

Mourad Ishak - General Manager MEA Region, Farmak



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Mourad Ishak began heading up Farmak's MEA region as general manager in 2021, after almost two decades in the industry. He explains the Ukrainian complex generics maker's decision to set up an affiliate in the UAE, underlining government flexibility and agility in the region and ongoing regulatory improvements, factors which he claims will drive the company's planned expansion to other countries in the MEA region.

As you are leading Farmak in the Middle East since 2021, can you introduce us to the company and what excited you about taking on this challenge?

Throughout my career I have always longed to start up the operations of a business where I was able as part of a team member to apply commercial and technical innovative solutions. I found that at Farmak, I have been able and empowered to do it again. Farmak is an incredibly unique company that originated in the Ukraine, where it is the local market leader. It also has extraordinarily strong roots, having been founded in 1925, and today it has 22 GMP compliant production lines. Currently we have our headquarters in Switzerland and have acquired a factory in Spain. The company has a direct market presence in Central Eastern Europe, MEA and Central Asia.

The company's strengths are built around efficiency and a focused approach. Farmak has a strong commitment to customers and is extremely reliable. This has built sturdy foundations and helped it expand from a local Ukrainian player to a global multinational.

MEA offers strong potential for Farmak with its economic stability, large population, and ambitious governments. Furthermore, insurance coverage is growing in the region and the share of generics in most markets is rising. All of this is a great match for Farmak and why we have chosen to drive ahead our operations here. We supply complex generics and, with the penetration of these products only growing in the region, we see a great deal of opportunity ahead.

How is Farmak's portfolio represented in the region?

The company has over 400 products in its portfolio as well as two R&D centers, one in Ukraine and a new one in Spain. We are investing 90 percent of our revenue back into the business and are producing nearly all our products through our 22 GDP-compliant production plants. Our key strategic therapeutic areas are contrast media, hormones, fertility, and anesthesia.

As a company we differentiate ourselves by producing complex generics i.e., products that are a challenge to manufacture such as injectables. Having said that, we also produce other medications such as oral, topical and ophthalmic formulations.

How does Farmak differentiate itself in the competitive generics landscape?

The company works in a decentralised manner and within the MEA offices we are able to make decisions quickly and act on what is best for the region, such as deciding to use a contract manufacturer partner to produce products for the local market. We do this by seeing what best fits the market, and then making sure the medications being produced by our partners are meeting the required efficacy and are being launched at the correct price. We want to bring added value to the healthcare ecosystem and this is aligned with the visions of governments in the region on introducing more generics, which in turn will give greater market access to patients.

I would also say that, having worked with a number of companies in the past, our planning is second to none and the technical expertise of the company is ingrained within its DNA. We are so efficient, and the departments are always communicating with each other, meaning we are always working towards the same goals and looking to find solutions to any issue.

What are the benefits of operating a regional business from the United Arab Emirates (UAE)?

It is a starting point, with planned expansion to other countries in the region. When we initiated our legal entity in the UAE, we went all the way and also set up our scientific offices here because it is such a great place to do business.

Firstly, the Ministry of Health and all the government departments are particularly open and agile. As a generics company supplying medicines to treat patients, we must supply a lot of documentation all the time. When we have an issue, we contact the relevant government departments and we receive answers on the same day. This is an amazing level of efficiency and speeds up the entire process.

Secondly, if the Minister of Health needs to clarify a point, they call us, and we solve it. There is no long and drawn-out process. Again, this makes everything move faster and promotes a healthy business environment. If you look at the demographics of the country with so many expats, you can see it is a nation designed to do business and attract investments.

We have a phasing plan for other countries that is coming very soon.

What do you view as the main challenge for your region?

There is ongoing improvement in regulations starting from Saudi Arabia and the UAE as well as the rest of Gulf countries and in many markets in Africa. It is critical then to be close to customers in order to understand the changes, give input and coordinate the changes internally.

As Farmak, we are in a period of transformation and are making sure we remain agile to match the market shifts. We are preparing our functional operations and staff to meet demands, such as changes to tax and healthcare regulations. When operating in markets like Saudi Arabia and the UAE, which move at an extremely fast pace, we must replicate this within our speed of operations and decision making.

What does HQ see as the potential of the region?

We are still a young company here and the region is in a growth stage with a lot of potential as it entails 20 percent of the world population but does not represent that same amount in terms of pharmaceutical sales. Therefore, if you come to the market with the correct product at the right time, you will find room to add value and grow.

Moreover, if you look at countries in the region, there are many that are top global performers economically and the gross domestic product (GDP) of the other countries is going up, backed by an ambitious and young population and equally ambitious governments. This is further supported by a surge in healthcare coverage through insurance and the push for generics that offer value at a lower price. This all fits with the Farmak DNA for the production of high quality complex generics.

As a new player in the region, how have you gone about building brand recognition for Farmak?

We are launching ourselves into a new market every couple of months, and the first step is to make ourselves well known to our partners so that we can enter countries properly. We are very selective with our partners as they represent us, and we rely on them to make sure we are reaching the correct patients, with the right timing and pricing.

What are your main objectives in the upcoming years?

Firstly, to have an agile operational team. Second, to have our strategic brands represented in the 20 countries we aim to be in throughout the region. Thirdly, to have satisfied patients and partners. Last but not least, to be a top three player within the molecules we operate in. This will be done by building on the company's strengths of being focused and efficient

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