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Blueprint and smart partnerships to boost pharmaceutical industry

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PUTRAJAYA, Sat. - Although Malaysia's health industry dates back to the late 19th century, the local pharmaceutical industry continues to lag behind with a relatively weak domestic market.

Most local producers are also concentrating on generic finished products, including pain-killers.

Malaysia Industry-Government Group for High Technology (Might) executive officer Dr Ahmed Tasir Lope Pihie said this has resulted in many manufacturers producing similar products with mediocre technology inputs.

Another factor which had stunted the industry's growth was the high investment cost for research and development, he said.

"The development of a new drug and its trial may take between 10 and 15 years, and a reported cost of US\$500 million (RM1.9 billion) before the drug hits the market.

"If we look at that figure, it is unlikely that any local manufacturer has the capital to get involved.

"As such, they have to engage in smart partnership to enable them to undertake higher value-added products."

Might's statistics showed that the number of licensed importers and wholesalers grew from 151 in 1989 to 603 in May, 1998. In October last year, the figure stood at 672.

The local pharmaceutical market was reported to be RM1.2 billion for Western drug products in 1997, while traditional medicines chalked up about RM2 billion.

As such, Might has been working on the National Pharmaceutical Blueprint which would chart the industry's growth into the 21st century.

The finer points for the blueprint had been presented to Health Minister Datuk Chua Jui Meng, and would be submitted to Prime Minister Datuk Seri Dr Mahathir Mohamad before it is launched.

Might is also working with other authorities to establish the Malaysian Pharmaceutical Development Council (Mapdec) and the Malaysian Pharmaceutical Training Centre (Maptec).

Ahmed Tasir said the blueprint, together with Mapdec and Maptec, would serve as catalysts to propel the local pharmaceutical industry towards becoming more dynamic and competitive.

"The industry players must adjust to the changes. All local players are urged to merge as most of them are small, and sometimes family-based."

The Government also has a role to play in boosting the local pharmaceutical industry as some of the existing laws governing it were considered "old-fashioned", he said.

"The Government should give special consideration to foreign pharmaceutical companies tying up with local companies.

"If the Government and the industry players can take up the guidelines set out in the blueprint, then we are in a better position to face the challenges of globalisation," he added.

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