# Burak Cem – VP & General Manager, Novo Nordisk Turkey



***Every crisis creates an opportunity and I believe that COVID showed us the importance of investing in R&D and the pharma sector to bring innovation***

19.05.2021

Tags: Turkey, Novo Nordisk, Diabetes, Obesity, Strategy, MEA

*Dr Burak Cem, Novo Nordisk Vice President and General Manager for Turkey, outlines the company's big bet on Turkey as a future regional hub through deep investment in clinical trials, localization and an operational hub overseeing 75 countries. After almost two decades working with the Danish diabetes and obesity giant, he illustrates the crucial role that the company has to play in the country with the highest incidence of diabetes in Europe.*

**We understand that you have worked for Novo Nordisk for almost 20 years. Can you briefly talk about your journey with the company and the scope of your current responsibilities?**

After finishing school and becoming a medical doctor, I joined Novo Nordisk as a Product Manager, going on to be Marketing Director and Sales Director, finally moving to Denmark, where I worked two and a half years as Global Marketing Director for one of the strategic brands in the country. After that, the organization asked me to move to Dubai to work as Strategic Operations Director, dealing with 66 countries: the entire Africa continent, India and the Gulf countries. For the last five and a half years, I have been working as a Vice President and General Manager of Turkey and have full P&L responsibility for the Turkish organization. Because of the success of the Turkish organization, we are now part of the South Europe, Middle East and Africa region.

**The pandemic has been a tough year for pharma companies and particularly for patients since many of them have been restrained from going to hospitals or interrupted their treatment. How big has that been in Turkey and how has Novo Nordisk responded to that situation?**

The pandemic is an unprecedented situation that has affected everyone around the world and has left us many learnings. With this in mind, people with chronic disease are known to be affected more than healthy people as studies have shown that 50 percent of the people diagnosed with COVID-19 suffer from diabetes; if you decrease the HbA1c level, which measures your average blood sugar levels over the past 3 months, by only 2 percent, you reduce the severity of COVID by 29 percent. This means that if you do not control your disease, you will suffer severe consequences.

The same happens with obesity where the latest meta-analysis shows that they have a 46 percent higher chance of hospitalization and 113 percent higher mortality rate than non-obese patients.

As you illustrated, the pandemic caused people to fear to go to the hospitals. During this period, we stressed the importance of staying in contact with the doctors and continued our awareness activities through webinars and live online broadcasts.

That being said, every crisis creates its opportunity and I believe that COVID showed us the importance of investing in R&D and the pharma sector to bring innovation. Fortunately, this crisis reflects a new focus on health and of the value of clinical studies because more visible.

**Last year, Novo Nordisk made Istanbul a regional management hub, overseeing 75 countries. What was the unique offering of Turkey that you think helped the company take this decision?**

There are a few reasons, one of them is that we are right in the centre of the Middle East and Europe, we have a superior geographical location that allows us to access the Middle East and Africa easily with direct flights to almost all countries in the area. The second one is that there is a strong labour force of well-educated talent that are looking for a job in an international environment; the benefit-cost ratio is very high in Turkey because labour is not as expensive while having the same quality. This new arrangement has created a special opportunity for the Turkish organization, as well.

**Speaking about opportunities for the Turkish organization, the country has the highest prevalence of diabetes in Europe with around 14 percent and a recent report stated that it will increase to 25 percent by 2025. How would you characterize your current position in this market environment?**

We have been a market leader for a long time in diabetes and in the insulin business. Coincidentally, this year we celebrate 100 years of the discovery of insulin, which was discovered following the ideas of a Canadian orthopedic surgeon named Frederick G. Banting in 1921.

We currently have 53 percent market share in the insulin business and around 22 percent market share in diabetes. We are the only company to provide insulin for every type of patient, from children to the elderly. We have created great partnerships with the government and civil society to increase awareness and continuous medical education for doctors.

As you pointed out, Turkey has the largest diabetes prevalence in Europe with 14 percent and, to make things worse, one-third of the population is living with obesity. Around the world, two billion people are overweight and 650 million are obese but, sadly, Turkey is number one in Europe and number four in the world. Two-thirds of the Turkish population are either living with obesity or they are overweight which presents a great need to tackle this serious problem to change the life of millions of people.

Since obesity requires a multidisciplinary approach, we are working with the Minister of Education to generate awareness in the lives of people with obesity about healthy food and the consequences of poor lifestyle choices. Recent studies of the pandemic have shown that people have gained six kilograms of weight on average so you can imagine the work we have ahead.

**Globally, it has been difficult to move the obesity conversation from the aesthetic to the clinical setting. To what extent has this been the case in Turkey?**

You are correct about the global conversation about the aesthetic element, in fact, obesity is a curable chronic disease. Unfortunately, in Turkey two-thirds of the public are either people with obesity or overweight which means that we are in a crisis and have not had the luxury of having that conversation; for us, there is no question, we have to act. The country has to help people make lifestyle changes with diet and exercise and use pharmaceutical products as a complementary therapy to avoid needing surgery.

Fortunately, Turkey is one of five countries that have accepted obesity as a chronic disease and the government is opening obesity centres that help patients with diet, provide psychological aid and treatment. We are the only company investing heavily in that area which is why we would like to collaborate with authorities and would like to introduce a program for childhood obesity. This is totally a corporate social responsibility approach for Novo Nordisk, our only target with this project is to change the life of kids so they can be healthy. We have that mindset because of our connection with the Novo Nordisk Foundation, the largest in the world.

**You mentioned the importance of investing in R&D in order to bring innovation. What does your current effort and investment in that area look like in Turkey?**

In addition to my role at Novo Nordisk, I am the deputy chairman of the trade association (Association of Research-Based Pharmaceutical Companies, AIFD) through which we are trying to increase the number of clinical trials in Turkey to improve the ecosystem. Globally, over US $160 billion are invested a year by the industry in R&D, of which Turkey accounts for USD 130 million. It is a small number, but the association is working with the Turkish Medicines and Medical Devices Agency (TiTCK) to improve the ecosystem and bring more clinical trials and have a greater share of the global R&D investment.

Novo Nordisk is a top five investor in the area within Turkey, having spent over TRY 121 million in the last five years, doing Phase I to Phase III trials. I am proud to say that almost 10 percent of our organization works in the clinical research department; the Turkish organization has become the clinical development centre in the region, coordinating Algeria, Morocco, Lebanon and Ukraine. We have 250 active researchers in Turkey running 12 international clinical studies in 88 centres. We would like to double our investment and also contribute to the government’s localization strategy for 2023.

**Your colleagues from the industry are speaking about how Vision 2023 is shifting from a focus on manufacturing to include more clinical trials. How do you evaluate Vision 2023 from a company perspective?**

Indeed, the government had a focus on localization and gave some incentives to achieve that because they wanted to have the know-how and secure product delivery. It is true that Turkey is a great hub for localization since 80 percent of the medicines used are produced in the country but

there are two issues: new molecules and exportation.

Fortunately, everyone understands that in order to create new molecules and innovate you have to invest in clinical trials from Phase I to Phase IV because manufacturing is the last stage of the cycle. Following that logic, we drafted a plan for a partnership with the Health Institutes of Turkey (TUSEB) to exchange researchers with Denmark and bring know-how to the country.

In terms of manufacturing, the government's interest goes beyond producing for local consumption and would like to be an exporting hub. Internally, we found common ground with them in this regard and submitted our application to get a localization project approved that will bring a big investment and new employment potential over ten years to bring production and use it to export to the region.

Taking into account the big investment in localization, management hub and clinical trials, we decided to take a bigger approach and created a project to make Turkey a strategic hub for Novo Nordisk. If we can make it happen by 2023, it will coincide with the 100 anniversary of both Novo Nordisk and the Republic of Turkey.

**How do you perceive the reimbursement system in Turkey?**

The system in Turkey is much more advanced compared to other countries in the region, we have to give credit for that. However, access to the newest treatments takes more time in Turkey compared to those other countries.

For instance, we are way behind the other countries with regards to diabetes and obesity treatments (GLP-1) and their reimbursements. As Novo Nordisk Turkey, our main goal is for our patients to have access to care and better treatment. I can confidently say that we have room for improvement in introducing new treatments to the system.

Being one of the VPs at AIFD, I can actually evaluate the system both more broadly and more objectively. The Turkish healthcare system is unique with regards to the extent of reimbursement rate and population coverage. The 97 percent population coverage rate for reimbursement is certainly an inspiration for emerging countries worldwide. But this also creates a significant budget burden on the system and leaves very little space for manoeuvre when it is necessary.

The future of the local pharmaceutical healthcare system will highly depend on the adoption of new innovative therapies to the Turkish healthcare system in parallel to developed countries. Hence, in

our opinion, the better way to ensure long term sustainability of the public healthcare system and attain the most advantageous patient outcomes in therapy areas where innovative therapies changed the prognosis of the diseases would be to implement value-based pricing in reimbursement decisions of innovative products.

**Looking towards the company’s future, what does Novo Nordisk Turkey have in its agenda?**

Our biggest shareholder is the world’s biggest foundation, the Novo Nordisk Foundation. This allows us to prioritize our investments in any area where we can make a difference no matter how small the number of patients is.

Our mission is to defeat type 1 diabetes with stem cells, cure type 2 diabetes with smart molecules and decelerate the rapid growth of obesity by pioneering scientific breakthroughs, expanding access to our medicines and working to prevent and ultimately cure disease.

This actually reflects Novo Nordisk’s futuristic and responsible vision, but it is also a great opportunity to show Novo Nordisk’s leadership in health technologies. We are only able to set these ambitious goals because we have confidence in our innovation potential.

Novo Nordisk is a socially aware and responsible company, prioritizing improving human life in every aspect. Sustainability has always been a part of our life here in Novo Nordisk.

We launched our Circular for Zero strategy in 2019 to achieve the goal of having a neutral environmental impact. Further to this strategy, in September 2020, we announced an ambitious target to ensure that all our direct suppliers will supply the company based on 100 percent renewable power by 2030.

**See more interviews**