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*The president of Algeria's union for pharmaceutical operators discusses the state of the local industry and sheds light on the sets of challenges his members (both importers and domestic manufactures) face under the current context.*

The state expects a radical change in Algeria's production makeup, with 70 percent of drug needs met in Algeria. Is this goal achievable?

What is certain is that the production capacity is already widely available to ensure this goal. But as you know, this is not enough. We still have a lot to do in terms of economic and regulatory efforts within our own business environment, to be at the height of such ambition. As examples, our registration system is still too slow and undersized compared to our requests; our human resources are still too small for our needs; the current framework of our pricing system itself has a lot to improve.

I would like to add that our industry creates a strong enthusiasm from domestic private and public investors. Existing capacities need to be strengthened in the coming years. This is quite exciting

and makes us very optimistic. But we believe this will help accentuate and make more visible all deficiencies that affect the organization of our current market.

Our desire is to see the government aware of this fact and anticipate these organizational problems. The Algerian pharmaceutical market is gradually turning from an import market to a manufacturing market. However, the regulation system is struggling and is still following the old sense of external supply management. For example, we cannot have any idea of the investment extent and nature of projects currently ongoing , which today number more than a hundred. Three years may elapse between filing a case and manufacturing a product. During this time, nothing is recorded, nothing is reported to competitors. Common products will soon be saturated. If no measures are taken, the damage will be enormous. There is a certain lack of professionalism, openness to the world and expertise. We have the potential to export to neighbouring markets in Africa or the Middle East, but this possibility needs to be seriously prepared from today.

According to the government, operators must learn how to organize themselves better. Which dialogues have you been able to establish between you and the institutions?

All matters discussed above are themes that already structure our dialogue with the public authorities in our country. Problems are not missing. For our part, we recognize the need to strengthen our organization and our strength of proposal. We have previously organized international seminars and produced numerous reports to give more substance to the dialogue. Our proposals are mostly considered relevant and newsworthy, but, of course, the transition to implementation is more problematic. However, despite the difficulties, we have to persevere with consultation, which is the only possible and viable way.

We talk a lot about biotechnology cluster in Algeria – does this mission exceed current capacities of the country?

I am very cautious about it. We all know issues behind this case of biotechnology. Concretely, we must first initiate an internal debate among professionals of the sector, assess our needs over the coming decades, our ability to cover more and more expensive spending on these advanced products, and finally position ourselves regarding this question.

What do you believe are the defining characteristics of the Algerian market today?

Algeria has a fast growing pharmaceutical market, probably one of the strongest sectors of the Algerian economy in recent years. It is an industry that remains, as elsewhere, tightly regulated. This has helped to curb informal practices that plague many other economic activities very

effectively. Social security coverage is a valuable asset that we must protect for the interest of our patients but also of our business.

In addition to the regulatory framework, the state action stimulated market development through a dual mechanism: first, the reimbursement system of medicine that has helped to expand access to care for the poorer strata of the population and, secondly, the active domestic production protection against the tidal wave of imports. All this has fostered a remarkable development of the sector and a craze for investors.

In total, we now have production at global standards, a tool which we can be proud of. For the future, the same tool nevertheless faces many issues that investors should be aware of; in particular , they will no doubt wonder about the possible forms of association with foreign laboratories to gain expertise as to open new markets.

These investors also need a high level dialogue with the national public authorities on more efficient economic regulation, without which the current craze may turn to a failure with the entire national economy will have to suffer.

How would you define your business strategy in the next three years and what is your relationship with Biopharm group?

In Algeria, private pharmaceutical companies such as Biopharm invested in niche production and then in distribution. Today, with the support of Biopharm Group, Biopure has five distribution centers and three platforms. Of course, we have a special relationship with Biopharm and we mainly supply with them. However, we provide equally to all other competitors in the group.

What makes you a good partner?

Biopure is known for its rigor. We run a highly structured sales network which is subject to extremely precise procedures. We assigned ourselves to a high level of quality because, unfortunately, specifications that authorities should have put in place in the field, are still non-existent. We have excellent relationships with all of our suppliers and we enjoy an indisputable financial solvency.

As everyone knows, there is always a strong correlation between turnover and the degree of structure a business has. A distributor can now better thrive in the pharmaceutical industry than in the past. Biopure has a development plan with the opening of new centers over the next five years. We also have organizational goals with an IT integration, ISO 2015 certification and continuous improvement of our organization quality. Today we want to diversify our products. We’re going to

make a particular Biopure line available exclusively here and develop a line of medical items for rent.

Do you think that Algeria could become the regional champion?

In the pharmaceutical sector, Algeria does not have the willingness yet, but it certainly has the potential. It has a recent industrial high-quality tool, the necessary financial capacity and, above all, vital human resources. There is also a form of enthusiasm from the younger generation that can serve as a very useful catalyst to grow and open markets. All these ingredients need an overall quality governance that our country needs to recover as soon as possible to better adapt to the complex and competitive world in which we live today.

What is your professional background?

I am trained as a surgeon – I worked until 1994 in a hospital in Algeria. From that date, following the opening of the field of health in private sector investment, I participated in the creation of the family business Biopharm,, which is today one of the major players of the Algerian pharmaceutical sector. I also initiated the establishment of two subsidiaries Biopharm, one in 2001, HHI (Human Health Information) in charge of medical advancement and the other one in 2005, Biopure, who invested in pharmaceutical distribution. In 2014, beyond my duties within the Executive Committee of Biopharm, I assume the position of managing director of Biopure.

You are the president of the UNOP since 2OI3. What are your personal and institutional motivations?

I was vice president for ten years and I had to take the head of the association following the withdrawal of our former Presiden, Dr. Mellah. Within the UNOP, we have a very clear vision on ways and means to enhance the development of the Algerian pharmaceutical industry. Overall, we believe that the Algerian government has clearly supported this development and continues to do so. However, at the same time, he did not prepare all the tools and instruments, from technical, human or regulations perspectives, such as the organizational point of view that would represent this ambition and exploit the huge potential of the national pharmaceutical market.

Based on this clear and widely shared vision, we are publicly and regularly positioned on all issues and all questions affecting the market, as an association involving private pharmaceutical manufacturers. Even on complex issues such as those related to ethics and business practices in the field, we have clearly spoken and we directly managed some disagreement between our own members.

Our view is that the state has a quite prominent and indispensable role to play. Nevertheless, to become solid and durable we need a full and direct involvement of key stakeholders, including companies in the sector. This belief is the basis for the action of UNOP which animates our members and which has led us to take responsibility for the harmonious development of our market.

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