“UAE’s Health and Pharmaceutical Economic Growth & Innovative Capacity”

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UAE Healthcare Market: the Strengths....

- UAE has one of the most liberal trade regimes in the Gulf and attracts strong capital flows from across the region.

- One of the more developed markets in the Middle East, with strong healthcare infrastructure and the highest per capita drug expenditure in the region.

- UAE is progressively diversifying its economy, which has reduced its vulnerability to oil price movements compared with other Gulf States.

- Strong patented drug market, largely as a result of the country's preference for the latest medicines.

- Local manufacturing industry activity has increased notably over the past few years, with a strong focus on regional and global exports.

- Increase in population numbers, including expatriates, leading to significantly higher healthcare expenditure and flourishing trade market.
UAE's health expenditure reached a value of AED56.26bn (USD15.32bn) in 2015, equating to USD1,673 per capita.

In 2016, health expenditure increased by 5% in local currency terms, reaching AED59.15bn (USD16.12bn).

It is forecasted to rise to AED73.52bn (USD20.03bn) by 2020, which translates to a compound annual growth rate (CAGR) of 5.5%.

Over the extended 2016-2025 forecast period, health expenditure is expected to rise to AED101.94bn (USD27.78bn), which equates to a CAGR of 6.1%

The government's share of total health expenditure is expected to fall over our forecast period from 71.3% in 2015 to 60.7% by 2025, aligning with the strategy of PPP and private sector investment encouragement.
There is still a need for more Physicians, nurses and pharmacists; even with the current increase it is not keeping pace with shifts in Health Improvement Strategy for UAE.
Pharmaceutical Market: The Updates

- In 2015, the UAE pharmaceutical market reached a value of **AED8.84bn** (USD2.41bn), representing 15.6% of healthcare expenditure.

- In 2016 the market reached a value of **AED9.61bn** (USD2.62bn).

- By 2020, it is calculated that drug expenditure will reach a value of **AED13.13bn** (USD3.58bn), equating to a compound annual growth rate (CAGR) of **8.2%**

- By 2025, drug expenditure will be worth **AED21.74bn** (USD5.92bn) driven by population growth, a changing disease profile, and the use of modern medicines such as biotechnology drugs.

- By 2025 the pharmaceutical market will make up **0.85%** of the UAE's GDP, up from 0.70% in 2015.
Pharmaceutical imports and exports stood at AED8.78bn (USD2.39bn) and AED3.37bn (USD917mn) respectively in 2015.

- Imports will increase to AED14.14bn (USD3.85bn) by end 2016 and AED17.30bn (USD4.74bn) by 2020, at a compound annual growth rate (CAGR) of 5.1%.
- Exports expected to rise to AED3.49bn (USD950mn) by end 2016 and AED4.14bn (USD1.13bn) by 2020 - CAGR of 4.2%.

- UAE imports pharmaceutical products from mainly 72 countries, 10 countries account for approximately 80% of the entire supply.
- These countries are predominately Western nations (namely the UK, Switzerland, Germany, Belgium, France, Spain, Italy USA and Australia) with the drugs comprising high-value patented products.
MOHAP together with concerned stakeholders developed a number of legislations (Federal Laws and Decrees). Some examples include:

- Private Medical Health Facilities Federal Law No. (4) for the year 2015
- Medical Liability Federal Law (by Decree) No. (4) for the Year 2016
- Organ Transplant Regulation Federal Law No. (5) for the year 2016
- Communicable disease Control Federal Law No. (14) for the year 2014 and its Executive Decree No. (6) for the year 2016
- National Strategic Stockpile Decree No. (872) for the year 2016 and its Cabinet Executive decree
MOHAP: Regulatory Continuum (cont.)

- Enhancing regulatory practices to ensure accessibility of a comprehensive quality health services to all population are at the top of UAE government agenda

Synopsis of Regulations and Licensing Continuum in UAE

- Licensing & Monitoring the 3 Ps:

- The regulation of pharmaceuticals and medical technologies/devices in UAE is aimed to:

  Ensuring product safety, quality and effectiveness
  Providing the public with timely access to genuine safe products
A unified guideline was developed by the Ministry of Health and Prevention, Health Authority – Abu Dhabi (HAAD), and Dubai Health Authority (DHA).

The document sets the professional qualification requirements necessary to license healthcare professionals in the UAE and transfer of license requirements across the Emirates.

Aligned with international standards, the document also identifies the minimum acceptable qualifications and experiences for eligibility for licensure to practice medical profession.
Health Regulatory Authorities in the United Arab Emirates (UAE) represented by: MOHAP, HAAD and DHA, developed the National Unified Hospital Standards - a milestone towards fulfilling the UAE strategic objectives to improve the healthcare service provision across the country.

This document provides a base for the Concerned Authorities to assess the performance of hospitals to ensure safe and competent delivery of services.

Scope: This regulation is applicable to all hospital establishments in the UAE that are subject to licensure. All categories of hospitals, inclusive of general and specialty including all governmental, semi-governmental and private along with hospitals operating in free zone areas excluding Dubai Healthcare City Authority shall comply with this regulation.
Progress of Pharmaceutical Industry in UAE

Pharmaceutical Factories

- 2014: 14
- 2015: 16
- Est. 2020: 34

International Scientific Offices

- 2013: 30
- 2014: 39
- 2015: 47
- 2016: 53
- Est. 2020: 75
Accessibility to New Therapies

- UAE is the only country in the MENA region that adopted an effective fast track system for registration of innovator drugs: Fast Track Innovator, which allowed quick access of innovator drugs to UAE patients & patients from neighboring countries who seek treatment in the UAE.

<table>
<thead>
<tr>
<th>Drug name</th>
<th>indication</th>
<th>Date of UAE Review/approval</th>
<th>UAE international rank for review/approval</th>
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<td>Lung cancer</td>
<td>January 2015</td>
<td>Third</td>
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<tr>
<td>LEMTRADA</td>
<td>Multiple sclerosis</td>
<td>January 2015</td>
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<tr>
<td>Keytruda</td>
<td>Melanoma</td>
<td>January 2015</td>
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<td>Cosentyx</td>
<td>Plaque psoriasis</td>
<td>February 2015</td>
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<td>Entresto</td>
<td>Heart failure</td>
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<td>Anti lipidemic</td>
<td>March 2015</td>
<td>Third</td>
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<td>Harvoni</td>
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<td>First</td>
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<td>Gardasil</td>
<td>HPV Vaccine</td>
<td>May 2016</td>
<td>Second</td>
</tr>
<tr>
<td>Synjardy</td>
<td>Type 2 Diabetes</td>
<td>May 2016</td>
<td>Second</td>
</tr>
</tbody>
</table>

Examples of innovator drugs which were reviewed/registered in the UAE on fast track basis.
ADVANCED MEDICINE PACK

CHALLENGES

Medical needs of visually impaired people in the region

**VISUALLY IMPAIRED**

3.34% - 5.61% prevalence of visual impairment in the Middle-East

Adherence to Medication Regime
- Clarity on dose intake
- Adherence linked to awareness on the disease

NOTABLE FEATURES

**HOPE Capsules**

- Braille calligraphy
  - Inscribed in both Arabic and Latin
  - Avoid confusion between products for visually impaired patients

**Medicine Intake Chart**

- Illustration to clearly understand the recommendation of intake

**QR code**

- Access educational material in English, Arabic
- Get information on the causes of the disease and how to manage it through lifestyle tips

**2D Datamatrix Technology**

- Allows full traceability of products and automatic detection of falsified and expired goods
- Prevents counterfeiting of drugs

A UNIQUE SOLUTION

First of its kind ADVANCED MEDICINE PACK in the MIDDLE EAST region

- Only such pack in the world with 4 unique features together
- Would be available for treatment of non-communicable diseases
  - i.e. hypertension, diabetes, rheumatoid arthritis, asthma
- 10 products with the advanced pack have been approved by the UAE MOH

* World Health Organization

National Agenda Vision Focus on:

1) Safe Public and Fair Judiciary
2) First-Rate Education System
3) Competitive Knowledge Economy
4) World-Class Healthcare
5) Sustainable Environment and Infrastructure
6) Cohesive Society and Preserved Identity

With our Citizens at the heart of development, we strive to become one of the most competitive countries in the world”