



The *European Generic medicines Association*
"Making Medicines Affordable and Industry Competitive"

Generic Medicines and

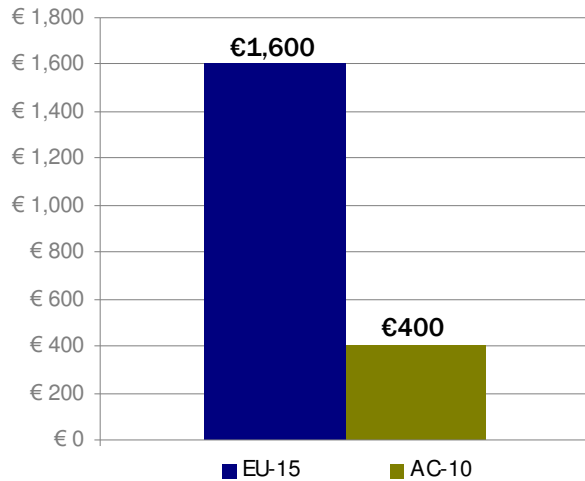
Accession

- ✱ Generic pharmaceutical industry in Accessing Countries is a key sector of the economy.
- ✱ Generic medicines are critical to healthcare provision in Accessing Countries.
- ✱ The crucial role of generics is under threat from proposed EU legislation.

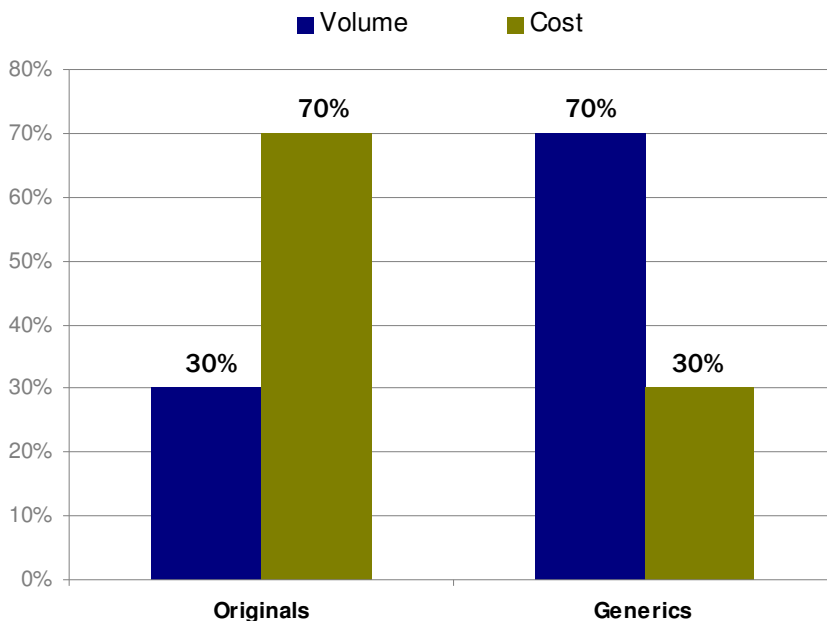
Generic Medicines: Key to Accession Country Healthcare

- * GDP per capita in the Accession Countries is 5 times below the EU Average.
- * Real spending per capita on healthcare in Accession Countries is less than €400 compared to over €1,600 in the EU.
- * Several Accession Countries are already experiencing healthcare budget deficits due in part to rising pharmaceutical costs.
- * Many patients do not buy their prescriptions because they cannot afford the high out-of-pocket co-payments.

THE "HEALTHCARE GAP" Healthcare spending per capita



How Acceding Country Patients Benefit Generics supply 70% of medicines at 30% of cost



Generic pharmaceuticals are key to making quality medicines accessible to patients who can ill-afford high co-payments for essential treatment.



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The Impact of Locally Produced Generics

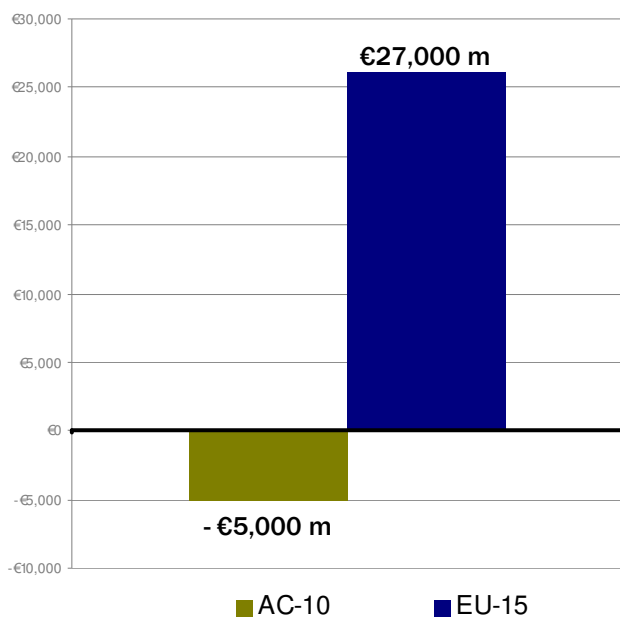
A Major Economic Role for Generic Pharmaceutical Companies:

Accession Country generic producers are:

- * **The main suppliers** of medicinal products in the region.
- * **Leading manufacturers** within national economies providing thousands of jobs for Accessing Countries Citizens.
- * **Major players** in the European generic pharmaceutical sector, having invested billions of euros in capital improvement and new manufacturing plants in preparation for EU Accession.
- * **Uniquely placed** for increasing trade and development in health care sector between the EU and Eastern European countries and CIS.

Accession Country Generics under Threat

Total Trade Balance in Pharmaceuticals
(in € million)



- * Every New Member State runs a significant negative trade balance in pharmaceuticals which would only worsen without locally produced generics.
- * The market share of medicines produced by local companies has been falling as a result of imports of expensive products from multinational originator companies.
- * New data exclusivity provisions are the single biggest threat to accessible medicines in the New Member States following upon accession.
- * For example, one additional year of market protection will amount to over €370 million in extra pharmaceutical costs Poland alone.

Source: G10 – 2003

“Making Medicines Affordable and Industry Competitive”



The EGA

The EGA is the official representative body of the European generic pharmaceutical industry, which is at the forefront of providing high-quality affordable medicines to millions of Europeans and stimulating competitiveness and innovation in the pharmaceutical sector.

Formed in 1993, the EGA represents over 500 companies and their subsidiaries from throughout Europe – either directly or through national associations. Companies represented within the EGA provide over 100,000 jobs to citizens in Europe.

Cost-effective generic medicines save European patients and healthcare systems in the EU over €13 billion each year, thus helping to ensure patient access to essential medicines while providing urgently needed budget headroom for the purchase of new and innovative treatment. Generic medicines are a vital part of healthcare provision in the Central and Eastern European Countries where they account for up to 70% of all medicines made available to patients, but only 30% of pharmaceutical spending.

The EGA plays an important consultative role in European healthcare policy making. The EGA and its members work with European national governments and the EU institutions to develop affordable solutions for pharmaceutical care and to increase Europe's competitive strength in the global pharmaceutical market.

EGA Member Companies and Associations

Bulgaria

ABPhM*
Tchaikapharma Ink

Croatia

Belupo
Pliva d.d.

Cyprus

Medochemie Ltd

Czech Republic

Leciva

Denmark

Alpharma
Durascan
IGL*

Germany

BioGeneriX AG
Merck Generics
Parexel-Logos
Ratiopharm GmbH
Stada AG

Hungary

Egis Pharmac.
Gedeon Richter

Ireland

Clonmel Healthcare

Italy

Aschimfarma*
Assogenerici*

Macedonian Republic

Alkaloid AD

The Netherlands

BOGIN
Multipharma (Sandoz)
Pharmachemie

Poland

Polfarmed*
Polish Pharma Employers*

Portugal

Farmoz Lda
GENERIS SA

Serbia & Montenegro

Hemofarm Group

Slovak Republic

AFVSR*

Slovenia

SPMA*

Spain

AESEG*
Combino Pharm

Sweden

FGL*

Turkey

Eczacibasi A.S.
Sanovel
TISD*

United Kingdom

Apotex Europe Ltd
APS/BERK
Arrow Generics Ltd
BGMA*
GeneMedix
Mayne Pharma Plc.
Niche Generics
Warrick Pharmaceuticals

Europe-wide Members

IVAX Europe
Ranbaxy Europe
Teva Europe

Partner Associations

Belgium—FEBELGEN*
Czech Republic—CAFF*
France—GEMME*
Ireland—APMI*
Norway—NIGeL*
Portugal—APOGEN

* National Association

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