



## **Afghanistan's Health System Suffers Critical Under funding, Calls For Donor Support**



**World Health Organization**

Launched today by the World Health Organization (WHO), a new Alert underscores the crucial importance of ramping up investment in healthcare services provision in Afghanistan, particularly in the underserved areas where the healthcare infrastructure is severely under-resourced and remain vulnerable due to the ongoing humanitarian crisis.

After decades of instability, exacerbated by severe drought and natural disasters, Afghanistan is currently facing a prolonged humanitarian crisis, with millions of people living with poor or no access to health and food, putting them at a severe risk of malnutrition and disease outbreaks. The vulnerability of women and girls has further intensified, as they face increased obstacles in accessing healthcare due to the ban on education and workforce participation.

The revised Afghanistan Humanitarian Response Plan for 2023 reveals an alarming increase in the number of people in urgent need of humanitarian aid. As per the plan, 28.8 million people in Afghanistan require immediate assistance, up from 18.4 million prior to August 2021. To address the health emergency, 14 million people, including 7.5 million children and 3.1 million women, are currently targeted for health assistance, out of which 8.4 million have already been reached in the first six months of 2023. The healthcare response has been commendable, with a total of 25.7 million healthcare services provided between 2022 and 2023.

However, despite these efforts and without sufficient funding, 8 million people in Afghanistan will lose access to essential and potentially lifesaving health assistance, and 450,000 patients will have little to no access to life-saving trauma care services, including blood transfusions and referrals. In addition, an estimated 1.6 million people with mental health conditions will have little to no access to mental health consultation and psychosocial support.

The WHO Alert highlights the dire consequences that will result if underfunding continues in Afghanistan's healthcare system. The health sector is facing significant barriers to delivering holistic services to the Afghan people, especially women and children, resulting in fragmentation and increased vulnerability, particularly in underserved areas.

Dr Tedros Adhanom Ghebreyesus, WHO Director-General, stated: "The situation in Afghanistan is grave, and the lack of resources and funding to support health workers and facilities is putting countless lives at risk. Women and children are suffering the most. I call on donors to give generously so that we can continue our life-saving work".

Dr Ahmed Al Mandhari, WHO Regional Director for the Eastern Mediterranean, urged the international community to unite with WHO to help tackle the ongoing humanitarian health crisis in Afghanistan. He said, "It is our collective responsibility to act now to support the Afghan healthcare system. The consequences of inaction are catastrophic and may leave a lasting impact on the health and well-being of the Afghan people."

Dr Luo Dapeng, WHO Representative to Afghanistan, expressed concern about the underfunding of the health system and emphasized the need for immediate action, while also taking the opportunity to extend his appreciation to partners. He said, "The situation in Afghanistan is critical, and it demands urgent attention. For a country already affected by decades of conflict, underfunding of the healthcare system is a critical humanitarian concern. The consequences of this underfunding cannot be overstated. I want to thank our current partners who have provided support thus far, but also to call on them to redouble their efforts". In the second half of 2023, WHO will continue working with its outstanding partners to tackle critical health emergencies by providing life-saving health interventions, while simultaneously building on the successes observed in 2022. Much work still needs to be done to deliver on WHO's strategic areas; Protecting people every day; Reaching everyone, everywhere, and putting mothers and children first; Leading the health sector by coordinating the health partners, and drive impact in delivering effective health services in Afghanistan. (Source: WHO)

## High Demand, Low Supplies For Novo's Weight-Loss Drug Launch In Germany



Supplies of Novo Nordisk's (NOVOB.CO) popular weight-loss drug Wegovy are limited in Germany less than a month after its launch in Europe's largest drug market, major drug distributors and doctors told Reuters. The volumes of the weekly injection that the Danish drugmaker has delivered to the country so far have fallen short of strong demand, the wholesalers said. "Demand is by far exceeding the available volumes," a spokesperson for Noweda, which has almost a quarter of the German drug wholesale trade, told Reuters, adding the problem was nationwide.

Interviews with four wholesalers that account for three quarters of the German market, two doctors, a clinic and a pharmacy offer the first insights into Wegovy's rollout in Germany since its debut there at the end of July. They also highlight the challenge for Novo as it seeks to expand in Europe while struggling to meet sky-high U.S. demand and spending billions boosting output.

In June, the company said breaking into new markets in Europe would be slower than initially planned. Earlier this month, it warned of continued periodic drug shortages across geographies. Ahead of the German launch, doctors and patients told Reuters they anticipated high demand for the drug, with many patients prepared to take on the monthly cost of about 300 euros (\$327) for the maintenance dose required after initial ramp-up. "We have had a controlled and limited launch in Germany and been delivering to wholesalers continuously," a Novo spokesperson said in response to questions from Reuters, adding it had no influence over onward distribution to pharmacies.

The company reiterated a call for physicians to prescribe only in line with the approved use, which is for obese people with a body mass index of at least 30 or of at least 27 when a weight-related health problem is diagnosed. Uninterrupted use is important for a sustained lowering of appetite and also because the drug's dosage needs to be stepped up over several months, following a schedule.

Munich-based obesity specialist Dr. Thomas Horbach said there was no Wegovy available in his area. "Despite asking many different pharmacists about Wegovy, I did not find anyone who got the drug from any of their wholesalers," he told Reuters. Ozempic, which is Novo's diabetes treatment and contains a smaller amount of the active ingredient in Wegovy, is also in short supply, the Noweda spokesperson said. A spokesperson for Sanacorp Pharmahandel, with an almost 20% market share, said orders from pharmacies for some dosages of Wegovy were "several times" higher than the amounts delivered. Phoenix Pharmahandel, the country's largest drugs wholesaler, and smaller trading alliance Pharma Privat said they were not receiving the volumes needed to meet demand and were trying their best to distribute fairly. The distributors, which act as go-betweens for drug companies and pharmacies, declined to give details of volumes. Helios St. Elisabeth Klinik in the western city of Oberhausen, which runs an obesity centre, said that patients there managed to obtain the drug but needed to ask around and go beyond their usual pharmacies to find it. DocMorris, a German mail-order pharmacy, said it did not have any Wegovy in stock. Dr. Jodok Fink, a bariatric surgeon in the southwestern city of Freiburg, said his patients had no access to Wegovy. "We prescribe Ozempic because it's cheaper (than Wegovy) and because Wegovy is not available," he said. (Source: Reuters)

## Natco Pharma Expects to Clock Rs 1000-1200 Crore Profit This Fiscal



Natco Pharma's consolidated net profit increased 31 per cent to Rs. 420 crore in the first quarter ended June 30, 2023 against Rs. 320 crore in the corresponding quarter of the previous financial year. Natco Pharma is expecting to clock over Rs. 1000 crore annual profit in the current financial year, 2023-24, according to its Chief Executive Officer, Rajeev Nannapaneni.

"I want to say we'll go past Rs. 1,000 crore. But how much more than Rs. 1,000 crore, depends on how the market plays out. So that's a little difficult to guess. I think Rs. 1,000 crore to Rs 1,200 crore range is my expectation," he said in the first quarter earnings call. The Hyderabad-based company is also expecting its newly-started agro chemicals division to register further growth this year. It is targeting a revenue of Rs. 50 crore to Rs. 200 crore in the current financial year. "The season just started. I would say we have gone from Rs. 1 crore s to Rs. 45 crore. It's a fairly good run." Nannapaneni said.

Natco is currently running promotional advertisements in Telangana for its agri products and also plans to take up a similar campaign in Maharashtra soon. Also Read | Natco Pharma successfully completes USFDA inspection of Visakhapatnam facility "We are filing our agro portfolio outside India. So the export business might take two to three years from now. But overall, I think my expectation is that the business should grow to around Rs. 400 crore to Rs. 500 crore in the next three to four years. And it will be a good solid business and contributing solidly for our both bottom line and top line," the CEO said.

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Natco is also witnessing organic business growth in Chlorantraniliprole (CTPR) in the domestic market is doing registration outside India as well. It had already filed the product in Brazil. Natco Pharma's consolidated net profit increased 31 per cent to Rs. 420 crore in the first quarter ended June 30, 2023 against Rs. 320 crore in the corresponding quarter of the previous financial year on 26.3 per cent growth in total revenue at Rs. 1,160 crore. Major drivers of business during the quarter were from formulation exports, strong growth in domestic business of both pharma and agro, and steady sales from subsidiaries. (Source: Business Line)

## Pharma Sector Hits Upon Right Formula

### Pharma sector hits upon right formula

**IN GOOD HEALTH.** Already a global powerhouse in generics, the industry can usher in the next leg of growth by spurring innovation in biosimilars and expanding into under-penetrated markets



India's pharma industry covered itself with glory during the Covid-19 pandemic by ensuring uninterrupted supply of medicines and vaccines not only for the country but also for almost 150 other countries. Over the past few decades, the pharma industry has built up phenomenal production capacity, and massive economies of scale allow it to produce a high volume of quality drugs at a comparatively lower cost. That is what makes India a leading exporter of generic medicines and vaccines.

Some of the major drivers of India's pharma industry are branded drugs, off-patent formulations, over-the-counter (OTC) medications, the convergence of healthcare and technology, innovations in medical treatment, and a rise in chronic diseases. India's pharma industry has a 10 per cent share of world production and 2.4 per cent in terms of value globally. I held the responsibility for chemicals and fertilizers as the Minister in the Atal Bihari Vajpayee Cabinet. Having come this far, what is the next step for India? If we talk of key pillars for the next level of growth, then a few focus areas are critical.

These are increased accessibility and affordability, potential breakthroughs in next generation innovative products, strong growth in the US market by driving higher ANDA (Abbreviated New Drug Application) share in molecules going off patent, ease in price erosion, and increased growth in large under-penetrated markets.

The government is committed to supporting pharma companies and understands the importance of long-term policies which provide stability to the industry.

The industry's growth till the end of the current decade will be fuelled by novel biologics, new molecular entities, vaccines, and more integrated API (Active Pharmaceutical Ingredient) and KSM (Key Starting Material) production. Having grown consistently both in terms of production as well as innovation, India is poised to become a global biopharma leader.

Indian biopharma companies must ramp up new product and technology capabilities for the next phase of expansion. The pandemic has taught the industry that de-risking supply chains and manufacturing operations while expanding capacity in sensitive APIs and intermediates is critical.

#### **Innovation leadership**

While India has already established itself as a global powerhouse of generic drugs to treat a wide range of diseases, the industry needs to now move up the value chain, mainly with new drugs and molecules, new chemical entities and research areas which can give us better medicines for cancer, diabetes management and kidney disease.

It is all the more imperative to do so because innovation accounts for two-thirds of the global value pool. Some Indian pharma companies have already taken the plunge into biosimilars which is an encouraging development. A strong R&D and innovation-based pipeline with potential breakthroughs in next-generation products will form the ladder to climb up the value chain.

Among other things, the strategy to move up the value chain ladder could include systemising the processes to expedite drug discovery and development in the country, and a plan of action to turn the country into one of the top five pharmaceutical innovation hubs. Given the industry's capacity, playing at scale in the innovation space will benefit the country because it will bring new solutions to address unmet healthcare needs.

#### **Market expansion**

Exports account for half of the pharma industry's revenue. While the industry already has a substantial export market, it is also poised to further expand its presence in the emerging markets of Asia-Pacific, Latin America and Africa. These regions offer opportunities for growth due to their increasing healthcare expenditure and a growing middle-class population that demands high-quality healthcare products.

India's trade pact with the UAE in 2022 meant that the pharma industry has secured greater market access in the Emirates.

Under the pact, Indian pharmaceutical products and medical goods will get regulatory approval within 90 days that have been approved in developed jurisdictions such as the US, the UK, the EU, Canada, and Australia. In Australia, the India-Australia trade deal would provide fast-track approvals and quality assessment/inspections of pharma manufacturing facilities.

For a foothold in under-penetrated markets such as Japan, China, Africa, Indonesia and Latin America, a new business model to adapt to the local markets will be an essential requirement. In Africa, where affordability is a main concern, Indian drug makers can address the issue very well.

#### **Potential in biosimilars**

India was among one of the first countries in the world to approve and market a biosimilar in 2000. In just over two decades since then, more than 100 biosimilars have been approved in the country. Spurring innovation in these product classes can usher in the next leg of growth for the Indian pharma industry. By some estimates, the global biosimilars market could exceed \$60 billion by 2030. If India's pharma industry captures even 10 per cent of this market, it could grow by 13 per cent. (Source: Business Line)

## Market Watchdogs in Multiple Places Join Nationwide Anti-Corruption Campaign in Pharmaceutical Industry



China's top anti-corruption watchdog has stepped up its anti-corruption efforts in the medical and pharmaceutical industry with the release of a public education animation on anti-corruption efforts in the industry. The release of the short film comes as market watchdogs in multiple places have joined in the nationwide campaign to crack down on corruption in the industry. In the short film released by the Communist Party of China Central Commission for Discipline Inspection (CCDI), pharmaceutical salespersons offer rebates to medical personnel based on the number of drugs prescribed by doctors, while some Party members and officials take advantage of their positions to illegally collect and sell prescription data and accept illegal benefits from pharmaceutical salespersons.

The CCDI warns that such behavior will eventually face serious investigation and punishment and urges local discipline inspection and supervision organs to strengthen the daily supervision of personnel in key positions to ensure their proper conduct. Recently, the market supervision bureaus in localities including Northeast China's Heilongjiang Province, North China's Inner Mongolia Autonomous Region, Nanchang in East China's Jiangxi Province and Datong in North China's Shanxi Province have recently started to solicit tip-offs on bribery in the pharmaceutical industry. These tips include people giving kickbacks to medical practitioners in the form of consulting fees, lecture fees. Promotion fees, the illegal act of transferring benefits in the name of academic conferences and benefits in other non-monetary forms such as domestic and overseas travel.

Fighting against corruption is a comprehensive process which requires the coordination of multiple supervision and regulation departments to address both the symptoms and the root causes of the problem, a Beijing-based anti-corruption expert who requested anonymity told the Global Times on Sunday. Together with other nine departments, the National Health Commission (NHC) has launched a one-year campaign to crack down on corruption in the healthcare sector across the country to ensure high-quality development of the medical and healthcare sector, the NHC announced on Tuesday. Since China started the anti-corruption drive in the public health sector in mid-July, at least 184 Party chiefs or heads of hospitals had been put under investigation as of Thursday, according to media estimates. These officials in the healthcare sector come from 24 provinces and regions with the most personnel in question from South China's Guangdong Province, Southwest China's Sichuan and Yunnan provinces, according to chinanews.com.cn. Also, 53 among the 184 come from the third-tier (top level) hospitals. The anonymous expert stressed that the investigation of the officials in the healthcare sector shows the Party's resolution to combat graft since high officials shoulder the core responsibility to prevent corruption as well as the Party's strict attitude toward solving this issue related to people's livelihood. (Source: Global Times)

## Indian Investor to Build Pharmaceutical Plant in Murmansk Region



A new business resident of the Russian Federation's Arctic Zone, India's SAFFARM, will build in 2027 in the Murmansk Region a pharmaceutical plant to replace foreign analogs, press service of Russia's Corporation for the Development of the Far East and the Arctic told TASS. "The SAFFARM Company, a new business resident of the Russian Federation's Arctic Zone, in the fourth quarter of year 2027 will commission in the Murmansk Region a big pharmaceutical complex,

The press service said. "The new company will produce general, hormone and oncology medicines, and these products will substitute import of such medications into Russia." According to an agreement with the Corporation, investments in the project will be more than 9.2 billion rubles (\$94 million), including Indian capital. The project will offer 280 jobs. The pharmaceutical complex will produce mainly hormonal, general and oncological medications in tablets, capsules, injections, ointments, drops and other forms. In the future.

The product line may expand. The company's Director General Kumar Divesh stressed the plant in Murmansk would meet the Russian demand, and, if necessary, about 10% of products could be exported to the CIS countries. "The binding agreement on a new pharmaceutical plant in the Arctic with the participation of Indian capital develops earlier accords with the Republic of India's government and businesses.

The state incentives in the Russian Federation's Arctic Zone are equally attractive for Russian and foreign investors to launch production facilities that are important for Russia, to create jobs, and to improve the quality of life for people in the North. We continue to develop investment cooperation with India, it is important to build up projects in the Arctic and in the Far East. Potential for this does exist.

The Corporation quoted Minister for Development of the Far East and Arctic Alexey Chekunkov as saying. The agreement on the pharmaceutical complex was signed during the St. Petersburg International Economic Forum (SPIEF) in June, 2023. Tax benefits, administrative preferences of the Russian Arctic regime, as well as assistance and support from the Ministry for Development of the Far East and Arctic, the Corporation and regional authorities will favor the project's implementation.

Jointly with the regional authorities, we will assist the new resident in obtaining a land plot, and we will make sure the tax benefits and administrative preferences will improve the country's pharmaceutical security. In the Far East, Indian investors have been using state incentives to implement successfully a number of projects. It is important to create such success stories in the Arctic to attract actively foreign capital, including the Indian capital," the press service quoted the Corporation's Director Nikolay Zapryagaev as saying. (Source:Tass News Agency)