

Statement: Civica Offers Comment on Department of Commerce Section 232 Investigation

On April 14, 2025, the U.S. Department of Commerce initiated an investigation under Section 232 of the Trade Expansion Act of 1962 into the effects on U.S. national security of imports of pharmaceuticals and pharmaceutical ingredients.

As a domestic generic pharmaceutical manufacturer established to reduce drug shortages and ensure reliable and affordable access to generic medications for all, Civica <u>submitted comments</u> on this investigation.

Civica's commentary notes that offshoring of the drug supply is a 30-year trend that is a national security risk and exacerbates drug shortages. While tariffs could increase U.S. competitiveness, they may also lead to increased shortages. Civica suggests elements of a non-tariff policy framework to accomplish the goal of sustainable domestic manufacturing, including strengthening the domestic industrial base and supply chain, making changes to procurement and reimbursement processes, introducing regulatory reforms and increasing direct government financing for new facilities.

"No single policy will result in rapid reshoring," wrote Allan Coukell, Civica's Chief Government Affairs and Policy Officer. "While it is important to ensure adequate domestic supply of generic drugs, the Administration must pursue a multi-pronged strategy that includes procurement practices to sustain domestic demand, targeted investments to reshore domestic manufacturing, and regulatory reforms to improve efficiency, while avoiding unintended outcomes such as increased drug shortages."

About Civica

Civica is a nonprofit generic pharmaceutical company established to address drug shortages. It was founded by a group of U.S. health systems and philanthropies who, after more than a decade of chronic shortages, recognized that the market was not self-correcting and that a different approach is required. Civica works to deliver a safe, stable, and affordable supply of essential medicines to U.S. patients.

Media Contact

Liz Power, Vice President, Communications
Liz.power@civicarx.org
860 501 3849
Learn more at civicarx.org.