Ayman Sahli – CEO, Julphar Pharmaceuticals, UAE



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Ayman Sahli, CEO of Julphar Pharmaceuticals, gives his insight into the region's growing health problems related to lifestyle changes and what this means for the company in the long run.

Under your leadership, Julphar has established itself as a leading pharmaceutical company in the Middle East. What are the next goals and benchmarks that you want to achieve for the company?

Julphar always endeavors to remain true to its core business, which is providing high quality affordable medicines within our region and emerging markets. Due to the unfamiliar landscape and highly fragmented market, this area proves a challenge to multinational companies, of who in the past have refrained from well serving our region with the introduction of new medicines.

Over the past twenty years, we have seen a drastic change in the socio-economic climate of the gulf region and neighboring countries. There has been considerable growth in terms of wealth and a sharp increase in health expenditures, which was mandated by the Ministry of Health. These factors have aided our local objectives and also enabled us to better help under-served regions. This was further realized in 2013 via the inauguration of our local manufacturing base in Ethiopia, with capacities enabling coverage of the African region. Within the Middle East, demand is driving the development of advanced infrastructure, inclusive of clinics, hospitals and universities. It is essential that local and regional companies focus on supplying these modern organizations with

the right pharmaceuticals.

Furthermore, we also see the importance of not only being a manufacturer of medicines but also investing in educational support to doctors and healthcare providers; as a direct means of providing the latest pharmacological advances, and in turn improving patient outcomes.

Julphar is currently working on developing Biotechnology resources within our locality. Biotechnology is more demanding from a scientific and manufacturing perspective, requiring time and investment in research and operations. We are keen to play a significant role in this and to be instrumental within the global Biotechnology arena.

Julphar's step into biotech was cemented when it began producing insulin. Within the biotech segment what are the next disease areas and products that you are currently looking to produce?

The decision to enter into Insulin was considered as part of the wider Diabetes platform, complementing existing products in our portfolio essential for the management of the disease. Insulin can prove challenging due to the availability of raw material, and expense and time connected with this. We are pleased to be currently in the midst of obtaining regulatory approval from EMA in Europe. Furthermore, we are now in the process of expanding upon our Diabetes portfolio and exploring newer generations of longer acting Insulins.

Our first venture into Biotech was via Erythropoietin, with the objective of providing this at a significantly lower price, produced by a regional company with an efficient distribution center, with all the additional services—i.e. the training for the healthcare provider. We are currently working on strategies to expand our biotechnology portfolio, but respect the demanding nature of this field and the resources it requires. It is also important to bear in mind that biotechnology is still an unclear area in terms of the regulatory framework and processes.

What role is Julphar playing in shaping and creating a regulatory framework for biosimilars in the UAE?

Julphar intends to pave the way and assist in bringing clarity to regulation, which will aid the smooth transition of these products within our region. We gladly welcome the incursion of other experienced Biotech companies in this quest.

Access to complete resources is also key in the development of biotech in the region. Inclusive of attracting experts from other regions, of who can bring with them experience. We must also accept that on the whole it is a lengthy process likely to encompass many hurdles and new challenges along the way.

The inclusion of more biotech products in our portfolio will further complement our extensive generics portfolio with the ultimate objective of providing patients with complete healthcare solutions. We can’t ignore the importance of gaining trust and support from the Ministry of Health in order to benefit patients and gain access to the wider region.

Given the rapid influx of Big Pharma into the region, what opportunities do you see in terms of partnering with multinational industries for transferring of technology for licensing products, etc.?

The region has a total of 300-400 pharmaceutical companies, which illustrates the heavy fragmentation of the market. We are the second or third biggest company with AED1.4 billion in sales, and the only Middle Eastern company that has a registration in all markets and actively enforces global standards of practice. As the Ministry of Health also enforces tighter regulations, many smaller players will be pushed out of the market, which enables the larger companies to dominate.

Furthermore, regulation within the Middle East is also fragmented. Julphar is experienced in this, however multinational companies are generally used to single markets with unified regulations. Thus, as a result it is more difficult to gain market share of a generic product, with many competitors, in an emerging market.

When partnering with innovative companies, Julphars primary objective lies within the transfer of technology in order to manufacture advanced products locally. As this region is still unknown territory to some, many international companies are often reluctant to engage despite the great opportunities here.

The differentiating factor of Julphar is that we have a certain ambition that goes beyond the traditional generic model, through our investment in biotechnology. Along with this we have the ability to access many countries within this complex area and are actively working to streamline and facilitate access via regulators.

It is evident that Julphar has mastered the peculiarities of the Middle East region. What are the globalization plans of the company? And what are you going to do to leverage your local expertise in other markets?

We have a simple model that is tied to our expertise in manufacturing great quality products at low costs. Leveraging this, we are able to expand into new products and new markets. Our capacities enable us to serve the wider region; and we are developing partnerships in order to fulfill the demand for technology transfers in underserved areas.

We are well positioned to enter atypical emerging markets, which currently stretch as far as Ecuador. To add to this our local base in Ethiopia has opened up a lot of opportunities. We are a young and emerging company, we are flexible and this is the leverage that sets us apart from larger, western orientated organisations.

And beyond Ecuador are you looking at other countries in America?

Ecuador is part of a long-term plan and Latin America is certainly a region we wish to expand within. We have already introduced our first product in approximately 14 countries with our unique brand, and there are still other countries we are looking to expand into. Along with this we plan to introduce more products from our existing portfolio.

Where do you see the company in the near future?

The Middle East has improved greatly in the opportunities it has to offer and the stability that comes along with that. Demand is high and specialty medicine is definitely needed in the region.

We are ready to partner with the right international company should this opportunity arise. Whereby we can benefit from technically advanced products and exploit our vast knowledge and experience in facilitating access to markets.

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