Driss Chaoui – Director General, Afric-Phar – Morocco



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The director general of Afric-Phar explains why it is difficult for the local players to compete with multinationals, how the Moroccan market is being reformed for the better and why companies should be looking to Africa to boost their growth prospects.

What are Afric-Phar's strengths that make it an interesting partner to other companies?

We are a Moroccan pharmaceutical laboratory established in 1966, one of the first pharma companies to have been entirely founded by Moroccan pharmacists. Back in the 1960s, there had only been laboratories created by foreigners that were later bought by Moroccans.

While we are proud of our Moroccan heritage, we represent today a large number of prominent European companies and multinationals through in-license agreements, distribution and partnerships such as Baxter, Hospira, Allergan and Ranbaxy. In addition, we have our own production facilities and product lines in generics, which we are constantly developing.

When you look at the way the pharmaceutical industry is evolving, it clearly appears that ensuring a successful partnership can present a number of challenges for many companies. Partners need to feel confident about their alliance strategies as they rely on patents, confidentiality and trust: this is a key consideration when deciding whom to partner with.

We were able to build enduring partnerships based on trust and results with leading multinational companies, a fact that confirms our well-established reputation for integrity. Our quality, safety and environmental management systems have been continuously accredited by AFAQ, certifying that our quality system meet the highest standards. We also have an unrivalled experience of the national and regional market with extensive expertise in regulatory affairs thanks to our strong presence. This helps us provide our partners with real value added services and guidance, which allows them to make informed business decisions.

You are indeed one of the oldest local laboratories and yet today when one looks at the top ten rankings you do not appear. What have been some of the main obstacles to the company´s development?

Afric-Phar didn’t face any serious obstacle in the past. In fact, the company had a small production capacity that was expanded later in 1997. With the new manufacturing site in place, Afric-Phar started to have a higher productivity rate that helped develop a diverse product portfolio and extend its national and regional footprint.

The generics market in Morocco covers only 30 percent of the market, a comparatively low number when compared to other countries. How do you explain this? Is it a problem associated with quality?

That’s an interesting question. Morocco is a country highly classified by the World Health Organization, with a pharmaceutical industry that has been around for more than 60 years and plants that operate to the European standards. So, the problem is not associated with the quality of generics. I believe that the generics consumption figure is low because of the lack of a comprehensive medical coverage system. However, with the current reforms being enacted by the government, we are seeing an improvement and believe that the consumption of generics will significantly increase.

What do you see as the main opportunities for growth and investment in the North African region for multinational companies?

With its very young population, Africa is continuously developing and changing for the better. Its growth rates are slowly approaching those of Asia, and multinationals are waking up to the enormous potential that the continent presents. Taking South Africa out of the equation, at the forefront of this potential are the North African countries like Morocco.

The strategic geographical location of Morocco plays a big role in attracting investors, and the government has put in a great effort to actively encourage foreign investment. The U.S. Free Trade Agreement (FTA) and the Association Agreement with the EU are strong signals that indicate the openness of the Moroccan authorities to foreign investment. We can also mention that despite the recent political events in the region, the country is still broadly regarded as politically stable and as a key hub for the African economy.

Most importantly, we have the knowhow and expertise in the pharmaceutical industry, a factor that facilitates partnerships with local manufacturers and distributors. It is also true that the local consumption remains very low in comparison to other countries. But when you look at the broader picture and the government's health coverage reforms, you see a real growth potential.

In 2002 Tecnimede acquired part of Afric-Phar. What has been the impact of this investment?

Indeed, Tecnimede acquired a portion of Afric-Phar under a co-development plan from 2002 to 2014, which was beneficial to both parts. We represented Tecnimede under license and accompanied them until they built their own facilities to become an independent structure in Morocco. Our partnership evolved into a new system of manufacturing contracts and distribution services, maintaining our collaboration and taking it to a whole new level.

You have been director of Afric-Phar since 2001. What is it that motivates you every day?

Before joining Afric-Phar, I worked in General hospital and private clinics as an Intensive Care Anesthetist. During that time, I was very close to the patients and heard many of their concerns. This background provided me with a patient-oriented mindset that helps me better understand what needs to be done, and I believe that working at Afric-Phar gives me the opportunity to do more. Since my tenure as General Manager, I have signed many partnerships with laboratories specialized in orphan diseases such as Genzyme, Actelion, Sobi and Orphan Europe to treat special patient cases. Knowing that I can help change people's lives for the better is humbling and gratifying.

I am also motivated seeing that I can contribute to the improvement of the Moroccan health sector in general. People want to live longer, better and healthier, but the cost of health care is still a challenge. I think it is our responsibility to help increase access to treatments for the benefit of the Moroccan patient.

I must also mention that I am fortunate to be surrounded by great leaders at Afric-Phar who inspire me everyday.

What is your five-year vision for Afric-Phar?

We are looking to expand our product portfolio and strengthen our sales force in the Moroccan market, especially in chronic diseases such as cardiology, neuropsychiatry and rheumatology. We are also envisaging a greater presence in the African countries. We are currently operating in 12 different countries in the continent, essentially in the French Western region, and we would like to develop this further. We are looking at numerous options, in particular whether to go with a production site or a distribution platform.

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