Interview with Awni al-Rushoud, Acting CEO, Jordan Investment Board

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Tags: Jordan Investment Board

The Jordan Investment Board (JIB) has played an important role in boosting the success story of the Jordanian economy since its inception in 1995; today, what are the JIB’s main priorities and objectives? What is currently your core agenda?

The JIB attracts FDI to Jordan from all over the world. Our top priority is to attract and enhance high value-added investment in a number of priority sectors, including the pharmaceutical industry. With high value-added investment I mean investment that creates high value added jobs, investment that attracts technology and know-how for our economy, and also to use our local input and capitalize on this input. An important framework for this is the National Investment Strategy (NIS), which was conceived to closely examine the investment environment to identify milestones and provide implementation plans to enhance the economic development in Jordan. We attract investment and provide the incentives.

What have been the main milestones and achievements since you took the rein six months ago?

In the first four months of 2012 the number of projects that has registered to benefit from the IPL has grown 64 percent compared to 2011. An increase in the investment size occurred in many sectors, among others in – and this includes pharmaceutical – manufacturing.

The Jordanian pharmaceutical industry is remarkably successful, with strong manufacturers led by Hikma actively growing their presence around the world. Would you outline how the importance of the pharmaceutical and healthcare industry for the Jordan economy is developing?

The Jordanian government and private sectors are both committed to modernizing the healthcare system. Jordan has a reputation in the region for its high standards of healthcare services, and both public and private hospitals have been expanding and upgrading in recent years. The continued modernization of the Jordanian health system will benefit residents, as well as attracting overseas interest in the Jordanian market.
The pharmaceutical sector is one of the most efficient sectors of the Jordanian economy. Our companies compete with many other MNCs in the MENA region, they export to over 60 countries around the world and are highly efficient and able to penetrate markets around the globe. The industry is capitalizing on their competitive advantages, and we will see the pharma sector grow more and more in the future. The Jordanian pharmaceutical market is expected to grow further in coming years, and already today the industry accounts for 20% of manufacturing GDP, and around 8-10% of total exports

Jordan developed a number of industrial parks where pharmaceutical manufacturing is welcome – Zarka, Irbid, Amman; what are the advantages for manufacturers to set up manufacturing facilities in Jordan?

There are so many reasons why they should come to Jordan. The first important reason is the three S'es: stability, safety, and security. Jordan is a stable and secure country, and on top of that it has a strong business environment as well as suitable soft & hard infrastructure. We have a very good labor force that can provide valuable input in the pharmaceutical and medical industry and increase productivity & efficiency. Jordan provides a low cost regional manufacturing/sales hub with access to a regional healthcare and pharmaceuticals market worth over $4.5 billion per annum for Saudi Arabia alone. One the important reasons is to benefit from the Jordanian expertise in the region. And strong regulatory environment.

Jordanian producers are known for their export volumes, but Jordan Food and Drug Administration (JFDA) Director General Obeidat said (in an interview with the Jordan Times this month) that although Jordan still leads the region in exports of pharmaceuticals, competition from neighboring countries was threatening this status. How will Jordan retain its competitive edge?

Innovation is the answer. The Pharma sector spends 4% of sales on R&D (the 4% is not only for the 8 CROs, it could be also internal R&D), including the International Pharmaceutical Research Centre (IPRC). Of course in comparison with MNCs, that spend some 20 percent on R&D, this is not much, and I believe that Jordanian companies need to further step up R&D investments. New ideas &

products need to be developed, because in the end they cannot improve without R&D; innovation means life for them. More investment will lead to penetration of more markets and an increased market share, because in the end quality prevails.

Do you think Jordan has what it takes to become a centre of excellence for clinical trials in the region and what policies are you implementing to make it happen?

Drug trials cost 50% less than in Europe or US, and salaries in the sector are 50% lower than GCC and less than one quarter of Ireland & Singapore. Jordan boasts a large, skilled labour pool of over 8,000 employees in the sector and a growing pool of medical students, while the level of IP protection is among strongest intellectual property rights protection in the region. Relatively short approval timelines and fast recruitment rates of patients are among the important factors.

We have a few sectors that benefit from the Jordan Investment Promotion Law. Different laws in Jordan recognize benefits born by foreign direct investment therefore they include provisions to encourage foreign direct investments and grow domestic investments. We added R&D to sectors that benefit from our investments and from the facility and services that JIB offers. We believe in increasing the share of the expenditure on R&D and innovation, and we provide tax breaks and incentives in case of investments in R&D.

Jordan is the fifth biggest country in the world for medical tourism; what makes the country so attractive to medical tourism?

Jordan was ranked 1st in the Arabian region and 5th in the world by World Bank medical tourism experts as a medical tourism hub. Jordan received over 250,000 foreign patients from around the world last year, and private investors and the government also sponsor top notch overseas medical training for doctors. Early investment in education and labor force development has contributed majorly in the advancement of the medical services sector. Furthermore, the high quality and competitive prices of treatment. The Dead Sea, attracting medical tourists from the all over the world, is a unique wellness destination with rich minerals and salts heeling skin disseas and a higher oxygen levels contribute in recovery. the government has made it simple and fast to obtain a visa at the airport. Also, Jordan has its own healthcare accreditation council in place, which is itself accredited by the ISQua, ensuring that healthcare in the country meets international standards.

What is your final message to the readers of Pharmaceutical Executive about the extent to which pharmaceutical and life sciences are priority sectors to develop for the future economic development of Jordan?

My message is: turn to Jordan. your smart medical destination. we offer a unique & strategic location. offering easy access to the high growth GCC market, and the Iraqi and Syrian markets, which will stabilize in the near future. We have excellent relationships with Israel. Our country is an oasis of peace & stability, and it is the right place to have and grow your business. We are always improving our service to our investors.

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