

Hany Mashaal - General Manager Egypt and Rest of Middle East, Sun Pharma



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Dr Hany Mashaal,

general manager for Egypt and the Rest of Middle East for Sun Pharma, explains the importance of Egypt for the Indian company, having recently opened a manufacturing facility in the country. He highlights the need for a faster drug registration process and gives an outlook at the potential for greater biosimilar adoption in Egypt.

Please introduce yourself to our international audience.

Although I am Egyptian, I have been working in Dubai since 1993. I joined Ranbaxy in 2002, and in 2015 the company was acquired by Sun Pharma. Initially, I was covering the entire Middle East as the senior manager for business development and from 2014 onwards as the regional head. In 2017, I was asked to come back to Egypt, to tackle challenges, which we faced when setting up the affiliate here. Today, I am the country manager of Egypt and Rest of Middle East.

You are leading the company's operations for the whole Middle East from Egypt. Can give us an overview of the region you are heading?

The region includes Egypt, the Gulf region, as well as Iran, Iraq and the whole Levant. We are present in different forms; while we have a facility and a scientific office in Egypt, we are working with distributors in some of the countries. While the focus of our operations was formerly the Gulf region, Egypt is now the centre of our attention due to its large population, great market potential and various healthcare requirements. Our second country of focus is Saudi Arabia, as it is the second biggest market in the region.

Sun Pharma started its operations in Egypt in the 1990s. What is the company's current position in the Egyptian market and what do you see as the strengths of the local affiliate?

While Sun Pharma was not present in the Middle East before the acquisition, Ranbaxy has a longstanding history of over 20 years in the region. Today, Sun Pharma is the biggest Indian company in Egypt and the only Indian manufacturer in the country. Our team in the country includes more than 170 people, with 100 of them working on the field. As Egypt is still a relatively young affiliate of Sun Pharma compared to other emerging markets like South Africa or Russia, we are not contributing too much to the growth of Sun Pharma so far. Our facility is still underused, as we are facing access issues, due to the box system, but we are in close contact with the Ministry of Health to overcome these challenges. Recently the government has issued a decree providing a solution for companies investing in Egypt through fast-track registration, so we are very optimistic about our future performance in the country. Currently, we have a mixed portfolio in the country covering anti-infectives, CNS products as well dermatological products. In the future, we will increasingly focus on chronic therapies, as the prevalence of hypertension and other cardiovascular diseases is very high in the country.

Given the pricing pressures we have seen in the last three years, how do you ensure your commitment to Egyptian patients by avoiding drug shortages while also keeping up with the growth targets set by the headquarters?

It was a challenging time, as we were facing extremely low prices due to devaluation, which unfortunately has not been made up by the government, despite raising the price for some of the drugs by 50 percent. Additionally, we were unable to bring any new products to the market, as we have long registration times of up to five years. This is an issue for the whole industry, so we are in close contact with the authorities to find a solution. As Sun Pharma is a very professional company,

the headquarters in India understands the challenges emerging markets, like Egypt, are facing. Despite the economic challenges, Sun Pharma has always been committed to the Egyptian market. Even when some of our products accounted for losses and had negative margins, we continued to sell them, as our first priority is always the patient. We are aware of our social responsibility, so pulling out of the Egyptian market has never been an option for us. Additionally, we are a strong partner of the authorities for our treatment areas for different campaigns.

Considering the government is currently rolling out Universal Health Insurance, how necessary is a strong generics market for the sustainability of the Egyptian system?

As we see economic issues around the world and especially in emerging markets, generics are becoming a popular solution due to the lower price tag. Today, a lower price does not mean lower quality than the original product. We see a rising awareness for this fact amongst the end users, as it is easy to find out about the company's reputation through the internet. As generic companies are improving their technological capabilities and patients become more price sensitive, we will see generics being an integral part of the future for Egypt to treat diseases economically and efficiently.

The global industry is moving also towards biosimilars, which will be another future challenge for Egypt. So far, the country has no infrastructure for this type of drugs and the authorities do not have expertise in registering biosimilars. This means that only big multinationals are able to get these drugs registered at the moment, as they have reference data from other countries, which facilitates market access. Nevertheless, I think it will be only limited to certain companies for a few years and at a later stage, it will be available and feasible for more companies to sell these products. With the current regulatory framework, not many companies are ready to make investments for biosimilars, as it presents a great risk, so the authorities will need to be active and change the landscape to attract biotechnology to Egypt.

How do you intend to compete with well-established local players, which also have a strong profile in the generics business?

Generally, all generic products, whether produced by local or multinational companies, that are approved by the Ministry of Health, have a high standard of quality, as quality criteria is very tough. Sun Pharma is an international company, which means we are having the same quality

standards whether our products are for the US, the European the African or the Asian market. We do not compromise on quality and have a unified standard, so we did not receive any complaints on efficacy. Secondly, we always aim for reasonable prices to reach as many patients as possible and are also incorporating their feedback when selling our product.

Egypt is one of only three manufacturing hubs both in Africa for Sun Pharma, with your new factory opened in 2017. Why does Sun Pharma believe Egypt is a place to be for manufacturing?

Egypt presents a huge market opportunity, due to the high population, the prevalence of diseases and the growth in the country. Having our own manufacturing hub in Egypt allows us to serve the huge demand for treatments better than only through import. Our primary goal will be to fulfilling the supply for the local market and after we may consider opportunities for export as well.

Where would you like to see Sun Pharma Egypt in 5 years?

Our main goal is to fully utilize our facility, by getting more of our products registered in the country first. Currently, we have 15 products available, so we are aiming for at least 50 new registrations within the next five years. I would like to see the Egyptian facility working for 24 hours, which is a very realistic scenario as soon as we get more products approved.

What is so special about working for Indian companies like Sun Pharma and Ranbaxy, considering you have been with these companies for more than 15 years?

I am proud to be an employee of Sun Pharma, as you learn something new every day with this company. Prioritizing continuous education rather than short-term sales numbers has taken the company where it is today, being one of the Top four generics producers worldwide. I am very happy to be a part of this achievement and will help the company to grow further.

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