

# THE REPORT

## Saudi Arabia 2008

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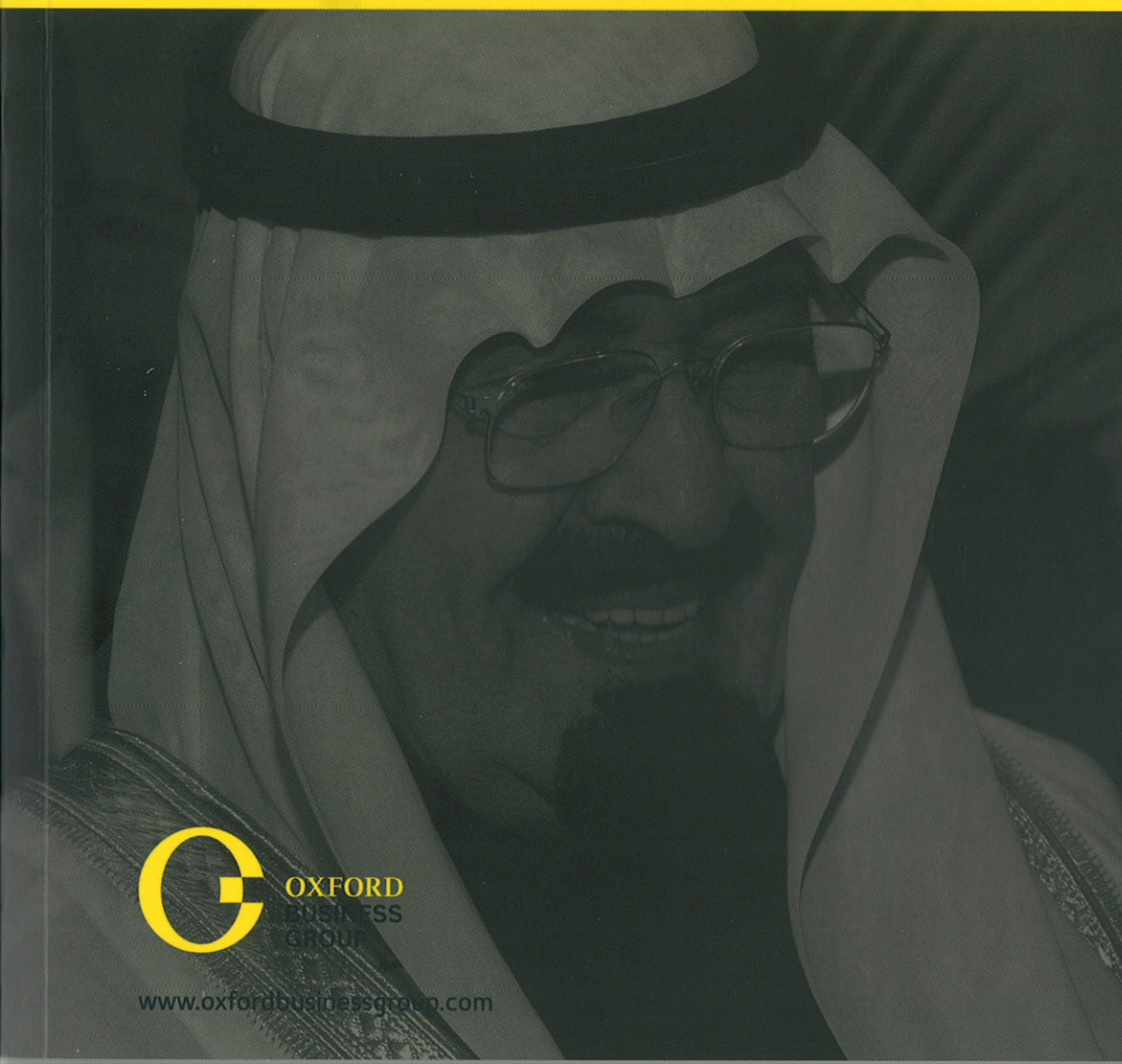
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Ayman Tamer

## Resourceful performance

OBG talks to Ayman Tamer, President, Tamer Group

**How do you go about creating an environment where life sciences can flourish in the Kingdom?**

**TAMER:** The key challenge to Saudi Arabia becoming a successful place for life sciences is human capital. Building infrastructure is one thing – once the money is available, construction can commence. But in building human resources, you need to have the right education and training programmes that will allow you to develop professionals in various fields. This is what the country needs to take it to the next level. We also need education and awareness programmes for the public about health issues and the need to seek professional advice and treatment. Opening up with more incentives for investment in health care technology will also develop the sector. Compiling health information and statistics will allow people to better understand the magnitude of various diseases in the Kingdom and to efficiently manage their treatment.

**Does the education system support the government's aims to develop life sciences?**

**TAMER:** The current education system is being assessed by the country's leadership and authorities. They have already started to make changes to university and high school education. In universities, more graduates are enrolling in science and technology courses, while elementary school teachers are trying to assess what children want to do in the future. In Arabic schools, international curricula are being allowed to run alongside Arabic and Islamic studies. The government has been contributing 75% of the funds needed to run the Human Resource Development Fund. The other 25% is provided by the private sector.

**Is this type of funding programme effective?**

**TAMER:** This new programme puts fewer responsibilities on students. They do not have to take on the burden of loans to support their studies or have to find jobs to pay back debt to the government. Similar schemes are already running in Singapore and Malaysia,

where funding is awarded based on academic performance. Higher-achieving colleges are awarded more funding than those with less successful students.

Under the current system in Saudi Arabia, with the private sector providing part of the funding, companies also have to provide students with a job before they have gained their necessary qualifications. However, we need to see a change to the funding programme and the curriculum. In my opinion, there are some education programmes that are good, but there are some that do not meet standards. We need to insure a high output of good graduates from our education system. The Ministry of Health (MoH) has many ambitious programmes for the Mecca and Medina regions.

**Have the World Trade Organisation's (WTO) tariff regulations affected the drug industry?**

**TAMER:** There is no tariff on drugs, so the WTO had no impact in this area. Regarding pricing by tariffs, there is no change to the current system. The WTO regulations have made a difference in the sense that foreign companies can now invest in the Saudi market in one form or another. Pharmaceutical companies can now open fully owned manufacturing facilities and are allowed to have their own wholesale distribution. The MoH's regulations have not changed because of the WTO's rulings. But there are signs of change, particularly with the establishment of the Saudi Arabian General Investment Authority and the Saudi Food and Drug Authority (SFDA). At present there has been no change in the pricing of pharmaceuticals, however, this responsibility will be handled in the future by the SFDA.

**When will we see the full benefits of the SFDA?**

**TAMER:** We have information that the SFDA will start assuming its activities by early 2009. The MoH is becoming the regulatory body concerned with requirements for pharmaceuticals, medical products, cosmetics, veterinarians and foodstuffs. The SFDA will be in charge of pricing, with the MoH in a supervisory role.