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News Insight Healthcare

Africa and Middle East

March 2016

The "News Insight Healthcare" newsletter aims at collecting news and developing insights on the pharmaceutical sector in the Middle East and Africa.

[Infomineo](#) gathers information and data covering pharmaceutical firms' strategic plans, state regulations, publications and events across countries of the region.

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Agenda

1/ Edito: Looking for the New Normal: South Africa in 2016

By Claudia Palme, Managing Director, 55east Consulting & Christopher Whitfield, CEO,
Batswadi

2/ Latest news: market developments, players and regulations

- Ebola Vaccine Trial in Sierra Leone Battles Against Fear and Logistics
- Alexza Pharmaceuticals Receives Positive Nasdaq Listing Determination
- ZimTrade urges pharmaceuticals to explore Zambian market
- GCC healthcare sector forecast to grow to \$71bn market by 2020
- Nigeria: Fidson Healthcare Partners Gb Pharma for Better Pharmaceutical Outreach
- Africa will be medical industries' racehorse in 2016
- Merck Accelerator to Invest \$45,000 Into Kenyan Digital Healthcare Start-ups
- Tunisian Health Minister Calls for Promoting Partnership, Investment in Pharmaceutical Industry
- Sultan Qaboos University Hospital Selects Vocera for Enterprise Communications
- Omron Healthcare Takes Low-Cost Hypertension Care to Community Pharmacies
- South Africa: Government Establishes Pharmaceutical Company
- Astrazeneca Looks to Grow Sales in Africa by Around 10% Annually
- Haisco Pharma Leads \$15M Series D in Israeli Start-Ups
- Ethiopia Will Host Ministerial Conference On Immunization in Africa
- Teva and AbCellera Enter into Agreement to Discover Rare Monoclonal Antibodies
- State to Monitor Importation of Medicines – Tanzania
- Godrej Consumer Products Gains 1% after Acquiring Majority Stake in Canon Chemicals – Kenya
- 2016 Budget: Nigeria to Spend More on State House Clinic Than on All Federal Government-owned Teaching Hospitals
- Antibiotics banned in Tanzania! Lincoln Pharma tumbles 17%
- HGH Holds First Research Committee Forum – Qatar
- Aurobindo Pharma to set up plant in Saudi Arabia

3/Events

- 1st Abu Dhabi Pharmacy Conference: 19-21 February, 2016 – Abu Dhabi, UAE
 - Healthcare & pharmaceuticals conferences in Kenya: 24-25 February, 2016 - Kenya
 - Middle east pharma cold chain congress 2016: 14-17 March, 2016 – Dubai, UAE
 - 26th european congress of clinical microbiology and infectious diseases: 09-12 April, 2016 – Turkey
 - Gcc healthcare innovation congress: 15-18 May, 2016 – United Arab Emirates
 - Arab diabetes medical congress: 05-08 October, 2016 – Qatar
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Looking for the New Normal: South Africa in 2016

"South Africa is not a miracle. It is not going to hell in a hand basket either" Baron Peter Hain put it in CNN's Amanpour a few weeks ago. The latter seems to contradict all facts: natural resource exports are down, growth is less than 2%, the rand hit a 14-year low against the dollar in December 2015, South Africa's credit rating was downgraded to BBB- and the #ZumaMustFall campaign continues to gain momentum. Global life science companies' headquarters are worried about investments, business cases and their "rising Africa" growth story.

As so often, the crises of the day and missed budget targets are obscuring the larger picture. The turbulences of the times belie the consistent investment - at an investment level of 3.5% higher than the 5% of GDP recommended by WHO - towards a more comprehensive and equal healthcare system.

Multi-national pharmaceutical companies have traditionally served the private segment of South Africa's two-tiered healthcare system. 84% of total pharma expenditure provide drugs for 16% of the population (7 m people). On contrast, 84% of the population (42 m people) under public health care are covered by 16% of pharma expenditure. This has made for a limited and complex, but fairly traditional market environment for Rx companies in particular; with a focus on marketing to doctors and dealing with private Medical Aid Schemes. Government regulated price increases have been the highest contributor to growth as volume change was limited and new products were delayed by registration challenges. In the public sector market, generic companies, including a strong local contingent, are supplying large quantities focusing on infectious disease treatment like TB drugs and ARVs.

The planned implementation of a National Health Insurance for all South Africans over the next 15 years will change the landscape dramatically. Far more than a healthcare financing scheme, NHI aims to completely transform healthcare provision and service, overhaul the entire system and radically change administration and management. Central to NHI is a comprehensive package of care underpinned by re-engineered primary healthcare. Primary healthcare will be delivered by district-based clinical specialist support teams, school-based Primary Health Care services and municipal ward-based primary health care agents.

Payment of providers will move from a fee-for-service or state-financed system to risk-adjusted per capita payments for accredited and contracted public and private PHC providers and a global fee with a move to case-based payment mechanisms for hospitals. Providers will be contracted by district health authorities, focusing on cost containment and performance monitoring.

As NHI piloting has started in ten districts, Pharmaceutical manufacturers find themselves in an increasingly larger and more socialized market. More patients will have access to medicines in general, and especially innovative medicines. While volumes increase, international price benchmarking and new contracting will impact prices for branded drugs and drive generic consumption rates. Performance measurements and evidence-based approaches will emerge. Implementation hurdles and delays aside, it is a matter of time only that manufacturers need to navigate a new world and define the New Normal for business in South Africa.

Claudia Palme, Managing Director, 55east Consulting

Christopher Whitfield, CEO, batswadi

POPULATION



54 million
population (2015)



350.1 billion
GDP in 2014



56.7 years
Life expectancy (2013)



40.7 death rate
(per 1000 - 2015)



64% urban
population 2014

GDP growth rate



HEALTH INDUSTRY

National health insurance

The richest
20% of the
population
receiving...



...36%
of total benefits

The poorest
20% of the
population
receiving...



...12.5%
of total benefits

South Africa



\$3.9 billion
SA Pharma Market



8.9%
Health expenditure
as % of GDP



6%
growth rate
(CAGR 2014-2018)



2.53
Number of hospital
beds (per 1000 - 2014)

All Africa

\$18 billion
(2011)

6%
(2013)

10.6%
(CAGR 2011-2020)

0.8
(per 1000 - 2013)

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Sources:
South African Government: <http://www.gov.za/about-sa/health>
South Africa - Health Department Annual report: http://www.gov.za/sites/www.gov.za/files/health%20annual_report2015.pdf

National Health Insurance for South Africa, Dec 2015
2015 Life Sciences Outlook - South Africa, Deloitte
World Bank Indicators
RMI epis.com

Latest news: market developments, players and regulations

Ebola Vaccine trial in Sierra Leone battles against fear and logistics

- Alexza Pharmaceuticals, Inc. (Nasdaq: ALXA, "Alexza, or the "Company") announced that on March 7, 2016 the Nasdaq Listing Qualifications Panel (the "Panel") issued a determination granting the Company's request for the continued listing of its common stock on The Nasdaq Capital Market ("Nasdaq").
- The Company's continued listing on Nasdaq is subject to, among other things, the Company evidencing compliance with the minimum \$35 million market value of listed securities requirement by June 14, 2016.
- In order to satisfy the market value of listed securities requirement, the Company must evidence a market capitalization of at least \$35 million for a minimum of 10 consecutive business days on or before June 14, 2016.

[Read more - The guardian](#)

Alexza Pharmaceuticals receives positive Nasdaq listing determination

- Alexza Pharmaceuticals, Inc. (Nasdaq: ALXA, "Alexza, or the "Company") announced that on March 7, 2016 the Nasdaq Listing Qualifications Panel (the "Panel") issued a determination granting the Company's request for the continued listing of its common stock on The Nasdaq Capital Market ("Nasdaq").
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[Read more - Alexza Website](#)

ZimTrade urges pharmaceuticals to explore Zambian market

- The country's export promotion body, ZimTrade, has urged local companies in the pharmaceutical sector to broaden their export base by exploring the Zambian market.
- ZimTrade said the increase of the national health care budget by 72% from 2012 to 2015 showed the Zambian government was prioritising the health sector.
- Zambia's imports of pharmaceuticals have also been on an upward trend since 2010 and they increased by over 90% from \$115 million in 2010 to \$220 million in 2014.
- According to Trade Map, a company that provides trade statistics, the top five sources of medicaments for Zambia in 2014 were South Africa, India, UK, Denmark and USA with Zimbabwe being 14th.

GCC healthcare sector forecast to grow to \$71bn market by 2020

- The GCC healthcare market is projected to grow at a 12.1 percent compound annual growth rate (CAGR) from an estimated \$40.3 billion in 2015 to \$71.3 billion in 2020, according to Alpen Capital. Its new GCC Healthcare Industry report said the increase in the population and rising cost of treatment are the primary factors aiding this growth.
- From an estimated \$24 billion in 2015, the outpatient market is forecast to reach \$42.4 billion in 2020 while the inpatient market is anticipated to grow from \$16.4 billion to \$28.9 billion during the same period.
- The healthcare market in each GCC country is anticipated to expand by between 11-13 percent between 2015 and 2020 in terms of annual average growth rates.

[Read more - Arabian business](#)

Nigeria: Fidson Healthcare partners Gb Pharma for better pharmaceutical outreach

- Leading Nigerian pharmaceutical company, Fidson Healthcare Plc, has recently made a giant leap toward addressing Nigeria's pharmaceutical needs by entering into an agreement with the American company, GB Pharma Holdings.
- Their business agreement is expected to provide Fidson with the guidance it needs to establish its foothold within the US and to develop strategic relationships with other business entities.

[Read more - PR Newswire](#)

Africa will be medical industries' racehorse in 2016

- The Export Council of Medical Industries (ECMI) expects exports of its member companies to African countries will increase in 2016 and African markets will be an alternative for Arab markets that have been suffering from political and security unrest for several years.
- Companies of medical supplies, pharmaceuticals, and cosmetics have high hopes on the agreement signed between the African blocs that include member countries in COMESA, SADC, and EAC to achieve their export goals over the upcoming years.

[Read more - Daily News Egypt](#)

Merck Accelerator to Invest \$45,000 Into Kenyan Digital Healthcare Start-ups

- After launching its accelerator in Kenya a few months ago, Merck has announced that its equity-free accelerator program for digital health start-ups in Nairobi, Kenya will start this April.
- The three-month program will support three start-ups in the field of digital healthcare with an equity-free funding of 15,000 USD each as well as coaching and mentoring from its global network of experts.
- "Africa is one of the most promising and dynamic digital markets with an innovative start-up culture. With our Accelerator program we aim to become part of it", explains Michael Gamber, Head of Merck Innovation Centre.

[Read more - Techmoran](#)

Tunisian Health Minister Calls for Promoting Partnership, Investment in Pharmaceutical Industry

- Tunisian Health Minister Said Aidi, called Thursday in Algiers for the promotion of the Algerian-Tunisian partnership in the health sector, notably through investment in the pharmaceutical industry.
- During his visit to the National Medical Imaging Centre (CNIM) of the Mohamed-Lamine-Debaghine Teaching Hospital, the Minister emphasized the importance of "promoting partnership between Algeria and Tunisia in the field of health, in particular through joint investment in the drug industry to consider exporting to African countries."
- The Tunisian Minister hailed "the high level" of the services provided by the Centre he dubbed a "pride for Algeria and the Maghreb," as it offers quality training for African doctors.

[Read more - All Africa](#)

Sultan Qaboos University Hospital selects Vocera for enterprise communications

- Vocera Communications, the leading mobile healthcare communications company, announced today that Sultan Qaboos University Hospital has selected Vocera's enterprise communication platform to optimize operational efficiency and improve patient satisfaction at the 528-bed academic hospital in Muscat, Oman.
- Sultan Qaboos University Hospital is considered one of the leading hospitals in the Middle East, employing more than 2,400 staff and offering education, medical research, and tertiary medical care.
- The hospital will leverage the intelligence of the Vocera Communication

Platform throughout its facility to enable care teams to instantly connect and collaborate on a range of communication devices, including Vocera badges.

- "Vocera is the right partner because their solutions align with our vision for an enterprise communication strategy and our planned expansions," said Eng. Salim Al-Hadhrami, Directorate of Technical Affairs. "Vocera's device-independent software platform combined with the benefit of hands-free, voice activated badges gives our staff the flexibility they need to communicate quickly without disrupting patient care."

[Read more - Vocera Website](#)

Omron Healthcare Takes Low-Cost Hypertension Care to Community Pharmacies

- Following its commitment to inspire Nigerians to care for their health, Omron Healthcare EMEA in partnership with the Lagos University Teaching Hospital (LUTH), has provided patients with hypertension care in pharmacies close to their homes, to help reduce cost, travel time and time waiting for appointments with doctors.
- This Pilot Project, Omron Medical Connect, is a service that enables patients to receive remote consultation and prescriptions for hypertension from cardiologists at LUTH directly at their community pharmacy. And it kicked off from February Saturday 6 to October this year in five areas in Lagos and surrounding areas.
- The selected outlets include: Silverline Pharmacy in Aguda, Victory Drugs in Festac Town, Elbeth Pharmacy in Isasi, Pillbox Pharmacy in Onike Iyawa and Mebic in Ifako Gbagada. Omron disclosed that it would recruit 500 patients to the Omron Medical Connect Pilot to demonstrate feasibility and effectiveness of this innovative healthcare delivery model.

[Read more - Vanguard](#)

South Africa: Government Establishes Pharmaceutical Company

- Government has established a state-owned pharmaceutical company that will supply anti-retroviral drugs to the Department of Health, President Jacob Zuma has announced.
- "I am happy to announce that the state-owned pharmaceutical company, Ketlaphela, has been established. The company will participate in the supply of anti-retroviral drugs to the Department of Health from the 2016/17 financial year," said President Zuma.
- President Zuma said the country's HIV policy turnaround in 2009 has led to a

massive rollout of HIV testing and treatment for 3.2 million people living with the virus.

[Read more - SA News](#)

Astrazeneca Looks to Grow Sales in Africa by Around 10% Annually

- AstraZeneca is targeting an annual increase in sales in Africa of around 10%, with revenue from the continent reaching less than \$500 million last year, Bloomberg reported. Tarek Rabah, the company's vice president for the Middle East and Africa, remarked "if you want to expand in Africa you need to understand this is a long-term effort."
- Rabah noted that construction is soon to begin on a manufacturing plant in Algeria, while AstraZeneca also plans to conduct more clinical studies in Africa and increase the number of existing and new medicines available. The new factory will produce drugs to treat cardiovascular disease, cancer and diabetes, while an existing plant in Egypt manufactures medicines to lower blood pressure and cholesterol.

[Read more - Bloomberg](#)

Haisco Pharma Leads \$15M Series D in Israeli Start-Ups

- Shenzhen-listed Chinese pharmaceutical company Haisco Pharmaceutical Group has led a US\$15 million series D round of financing in Israeli drug developer Regentis Biomaterials Ltd., says a company announcement.
- Existing investors including Medica Partners, SCP Vitalife Partners, Generali Financial Holdings, the Technion Research & Development Foundation and the Technion Innovation Opportunities Fund also participated in the round.
- The investment will be used for conducting a pivotal clinical trial in the United States to obtain marketing approval from the regulators.

[Read more - PR Newswire](#)

Ethiopia Will Host Ministerial Conference On Immunization in Africa

- Ethiopia is set to host the Ministerial Conference on Immunization in Africa, the first-ever ministerial-level convening with a singular focus on ensuring that people across the continent get access to life-saving vaccines.
- African leaders, including ministers of health, finance, and other line ministries, will gather in Addis Ababa February 24-25, 2016 for the conference, according to Vanguard newspapers.
- The conference is hosted by the World Health Organization Regional Offices for Africa (AFRO) and the Eastern Mediterranean (EMRO) in conjunction with the African Union

Commission. It is expected to provide a powerful platform for African policymakers and advocates to celebrate progress toward expanding immunization coverage while discussing strategies for tackling the biggest challenges facing vaccine efforts.

[Read more - Immunization in Africa](#)

Teva and AbCellera Enter into Agreement to Discover Rare Monoclonal Antibodies

- Teva Pharmaceutical Industries Ltd. and AbCellera have entered into a collaborative research agreement whereby AbCellera will apply its high-throughput single cell antibody platform for the discovery of rare monoclonal antibodies.
- Under the terms of the agreement, AbCellera will receive an upfront payment, research payments, and is eligible to receive undisclosed downstream milestones associated with the development and approval of therapeutic antibodies.

[Read More - Teva Website](#)

State to Monitor Importation of Medicines – Tanzania

- The Government has decided that hospital drugs will be procured directly from pharmaceutical industries instead of using agents, in a bid to cut unnecessary costs.
- The Prime Minister, Mr. Kasim Majaliwa said the Government will make contact with countries such as China and India that have large pharmaceutical industries so as to supply Tanzania with the needed drugs on time.

[Read more - Daily News](#)

Godrej Consumer Products Gains 1% after Acquiring Majority Stake in Canon Chemicals – Kenya

- Godrej Consumer Products Limited (GCPL) announced that its subsidiary has entered into an agreement with Canon Chemicals Limited, for the acquisition of a majority equity stake in its business in Kenya.
- Canon Chemicals Limited, a Kenya based company, manufactures and distributes products in the personal and home categories. Its major brand is Valon.
- Godrej Consumer Products is currently trading higher 1% at Rs 1244.25.

[Read more - Indian infoline](#)

2016 Budget: Nigeria to Spend More on State House Clinic Than on All Federal Government-owned Teaching Hospitals

- The Nigerian government is proposing to spend more on capital projects at the State House Medical Centre this year than it would provide for the 16 teaching hospitals

belonging to it.

- The capital allocation for hospitals are:
 - University of Calabar Teaching Hospital (N201,082,446).
 - University of Maiduguri Teaching Hospital (N215,151,873).
 - Usman Dan Fodio University Teaching hospital, Sokoto (N279,000,000).
 - Aminu Kano University Teaching Hospital (N210,380,376).
 - Nnamdi Azikiwe University Teaching Hospital, Nnewi (N166,188,931).
 - University of Abuja Teaching Hospital (N198,715,702).
 - Abubakar Tafawa Balewa University Teaching Hospital (N229,005,992).

[Read more - Premium Times](#)

Antibiotics banned in Tanzania! Lincoln Pharma tumbles 17%

- Tanzania drug authority (TFDA) banned Chloramphenicol Sodium Succinate Injection manufactured and exported by the company. Chloramphenicol Sodium Succinate is an antibiotic used to treat serious bacterial infections.
- Shares of Lincoln Pharma crashed 16.97% to Rs. 187.70 on BSE after Tanzania drug authority (TFDA) banned Chloramphenicol Sodium Succinate Injection manufactured and exported by the company.

[Read more - Indian Infoline](#)

HGH Holds First Research Committee Forum – Qatar

- Hamad General Hospital (HGH), a member of Hamad Medical Corporation (HMC), held a Research Forum last week at Hajar Auditorium to introduce the new hospital research committee members and discuss the HGH research process with clinicians across all specialties who are interested in research.
- Dr Abdulla Al Naimi, Chairman of the HGH Research Committee noted: The hospital-based research committee is one of the committees formed at all HMC hospitals in July 2015 and reports to HMC's Medical Research Center (MRC). This is our first meeting and we plan to hold the forum every six months.

[Read more - Gulf Time](#)

Aurobindo Pharma to set up plant in Saudi Arabia

- Indian pharmaceuticals manufacturer Aurobindo Pharma has become the latest global conglomerate to launch its factory in Saudi Arabia.
- The company's investment arm has leased a site in Phase one of the King Abdullah Economic City's (KAEC) Industrial Valley to build its first manufacturing facility in

Saudi Arabia to produce oral tablets and capsules.

- The deal is part of the joint effort by KAEC and the National Industrial Clusters Development Programme, with pharmaceuticals being one of six major industries targeted by the drive.

[Read more - ET Healthworld](#)

Events

1st Abu Dhabi Pharmacy Conference

- A unique conference bringing together some of the most recognized names in healthcare & pharmacy practice, providing you with the opportunity to advance your practice, gain new knowledge, develop new ideas for your organizations as well network with your peers and experts in the field. Recognizing that learning is best accomplished through an engaging and interactive setting.
- ADPhaC will also feature several workshops and networking sessions which will give you the chance to meet and interact with field experts and delegates in a casual setting.

[Read more - Adphac](#)

Healthcare & Pharmaceutical conference in Kenya

- Following the undoubted success of the first two editions of APS in attracting exhibitors and delegates from around the world, the event has become firmly established as a unique platform and meeting place, for policy makers, senior pharmaceutical and healthcare industry executives, investors and stakeholders. APS 2016 has the official endorsement of the Ministry of Industrialization and Ministry of Health, Kenya.
- The APS concept integrates three elements – Exhibition, Summit and Partnering – into a single platform for developing business leads, forging strategic alliances and enhancing multi-stakeholder cooperation to provide added momentum to progress on issues relating to pharmaceutical sector development in this fast growing region of the world.

[Read more - Global Events List](#)

Middle east pharma cold chain congress 2016

- The Middle East Pharma Cold Chain Congress provides a regional platform that connects industry stakeholders to share their ideas on issues and challenges the industry faces.
- The congress will bring to fore solutions and strategies that will ultimately ensure healthy shipments and safe pharmaceuticals throughout the region.

[Read more - Pharma Cold Chain](#)

26th european congress of clinical microbiology and infectious diseases

- Bringing the world's leading experts and innovative research to ECCMID. The Programme Committee is preparing keynote lectures, symposium, educational workshops and meet-the-expert sessions on parallel tracks, covering the latest developments in the field of infectious diseases and clinical microbiology.

[Read more - RSC](#)

Gcc healthcare innovation congress

- The healthcare market in the Gulf Cooperation Council (GCC) countries is expected to be worth US\$60 billion by 2025.
- The GCC Healthcare Innovation Congress will bring more than forty senior leaders across the healthcare industry from health authorities, providers, payers and pharmaceutical companies to provide a unique platform for facilitating innovation in connected health, featuring panel discussions, keynote presentations, interactive workshops and more.

[Read more - GCC Healthcare](#)

Arab diabetes medical congress

- The IDF MENA states that by 2030, it is estimated that 51.7 million people will have diabetes (10.8% of the adult population). Diabetes continues to be a globally devastating disease.
- Arab Diabetes Medical Congress is a unique and innovative platform dedicated to advancing the quality of diabetes management in the GCC by providing professionals from different specialties with a comprehensive scientific programme presented by a leading regional and international faculty.

[Read more - Arab Diabetes Congress](#)

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