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REPORTER:	Mohssen Arishie

Drug industry needs more attention

Mohssen Arishie

A new, locally-made Hepatitis C drug, now on sale at a much cheaper price than foreign alternatives, has inspired renewed appeals to the government to pay more attention to the national drug industry.

Pharmacists and drug experts emphasise that sound government policies could help develop this strategic industry into a profit-making enterprise.

The annual losses of public enterprise companies in the drug industry are LE180m. And the Ministry of Health's debt to the public enterprise drug companies is said to have increased to LE1.250b.

As a result of the rising price of the US dollar in the local market, drugs have become more expensive. Local-made drugs depend heavily on imported raw materials. And Chinese raw materials are used in 75 per cent of locally produced drugs. Egypt's pharmaceutical imports also include drugs for which there are no locally produced substitutes. This applies particularly to drugs in great demand by people with heart disease, cancer, allergies and diabetes. Egypt also imports milk for infants. Egyptian firms export \$500m worth of pharmaceuticals.

Another spur for the government to review its drug policies is the disappearance

of 1,471 drugs from the shelves of pharmacies. In an interview with *Akher Saa'a* magazine, pharmacist Ahmed el-Ezabi, head of the Drug Chamber, attributed the problems in the drug sector to the refusal of the Ministry of Health to change inconsistent policies. El-Ezabi suggested that the establishment of an independent drug authority should provide sound policies, which could help salvage this national, strategic industry from its woes.

The workforce of the local drug companies is half a million. Experts are confident that more jobs would become available if the government managed to attract more investments to the industry.

According to the head of the Pharmaceutical Chamber, investments in the national drug industry have increased to LE45b, of which LE30b come from the private sector.

"About 180 drug companies have been created by the private sector," el-Ezabi said. "The drug industry is investment attractive." Nonetheless, the head of the Pharmaceutical Chamber said that the first step in this direction should be to disengage the drug industry from the Ministry of Health.

"An independent authority should be formed and empowered to draw up more ambitious policies for the local drug industry," Dr el-Ezabi said.

He blamed the Ministry for what he

saw as chaotic policies, which had impeded investors' efforts to expand their drug-manufacturing projects.

The chief pharmacist said: "When a Minister of Health is replaced, his successor changes drug policies initiated by his predecessor." The newly-appointed minister, moreover, then follows the example of his predecessors by refusing to give priority to suggestions, which could end concerns overwhelming the industry.

An expert in healthcare planning, however, saw the sector's problems in this from a different angle. Dr Samir Abnoub said that Egypt's drug industry was limited to packaging and distribution. Local manufacturing and marketing policies did not observe international standards.

He also suggested, however, many of the problems in the local drug market would end if a higher drug authority were established. The proposed authority, which should be supervised by the Presidency, would help locally produced drugs take a bigger share in foreign markets. Egypt, he said, should follow the example of Jordan. "Jordan's exports of pharmaceuticals are four times greater than Egypt's," he said.



A SPUR for the government to review its drug policies is the disappearance of 1,471 drugs from the shelves of pharmacies due to shortage in supply and a rise on dollar exchange rates.

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