



**Belgian-Luxembourg
Chamber of Commerce
in Turkey**
Türk Belçika Lüksemburg
Ticaret Derneği



WEBINAR: Perspective for Pharmaceutical Industry After Covid-19

Moderator: Gürbüz Sarı (BLCCT Secretary General)

Speaker: Şerhan Şimşek (Group CEO at TFL Pharma BVBA)

The zoom WEBINAR titled “Perspective for Pharmaceutical Industry After Covid-19” was held on April 15, 2020 with the participation of business people, researchers, and NGO representatives from various sector.

The webinar started with the brief speech of chairman of the BLCCT, Levent Apaydın, and it was followed by the short introduction of the BLCCT Secretary General, Gürbüz Sarı. While providing brief information about Belgian Chambers, Mr. Sarı also informed the participants about the CONNECTS Network platform, which is an online business matchmaking platform aiming to improve trade partnership among members of Belgian Chambers. After the discussion between Gürbüz Sarı and Group CEO of TFL Pharma, Şerhan Şimşek, the WEBINAR ended with a Q&A session.

The topics discussed in the meeting can be listed under three main headings in order of chronology and importance:

The State of Turkish Pharmaceutical Industry and its Relations with the World Pharmaceutical Industry

In the first part of the discussion, Şerhan Şimşek stated that pharmaceutical industry in Turkey is well developed and integrated with world pharmaceutical industry in many aspects. He mentioned that it is an old established industry in Turkey and is capable of meeting its own production capacity. Turkish pharmaceutical industry is powerful in production of finished products in bulk and in export capacity. The industry meets the all the standards of Europe and the USA. That is one of the factors facilitating integration of the Turkish pharmaceutical industry to Belgian pharmaceutical industry according to Mr. Şimşek. He also pointed out that it is one of the few sectors where Turkey is fully integrated with the world standards.

The Impact of Covid-19 on the Pharmaceutical Industry

Şerhan Şimşek denoted three significant impacts of Covid-19 on the pharmaceutical industry and he also notes that Turkey has quite a good level generic drug production capacity compared with the rest of the world; hence, the country is affected all these three areas. These effects can be counted as follows, according to Mr Şimşek:

- 1) Almost 90% of substances needed to produce medical drugs are imported from China and India. Since the outbreak first started in China and then spread throughout Asia, it became harder for pharmaceutical producers to obtain the main substances needed for their product. Most of the plants producing these substances are already closed. Even if they are still continuing their production, there are great challenges for companies logistically. Many countries closed their borders and roads or decreased traffic after the outbreak which makes it difficult to import substances from China and India. In this regard, Mr. Şimşek notes that substances stocked up in Turkey will last until the end of May, but if the crisis period is extended, it will be difficult to continue production in the pharmaceutical industry after all stocks for substances are used.



- 2) As a positive impact of Covid-19, Mr.Şimşek mentioned that there is an increase in the amount of investment for research and development activities recently. He noted that it is mostly because of attempts to find vaccines and medicine for Covid-19. The improvements in R&D are very positive in the long-run not only for Covid-19, but for the treatment of other diseases as well according to Şerhan Şimşek.
- 3) The third impact of Covid-19 on the Pharmaceutical Industry is of the increasing importance to supplementary food market products. Mr. Şimşek points out that the world began to question how ready we are for such a crisis as the Covid-19 outbreak. This question started from a single individual in the opinion of the speaker. He notes that each and every person starts to question themselves about what they should do to protect their immune system. Consumption of supplementary product is a first option for many to strengthen their immune system in this sense.

When will the effects of the outbreak decrease?

At the end of the discussion, Şerhan Şimşek also commented on the most frequently asked questions of the time regarding when the outbreak and the social isolation period will end. He mentioned that many countries are waiting to reach the peak point and then a decrease in the number of cases infected to eliminate the scope of social isolation and to normalize the life. As hopeful remarks, he mentioned that schools are planned to open in May in Italy and France. It is also mentioned that some German football teams have already started their routine training as a sign of the normalization for everybody.

In this part, the speaker also commented on if it is an over-exaggeration to take such precautions considering the number of people who die from AIDS, Cancer or flu. He noted that there is no vaccine and medicine to be used for Covid-19 yet and plus the outbreak puts lots of pressure on countries' healthcare systems. There is a time needed to increase the intensive care capacity of hospitals worldwide and also to find a vaccine and medicine for Covid-19. That is why social isolation is needed at the moment.

Q&A

The webinar ended with a Q&A Session. Dr. Ümit Dereli, Secretary General of Association of Research-Based Pharmaceutical Companies (AIFD), and Tuğrul Şeremet, Vice Chair of BLCCT and country manager of H.Essers Logistics, made their remarks in this section. Agreeing with Şerhan Şimşek, Mr. Dereli also mentioned that Turkey has a good level of production capacity in the pharmaceutical sector. However, he also noted that the supply chain will be a real problem in the near future since most of the substances necessary for medical drugs and equipment are imported from China and India. In this regard, Tuğrul Şeremet also shared his opinions on the logistics issue. He stated that he expects an increase in road transport capacity as opposed to expected decrease in air transport following the Covid-19 crisis.