

# Pfizer – Amina Hamoutene, General Director Algeria

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*The country manager for Algeria discusses how the company was the first foreign entity to engage in local manufacturing and sheds light on some of the difficulties in introducing innovative molecules to the market.*

**Pfizer was one of the first multinationals to engage with the Algerian pharmaceuticals market and enjoys the distinction of being the first to set up local manufacturing. Tell us a little about this longstanding relationship that the company has with Algeria?**

Pfizer first established a presence in Algeria in 1964 with Mohand Sidi Said as the local CEO – a personality who is thought of as one of the pioneers of the local industry. Later on in the in the 1960s when the government started nationalizing private enterprise the company left, but returned again as soon as the market was reopened to foreign investment in 1994. On our return, we immediately started negotiating a joint venture with the newly established state pharmaceuticals entity, Sidal. This agreement was eventually signed on the 9<sup>th</sup> of September 1998. This represented the first ever joint venture between the state and a foreign pharmaceutical company. The idea was to localize the majority of molecules that we were marketing on the local market and an appropriate location for the site was identified in Oued Smar. I was designated project manager for the new facility so had the privilege of overseeing much of the technology and know-how transfer that we were implanting into Algeria.

Our main challenge in 2003 when we started operations at the facility was to source the human capital because the market was very new and the requisite expertise simply couldn't be found locally. We therefore adopted an approach where we hired recent graduates and trained them in-house. This represents an altogether higher stage of investment beyond simply importing machinery. We trained a lot of colleagues right from scratch in the absence of their being a genuine local pharmaceutical culture. Today Pfizer is known as – the school of pharma – precisely because of this approach. Even when we see people leaving Pfizer to assume senior positions in other multinationals we are very proud. It is part of the legacy that Pfizer has gifted the country.

**How do you evaluate the state of Algerian labour for the local sector today?**

It has improved in leaps and bounds, but our reputation as one of the best learning platforms very much remains intact. This is because we have always considered learning as a continuous improvement process and invest substantial resources developing the skills of our workforce at all levels right along the career path. It is, of course, a challenge to retain labour especially as the market becomes more competitive. All in all, though, Algeria can be said to have reached the same level of maturity as many European countries where people do two years in Pfizer then two years elsewhere at a competitor. This is a normal challenge inherent to the pharmaceutical industry and represents a dynamic that you will now encounter both here in Algeria and elsewhere in other markets round the world.

**What is distinctive about Pfizer in Algeria is the proportion of your local production. Tell us about that.**

Pfizer is the pharma company that has invested the most in localization – currently 60% of all that we place on the market is produced in-country. This is what makes us somewhat of a trailblazer. What's more we aim to and have been succeeding in increasing this portion year on year. The only products not manufactured locally are those fabricated from a single site globally due to the advanced and special nature of the technology. We localize most of our molecules in Algeria and that means conducting the production from A to Z. Let me be very clear that we don't import premix. We import only the raw material and then carry out full manufacturing.

**Pfizer is a R&D orientated pharmaceutical firm. Do you conduct research activities locally?**

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The research and development component of product development is not yet done but we hope to be able to conduct research studies in the near future as part of the 2020 vision. However we do run studies on some products so as to harness local data. We have, for example, a small number of clinical trials relating to Algerian epidemiology so as to properly customize the healthcare solutions that we bring to the country.

In view of Algeria's epidemiological shift, Diabetes and Cardiovascular are the sorts of therapeutic areas that we are focusing in on. The Algerian lifestyle is becoming more akin to that of Europe for better and for worse so it is developed country diseases that the population is now increasingly suffering from. On cardiovascular we are working hard to gather local data and have run studies in collaboration with the authorities. We are always attentive to customizing our studies so that the end data coming is of practical use for DG- Pharma and the CNAS in the sense that it can inform decision making and the formulation of the government's own healthcare priorities. Data acquisition is extremely challenging in Algeria, so we are proud to play a role in the remedying this. All of our study data made public, shared and rendered useful for the authorities to the extent that it inform public health policy and contribute to the assembly of a global picture.

**Pfizer is renowned for its contribution to the treatment of rare diseases. Do you have any activities in Algeria in this domain?**

We have made it our business to cater to some of the areas that we consider to be under-serviced. Areas that spring to mind are transplantations and renal insufficiency. We want to put in place paths to address these sorts of issues. We are continually on the lookout in how to better match local needs, and the studies we have conducted are testament to that. One domain we would like to see improvement is in the accessibility of kidney transplants as an alternative to sustained dialysis. This is something that would make a real difference to renal patient's livelihoods. Pfizer is also engaged in treating hemophilia since it is also considered as a rare disease

**You are the leader globally for pharma, but not here according to the IMS rankings. How do you explain that?**

It's mainly to do with historical factors. Traditionally there has been a French stranglehold over the market given the colonial heritage, the shared language and cultural proximity. Even today French companies are still progressing well. The other challenge comes from the generics manufacturers though this is a challenge that we are used to all over the world and respect. Generic development is good for the national interest and we are happy to be competing against them.

We want to improve our ranking but ultimately there are entrenched hurdles that are hampering our progress - essentially the long timeframes for getting new products registered and the unpredictable and opaque regulatory and legal frameworks. Pfizer is essentially an R&D company. The mainstay of our business should therefore be introducing new molecules that are too difficult to manufacture on the ground in Algeria such as some of the more advanced and effective oncology products.

We have clearly understood the message from the government on localization and have wholeheartedly embraced that. Meanwhile we have a real value-addition to offer the market by virtue of our world renowned R&D capabilities which would be to introduce new molecules. The government needs to understand how that is a crucial function that needs to be properly supported. Our role and assets are different from those of a generic company. We are ready to bring in these latest innovations from the US, but we find many hurdles obstructing our path. To get a new molecule registered is a terribly slow process. This is unfortunate, because it is the Algerian patients that lose out.

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## **How strategically important is this market for Pfizer?**

Algeria is a main focus country for Pfizer in the MENA region. It is a promising market but simultaneously recognized as one of the most difficult due to the lack of predictability, the constantly changing rules of the game. Dialogue and transparency is also all too often missing and rules for registration and can be difficult to interpret.

Despite improvements over the years, the bureaucracy is still very difficult to navigate. There is always a time lag between official pronouncements and their implementation. The lack of openness is especially troublesome for us. We rarely receive written answers from authorities or at least rarely formal answers. If only we had greater predictability, Algerian pharma would really be a golden market. The government really needs to go through a process of "cleaning house" and regularizing the frameworks governing commercial practice. At the moment we face these "bureaucratic challenges" on a daily basis.

We view Algeria through the prism of wanting to export, but have had no success to date in actually putting an export strategy into place. We do, however, want to harness the country as a hub in the long run.

## **Pfizer has been at the forefront of plans to make Algeria a regional biotechnology hub. What is the current status of this initiative?**

Pfizer has been and will remain keen participant in this initiative. This is an initiative that is definitely worth persevering with because can really act as a catalyst to knowledge transfer.

## **What is your final message about Pfizer in Algeria?**

Pfizer has always made it its business to adapt to local markets and Algeria is no exception. We are not here to change the environment. We endeavour to marry with the local strategy of the authorities and respond to whatever the government is trying to put in motion. The gusto with which we have embraced local manufacturing demonstrates this. We continue to extend the hand of partnership and are attentive to the national interest and commit to doing all in our power to work with the authorities in creating a better health future for the country . Pfizer has tripled its production capacity in 2011 and is working on a new important extension of its plant for 2015, adding capacity and new forms. The bottom line is we represent a true partner in every sense of the word.

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