

Interview: Saanjay Shamdasani Head, Pharmaceutical and Life Sciences Committee, American Chamber of Commerce Indonesia



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Saanjay Shamdasani, Director of Government Affairs & Public Policy at Baxter and Head of the Pharmaceutical and Life Sciences Committee at American Chamber of Commerce

Indonesia, explains the importance of the collaboration between international healthcare companies and the national government to enhance the Indonesian healthcare system.

Mr. Sanjaay, could you please introduce yourself to our international audience?

I have been involved within the government affairs arena for more than 15 years when I was working in the US-ASEAN Business Council and Pfizer as well as now in my role as director of government affairs & public policy at Baxter.

My main concerns during my long career have been to actively participate in the construction of the regulatory environment for the pharmaceutical industry and to help the Indonesian government to build up the healthcare infrastructure in the country.

What are the current priorities and objectives of the Pharmaceutical and Life Sciences Committee of the American Chamber of Commerce of Indonesia?

The Pharmaceuticals & Life Sciences Committee aims to provide valuable input to relevant stakeholders on policy and regulatory issues in the area of life sciences as well as to assist the government in achieving its Millennium Development Goals (MDG).

In this sense, our operations consist of assisting AmCham healthcare company members to identify regulatory and policy issues that may potentially affect their businesses and to constructively engage the government, business and academic stakeholders to find solutions to such issues.

Hence, we are highly focused on supporting the business interests of our members through regular scientific dialogue with relevant national and international stakeholders such as the U.S. Embassy, EuroCham, IPMG, FKUI, and other life sciences committees.

How do you assess the Indonesia's healthcare industry and its current level of growth?

Indonesia certainly has a huge potential ahead, especially in the healthcare and life sciences side of the national economy. Our company members are mostly involved in the innovative segment of the healthcare and life sciences industry; our members are fully committed in enlarging the market access of Indonesian patients to such innovative medicines that enhance the patients' life quality as well as reduce the cost of treatment.

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Expanding on the opportunities within the Indonesian healthcare and life sciences industry, the government is in the process of implementing the universal health coverage (JKN), which will be the largest universal health coverage worldwide covering the national population of approximately 250 million people. Therefore, there is a promising potential ahead for life sciences companies but it is well known that such governmental program will foster the consumption of reduced cost treatments. It certainly poses a challenge to our members since their healthcare solutions are higher cost than most of the generics in the market. However, the opportunity is to showcase the benefits that can come from their drugs both for patients and government in terms of enhancing the life quality and, ultimately, reducing the cost of treatment.

Indeed, all industry is really satisfied about the interesting results obtained through this governmental healthcare program but there is still a long way to go. In my opinion, JKN will certainly drive the growth of the national healthcare sector and life sciences industry in the future. In this sense, the Pharmaceutical and Life Sciences Committee of the AmCham Indonesia is highly active in partnering with the government to encompass them in such journey and to help our members to take advantage of the bright opportunities ahead.

What do you think is currently attracting investments to Indonesia and how much involved is the chamber in helping to increase Foreign Direct Investments (FDI) into the country?

Our goal is to help our members to successfully navigate through the Indonesian market dynamics in several areas such as regulation and government affairs. Thus, we strongly showcase what our company members can give to the government in order to both enhance the national healthcare system and make our members' business operations in Indonesia easier.

The American Chamber certainly acts as an active bridge that connects both government and our members' interests, building up a positive eco-system and collaboration that, at the end, fosters the entrance of Foreign Direct Investments (FDI) in Indonesia.

What are the current challenges your members have to face in Indonesia and how is the chamber as well as the committee helping them to alleviate such challenges?

Ownership is one of the main concerns of our members because foreign companies can only own 95 percent of its business in Indonesia. Indeed, some companies are quite reluctant about that since it means that they have to share their know-how with other local partner especially innovator

players.

Nonetheless, there are other inherent challenges such as distribution, and halal law. We, as a chamber of commerce, have the purpose of helping our members to understand such regulations and inherent challenges to adapt their strategies to the latest industry trends and, therefore, be successful in the country.

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What services do you provide to American Pharmaceutical companies to establish themselves in Indonesia?

We have several programs within the American Chamber such as conferences and networking events that aim to ease the access of our members in Indonesia.

In addition, we organize seminars about the latest common topics within the Indonesian healthcare industry such as the universal healthcare coverage (JKN) in order to ensure that our company members are aware about the market opportunities.

It is well known that counterfeit drugs are certainly a challenge in Indonesia. What are your conclusions on that and what is the solution that should be placed?

There are a lot of issues and challenges involved in such topic. Counterfeit drugs are all those that are imported from other countries and that are not authorized by the national healthcare regulator (BPOM); the AmCham of Indonesia is actively fighting against such situation.

In this sense, we did a project two years ago in joint with BPOM to enhance counterfeit situation in Indonesia and, we created a specific body to address such issue. However, counterfeit drugs can be still easily found in the Indonesian market and, even though they pose a serious health threats to the public, the annual turnover of counterfeit drugs is estimated to be worth 10 percent of the total Indonesian market (around USD 200 million).

What are the key goals for the Pharmaceutical and Life Sciences Committee for the upcoming three years?

My main objective is to continue mitigating issues that pose a challenge to the entrance of multinational companies as well as FDI investments in Indonesia. In this sense, our plan is to prepare the ground for all our company members that are looking to invest in Indonesia as well as to make their businesses smoother in the country.

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