



**GIRP**

the vital link in healthcare

EUROPEAN HEALTHCARE  
DISTRIBUTION ASSOCIATION

# ANNUAL REPORT 2019-2020



## Table of contents

- P. 3 President Foreword
- P. 4 Full-Service Healthcare Distribution – Facts and Figures
- P. 6 Full-Service Healthcare Distribution in Data
- P. 10 A Highly Regulated Sector
- P. 12 An Ever-Evolving Environment
- P. 13 Medicine Shortages impacting Healthcare Systems across Europe
- P. 14 GIRP addressing the Issue of Medicine Shortages
- P. 18 Full-Service Healthcare Distribution in the Fight against COVID-19
- P. 20 GIRP in action
- P. 21 Year in Review
- P. 22 2019 Annual Meeting and Conference, Stockholm
- P. 23 2019 Autumn Meetings, Brussels
- P. 24 2020 European Healthcare Value Chain Forum, Brussels
- P. 25 2020 Supply Chain Conference, Vienna
- P. 26 European Healthcare Value Chain Network
- P. 27 GIRP Key Priorities and Upcoming Events
- P. 28 About Us
- P. 29 GIRP Members

# President Foreword



**Bernd Grabner**  
President, GIRP

**THROUGHOUT THE CRISIS AND TO THIS DAY, FULL-SERVICE HEALTHCARE DISTRIBUTORS HAVE PROVEN BEYOND DOUBT THEIR VITAL FUNCTION. THEY HAVE SHOWN PRAGMATISM AND PROFESSIONALISM IN ENSURING THE SUPPLY OF MEDICINES TO PATIENTS.**

Looking back on the past 12 months, the full-service healthcare distribution sector has certainly been going through many highs-and-lows, yet once again, our sector has proved itself to be resilient and efficient. We have undoubtedly ascertained our position as the vital link in the healthcare supply chain working relentlessly for the ultimate benefit of patients.

The biggest challenge of all has certainly been the recent outbreak of the new Coronavirus disease, COVID-19. Due to its eventual uncontrollable spread across territories and given the impact on populations, the outbreak was declared a Public Health Emergency of International Concern on 30 January 2020 and a pandemic on 11 March 2020. The global scale of the outbreak and the many uncertainties and unknowns about the disease and its impact on healthcare systems, economies and societies have generated unprecedented chaos and anxiety. Soon enough, concerns of shortages of general consumer goods and of medicines added to the overall angst. Throughout the crisis and to this day, full-service healthcare distributors have proven beyond doubt their vital function. They have shown pragmatism and professionalism in ensuring the supply of medicines to patients through maintaining the continuity of delivery to pharmacies and dispensing points, even in strictly quarantined areas. If there ever was a need to be reminded of the fundamental function full-service healthcare distributors carry out in the upkeep of societies, COVID-19 is it!

We would like to pay tribute to the dedicated efforts of our members and their staff, who have ensured that medicines remained available to patients, from warehouse staff and drivers to the administrative and commercial teams. We applaud their continuing efforts

during the last weeks and indeed in the months ahead. But despite the central focus that the outbreak has taken, other daily business matters must not be neglected. While we have had to adapt to the new modes of working, we have been as busy as ever implementing the priorities for our association.

Medicine shortages is one of these matters that has crippled healthcare operations. While the problem is not new, over the last few years, the issue has taken alarming proportions globally and has risen to the top of the agenda of authorities. The issue first and foremost impacts patients and puts their health at risk. It is also an increasing burden on the already fragile healthcare systems and is hampering the efficient operations of the supply chain on which society and patients rely.

In the view of the ever-growing significance of the issue, GIRP has been actively involved in addressing the impact of medicine shortages. The mitigation of shortages through enhanced collaboration with stakeholders and regulators is indeed one of our main priorities. We have been working closely with our members, partnering supply chain stakeholders and regulators to discuss best actions to put in place at European level to mitigate the impact on patients. Get a full overview of actions undertaken on [page 14](#) through to 16.

Over the last few months and given the environmental changes in Brussels following the European elections and the appointment of a new collegiate at the European Commission, GIRP has also seized the opportunity to adapt its strategy to be in line with the priorities announced by the new European Commissioner for Health and Food Safety, Stella

Kyriakides, and to best advocate our members perspectives to the institutions and policy-makers. We also ought to take into consideration the evolution of our sector and as such, the governing bodies decided to adopt the term of “Full-Service Healthcare Distribution” to refer to our sector, as a more accurate representation of our activities and the value we bring to healthcare systems. While pharmaceutical full-line wholesaling remains at the core of our operations, our position in the supply chain gives us a unique vantage point with in-depth view of the flow of medicines and other healthcare products and services thus allowing us to expand our offer and add value by undertaking services that are non-core to supply chain partners, but that are of tremendous benefit, enabling them to focus on the patient.

Last but not least, high on our agenda has been enhancing the collaboration with our partners in our efforts to drive the digitalisation of the supply chain. Collaboration is the key aspect in this matter and while disruption is already happening, stakeholders must stop talking and start acting. We must drive innovation to remain relevant in this fast-paced and highly competitive environment and it is high-time we move on this!

Now as we celebrate this year our association’s 60<sup>th</sup> anniversary, I believe it is the perfect time to look back on what has been achieved over the last decades and to consolidate our strengths and ascertain our future, with the goal to always better serve patients and societies.

**Bernd Grabner**  
President, GIRP

# Full-Service Healthcare Distribution Facts and Figures

The backbone of full-service healthcare distribution is pharmaceutical full-line wholesaling. Full-service healthcare distributors carry the full range of medicines, medical devices, food supplements and other wellbeing products which they complement with a vast number of upstream and downstream services to manufacturers, pharmacies, patients and society. **Full-service healthcare distributors provide everything a pharmacy needs to complete its customer experience.**

Ensuring the availability and continuity of supply of all healthcare products and services to customers stands at the forefront of full-service healthcare distributors' activities. As they are in a unique position connecting crucial supply chain stakeholders, they have an in-depth view of the flow of medicines in the value chain. Thus, they are able to provide a full range of important services to all partners in the supply chain that ultimately benefit patients and society.

## FROM SUPPLY CHAIN TO VALUE CHAIN

Full-service healthcare distributors increasingly add value to the supply chain as they have both the scope and the scale, in terms of product assortment and volume, to develop and deliver products and services in a perfect blend. Clients include pharmacists, self-dispensing doctors, hospitals and pharmaceutical manufacturers, but also patients (e.g. homecare delivery in accordance with national legal frameworks). Moreover, full-service healthcare distributors have the scale and the knowledge base to support pharmacists in safeguarding patient compliance. In the event of any harmful interactions, they can support pharmacies in quickly shifting to an alternative medicine.

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In all countries where full-service healthcare distributors operate, GIRP members offer emergency delivery services to pharmacies.

## INVISIBLE, BUT CRUCIAL IN THE VALUE CHAIN

Many services that full-service healthcare distributors provide to the pharmaceutical industry and pharmacists are invisible to the patient, but complement the distribution of medicines, such as documentation and scientific information, reverse logistics, systems for stock management, marketing support, pharmaceutical databases or IT management and monitoring. Full-service healthcare distributors therefore add value by undertaking services that are non-core to supply chain partners, but that are of tremendous benefit, enabling all actors involved to focus on the patient.

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Full-service healthcare distributors provide reverse logistics, including recall and return services. They also offer computerised systems for stock management to pharmacies and collection services of medical waste from pharmacies.

Many other services have been added in the recent years that are driven by new societal needs. The new individualised services include customised care to meet the unique needs of individual patients. Examples include the provision of self-diagnostics and customised medicine delivery, monitoring and nursing services. When operating in their core role, full-service healthcare distributors and pharmacists also work together in managing volume and assortment in an optimised way. Downstream activities include repackaging medicines into daily/weekly doses to meet patients' needs in terms of controlled and timely intake and cost-effectiveness. Logistic innovations can support compliance and therefore better health.

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**90%** of countries in Europe provide training on medicines and medical devices to pharmacists while

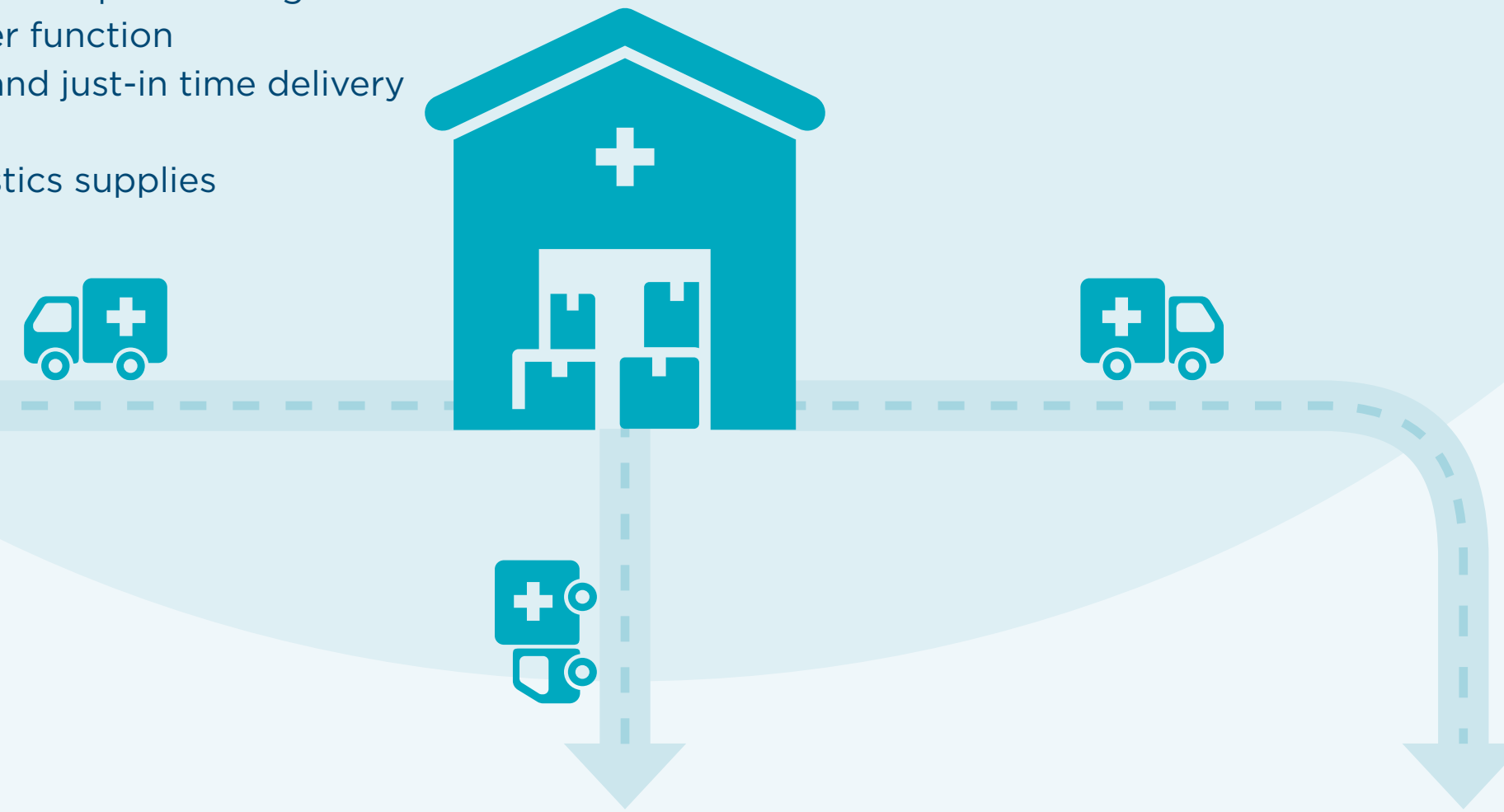
**62%** provide additional educational leaflets for pharmacists' use.

# Full-Service Healthcare Distribution: Core and Value-Added Services

## CORE SERVICES

For all products: Rx, Gx, OTC, medical devices, in vitro diagnostics, food supplements, para-pharmaceuticals, pharma-cosmetics

- Storage, pick, pack and ship according to GDP
- Quantity-based buffer function
- Stock-management and just-in time delivery according to GDP
- Pre-financing of logistics supplies



### VALUE-ADDED SERVICES TO MANUFACTURERS

- Logistics services / pre-wholesaling
- Individual product track & trace
- Market intelligence
- Market access services
- Quality and professional services
- Waste management services
- Clinical trial logistics



### VALUE-ADDED SERVICES TO PHARMACISTS

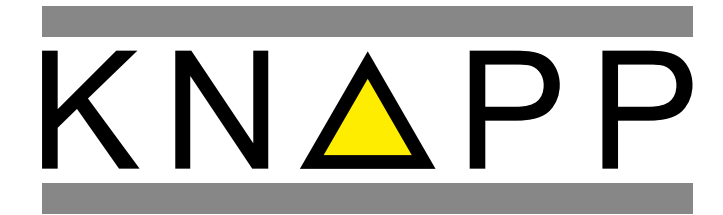
- Marketing & sales support
- Education and training
- Patient services support
- Logistics platform of health services
- Product specific training



### VALUE-ADDED SERVICES TO PATIENTS

- Individual patient packaging services
- Patient communication services
- Monitoring services
- Holding national security stock for emergencies
- Repeat prescription services
- Integrated healthcare applications

FOR A MORE EXHAUSTIVE LIST OF ADDED-VALUE SERVICES OFFERED BY FULL-SERVICE HEALTHCARE DISTRIBUTORS, PLEASE [CLICK HERE](#)



Ladies and Gentlemen, dear GIRP members,

The past year will create a chapter of its own in history. Medicine shortages and a bit of "healthcare for convenience" were discussed - ultimately, the COVID-19 virus brought us back to earth. Shortages in medical protection gear, masks and disinfectants did send the desire to enjoy "healthcare for convenience" quickly to the background - we had to realize that a well-functioning healthcare supply chain is a must for every country in order to resist the unforeseen, in this case Covid-19. You, dear GIRP members, were tasked to maintain a fully functional supply chain - based on your expertise and experience in processes, guidance provided already for a long time by GIRP and reliable systems for order processing, some of them delivered and implemented by KNAPP.

Reliable systems, with the spirit of reliability already starting in the design phase, utilizing KNAPP's unique BPMN approach, reproducing your business processes in a well proven software application - KiSoft One, able to track products by serial number and lot number and flawlessly orchestrating the flow of work through manual systems, semi-automated systems like the OSR Shuttle™ Evo, automated Central Belt Systems or the fully integrated KNAPP Store for automated returns handling. All together proven technology, implemented in time, to specification and within the budgetary expectations by utilizing experienced project management and finally supported by KiSoft Analytics and Customer Service@KNAPP over the entire live time of your system.

GIRP as the vital link in healthcare amongst full-line wholesalers, you dear GIRP members, performing the distribution of medicines as part of a public service function and KNAPP providing state of the art order picking systems - together we were able to do what we were asked for - to deliver medicines in an efficient, timely, safe and reliable manner and by thus to help to save patients' lives.

The business partnership, please allow me to call it friendship, between you dear GIRP members, GIRP as the highly active European Healthcare Distribution Association and KNAPP providing and maintaining automated systems, educates each other and benefits from each other.

On behalf of the entire KNAPP management team, thank you all for your valuable partnership.

Horst Matzer, Dipl.-Ing.  
KNAPP AG  
Vice President Healthcare Solutions

To learn more, visit [www.knapp.com/en](http://www.knapp.com/en)

# Full-Service Healthcare Distribution In Data

## The 5 Core Functions Of Full-Service Healthcare Distributors

### 1 FULL SUPPLY AND STOCK-KEEPING FUNCTION

Full-service healthcare distributors ensure, via their customers, that the needs of patients are met by guaranteeing the continuous availability of a complete assortment of products, in range and depth, as set by the authorities and the market.

#### Items on stock held by Full-Service Healthcare Distributors



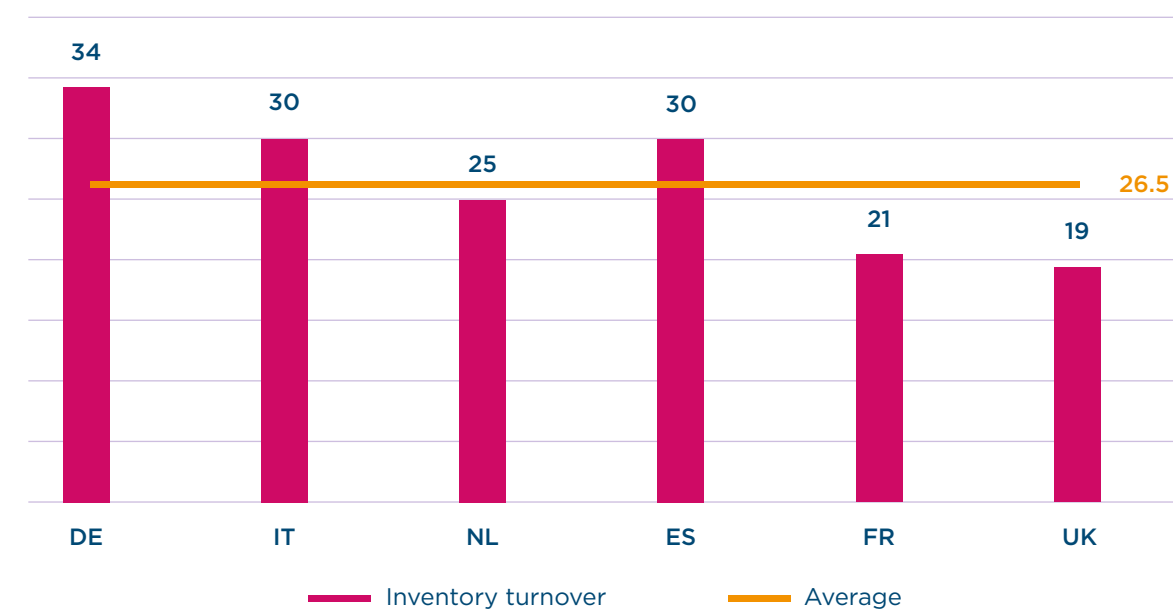
\* depending on the size of the market and the number of products authorised to be marketed

Full-service healthcare distributors deliver the required amount of medicinal products by:

- Having established close-knit distribution networks and high delivery frequencies from their warehouses
- Holding safety stock to meet unexpected peaks in normal demand patterns

#### Inventory turnover differs from product to product, ranging from a month to only a few days

Weighted average (in terms of turnover value) of the six biggest countries in Europe: 26,5 days, which means stock turnover takes place on average 12.6 times a year.



\* Source: GIRP members

### 2 IMMEDIATE MEDICINES AVAILABILITY AND DELIVERY FUNCTION

#### Immediate delivery of medicines

Full-service healthcare distributors ensure timely patient treatments by delivering the medicinal products needed in the required quantity and just-in-time.

Full-service healthcare distributors protect the healthcare system from high additional costs that would be caused by delays in delivering urgently needed medicines.

#### Delivery time & frequency

	Full-service healthcare distributors	Short-line wholesalers	Direct sales from manufacturers
Average delivery frequency (hours)	2.5 hrs	20.5 hrs	57.86 hrs
Average deliveries per week	15.9	4.34	3.66

Weighted average in DE, ES, FR, IT, NL, UK  
Source: GIRP members

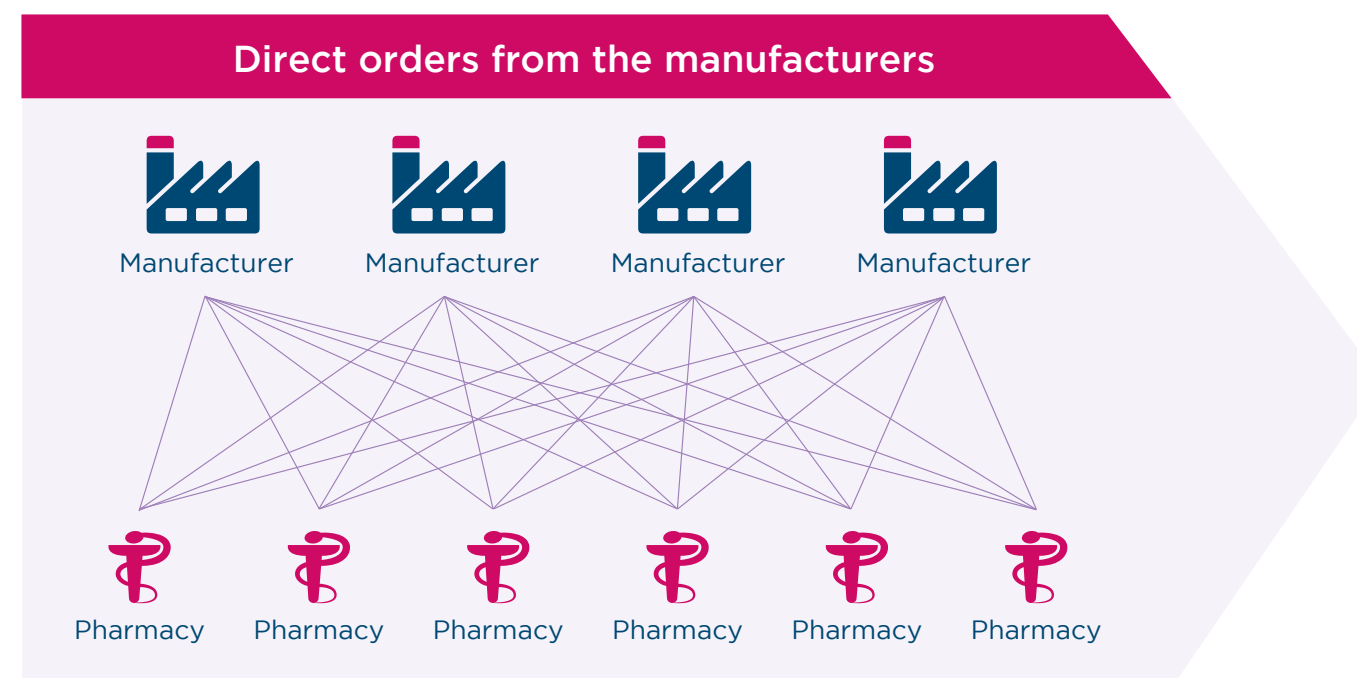
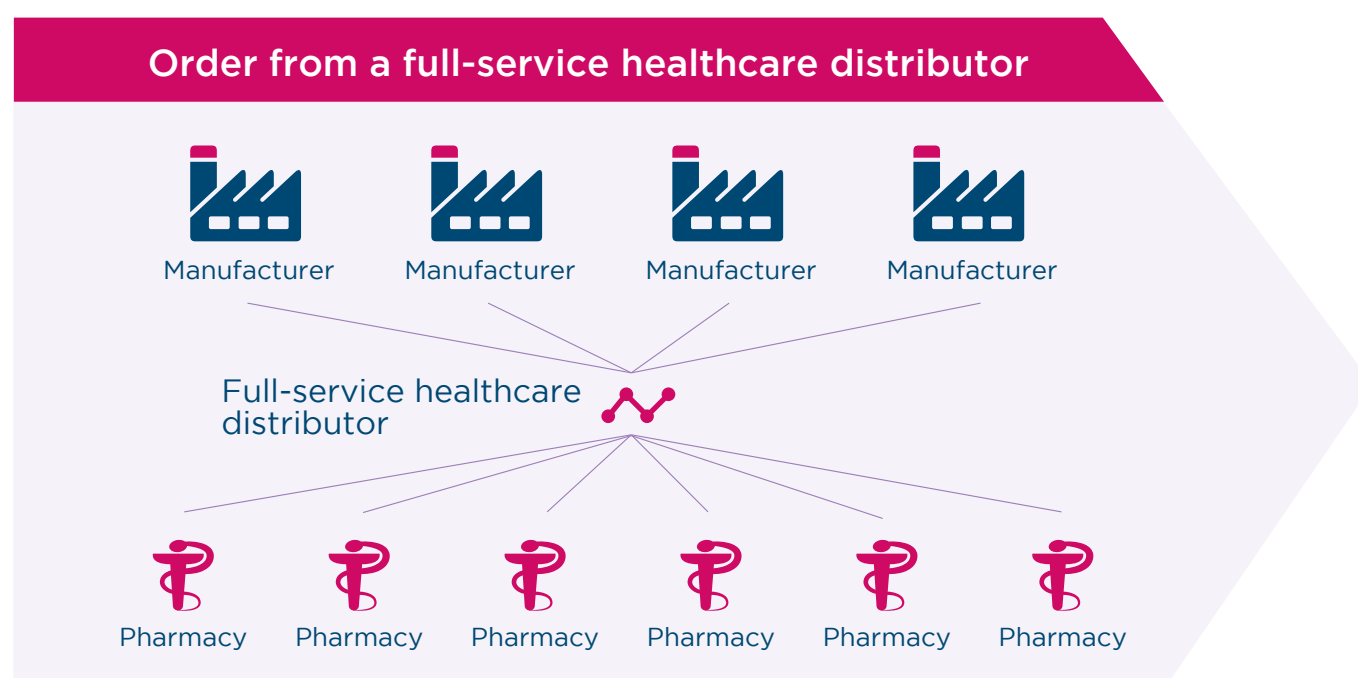
IQVIA (NYSE:IQV) is a leading global provider of advanced analytics, technology solutions and contract research services to the life sciences industry. Formed through the merger of IMS Health and Quintiles, IQVIA applies human data science — leveraging the analytic rigor and clarity of data science to the ever-expanding scope of human science — to enable companies to reimagine and develop new approaches to clinical development and commercialization, speed innovation and accelerate improvements in healthcare outcomes. Powered by the IQVIA CORE™, IQVIA delivers unique and actionable insights at the intersection of large-scale analytics, transformative technology and extensive domain expertise, as well as execution capabilities. With approximately 67,000 employees, IQVIA conducts operations in more than 100 countries.

IQVIA is a global leader in protecting individual patient privacy. The company uses a wide variety of privacy-enhancing technologies and safeguards to protect individual privacy while generating and analyzing information on a scale that helps healthcare stakeholders identify disease patterns and correlate with the precise treatment path and therapy needed for better outcomes. IQVIA's insights and execution capabilities help biotech, medical device and pharmaceutical companies, medical researchers, government agencies, payers and other healthcare stakeholders tap into a deeper understanding of diseases, human behaviours and scientific advances, in an effort to advance their path toward cures.

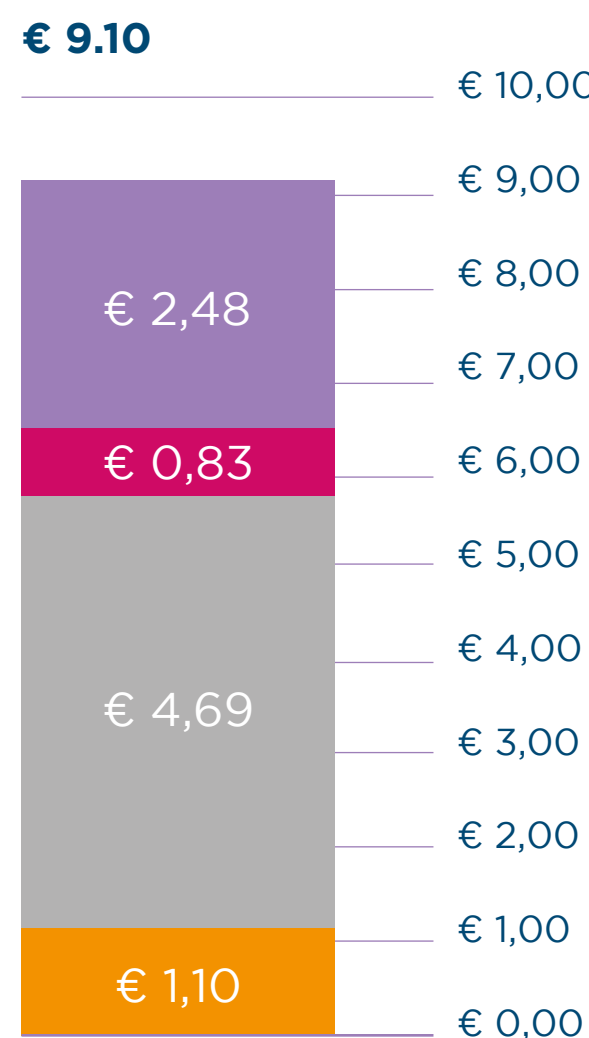
To learn more, visit [www.iqvia.com](http://www.iqvia.com).

### 3 BUNDLING FUNCTION: POOLING OF PRODUCTS AND TRANSACTIONS

- Full-service healthcare distributors are pooling on average products of 18.8 manufacturers per delivery.
- The cost difference between a delivery from a single manufacturer compared to a delivery from a full-service healthcare distributor is € 3.87.
- The bundling of products from 18.8 manufacturers in one delivery through a full-service healthcare distributor saves € 234.84 in order management costs for a pharmacy.

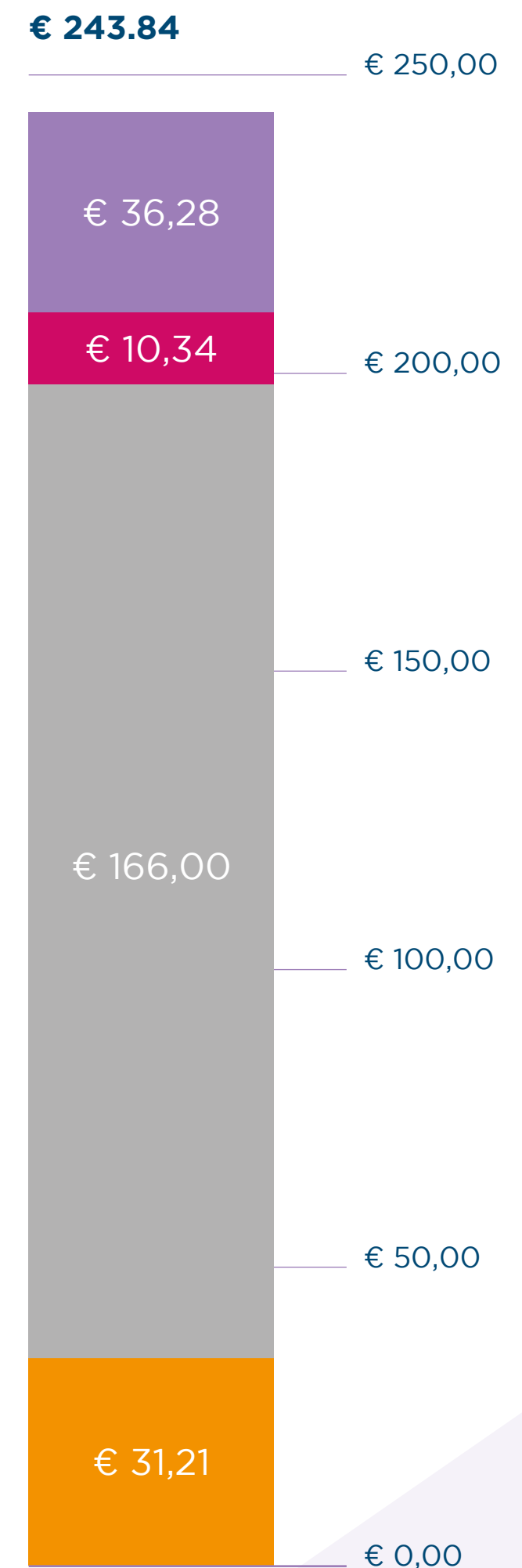


#### Total costs of ordering from a full-service healthcare distributor



Order from pharmaceutical full-line wholesaler

#### Total costs of ordering directly from 18.8 manufacturers



Order directly from manufacturers (x18.8)

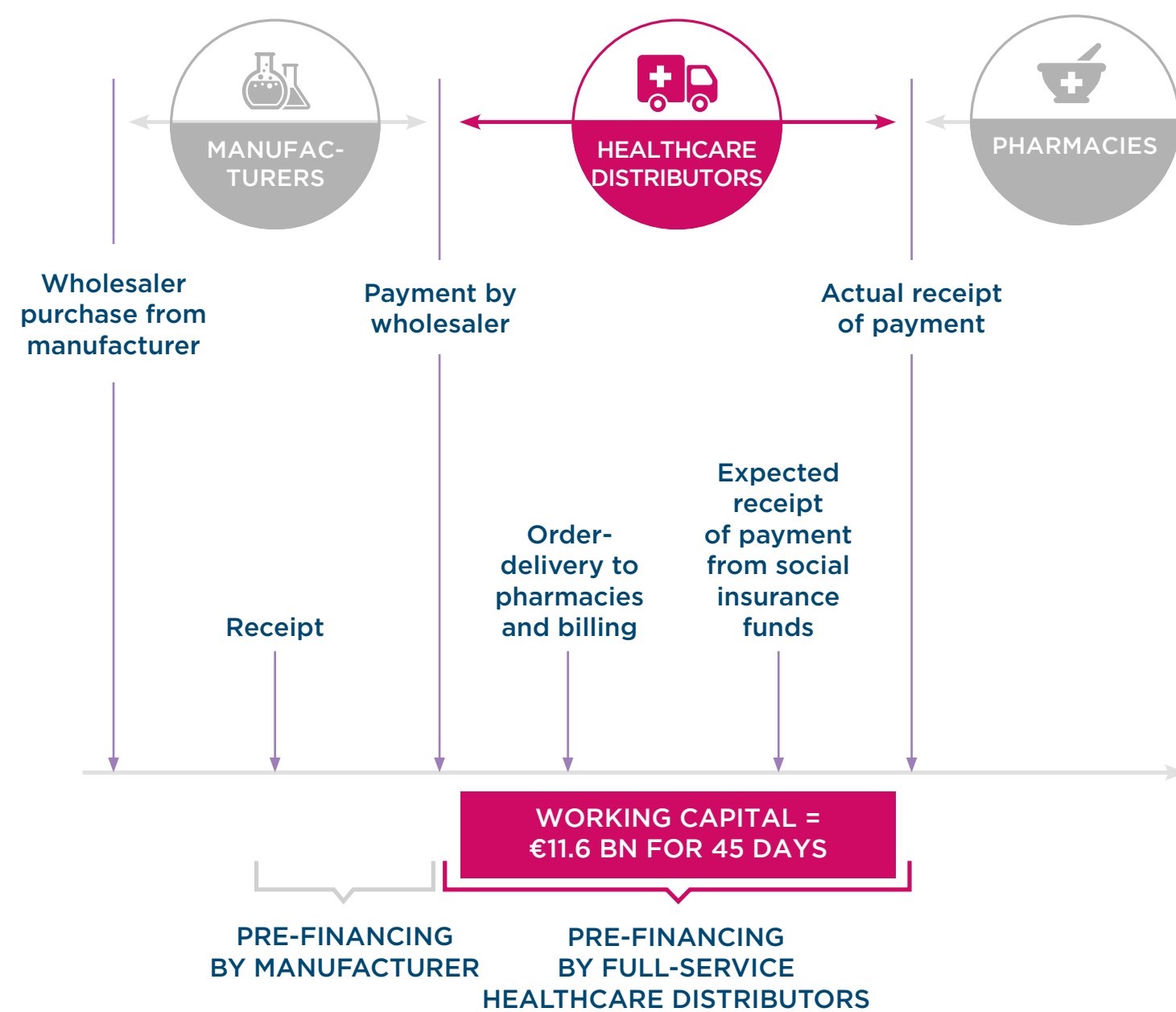
### 4 QUALITY ASSURANCE FUNCTION

Full-service healthcare distributors' quality assurance systems ensure that:

- Medicinal products are procured, held, supplied or exported in a way that is compliant with the requirements of Good Distribution Practice (GDP) (2013/C 343/01).
- Management responsibilities are clearly specified.
- Products are delivered to the right recipients within a very short time period.
- Records are made and kept simultaneously.
- All personnel involved in distribution activities is continuously trained in GDPs, and deviations from established procedures are documented and investigated.
- Appropriate Corrective and Preventive Actions (known as CAPA) are taken to correct deviations and prevent them in line with the principles of quality risk management.
- Since the entry into force of the Falsified Medicines Directive and its Delegated Regulation (9 February 2019), healthcare distributors are fully compliant to the new obligations and thereby further protect the supply chain from the entry of falsified medicines.

## 5 FINANCING FUNCTION

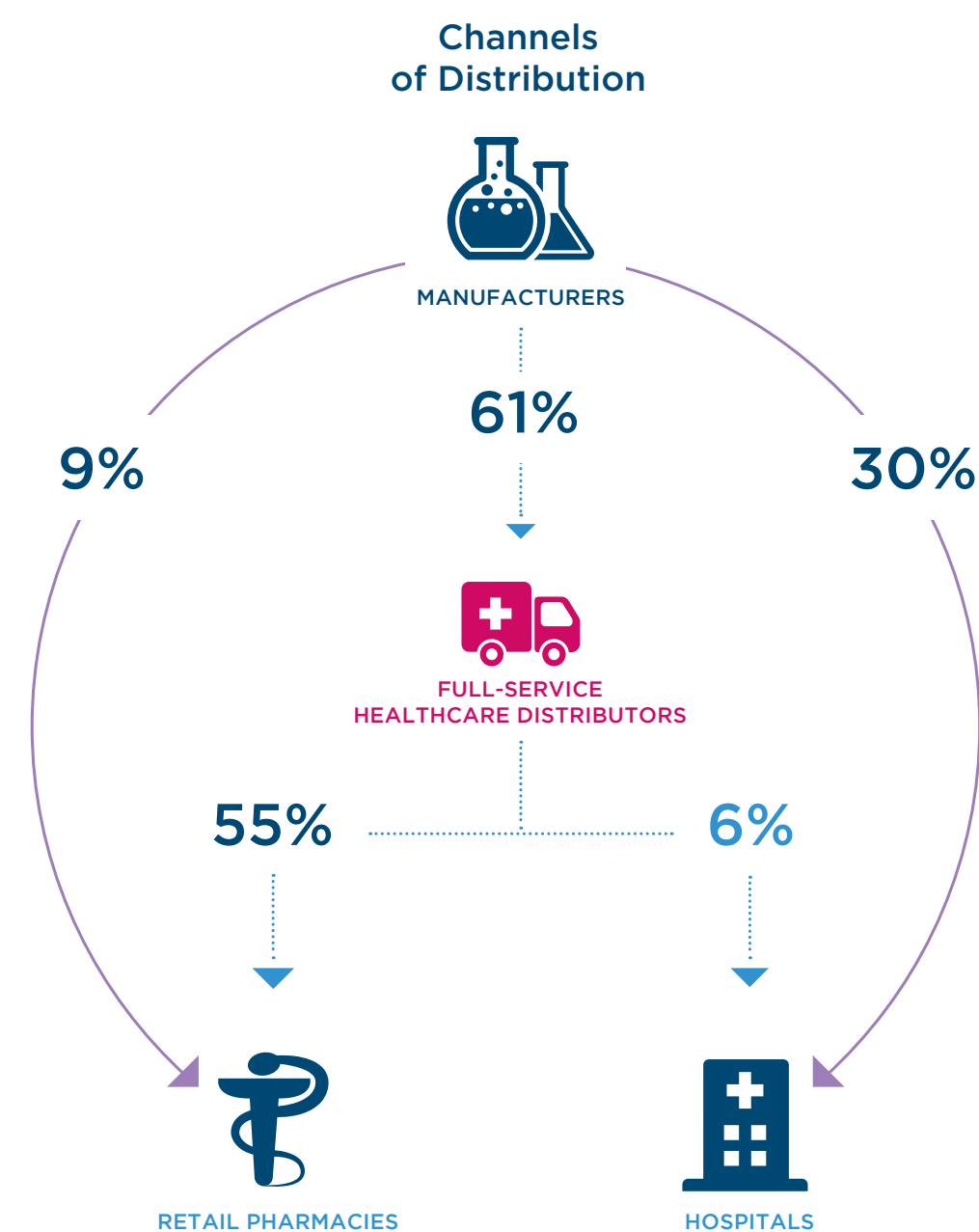
- Full-service healthcare distributors are the only ones to assume a financing function towards manufacturers and pharmacies.
- Full-service healthcare distributors guarantee the continuous supply of all medicinal products and also secure the cash flow of social insurers.
- The financing function can be expressed in terms of working capital.
- Full-service healthcare distributors of the six main markets in Europe (DE, ES, FR, IT, NL, UK) finance on average EUR 11.6 bn over a period of 45 days. In total, this sum is financed approximately 7.8 times per year, and represents a total annual volume of EUR 90.5 bn.



### FULL-SERVICE HEALTHCARE DISTRIBUTORS



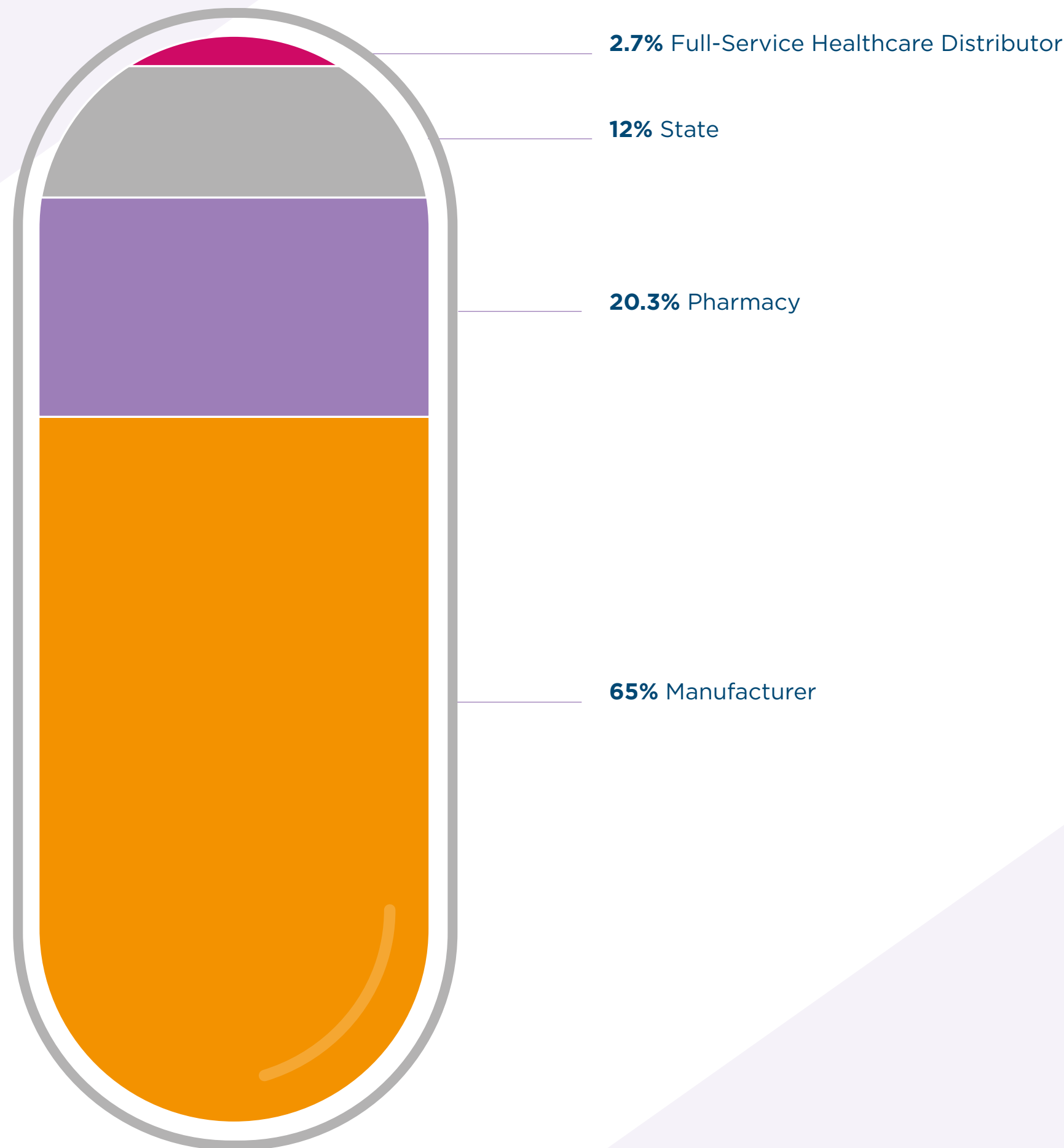
### THE HEALTHCARE DISTRIBUTOR: A CRITICAL PARTNER IN THE SUPPLY CHAIN





## PRICE STRUCTURE

Average price composition of reimbursed medicines sold in pharmacies in FR, DE, IT in 2018.



## ECONOMIC PRESSURES



### Regulatory compliance costs

- Good Distribution Practice (GDP) Guidelines
- Falsified Medicines Directive (FMD)
- New batch recording requirements
- Medical Devices (MDs) and In-vitro Diagnostics (IVDs) Regulations
- Veterinary Medicines Regulation

### Decreasing Remuneration for Full-Service Healthcare Distributors

- Increase of direct sales
- Tendering for the distribution of selective products
- Price cuts in countries where distribution is remunerated as a percentage of the product price
- Increasing pressure on pharmacy remunerations
- Claw-back mechanisms

### Digital, real-time, data-based platform solutions by insight heath

The COVID-19 crisis has been an unprecedented challenge for all societies in the EU as well as for our healthcare systems. It has raised the essential role of wholesalers and of community pharmacies in the pharmaceutical supply chain. All market actors have been in a special work mode for several weeks as the demand for health products deviated significantly from what we know as the usual business cycle. Moreover, COVID-19 has strongly pushed the digitalization of business processes.

In this context, we at INSIGHT Health have done everything possible to support our partners and clients. Regardless of their workplace, we enable them to access data and analyze online and in real-time the pharmaceutical market, through short-term tracking, modules for market observation, and demand forecasts. With our digital platform, INSIGHT Health will keep all supply chain partners up to date with reliable data and real-time analysis modules.

We are looking forward to continuing to support GIRP and its members and to meet you personally again.

Further information can be found at:

[www.insight-health.de](http://www.insight-health.de)



## Healthcare distribution

### A highly regulated sector

As the vital link in healthcare, full-service healthcare distributors ensure that the right medicine is delivered to the right patient, at the right time, in a safe and reliable manner. In order to do so, distributors adhere to the Good Distribution Practice (GDP) and many other legal provisions, which obligate them to ensure and maintain the quality and integrity of products from the warehouse to their customers.

#### **FALSIFIED MEDICINES DIRECTIVE - 1 YEAR OF SUCCESSFUL OPERATION ACROSS EUROPE**

- The European Medicines Verification System (EMVS) went live across Europe on 9 February 2019 and has been successfully operating for 1 year.
- Prescription medicines dispensed must bear safety features and be verified for their authenticity via the EMVS ecosystem.
- Full-service healthcare distributors are verifying medicines upon receipt, which they do not receive directly via the Marketing Authorisation Holder (MAH), manufacturers or their designated wholesalers, as well as returned products.

#### **MEDICAL DEVICES AND IN-VITRO DIAGNOSTICS REGULATIONS**

- Full-service healthcare distributors are implementing new business processes, in order to comply with sampling of products and traceability requirements.
- Due to COVID-19, the medical devices regulation implementation date has been postponed for a year until 2021.

#### **EU INDUSTRIAL STRATEGY**

- Pharmaceutical Strategy: availability, affordability, sustainability and security of medicines' supply to patients will be in the foreground.
- European Health Data Space: development of smart health products and services is the target.

## EU LEGISLATION ON ENVIRONMENT - THE GREEN DEAL

### Transport Sector

Transport accounts for a quarter of the EU's greenhouse gas emissions. To achieve climate neutrality, a 90% reduction in transport emissions is needed by 2050. The goal is sustainable transport, meaning more affordable, accessible, healthier and cleaner alternatives. Additionally, transport should become drastically less polluting, especially in cities.

### Circular Economy & Waste Plan

In March 2020, the European Commission adopted an EU Industrial Strategy to address the twin challenge of the green and the digital transformation. Europe must leverage the potential of the digital transformation, which is a key enabler for reaching the Green Deal objectives. Together with the Industrial Strategy, a new Circular Economy Action Plan will help modernise the EU's economy and draw benefit from the opportunities of the circular economy domestically and globally. A sustainable policy also has the potential to reduce waste significantly. And when it cannot be avoided, its economic value must be recovered, and its impact minimised. Digital technologies can play a key role for this.

### Chemicals Strategy

A zero-pollutant environment for air, water and soil by 2050 is also a declared goal of the Green Deal. A new Chemicals Strategy, among other things, is to contribute to a zero-pollutant environment.

### Building Sector

To address the twin challenge of energy efficiency and affordability, the EU and the EU Member States should engage in a 'renovation wave' of public and private buildings. While increasing renovation rates is a challenge, renovation lowers energy bills, and can reduce energy poverty. It can also boost the construction sector and is an opportunity to support SMEs and local jobs.

The European Commission will rigorously enforce the legislation related to the energy performance of buildings. This will start with an assessment of Member States' national long-term renovation strategies.

## European Commission Workplan 2020 - What will impact full-service healthcare distributors?

Q1 2020	<b>Financing the sustainable transition</b> including European Green Deal Investment Plan
Q1 2020	<b>Sustainable production and consumption</b> including New Circular Economy Action Plan
Q1 2020	<b>Europe fit for digital age</b>
Q1 2020	<b>A European approach to Artificial Intelligence</b> including a White Paper on Artificial Intelligence and European Strategy for Data
Q1 2020	<b>A new industrial strategy for Europe</b> including Industrial Strategy, Single Market Barriers Report and Single Market Enforcement Action Plan
Q1/Q4 2020	<b>Social Europe</b> including Fair minimum wages for workers in the EU
Q2 2020	<b>Decarbonising energy</b> including a strategy for smart sector integration
Q4 2020	<b>The European Green Deal</b> including a communication on the European Green Deal and The European Climate Pact
Q4 2020	<b>Sustainable and smart mobility</b>
Q4 2020	<b>Digital Services</b>
Q4 2020	<b>Protecting Health</b> including A Pharmaceutical Strategy for Europe
Q4 2020	<b>Effective Taxation</b> including Business Taxations for 21 <sup>st</sup> century
Q4 2020	<b>Better Regulation</b>

# An Ever-Evolving Environment

## SPECIALISATION OF MEDICINE DISTRIBUTION

Carrying the promise of targeted treatments for individual patients, specialty pharmaceuticals and personalised medicines are becoming a major driver of the evolution of the healthcare value chain. The complexities of the distribution channels through which specialty products flow from manufacturers to patients, however, still pose challenges for healthcare value chain managers.

Value chain stakeholders need to consider patient groups and analyse their levels of mobility to be

able to cater to specific patients' needs. Full-service healthcare distributors are thus rethinking their value chain structures moving away from simply optimising logistics to leveraging their unique position in the value chain to be able to provide tailored services. Such services could include homecare and special delivery, therapy administering in local pharmacies, and providing the vital link between patients, doctors and the pharmaceutical industry.

## DIGITALISING THE SUPPLY CHAIN

Patients are currently the drivers in innovation and stakeholders must follow their needs to adapt the offer and identify the purpose of innovation.

Technologies already exist to facilitate digitalisation. Blockchain for example, offers the structure to improve transparency, verifiability and security of data transactions. Big data, Artificial Intelligence (A.I.), augmented reality, 3-D printing, connected devices are all already available to further advance healthcare and facilitate access to treatments. They have great potential in improving compliance, adherence, information to patients, and offer the right tools to improve communication and collaboration between stakeholders.

Stakeholders must identify areas of cooperation and adapt their business models to evolve towards a collaborative approach to better serve patients. They must abandon the cumulation of proprietary platforms, break down the silos and move towards a European-wide harmonised infrastructure gathering stakeholders and regulators around a shared goal. To reach this objective, regulation ought to be carefully drafted and implemented to protect patients' rights while also incentivising innovation for stakeholders.

## SSI Schaefer and BD Rowa™ extend successful cooperation

The corresponding contract with the solution provider for automated order picking and digital applications, BD Rowa, was extended for another five years. The aim of the cooperation is to provide customers in the healthcare sector with an overall solution to prepare them for future processes, such as e-prescriptions or establishing Hub & Spoke models.

Particularly in the field of automation of slow movers and processing returns, the portfolio of SSI Schaefer is perfectly complemented by the efficient solutions of the partner BD Rowa. Customers benefit from a holistic concept from a single source to also cover the strict legal requirements of tracking & tracing of medication in the long run.

For the automated picking of slow and medium movers, SSI Schaefer also integrates high-performance piece picking robots into holistic systems. These precise picking components cover all kinds of order structures and guarantee a constant performance – independent of ambient conditions or ergonomic requirements. Integrated cameras gather every individual product and ensure 100 % verification at all times.

To learn more, visit [www.ssi-schaefer.com](http://www.ssi-schaefer.com)



# Medicine Shortages impacting Healthcare Systems across Europe

The continuity of supply and availability of medicines are key priorities of the European healthcare systems. Ensuring the availability of medicines for patients is therefore reflected in the EU legal framework governing the pharmaceutical sector, requiring supply chain partners to comply with it in accordance with Article 81 of Directive 2001/83. However, medicine shortages have become an increasing problem in recent years.

Due to the lack of availability of medicines, full-service healthcare distributors encounter difficulties ensuring the continuous supply of the full range of medicines. Recent studies have shown that medicine shortages not only adversely affect therapy and cause poorer treatment outcomes, but also compromise or delay medical procedures, lead to medication errors and to the use of less desirable, often more expensive, alternative medicinal products.

Healthcare professionals are increasingly alarmed about the effects that the unavailability of medicines have on patients and the significantly increased resources required for sourcing the medicines for their patients. Shortages have seen a growth in the

number of products (e.g. in 2015, 700 products were notified as in shortage in Spain, which grew to 1,650 products in 2019; in 2015, 40 products were in shortage in Germany, which grew to 268 in 2019) and complexity across Europe. Supply chain partners along with national and European authorities seek ways to prevent and solve this issue. Still, the measures adopted so far have not proved to be very effective at eliminating shortages of medicines.

The issue is as complex as the reasons for shortages of medicines are manifold and there is no quick fix available by implementing a single measure. Though, shortages have risen to be very high on the agenda of European and national authorities with many national competent authorities taking regulatory steps to try and address the issue.

1996-2016,  
20 years of creating packaging solutions.

CAPPI first started out in the design and manufacturing of plastic shipping totes dedicated to pharmaceutical wholesalers. Driven by innovation, CAPPI invests in the development and testing of customized packaging for the transport of temperature-controlled products year-on-year. A leading company in the French market, CAPPI continues its international growth in three strategic markets: pharmaceutical manufacturers, pharmaceutical wholesalers and the food industry.

CAPPI meets demands from all across the pharmaceutical supply chain, from manufacturer to wholesaler and from wholesaler to pharmacy. Our range of plastic shipping totes for pharmaceutical wholesalers are designed and tested to integrate automated order preparation processes. Equipped with a qualified, isothermal protection inlay to respect any temperature range during transport: guaranteed to satisfy all mechanical and thermal needs.

Learn more at: <https://cappi.fr/en/homepage>





## GIRP addressing the Issue of Medicine Shortages

Patients are at the heart of the mission and vision of full-service healthcare distributors and as an essential link in the healthcare supply chain, the mitigation of shortages through enhanced collaboration with stakeholders and regulators is indeed one of our main priorities.

We have been working closely with our members, partnering supply chain stakeholders and regulators to discuss best actions to put in place at European level to mitigate the impact on patients.

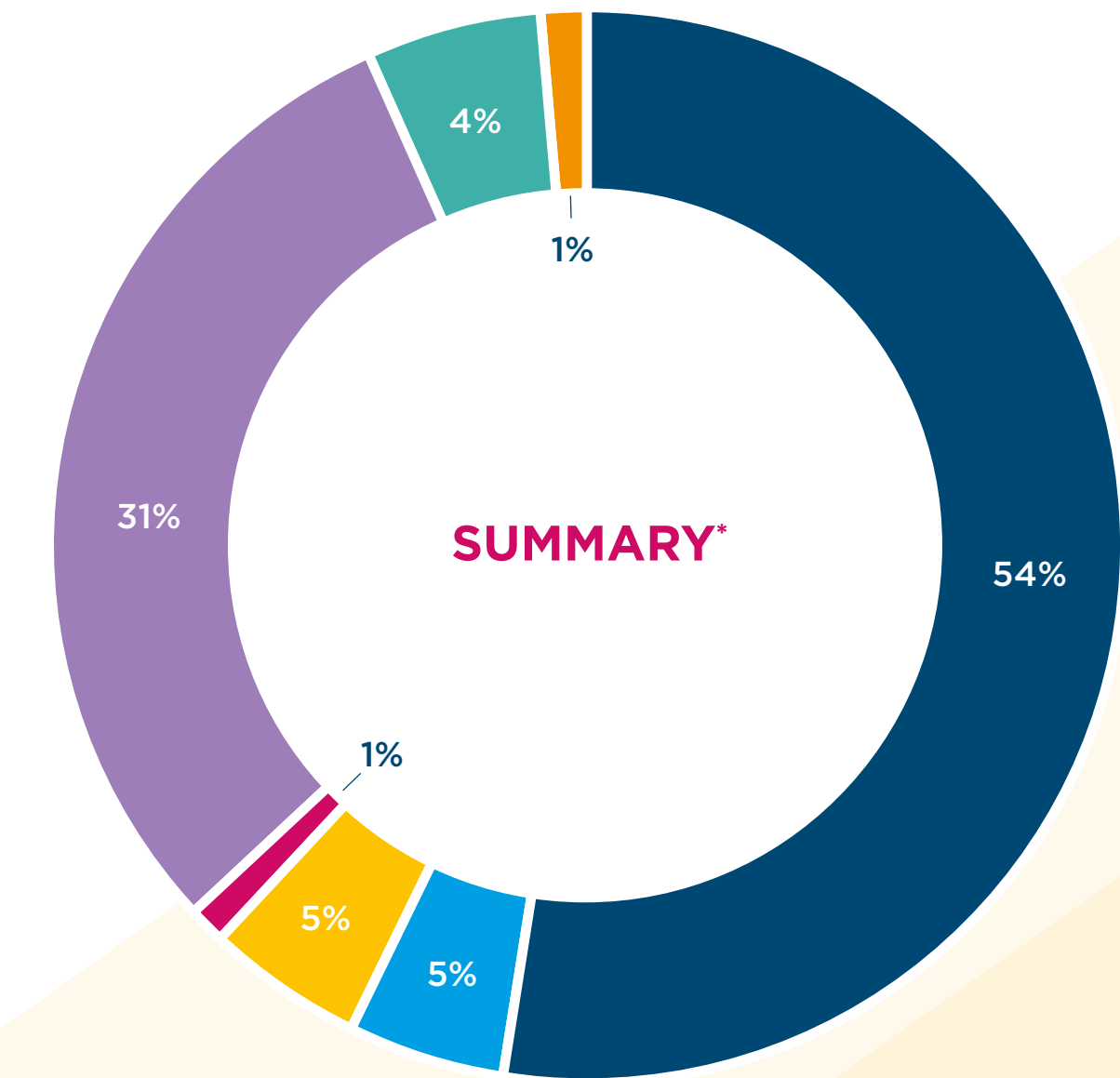
Over the last few months, GIRP has also conducted a series of studies and analysis leading to the publication of a set of recommendations listing what it sees as the best approach to address shortages.

A thorough analysis of 12 shortages lists made available by national authorities that also included information on the root cause of the shortage showed that causes across Member States include technical, quality and economic issues at manufacturing level, lack of investment in production capabilities, very low pricing, and unexpected peaks in demand.

A more precise analysis could be achieved if shortages systems at national authority levels across the EU were harmonised and reporting mechanisms of root causes streamlined.

See full analysis [here](#)

### 1 GIRP ANALYSIS - CAUSES OF SUPPLY DISRUPTIONS ACROSS EUROPE






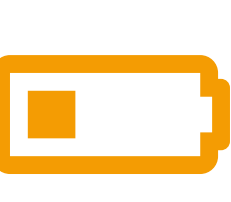



- Manufacturing reasons
- Ingredients related reasons
- Supply chain related reasons
- Regulatory reasons
- Commercial & market-related reasons
- Other reasons
- No reason given

\*based on analysis of publicly available data from official sources.

## 2 GIRP MEMBERS SURVEY: MEDICINE SHORTAGES

In July 2019, GIRP conducted a survey among its membership with the objective to gain qualitative information on the significance of medicine shortages on full-service healthcare distributors' activities and the actions they have taken to mitigate the impact on patients.

Core messages were drawn from the survey, concluding that full-service healthcare distributors have to take a disproportionate amount of blame for an issue to which they bear very low responsibility. The survey responses also showed that there is an urgent need for a harmonised common approach (stakeholder collaboration led by national authorities) for enforcing communication responsibilities.

- |   |   |
|---|---|
| <p>1  According to GIRP members, almost all medicines shortages are directly or indirectly attributable to manufacturing related issues.</p>   | <p>Despite this fact, healthcare distributors still receive a disproportionate amount of the blame. </p> <p>2</p>  |
| <p>3  Shortages are a global problem and not limited to EU markets in which parallel trade is unique.</p>  | <p>Export bans have been tried and tested but instead of solving the problem they cause additional disruptions in the EU. </p> <p>4</p>                                  |
| <p>5  Only half of EU countries have publicly available 'medicines shortages' lists showing root causes of shortages. There is an urgent need for better communication &amp; information.</p> | <p>The limited number of medicines exported while being in short supply could have been prevented by better communication &amp; information systems. </p> <p>6</p>      |
| <p>7  Healthcare distributors are part of the solution by working with other stakeholders to reduce the impact of shortages or increase supplies.</p>  | <p>Operators not operating to the same standards as (full-line/service) health distributors may be putting commercial priorities ahead of patient needs. </p> <p>8</p> |
| <p>9  There is an urgent need for a common approach (stakeholder collaboration led by national authorities) for enforcing communication responsibilities.</p>                                | <p>National measures to address shortages should be based on facts and data and not on assumptions or perceptions. </p> <p>10</p>                                      |



From left to right:  
 Kristin Raudsepp, Director General, Estonian State Agency of Medicines; Member of the Management Board, European Medicines Agency (EMA); Agnès Mathieu-Mendes, Deputy Head of Unit, Medical products: quality, safety, innovation, DG SANTE, European Commission; Monica Dias, Policy and crisis coordinating Officer, Office of the Deputy Director, European Medicines Agency (EMA); Monika Derecque-Pois, Director General, GIRP; Bernd Grabner, President, GIRP

### 3 GIRP AUTUMN MEETING – SHORTAGES MONITORING SYSTEMS INCLUDING MARKET SIGNALS

On the occasion of its Autumn Meeting held in Brussels on Wednesday 13 November 2019, GIRP placed medicines shortages at the centre of the discussions. European and national authorities as well as stakeholders from the supply chain gathered to analyse the root causes and explore a series of national reporting systems as well as their developments while assessing the best practices to retain for deployment in other countries or even at European level.

A report was issued offering an overview of early monitoring systems from Bulgaria, France, Spain and The Netherlands.

More information on [page 23](#).

## 4 PUBLICATIONS

Over the course of the last 12 months, GIRP issued a series of documents which resulted from our efforts to address the issue:



**MEDICINE SHORTAGES IN EUROPE AND THEIR IMPACT ON PATIENTS**

[DOWNLOAD](#) ↓



**RECOMMENDATIONS ON WAYS TO ADDRESS MEDICINES SHORTAGES**

[DOWNLOAD](#) ↓



**ADDRESSING THE ROOT CAUSES OF MEDICINES SHORTAGES**

[DOWNLOAD](#) ↓



**EUROPEAN MEDICINES VERIFICATION SYSTEM DATA**

[DOWNLOAD](#) ↓

## THE POTENTIAL USE OF DATA CONTAINED IN THE EMVS FOR SHORTAGES MONITORING

### WHY IS THE EMVS NOT SUITABLE FOR SHORTAGES MONITORING?

1. The EMVS is an end-to-end system - **no stock level data included**
2. The uploaded master data **does not reflect available stock levels in the M.S.** - uploaded quantities would lead to a significant overestimation of available medicines in a country due to:
  - Multi-market packs.
  - Not all products are decommissioned.
  - Products removed for testing purposes
3. Most importantly, the EMVS **does not reflect demand**

Overestimation of available supplies by 14%-15% = 225 million packs/year

Data uploaded for a country ≠ products available in the country

Products in short supply cannot be checked out!



## Full-Service Healthcare Distributors in the Fight against COVID-19



**As we entered 2020, the world was hit by the COVID-19 pandemic which forced countries into lockdown to contain the exceptional spread of the virus. The extent of it sent healthcare systems into a whirlwind of uncertainties and unprecedented difficulties.**

Together with pharmacists, healthcare workers, hospitals and pharmaceutical manufacturers, full-service healthcare distributors have been at the forefront of the fight against the disease. Across Europe, the outbreak has confronted our members with immense challenges due to the far-reaching effects of the virus.

Like many other organisations, GIRP members put in place business continuity contingency plans to ensure the safe and efficient delivery of medicines and medical devices to patients in need of their medicines, not only for the treatment of COVID-19, but also for the patients with chronic diseases or citizens afflicted by other conditions.

GIRP would like to recognise here the essential work carried out by full-service healthcare distributors and, most notably, the employees working in distribution centres and drivers for their brave and dedicated commitment to working relentlessly throughout this crisis period.

At print time, the following challenges still faced by full-service healthcare distributors were:

- European Member States applying border controls have considerably impacted the transport of medicines from the manufacturing sites to the dispensing outlets. The creation of green lanes eventually proved helpful but delays still occur at some borders.
- The imposition of quarantine measures by national authorities have rendered difficult at times access to restricted/quarantined areas including the most restricted 'red zones'.
- Full-service healthcare distributors are concerned about recently introduced export bans of certain Active Pharmaceutical Ingredients (APIs) by countries such as India. Up to now the staff of full-service healthcare distributors and drivers are still waiting for the promised Personal Protective Equipment (PPE) to adequately protect themselves and their colleagues.

- Demand for medicines has risen considerably in the first weeks of the lockdowns, calling for significantly increased efforts to respond. GIRP members have been investing in staff, systems and stock during the last weeks to maintain the continuous supply of medicines and medicinal products. Full-service healthcare distributors also set supply quotas in order to maintain the adequate supply of essential medicines as long as possible.
- Full-service healthcare distributors are concerned about recently introduced export bans of certain APIs by countries such as India. The impact of such measures could be felt widely in a few months' time and increase the already-existing shortages problem.

In a [statement issued on 23 March 2020](#), GIRP urged EU institutions and Member States for the following:

- GIRP calls on national authorities, which have not done so yet to urgently classify full-service healthcare distributors as critical infrastructure to maintain the continuous supply of medicines and access relevant national resources where needed.
- GIRP calls on all national competent authorities to enable stock optimisation measures introduced by full-service healthcare distributors or their customers to restrict deliveries or the number of products dispensed to ensure availability of products for all pharmacies, hospitals, and clinics to guarantee all patients are able to receive treatment.
- GIRP calls for "Green Lanes" for vehicles carrying medicines and medical supplies to be secured across all EU/EEA territories.

Throughout the course of the crisis, GIRP remains in close contact with its members, EU institutions and supply chain stakeholders to ensure that all measures are undertaken to ensure the safe delivery of medicines to patients.

# Catalogue of measures proposed by full-service healthcare distributors to ensure the continuous supply of medicines during the COVID-19 crisis

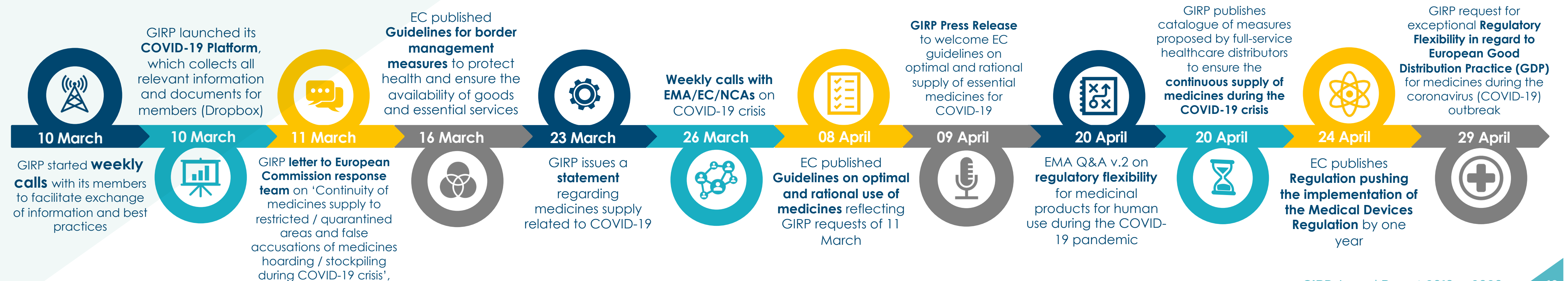
**The overview of measures in the catalogue outlines essential actions for full-service healthcare distributors to cope with and respond to future threats. They also aim to further support society with healthcare distributors' infrastructure and knowledge in the event of an escalation or changing developments and operative priorities caused by this crisis.**

Most notably, the document presents a range of actions taken to counteract existing and potential shortages. It also aims to highlight the important function full-service healthcare distributors play in ensuring the fair and equitable distribution of medicines and products to points of dispense within a country.

- The Marketing Authorisation Holder (MAH) should give an early warning to National Competent Authorities (NCAs), the European Medicines Agency (EMA) and full-service healthcare distributors as soon as it is foreseeable that stock levels of medicines are insufficient to cover demand. The MAHs should provide information on the extent to which they can meet orders of full-service healthcare distributors.
- 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).
- Full-service healthcare distributors should be granted the right to be supplied with all approved and available medicines in the Member State from the Marketing Authorisation Holder (MAH).
- Full-service healthcare distributors' distribution centres and warehouses can be used for storing centrally procured products, especially COVID-19 therapies, PPE equipment, medical products and for safety stocks of supply-critical/essential medicines.

Read the full catalogue [here](#)

## COVID-19 Crisis — Timeline



# GIRP IN ACTION

**174**  
conference  
calls held

**94**  
External events

**27**  
Internal  
events

**19**  
Presentations given  
at conferences

**157**  
Meetings with  
supply chain  
stakeholders  
(non-FMD)

**388**  
Participants  
at GIRP events

**63**  
Newsletters  
sent

**1537**  
Social media followers

**66**  
FMD related  
meetings


## About GIRP

The premier platform reaching across Europe and beyond with expertise and experience for our partners' excellence.


**34**  
countries

including all EU/EEA/EFTA countries (except Cyprus), as well as China, Russia, Serbia and Turkey

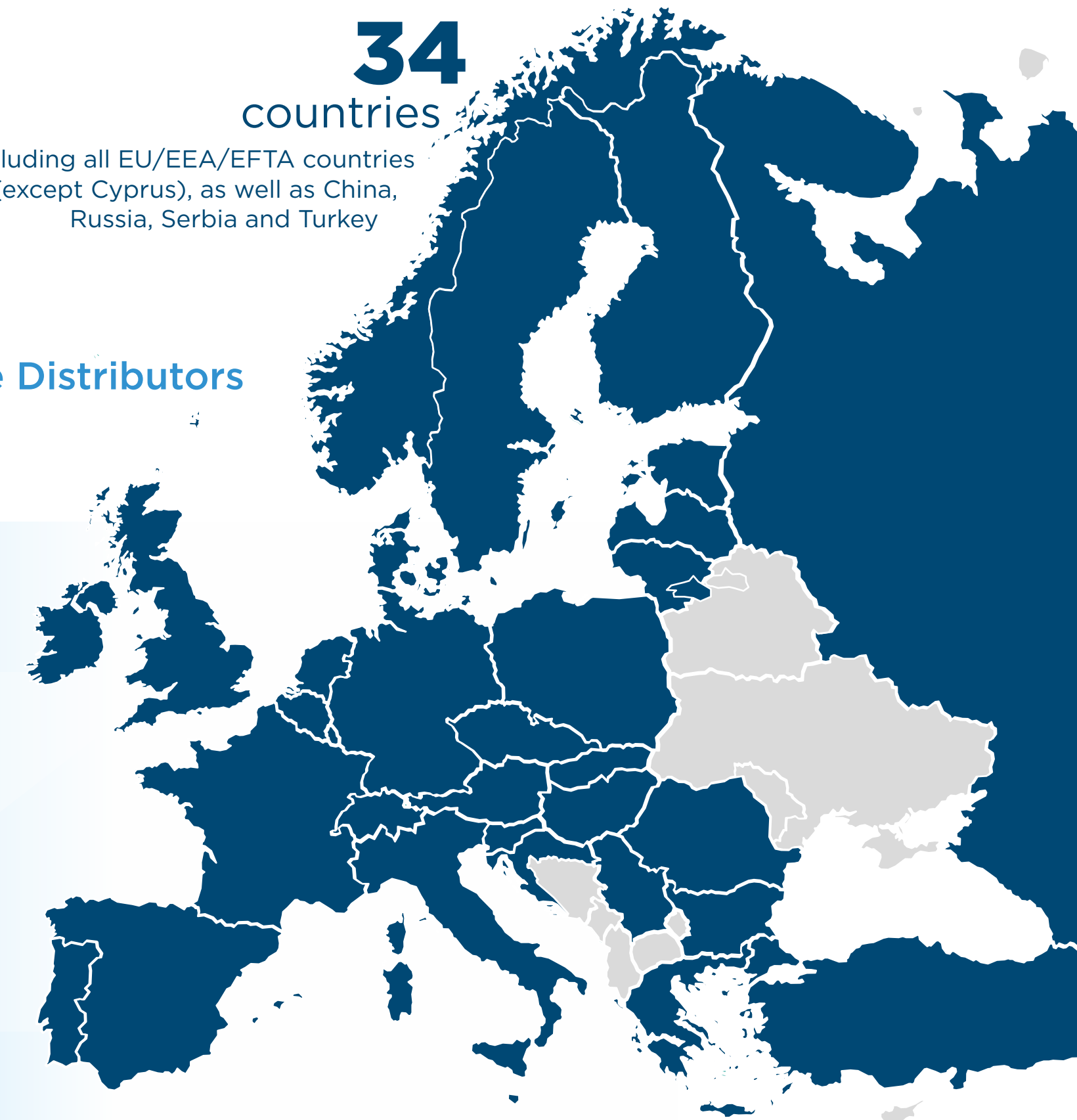
 **750+** Full-Service Healthcare Distributors  
**1,260** warehouses

 Safe and sufficient supply of over **100,000 products**

 **15 bn** packs of medicines/year  
**62 mio** packs of medicines/day

 From **3,500 manufacturers** to

 **200,000 pharmacies & healthcare professionals** across Europe

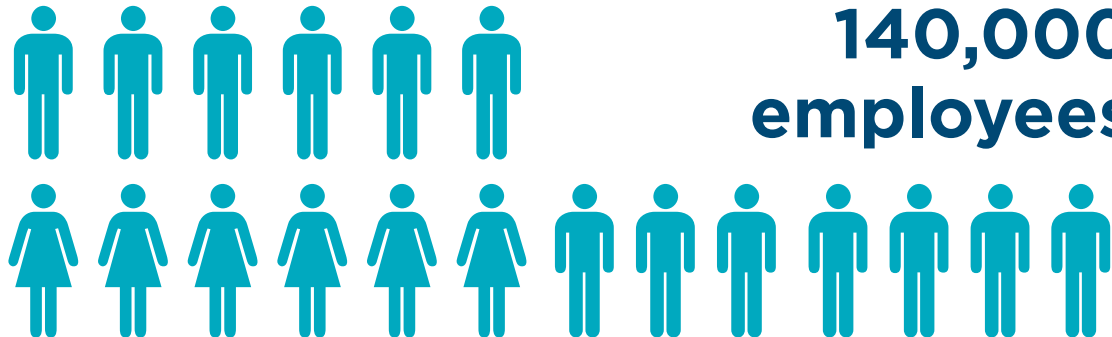


 **2.5h**  
Average delivery time

 **35**  
Different products per delivery

 **18.8**  
Different manufacturers per delivery

GIRP members count  
**140,000 employees**



**Quality, integrity, excellence**

GIRP members are trusted supply chain partners  
the vital link in healthcare

# Year in review

▼ 23-26  
MAY 2019 **EUROPEAN ELECTIONS**

European voters headed to the polls to elect the new European Parliament, leading to a shake-up of the institution with 61% new MEPs.

▼ 26-28  
MAY 2019 **GIRP 60<sup>TH</sup> ANNUAL MEETING AND CONFERENCE**



**BUILDING A BRIGHTER FUTURE - A DIGITAL AGENDA FOR PATIENTS**

GIRP held its 60<sup>th</sup> Annual Meeting and Conference in Stockholm where expert speakers addressed the question of digitalisation in the supply chain. The meeting focused on three main areas: new technologies in the supply chain; collaboration with traditional and new healthcare stakeholders; the pharmacy of the future.

▼ 26 SEP  
2019 **GIRP & SENSITECH WEBINAR ON THE IMPLEMENTATION OF THE MDS AND IVDS REGULATIONS**

▼ 12-13  
NOV 2019 **GIRP AUTUMN MEETINGS**



▼ 27 NOV  
2019 **NEW EUROPEAN COMMISSION APPROVED**



On December 1<sup>st</sup>, a new college of Commissioners entered the European Commission with Cypriot Stella Kyriakides being assigned the health and food safety portfolio. Her agenda priorities include fight against cancer, access to medicines and health innovation.

▼ 14 JAN  
2020 **EUROPEAN HEALTHCARE VALUE CHAIN FORUM**



**INTEGRATED VALUE CHAINS - CREATING VALUE FOR PATIENTS BEYOND THE PILL**

This year's forum was shaped as a world café taking the participants beyond thinking in simple supply chains, and towards imagining what can be done to improve health outcomes of patients if we partner up for innovation and transformation of our networks.

▼ 1 FEB  
2020 **WITHDRAWAL OF THE UNITED KINGDOM FROM THE EUROPEAN UNION**



▼ 9 FEB  
2020 **IMPLEMENTATION OF THE FALSIFIED MEDICINES DIRECTIVE - ONE YEAR ON**



▼ 12-13  
MAR 2020 **GIRP 5<sup>TH</sup> SUPPLY CHAIN CONFERENCE**



During the 5<sup>th</sup> edition of the GIRP Supply Chain Conference, participants analysed the impact and shared best practice examples of recent EU-level regulations and explored how to best guarantee product quality and safety through new management models and the latest innovative technologies.



## 2019 Annual Meeting and Conference, Stockholm

On 27-28 May 2019, GIRP held its 60th Annual Meeting and Conference in Stockholm bringing together top-level representatives from the European institutions, industry, the pharmacy retail sector and, of course, the healthcare distribution spheres over the topic of digitisation and collaboration in the healthcare value chain.

The EU's initiatives in this field - most recently with its drive for AI in healthcare - prompted the association to subtitle its annual conference in Stockholm "A digital agenda for patients".

### CONFERENCE KEY TAKE-AWAYS

#### 1. Full-service healthcare distributors' role in furthering innovation in healthcare

As EU institutions work towards better use of information technology in health, full-service healthcare distributors ascertained throughout the conference their commitment to ensure they can play their part - and are an integral part of the discussions. Mr Bernd Grabner, President, GIRP, referred to opportunities for members to help empower patients in managing their own health. "We are all actors of the personalisation of healthcare".

"Full-service healthcare distributors are eager to keep playing their role in improving the patient-centric approach across Europe and to work hand-in hand with their value chain partners for the benefit of European patients", added Ms Monika Derecque-Pois, Director General, GIRP.

#### 2. Collaboration along the supply chain



Dr. Stefan Oschmann, the then President of EFPIA and CEO of Merck KGaA, joined GIRP in the call for more collaboration in the value chain and emphasised that while the future depends on exploiting the digital possibilities for accelerating innovation and systems' efficiency, this will depend on cooperation and collaboration among regulators, payers, industry, and the public and private sector.



Session: Digitalisation for improved outcomes in the supply chain

#### 3. Innovation for better healthcare

Mr Brian Thornley, Associate Vice President, Supply Chain Operations, EMEA & Asia Pacific, MSD spelled out how digitisation could improve outcomes right along the supply chain, lowering costs and shortening lead times.

Mr Wolfgang Mähr, Head of Supervisory Board, Alliance Healthcare Deutschland emphasised how building closer partnerships along the value chain could release more of the hidden value in big data, with benefits both to the quality of healthcare and to the efficiency of operation.

Even at the simplest level, AI could transform the routine data from full-service healthcare distributors' delivery systems into new value in terms of vehicle diagnostics, traffic information and weather forecasts.



Gala dinner at the Vasa Museum



### Thermo King PharmaSolutions — fully GDP Compliant Temperature Controlled Transport

Compromising the quality of pharmaceutical product shipments risks more than loss of cargo - it can compromise the health and well-being of patients. TK PharmaSolutions addresses the precise needs of the pharmaceutical industry by delivering applications know-how and a broad spectrum of services.

TK PharmaSolutions offers a range of GDP qualified equipment essential for temperature-controlled pharma transportation from truck and trailer to "Last Mile Delivery," covering all stages of an End to End supply chain model. ColdCube™ active containers, provide a safe transport of biomedical products, vaccines, blood tubes and biological samples in the most demanding environmental conditions and are ideal for distribution to pharmacies and directly to patients. Smaller load refrigeration optimization is possible even in non-isolated vans together with non-refrigerated products.

PharmaSolutions customers can count on highly trained technicians from more than 500 service points in 75 countries to service their equipment according to GDP standards.

For further information, please visit <https://europe.thermoking.com/tk-pharmasolutions/>

## 2019 Autumn Meetings



Stakeholder panel - participants discussed shortages monitoring systems.



Panel: Shortages warning systems

### On the occasion of its Autumn Meeting held in Brussels on Wednesday 13 November 2019, GIRP placed medicines shortages at the centre of the discussions.

European and national authorities as well as stakeholders from the supply chain gathered to analyse the root causes and explore mitigating solutions.

Ms Agnès Mathieu-Mendes, Deputy Head of Unit B4 - Medicinal products – Quality, safety, innovation, DG Santé at the European Commission observed that many Member States have introduced national laws to mitigate the issue with often an impact occurring on the neighbouring countries and without much success. She underlined the need for European solidarity with regards to national stockpiling proposals and export restrictions.

She analysed the overall issue of shortages as caused by a combination of three factors:

- Triggered by manufacturing problems
- Due to the supply management
- Caused by commercial decisions

Ms Kristin Raudsepp, Director General of the State Agency of Medicines in Estonia and Co-chair of the HMA/EMA Task Force of the availability of authorised medicines (TF AAM) presented the work of the task force and asserted that medicine availability was a high priority for both the EMA and the HMA. Regulators are working to have a framework in operation supported by common understanding and harmonised requirements to further raise transparency.

### KEY TAKE-AWAYS OF THE CONFERENCE

#### What are the essential components to building a shortages monitoring system?

- All stakeholders from the healthcare value chain must be involved.
- Define which kind of data must be recorded (to be organised at national level).
- Data to be scrupulously safeguarded.
- The system should focus on early warnings, with 2 entries of notifications:
  - Signals from the market based on demand, and
  - Communication from manufacturers on shortages and expected shortages including information on the severity of the shortage and its anticipated duration.

- NCAs are crucial partners in establishing this system and must take the lead.
- NCAs must focus on the solving of the issue short term and long term.
- Implement harmonisation of root cause definitions, inclusion of substance in shortages in the notifications between countries to facilitate solidarity via the import of products in shortage from countries where there is no shortage.
- System to be automated both for data collection and for reporting.

A full report of the event is available [here](#) or on request.



Excellis is a global leader in strategy and implementation consulting services with a focus on value creation throughout the Life Sciences and Healthcare industries supply chain.

We are proud to have helped hundreds of manufacturers, CMOs, 3PLs, wholesalers, retail pharmacies and hospitals to establish strategies and deliver their readiness to achieve their business goals, from strategy to sustainability.

Integrating serialization in the extended supply chain is a challenge at all the different levels. Excellis has been leveraging with success its US distribution market experience to provide best-in-class use cases to deliver value for our customers.

With leading domain expertise across all critical areas: Serialisation and Traceability, Manufacturing, Packaging, Warehousing and Distribution, ERP, WMS, MES, Quality Systems and Processes, Brand Protection and Supply Chain, Excellis is in a key position to support our customers in Europe and across the world through their serialization and digitalization journey.

Excellis is the author of the EU-FMD compliance guide and is also providing full Alert management service and structure for a range of companies.

We specialise in supply chain solutions for serialization, track & trace and brand protection (anti-counterfeiting/diversion); we are also providing ERP, QMS, WMS, master data integrity and validation services and bring the industry's best SMEs, validation resources, project managers and technical consultants to deliver excellence for our customers.

Contact us at [getsecured@excellishealth.eu](mailto:getsecured@excellishealth.eu)

## 2020 European Healthcare Value Chain Forum, Brussels

**On 16 January 2020, the European Healthcare Value Chain Network (EHVCN) met for its annual forum and networking reception in Brussels, Belgium.**

The Forum serves as a dedicated yearly event to bring high-level representatives from full-service healthcare distributors, the pharmaceutical industry and pharmacists together to exchange ideas and share views on “Integrated value chains - Creating value for patients beyond the pill” discussing new business models and ways to achieve better connectivity and trust in the supply chain.



This year, the Network held World-café style discussions to facilitate exchange on five topics that were identified as crucial for the current and future healthcare value chain:

- Ensuring medicines availability
- Innovating for specialty distribution
- Digitalising the supply chain
- Providing novel pharmacy solutions
- Connecting to patients

Discussions around the five tables led to the general consensus that the healthcare value chain will become increasingly complex. Thus, actors in the value chain will be required to act with an increasing amount of flexibility and will have to focus more on the individual patient's journey and patient's mobility.

Furthermore, the pharmacy of the future will be a place for ‘wellness beyond medication’. With an increased use of electronic data, the pharmacist will gain a key role in linking patients' data and providing advice on their wellbeing, especially for medications' review and legal compliance.

Lastly, collaboration is the key aspect for both availability of medicines for patients and in the digitalisation of the supply chain. While disruption is



already happening, stakeholders must stop talking and start acting and drive innovation to remain relevant in this fast-paced and highly competitive environment. Working together and building trust amongst each other is key in this regard and can only add value to the process of providing timely, safe and secure medicine to patients in Europe.



BD Rowa™ stands for innovative and reliable solutions related to drug logistics. As a pioneer in automation and digitalization, the company develops and manufactures solutions for pharmacies, hospitals, the pharmaceutical industry and pouch packaging centers at its headquarters in Kelberg (Germany). BD Rowa has implemented more than 9.000 automated solutions worldwide.

The focus is on holistic system integration within the framework of optimal business processes. When dealing with pharmaceutical distribution centers, BD Rowa focuses on automation of slow and medium movers, reintegration of returned pharmaceutical products into the distribution process, as well as automated picking of narcotics and cold storage goods. BD Rowa is specialized in identification, inventory management and dispensing of single pharmaceutical products and facilitates to comply with the GDP guidelines. We are working together with strong partners, like SSI Schäfer, ensuring your competitive advantage through innovation and high performance.

Worldwide, 800 employees are committed to the competent and reliable customer care. BD Rowa is part of the global medical device company Becton Dickinson (BD), with whom we share a vision for advancing the world of health.

For further information, please check:  
[www.rowa.de/en/pharmacist](http://www.rowa.de/en/pharmacist)



## 2020 Supply Chain Conference, Vienna

The 5<sup>th</sup> GIRP Supply Chain Conference took place on 12 - 13 March 2020 in Vienna. Once again, GIRP brought together distinguished speakers from regulatory authorities and GMP/GDP inspectorates, representatives of the pharmaceutical industry, supply chain managers, healthcare experts, and drivers of new technologies providing a platform for exchange and networking.



From left to right: Bernd Grabner, President, GIRP; Thomas Brosch, General Manager, Kwizda Pharmahandel; Monika Derecque-Pois, Director General, GIRP; Mr. Andreas Walter, General Manager, European Medicines Verification Organisation (EMVO); Mr. Thomas Müller-Ur, Pharmacist, Vindobona Pharmacy; Dr. Bernhard Wittmann, Vice President, Pharmig and Member of the Board of the Austrian Medicines Verification Organisation (AMVO)

The conference analysed the impact and shared best practice examples of recent EU-level regulations to support actors in elevating their operations to the new requirements. In doing so, GIRP once again welcomed a group of experts from G(M)DP inspectorates both online and offline, who shared their insights on the implementation of the Falsified Medicines Directive and the handling of alerts, temperature control during transport, digitalisation and its impact on inspection procedures, qualifying suppliers and customers and many more. Other EU-level regulatory changes of importance discussed in the course of the conference were the new Medical Devices Regulation and its impact on full-service healthcare distributors, the European Green Deal, as well as an overview on the regulatory and operational aspects of the medical cannabis supply chain, implications of which participants discussed vividly.



Session: Tracking of pharma products using blockchain technology and IoT

Another goal of the conference was to explore how to best guarantee product quality and safety through new management models and the use of the latest innovative technologies. Participants, who joined both on- and offline, discovered what value chain experts predict as the most relevant and game-changing developments for the temperature-controlled supply chain, including the latest solutions and technologies in the pipeline to support a safe and secure delivery of temperature-sensitive products.

Finally, participants examined how full-service healthcare distribution could change in the age of technology by exchanging best practices of drone delivery and collaborating in the supply of gene therapies, amongst others, and gained insights on how 3D printing could impact the healthcare industry as a whole. Dr. Christa Wirthumer-Hoche, Head of the Austrian Medicines and Medical Devices Agency and chairwoman of the EMA Management Board, Austria concluded the conference with a call for increased collaboration for medicine safety and for facing the challenges of health emergencies such as COVID-19.



Sensitech Inc. is focused on delivering supply chain visibility solutions that track, monitor and protect products for global leaders in the food, life sciences, consumer goods, and industrial markets.

Our solutions are focused in three key areas: quality and compliance, supply chain security, and logistics performance management. Quality and compliance solutions address temperature-sensitive, complex supply chains focused on delivering the highest quality possible, while our supply chain security solutions help to mitigate risks associated with theft, diversion and chain of custody. Sensitech's logistics performance solutions deliver origin-to-destination, real-time transparency to any in-transit journey.

For 30 years we have helped our customers to deliver higher quality products, ensure patient safety, comply with regulatory requirements, protect brand equity, and increase profitability.

Sensitech Inc. is an ISO 9001:2015 company, headquartered in Beverly, Mass., with over 35 sales, service and distribution locations around the world.

To find out more, please visit: [www.sensitech.com](http://www.sensitech.com)



# European Healthcare Value Chain Network (EHVCN)

The EHVCN dedicates itself to a new way of thinking about healthcare: the patient-centred approach. It considers that all medical care should respect individual patient needs, preferences and values and focuses on outcomes of treatments rather than inputs.

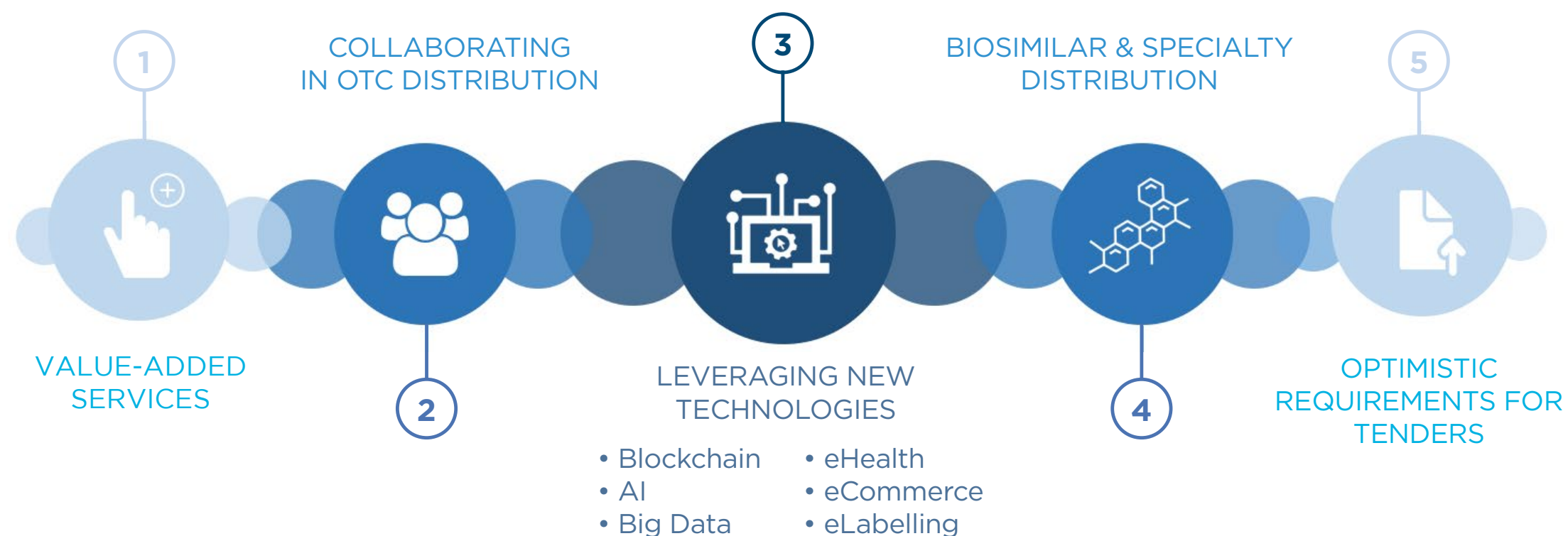
The provision of medicines is a crucial component in providing efficient patient-centric care. Ensuring that patients receive the right treatment at the right time, requires a complex and carefully organised value chain of products blended with services.

As such, stakeholders in the value chain (pharmaceutical specialty, branded and generic industries, full-service healthcare distributors and healthcare providers) are bound into a complex and dynamic chain that has patients' wellbeing at their very core.

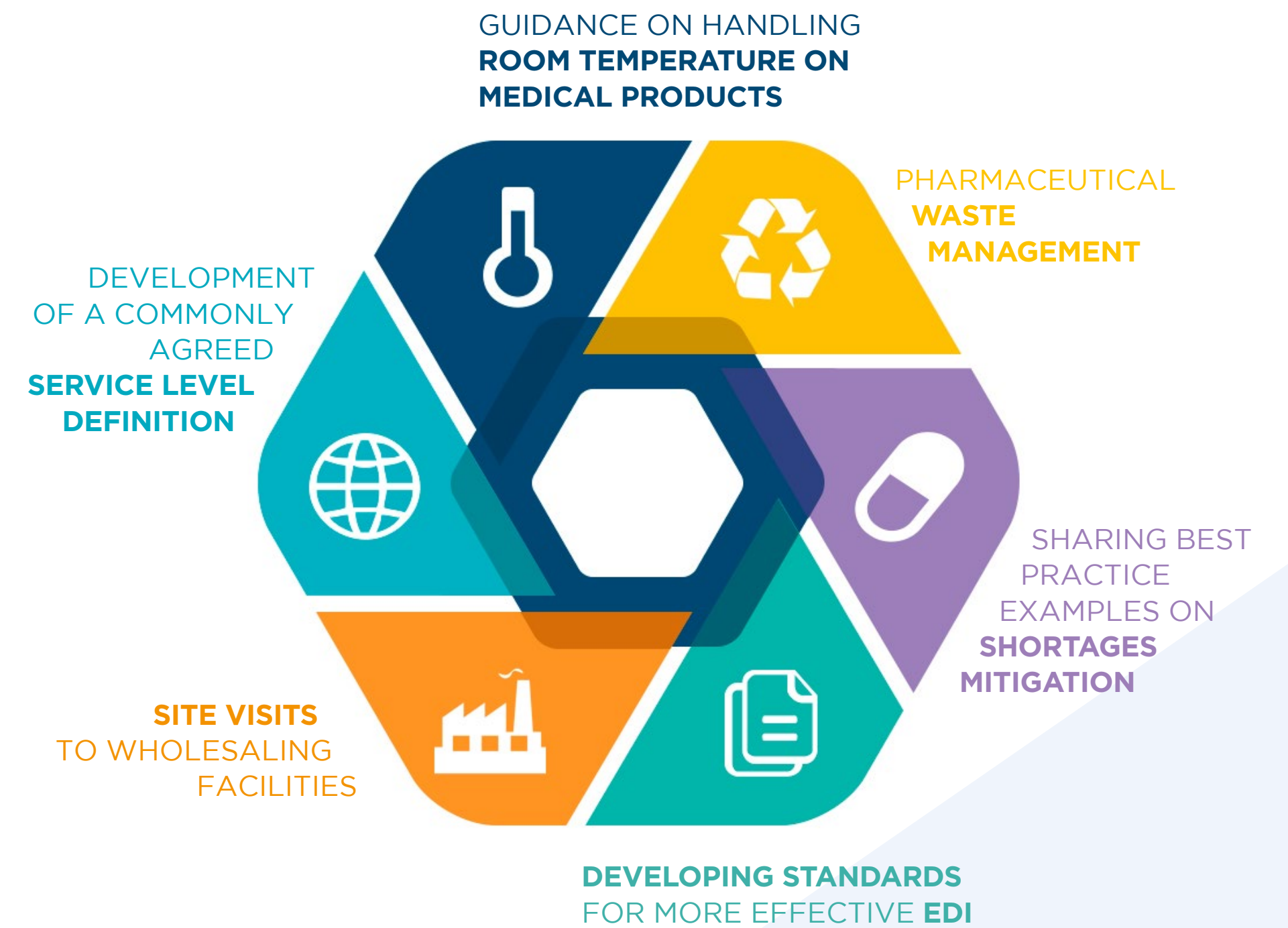
The EHVCN brings together representatives from pharmaceutical industry, healthcare distribution and retail to create trust and build long-lasting relationships in the pharmaceutical value chain which will ultimately serve as a platform to pool resources and design services that improve availability and access to medicines for patients.

Members of the EHVCN understand that collaboration in the healthcare sector has never been as important as today. Increased collaboration brings new opportunities, sustainability and new business models and can help deliver meaningful solutions catering for a patient-focused approach and better outcomes in care.

## FUTURE AREAS OF COLLABORATION

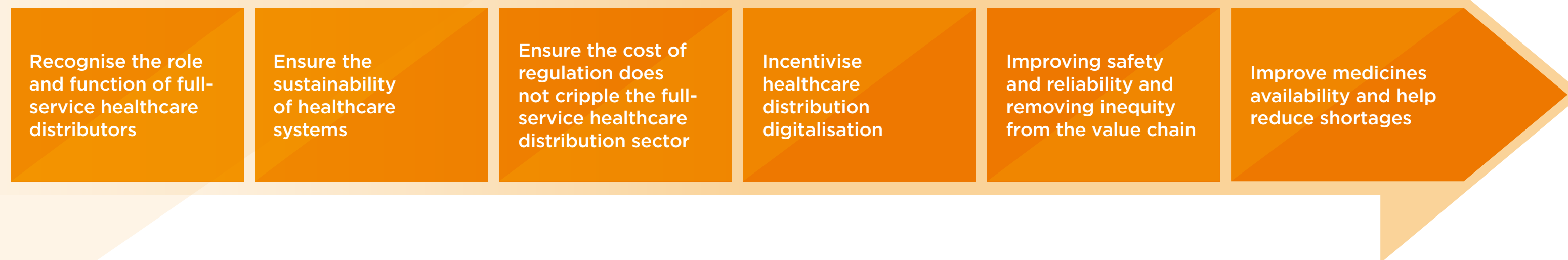


## FOCUS OF JOINT MEETINGS AND EVENTS IN 2019



# GIRP Priorities and Upcoming Events

## KEY POLICY RECOMMENDATIONS DEFINED AS PRIORITIES FOR GIRP



## GIRP UPCOMING EVENTS

11 November 2020 Brussels, BE	GIRP MEMBERS' THINK TANK
11 November 2020 Brussels, BE	GIRP 60 <sup>th</sup> ANNIVERSARY
22 November 2020 Berlin, DE	EUROPEAN HEALTH POLICY BRIEFING & GENERAL ASSEMBLY
22-24 November 2020 Berlin, DE	61 <sup>st</sup> ANNUAL MEETING AND CONFERENCE
12 January 2021 Brussels, BE	EUROPEAN HEALTHCARE VALUE CHAIN FORUM
March 2021 Madrid, ES	6 <sup>th</sup> SUPPLY CHAIN CONFERENCE
30 May 2021 Lisbon, PT	EUROPEAN HEALTH POLICY BRIEFING & GENERAL ASSEMBLY
31 May – 1 June 2021 Lisbon, PT	62 <sup>nd</sup> ANNUAL MEETING AND CONFERENCE



Dear GIRP Members,

RightHand Robotics builds a data-driven, intelligent picking platform, providing flexible and scalable automation for predictable order fulfillment. Since our founding in 2015, we have worked with pharmaceutical partners around the world and are thrilled to be GIRP's newest supporting member. We aspire to be the leading provider of piece-picking for supply chains and are especially skilled at picking a wide range of pharmaceuticals.

Especially now, automation solutions can improve critical throughput and better serve your customers. Our robotics platform greatly extends the range of items that can be distributed automatically, even picking the so-called "uglies." To date, RightHand has picked millions of units in facilities around the world. Reach out to RightHand if you are ready to see how we can improve your operations.

On behalf of RightHand Robotics, a big thank you to GIRP and all of its members for the partnership.

Jon Schechter, Head of Europe  
<https://www.righthandrobotics.com/>

# About us

GIRP, the European Healthcare Distribution Association, is the umbrella organisation for full-service healthcare distributors in Europe. It represents the national associations of over 750 pharmaceutical wholesalers serving 34 European countries, as well as major international and pan-European healthcare distribution companies. GIRP members employ over 140,000 people and distribute around 15 billion packs of medicines as well as a wide range of healthcare products per year. As the vital link in healthcare, they are committed to developing and providing innovative and efficient healthcare products and services to improve health and wellbeing of patients across Europe.

GIRP offers its members individual as well as collective support services and assistance affecting on a daily basis the business of pharmaceutical full-line wholesaling. GIRP works with national association and company members through the provision of advice, information, statistics and other data. The aim is to provide tailor-made services to match members' unique needs, priorities and challenges.

GIRP firmly believes that rigorous and continuous cooperation at all levels of the healthcare supply chain is key to the safe and efficient distribution of medicines from the manufacturer through to the patient.

## GIRP BOARD 2019 – 2021 Mandate\*



**Mr Bernd Grabner**  
President,  
GIRP



**Dr Thomas Trümper**  
GIRP Treasurer,  
President,  
PHAGRO



**Mr Emmanuel Déchin**  
Secretary General,  
CSRP



**Mr Wolfgang Mähr**  
Head of Supervisory  
Board,  
Alliance Healthcare DE



**Mr David Cole**  
GIRP Vice-President,  
European Affairs  
Director, HDA UK



**Mr Robert W. Andersson**  
President,  
ORIOLA



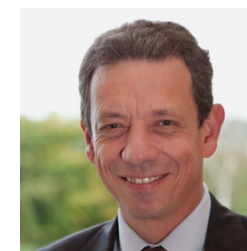
**Mr Lothar Jenne**  
Managing Director,  
Max Jenne Arzneimittel  
Grosshandlung KG  
(Pharma Privat)



**Mr Sven Seidel**  
CEO,  
Phoenix Group



**Mr Kevin Kettler**  
GIRP Vice-President,  
Chairman of the Management  
Board, McKesson Europe



**Mr Olivier Brochain**  
Representative,  
SECOF



**Mr René Jenny**  
President,  
pharmalog.ch



**Mr Miguel Valdés**  
Director General,  
FEDIFAR



**Dr. Roger Sorel**  
GIRP Vice-President,  
Member of the Board,  
BG Pharma



**Mr Rui Carrington**  
Board Member,  
ADIFA



**Ms Mari Krass**  
Member of the Board,  
Magnum



**Mr Eric Van Nueten**  
Member of the Board,  
NVGV-ANGR



**Mr Carlos Varela  
Sanchez Caballero**  
GIRP Vice-President,  
Member of Governing  
Council, COFARES



**Mr Jean-Claude Cléménçon**  
CEO,  
Galenica



**Dr. Michael Kuck**  
CEO,  
NOWEDA

## GIRP TEAM



**Monika Derecque-Pois**  
Director General



**Martin FitzGerald**  
Deputy  
Director General



**Giulia Colombo**  
Regulatory Affairs  
Manager



**Andreia Dos Santos**  
Communication and  
Events Manager



**Pauline Foucher**  
External Affairs  
Manager



**Judith Kalina**  
Corporate Affairs  
Manager

\*As of November 2019

# GIRP Members

**AUSTRIA** PHAGO Verband der Österreichischen Arzneimittelvollgroßhändler

**BELGIUM** NVGV – ANGR Association Nationale des Grossistes- Répartiteurs en Spécialités Pharmaceutiques

**BULGARIA** BATEL Bulgarian Association of Pharmaceutical Wholesalers

**CROATIA** PHOENIX Farmacija, Medika, Oktal Pharma, Medical Intertrade

**CZECH REPUBLIC** AVEL Asociace velkodistributorů léčiv / Czech Association of Full-line Wholesalers

**DENMARK** MEGROS Foreningen af medecingrossister / Danish Association of Pharmaceutical Wholesalers

**ESTONIA** ERHL Estonian Association of Pharmaceutical Wholesalers

**FINLAND** LTH / Finnish Association of Pharmaceutical Distributors

**FRANCE** CSRP Chambre Syndicale de la Répartition Pharmaceutique

**GERMANY** PHAGRO Bundesverband des pharmazeutischen Grosshandels

**GREECE** PAPW Panhellenic Association of Pharmaceutical Wholesalers and Qualified Pharmacists

**HUNGARY** HAPW Hungarian Association of Pharmaceutical Wholesalers

**ICELAND** Distica

**IRELAND** PDF Pharmaceutical Distributors Federation

**ITALY** ADF Associazione Distributori Farmaceutici

**LATVIA** LZLA Latvian Association of Pharmaceutical Wholesalers

**LITHUANIA** LAPW Lithuanian Association of Pharmaceutical Wholesalers

**LUXEMBOURG** HANFF - Global Health Solutions

**NETHERLANDS** BG Pharma

**NORWAY** NAPW Norwegian Association of Pharmaceutical Wholesalers

**POLAND** Pelion

**PORTUGAL** ADIFA Associação de Distribuidores Farmaceuticos

**PORTUGAL** GROQUIFAR Associação de Grossistas de Produtos Químicos e Farmacêuticos

**ROMANIA** ADRFR Asociatia Distribuitorilor si Retailerilor Farmaceutici din Romania

**SERBIA** Serbian Chamber of Commerce - Group of Pharmaceutical Wholesalers

**SLOVENIA** TZS Slovenian Chamber of Commerce, Pharmaceutical Full-line Wholesalers

**SLOVAKIA** AVEL Asociácia veľkodistribútorov liekov/ Association of Medicines Distributors

**SPAIN** FEDIFAR Federación Nacional de Asociaciones de Mayoristas Distribuidores de Especialidades Farmacéuticas y Productos Parafarmacéuticas

**SWEDEN** LDF Läkemedelsdistributörsföreningen / Swedish Association of Pharmaceutical Wholesalers

**SWITZERLAND** Pharmalog.ch Swiss pharma logistics association

**UNITED KINGDOM** HDA UK Healthcare Distribution Association

# GIRP Members

## FULL MEMBER COMPANIES



## ASSOCIATED MEMBERS



## HEALTHCARE VALUE CHAIN NETWORK



## GIRP ANNUAL SPONSORS





the vital link in healthcare

EUROPEAN HEALTHCARE  
DISTRIBUTION ASSOCIATION

European Healthcare Distribution Association  
Groupement International de la Répartition Pharmaceutique

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