

Novo Nordisk â?? Jean-Paul Digy, Corporate Vice President, Africa Region



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30 diabetes barometers

The corporate vice president for the Africa region of the multinational at the forefront of the fight against diabetes in Algeria outlines in detail the steps being taken to confront a disease that now reaches epidemic proportions. He also unveils the companyâ??s plans for local manufacturing and its contribution to ensuring national insulin security of supply.

Could you please introduce Novo Nordisk and how the firmâ??s activities in Algeria have evolved over time?

Novo Nordisk operates two legal entities in Algeria. Not only do we maintain a bureau de liaison which primarily deals with product registration, promotional activities and clinical trials, but we have also established a local company called Aldaph SPA. This enables us to engage in production from a manufacturing facility based out in Tizi-Ouzou as well as to effectively distribute our medical device and medicines. The aim is to cover the entire value chain from importation and production to sales and distribution, and thus to be able to reach out to the end users in the pharmacies, all over Algeria.

Back in 2005, we constituted approximately 50 employees and maintained sales of around 12 million euros. Nowadays we possess a workforce of 450 people, half of which are engaged in the production and distribution side. Our sales have also increased more than tenfold to 150 million euros and this is testament to the success of our in-country operations. On top of that, we are very proud to be running clinical trials in Algeria and are notable for conducting them in-house rather than relying on CROs.

In terms of portfolio, our emphasis to date has been very much about fighting against diabetes which is an area both in which Novo Nordisk enjoys global renown and where there is considerable in-country demand. We have also established the market lead in Algeria for growth hormones and hope to be able to register innovative products that reduce injection frequency and expect this to

help consolidate our lead position. The third and final area of core business involves treating people living with hemophilia and we have plans to run clinical activities for some innovative molecules used in hemophilia that we would ultimately like to bring to market.

What are the advantages accrued by conducting your clinical trials in-house?

Taking full ownership of the clinical trial process is actually one of the hallmarks of Novo Nordisk worldwide and a characteristic that we apply to the Algerian market. We believe it affords us a unique opportunity to really familiarize ourselves with our end customers and also enables us to control the safety and efficacy of a drug at each different stage of its development. This kind of in-sourcing further allows us to speed up the registration and approval process and, as a result, we are often regarded as the benchmark in terms of condensing the timeframe for clinical trials.

In Algeria, we are the company running the highest number of clinical trials with a minimum rate of five or six 3a and 3b phase trials per year. Many of these are to do with countering diabetes though we also have a high-profile cardiovascular outcome trial ongoing at the moment which involves a new product called Victoza®. Meanwhile we have two new insulin products coming on stream called degludec and degludec Plus, the latter of which is a combination of a ultra-long acting basal insulin (70%) and of a rapid acting insulin (30%) especially appropriate for times in the year like Ramadan when many diabetes patients depart from their regular eating habits.

What sort of challenges does the Algerian market present? Where do you identify most room for improvement?

One area that could do with improvement is the time taken to complete registration and reimbursement. Any steps that the Algerian government can undertake to streamline this process and limit unnecessary delays would be very welcome to companies like Novo Nordisk. Then there is the complexity of trying to secure reimbursement for devices. We have, for example, some innovative products that we would like to register in the growth hormone segment, but that would be contingent on acquiring reimbursement of an appropriate device to administer them. The current difficulties in arranging this means that we are unfortunately not yet able to offer those superior products to Algerian patients.

The authorities would also do well to reevaluate the balance between the number of new innovations and generics. This is because many of the incoming generics firms end up competing amongst themselves for the manufacture of a limited spectrum of products thus not really delivering much additional value either to the patient or to the economy as a whole. Instead the state should make it its priority to attract sufficient investment to develop local production of branded products. In fact, as a direct result of the government's decision to favor local generic producers, Novo Nordisk has been unable to register any new molecule since 2008!

In the end, a failure to strike the right equilibrium between imports and locally produced medicines will risk destabilizing the healthcare sector. If new innovative molecules are kept out of the market then Algeria could squander its potential in healthcare and end up with stagnation in the improvement of patient well-being, particularly in chronic diseases like diabetes. A country like Algeria needs a good combination and balance of imports and local production (generics and branded products) and to push one to the detriment of the other would be misguided. Also the government would do better concentrating not only on the volume of medicaments produced locally but also and mainly on their quality, for the sake of the Algerian patients.

How strategically important is the Algerian office to Novo Nordisk's global and regional operations?

Our Algerian office is actually the lead office for Novo Nordisk's activities outside of the Americas, Europe and the Far East. We view the country as strategically significant because of its unique healthcare system in which there is almost total coverage of the population and where the vast majority of medicaments are fully subsidized or reimbursed. Having this sort of system where the patient doesn't incur prohibitively high out-of-pocket fees obviously gives a considerable boost to the development of the local pharmaceutical industry and is highly attractive to companies like ours that are keen to introduce new products lines.

Also very significant for Novo Nordisk has been the epidemiologic transition underway in Algeria with the incidence of non-communicable disease (NCD) on a sharp upward trend. Cases of diabetes, for example, have practically doubled over the past 20 years and conservative estimates are now calculating there to be some 3 million diabetics in the country. When we consider that a good half of cases of diabetes go unreported, it is clear that the disease has already reached epidemic proportions. Given Novo Nordisk's expertise in treating this particular NCD, the Algerian market assumes even greater importance for us.

We have also developed a very clear strategy for Algeria and the neighboring markets in which we pursue parallel tracks simultaneously. The idea is basically to combine a mix of locally produced medicine with state-of-the-art imported products to the benefit of individual consumers and the nation as a whole. Well established products that are close to reaching the end of their patent will be manufactured on the ground in Algeria through ventures with local entities such as our agreement plan to produce our current insulin product range in conjunction with Group Saidal. The end effect of this will be to lower the cost and thus relieve pressure on the social security system and general trade balance. At the same time, we will remain committed to ensuring that Algerians have access to the latest generation of innovative medicines through importation.

What specific actions is Novo Nordisk taking to fight diabetes in Algeria?

An important part of our work relates to raising awareness about the disease. The sad reality is that many of the drivers and causes of diabetes are entirely preventable – whether resulting from poor diet, lack of exercise or high fat and sugar consumption. When, in the late 2000s, Novo Nordisk first started collaborating with the government on this front, it became quickly apparent that much more had to be done to correct the deficit in information about diabetes and to offer earlier diagnosis. Our first solution, in conjunction with the state and various patient associations, was therefore to establish a Changing Diabetes® mobile clinic, which was launched in November 2011, that could travel around the more remote regions spreading the word and offering on-the-spot diabetes diagnosis, as well as comprehensive diabetes care complication evaluation.

Then, in 2013, we enhanced the Changing Diabetes® mobile clinic by rolling out – *centers* – all over the country, which can manage people with diabetes according to the most recent international and local diabetes management guidelines. These centers of excellence in diabetes care management will be the cornerstone of the future diabetes care management in Algeria

We are proud to announce that, to date, Novo Nordisk has received more than 100 000 visitors to its Changing Diabetes® mobile clinic and conducted more than 13 000 screenings alongside the various stops of this clinic in 10 cities from November 2011 until now. Moreover during those 10 stops, more than 14 000 person with diabetes have received a free of charge comprehensive evaluation of their complications which is a unique achievement in the world. All those information will help the Algeria health care authorities to develop the optimal national diabetes plan to fight this disease.

There is still much more to do, however, to educate people to the seriousness of diabetes and its symptoms and we are continually exploring alternative avenues to reach out to Algerians and spread the word. We have, for example, been working with the Ministry of Religious Affairs to promote healthy living via teachings in the mosques and to improve awareness of the dangers of diabetes dramatically changing their eating patterns during the holy month of Ramadan without proper prior consultations and discussions with their treating physician. We are also endeavoring to leverage print, television and radio media to promote diet advice and address the same sorts of concerns. Because this is an illness that relates to lifestyle we would also like to achieve greater collaboration with the local food and drink industry and regulators to curb excessive sugar and fat consumption. Today it is more expensive to buy a bottle of water than a fizzy soft drink high in sugar content. This is an issue all over Africa and we need to partner across the region to incentivize healthy lifestyle cultures.

To what extent can Algeria assume the mantle of regional healthcare hub servicing neighbouring North African countries and beyond?

The country has been making strides forward. When Novo Nordisk first started conducting clinical trials for diabetes related products back in 2008 it took a full three or four years to assemble a team and local expertise capable of conducting the trials to the necessary international standards and levels of quality. Nowadays we hold internal audits on a regular basis the standards are very high. The fact that the only African countries where Novo Nordisk conducts clinical trials are Algeria and South Africa speaks volumes about the former's claim to regional leadership.

If Algeria is to really service the region, however, there will have to be a feeing up of the export side of the market. At Novo Nordisk we aspire to export our locally produced medicine like today meformine but find ourselves running up against an array of obstacles to do so. Transferring money in and out of the country is very complicated and this will have to be simplified if the country is ever to grow its own flagship exporters. The bottom line is that Algeria is already the future of African healthcare, but it still has a lot to do if it is to ever realize its full potential.

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