examination or treatment, or from the Community rules laying down the basic safety standards for the health protection of the general public and workers against the dangers of ionizing radiation.
3. The provisions of this Directive shall not affect the powers of the Member States’ authorities either as regards the setting of prices for medicinal products or their inclusion in the scope of national health insurance schemes, on the basis of health, economic and social conditions.
4. This Directive shall not affect the application of national legislation prohibiting or restricting the sale, supply or use of medicinal products as contraceptives or abortifacients. The Member States shall communicate the national legislation concerned to the Commission.

Article 5
1. A Member State may, in accordance with legislation in force and to fulfil special needs, exclude from the provisions of this Directive medicinal products supplied in response to a bona fide unsolicited order, formulated in accordance with the specifications of an authorized health-care professional and for use by an individual patient under his direct personal responsibility.
2. Member States may temporarily authorise the distribution of an unauthorised medicinal product in response to the suspected or confirmed spread of pathogenic agents, toxins, chemical agents or nuclear radiation any of which could cause harm.

3. Without prejudice to paragraph 1, Member States shall lay down provisions in order to ensure that marketing authorisation holders, manufacturers and health professionals are not subject to civil or administrative liability for any consequences resulting from the use of a medicinal product otherwise than for the authorized indications or from the use of an unauthorised medicinal product, when such use is recommended or required by a competent authority in response to the suspected or confirmed spread of pathogenic agents, toxins, chemical agents or nuclear radiation any of which could cause harm. Such provisions shall apply whether or not national or Community authorisation has been granted.


TITLE VII
WHOLESALE DISTRIBUTION OF MEDICINAL PRODUCTS

Article 76
1. Without prejudice to Article 6, Member States shall take all appropriate action to ensure that only medicinal products in respect of which a marketing authorization has been granted in accordance with Community law are distributed on their territory.

2. In the case of wholesale distribution and storage, medicinal products shall be covered by a marketing authorisation granted pursuant to Regulation (EC) No 726/2004 or by the competent authorities of a Member State in accordance with this Directive.

3. Any distributor, not being the marketing authorization holder, who imports a product from another Member State shall notify the marketing authorization holder and the competent authority in the Member State to which the product will be imported of his intention to import it. In the case of products which have not been granted an authorisation pursuant to Regulation (EC) No 726/2004, the notification to the competent authority shall be without prejudice to additional procedures provided for in the legislation of that Member State.

Article 77
1. Member States shall take all appropriate measures to ensure that the wholesale distribution of medicinal products is subject to the possession of an authorization to engage in activity as a wholesaler in medicinal products, stating the place for which it is valid.

2. Where persons authorized or entitled to supply medicinal products to the public may also, under national law, engage in wholesale business, such persons shall be subject to the authorization provided for in paragraph 1.

3. Possession of a manufacturing authorization shall include authorization to distribute by wholesale the medicinal products covered by that authorization. Possession of an authorization to engage in activity as a wholesaler in medicinal products shall not give dispensation from the obligation to possess a manufacturing authorization and to comply with the conditions set out in that respect, even where the manufacturing or import business is secondary.

4. At the request of the Commission or any Member State, Member States shall supply all appropriate information concerning the individual authorizations which they have granted under paragraph 1.

5. Checks on the persons authorized to engage in the activity of wholesaler in medicinal products and the inspection of their premises, shall be carried out under the responsibility of the Member State which granted the authorization.

6. The Member State which granted the authorization referred to in paragraph 1 shall suspend or revoke that authorization if the conditions of authorization cease to be met. It shall forthwith inform the other Member States and the Commission thereof.
7. Should a Member State consider that, in respect of a person holding an authorization granted by another Member State under the terms of paragraph 1, the conditions of authorization are not, or are no longer met, it shall forthwith inform the Commission and the other Member State involved. The latter shall take the measures necessary and shall inform the Commission and the first Member State of the decisions taken and the reasons for those decisions.

**Article 78**

Member States shall ensure that the time taken for the procedure for examining the application for the distribution authorization does not exceed 90 days from the day on which the competent authority of the Member State concerned receives the application. The competent authority may, if need be, require the applicant to supply all necessary information concerning the conditions of authorization. Where the authority exercises this option, the period laid down in the first paragraph shall be suspended until the requisite additional data have been supplied.

**Article 79**

In order to obtain the distribution authorization, applicants must fulfil the following minimum requirements:

(a) they must have suitable and adequate premises, installations and equipment, so as to ensure proper conservation and distribution of the medicinal products;

(b) they must have staff, and in particular, a qualified person designated as responsible, meeting the conditions provided for by the legislation of the Member State concerned;

(c) they must undertake to fulfil the obligations incumbent on them under the terms of Article 80.

**Article 80**

Holders of the distribution authorization must fulfil the following minimum requirements:

(a) they must make the premises, installations and equipment referred to in Article 79(a) accessible at all times to the persons responsible for inspecting them;

(b) they must obtain their supplies of medicinal products only from persons who are themselves in possession of the distribution authorization or who are exempt from obtaining such authorization under the terms of Article 77 (3);

(c) they must supply medicinal products only to persons who are themselves in possession of the distribution authorization or who are authorized or entitled to supply medicinal products to the public in the Member State concerned;

(d) they must have an emergency plan which ensures effective implementation of any recall from the market ordered by the competent authorities or carried out in cooperation with the manufacturer or marketing authorization holder for the medicinal product concerned;

(e) they must keep records either in the form of purchase/sales invoices, or on computer, or in any other form, giving for any transaction in medicinal products received or dispatched at least the following information:
   - date,
   - name of the medicinal product,
   - quantity received or supplied,
- name and address of the supplier or consignee, as appropriate;

(f) they must keep the records referred to under (e) available to the competent authorities, for inspection purposes, for a period of five years;

(g) they must comply with the principles and guidelines of good distribution practice for medicinal products as laid down in Article 84.

**Article 81**

With regard to the supply of medicinal products to pharmacists and persons authorised or entitled to supply medicinal products to the public, Member States shall not impose upon the holder of a distribution authorization which has been granted by another Member State any obligation, in particular public service obligations, more stringent than those they impose on persons whom they have themselves authorised to engage in equivalent activities.

The holder of a marketing authorisation for a medicinal product and the distributors of the said medicinal product actually placed on the market in a Member State shall, within the limits of their responsibilities, ensure appropriate and continued supplies of that medicinal product to pharmacies and persons authorised to supply medicinal products so that the needs of patients in the Member State in question are covered.

The arrangements for implementing this Article should, moreover, be justified on grounds of public health protection and be proportionate in relation to the objective of such protection, in compliance with the Treaty rules, particularly those concerning the free movement of goods and competition.

**Article 82**

For all supplies of medicinal products to a person authorized or entitled to supply medicinal products to the public in the Member State concerned, the authorized wholesaler must enclose a document that makes it possible to ascertain:
- the date,
- the name and pharmaceutical form of the medicinal product,
- the quantity supplied,
- the name and address of the supplier and consignor.

Member States shall take all appropriate measures to ensure that persons authorized or entitled to supply medicinal products to the public are able to provide information that makes it possible to trace the distribution path of every medicinal product.

**Article 83**

The provisions of this Title shall not prevent the application of more stringent requirements laid down by Member States in respect of the wholesale distribution of:
- narcotic or psychotropic substances within their territory,
- medicinal products derived from blood,
- immunological medicinal products,
- radiopharmaceuticals.
Article 84
The Commission shall publish guidelines on good distribution practice. To this end, it shall consult the Committee for Medicinal Products for Human Use and the Pharmaceutical Committee established by Council Decision 75/320/EEC(*).

Article 85
This Title shall apply to homeopathic medicinal products.