

CONTINUED IMPORTATION OF DRUGS IN THE MARKET LIMITS THE CAPACITY OF LOCAL FIRMS

By All Twaha

Local drug manufacturer, Cipla Quality Chemicals Industry Limited, has called on the Government to further tighten the screws on importation of drugs by way of policy.

"We still get significant imports into the country through donor agencies. We think we should get to a level where if local capacity has been provided, then all our requirements should be manufactured locally not just for us, but for everyone," Emmanuel Katongole, the executive chairperson at Cipla Quality Chemical Industries limited, said.

He was speaking during a visit by the parliamentary committee on Finance, Planning and Economic Development, chaired by Henry Musasizi (MP Rubanda East) the drugs fac Monday.

The HIV, malaria and Hepatitis B drugs manufacturing firm is a joint venture between Cipla of India, which currently holds majority stake and Quality Chemicals Uganda Limited.

This financial year, the Government increased tax levied on at least 35 imported medicines including; paracetamol by pharmaceutical companies, from 2% to 12%.

According to a statement issued by the state minister for health, Sarah Opendi, the increase in taxes by the Government is in line with verification fees, which are meant to discourage importation of similar to those locally manufactured drugs and support the growth of local drug firms and the economy.

Continued importation of drugs in the market limits the capacity of local pharmaceutical firms to expand and create the much desired employment

Local drug manufacturer seeks more govt support



Part of the team from the Parliamentary Committee and UIA officials during a tour

opportunities for the local citizens.

Imported drugs are normally cheaper compared to those manufactured within. Other drug firms engaged in medicine manufacturing include; Kampala Pharmaceuticals Industries and Abacas Pharmaceuticals among others.

The MPs were on a fact finding mission to establish some of the challenges faced by industries operating within the industrial parks setup by the Government.

Last year, at least 45 million

INVESTMENT CODE BILL 2017

The bill seeks to streamline policies to attract more investors and also ease the business environment.

malaria patients were treated with medicines manufactured in Uganda.

This was after the Government directed the

National Medical Stores to purchase a few selected drugs from Cipla.

Boost capacity

The Government is currently debating the Investment Code Bill 2017. The bill seeks to streamline policies to attract more investors and also ease the doing business environment.

The one stop centres that are currently run by government agencies, such as Uganda Registration Services Bureau, Uganda Revenue Authority and UIA have no legal framework to guide their

operations.

In addition, the bill proposes to trim the number of UIA board members from 13 to nine. Some investors blame the board members for delays experienced during land acquisition at UIA.

Issues related to infrastructural development, such as electricity and access roads remain a major challenge. For example, only 6.5km out of the 45km is tarmacked, officials say.

"Currently, some of the MPs do not know the challenges that investors are going through. We want them to see and help in policy formation," Jolly Kaguhangire, the executive director at Uganda Investment Authority said.

According to MP Musasizi, the parliamentary committee on finance has realised there are needs in terms of infrastructure, such as power and access roads in the industrial parks. "These are areas we want to look at and find mechanisms of improving them in bill," he said.

Zambia remains Cipla's biggest export market in Africa according to Katongole. Other available markets for Uganda include; Ghana, Niger, Cameroon, Zambia, Malawi and Bostwana.



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