

# COVID-19: A wake-up call to rebalance the drug supply chain?

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Over 80% of chemicals used to make pharmaceuticals sold in Europe originate from China or India, according to the European Fine Chemicals Group. When COVID-19 emerged in Wuhan and spread

across the globe, experts worried about disruption of the drug supply chain. Now, nations are rethinking their dependence on other countries for pharmaceutical ingredients and finished drugs, according to an article in *Chemical & Engineering News* (C&EN), the weekly newsmagazine of the American Chemical Society.

In February 2020, as quarantines went into effect to reduce the spread of the new coronavirus, many chemical plants across China were forced to close or operate with a reduced workforce for weeks. However, the disruption has had surprisingly little effect so far on the production and shipment of pharmaceuticals, Senior Editor Rick Mullin writes. This is mainly because most manufacturers keep emergency stocks of ingredients to compensate for slowed deliveries. However, the months ahead could test the drug supply chain as inventories of backup supplies dwindle. This situation has forced leaders in the U.S. and Europe to consider rebalancing the pharmaceutical chemical supply chain.

In the U.S., legislation is being introduced to reduce reliance on foreign countries for life-saving ingredients. A bipartisan bill, the Strengthening America's Supply Chain and National Security Act, would require drug companies to provide more information on their active pharmaceutical ingredient supply to the U.S. Food and Drug Administration. But strong incentives could be needed to lure outsourced pharmaceutical manufacturing companies away from China, where production is much cheaper. The European Fine Chemicals Group has introduced a proposal that, among other measures, would invest in the development of green chemistry technologies to help re-establish pharmaceutical chemical production in Europe. Although the pandemic is unlikely to cause immediate, dramatic shifts in chemical supply lines, COVID-19 has raised public awareness of the importance of having adequate supplies of pharmaceutical chemicals as a matter of national security, experts say.

**More information:** The article, "COVID-19 is reshaping the

pharmaceutical supply chain," is available here:  
[cen.acs.org/business/outsource-pharmaceutical-supply/98/i16](https://cen.acs.org/business/outsource-pharmaceutical-supply/98/i16)

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