

Middle East, Africa pharma economy to reach \$38.8B by 2021

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CPhI Middle East & Africa opens in Abu Dhabi as finished dosage formulations expand quickly, driven by government reforms to further increase local manufacturing.



CPhI MEA (Middle East and Africa) launches next month as favourable market conditions are driving increased growth across the Middle East and North Africa (MENA) pharma market – ageing and gentrifying populations, increased healthcare spending, and a modernising supply chain are transforming prospects in the region.

Total pharma sales have reached an impressive \$32 billion across MENA as a whole – the Middle East accounts for \$20.3 billion and North Africa \$10.7 billion. The increasingly gentrified populations in Sub-Saharan African countries and the development of sophisticated universal healthcare systems in the Middle East are providing robust growth opportunities.

In particular, the finished dosage formulation sector is expanding particularly quickly in the Middle East, with a number of plants being commissioned in the last few years. In the UAE, the government also fast-tracks approval of locally manufactured drugs, which is helping to establish a new manufacturing base in the country – with the added potential for exports to the Gulf Cooperation Council.

Commenting on the region's generic sector Cara Turner, Brand Director – CPhI Middle East & Africa, UBM, added, "Many companies are receiving a direct boost from government policy changes and are building new manufacturing facilities in the region, which is seeing the sector perform strongly. Domestic production accounts for approximately 45% of drug consumption in the Middle East, with generics in the GCC alone valued at \$1.55 billion in 2016."

Saudi Arabia remains the biggest pharma market in the region according to 2017 sales numbers at \$7.5bn, with Turkey (\$6.9bn), Egypt (\$3.4bn) and the UAE (\$3.17bn) following closely behind. However, overall the North Africa region is predicted to see the fastest growth rates in the next few years at 7.6% CAGR.

"The Middle East and Africa market is evolving at a rapid pace, and opportunities are plentiful for regional and international pharma companies. However, it can be a difficult region to navigate due to the lack of an overall governing body. Internationals looking to access the market need an appreciation of differing rules, regulation and systems in operation. It's

one of the reasons we are launching CPhI MEA this year as we believe we can help accelerate domestic international growth. Increasingly, we are seeing a number of affluent and high growth pharma companies emerge – which presents ample opportunity to form international partnerships.” added Turner.

CPhI Middle East & Africa – organised by UBM (part of Informa Plc) – will launch at the ADNEC centre, Abu Dhabi for the first time this year on 3-5 September 2018. In a region that relies heavily on imported ingredients and the maintenance of a reliable network of distributors, CPhI MEA is specifically tailored to facilitate new connections between regional and multinational businesses and optimize existing partnerships.

The event will attract key decision makers and budget holders from the region to meet with 4000+ attendees – 50% of which are from outside the MEA region – and 250 local, regional and international exhibitors. In fact, such has been the demand in the last few months that the organisers have had to add a further 348 square metres (7%) of floor space.

The exhibition will also feature co-located events, Finished-Dosage-Formulation (FDF), ICSE, P-MEC and InnoPack providing a comprehensive overview of all steps of the supply chain in one location. Representatives from APIs, excipients, IT, analytical services, contract manufacturing, clinical trials, packaging, machinery, and more will be present.

Jerome Carle, General Manager at Julphar says of the event, "The MEA plays a more important role in the global pharmaceutical market. This event will give exposure to regional players, stimulate discussion on key regional and international issues and create meaningful opportunities for collaboration. It will also provide a unique opportunity to gain insights into the latest trends and developments that are shaping the landscape of the industry. For companies that do not have a footprint in the MEA, this will also be a great opportunity to find strong partners to help them navigate in the region and build their strategies."