Mohamed Eldababy – General Manager, GSK Egypt



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After several years abroad, Mohamed Eldababy recently returned to his home country to become GSK Egypt's General Manager. Egypt is an important market for GSK as one of the largest multinational employers in the country with over 700 staff and two manufacturing sites. In conversation with PharmaBoardroom, Eldababy shares his motivations behind coming back to the Egyptian market and making a difference to patients there, especially given the major healthcare transformations underway in Egypt and across the region.

You have worked in various roles in different countries and for several pharma companies. How have those experiences prepared you for your current position and what brought you to GSK Egypt?

I have been in the industry for 28 years, but each position I have held has been different. It is not a question of one size fits all. Something that might have worked elsewhere might not work here and the opposite also applies. However, the fundamentals of helping patients and conducting a sustainable business are the same whether you operate in Egypt or somewhere else.

GSK is one of the industry's top companies and is going through a very meaningful transformation. There are strong plans to bring needed innovation to the market including Egypt, in the field of vaccines, oncology, and rare diseases. It is a company with a clear mission.

GSK has made some big decisions lately, including the offloading of its consumer healthcare division. What is your impression of these changes?

It is no secret that the pharma industry, like GSK, is undergoing a transformation. For example, you would not necessarily say that the world needs another anti-diabetic medicine because there are already multiple options that can be used even if there are no new innovations in diabetes. However, cancer and other rare diseases were under-served for many years but reimbursement systems across the globe are now paying out for innovations in these previously under-researched and under-served disease areas. In the 70s and 80s and afterwards there was a revolution in primary care with fabulous innovative statins, anti-hypertensives, etc. There have been amazing breakthroughs for treating chronic diseases. But what did we do as an industry to deal with rare diseases? Very little. Now the focus is moving towards specialty care, which is something that both patients and healthcare systems need.

The vision that GSK has is no different. We will of course continue with primary care, where we operate in many therapeutic areas, but we also need to join forces with the rest of the industry to unleash opportunities and innovations in speciality care. I am proud to work for one of the largest companies to invest in prevention with all the vaccines we have. That, in my opinion, is a solid strategy and one of the components of that strategy is the spinoff of consumer healthcare.

There have been major progress in Egypt healthcare sector in recent years with the gradual introduction of universal healthcare coverage and the development of the country’s regulatory agencies. In your view, where does the healthcare system stand today?

In Egypt we are certainly not yet on par with Europe or the US where the spending per capita on healthcare is at the level it should be, but we have seen great progress over the last 10 years.

Naturally, this progress depends on the economic situation across borders because countries go through different economic cycles between upwards and downwards trends and the first thing that is impacted is the healthcare budget. However, if we look at the big picture, the trend over the past 10 years is towards significant improvement. There have been advances with respect to the overall spending per capita on healthcare, as well as reforms in governance and approvals and massive improvements in capabilities and competencies.

It is very interesting to see how the larger region and Egypt have changed over time in terms of reforms in the healthcare sector and governance regulations. One entity used to dominate everything, being a service provider and payer, and at the same time checking on quality controls. But now in Egypt, Saudi Arabia, and the UAE there is a clearer separation of duties and specializations.

The countries in the region tend to compare themselves to their neighbours. Do you think these improvements and reforms came out of a sense of competition between countries or more from a shared goal for things to function better?

I do not think it is because of competition. On the contrary, I think there is a lot of cooperation across the region. No, the trigger for these changes was a natural evolution of society. Since the revolution we had in 2013, all these reforms have taken place in five or six years. Additionally, if you look at other healthcare systems across the world like those of Malaysia, Singapore, or Turkey, they went through the same kind of transformation. Those countries had a single authority and then they started to reform the system and segregate duties and apply universal care and then there was a boom in the marketplace.

Will the current global economic challenges (supply chain, war conflicts, currency volatility) hold back these advances?

My view is that the current crisis should motivate and accelerate healthcare reform. Why does an average Egyptian need universal health insurance? Not because of typically Western problems like hyperglycaemia or cholesterol, but because of life threatening events and diseases for which he or she would not be able to bear the cost. That is why we need universal care. For example, now there are liver transplant operations in the cities where the universal health insurance system has been rolled out, but what did these patients do before? Most of them would have died. However, the new system requires everyone’s contribution, including the public. It should not be on the shoulders of the government to finance the entire show.

How would the market look once UHC being fully impleted? Will the universal health insurance system be able to replace the current out-of-pocket system, or will there be a hybrid model?

It depends on a few things. Firstly, on how sustainable it is because I have seen great ideas in many countries and great initiatives that could not be taken to the finish line because of sustainability. The quality and continuity will depend on how good they are at financing the system. The other thing is that today almost 60 percent of the population here is insured on average. Either they have health insurance from the government, or they have their own private insurance. That means we will be almost doubling healthcare coverage in a few years' time and the question is whether we have the infrastructure, capabilities, and manpower to handle that.

All that said, I think it is a great initiative and this is how it should be. The public should not be subject to facing critical illness without a proper healthcare network.

These developments will certainly colour the direction of GSK in Egypt, but how is the business of the affiliate organized today?

Most of our business today is in primary care, but the future will look different. There will be more and more expansion into speciality care, and specifically more expansion into vaccines. The experience with COVID was an eye opener for all of us because if you can avoid a disease, you should act and do it.

That is how we see ourselves in the future and we are looking to bring in about 11 to 13 new innovative products in the upcoming three years, which is very exciting for the country.

Primary care will still be here for the next 10 years because this is a country with a population of over 100 million with a need for primary care and a huge opportunity to serve more patients. Yet with the increase of healthcare expenditure per capita and the expansion of universal healthcare coverage there will be more room for speciality care. There is room already. If you look at the oncology field in Egypt after the presidential initiative with respect to women's health and other initiatives for early diagnosis, the uptake of our oncology products in Egypt is quite impressive. The same applies to hepatitis C.

New legislation governing clinical trials came into effect in 2020 but has not yet been implemented with force . What needs to happen to advance clinical trials in Egypt?

This is a great question; I keep asking myself why we have the new law if it has not been implemented? A big part of that is perhaps a lack of understanding of the possibilities and that is

something we are trying to do now with our headquarters – make sure the government understands that there is an opportunity to conduct clinical trials here in Egypt. It is a great opportunity for Egypt to build capabilities and competencies.

Also, there should be some trust building from local affiliates to explain the new law to their headquarters. There is a huge population, and it is not difficult to find patients, but for clinical trials, companies tend to follow the track record and you do not want to run into surprises. Once a few centres start phase two or phase three trials in Egypt, then more and more will come. And with respect to data, it is also positive because we will get local data on diseases and on the impact of our products.

GSK already boasts noteworthy manufacturing capabilities in Egypt, with currently two plants and employing around 700 people. Is this an area where the company will be investing more in the future?

We are very proud of our manufacturing here and we have one of the biggest factories to produce antibiotics in the country. This capability evolved over time through mergers and acquisitions that go from the early 90s until now, both global and local ones. Through them we managed to acquire manufacturing sites from other companies, which is fantastic. Expansion in the future depends on how our portfolio evolves and the uptake of our new portfolio.

In Egypt GSK’s baseline revenues grew last year and continue to climb this year. What would you attribute the growth to?

We improved our bottom-line last year, but this year, business is growing much faster. There is a clear rebound after COVID, and we are seeing more and more patient traffic in clinics and hospitals. Last year, there were still a couple of lockdowns. Clinics were empty and patients could not get proper care because of those lockdowns and the fear of catching the virus. That is one factor, and then we are also seeing more patients in the cities where the pilot has been implemented for universal healthcare.

Companies often compete to be involved in partnerships or programs with the government, not just in Egypt. Are there any areas in which GSK stands out?

It is healthy competition because there is a need for a lot of improvement in the way the healthcare system is operating today. The good thing is that the government has clear objectives, although they cannot improve everything, but at least they have isolated a few topics, the “hot potatoes” we absolutely must deal with. One is what they call the oncology initiatives in women’s healthcare. There are other initiatives, and we like to be an active partner with the government.

There are non-communicable disease initiatives for diabetes and hypertension – screening in mobile clinics that are open for everyone to check their blood sugar, check their blood pressure etc. This is good for patients because they will have a better quality of life and hopefully live longer and it is good for the system because the early diagnosis will prevent spending on complications. It is also good for the industry because we can offer something to help these patients and sustain our factories and get a profit. So, I am a big fan of working with the government.

Specifically, we are discussing different issues with the government on the prevention side, preventing diseases and especially using the benefits of vaccines to prevent diseases, like HPV and cervical cancer prevention, or other types of oncology diseases.

Is there any final message you would like to share with PharmaBoardroom’s international audience?

I am very optimistic for Egypt’s future. It is a country with a sizable population that is very much in need of healthcare services and there is plenty of room for multinationals to operate in here. We have been here for 100 years already, and I think the future will bring more and more opportunities in speciality care.

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