Mourad Ishak – General Manager, Sandoz & Country President, Novartis Algeria



I have worked across Africa and the Middle East but am yet to encounter a country like Algeria where the government is so committed to healthcare

02.10.2018

Tags: Algeria, Novartis, Sandoz, Manufacturing

Mourad Ishak, country president Novartis and general manager Sandoz Algeria reveals Novartis' investment plan for local production, their "under one roof" project for the Novartis entities, and the key strategies to ensure sustainability within the Algerian market.

You've been in Algeria for four years. Can you enlighten our viewers on the evolution of Sandoz during that time?

I joined Algeria from Dubai in 2014, at a time of worldwide oil crisis, prices had fallen and the Algerian government increased pressure on the pharma industry for localization. In my view this was fair. Sandoz already held a strong legal entity, a factory that had been producing for 20 years, and a respected name locally. In this way, we already matched the government's expectations of a pharmaceutical company in Algeria.

When we gathered the team and discussed our priorities and commitments to Algeria, we concluded that our main goal was to expand our local footprint. Consequently, in 2015 we decided to invest USD 35 million to upgrade and advance our local facilities.

Our second goal was to incorporate all sections of Novartis (Novartis, Sandoz, and Novartis Oncology) into the project. We are all under one umbrella of Novartis, producing products from

different sectors locally. We combined almost all the teams of Novartis under one legal entity, part of our wider “under one roof” strategy; the endpoint is for all the teams to be in a single location.

You mentioned that you believed the government’s localization plan after the oil price drop in 2014 was a fair measure, a view in contrast to the general consensus amongst the multinational pharma companies in the market. Why do you believe this was fair?

I have worked across Africa and the Middle East but am yet to encounter a country like Algeria where the government is so committed to healthcare. Consider the rise in life expectancy in Algeria over the past 10 years. The growth has been much higher than the average for the MENA region. This is because of the commitment to reimbursement, so patients can receive their prescriptions in full.

To maintain this commitment, costs need to be controlled, and resources must be optimised. Hence, it is fair to localise production in a country where the provision of high-quality medicines to patients is paramount. Even so, the government’s focus on local production preceded the oil price decline, and thus should not have been a surprise. The oil prices merely accelerated the pace of the project. That is why we have decided to invest three years ago in our local site a value exceeding USD 35 million.

Last year you became head of the North and West African cluster for Sandoz division. What is the ambition behind combining Algeria with Tunisia and Morocco?

In all three countries we have a common objective – building local partnerships for further market access and localising the portfolio. We view localization as the key to sustainability in this region. As we are a generics company, it is all about access. We are working in all three countries to establish reliable partners and increase the proportion of our localized portfolio

You mentioned a generic business is about access. How would you qualify market access in Algeria?

In general, when a company is committed to customers and patients, it is imperative to be close to these stakeholders, understand their needs, and bring real value. Moreover, whenever you become closer to customers, market access will become easier. This is applicable in any location, not just

Algeria.

Sandoz is a generic company but is at the forefront diversifying into biosimilar development. How do you see the potential impact of this business in Algeria?

When considering pharmaceutical localization in Algeria, there is a very simple trend: normal retail products are localised at a faster rate than high tech products. The government accepts this. In the case of high-tech products such as biosimilars, they will bring savings even if they aren't localised.

Novartis has a diverse global portfolio. What do you see as your future objectives for your portfolio in Algeria?

We established clear priorities for Novartis Algeria around three key objectives. Firstly, we are committed to use science and innovation to create better patient outcomes, of which innovative medicines of pharma and oncology are essential elements. Secondly, we aim to use our diverse portfolio to increase patient access to high quality medicines. Finally, we aim to use our experience to support the health service in capacity building.

To achieve such objectives, we need a footprint in specific therapy areas. For Sandoz our retail business, is specialised in cardiovascular, anti-infectives, and respiratory segments. For the Sandoz hospital business, we are focusing on biosimilars, oncology, and rheumatology segments

10 years ago, we heard the term "*pharma emerging countries*". There is a growing belief that pharma emerging countries haven't delivered. Do you believe Algeria has delivered for Sandoz?

I believe it is difficult to generalise regarding pharma emerging countries. Some have implantations strategies, and others have not. This divergence is the result of several factors. We need to understand such factors so that we can better manage expectations.

From my point of view in Algeria, companies that were ready in the past are already reaping the rewards of the Algerian market. The key in Algeria is to create a sourcing strategy that is sustainable, and adequately supports local talents. For Sandoz, I think both are feasible, and we are reaching a critical point. Algeria has a market of $4 billion dollars, a reimbursement of 80-90%,

and a registration time of 2 years. If you are willing to take the risk, you will be rewarded here.

There is little to prepare someone to oversee an industrial project as a country manager. How did you adjust and prepare for such a task?

In my previous role I managed a liaison office, so the compliance procedures were considerably different. Thus, the support that I received, specifically from technical ops and compliance were critical for me. These teams were very professional and heavily geared towards transformation. This enabled me to receive the right information and coaching to quickly progress.

We can see the benefits of such professionalism today, as commercial and technical operations are aligned in their objectives and are flexible in managing costs and productivity, aiding collaboration. For this reason, we are now ahead of schedule with our transformation plans for our local plan development.

Looking back over your past four years in Algeria, would you have done anything differently?

I am glad that one of our new strategies to address this is to provide our Algerian team with exposure to teams in other countries and to ensure a strong development plan is in place – Many team members are expanding their responsibilities and joining other teams abroad, for example in Germany, Morocco, or Dubai. The response from the teams has been very good. We believe these people will return to Algeria with a stronger skillset will lead the company in an even more professional way.

See more interviews