Amre Mamdouh – Vice President & Area General Manager Egypt and North Africa, GSK



GSK has been in Egypt for almost 70 years and our footprint here is around driving access to medicine for the Egyptian population through our diversified portfolio

20.06.2019

Tags: Egypt, GSK, Strategy, Patient Access

Amre Mamdouh, vice president & area general manager for Egypt and North Africa at GSK, explains how GSK has been able to hold its leadership position in Egypt despite economic difficulties. He also highlights the government's prioritization of healthcare and the role of GSK as a partner of national campaigns, adding value for all stakeholders.

Can you give us an overview of the main specificities of GSK Egypt that illustrate the importance and leadership position this company holds in Egypt?

GSK has been in Egypt for almost 70 years and our footprint here is around driving access to medicine for the Egyptian population through our diversified portfolio. Every five minutes, almost 3000 patients are treated with GSK medicine; a fact that makes us really proud. GSK in Egypt is a true partner for all stakeholders. Our portfolio in the country is diversified: we have a strong position in the acute diseases area, like antibiotics and painkillers, as well as in chronic diseases, where we are leading the treatment areas of respiratory diseases and psychiatry. Moreover, GSK has a very strong portfolio in preventive medicines, being a one-stop-shop for vaccines in Egypt. GSK is manufacturing with two plants in Egypt and almost 90 percent of our products sold are produced locally. As acute medicine continues to be a growth driver in Egypt, 90 percent of our sales are coming from this area and ten percent from preventive medicine.

Despite economic instability and pricing discrepancies over the past years, GSK has been defending its leadership position and even announced in 2016 to invest USD45m in Egypt. What has been your strategy for success in these challenging times?

GSK is continuously improving the efficiency of its business operations and this has helped us significantly to remain a leader in the Egyptian pharma market. The second strategy we have been pursuing is cost-reduction. We have had products in our portfolio, that had negative margins, so are in ongoing dialogues with the authorities to improve the prices slowly, to at least reach the break-even point, while also not hurting patients by the hikes. Our first priority is always the patient, so guaranteeing access to medicine is crucial for us. This has not been an easy task in Egypt in the last few years, but GSK is convinced that this is our responsibility, which comes above any profit margins.

In August 2017, a few months after her appointment, GSK's CEO Emma Walmsley pointed out that one of her priorities was to be more competitive in GSK's emerging market business. What does this strategic vision mean for the Egyptian affiliate?

We can definitely feel this new strategy, as it goes beyond only producing medicines towards improving our competitiveness through differentiation in the way we do business as a whole. This includes operations, working conditions, transparency and investments. We remain competitive by adding value to our customers, whether its patients or doctors. Our mission is to help people do more, feel better, live longer and this is really reflected in our day-to-day business.

Lower respiratory infects stands as the 5th biggest cause of mortality in Egypt. As a global leader in respiratory diseases, how would you define the added value that GSK brings to Egypt in this critical therapeutic area?

In this treatment area, GSK is adding value through its innovative portfolio, that fits different levels of severities, whether its Asthma, chronic obstructive pulmonary disease or pediatric. We have different types of devices that can fit different needs of patients. Nevertheless, this is an issue that cannot be only solved through treatment only, as education and raising awareness is also needed. GSK collaborates closely with key opinion leaders and healthcare professionals in unique educational programs, that lift the diagnosis capabilities and disease management guidelines.

Moreover, we are creating many patient education programs. GSK is hence investing in all three dimensions to improve the situation, by supplying the best treatment and devices, engaging professionals in state-of-the-art educational programs while also raising awareness amongst the population.

The government has outlined its plan of completely transforming the Egyptian healthcare ecosystem. What would you highlight as the most interesting developments and initiatives launched as a result of the government's focus on healthcare?

President El-Sisi has announced that healthcare will be a priority in his second term, which has become evident as the Minister of Health Dr Hala Zayed putting efforts of driving forward the screening of 100 Million patients. This has been crucial to eradicate Hepatitis C and obtain more information on the prevalence of other diseases in the country. Another initiative has been the Universal Health Insurance, which is being rolled out partially already in some regions. Generally, we have had a lot of engagement with the Minister personally, which also shows her willingness to change the status quo. Waiting lists for critical operations, which have included waiting times of over one year and even longer in the past, have now been cleaned out, within six months. With President El-Sisi heading the African Union, there is also an increased emphasis on strengthening our ties with Africa now.

GSK is always a partner of the government, with an initial responsibility of providing high-quality medicine at an affordable price, as we have a total market share of eight percent. We also play a role in uplifting human capabilities. For this reason, we are a partner of many programs, 75 of them organized by international institutions. These are no one-off projects, but initiatives that are ongoing.

In August 2018, you have met with Egypt's Minister of Investment and International Cooperation, Dr Sahar Nasr, to discuss investment opportunities in Egypt's pharmaceutical market. Can you give us details on what investment opportunities are currently considered by GSK in Egypt?

It was a great exchange, as we discussed the plan for the future and many different areas for investment, but also gave the minister our view on the industry's challenges and how to resolve them. The atmosphere was very open and there has been a change of mindset at the

governmental level, as they are more accessible and are willing to resolve issues.

Egypt is the largest manufacturing hub for GSK in Africa and the Middle East. Why does GSK believe Egypt is a place to be for manufacturing?

90 percent of the products manufactured by GSK in Egypt are for the local market and ten percent for export. The reason for manufacturing here is to have more cost-effective products while continuing to produce high-quality products. To ensure access to the domestic markets across all perimeters, we see it as essential to have local manufacturing, to not be depending too much on imports. The Egyptian affiliate is also an export hub for other African states, for example to Nigeria and Kenia. We are eager to see if there is more potential for exporting to the region in the near future, as we also want to strengthen the Egyptian economy of course.

How do you want GSK to be recognized and positioned in Egypt in the next five years?

Our vision for GSK in Egypt is to continue being one of the leading pharmaceutical companies in the country, providing high-quality medicine at an affordable price for patients. On the other side, we want to grain sustainably as this is our responsibility to our shareholders. The society needs to understand that good-quality medicine comes at a cost and we are no charity, so we need to make a reasonable profit to be able to provide the medicine. We want to be the number one company in Egypt in our field, adding value for both patients and healthcare professionals.

See more interviews