

Review of the Activity of Estonian Pharmacies in 2003

At the beginning of 2003, there were 316 operating retail pharmacies as well as 103 branch pharmacies and 53 pharmacy counters appertaining to the main pharmacies in Estonia. During the year, 20 pharmacies went into liquidation for various reasons and 12 new pharmacies started operating. At the end of 2003, there were 308 operating pharmacies, of those, about one out of every four was in Tallinn. In addition to pharmacies, there were 167 branch pharmacies and pharmacy counters at the end of the year, 28 % of which were situated in larger towns – Tallinn and Tartu. On an average, there is one point of sale of medicinal products per 2800 inhabitants in Estonia.

Medicinal products account for a major part of the sales of the retail pharmacies. On an average, medicinal products' turnover constitutes 82 % of the turnover of the pharmacies, while the average turnover of other goods is 18 %. In 2003, the total sales of all the pharmacies were EUR 125.38 million, those of hospital pharmacies were EUR 26.66 million and those of veterinary pharmacies EUR 1.47 million. Thus the sales of retail pharmacies constituted slightly over 80 % of the total sales of pharmacies.

Nearly 50 per cent of the retail pharmacies have an annual turnover from 1 to 5 million kroons (EUR 64,100 to EUR 320,513). 237 pharmacies have a turnover of less than 10 million kroons (EUR 641,026). At the same time there are seven pharmacies with a turnover of over 30 million kroons (EUR 1.92 million). The average turnover of a retail pharmacy was EUR 417,000 in 2003. There is a huge (268 times) difference in the annual turnover of the smallest and the largest retail pharmacies.

On an average, prescription medicines account for 75 % and over-the-counter medicines approximately 25% of the medicinal product turnover of retail pharmacies. Nearly 50 per cent of the retail pharmacies sold veterinary medicinal products or medicines meant exclusively for animals. As a rule, veterinary medicinal products account for a minute part – 0.2 % to 0.4 % of the turnover of retail pharmacies

Preferential prescription medicinal products account for approximately 88 % of the sales of the prescription medicines.

All the retail pharmacies have an obligation to prepare medicinal products. Only a registered pharmacist or an assistant pharmacist working under the instructions of a registered pharmacist may prepare, check, sell and dispense medicinal products at a pharmacy or a branch pharmacy.

In 2003, half of all the retail pharmacies reported having prepared medicinal products on the spot either serially or according to magistral formulae. Throughout the year 2003, more than 270,000 medicinal products were prepared at the retail pharmacies. Over EUR 128,000 were paid for prepared and retailed medicinal products. On an average, EUR 0.48 were added to the price of each medicinal product as a preparation and retailing fee.

At the end of 2003, 776 registered pharmacists, 552 assistant pharmacists and 504 other personnel worked in Estonian retail pharmacies. On an average, a retail pharmacy has a staff of six (2.5 registered pharmacists, 1.8 assistant pharmacists and 1.7 other members of personnel).

In the 1st quarter of 2003, there were 29 operating hospital pharmacies in Estonia and one hospital pharmacy went into liquidation. The number of operating hospital pharmacies was 28 in the 2nd and 3rd quarters, and 27 in the 4th quarter. Thus, three hospital pharmacies wound up in 2003, and no new hospital pharmacies were opened. Liquidation of hospital pharmacies is mostly due to merger of hospitals or pharmacies and a decrease in the number of hospital beds.

In 2003, hospital pharmacies had a total turnover of EUR 26.66 million, of which medicinal products constituted 57 %. A hospital pharmacy supplies medicines and other medical products only to its home hospital, but, in case of need, also to other institutions providing therapy and welfare services. Hospital pharmacies do not sell medicinal products by retail. The sales of hospital pharmacies accounted for a little over 15 % of the total sales of pharmacies.

The annual turnover of half of the hospital pharmacies (i.e. 15 pharmacies) was less than EUR 320,000. 21 hospital pharmacies, i.e. 77 % of hospital pharmacies, have a turnover of less than EUR 641,000. In addition to small hospital pharmacies, there are three large hospital pharmacies in Estonia, with a turnover exceeding EUR 3.2 million.

Among the staff of hospital pharmacies, registered pharmacists predominate. In 2003, hospital pharmacies had 67 registered pharmacists, 37 assistant pharmacists and 42 people with other qualifications on their staff. On an average, 5.2 people work at a hospital pharmacy, of those, 2.4 registered pharmacists, 1.2 pharmacists and 1.6 other personnel.

**State Agency of Medicines
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