# Welcome to Budapest



TTTTT

HUDSA Partly similar issues Partly different solutions

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#### **Similar Issues**

- Very strictly regulated market
- Several authorities to control it
  - Ministry of Agriculture
  - National Food Chain Safety Office
  - National Institute of Pharmacy and Nutrition
  - National Public Health and Medical Officer Service
  - Hungarian Competition Authority
  - Consumer Protection
- Level of control is very low
- Narrow field for law-abiding companies, while
- Wide possibilities for law bypassing competitors
- Problematic food supplements ruin image





#### Do-It-Yourself Solutions Self-regulation I



- To limit unfair competition we created a trademark where HUDSA certifies the quality of the product
- Independent reviewer
- Product is according to legislation
- Quality sampling
- Fee for using the trademark
- 95% reduced fee if trademark
  is used in promotion



#### Do-It-Yourself Solutions Self-regulation II What to share about Trademark?



- Huge work to establish and to run a trademark
- Middle-size companies/brands are interested
- Big companies could be interested for umbrella brands
- It works only with promotion (within HUDSA & market)
- Promotion is for big company's budget so they need to get involved

## Do-It-Yourself Solutions Self-regulation III



- We tried to find a place of sales where problematic food supplements could be excluded
- We saw that pharmaceutical wholesalers have the same process of quality assurance for food supplements as for medicines
- So food supplements from this channel are safer (went through notification, labelling is identical to notification, etc.)
- So we gather every producers, who is willing to have their products going through quality assurance and we gather every wholesalers and selling points in an agreement about safer food supplements

### Do-lt-Yourself Solutions Self-regulation IV

#### • A five-sided agreement came to life:

- Hungarian Chamber of Pharmacists
- Hungarian Association of Pharmaceutical Wholesalers
- National Board Against Counterfeiting
- Hungarian Pharmaceutical Manufacturer's Association
- HUDSA





## Do-It-Yourself Solutions Self-regulation IV



- Now 60 % of pharmacies have joined to the agreement
- **31 independent companies** non-HUDSA producers and wholesalers
- Media ,,bought" the idea and talked about it
- Main message: "You can buy controlled food supplements, if you buy where you see this logo !"





#### **National Issues**



- Notification was officially notification but in reality a thoroughly scrutinized process for authorization
- A law-abiding company would wait for the issued notification (6 months even) as authority always found mistakes (among 1671 notification less than 600 passed notification in 2016)
- With lot of lobbying we managed to normalize the notification process from November 2017. Now the time of this process is 14 days!
  - PARNUTs are our "speciality", while there are less than 200 in Poland (2nd much) and we have ~1300 in Hungary
  - They are specially reimbursed (with only 5% VAT while food supplements go with 27 % VAT)
- We are lobbying for keeping the ones notified before new regulation with the support of EHPM

#### Thank you for your attention.

