



Mr Joe Saunders
Director, Adjudication
Australian Competition and Consumer Commission
23 Marcus Clarke Street
CANBERRA, ACT, 2601

Reference: Medicines Australia application - AA1000486

Dear Mr Saunders

Thank you for your letter of 9 April 2020 seeking the Department of Industry, Science, Energy and Resources seeking the Department's views. I write in regards to Medicines Australia's application to the Australian Competition and Consumer Commission (ACCC) on behalf of itself and its members, and the Generic Biosimilar Medicines Association and its members (the Working Group) for authorisation under the *Competition and Consumer Act 2010* to implement a coordinated strategy in relation to the supply of essential medicines and related supplies in response to the current COVID pandemic.

The Department supports the interim authorisation and the substantive application for authorisation including the condition to regularly update the ACCC regarding material developments.

The COVID-19 pandemic has increased the global demand for critical medicines, with export restrictions placing additional constraints on securing supply of medicines and inputs to local manufacturing of medicines.

Coordination through the Working Group will ensure measures are in place to mitigate any medicine shortages or supply chain issues in the near future. This will help address the increased demands on the health system arising from the COVID-19 pandemic.

On this basis, public benefits of a temporary coordinated effort across the sector to address these challenges outweighs the short-term risks of sharing information and coordinating supply, and will ensure ongoing and equitable access to essential medicines for Australians.

The Department notes that the Working Group's application for authorisation dated 27 March refers to the possibility that other businesses may participate in the proposed conduct (paras 10 and 11). In the Department's view, the public benefits of the proposed conduct are likely to be further enhanced if the Working Group collaborates with all members of the pharmaceutical sector, including businesses who are not members and businesses who are in supply chains not normally part of the pharmaceutical sector (such as chemical manufacturers and medical device and technology manufacturers).

The Department sees collaboration across the pharmaceutical sector, including both members and non-members of the Working Group, as an essential factor in mitigating possible competitive detriments that could arise from the authorisation. Broad collaboration will ensure that the information collected and raw material secured during the authorisation period is shared beyond

membership of the working group. Limiting the initial authorisation period to six months, as per the application by the Working Group, also substantially reduces possible competition risks.

Yours sincerely



Nick Purtell
A/g Head of Division
Coordination and Triage
Health Industry Coordination Group

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