

To Vima

Theodore Tryfon: "Support drugs manufactured in Greece!"

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"The Greek pharmaceutical industry is a national industry. It remains a local industry, it maintains jobs, and reinforces research and innovation," noted Mr. Theodore Tryfon.

The newly elected President of the Panhellenic Union of Pharmaceutical Industries (PEF), Mr. Theodore Tryfon, expressed his discontent over the policy implemented in the pharmaceutical sector. He stressed that the Greek pharmaceutical industry will fail to bear the production costs, and thus, will be forced to withdraw many of its drugs from the market. Furthermore, he warns that if the policy of cutbacks in cheaper, domestically produced drugs continues to be implemented, it is an inevitable fact that in the near future, there will be no drugs manufactured in Greece!

-Are you pleased with the current policy implemented in the pharmaceutical sector? If not, why is that?

Obviously, we cannot be pleased with the up to the present day policy implemented in the pharmaceutical sector. This discontent is not primarily due to the decreased expenditure in the healthcare sector (this needed to be done in order to escape the age of high healthcare cost trends), but it is mainly because of the following two reasons:

1) The Healthcare expenditure for 2014 and 2015 has been set at very low, unattainable levels, that is 30% below the European average. Clearly, Healthcare spending has to be redefined to reasonable levels, while always taking into account the urgent national objective for insurance funds expenditure cuts.

2) Cutbacks in expenditure have been achieved mainly by a blatant decrease in drug prices and not by means of structural changes based on supply and demand. Most unfortunately, the older, established, and domestically produced drugs, 'suffered' unbelievably high price cuts.

-Where is this policy leading to?

It is leading towards a paradox: A unidimensional pricing policy, implemented by the Ministry, which affected the much more economical Greek drugs, which 'suffered' exhaustingly high price cuts in the region of 45-65%, while the same policy has affected to a much **lesser** degree the more expensive, imported drugs. The lack of incentives for Greek production and the consumption of generics, has immobilized the market share of Greek pharmaceuticals at levels below that of 20%. By contrast, imported drugs dominate the market with an 80% share.

If we take into account that new generic drugs may have a waiting period of up to two years in order to be granted a marketing authorization in the Greek market, by the National Organization for Medicines (EOF), whereas imported generics are authorized in fewer than 10 months – not to mention, that they are 70-75% cheaper than their respective originals that go off-patent, then it becomes obvious that the Greek pharmaceutical industry will be unable to bear the production costs for much longer, and will be forced to withdraw many of its drugs from the market.

-Are you saying that there is a risk of Greek drugs becoming extinct?

If the cuts in cheaper, domestically produced drugs are implemented for much longer, combined with the added measure of prescribing drugs based on the **active ingredient**, then it is clear that soon **there will be no Greek drugs left in the market**, to the great profit of importers. In other words, the Greek market will be divided to the detriment of the national economy! Let me stress again that regrettably, only 18% of drugs are Greek-owned, a fact which results in huge capital leaving the country, annually!

-Therefore there is a real danger of companies closing down or fleeing Greece?

The Greek pharmaceutical industry has been dealt an excessive blow against it, by the State. Apart from the detrimental pricing policy I have already mentioned, the taxation policy, and the excessively high rebates and clawbacks imposed upon our Industry, have resulted in the Greek pharmaceutical industry being taxed at 55%! This has created huge, unbearable costs, unique and unheard of across the entire EU. Despite all this, we are adamant in maintaining our production and employment opportunities in Greece. This is our ideology, our political stance, and we continue to support it, in spite of the fact that there are obvious solutions for lower production costs in neighbouring countries. The Greek pharmaceutical industry is a **National Industry!** And it has proved it! It does not yield to the enchanting siren calls of higher profit. It chooses to remain in Greece, it maintains jobs, it reinforces research and innovation, it follows an extroversive policy, it openly declares its operational activities and profits and is taxed accordingly.

-What do you believe should be done to improve the conditions for Greek drugs, and the general environment for the Greek pharmaceutical industry?

Firstly, it is my impression that the State and all relevant authorities have come to realize that it is time to implement a **National Pharmaceutical Policy**. It is a major opportunity to proceed with the reforms and changes that will ensure that Greek citizens receive quality, cost-effective drugs, to the benefit of social insurance funds. At the same time, a pharmaceutical policy may significantly and especially boost the growth prospects of Greece's pharmaceutical industry.

Clearly, the pharmaceutical policy must contain new priorities:

- The determination of pharmaceutical expenditure at **€2.2 billion**.
- To establish a national policy for **branded generic drugs** (identification of the producer for reasons of quality and safety), to offer **incentives** to doctors and pharmacists, and to raise awareness of the public. If this succeeds, then approximately **70%** of primary healthcare needs will be met by top-quality, domestically produced, cost-effective drugs (at least to a great extent). Meanwhile, this will allow for resources for truly innovative drugs.
- To immediately implement measures for **prescriptions regulation**, and to alter the current distorted and unacceptable due to its complexity, drug pricing policy.

- **Interventions by the troika must cease!** Interventions which are hindering the national pharmaceutical industry. There is a closed budget for pharmaceutical expenditure, and so I do not see the reason why the troika should intervene on the analogous division of the market share. This has to be up to Greek authorities. Let me remind you that independent international and national surveys have described the Greek pharmaceutical industry as a "main pillar of growth" for the country. As a creative driving force capable of offering investments, support for research, innovation, new job opportunities, exports, and extra public revenue.

We believe that the Greek pharmaceutical industry can contribute to reversals that will lead to new growth. To this end, we have submitted analytical proposals to the government. Proposals which once materialized, they will boost development and new jobs. However, it is imperative that we move quickly, as opportunities may be lost.