Koen Kruytbosch – Managing Director, Morocco, Tunisia, and French West Africa, MSD – Morocco



26.03.2015

Tags: MSD, pricing

The managing director of MSD for Morocco, Tunisia, and French West Africa explains why the company has chosen Morocco as its hub for the region, discusses the difficulties associated with the government price cut and explains that pharma needs to focus on the local needs of the country.

Can you tell us about MSD in Morocco and the Maghreb region?

Morocco is seen as an important hub in the region. We act as the head office for Tunisia, Morocco and the 27 countries of the French West African region, excluding Algeria, which is a market in its own right.

We see Morocco as a stable market where there is a high level of manufacturing activity, which creates opportunities for collaboration. We have several local partnerships providing products not only for the local market but for exports, including to countries such as France.

In Morocco itself we aim to partner with the government to address what they see as the major health challenges. We have an interesting portfolio that is aligned with the priorities of the country. For example vaccination is an area where the government and the ministry of health are increasingly looking to prevent diseases as an important part of the solution. We have two other

areas that are important: hepatitis C and hospital and specialty care. In the case of hepatitis C, early treatment leads to the prevention of a further devastating progression of that disease with a significant impact on the quality of life of these patients. Prevention of a disease and prevention of the progression of a disease are very important, both from the patient and health care cost perspective.

Having an early intervention system and treating the disease in its earliest stage could allow the government to save a significant amount of money. Concerning hospital and speciality care, antimicrobial treatment of multiple drug resistant bacteria is very important to prevent further proliferation of these bacteria. Furthermore, we have an innovative oncology franchise. Again, this can lead to significant savings in healthcare spending. These are all important priorities for the government: to be able to treat disease, and prevent disease as much as possible. The portfolio that we have as a company allows us to partner successfully with the authorities in these areas.

The ambition of the government is to do more concerning prevention where the situation is not homogenous across the country. In the main cities, access to treatments is less of an issue but it is more so in the remote, rural areas of the country. How can MSD participate in improving this situation for Morocco?

At the end of the day the government has to look at how such a situation can be resolved. The Moroccan government will need to work on policies that will help people across the country have access to healthcare. For example in the two biggest cities in Morocco – Casablanca, the economic capital of the country, and Rabat, the capital city, you have insurance schemes and people from all over Morocco who have moved there for work. These cities have the best healthcare capacities that can easily absorb 50 percent of the healthcare system coverage. Yet it is not merely in main cities where MSD can be of help. As the government extends the coverage to others, we will be willing to partner as we currently do.

While the Moroccan reimbursement system has not yet reached the depth of coverage of countries such as Tunisia or Algeria, it is moving along the right lines. As more people demand access to healthcare, the infrastructure has to grow along with the demand. This is where we can support capacity building, as we do with training and education such as continuous medical education programs in the field of diabetes and hepatitis C.

How do you work around the issue of diabetes in a family-orientated country such as Morocco, where lifestyle can be difficult to change?

This again has to be done in collaboration with the authorities. It is not just treatment that is important, but increasing awareness of what can trigger type-2 diabetes and how you can best manage this disease. The moment you have a case of diabetes in your family, this provides an opportunity to discuss such matters and engage the family in supporting the patient in managing the disease. We as a company help provide evidence-based insights into what you can do to help slow down its progression.

When we speak with doctors treating patients with diabetes, there is an opportunity to talk about what kind of options you have to make sure that the patient attempts to reduce the speed of progression of this disease and is supported by the family to succeed. The physician plays an important role here, in line with and supported by the government; in that communication we can play an important role in ensuring that there is accurate, evidence-based information that contributes to managing diabetes in an optimal way with the patient's best interest in mind.

MSD is not alone in working on diabetes; it is a very competitive area. What do you see as the added value provided by MSD?

We are in a competitive environment, but at the end of the day, I believe that what a lot of people forget is that when you develop a medication it is not just to compete with another pharmaceutical company. Rather, when developing a medication you are actually trying to find a better or not yet existing solution to prevent or treat a chronic and/or life-threatening disease.

When truly focused on innovation, you are trying to address an unmet need. While a competitor can be on the same track, from a doctor's perspective and medical society's perspective, they look at what a product does, what it brings to the table, how much it costs and possible side-effects. It is not about being competitive, because from a medical perspective every human being is different and every human being has a different response to certain medication; it is up to the doctor to decide what works best.

From the access perspective, in Morocco the government is driving health insurance with RAMED for the neediest and under AMO for public and private sector employees. For AMO, innovative products are reimbursed, such as our diabetes products. Through RAMED, access to innovative products is limited. We know that the need for access to life-saving innovative medicine is not determined by one's wealth. MSD is here to partner with the government in developing sustainable ways to provide open access to innovative drugs, including people who can least afford them.

How does working on women´s health in a conservative country such as Morocco compare to, for example, the US?

Whether a market is conservative or not, the key is to understand the impact of an unintended pregnancy. In a society that strives for gender equality, women should have control over their reproductive health. While family planning does not always require medication or hormonal treatment, there are many things that can be done. Our company's perspective on women's health is that we provide an array of the best possible products, and then it is up to society, the public health system and the woman – in consultation with her physician – to decide how she would like to manage her reproductive health. We also work closely with the global family planning movement to ensure that we help provide women with access to, and choice among, different modern contraceptive methods.

MSD is partnering with local healthcare organizations in Morocco on various educational programs, including an initiative with Al Hayat connected with our "MSD for Mothers" program. The goal of that initiative, launched in Morocco in 2013, is to reduce maternal and newborn mortality by strengthening the capacities of Moroccan midwives and paramedical staff directly involved with birth attendance in terms of preventing post-partum hemorrhages and infections.

MSD for Mothers is our company's 10-year, $500 million initiative to reduce maternal mortality—the death of a woman from complications during pregnancy and childbirth. Working in close collaboration with more than 75 implementing partners, Merck for Mothers has initiated more than 50 projects in 30 countries—all built for lasting impact and contributing to our vision of a world where no woman dies giving life.

The focus of this initiative is the two leading causes of death—postpartum hemorrhage and preeclampsia/eclampsia—as well as family planning, a powerful preventive tool to save women's lives. We have created a portfolio of programs that align with three main pillars: 1) access to affordable, quality care; 2) product innovation; and 3) advocacy and awareness.

People in the Moroccan pharma industry claim the worst of the storm is behind us. What do you see as being the remaining challenges?

I believe we have to seriously increase our collaboration; the solutions and opportunities lie in the hands of the government and the minister of health and we are here to support wherever we can. We need to build trust, ensuring it is not seen as a one-sided approach but rather a win-win partnership leading to significant advances in health, benefitting the Moroccan people and the economy. The old image of pharma as it has been is over. We need to care about access, the health needs of a country in general and patient in particular. We need more dialogue and it will not all happen overnight. This is a process: the price decreases caused enormous turmoil because

of the restructuring it entailed to safeguard sustainability. Mutual understanding needs to be in place, and you can only create such an environment through dialogue and careful attempts to build trust.

We have heard from some local players of a certain disengagement from MNCs, a sign that they are not committed to the health of Moroccan patients. Is there such a disengagement taking place?

I believe the opposite is true. Though when you are confronted with a market intervention that has a significant impact, it is natural that one cannot continue as normal. We needed to reset our base, but that does not mean that our commitment is any less. MSD has been active in Morocco for more than 60 years, and our commitment is stronger than ever before. The pipeline this company has is very promising. There is always a timeline and certain moments when you need to be resilient, but when you finally can bring those innovations to market they can positively impact and transform many lives. There is a very strong commitment for us to be actively engaged in Morocco, ensuring the widest possible access to these important innovations.

You mentioned before that Morocco acted as a hub for the region. Why was Morocco chosen as such a hub?

Morocco has an excellent infrastructure, an excellent level of education and local pharmaceutical manufacturing capabilities. Coupled with MSD’s manufacturing know-how, virtually all critical factors are in place to produce on the African continent and supply to other markets. Morocco is already meeting the required high quality levels for international exports. Equally important is that Morocco has the necessary ambition to be a hub for the region, increasingly looking south at the African continent!

How do you predict MSD’s future performance in Morocco?

Performance is a reflection of how we do locally as well as globally. Globally MSD ranks in the top five. Our full portfolio is available in Morocco; this is one of the few countries where we have this. Hence, there is no reason why we should not be able to be in a similar position in Morocco as where we are globally.

To read more articles and interviews from Morocco, and to download the latest free report on the country, click here.

See more interviews