

Bangladesh Pharma Industry: Opportunities in Global Generics



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Bangladesh... an emerging economy



- Fast growing economy with consistent GDP growth over 6%
- Goldman Sachs has placed Bangladesh in its "Next 11" countries to watch
- Citigroup, JPMorgan Chase and Merrill Lynch consider Bangladesh to be the next Asian success story
- Standard Chartered has included Bangladesh in the prestigious "7% Club"
- Bangladesh is included in the "PWC30" list of high growth economy by 2050
- BD ranks #1 in HSBC's Global Trade Confidence Index 2015 (ahead of US, Germany, China and others)
- Standard & Poor's (S&P) and Moody's have adjudged Bangladesh economic outlook as 'stable'
- 2nd largest apparel exporter; 8th largest remittance recipient in the world

Pharmaceutical Industry

A success story

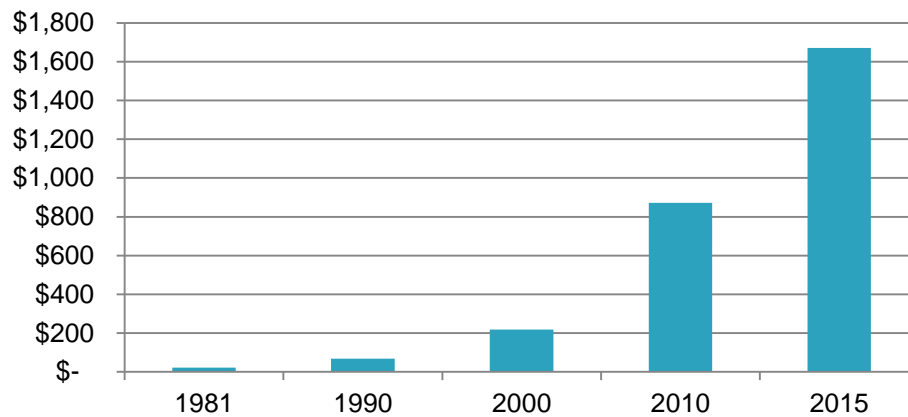
- The sector has grown from strength to strength over the last 40 years
- Evolved from an import dependent to self reliant, export oriented sector
- Technology and knowledge based sector; not easy from an LDC country faced with enormous economic challenges
- The only LDC that has a well developed pharma sector
- Pharma sector has huge export potential



Bangladesh Pharmaceutical Market

- Total market size >\$1.6 billion (IMS 2015)
- Nearly self sufficient; 98% demand met by local production
- Historically good growth maintained (>10%; last 3 yrs ~15%)
- Declared as the thrust sector owing to huge export potential
- Largest white collar labor intensive employment sector
- Registered pharmaceutical companies: 257

Bangladesh Pharmaceutical Market (in Constant 2015 US \$)



	Top 10 Companies	
	Share of Sales	Share of Growth
2012	66.26%	69.36%
2013	67.00%	74.70%
2014	68.30%	80.54%
2015	68.31%	68.45%

Modern factories in Bangladesh



Modern factories in Bangladesh



Modern factories in Bangladesh



Modern factories in Bangladesh



Global Accreditations

- ☆ USFDA
- ☆ Therapeutic Goods Administration (TGA), Australia
- ☆ ANVISA, Brazil
- ☆ EMA
- ☆ UK MHRA
- ☆ Health Canada
- ☆ TFDA, Taiwan

Capabilities in Hi-tech Delivery Systems



Export potential

- Export base is small but is growing fast
- The Government has declared Pharma as the *Thrust Sector*
- Medicines are being exported to more than 100 countries
- Leading companies are making forays into highly regulated markets of US, EU and Australia



Some of our global clients

❑ UNICEF

❑ KK Women's & Children's Hospitals, Singapore

❑ Raffles Hospital, Singapore

❑ ADF France

❑ CENABLAST, Chile

❑ Save the Children

❑ DKT



Save the Children®

Opportunities in Global Generics

- Currently valued at ~ \$350 b
- Generic drugs will continue to grow maintaining healthy rate
- Drugs worth more than \$150b coming off patent by 2020
- Rising healthcare cost, particularly cost of medicine has become a global concern
- Developed countries are increasingly promoting access to generic drugs
- MNCs are outsourcing their production from cost-effective destinations
- Major generic hubs India and China are losing cost advantages

Bangladesh Pharmaceutical Market



Medicine price in Bangladesh is currently among the lowest in the world

Competitive Price

- Generic Sofosbuvir \$6 (BD) vs brand \$1000 (12-week @84000)
- Generic Harvoni \$12 (BD) vs brand \$1130 (12-week@95000)
- Anti-cholesterol Crestor 10mg (rosuvastatin) @\$0.25 in BD vs \$7.25 (US)
- Anti-diabetic drug Januvia 50mg (sitagliptin) @\$0.25 in BD \$11.25 (US)

Savings of more than 99%

API Industrial Park

- This is being set up by the GoB at Munshiganj,
37 Km from the capital city Dhaka

- *to achieve self-sufficiency in API production*
- *to gain competitive advantages in global marketplace*

- Total land area: 81 Hectares
- Overall project cost \$30 million
- Handover within 2016





Bangladesh and other LDCs are exempted from patent protection for an extended period until 2033 (from original 2016). Bangladesh is allowed to produce any patented medicines without taking prior permission from innovator.

Pascal Lamy and Roberto Azevedo visited pharma facilities of Beximco and Square respectively and were highly impressed seeing the world-class pharmaceutical manufacturing facilities in the country.

"In many ways, there lies an important asset for Bangladesh. I believe Bangladesh has the potential to become Singapore in South Asia." – Pascal Lamy, ex-DG, WTO (during his Bangladesh visit in March 2012)

"Bangladesh can continue to consolidate its economic and social advancement" - WTO DG Roberto Azevedo (in Bangladesh, June 2014)

Bangladesh Pharma Advantages (Moving Beyond Contract Manufacturing)

Significant generic drug capabilities;
Skills in diverse dosage delivery systems

Cost of labour is among the lowest in the world;
4 to 6 times cheaper than India and China

Focus on R&D and Regulatory Affairs
Growing pipeline for US, EU and Australia



Sound track record of
partnership/alliance with global MNCs

Availability of skilled manpower;
Increasing investment in R&D

Increasing number of international accreditations;
Global footprint in more than 100 countries

Investor friendly environment ;
WTO/TRIPS waiver till 2032

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Bangladesh a top choice for Japanese investors: survey

Suman Saha



Most Japanese firms operating in China choose Bangladesh as the second best investment destination after India due to lower production costs here, according to a survey by Japan External Trade Organisation (Jetro).

Due to sluggish operations and struggle for expansion of business in China, firms are expanding their operations mainly in Bangladesh, India, Vietnam and Thailand.



JAPAN: An all-weather friend of Bangladesh

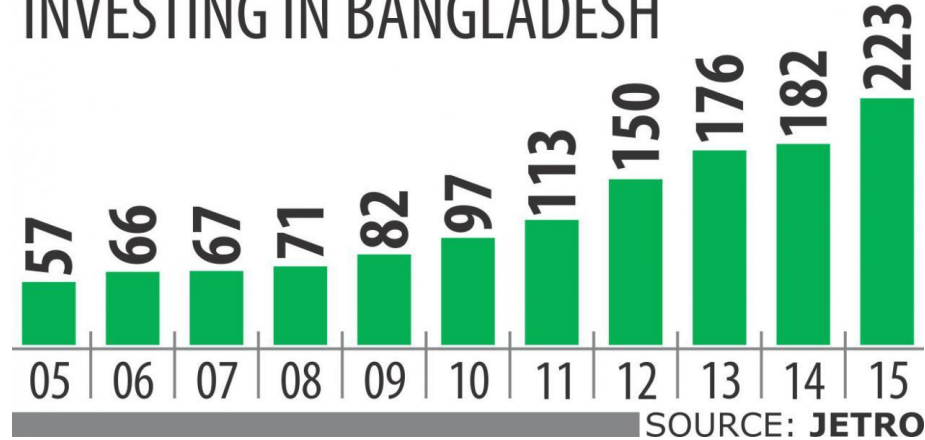
Japan recognised the People's Republic of Bangladesh on February 10th, 1972, soon after its independence. Japan was thus one of the earliest countries to officially recognise Bangladesh. Warm friendship has been fostered between the people of the two countries since then and Japan is historically the biggest bilateral development partner of Bangladesh.

12
Shares

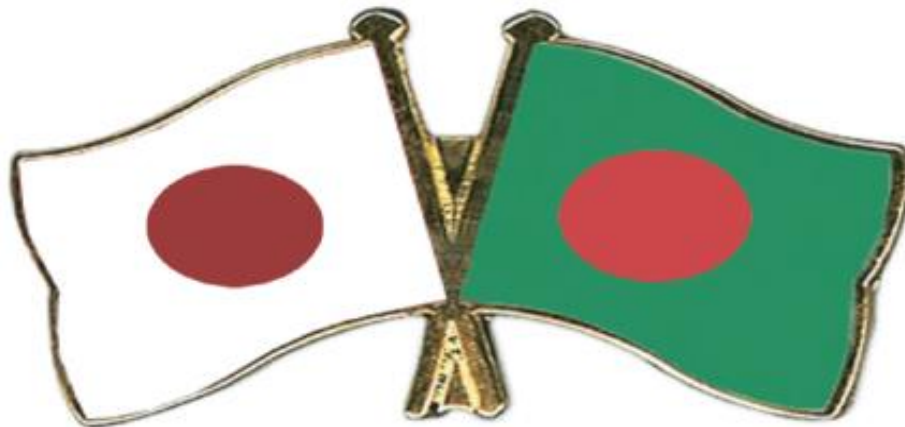


Every year, more than a hundred Bangladeshi students receive Japanese Government Scholarships to study in Japan, and Bangladesh is one of the largest recipient countries of these scholarships in recent times. So far 3430 Bangladeshi students have been to Japan under the scholarship since 1955.

NUMBER OF JAPANESE COMPANIES INVESTING IN BANGLADESH



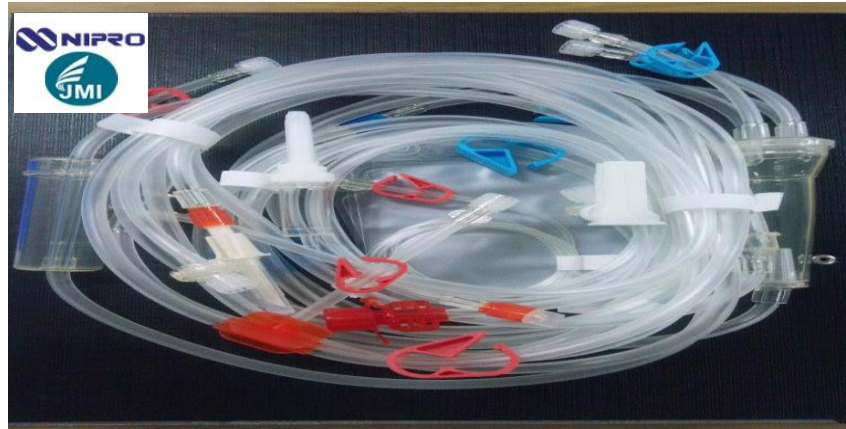
Japanese **NIPRO Corporation** forays into Bangladesh Health sector with **JMI** in 2012

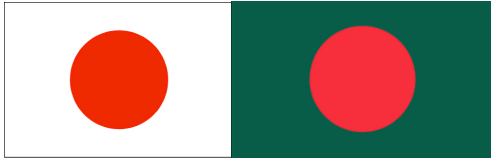


Japanese investment USD 45 ML following 3 Companies



Presently operating in 20 global





The Challenges Facing Japan

Demographics
High Drug Prices
Low Generic Penetration
High Cost of Skilled Personnel

The Japanese Strength

2nd Largest Pharmaceutical Market in the World
Reputation for Exceptional Quality
Expertise in R&D

Areas of Collaboration with Bangladesh

High-quality, low cost Manufacturing Base for Accessing Japanese
Market, World Markets, and TRIPS Advantage
Contract Research
Regulatory Expertise

ありがとう
ございます。

