



European Federation of Pharmaceutical
Industries and Associations



Internet Sales and Access to Safe Medicines

23 July 2012

As more and more patients look to the Internet for the supply of medicines, IFPMA, PhRMA, EFPIA, and JPMA are united in the effort to protect their safety. We are committed to promoting access to safe and efficacious medicines, advocating for robust patient education and awareness, and combating unsafe medicines, including those sold by illegitimate online drug sellers that circumvent laws, regulations and pharmacy standards put in place to protect patients and their health.

IFPMA, PhRMA, EFPIA, and JPMA support and encourage the individual and cooperative work of the United States Government, the European Union (EU), individual EU member states, Japan, and international organizations to reduce the illegal sale of medicines by illegitimate online drug sellers that endanger public health. We support the efforts of Interpol, as well as regulatory and law enforcement authorities in the above countries to intensify their investigations into the criminal networks behind illegitimate online drug sellers and to increase inspections and detainments of the thousands of small packages of fake medicines being shipped in the mail by these networks, purchased online by unknowing consumers.

We support and encourage voluntary and cooperative efforts by the private sector to reduce illegal sales of medicines by illegitimate online drug sellers, noting that it is essential for businesses, including Internet service providers, Internet domain registrars, advertising brokers, payment processors and search engine operators, to work collaboratively to identify best practices and advocate policy solutions aimed at combating illegal online drug sellers that endanger public health.

In particular, we welcome the voluntary decision taken by Google and Go Daddy and several other companies to form a US-based nonprofit organization, the Center for Safe Internet Pharmacies (CSIP), which announced publicly in 2010 its decision to take voluntary steps to aid law enforcement, educate the public, and share information related to illegitimate online drug sellers that endanger the public health. By working together, these companies have the ability to stop criminals from using their services to sell fake versions of medicines to patients. We encourage CSIP to achieve their proclaimed objectives, including by creating codes of conduct and best practices that can serve as a model to others and help to reduce the growing number of illegitimate online drug sellers that prey on unsuspecting consumers.

We call upon the Internet Corporation for Assigned Names and Numbers (ICANN), which oversees the assignment of generic top level domains and accredits domain registrars, to take appropriate actions and ensure accountability measures in order to protect Internet users from illegitimate online sites that are engaged in the illicit sale of prescription medicines.

We call on appropriate international organizations and governments, including the governments of the United States, EU, EU member states, and Japan, to sustain oversight and enforcement, in accordance with national legislation, regarding illegal sales of medicine on the Internet and to focus more closely on the



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growing number of illegitimate online drug sellers that directly endanger public health and safety by violating existing laws, regulations, and standards put in place to protect patients.

As part of this strategy, we encourage these governments to collaborate in order to address this challenge, and to support and encourage additional voluntary cooperation by private sector stakeholders, including domain name registrars, search engine operators, and payment service providers, who play a critical role in the solution.

We encourage all governments that identify this issue as a patient safety threat to explore opportunities to strengthen laws and law enforcement tools to address the growing number of illegitimate online pharmacies that endanger public health.

An important component of all of these efforts is the need to increase public education and awareness as to the potential dangers of purchasing medicines on the Internet from illegitimate online drug sellers. We support and encourage governments and other stakeholders to develop robust education and awareness programs to inform the public about the potential dangers of purchasing medicines online from illegitimate sellers and to raise awareness about how patients can purchase medicines safely from lawful sources.

IFPMA, PhRMA, EFPIA, and JPMA members will continue to do our part to help to protect patients and raise awareness about the dangers and rise of counterfeit medicines, including the dangers posed by illegal drug sellers operating on the Internet. We recognize that we cannot solve this problem alone, but our industry will always remain committed partners in the shared commitment to protect patient safety and global public health.



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Key Facts

The Internet has opened the door to thousands of illegal or rogue internet sites posing as legitimate pharmacies and selling potentially unsafe medicines to unknowing consumers.

- According to a 2012 report and data collected 2008-2012 by the U.S.-based National Association of Boards of Pharmacy (NABP), 96 percent of approximately 9,000 websites reviewed are not in compliance with state and federal laws and/or pharmacy practice and patient safety standards and pose a significant risk to consumers¹.
- According to the WHO, purchase of medicines via the Internet has a high chance of exposing patients/consumers to spurious, falsely labeled, falsified, or counterfeit medicines and in over 50% of cases, medicines purchased over the Internet from illegal sites that conceal their physical address have been found to be counterfeit.
- Based on data collected by University of California San Diego (UCSD) researchers, the largest illegal online drug sellers may generate between \$1 million and \$2.5 million in sales every month².
- According to the January 2012 report of the U.S. Customs and Border Protection (CBP) on FY2011 seizures, seizures of counterfeit pharmaceuticals increased by 200 percent and seizures occurring at express consignment and mail facilities have risen by 84% since 2007 due to the continued growth of websites selling counterfeit products and a marked shift towards using international mail and express courier services to transport the illegal merchandise³.
- According to the July 2011 European Commission's annual report on European Union Customs enforcement, the number of shipments stopped by EU Customs has doubled compared to 2010, with an 82% increase in detentions of postal traffic largely due to the increase in online purchases. That report states that 69 percent of articles detained in postal traffic are medicines, and quotes Algirdas Šemeta, Commissioner for Taxation, Customs, Anti-fraud and Audit as saying: "We have experienced a spectacular increase of detentions in the postal traffic since last year: the number of cases tripled and many of the seized goods included medicines...This upward trend reflects a growing number of online purchases⁴."
- According to Interpol, between September 20 and 27, 2011, a law enforcement operation was carried out to target counterfeit and otherwise illegal medicines sold on the Internet. It was the fourth coordinated operation of its kind, conducted by Interpol, the Permanent Forum on International Pharmaceutical Crime and various police, customs and national medicines regulatory agencies from 81 country participants, as well as the help of the Pharmaceutical Security Institute, Internet Service Providers (ISPs), payment systems providers and delivery services. Operation Pangea IV resulted in the seizure of 2.4 million potentially harmful drugs, valued at \$6.3 million. The aim of Pangea IV was to "disrupt the online criminal networks and activities connected with the selling of fake medicines online, such as credit card fraud, and to raise public awareness of the health risks linked to purchasing medicines online," said Interpol in a statement. As a result, 13,500 websites engaged in illegal activity were shut down, 45,500 packages were inspected by regulators and customs authorities, 8,000 packages were seized and 2.4 million individual doses were confiscated. 48 different countries were identified as the source of the haul, which included antibiotics, steroids, anti-cancer, anti-depression and anti-epileptic pills, as well as slimming or food supplements⁵.
- According to reporting to the Pharmaceutical Security Institute by its members, who are also members of IFPMA, PhRMA, EFPIA, and JPMA, incidents of counterfeiting were documented in every therapeutic category and every region of the world, and 124 countries have experienced this phenomenon⁶.
- Pharmaceutical Security Institute (PSI) statistics show that Asia accounts for around half of all counterfeiting, theft and illegal diversion incidents⁷. Industry research has revealed at least 600 illegitimate online pharmacy websites in the Japanese language. Pharmaceutical companies in Japan reported that in 2011 the Japanese Customs Office made over 500 discoveries of illegal medicines and seized nearly 80,000 tablets. The vast majority of these drugs were purchased online.

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⁷ PSI, News and Media, 2012

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