

THEODORE TRYFON

# Greece produces pharmaceuticals and exports to 80 countries

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**B**y exporting Greek pharmaceuticals to 80 countries, the 27 modern Greek pharmaceutical industries are at the forefront of the country's efforts for development; these companies employ 11,000 highly-trained workers, while indirectly the number of employees number more than 50,000. In addition, awarded more than 100 patents, the Greek pharmaceutical industry spends a large amount of its capital on scientific research and technical expertise, with more than 85 scientific programs, in which scientists participate from all over the world!

This is one of the sectors, which dynamically contributes especially during this period, to what the country is precisely in need of: growth. This is something that the new Finance Minister has publicly recognized in his public statements. Furthermore, it is not by chance that, according to data from the Panhellenic Exporters Association and the Exports Research Center (KEEM), the domestic drug production sector has been recognized as the second most dynamic export sectors of our country.

So far, during this period of economic crisis, while in other business sectors employment is shrinking, the Greek pharmaceutical industry maintains, but in many cases also increases jobs; and this, despite of the severe blows the pharmaceutical sector has suffered, due to measures that act as obstacles to its further growth.

Mr. Theodore Tryfon, President of the Panhellenic Union of Pharmaceutical Industries, states in "Ethnos-Health": "The Greek Pharmaceutical Industry recognizes its position as part of the country's social fabric, and towards this direction, it considers its contribution essential. For this reason, within the last four years, the Industry has augmented its employment positions, amidst a period during which multinational pharmaceutical industries, holding a market share of 82%, have laid off 40% of their personnel".

Mr. Tryfon adds: "The Greek pharmaceutical Industry, with its market share at 18% and representing 60% of the sector's jobs, has maintained its personnel; in fact, many companies in our sector have recruited new staff.

Studies conducted by the Foundation of Economic & Industrial Research (IOBE) show that for every €1 invested in a Greek drug, the country's GDP is enhanced by €3.42, thereby making Greek drugs the sole industrial product, in the health sector, with such major added value for the national economy".

## **Our proposals were ignored**

"During the memorandum, the sector of domestic drug production suffered dramatic



financial blows, due to taxation and the grossly disproportionate, unjust, financial burdens that were imposed on the sector – a representative example of all of this being: the successive annual rebates and clawbacks, as well as the PSI "haircut" of Greek government bonds", highlights Mr. Tryfon.

The Greek pharmaceutical industry's proposals were ignored. According to these proposals, the industry commits to the following:

- Increase investments in production, jobs, research and exports.
- Cover 70% of primary healthcare and 50% of hospital care, with cost-effective and quality drugs.
- Reduce the patients' cost participation in drugs, which are produced by the Greek pharmaceutical Industry. Contribute to the coverage of uninsured individuals.

"These conditions led the Greek pharmaceutical Industry to an overall burden of 55%, thus, creating an unbearable cost for the sector's sustainability.

The unilateral focus on drug pricing caused exhaustive price reductions in affordable Greek drugs, with the obvious risk of their resulting withdrawal from the market, paving the way for their substitution by expensive, imported drugs.

The lack of a government policy encouraging the use of Greek quality generics, as well as the erroneous implementation of pharmaceutical prescribing based on the active ingredient, impeded the effort of expanding the use of Greek generics".

PEF's President refers to the missed opportunities for utilizing the sector for growth, as well as the measures imposed which prevented the growth of the Greek pharmaceutical sector.

"As a cost carrier, Greek drugs were burdened with the largest part of the pharmaceutical expenditure's reduction; this was due to the fact that the structural measures required for controlling prescriptions, and evaluating the effectiveness of expensive pharmaceutical treatments, were not promoted to the extent they should have.

The policies that were implemented during the memorandum, grounded Greek pharmaceuticals to 19% of the market, although they account for 60% of employment positions, and 100% of new investments. During the last ten years and amidst the country's circumstances of loaning and debt, the trade balance deficit from drugs we import, relatively to those we export, was more than 2 to 2,5 billion. It therefore stands to good reason to wonder: do we want to import what we could actually produce?"

## **Stable 3-year framework**

"The pharmaceutical policies that were implemented during previous years were based upon the redistribution of market shares within a closed budget; this resulted in the shrinkage of our field – one of the last productive sectors of our country – as well as to the obstruction of its growth dynamics'. The consequence of this was to surrender the Greek pharmaceutical Industry to expensive, imported drugs, with a significant restriction of the domestic drug production's strategic capabilities. If growth is what we want, then this mentality must change".

Mr. Tryfon concludes: "The Greek pharmaceutical Industry commits to dynamically contribute to the protection of Public Health, as well as to the national economy's resetting, without any additional cost for the State, and with important growth benefits.

From our side, we ask for a stable, 3-year framework, and an overall pharmaceutical policy which will be based upon: the developmental dimension of Greek pharmaceutical industries, assurance of liquidity for Greek businesses, and a more rational rebate and clawback system".

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**"The Greek pharmaceutical industry commits to dynamically contribute to the protection of Public Health and to the national economy's resetting", emphasizes Mr. Tryfon.**

***Amidst the crisis period, the Greek pharmaceutical industry maintained and increased employment positions, in spite of the blows it suffered!***