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EICC-2020

Brussels, 21 September 2020

Ms. Stella Kyriakides
EU Commissioner for Health and Food Safety
Rue de la Loi / Wetstraat 200
1049 Brussels

Dear Commissioner Ms. Kyriakides,

Re: Dealing with shortage of medicines in EU - European Emergency Pharmacy

I am writing you in connection with the adoption of a resolution on 17 September 2020 by the Environment, Public Health and Food Safety Committee of the European Parliament calling for the EU to become more self-sufficient in health issues by securing supplies, restoring local drug manufacturing and ensuring better EU coordination of national health strategies.

For many years, at least two decades, healthcare costs have been rising across Europe and the most inclusive social security nets, notably that in France and Sweden, to name but two, have been bursting at the seams due to costs rising well over the budgets, mainly due to high cost of medicines. Over the past two decades, several EU member states had consistently adopted the policy of moving towards cutting the costs of medicines by adopting generics and moving away from the much more expensive branded drugs.

The outbreak of the Covid-19 pandemic has been an unprecedented health crisis and is having a major impact on the European healthcare. The health infrastructure – hospitals, medical professionals, paramedical services and pharmaceuticals – all the segments of this vast network have been strained perhaps even much more than they were during the two World Wars that Europe had suffered. Indeed, once has seen enough poignant reports and photographs of how all over EU, this sector reached a bursting point and along with it, the costs have also spiralled out of control. Saving lives and protecting livelihood is now the nerve centre of government policies in EU countries, and with second wave of virus infection breaking over Europe, the situation could turn grim in the coming months. We are living in an unprecedented crisis and global cooperation is the essence of time.

At a time like this, the new policy proposed by the resolution adopted by the European Parliament is likely to prove to be the proverbial last straw on the camel's back and escalate the healthcare cost in EU astronomically. Many EU countries, that are already struggling to provide adequate healthcare to their citizens, may not be able to afford or sustain it for long.

The only way for the EU and indeed the global community to ward off the pandemic is through an unprecedented level of global cooperation and coordination. The pandemic has made global interdependencies more visible. It is therefore important that EU and India should work together to ensure a coordinated global response to this crisis. In fact, most EU leaders, from the EC President to the German Chancellor or the French President have spelt it out for

long that the pandemic needs a global solution and it is with that objective that the EU has firmly committed itself to the efforts of the World Health Organisation to develop a vaccine, jointly developed by researchers and scientists from various countries and that would serve humanity in general and not just the citizens of some rich or powerful countries. The need of the hour is to have global solidarity to protect lives, mitigate the socio-economic consequences and strengthen preparedness and response capacities across the world to face the pandemic.

Right from the beginning of the pandemic, India has not only believed in the policy of global cooperation but acted on it in a very timely fashion. This Indian gesture has been widely acknowledged and appreciated by heads of states across the world. This is not the first time that India has stepped up on the global stage and shared its vital and indeed life-saving knowhow with the global community, especially those countries and people who have been left behind in the race called globalisation.

In the first few weeks or even months of the pandemic, when the most powerful and advanced nations of the world – from the United States and Canada to numerous EU countries or Israel, Japan & South Korea to numerous developing nations in Latin America, Africa and Asia – India stepped up and shared its precious stocks of Hydroxychloroquine to literally the entire world so that entire humanity could use the drug that was seen as the crucial first line of defence against coronavirus while the world's research labs and scientists came up with appropriate vaccines and medicines to treat this scourge of humanity.

Through its extremely competitively priced and yet high-quality medicines, the Indian pharmaceutical industry has played a stellar role for decades in ensuring that even those countries whose healthcare budgets are minimal can afford to take care of their citizens. Millions of people in different parts of the world have benefited from India's ability to produce medicine at relatively low prices. Numerous global healthcare NGOs like MSF or Doctors Without Borders rely on Indian pharmaceutical products to carry out their life-saving activities in various parts of the world.

Needless to say that the Indian pharma industry continues to play this role during the pandemic. Europe has already evolved systems for standards and regulatory framework and India has large and low-cost production capacities of vaccines and pharmaceuticals. Therefore, there is scope for both sides to work together to find affordable treatment and future vaccines against coronavirus for the entire humanity, and for other diseases.

Not only is India a crucial partner in the ongoing human trials of various vaccines, besides developing its own, which half a dozen Indian companies have undertaken and are advancing smoothly. Indian firms like Serum Institute of India has already finalised a partnership with the Oxford University to manufacture nearly a billion doses of the vaccine being developed in association with AstraZeneca.

You may know that India is also finalising an agreement with Russia to manufacture its vaccine and similar negotiations are underway with other nations. India is playing a very crucial role in making sure that global healthcare costs are contained and that there is affordable access to life-saving drugs and to important drugs for every patient across the world.

If it wasn't for generics, even high-income countries could not afford the healthcare costs that they can today. The global healthcare has benefited hugely from the Indian pharmaceutical industry, and from generic drugs that the Indian pharmaceutical industry produces for the world. It is true that 40% of medicinal end products marketed in the EU are originating in third countries like India; but you cannot deny the fact that this is helping the healthcare industry in Europe. India is a prominent player in today's global pharmaceutical arena and is a major contributor to the world's supply of medicines. Access to affordable drugs such as those manufactured by Indian generics companies has had a critical impact on public health at a global level.

We are aware that many European countries currently face shortages of inexpensive, essential medicines that are crucial for the treatment of cancer patients. Considering that the second most reported medicines shortages are for cancer, a disease with a growing prevalence, this challenge presents an increasing threat to patient care in Europe. Indian pharma companies are able to meet demands and supply affordable drugs to EU countries.

Capacity building to become self-reliant is commendable but in this globalised world when all countries are inter-dependent on medical supplies, does a blanket "ban" or shall we say, total "boycott" of Indian pharma products in the EU market is justifiable? Will making Indian medicines "untouchable" really help EU's healthcare industry? Will this policy in anyway help the ongoing EU-India free trade negotiations? These are the issues that the European Commission, European Parliament and the governments of the member states need to ponder over.

India enjoys an important position in the global pharmaceuticals sector. The country also has a large pool of scientists and engineers with a potential to steer the global industry ahead to greater heights. Presently, over 80 per cent of the antiretroviral drugs used globally to combat AIDS are supplied by Indian pharmaceutical firms. It would therefore serve EU's interest if EU and Indian pharma companies collaborate more extensively rather than EU ignoring capacity of Indian pharma products for the its vital healthcare needs.

This was indeed the spirit and letter of the EU-India virtual Summit held on 15 July 2020. The Joint Statement of the Summit speaks of global cooperation and solidarity and the importance of strengthening preparedness and response capacities, of sharing information in a free, transparent and prompt manner

In view of the above, we would like to ask the EU not to take a narrow approach but a balanced and qualified stand and scale up cooperation with Indian pharma companies rather than deny Indian pharma products access to European market. Such a move would be a setback to the bilateral relationship and raise the issue of mutual confidence in the Strategic Partnership that both sides have committed to.

With best Regards,

Yours sincerely,



Secretary General