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**Theodore Tryfon, President of the Pan-Hellenic Union of Pharmaceutical Industries**

## “Let’s stop importing what we produce”



The Greek pharmaceutical industry can meet 70% of the country’s pharmaceutical needs with quality, cost-effective drugs, and can proceed to specific investments and development operations, on condition that current disincentives are lifted, states Theodore Tryfon, President of the Pan-Hellenic Pharmaceutical Industry (PEF), in his interview to news website [Paraskinio](http://Paraskinio).

PEF’s annual event at Badminton Theatre this year was entitled “Greek Drugs: The Solution for Health, Society and Development”. Give as a picture of this solution.

We firmly believe, and can prove in practice, that the national pharmaceuticals industry can help re-boot Greek economy. Besides, it is not by coincidence that, according to official international and Greek studies that have been conducted upon request of Greek administrations, the pharmaceutical industry is “the main pillar for growth” and a “national leader” in the effort to exit the crisis and to set a strategic financial planning for 2020.

Counting 27 modern production plants in our country, the Greek pharmaceutical industry accounts for 60% of jobs in its sector and 100% of new investments; meanwhile, it sustains research and innovation, investing €30 million per year in more than 80 research projects. With considerable know-how spanning 50 years, the Greek pharmaceutical industry has been fostering steady partnerships with research bodies in Greece and abroad, and has been acknowledged as the 2nd most dynamic sector in exports in Greece. The yearly contribution of domestic pharmaceutical production to the country’s GDP has been assessed at €2.8 billion, while for each €1,000 spent on Greek drugs, GDP goes up by €3,420.

**In your public interventions though, you stress that with the current pharmaceuticals policy in 2 years time there will be no Greek drugs in the market...**

Despite its dynamism, the Greek pharmaceutical industry has suffered strong blows. The policy that has been followed in recent years has focused single-mindedly on drug pricing, whereas throughout Europe the emphasis is placed on consumption. This has led us to a perverse pricing system and, consequently, Greek drugs are abusively subject to much sharper price cuts than imported drugs. What is happening is beyond any logic. To disproportionately burden cost-effective Greek drugs, which account for 18% in volume and a mere 25% of pharmaceutical expenditure, does not save resources for the system. Such a development is anticipated to lead, first, to the creation of two-tier drugs and, second, to the elimination of Greek drugs from the pharmaceutical market. Besides, it is obvious that sooner or later cutting the price of cost-effective Greek drugs will render their

manufacture unprofitable, which will take them off the market. This will favor imported generic drugs into monopolization.

**In your opinion, is rectifying this perverse pricing system that you mentioned sufficient to bring us to the desired normalization of pharmaceutical spending?**

It is necessary, but not sufficient. Quality Greek drugs are those that will help substantially to bring down expenditure and, in this regard, there is no doubt that their excessive and single-sided price cuts must stop. However, emphasis should be placed on putting forward structural measures to control drug consumption in our country. And this because, in a country that will reach 55 million prescriptions per year – according to recent figures by the National Organization for Healthcare (EOPYY) – it is not possible to place emphasis on drug prices. Controlling prescriptions should be brought forward and there should be specific tools, such as treatment protocols, e-prescriptions and registries of expensive treatments, which can help in this direction.

**Do you see any change in the attitude of the State in terms of unlocking the development potential of the Greek pharmaceutical industry?**

This will become evident in the near future. In my view, the first, very important step is to set the budget on drugs at realistic levels in line with the European average, which regards per capita pharmaceutical expenditure. Other than that, Greek drugs can undoubtedly form part of a dynamic development policy, despite the fact that so far they are threatened with extinction from the Greek market. In addition to the overwhelming price cuts that have brought the sector to its knees, ongoing rebates and clawbacks combined with current taxation mean that the pharmaceutical industry turns over to the public state resources totaling up to 50-55% of our turnover.

On top of that, the drug supply system from hospitals, the delays in licensing Greek drugs, and the measure of prescribing on the basis of the active ingredient have created a privileged status, a type of monopoly, for imported drugs in the Greek market. Meanwhile, the lack of awareness among the general public about the use of generics, which account for the best part of domestic drug production, is one more disincentive to development in our sector.

The Greek pharmaceutical industry has made specific, cost-accounted proposals, which we recently communicated to all competent authorities. More specifically, we stress that once the disincentives are lifted, such as those I mentioned before, disincentives that exacerbate Greek drugs, we will commit to take a series of actions that can be materialized in just 6 months, without incurring extra cost. Namely, in a nutshell, within a fixed budget:

- To cover adequately 70% of primary healthcare needs in drugs and 50% of hospital care needs in drugs. This will make room for innovative drugs.
- To provide sufficient and good quality drug treatments.
- To offer low prices that will entail lower contributions for sufferers.
- To make new investments and boost employment and research, utilizing the country's academic and scientific potential.
- To boost the orientation of the Greek pharmaceutical industry on exports.

We are ready to contribute decisively in the re-boot of Greek economy. Now the ball is in the State's court.