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Three decades of the nation's drawback due to the brutal terrorism was eradicated in 2009 by our brave soldiers and the then Government of President Mahinda Rajapaksa.

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Governments have changed, and many episodes such as the Easter Sunday attacks damaged the national economy. More challenges have emerged and now we are at a global crisis of Covid-19 which has been controlled by the Government with the efforts of responsible citizens guided by the Health authorities, Security Forces and Government sector officials who worked tirelessly to achieve this tremendous success.

Their brave approach facilitated and concluded a peaceful election in the country with a clear national mandate of the people to President Gotabaya Rajapaksa and Prime Minister Mahinda Rajapaksa to implement the long awaited strategies to develop the economy.

The Prime Minister has given new hope and strength to the President to pave the way to implement his manifesto Saubagye Dekma with the newly elected parliamentarians, handpicked by the people as their representatives to support the common vision of national prosperity.

The Presidential Task Force for poverty elevation has set goals to implement the plans accordingly which are already under way.

However, the post Covid-19 era has changed lifestyles and economies all around the world prioritising health concerns and widening opportunities in the pharmaceutical manufacturing industry which has become the economy booster the world over.



In 2011 through the visionary approach of Mahinda Chinthana an extent of 420 acres were allocated to set up a Parma Zone in Hambantota. In 2014 the Rajapaksa government initiated the first ever guaranteed buyback from the local pharma manufacturers. This head start has strengthened hope after a long lag with the practical approach of a separate State Minister for the Pharma Manufacturing industry to focus on manufacturing, distribution and regulatory measures for the first time in Sri Lankan history.

With the right structural focus and lessons learned, the regional models will set examples for a national program to develop the pharma manufacturing industry and to reach the global market.

Indian Pharmaceuticals

Analysing the unique characteristics of the Indian Pharmaceuticals market, it was dominated by branded generics making up for 70 to 80 percent of the retail market, despite the fact that India is the single largest provider of generic drugs globally.

India supplies over 50% of global demand for various vaccines, 40% of generic demand in the United States, 25% of all medicine in the United Kingdom and extremely low-cost medicine to African countries.

The local players in India have enjoyed a dominant position driven by development capabilities and early investments.

The intense competition has helped maintain low price levels and globally India ranks tenth in terms of value and third in volumes.

Under the Pharma vision 2020, the Indian government's commitment is to make India a global leader not only in the production of low-cost generic medicines but end-to-end drug discovery and development.

The rising global competition in generics has led several top Indian pharma companies to focus on specialty and complex generics, including complex injectables, oral solids and new drug delivery systems.

The Indian Pharmaceutical Alliance (IPA), which presented its Vision 2030 in July 2019 underlining plans to make India an innovative leader by building a strong innovation pipeline, has urged the government to set up a large fund to boost technological innovation in pharma, biotech and healthcare start-ups.

India's approach towards pharmaceutical self-sufficiency over the years should be examined closely in adopting a focused model to Sri Lanka.

Bangladesh

Bangladesh on the other hand, 98% self-sufficient in Pharmaceuticals with their own products plans to approach the export market opportunity of more than 450 million US\$ by 2025. Bangladesh also targets a 6 Billion US\$ market share, enhancing the current 75% generic market share by 2025.

Over 300 clinical studies are being carried out and new innovative products are promoted among local manufacturers in Bangladesh. The drug market insight through availability, dosage and price analysis targets a calculative progress to reach optimum pharmaceuticals manufacturing. Looking at regional experiences Sri Lanka's approach can be structured similarly prioritising to fulfil the vast requirements of the government sector of which only 13% has been supplied by the local pharma manufacturers for many years.

True enough we record a considerable value growth which we proudly boast about, but the real growth has to be based on volumes and the number of new products we add to local production is yet to be achieved.

Research and Development

Hence, Research and Development must be enhanced and a national policy is needed to encourage more R & D to the local manufacturing industry.

Needs - driven innovation must be encouraged, with transparent costs to negotiate a fair price while guarding the interests of manufacturers as it's an industry that continuously needs costly upgrades and maintenance.

The Government must maintain a system of price and import control on essential imported medicines as it has become a fraud, draining out foreign exchange from the country. This is a known scam to which officials have turned a blind eye over the years.

This national crime has to be properly investigated to bring in the millions of foreign exchange laundered and parked outside the country.

The Medical Supplies Division must implement a systemised transparent management system to eliminate corruption and make the local manufacturers' payments on time, so that they can deliver their production promptly.

The pricing committee's consideration of comparing the last tender prices (which are mostly manipulated) has to be changed and a logical pricing mechanism adopted where the representation of officials are knowledgeable in terms of the industry and market norms and can think out of the box to develop the local manufacturing industry.

Contribution by means of generating employment, usage of local utilities, creating sub industries and their employment would add immense value to the national economy. Through the payment of taxes and levies to the government, local manufacturers contribute to pay the salaries and expenses of government officials.

An efficient, especially structured dedicated unit must be established for local manufacturers with set KPIs so that lapses can be monitored and make the individuals responsible for its activities.

Foreign direct investments should be encouraged and facilitate reputed multinationals who would bring the latest, innovative tech transfers for niche products.

The Government by promoting the concept of the pharmaceutical cluster (proposed pharma zone) which provides exemption from import duties for products that are exported, and from local taxes would encourage the local manufacturers (depending on the contribution to the economy) to invest more in the sector.

Partnerships with government will increase private sector investments in R&D and the Joint Venture partnership with the State Pharmaceutical Manufacturing Corporation (SPMC) with local entrepreneurs have been a great success and the second stage of offerings are under way. The State Pharmaceutical Corporation (SPC) needs strict policy implementation prioritising locally manufactured products rather than the imports. The distinction between local players and multinational companies is increasingly blurred. It is believed that if market leadership is the aspiration, the implications and imperatives will be common for both groups of players.

We need to focus on new markets such as Eastern Europe, Russia, Latin America, Africa, and on specialty chronic therapies such as neurology, oncology and dermatology segments.

As we foresee this bright future through the new political developments with firm policy decisions in the country, the local manufacturers would certainly take a firm step forward to make Sri Lanka a Medically Self-sufficient Nation.

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