

Pharmacie Centrale des Hôpitaux (PCH) - M'Hamed Ayad, Director General - Algeria



19.01.2015

Tags: [supply](#)

The Director General unveils new techniques to optimise the stockage and supply of medicines to Algeria's hospitals and explains how shortages and bottlenecks very much issues of the past

Could you please start by introducing the PCH and its mandate?

Our forerunner, the Algerian Central Pharmacy (Pharmacie Centrale Algérienne) was created in 1963, and restructured in 1982 to create three regional directions: Enopharm in Oran, Enapharm in Algiers and Ecopharm in Constantine. Those directions' mission was the supply of medicines to the hospitals and pharmacies in each region. Meanwhile, an entity called Enemedi was established for the acquisition and purchase of medical material, instruments and everyday health products.

The PCH (Pharmacie Centrale des Hopitaux, Central Pharmacy for Hospitals), created in 1994, is the result of a second restructuring of the pharmaceutical sector. At that point, the government expressed its concerns about the security of supply of medicines to hospitals and pharmacies, and its desire to protect them from fluctuations, shortages and shortfalls. Additional public services also fall under the remit of the PCH such as the responsibility for maintaining strategic stock and a disaster contingency stock. As a public enterprise, the PCH is also able by law to conduct industrial and commercial activity.

Last year, Algeria experienced a shortage of medicines. What have you been doing to remedy this?

I don't think it is fair to use the word 'shortages'. Saying that, from time to time, there have been some out-of-stock situations would be more appropriate. The management of supply and stocks requires daily actions to ensure no shortages. The PCH, with its public service mission and its culture to serve the patient, prioritizes the availability of pharmaceutical production according to the commercial mandate underlined in its creation.

It is important to highlight that when shortages occur, it is often the consequence of non-expressed needs of hospitals, and are therefore difficult to anticipate. However, in the defense of hospitals, there are an ever-increasing number of patients entering the system, as access to healthcare is a constitutional right, as well as the population choosing to seek treatment rather than prevention, or specific diseases that cause spikes in supply and demand. However, by and large, supplying hospitals is marked by its regularity. In order to carry out this objective, the PCH schedules supplies based on average consumption and launches tenders to allow hospitals to operate normally.

What systems would allow a better coordination between the hospitals and the PCH?

Public authorities have placed increasing importance on ensuring availability of medicines. To date, the PCH has a management system and plans to implement software enabling the creation of a functional and open link between the stocks of hospitals and our system. An electronic order system for monthly and weekly needs is currently in the works. Among other things, the PCH is in the process of acquiring Enterprise Resource Planning (ERP) methodologies and technologies. We have already installed fiber optics at our four regional offices as part of a project managed by the Office of the Minister of Health in partnership with Telecom Algeria. The modernization of the PCH in all its aspects will allow better control of supply, and will allow us to focus on drug availability, quality and cost.

You have previously spoken about delays in the payments to the PCH from the hospitals. What is the current situation and how has this evolved in recent years?

The hospital debts to the PCH haven't stopped increasing. The PCH has experienced some cash flow problems as a result of this, effectively paralyzing it. In this context, the public authorities have decided to simplify the rules when it comes to the awarding of contracts to hospitals. Mutual contracts are now the chosen method of execution with all hospitals for all drugs requested.

Algeria's objective is to locally produce 70 percent of the pharmaceutical products consumed in the country. What role do you see the PCH playing to reach this goal?

Public authorities have shown their willingness to adopt a drug policy in Algeria. Coordinated actions by the General Directorate of Pharmacy of the Ministry of Health, Population and Hospital Reform and the various producers have been implemented to identify the essential products required to create functioning hospitals, and to ensure a certain percentage of drug production in Algeria. Generic products available in Algeria have already relieved the country's drug bill, but to a large extent, Algeria remains dependent on originator molecules. The PCH supports local producers and is working actively to reverse the trend of consumption to achieve the desired ratio of 70 percent generics to 30 percent originators. The government's drug policy aims to increase the share of generic drugs on the market, but without losing sight of the importance of making innovative molecules available to patients as required.

You also want to see a change in the role of PCH with an increased role in packaging and the production certain elements. How do you see this development taking place?

Our priority, for the time being, is about modernizing the PCH, as well as ensuring the compliance of its infrastructure to international standards. The question of the packaging and manufacturing of pharmaceutical products is our second priority.

The PCH follows the policies of the Ministry of Health, Population and Hospital Reform and of his Excellency the President of the Republic, by working to reduce the drug import bill, promote the consumption of generic drugs and foster a favorable environment with the right conditions to enable to the birth of a fully-fledged Algerian pharmaceutical industry.

It is important that the PCH acts as an instrument of the state in the service of patients and the country's health infrastructure, with a regulatory role in addition to ensuring the availability of pharmaceutical products anywhere across the country.

To read more articles and interviews from Algeria, and to download the latest free report on the country, [click here](#).

[See more interviews](#)