



Pharmaceutical Industry in OIC Member Countries

Production, Consumption and Trade

STATISTICAL, ECONOMIC AND SOCIAL RESEARCH AND
TRAINING CENTRE FOR ISLAMIC COUNTRIES
ORGANIZATION OF ISLAMIC COOPERATION

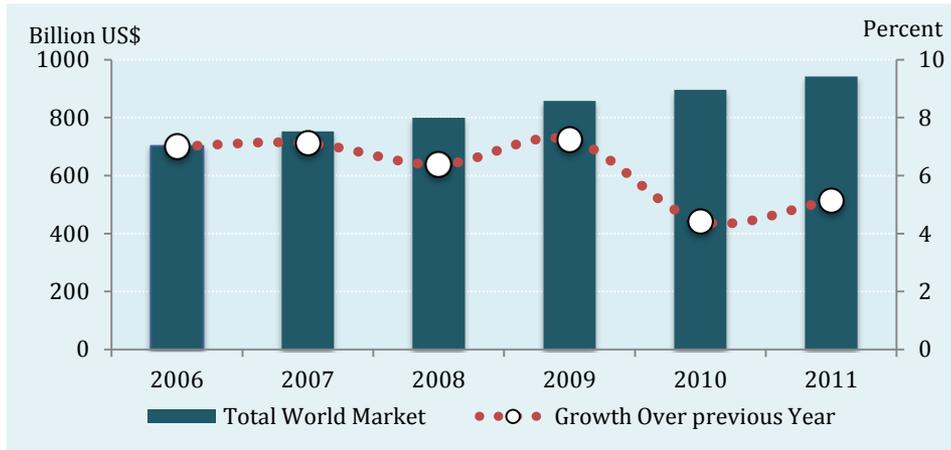
Pharmaceutical Industry

- **An indispensable part of health care system.**
- **...develops, produces, and markets drugs...for use as medications.**
- **innovation.....almost all epidemics and chronic diseases are curable today.**

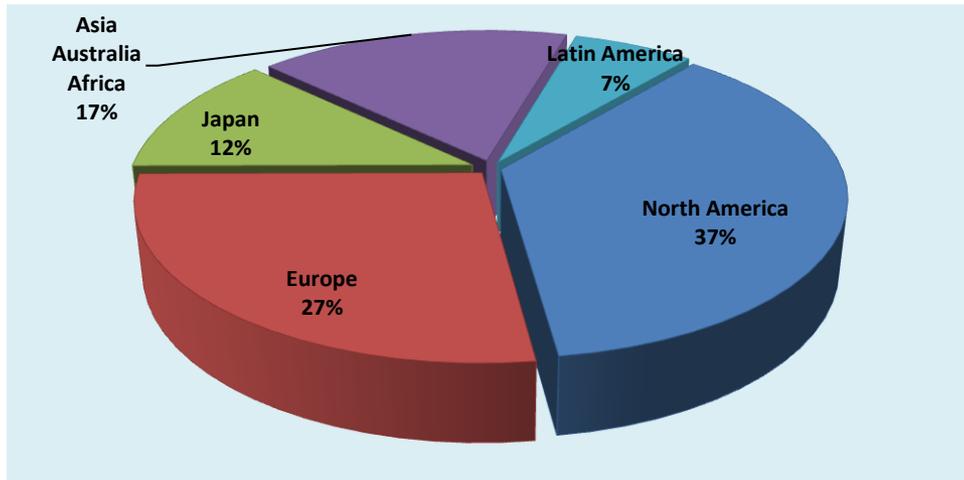
Despite all progress.....

- **On average, 30% of the world population lacks access to life-saving medicines.**
 - **whereas, in some countries of Asia and Africa, the number may be as high as 50%.**
- **.... the share of medicines in out-of-pocket health payments is ranging between 40 to 60% in majority of LDCs.**

Pharmaceutical Production and Consumption



- **One of the largest and rapidly growing global industries**
 - valued at US\$ 942 billion with a growth rate of 5.1% over the previous year.



- **Both in terms of production and consumption, it is highly concentrated in the developed regions.**
 - North America (37%), Europe (27%) and Japan (12%) accounted for nearly 76% of global market

Source: IMS Health Market Prognosis, May 2012.

Pharmaceutical Industry in OIC - I

- **Local production and consumption data is largely unavailable.**
- In member countries with data, **local production satisfying a tiny share of demand.**

MENA:

- **Saudi Arabia:** ... biggest market| US\$3.4 billion| ...with **19** licensed manufacturer.... satisfying only **20%** of demand (2011).
- **Egypt:** one of the major flourishing markets| US\$2.7 billion | ...with **119** licensed companies... satisfying more than **90%** of demand (2011).
- **Jordan:** **16** licensed manufacturers satisfying **50 %** of demand (2010).
- **UAE:** **8** manufacturing units.... satisfying **10 %** of demand (2008).
- **Morocco:** **40** licensed manufacturers.....satisfying **70%** of demand (2010).
- **Tunisia:** **47** licensed manufacturers.....satisfying **45%** of demand (2011).

Pharmaceutical Industry in OIC - II

Asia:

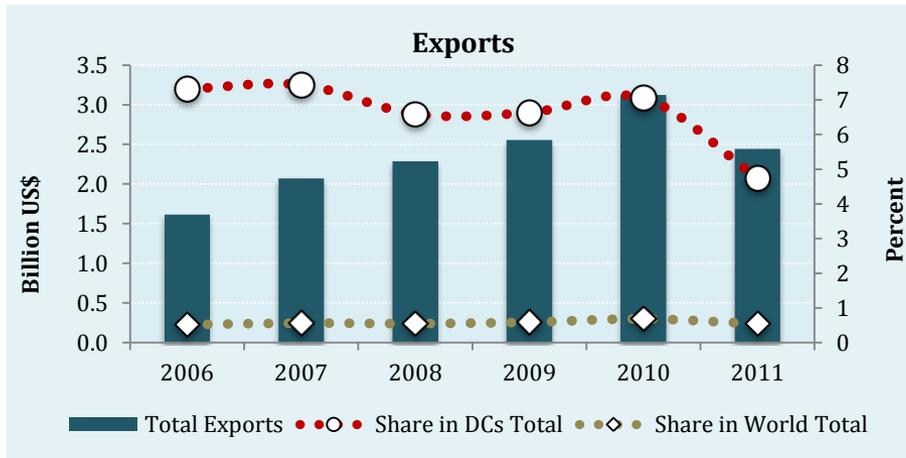
- **Turkey:** ..largest OIC market| over 9 billion US\$| ...ranked 7th in Europe and 16th in world ... 134 licensed companies... satisfying 90% of demand (2011).
- **Kyrgyzstan:** 42 licensed manufacturers...satisfying 4% demand (2011).
- **Malaysia:** one of the fastest growing pharmaceutical market | valued over 1 billion US\$| ... with 250 licensed manufacturers...satisfying 25-30% of domestic demand (2011) .
- **Indonesia:** ...a growing market| over US\$ 2 billion| ...with 204 domestic manufacturers ...satisfying 80% of demand (2010).
- **Pakistan:** | US \$1.25 billion| ...with 478 licensed manufacturers...satisfying 47% demand (2009).

Pharmaceutical Industry in OIC - III

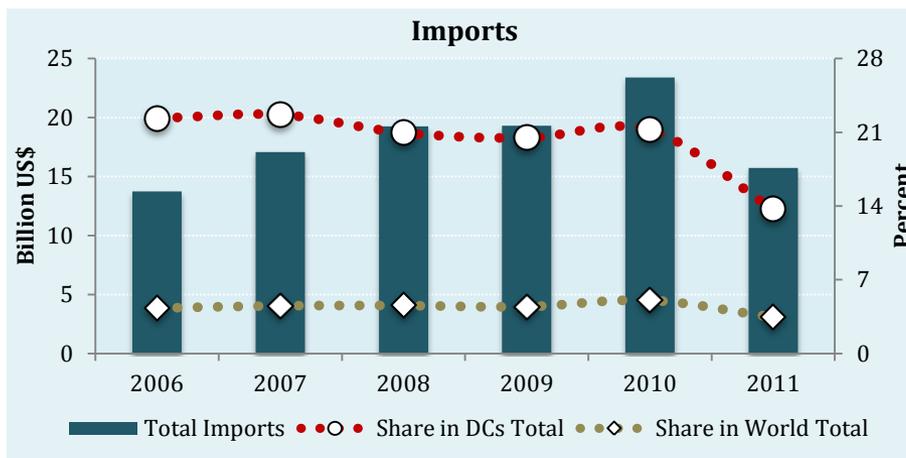
Sub-Saharan Africa:

- **Nigeria:** ...second leading producer in SSA | US\$ 2.5 Billion market| ...**146** licensed manufacturers...satisfying **25%** of demand₍₂₀₁₁₎.
- **Senegal:** **5** licensed manufacturers...satisfying **15%** of demand₍₂₀₁₁₎.
- **Côte d'Ivoire:** **8** licensed manufacturers...satisfying **10%** of demand₍₂₀₁₁₎.
- **Cameroon:** **13** licensed manufacturers...satisfying **4%** of demand₍₂₀₁₀₎.

Pharmaceutical Trade



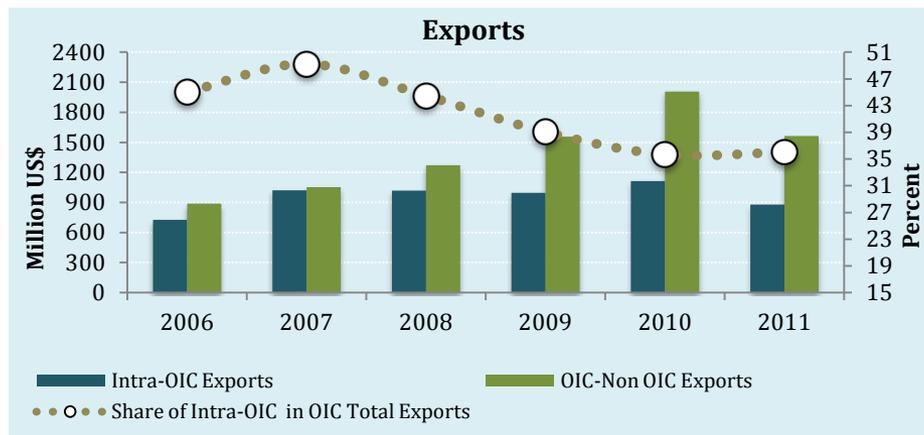
- **Pharma exports increased from US\$ 1.6 billion to US\$ 2.4 billion.**
 - share in world exports remained constant at about **1%**.
 - share in developing countries exports remained stable at **7%**.



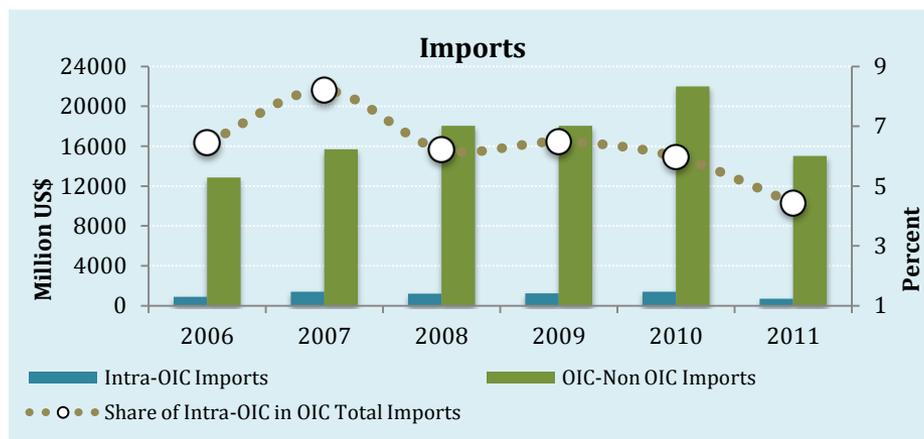
- **Pharma imports increased from US\$ 13 billion to US\$16 billion.**
 - share in world imports declined from **4.4%** to **3.4%**.
 - share in developing countries imports decreased from **24%** to **14%**.

Trade balance deficit increased from US\$ 11 billion to over US\$13 billion

Intra-OIC Pharmaceutical Trade



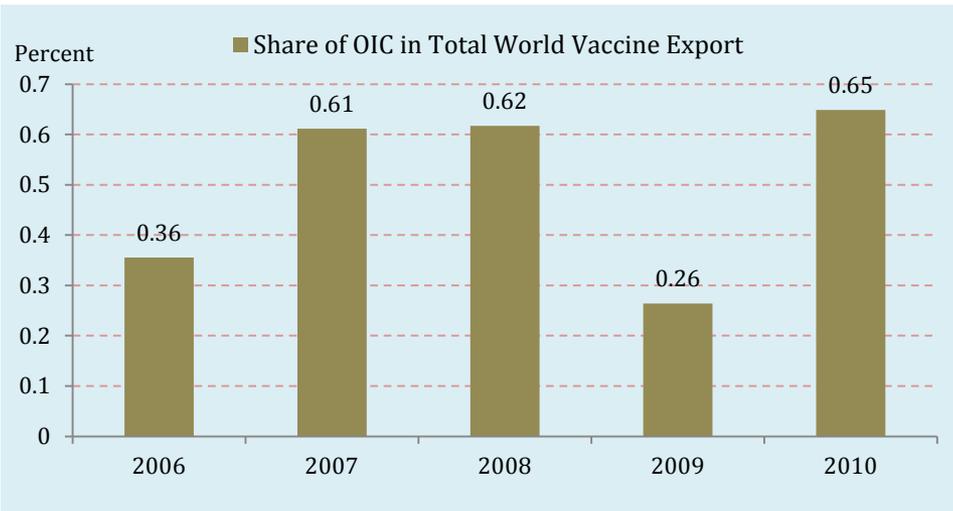
- **Intra-OIC pharma exports increased from US\$ 727 million to US\$ 880 million.**
 - share in OIC total exports decreased from **45% to 36%**.



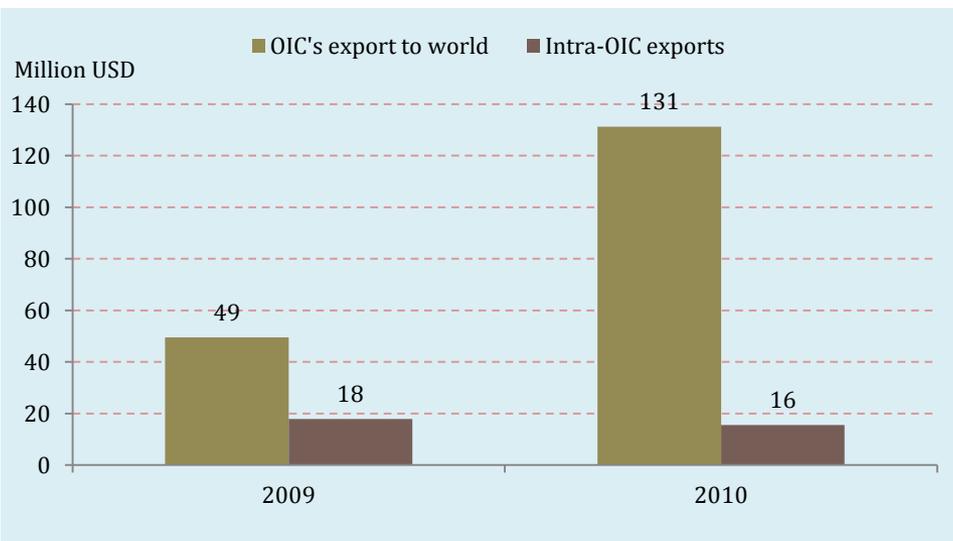
- **Intra-OIC pharma imports increased from US\$ 886 million to US\$ 1399 in 2010 before declining to US\$ 697 million in 2011.**
 - share in OIC total imports decreased from **6.5% to 4%**.

This underlines the fact that member countries rely heavily on non-OIC countries to satisfy their domestic demand.

Exports of Vaccines for Human Use

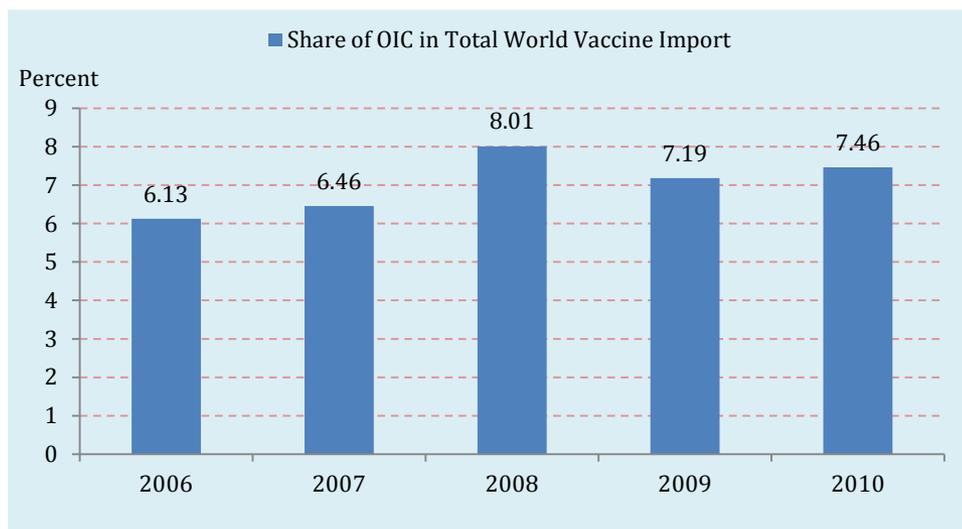


- **OIC countries are still accounting for less than 1% of the total world vaccine exports.**
 - OIC exports of vaccine recorded only 131 million USD.

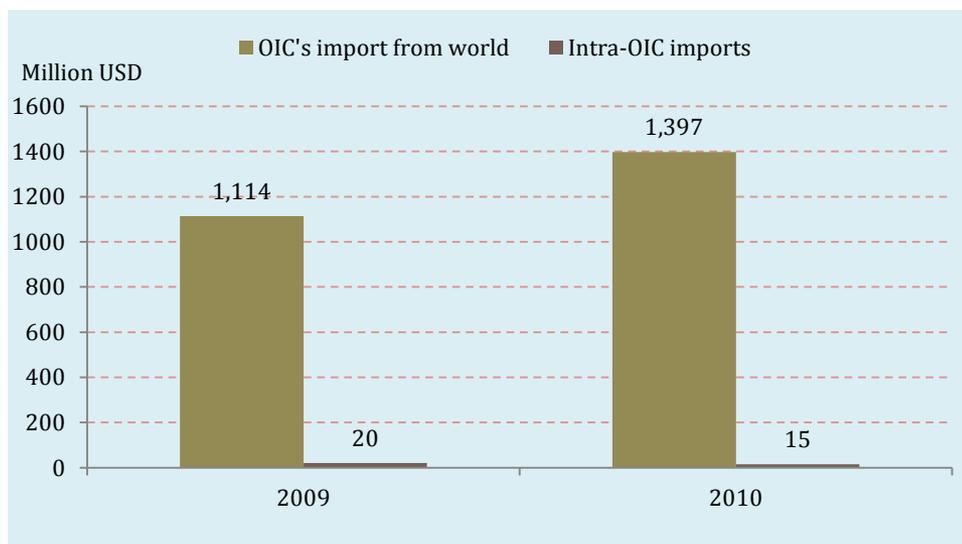


- **Intra-OIC exports of vaccine accounted for 36% of total vaccine exports of OIC countries in 2009, but it decreased to only 12% in 2010**

Imports of Vaccines for Human Use



- OIC countries accounted for **8%** in total world vaccine imports in 2008 and this ratio remained above **7%** in the following two years.
 - OIC imports of vaccine recorded over **1 billion** for the first time in 2009 and reached to almost 1.4 billion in 2010, which is **10 times** higher than their exports.



- Intra-OIC imports of vaccine accounted for **1.8%** of total OIC import in 2009, but decreased to only **1%** in 2010.

Policy Recommendations - I

- **Pharmaceutical production requires skilled human resources like scientists, pharmacists, biologists and lab technicians.**
 - Member Countries should encourage and empower their education system to impart quality knowledge in academic disciplines like Chemistry, Biology, Medicines and other natural sciences.
- Member Countries should also give due attention to **convert the brain drain of highly skilled people into brain gain**
 - by facilitating the national Diaspora to return to their countries.
- **Pharmaceutical industry is a research intensive industry.**
 - proper R&D facilities should be built and
 - provide necessary financial resources to develop an innovative pharmaceutical industry in the member economies.

Policy Recommendations - II

- **At the intra-OIC level:**

- Member Countries should collaborate with each other by sharing expertise for the development of pharmaceutical industry.
- Students mainly from LDCs can be enrolled in pharmaceutical related academic disciplines in member countries with substantial pharmaceutical base [like Turkey, Egypt, Jordan and Malaysia] to equip them with necessary knowledge and expertise in this field.

- **At the international level:**

- Member Countries should collaborate with the international agencies like WHO, UNCTAD and World Bank to benefit from their expertise and financial resources to build their domestic pharmaceutical industry.



THANK YOU..!

MAZHAR HUSSAIN
RESEARCHER
SESRIC
mhussain@sesric.org
www.sesric.org