

SYSTEMIC WHOLESALERS IN EUROPE

WHO WE ARE?



Safe and sufficient supply of over
110,000 products



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



From 3,500 manufacturers to



180,000 pharmacies & hospitals across
Europe



35

Different
products



18.8

Different
manufacturers
per delivery



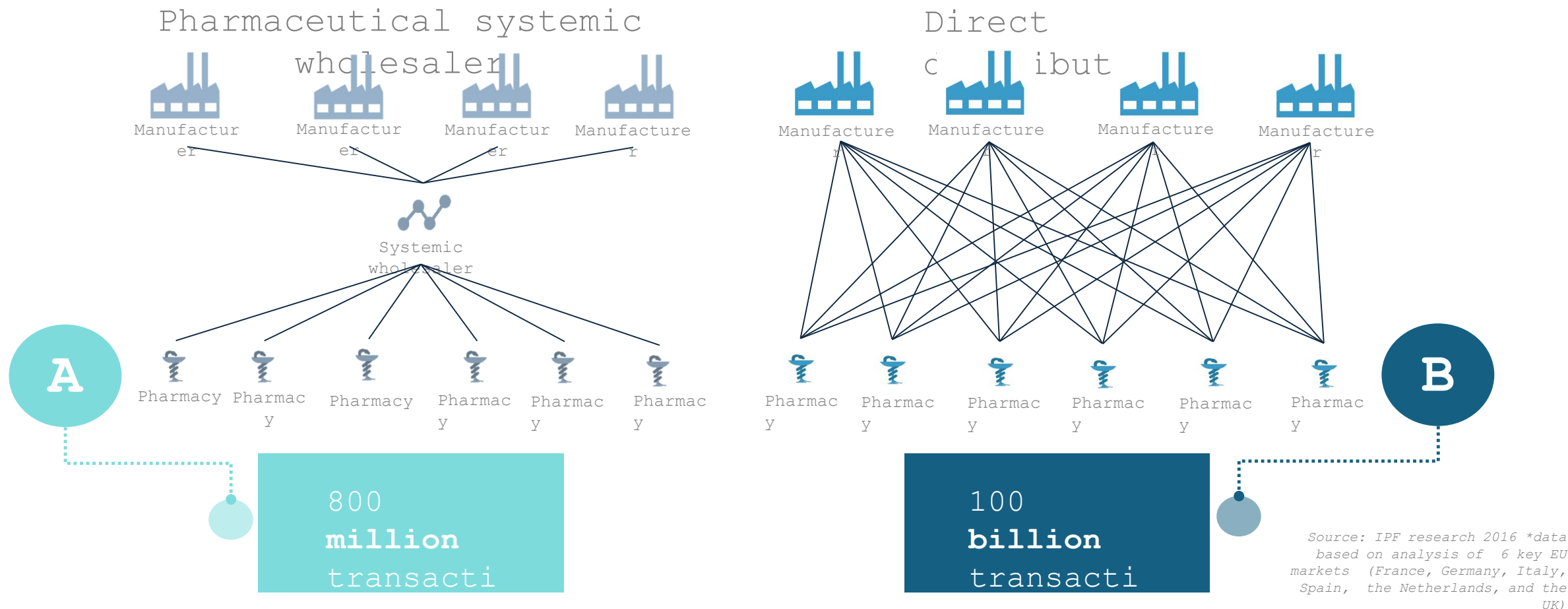
2.5

h
Average
delivery
time



SYSTEMIC WHOLESALERS VS. OTHER OPERATORS

By bundling the distribution of medicines, systemic wholesalers enable savings of on average 199 EUR per pharmacy order



Without systemic wholesalers and at the same frequency of deliveries provided by other operators, the process costs per pharmacy would increase by **€165,000 per year.**

PUBLIC SERVICE OBLIGATION

Obligation on:

- Range of products held
- Depth of products held
- Timing of delivery
- Geographical area covered



CRITICAL INFRASTRUCTURE



ONE KEY CHALLENGE FOR OUR SECTOR

PUBLIC SERVICE REALITY

Example - Spain:

Amoxicillin €5 pack

Price < €9.13 =
margin 7.6%

Business case = 15.2
cents



Example - Austria:

Sovaldi €13.666,67

Max margin = €1.72

Capital cost > 3%

interest, 28 days > €

31.50

Business case = €1.22



Low-priced =
Loss-making products

Medium-priced =
Business-relevant

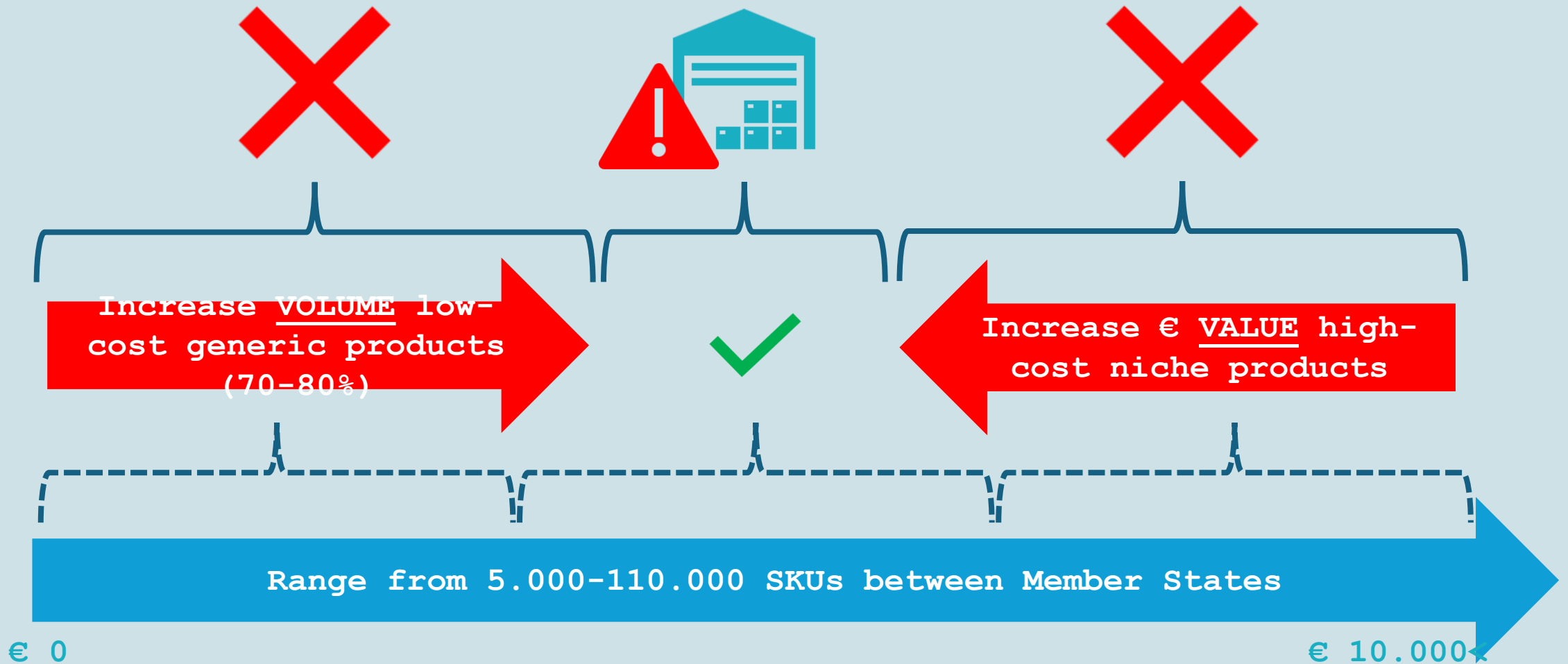
Highest-priced/Niche =
Loss-making products

Range from 5.000-110.000 SKUs between Member States

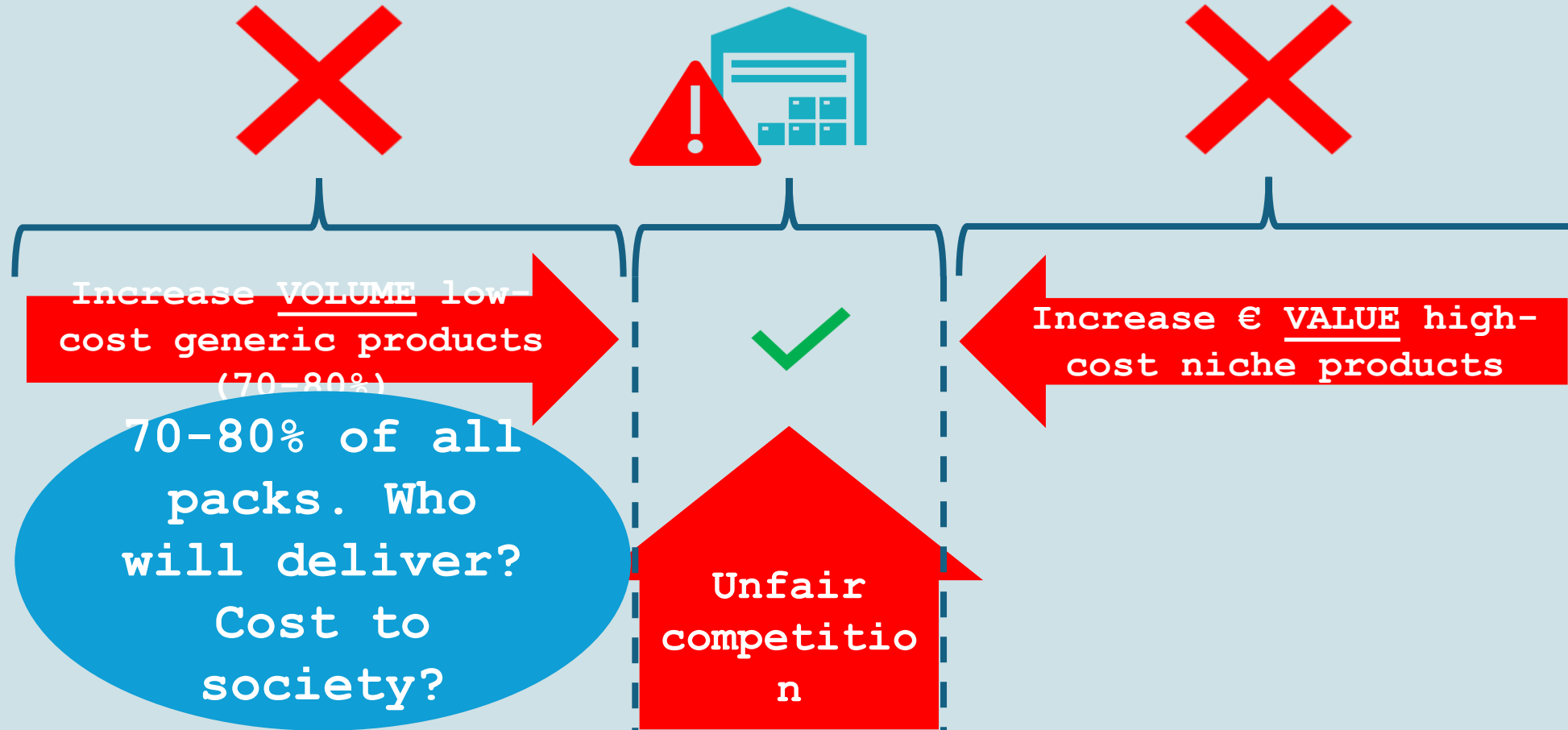
€ 0

€ 10.000<

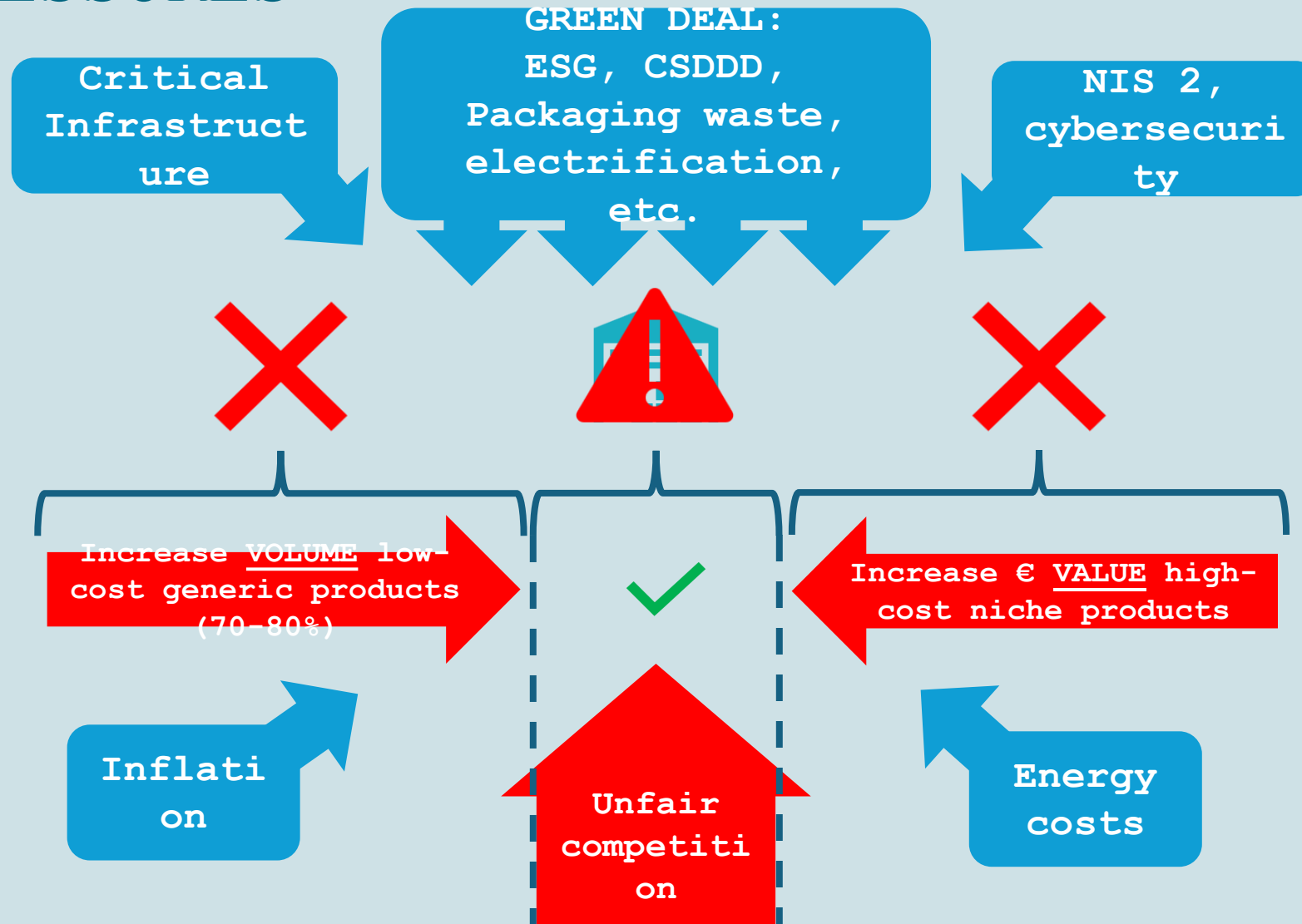
PUBLIC SERVICE CRUNCH



PUBLIC SERVICE CRUNCH



COST PRESSURES

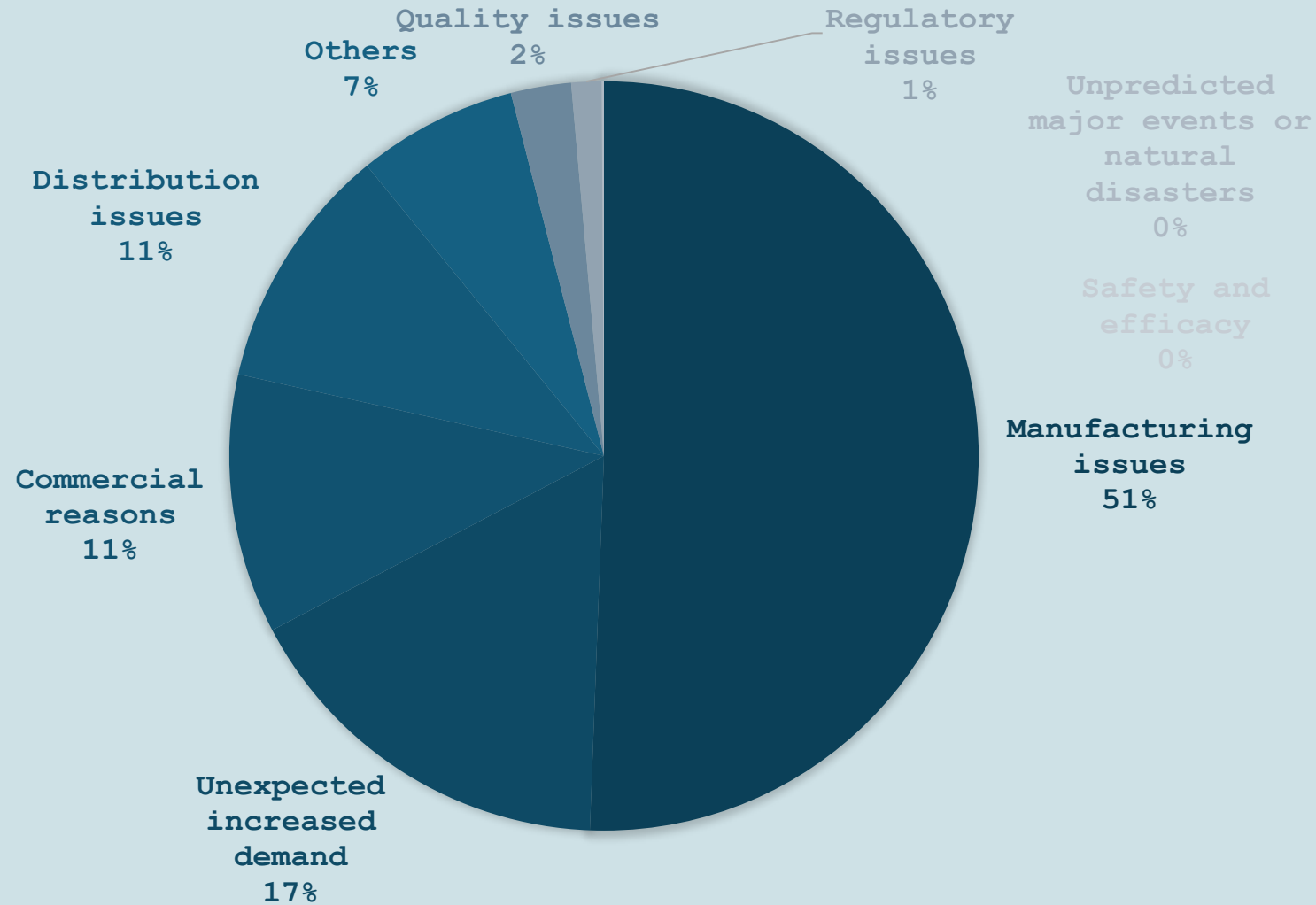






MEDICINE SHORTAGES IN EUROPE

ROOT CAUSES OF SHORTAGES



Source: 2024, CHESSMEN project, Analysis report on root-causes.

ROOT CAUSES IN CENTRAL AND EASTERN EUROPE

Manufacturing issues

59%

Commercial reasons

18%

IN TOTAL

77%

INITIATIVES AT EU LEVEL

- EMA extended mandate. Regulation (EU) 2022/123
 - European Shortages Monitoring Platform – MAH data collection
- New pharmaceutical legislation. COM 2023/192 and COM 2023/193
 - Strengthened supply obligations for MAHs
 - Obligatory prevention and mitigation plans by MAHs
- Critical Medicines Act. COM 2025/102.
 - In-sourcing strategic manufacturing to the EU
 - Secure diversity in manufacturing
- MSSG WG on the Vulnerability Assessment Methodology (incl. BG)
 - Methodology to identify vulnerabilities in manufacturing supply chains – MAH data

SYSTEMIC WHOLESALERS AND SHORTAGES

- Significant cost to wholesalers
- Authorities requests us to import in cases of shortages
- Assist pharmacies to find available alternatives
- Capable of stockpiling with fair reimbursement
- Provide assistants to patient – Bulgarian example is best practice

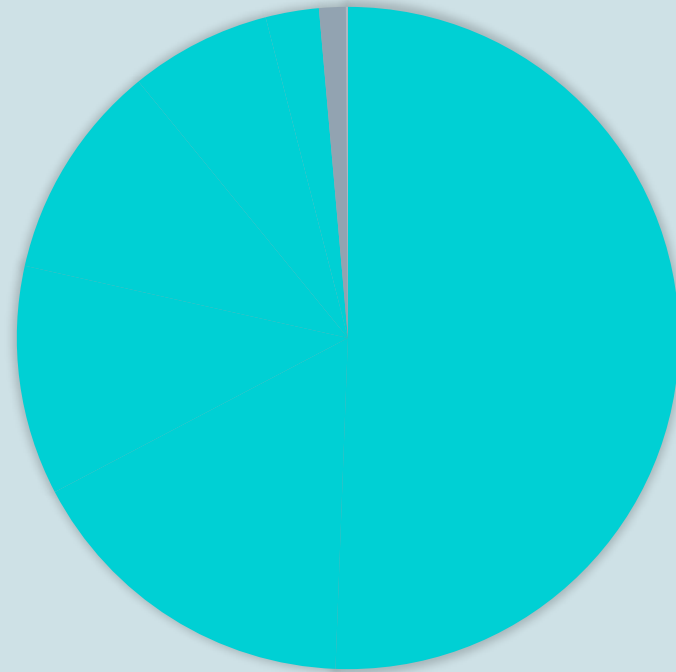
TRACK-AND-TRACE

Cost of track-and-trace

€ 1.3–2.0
billion

Solution to what?

< 1%



CONCLUSION

RECOMMENDATIONS

- Nurture your critical infrastructure
 - - It will be costly to rebuild if it disappears. And jeopardise security.
- Understand public service providers
 - - The cost of operations and service delivery - can anyone do it better?
- Think long-term financial sustainability
 - As the Danes say....



GIRP

EUROPEAN HEALTHCARE
DISTRIBUTION ASSOCIATION