Hatem Ismail – General Manager, Bayer Egypt



Bayer Egypt probably has one of the highest growth potentials in the region

21.09.2022

Tags: Egypt, MEA, Bayer, Strategy, Manufacturing, Innovation, OTC

Bayer's Hatem Ismail introduces the company's important work to help Egypt meet its ambitious Vision 2030 transformation goals; its significant footprint in the country across innovative pharmaceuticals, OTC drugs, and crop science products; and his bold ambitions for the affiliate's future growth.

What drove you to join the pharma industry after having worked in other industries and Bayer in particular?

Throughout my career, I was always in pursuit of a challenging job and this helped me broaden my experience as I worked in four different industries and across different geographies. What brought me to the field of life sciences was the drive to provide innovation to people. I can’t think of an industry that can have such an impact on people’s life more than life science. I joined the industry back in 2016 with Janssen and see myself continuing because there are plenty of barriers still to overcome and impact to be made.

Having previously worked in finance for 24 years, I now enjoy being close to the business and seeing what is being done on the ground. These types of roles allow you to look underneath the surface and better understand the mechanisms that drive any given industry. At Bayer, advancing health and nutrition is what we do best and care about most. Because the solutions we create will advance life tomorrow, and help people and the planet to thrive. We believe we must strive for a

better tomorrow, so we can all live life to its full potential. Guided by our purpose “Science for a better life,” we deliver breakthrough innovations in health care and agriculture.

How would you describe Bayer’s footprint in Egypt and the importance of the Egyptian market for the company?

Bayer has been in the Middle East for 130 years. The company has taken significant steps over the last decade to upgrade its capabilities in Egypt, starting from establishing a legal entity back in 2014, which was a big milestone. This has been followed by exponential growth and a 20 percent increase in our headcount. As we get a better structure in the country for the company’s three divisions [prescription medicines, consumer health, and crop science – Ed.], we continue to see even more opportunities. Without any doubt, Bayer in Egypt is a success story.

Egypt has always been a market with excellent potential. The journey of the company has been about finding the right balance in its business model to help the country´s economy and society while having a viable operating model for Bayer.

With north of 100 million people, Egypt offers great opportunities for our healthcare and crop sciences portfolio which can provide solutions to the world when it comes to a growing and ageing population. We realise that there is now an opportunity ahead to help transform the country, from the health of citizens to generating value for consumers and farmers, while fostering our efforts with regard to sustainability.

Most Egypt country managers are optimistic about the transformation of healthcare in the country based on Vision 2030. What is different this time around that we did not hear or see in previous decades? What about vulnerabilities in terms of the current economic conditions?

What is different this time is that we have a clear strategy and transparency about how everyone is contributing. Today, Egypt anticipates clear objectives and timelines as part of the country’s vision for 2030. What do we like to achieve? How would we like to do it? Currently, we have answers to these questions through Vision 2030. One of the targets is providing healthcare to the entire population by 2030, which is a very ambitious start and which we are highly in support of.

There have been discussions about the financing of universal healthcare, procurement etc, with a special focus on pricing for medicines and services. How do you aim to help solve that part of the equation?

I will take two examples of what Bayer has done in terms of sustainability and business growth. In the last couple of years, we entered a partnership with the Minister of Health and Population (MOHP) to provide new and innovative treatments for patients with liver cancer – which can be linked to hepatitis C. The partnership was not only to provide treatment and medication, but to educate healthcare professionals and enable access to early diagnosis of the disease. After six months of studying this partnership, we treated almost 2000 patients. We understand the burden of the diseases beyond just the patient when it comes to cancer.

The second example is a partnership with the United Nations Population Fund in the field of Family Planning in support of the MOHP's campaign entitled 'Your Right to Plan' to provide educational awareness and modern contraception to Egyptian women. That was a strategic investment made over five years. These efforts are aiming to support the country with the challenges of high population growth rates, giving women the needed empowerment when it comes to reproductive health.

Is this new distribution of roles between various government bodies such as the EDA, UPA, and UHIA forcing you to organise the company differently? Are you expecting any hiccups on the road?

I do not believe the structure is going to change in terms of our consumer health products because universal health insurance is not focused on over-the-counter (OTC) drugs. The new system is more concerned with therapeutic areas like oncology and haematology which are a big burden on the budget of the country.

We acknowledge that it will not be easy to meet the 2030 deadlines, but we see encouraging signs. We saw their desire to make it work when the universal health insurance decided to cover rare diseases and invest in the medications behind them. They felt the importance of looking at innovative products and their positive impact on the economy since a healthy population pays off.

Have the changes to the regulator, the EDA, resulted in an increase in filings for the latest therapies or is too early to say?

The EDA has done astonishing work over the last couple of years to make sure that this bottleneck in product registration gets sorted out. They give companies the option to go for a fast-track approval, provided they comply with certain requirements. Companies have the choice to follow a path that could help them bring a product 2-3 years earlier to the market and some products are even available in Egypt before they are in Europe.

This newly established system and its underlying processes is a big shift from what we had in the past. Moreover, there is the understanding that universal healthcare requires an agile regulatory environment.

You mentioned the different divisions of Bayer. Which is the driving force in Egypt?

A growing and aging world population requires an adequate supply of food and improved medical care. With our innovative products, we are contributing to finding solutions to some of the major challenges of our time. With life expectancy continuing to rise, we improve quality of life for a growing population by focusing our research and development activities on preventing, alleviating and treating diseases. We are also making an important contribution to providing a reliable supply of high-quality food, feed and plant-based raw materials.

The market in Egypt is growing as the system gives more attention to innovative products. The pharma industry is quite unique because it presents a win-win proposition. On the regulatory side, the authorities are seeing opportunities to bring more companies on board. In this context, we can add decisive value with our prescription-based products, especially for cardiology and women’s healthcare, and on specialty therapeutics in the areas of oncology, haematology and ophthalmology.

On the OTC side, we have seen a surge linked to the pandemic as well as to the increased awareness from people about their personal health needs. With over 170 consumer health brands in our innovative global portfolio, we empower people to manage their health needs in the areas of dermatology, nutritional supplements, pain management, cardiovascular risk prevention, digestive health, cough, cold and allergy care.

The crop science business is a great match for Egypt as it provides high-value seeds and solutions to produce higher quantity and quality of food. In particular, our Crop Protection / Seeds operating unit markets a broad portfolio of high-value seeds and innovative pest management solutions, while at the same time providing extensive customer service for sustainable agriculture.

What expectations does the global organisation have about the potential of Bayer in the Egyptian market?

Bayer Egypt probably has one of the highest growth potentials in the region. We can do more across pharma, consumer health, and crop science, but that will require us to align with the ambitions of the country itself. For this reason, we are even exploring localisation possibilities through a partner. By 2025, we would like to produce 60 to 70 percent of OTC products locally. It is a very ambitious plan and shows the importance of Egypt to the company.

The industrial sector is an important pillar in the Egyptian government's economic reform plan and represents a valuable contribution to the achievement of Egypt's Vision 2030 Sustainable Development Goals. At Bayer, sustainability is already a fundamental driving force behind our business. Climate change, the pandemic, food insecurity and many other global challenges call for new approaches, not business as usual. This means that we must move beyond the conventional separation between sustainability and strategy and ensure that sustainable practices are part and parcel of all that we do.

How do local stakeholders perceive Bayer Egypt today?

We have earned our position as a trusted partner and want to continue being the partner of choice. The company has demonstrated that it can bring significant value in a short period of time. We did it with cancer and women's health and have other opportunities in the pipeline. Additionally, Bayer has a unique position on sustainability, one that perfectly matches Egypt's long-term ambitions.

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