

Interview: Mahmoud Bagneid - CEO, BM Egypt



12.01.2016

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As the founder of Egypt's leading commercial agent for advanced medical technologies, Mahmoud Bagneid has a simple goal for Egyptian healthcare; for all Egyptian's to be aware that they should have a yearly health checkup, and to have regular basic blood tests to diagnose diabetes, hypertension, and other common health issues.

BM Egypt plays an important role as a leader and educator in Egypt, bringing advanced medical technologies to the country. What is your ambition for the Egyptian healthcare sector as a whole in the coming years?

My ambitions are very high, as there is much I would like to achieve. The two main goals that I have for Egypt are simply awareness and education. I would like to see every person in Egypt aware that they should have a yearly health checkup with their doctor, know if they have diabetes, know if they have high cholesterol or blood pressure, or some signs of kidney or liver problems. All this would take is a yearly checkup including a few tests, which could be varied each year; glucose, blood pressure, cholesterol, liver function and kidney function.

Achieving this for every person in Egypt is something that will take many years however. The main hurdle is the economic reality of Egypt; 50 percent of our population lives under the poverty line and they cannot afford healthcare services. This isn't something that the private sector can solve alone, and it will take the government many years to develop the healthcare systems needed to

provide all Egyptian people with healthcare, so I will focus on the 50 percent of the population above the poverty line.

I will happily support the Minister of Health's plan to expand national health insurance to cover all Egyptians without exception. However, achieving this goal will require a lot of investment and the creation of new organizations and institutions. BM Egypt and myself fully support this initiative as Egyptians, and will support any efforts to expand health insurance coverage as best we can in the coming years.

For these Egyptians, diabetes, high cholesterol, and other basic health complications are unnecessarily killing people. 90 percent of health issues are easily managed or treated, and early diagnosis and treatment can ensure that people have a high quality of life in the later years. The first step to building this mentality amongst Egyptians is to focus on educating medical society to better receive, educate, and communicate with their patients the importance of being aware of one's health. Cost should not be a real barrier, as these basic diagnostic tests are very affordable in Egypt, equivalent to the cost of one restaurant meal perhaps. So this is my ambition, to get the Egyptian people en masse to begin taking their health more seriously, and to invest a small amount in diagnostic tests each year; by doing so many diseases can be prevented, and many lives extended and saved.

For the Egyptian population below the poverty line, improving healthcare is primarily an economic issue; what is your perspective on Egypt's current economic situation?

Back in 2004, I was the vice president of the American Chamber of Commerce in Egypt. At that time, GDP growth in Egypt was only 0.5 percent, and both the business community and the Egyptian people were very unhappy with the country's economic performance. I headed a committee which approached the IMF asking for advice on what steps should be taken to improve the Egyptian economy; the eventual conclusion was that we needed to raise USD 40 billion of foreign investment capital to inject into the Egyptian economy. In 2005, we held an economic conference in Sharm El Sheikh to begin raising capital, and we raised the USD 40 billion over the next five years. By 2009, the year before the revolution, economic growth was up to 7.5 percent and we were ecstatic.

Then the revolution occurred, disrupting the economy severely with economic growth slowing to 0.5 percent, and the already unstable electricity supply became even less reliable. At the same time, population growth increased during this period as families stayed indoors more often due to the unrest, often without electricity; much as in New York during the famous 1980 blackout, and

many babies were conceived. Herein lies the biggest problem; with population growth outstripping GDP growth during the two years of instability, income per capita began to fall, and for families living below the poverty line this meant that many are unable to afford food for additional children.

Today, the situation is promising, but the economy is still far from strong. The current IMF advice is that it will now take another USD 80 billion in investment to help get economic growth back up to 7 percent. The only industries that have performed well since the revolution are those fueled by Egypt's population growth, primarily meaning the food industry and all businesses related to babies and young children (diapers, baby formula, pediatric medicine), but also the healthcare sector. I am one of many who is very impressed with our new president's performance so far, as president Al Sisi has organized and began a lot of great projects for the country, and his government appears to be fully committed to improving the lives of the Egyptian people as a whole. The major problem or challenge at this point is the political unrest and violence occurring in the region at present, and this is something that no one country can solve on its own.

What is BM Egypt's position in the wider Egyptian healthcare sector?

I founded BM Egypt many years ago with the purpose of bringing advanced medical technologies to Egypt. Personally, I have a PhD in biochemistry, and discovered why schistosomiasis patients were dying in Egypt many years ago, and given my scientific background I have always been very interested in the latest advances in medical technology. Over the years, BM Egypt has established itself as the premier commercial agent for medical technology companies in Egypt, and has played a key role in educating thousands of physicians and lab technicians; for example, over the last ten years we have organized and funded the training of 3000 doctors in endoscopy, and today open body surgery in Egypt is mostly a thing of the past.

Today, our portfolio includes products across the entire spectrum of medical technology, ranging from hip replacements, to heart stents, to MRI scanners and laboratory testing equipment. Given our position, if we do our job well and achieve strong sales on behalf of our clients they eventually reach a break even point and establish their own affiliates in Egypt, as was the case for Roche diagnostics and Johnson and Johnson. As such, we constantly seek new clients, midsized medical technology companies with technologies.

Considering the healthcare providers that you work with in Egypt, what technological capabilities and competencies is BM currently trying to develop in the country?

First of all, nearly all medical technology must be brought to Egypt, as only 7 percent of medical devices are produced in Egypt, which are all low-tech products such as disposable syringes. As

such, we must develop capabilities and competencies across the entire medical field, and bring whatever advances are made globally to Egypt.

That said, for many years a large portion of our efforts has been directed towards laboratories and diagnostic capabilities. We are doing our best to make sure that medical labs are able to diagnose diseases, as there are many diagnostic technologies and possibilities that Egyptians are still not aware of. For example, we have recently brought the technology necessary to detect alpha-1-fetoprotein, an indicator of hepatocellular carcinoma, to Egypt, and previously there was no way for the laboratories in question to diagnose this cancer. When you consider the thousands of diseases that can be diagnosed via technologically advanced in-vitro testing, and the impact an accurate diagnosis can have on treatment decisions and efficacy, this is a very important area for Egypt to advance in.

Another area BM is very active in at present is radiology. Egypt lagged behind significantly in the adoption of MRI and CT systems, and often still relies upon x-rays. While Egypt now has good MRI capabilities, in the past all MRI systems had been closed, making it difficult or impossible for obese or claustrophobic patients to use; today open MRI systems are now available, and we are working on bringing some of these systems to Egypt.

Of course, the primary challenge for these areas is funding; doctors are very receptive to new information, technology, and education, but the money required to obtain new technologies is very limited.

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