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Staff at Kampala Pharmaceutical Industries ensure that the products have the right quality. COURTESY PHOTOS

What next for KPI?

In-line with this focus on quality, KPI is investing in manufacturing a facility which will greatly improve KPI's ability to supply affordable, high-quality medicines in sufficient volumes.

Explaining this in Endeavour Magazine, Mr Nazeem Mohamed KPI's CEO said: "We have board approval for expanding Kampala Pharmaceutical Industries. The new facility will allow us to manufacture more modern products to satisfy our future needs as the disease profiles are changing."

This is proof of KPI's long-term commitment to improving the healthcare system in the country and the region, in collaboration with the EAC governments. What is in no doubt despite some glaring challenges, according to Mr Nazeem is the political will to support local manufacturers here.

"There is no doubt that most people in government understand that to achieve many of the sustainable development goals including increasing access to affordable, good quality medicines, local manufacturing plays a significant role. That is quite an achievement," Mr Nazeem said.

Producing medicine for Uganda over 20 years

Exemplary. Kampala Pharmaceutical Industries products are exported throughout the East African region. The company is now looking to invest in a facility that will allow it to manufacture more modern products as the disease profiles keep changing, writes **Ismail M. Ladu**

"If you look at the macroeconomics of disease and healthcare, the potential of Uganda is huge. We are still struggling to cope with infectious diseases such as malaria and HIV/Aids but unfortunately, there is a major rise in the levels of non-communicable diseases, such as cancer, high cholesterol, high blood pressure, and diabetes, normally associated with urbanisation and a general change in lifestyles."

MR NAZEEM MOHAMED, CHIEF EXECUTIVE OFFICER, KAMPALA PHARMACEUTICAL INDUSTRIES

A healthy nation they say, is a wealthy nation. Kampala Pharmaceutical Industries (KPI) is a company for whom this saying means a lot.

KPI, an affiliate of Aga Khan Development Network (AKDN), is one of the largest manufacturers of quality and affordable medicines in the region.

Just recently, it celebrated 20 years of providing quality medicines to the people of Uganda and the region, a commitment the chief executive officer of the Pharmaceutical Company, Mr Nazeem Mohamed, said they will always strive to uphold.

The company manufactures quality and affordable essential drugs for the huge national and regional population that could have otherwise struggled to access such medicines, let alone afford them.

Given the huge national and regional population, it is natural that corporate investors with deep pockets and a nose for finding the best returns on their investment are eyeing the regional market comprising of more than 145 million people.

"The African pharmaceutical market remains virtually untapped, with the Ugandan pharmaceutical sector offering potentially huge rewards to investors," Mr Nazeem said.

He continued: "The numbers speak for themselves: Africa's pharmaceuticals industry, which was valued at only $4.7b as recently as 2003, has since more than quadrupled in value over the space of a decade to reach over $25b today."

In three years time (2020), the aforementioned figure is expected to increase to anywhere between $40b-65b, according to research conducted by the US-based research and consultancy firm, McKinsey & Company.

In Uganda, the pharmaceutical market accounts for about S$350m in annual spending on the procurement of life-saving medicines, but over the next 10 years alone, this number could quadruple, should present rates of growth remain unchanged.

Demands for essential drugs

Mr Nazeem, who has about 40 years' experience in the industry and who has worked with multi-national giants, such as GSK, Novo Nordisk, and Pfizer, is quoted as having said, "If you look at the macroeconomics of disease and healthcare, the potential of Uganda is huge. We are still struggling to cope with infectious diseases such as malaria and HIV/Aids, but unfortunately, there is a major rise in the levels of non-communicable diseases, such as cancer, high cholesterol, high blood pressure, and diabetes, normally associated with urbanisation and a general change in lifestyles."

He continued: "So when you're looking at it from an investor's perspective, this is all sadly good news. With its fast growing population, growth of the middle-class, and double-disease burden, it will place a huge burden on the health systems within countries with an ever increasing need for essential medicines."

It is for this reason that the window of opportunity for serious and credible foreign investors on the look-out for high-growth markets is presently wide open and KPI, who have demonstrated good standards of quality and aptitude are looking to be partners with these investors.

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THE NUMBER OF ESSENTIAL MEDICINES RANGING FROM ANTIBIOTICS TO PAINKILLERS, THAT KPI IS MANUFACTURING AND MARKETING

Brands and accolades

According to Mr Nazeem, KPI is manufacturing and marketing more than 60 essential medicines ranging from antibiotics and pain killers to diabetes and blood pressure products.

Not long ago the company whose pharmaceutical products are exported throughout the East African region was awarded the Frost and Sullivan "product leadership award for Uganda" for launching products for chronic diseases like diabetes.

Industry teething challenges

Historically, healthcare in Africa has not had a great record. It is common knowledge that the East African Community has grappled with the scourge of counterfeit and low-quality imported drugs.

And then there is the age-old dilemma of how to deliver essential life-saving drugs affordably to those at the bottom of the socio-economic ladder.

"These two issues are intrinsically linked. And so Ugandans turn to medicines imported from overseas, which pose the risk of being counterfeit or of insufficient quality," Mr Nazeem said, adding "And the situation is worsened by the perceived lack of trust that some middle class Ugandans have in domestically sourced medicine."

Funding of the health sector continues to be a challenge. It is well-known that a very significant portion of the healthcare budget in East Africa goes toward procuring medicines, most of which are imported.

Unfair competition is unhealthy. Local manufacturers in East Africa enjoy only around 25 per cent market share, with the rest taken by imports, mainly generics from India and China.

But not all is gloom and doom. "Things are changing from fraught times to abundant opportunity," Mr Nazeem said. That being said, the opportunity cannot be realised without the support of the regional governments.

"It makes no sense, for example, that over 50 different generic brands of paracetamol are imported into the region when local manufacturers can quite easily meet this demand," he said.

Poor infrastructure and a limited capacity for research and development are the other challenges the industry is facing, although things are improving. This has been propelled by the creation of the Federation of East African Pharmaceutical Manufacturers Association (FEAPM), an industry lobby, which works closely with the EAC Secretariat and its member states to advocate for a better business environment.