



High Commission of India
Accra

Market Access Survey
on the
Pharmaceutical Sector
in Ghana.

CONTENT

FOREWORD	1
1. INTRODUCTION	2
2. OBJECTIVE	3
3. DATA COLLECTION AND TARGET GROUP	3
4. CLASSES OF PHARMACEUTICAL PRODUCTS	3
5. SALIENT FEATURE (PHARMACEUTICAL)	4
6. GOVERNMENT APPROACH	4
7. TOTAL IMPORTS AND EXPORTS	4
8. IMPORTS – EXPORTS (GHANA)	5
8.1. GUIDELINES FOR IMPORTATION OF MEDICAL PRODUCTS INTO GHANA	7
8.2. STAKEHOLDERS INVOLVED IN THE EXPORT PROCESS TO GHANA	9
8.3. GUIDELINES FOR LICENSING OF PHARMACEUTICAL AND HERBAL MEDICINES MANUFACTURING FACILITIES IN GHANA	10
9. NHIS	14
10. PHARMACEUTICAL BODIES IN GHANA AND INDIA	14
11. REGULATORY BODIES	15
12. IMPORTS – EXPORTS (INDIA)	16
13. INVESTMENTS	19
14. PROSPECTS	20
15. REFERENCE	22

FOREWORD



H.E. Mr. Sugandh Rajaram
High Commissioner of India to Ghana

It is my pleasure to present to you a "Market Access Survey on the Pharmaceutical Sector in Ghana." presented by the High Commission of India, Accra.

The Indian pharmaceuticals market is the third largest in the world in terms of volume. India is a highly reliable partner to consider for pharmaceutical needs. Ghana can look to India not just for pharmaceutical drugs but all other healthcare needs including personal protective equipment, medical equipment and devices.

Currently, over 70% of pharmaceuticals in Ghana are sourced from the foreign market. India is in a position to assume a substantial chunk of that percentage, providing quality drugs and equipment which have undergone rigorous testing and trials.

Indian pharmaceutical industry offers huge opportunities for Ghana to collaborate. The relationship between India and Ghanaian Companies in this field will result in a win for both the parties. I am hopeful that this report will serve as a good reference material for all those who are interested in India-Ghana cooperation in the Pharmaceutical Sector.

1. INTRODUCTION

Ghana is a country located in West Africa with a total land area of 227,540 km square, 16 regions and a population of over 30 million as at 2020. As with any country, they have items which they import and those which they export.

According to the Economic Complexity Index, as at 2018 Ghana ranked 71st in the world for total exports and 84th for total imports. Ghana's top trade figures for this period can be seen below:

Top exports of Ghana are Gold (\$10B), Crude Petroleum (\$4.65B), Cocoa Beans (\$1.78B), Cocoa Paste (\$489M), and Coconuts, Brazil Nuts, and Cashews (\$424M).

Top imports of Ghana are Refined Petroleum (\$738M), Cars (\$466M), Rice (\$425M), Non-fillet Frozen Fish (\$303M), and Delivery Trucks (\$274M).

The table below breakdowns the distribution of countries Ghana exports to and imports from as at 2018:

<u>Exports to</u>	<u>Amount</u>	<u>Imports from</u>	<u>Amount</u>
India	\$5.18 billion	China	\$4.36 billion
Switzerland	\$3.33 billion	United States	\$810 million
China	\$2.25 billion	Netherlands	\$745 million
South Africa	\$1.6 billion	India	\$738 million
United Arab Emirates	\$1.17 billion	United Kingdom	\$559 million

India, on the other hand, is a country that occupies a greater part of South Asia with a total land area of 3,166,391 km square, 28 states and 8 union territories, for a total of 36 entities and an estimated population of 1,380,004,385 as at 2020.

India ranked 16th in the world in terms of total exports, and 11th for total imports, according to the Economic Complexity Index (ECI) as at 2018.

Top exports of India are Refined Petroleum (\$41.5B), Diamonds (\$26.3B), Packaged Medicaments (\$14B), Jewellery (\$12.4B), and Rice (\$7.47B).

Top imports of India are Crude Petroleum (\$101B), Gold (\$32.8B), Coal Briquettes (\$27.2B), Diamonds (\$24.9B), and Petroleum Gas (\$16.9B).

<u>Exports to</u>	<u>Amount</u>	<u>Imports from</u>	<u>Amount</u>
United States	\$52 billion	China	\$75.5 billion
United Arab Emirates	\$27.1 billion	United States	\$31.6 billion
China	\$16.6 billion	Saudi Arabia	\$26.3 billion
Hong Kong	\$12.8 billion	United Arab Emirates	\$23.8 billion

Germany	\$9.66 billion	Iraq	\$20.8 billion
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This survey will be looking more closely at the imports and exports of products, in particular, pharmaceutical products. These include medicine, medical supplies and equipment.

2. OBJECTIVE

The objectives of this survey are as follows:

- To find out the demand and supply of pharmaceutical products by Ghana and India.
- To enable the Indian High Commission to provide information to both parties wishing to do business in the pharmaceutical sector.
- To increase revenue gotten from international trade (in this category as well as others).
- To provide a repository of information for anyone seeking it.

3. DATA COLLECTION AND TARGET GROUP

Secondary data collection methodology will be employed for the information gathering process for this survey.

Research has been done over the internet to find out previous demand and supply details for pharmaceutical products and also look into projections for future demand and supply.

The survey was conducted mainly online and the target group included import-export authorities and some other bodies with information or responsible for the regulation of these trade transactions.

4. CLASSES OF PHARMACEUTICAL PRODUCTS

Under pharmaceutical products, we will be referring to all of the following in this survey:

- Pharmaceutical drugs/ Medications
- Medical equipment
- Medical supplies

Pharmaceutical drugs/ Medications are chemicals that are designed to prevent, diagnose, treat, or cure a disorder. In laymen terms, we simply call them medicines. These include a wide variety of products which come in various shapes, sizes, colours as well as packaging and manufacturers. They include some of the most common like paracetamol, to other rare and specialist drugs. Some are readily available over the counter (OTC) while other require a prescription from a doctor.

Ideally, we have four (4) groups under medications which are *general sales list, pharmacy medicine, prescription only medicine, and controlled drugs*. However, we will not be going in depth into this aspect.

Medical equipment is used for the specific purposes of diagnosis and treatment of disease or rehabilitation following disease or injury; it can be used either alone or in combination with any accessory, consumable or other piece of medical equipment (*WHO 2020*).

These include things like stethoscope, thermometer, x ray machines, ct scan machines and more.

Medical supplies also known as disposable medical supplies, unlike medical equipment which are designed to be durable, are used once and then thrown away. This category includes such items as blood sugar test strips (for diabetes), incontinence products (catheters, disposable undergarments), bandages and protective gear (like gloves, face mask) (*Aging Care 2020*).

5. SALIENT FEATURE (PHARMACEUTICAL)

Something worth noting in Ghana’s Pharmaceutical industry in recent times is the strive to attain a more independent economy. Several incentives have been put in place to change the current balance of 70% imported drug and 30% locally manufactured drugs.

Ghana hopes to be able to produce a larger portion of the drugs used than the amount imported by around the year 2023.

6. GOVERNMENT APPROACH

In 2016, the Ghanaian government made available 27 million dollars to six pharmaceutical companies in the country in an effort to boost the local pharmaceutical industry to increase its market share.

In 2017 the Ministry of Trade and Industry (MoTI) launched the 10-Point Industrial Transformation Agenda, which aimed to expand the manufacturing sector, reduce unemployment and accelerate socio-economic development in areas like the pharmaceutical industry.

In June 2019 President Akufo-Addo inaugurated the Dawa Industrial Zone, located 25 km east of Tema. It forms part of the 8.1m-sq-metre Dawa Industrial Park designed to house industrial and residential developments. The zone, which was constructed by its owner LMI Holdings, is intended to support strategic industries, with talks ongoing to establish pharmaceutical, automotive and garment manufacturing enclaves within the area.

(Oxford Business Group)

7. TOTAL IMPORTS AND EXPORTS

The below table gives the total imports and exports for all commodities traded between Ghana and the world, and India and the world for the last 4 years. It also shows the amount of pharmaceutical products imported and exported in each year.

Ghana	2016 (in US \$)	2017 (in US \$)	2018 (in US \$)	2019 (in US \$)
Imports	11,361,004,402.00	12,718,141,844.00	11,880,470,763.00	10,439,795,453.00
HS Code: 30 Pharmaceutical products Imports	154,942,313.00	272,052,866.00	282,726,625.00	226,571,443.00

Exports	10,655,796,413.00	14,358,509,951.00	17,099,588,399.00	16,768,275,189.00
HS Code: 30 Pharmaceutical products Exports	78,328,633.00	2,152,307.00	3,655,924.00	8,322,389.00
India	2016 (in US \$)	2017 (in US \$)	2018 (in US \$)	2019 (in US \$)
Imports	356,704,792,107.00	444,052,353,836.00	507,615,733,027.00	478,883,729,111.00
HS Code: 30 Pharmaceutical products Imports	1,694,962,368.00	1,805,192,285.00	2,058,903,355.00	2,521,788,896.00
Exports	260,326,912,335.00	294,364,490,162.00	322,492,099,897.00	323,250,726,424.00
HS Code: 30 Pharmaceutical products Exports	13,032,479,384.00	12,884,741,934.00	14,300,178,223.00	16,263,190,254.00

(Trend Economy 2020)

8. IMPORTS – EXPORTS (GHANA)

Overview: Ghana’s pharmaceutical industry is dependent on foreign inputs and finished pharmaceutical products. Roughly 70% of pharmaceutical demand is met by imports, mostly from India and China, with local production accounting for the remaining 30%. This split aligns with the distribution between prescription drugs and over-the-counter (OTC) medications at 74% and 26% of the market, respectively. OTCs comprise the bulk of domestically produced pharmaceutical goods. Pharmaceutical sales reached \$299 million in 2018, according to Fitch Solutions, up slightly from \$293 million in 2017. Sector income represented 0.5% of Ghana's GDP and 13% of total healthcare expenditure in 2018.

(Asoko Insight 2019)

As of July 2017, the Food and Drugs Authority (FDA) published the list of 65 companies that were importers of finished pharmaceutical products, biological products, herbal products, food supplements and pharmaceutical raw materials with valid registration.

Afrimed Medical Supplies Limited	Ebenezer Chemist Limited	Kofikrom Pharmacy Limited	Population Services International Ghana	Valley view Pharmacy
Alfies Pharmacy	Ernest Chemist Limited	Kojach Limited	Reiss And Co (OH) Limited	Vicbarns Limited
Aniniwah Medical Centre Limited	Eskay Therapeutics Ltd	M & G Pharmaceuticals Ltd	Rik-Dark Company Ltd.	Vicdorix Pharmaceuticals
ANR Pharma Limited	Fiina Pharmacy Limited	Maridav Ghana Limited	Rock Chemist Ltd	Vitatree Ghana Limited
Ansa Pharma Limited	Forever living	Mega Lifesciences Ghana Ltd	Royal Dach Pharmaceuticals	Worldwide Health care
As Allah Dey Company	GB Pharma Limited	MosanFontlife Pharmacy	Sharp Pharmaceuticals	

		Ltd.	Limited	
Asterisk Life Sciences (Gh) Limited	Gokals Laborex	Xen Pharma Centre Ltd	Suntai Enterprise Co. Ltd	
C4C Homeopathic Hospital	Gokals Limited	Northland Industry Group Limited	Senes Pharma Company Limited	
C & J Medicare Hospital	Herbalife Ghana Ltd	OA & J Pharmaceuticals Limited	Shalina Healthcare (GPS) Ltd. (socomex)	
Camden Pharmaceuticals Limited	Hills Pharmacy	Omega Meyer Gh. Limited	Supra Pharma Limited	
Carefx Logistics Ltd.	Imperial Health Sciences	Palb Pharmaceuticals Ltd.	Tobinco Pharmaceuticals Limited	
Cedar Point Chemist Limited	Joehanzy Pharmaceuticals Company Ltd	Pharmatrust Limited	Telad Limited	
Curist Pharma Limited	K.O.D Ghana Company Limited	Phillips Pharmaceuticals (Ghana) Limited	UK Chemicals Co. Ltd	
Dannex Limited	Knad Services Limited	Phinas Pharma Limited	Unichem (Ghana) Limited	
East Cantonments Pharmacy Ltd.	Kobi Memorial Pharmacy Ltd	Pobb's Enterprise/Impact Healthcare	Unichem Industries Limited	

This table, however, does not include the destinations these products came from, the specific type of product or amounts spent on these products. These can be part of an extended survey which will incorporate the use of primary data to find out such information.

Data from TradeMap indicates that in 2018 Ghana imported a total of \$282 million worth of pharmaceuticals (products and raw materials), 65% of which were sourced from India, France and Belgium.

In an article by Modern Ghana, it states that only 15 local pharmaceutical companies in the country make up 30% of the country's essential drug requirement, while the remaining 70% are imported (*Modern Ghana 2020*).

There is a move by the Pharmaceutical Manufacturers Association of Ghana (PMAG) to change that figure from 30% locally manufactured products to 70% in the next three (3) years.

The Chief Executive Officer (CEO) of Ernest Chemists Limited, a leading manufacturer of pharmaceutical products, Mr. Ernest Bediako Sampong, is quoted as saying that the pharmaceutical companies had begun rolling out initiatives to expand their existing infrastructure and to introduce modern technologies into their operations to improve production.

He says they just require financing to achieve this target. The Ghana Export Import Bank (GEXIM), in line with the government's One District, One Factory (1D1F) policy, has already committed \$60 million to support nine pharmaceutical manufacturing companies in Ghana since 2017.

Mr. Sampong also said this funding will put them in the position to also export to other countries: "We also intend to export and it means that we will earn foreign exchange, employ more people and train them to acquire skills needed to improve the system".

Another top Ghanaian manufacturing company's managing director, the MD of Tobinco Group, Mr. Kwadwo Asare Twerefour spoke about how crucial it was to invest in pharmaceutical infrastructure in order to attain self sufficiency. He also said Tobinco Pharmaceuticals was setting up a sterile plant to enable it to go into producing sterile pharmaceutical products and avoid dependence on imported products.

8.1. GUIDELINES FOR IMPORTATION OF MEDICAL PRODUCTS INTO GHANA

AB LexMall & Associates in an article on Hg.org Legal Resources has given an adequate summary on the steps one might take to import medical drugs and devices into Ghana.

Generally, a company must obtain an import license from the Food and Drugs Board in Ghana before importing any drugs or medical equipment into the country. However, all drugs and medical equipment must first be registered by the regulating agency before they can be imported into Ghana. Thus, before a company imports drugs or medical equipment for commercial purposes, it must first import samples into the country for the purposes of complying with the prior registration requirement. Once registration has been obtained, the company can then go through the process of obtaining an import license to import the products in commercial quantities.

The importation of pharmaceutical drugs and medical devices is governed by the Food and Drug Law, 1992 (PNDCL 305B) as amended by the Food and Drug (Amendment) Act, 1996 (Act 523) and the Food and Drugs Board Guidelines.

In Ghana, only corporate bodies duly registered and licensed to commence business under the laws of Ghana are permitted to import drugs and medical devices for commercial purposes. However, registered wholesale pharmaceutical companies licensed by the Ghana Pharmacy Council may be allowed to import reasonable quantities for retail in their shops only. In addition, registered medical practitioners and veterinarians may also be allowed to import drugs and medical devices for use in their professional practice.

Notwithstanding the general restrictions on the importation of drugs and medical equipment, corporate bodies are allowed to import samples of these products into the country for the purposes of complying with the prior registration requirement of the Food and Drugs Board.

Under the rules, all products imported must have at least 60% of its shelf-life remaining on arrival at a port in Ghana. However, with respect to products with a shelf life of 24 months, the product must have at least 80% of its shelf-life remaining by the time it arrives at a port in Ghana.

Companies applying for an import license must complete the appropriate forms and submit all required documents in triplicate to the regulatory agency. Usually, after the license fee has been paid, the processing time ranges from 8 to 10 working days. Once granted, the import permit shall be valid for one year from the date of issue and shall be renewed on a yearly basis.

The above notwithstanding, any statute governing importation procedures generally, shall apply to drugs and medical devices too. Thus, companies must also take steps to comply with the Export and Import Act, 1995 (ACT 503) and the Export and Import (Amendment) Act, 2000 (Act 585).

(AB LexMall & Associates)

The Food and Drugs Authority (FDA) has a 6-page document which supports the above and gives some extra details like the import permit application form details required of importers. There is also a 59-page document that gives the guideline for registration of medical devices in Ghana. Links to these will be made available in the references.

Societe Generale also gave the following documents required for goods entering Ghana:

- Bill of Lading;
- Certificate of Origin;
- Commercial Invoice;
- Customs Packing List;
- Insurance Bond;
- Import Declaration; and
- Technical Standard/Health Certificate

Clearance and shipping of goods are processed through a single window portal called GC-Net. (*Societe Generale import export solutions 2020*)

In a report by export.gov, we are given some aspects which serve as essential information to anyone who is interested in exporting to Ghana. The report touches on areas like **market entry, market trends, demand, and barriers**.

Market Entry

In the case of market entry, it states that companies wishing to enter the Ghanaian market are advised to utilize a representative resident in Ghana to market their products. An agent or distributor should possess a thorough understanding of the economy. If the exported product requires maintenance and servicing, qualified personnel and a reasonable inventory of spare parts must be considered. They mentioned key issues for adapting medical devices into Ghana to include registration with the appropriate authorities, training local people to carry out after sales service and also supplying readily available spare parts.

Market Trends

With regards to market trends, it mentioned that Ghana had low manufacturing of pharmaceutical drug and even less of pharmaceutical equipment. It states that most dynamic growth and most exciting opportunities will be found in privately invested hospitals and clinics and in the non-state controlled portion of the pharmaceutical sector.

Demand

When it comes to demand, it states that Government institutions by regulation can accept used/refurbished equipment as donations, but are barred from buying them. Thus, all medical equipment bought from overseas are brand new and are classified as either high end or low end - the latter selling more quickly due to its affordability and general usage.

Barriers

For barriers, Ghana is currently using the Harmonized System (HS) Customs Code in classifying goods. Taxes are assessed on the basis of weight, value and volume, and are subject to change annually.

Most hospital equipment is exempt from duties and taxes by the government. Medical equipment and products imported to be used as inputs (raw materials) for non-profit or government projects attract no tariffs. Additionally, products imported for donations and charities attract no tariffs. The standard duty rate is [from a range of 0% up to] 20% of the value of the goods [special concessionary rates are available to members of the Economic Community of West African States (ECOWAS)]. Some pharmaceuticals are also exempt from duties and taxes. A current list of the customs regime on drugs is available from the Food and Drugs Board.

Goods arriving in the country are subject to an import duty, value added tax and destination inspection is done by local inspection companies. There are four companies in Ghana responsible for destination inspection: Gateway Services Ltd., BIVAC International; Ghana Link Network Services and Inspection and Control Services. Each company is assigned to a number of exporting countries. Gateway Services Limited is responsible for imports from the U.S., Canada and Mexico.

The Ghana Standards Board has a responsibility for ensuring that medical equipment imported into Ghana have quality certification from a recognized ISO 900 lab.

Used or new, the customs regulations on equipment are the same. All drugs imported are expected to have 18 months minimum shelf-life and must be registered with the Food and Drugs Board. Additionally, all labeling must be in English.

Financing, in some instances, also presents some barriers to those willing to export to Ghana.

8.2. STAKEHOLDERS INVOLVED IN THE EXPORT PROCESS TO GHANA

These include:

- Internal Revenue Service (IRS): Enroll and get a tax clearance certificate
- Revenue Agencies Governing Board: Apply for a Tax Identification Number (TIN)
- Ghana Revenue Authority (GRA): Authority for the administration of taxes and customs duties
- Customs Division (CD): Under the Ghana Revenue Authority (GRA), responsible for collection of Import Duty, Import VAT, Export Duty, Petroleum Tax, Import Excise and other taxes
- Shipping Lines/Agents,
- Customs House Agents/Ghana Institute of Freight Forwarders (GIFF),
- Nick-TC Scan
- Food and Drugs Authority (FDA): Government regulatory body responsible for the control of the manufacture, importation, exportation, distribution, use and advertisements of food, drugs, cosmetics, medical devices and household chemical substances, under the Public Health Act 851, 2012.
- Ghana Standards Authority (GSA): The import inspection department conducts inspection of High Risk Goods imported into the country, for which the Ghana Standards Authority (GSA) has been appointed as the Competent Authority by the Ministry of Trade and Industry since 2003.
- Environmental Protection Agency (EPA)

- Veterinary Services
- Port Health

- Plant Quarantine
- Port Marine Police
- Bureau of National Investigations (BNI)
- National Security
- IbisTek - Takoradi Container Terminal (TACOTEL)

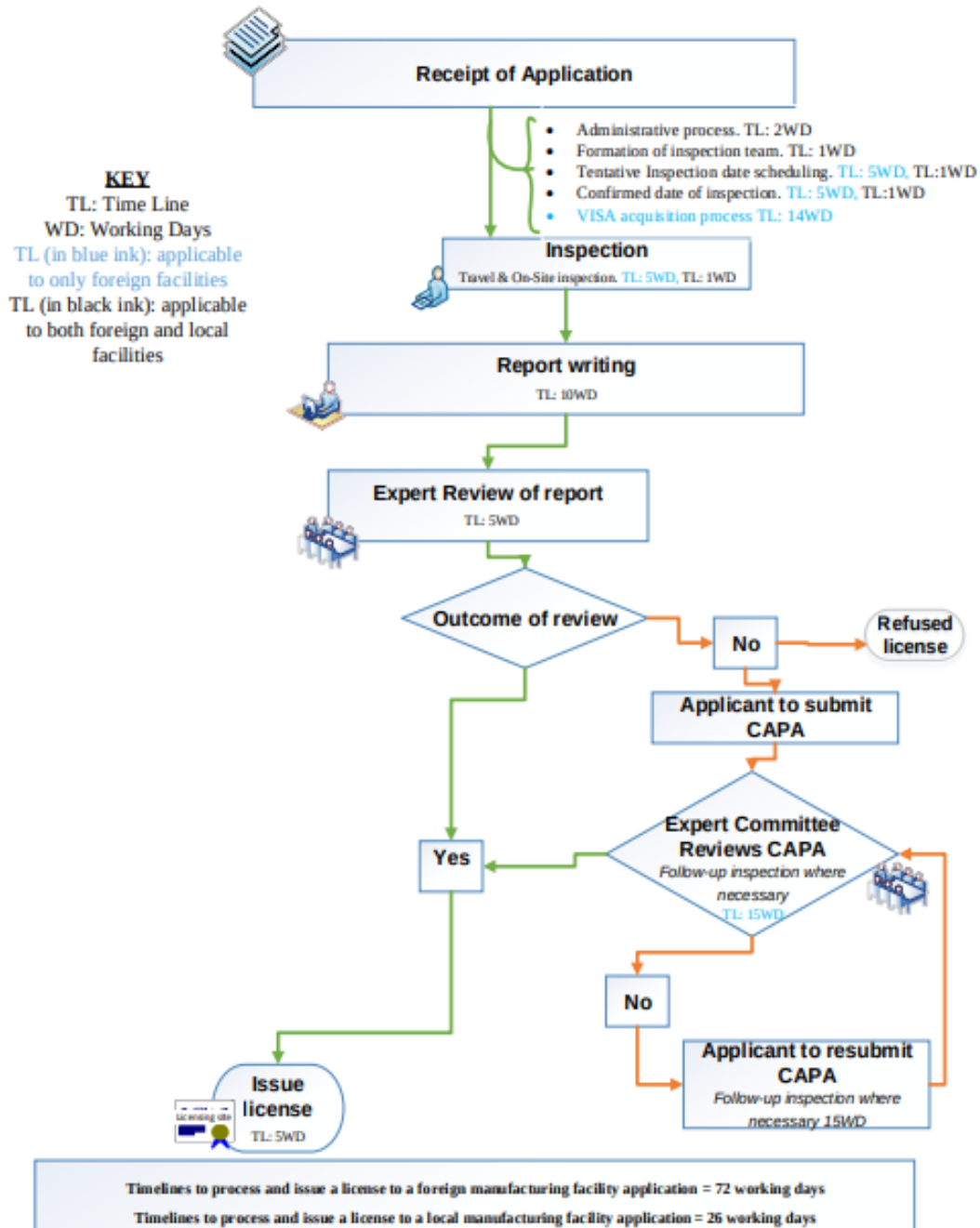
(Ghana Ports and Harbours Authority)

8.3. GUIDELINES FOR LICENSING OF PHARMACEUTICAL AND HERBAL MEDICINES MANUFACTURING FACILITIES IN GHANA

The FDA, as of March 2019, has provided an updated document on the licensing of pharmaceutical manufacturing companies in Ghana. The requirements are as follows:

- Application documents
- Documentary attachments
- Evaluating applications submitted
- GMP inspection of facility
- Post license inspection
- Conditions for renewal of license
- Acceptable variations
- Timelines (as seen in the flow chart below)

TIMELINES FOR ISSUANCE OF GMP LICENSES TO MANUFACTURING FACILITIES

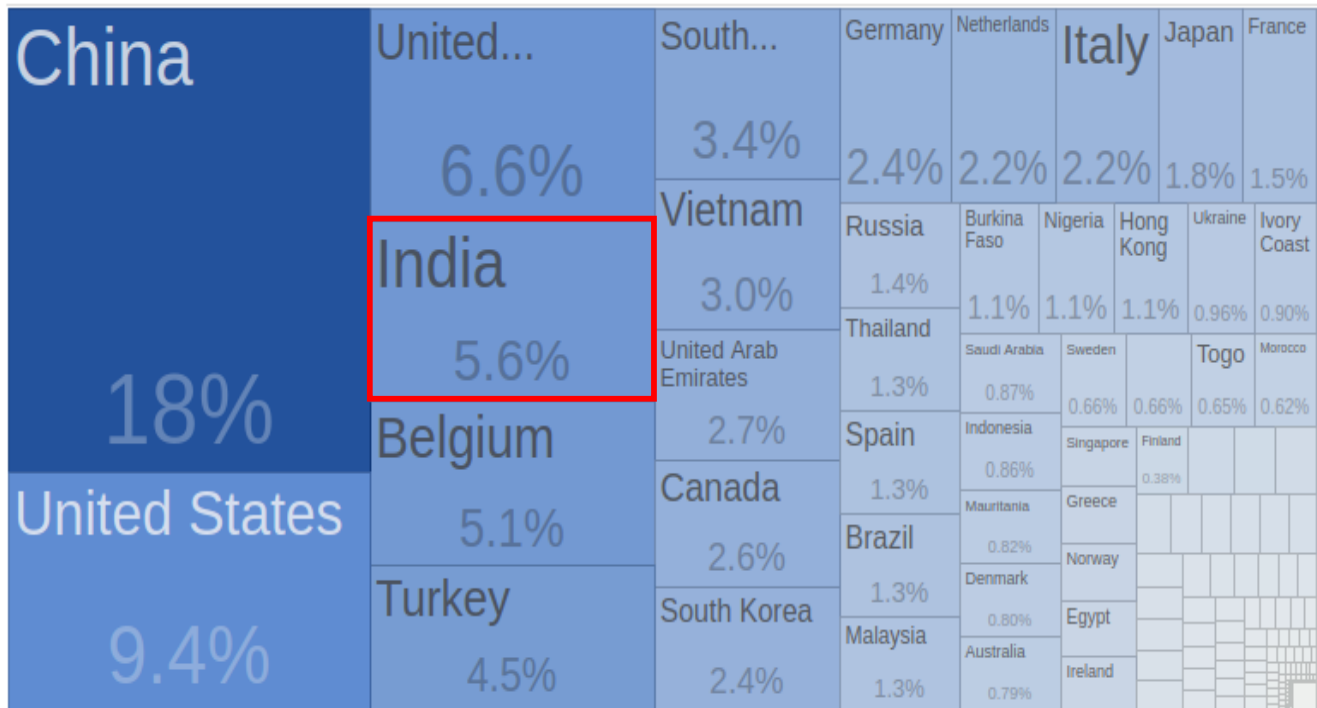


Vehicles Other Than Railway, Tramway 16%	Electrical, Electronic Equipment 6.6%	Salt, Sulphur, Earth, Stone, Plaster, Lime and Cement 3.6%	Iron and... 3.4%	Mineral Fuels, Oils, Distillation Products 2.9%	Wood and Articles of Wood, Wood Charcoal 2.8%	Miscellaneous Chemical Products 2.2%	
	Cereals 5.0%	Pharmaceutical Products 2.2%	Fertilizers 1.7%	Other Made Textile Articles, Sets, Worn Clothing 1.1%	Beverages, Spirits and Vinegar 1.1%	Organic Chemicals 0.98%	Meat and Edible Meat Offal 0.94%
Machinery, Nuclear Reactors,... 13%	Plastics 4.8%	Fish, Crustaceans, Molluscs, Aquatics Invertebrates 2.0%	Optical, Photo, Technical, Medical Apparatus 1.6%	Ceramic Products 0.85%			Aluminum 0.78%
	Articles of Iron or... 3.7%	Rubbers 1.7%	Sugars and Sugar Confectionery 1.5%	Dairy Products... 0.69%	Tanning... 0.57%		
		Animal, Vegetable Fats and Oils, Cleavage Products 1.7%	Milling Products, Mill, Starches, Trills, Wheat Gluten 1.5%	Essential... 0.59%	Tools... 0.57%		
		Paper and Paperboard, Articles of Pulp, Paper and... 1.7%	Inorganic Chemicals, Precious Metal... 1.3%	Vegetable... 0.58%	Products of Animal Origin 0.57%		
				Soaps... 0.57%	Residues... 0.57%		
					Glass and... 0.57%		

Ghana's Import by Category 2019, Trading Economics 2020

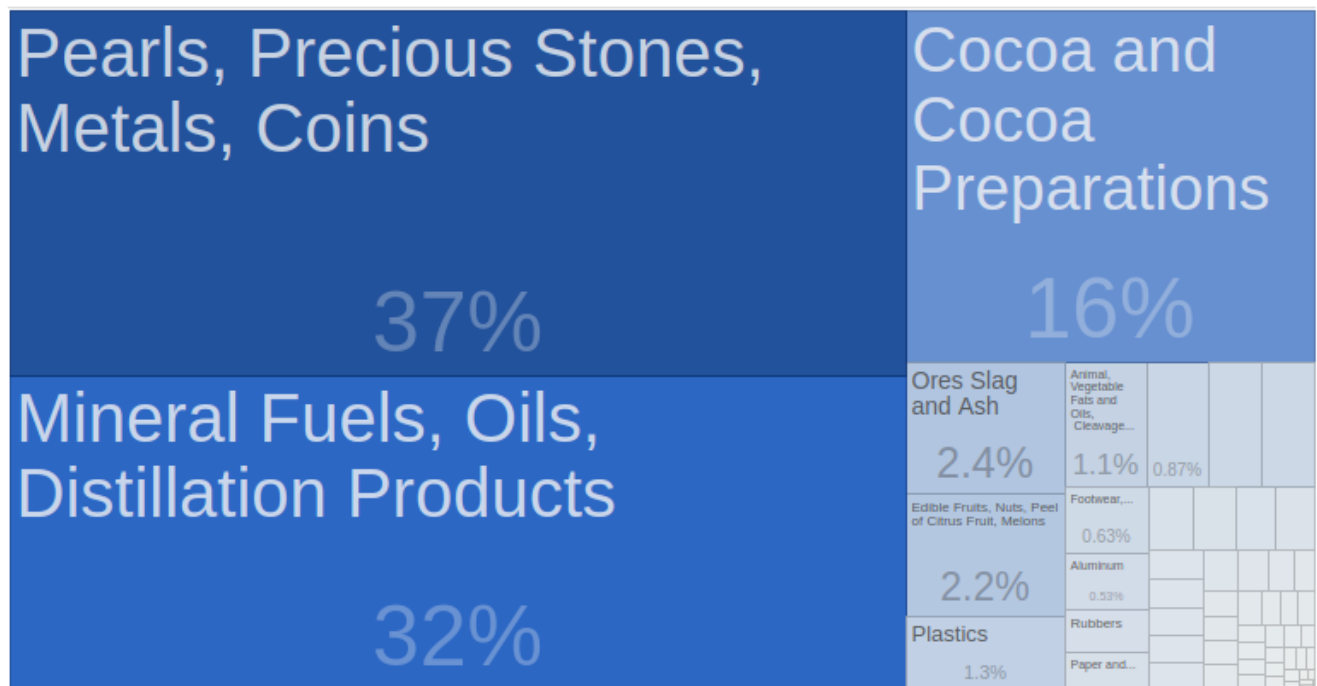
The info-graph above shows the imports by categories by Ghana. We see that in 2019, pharmaceutical products falls in 12th place with a mere 2.2% of total imports.

In the below info-graph showing the countries Ghana imports from, we see India has a high position of 4th with 5.6% of total imports which amounted to \$227 million as at 2019. The low percentage is only due to a vast amount of 18% associated with China.



Ghana's Import by Country 2019, Trading Economics 2020

Looking at exports (below), Ghana shines in three main categories: pearls, precious stones, metal and coins 37%, mineral fuels, oils, distillation products 32%, cocoa and cocoa preparations 16%.



Ghana's Export by Category 2019, Trading Economics 2020

When looking at the exports based on countries, we see exports to India makes up 14% and comes in at 3rd place with a value of \$2.38 billion as 2019.

China	India	Netherlands	United Arab...	United States					
17%	14%	5.8%	5.4%	4.2%					
		United...	Burkina Faso	Malaysia	Canada	Hong Kong			
		2.5%	1.7%	1.6%	1.6%	1.3%			
Switzerland	South Africa	France	Germany	Nigeria	Turkey				
15%	12%	2.2%	1.3%	0.98%					
		Italy	Belgium	Togo	Portugal				
		1.8%	1.2%	0.95%	0.41%				
		Japan	Spain	Estonia	Sierra...				
		1.8%	1.0%						
				Vietnam	Ivory...				
					Poland				

Ghana's Export by Country 2019, Trading Economics 2020

9. NHIS

The Ghana National Health Insurance Scheme (NHIS) established by National Health Insurance Act 2003 (Act 650) is a system introduced by the Government of Ghana to replace the age old cash and carry system. The primary objective of the scheme is to ensure financial access to basic health care services for residents without having to pay out-of-pocket at the point of health care service delivery. The National Health Insurance Scheme has become an integral part of Ghana's strategy to move towards universal health coverage.

The NHIS works hand-in-hand with pharmacies and hospitals (service providers) to provide healthcare to its subscribers, however, delays in reimbursing providers have on several occasions led to the withdrawal of services to NHIS subscribers by providers. It has also led to unauthorized copayments and denial of service to NHIS subscribers which has had the effect of lowering confidence in the scheme.

(National Health Insurance Scheme 2020)

Such issues being faced by the NHIS also presents India with an opportunity to come in and lend their expertise to Ghana either through loans, education or collaborations.

10. PHARMACEUTICAL BODIES IN GHANA AND INDIA

The following are the list of the pharmaceutical bodies in Ghana:

- Pharmacy Council, Ghana
- Pharmaceutical Society of Ghana
- Pharmaceutical Manufacturing Association of Ghana

Likewise, we have the list of major pharmaceutical bodies in India:

- Pharmaceutical Export Promotion Council (Pharmexcil)
- Indian Drug Manufacturers Association
- Organisation of Pharmaceutical Producers of India
- Bulk Drug Manufacturers Associations
- All India Small Scale Pharmaceutical Manufacturers Associations
- Indian Pharmaceutical Association

11. REGULATORY BODIES

The government of both India and Ghana have regulatory bodies in charge of ensuring the the safety of drugs coming in contact with the population. These bodies have been set up to perform checks and testing to ensure these drugs meet the required standard.

Indian Pharmacopoeia Commission (IPC) is an Autonomous Institution of the Ministry of Health and Family Welfare, Govt. of India. IPC is created to set standards of drugs in the country. Its basic function is to update regularly the standards of drugs commonly required for treatment of diseases prevailing in this region.

(Indian Pharmacopoeia Commission 2017)

Under the Drugs and Cosmetics Act, the Central Drugs Standard Control Organisation (CDSCO) is responsible for approval of Drugs [in India], Conduct of Clinical Trials, laying down the standards for Drugs, control over the quality of imported Drugs in the country and coordination of the activities of State Drug Control Organizations by providing expert advice with a view of bring about the uniformity in the enforcement of the Drugs and Cosmetics Act.

(Central Drugs Standard Control Organization 2020)

Food and Drugs Authority (FDA): Government [of Ghana] regulatory body responsible for the control of the manufacture, importation, exportation, distribution, use and advertisements of food, drugs, cosmetics, medical devices and household chemical substances, under the Public Health Act 851, 2012.*(FDA 2020)*

On July 10, 2019, Indian Pharmacopoeia Commission declared that the Government of Ghana has given recognition to the Indian pharmacopoeia after continuous efforts of Central government in achieving the recognition.

According to the officials from FDA Ghana, they do not reject any application containing an active pharmaceutical ingredient (APISs) and finished pharmaceutical products (FPP) controlled as per the Indian Pharmacopoeia. However, to undergo best regulatory practice, they have to perform the

specification for Indian Pharmacopoeia with other officially recognized Pharmacopoeia like British Pharmacopoeia, US pharmacopoeia and International Pharmacopoeia.
(Mondaq 2019)

12. IMPORTS – EXPORTS (INDIA)

Overview: Government data says that India's domestic pharma market turnover reached Rs 1.4 lakh crores, which is equivalent to \$ 20.03 billion in 2019. This is a 9.8% jump from Rs 1.29 lakh crores (US\$ 18.12 billion) in 2018.

In 1969, Indian pharmaceuticals had a 5% share in the domestic market and global pharma had a 95% share. By 2020, Indian pharma has almost 85% share.
(Groww 2020)

The Indian pharmaceuticals market is the third largest in terms of volume and the 13th largest in terms of value. It has established itself as a global manufacturing and a research hub. A large raw material base and the availability of skilled workforce gives the industry a definite competitive advantage. The Indian pharmaceutical industry is expected to grow at a compound annual growth rate (CAGR) of 22.4 per cent to touch US\$ 55 billion by 2020.

The Indian pharmaceuticals market is dominated by generic drugs which constitute nearly 70 per cent of the market, whereas over the counter (OTC) medicines and patented drugs make up to 21 per cent and 9 percent, respectively.

India plans to set up a nearly Rs 1 lakh crore (US\$ 1.3 billion) fund to boost companies to manufacture pharmaceutical ingredients domestically by 2023.

- Pharmaceuticals (Including bulk drugs, drug Intermediates, drug formulations, biologicals, ayush and herbal products and surgicals) export from India stood at US\$ 20.70 billion in 2019 - 2020.
- India is expected to rank among the top three pharmaceutical markets in terms of incremental growth by 2020.
- India is the largest supplier of generic medicines globally (20 to 22 percent of the global export volume).
- India has one of the lowest manufacturing costs in the world. It is lower than that of USA and almost half of Europe.

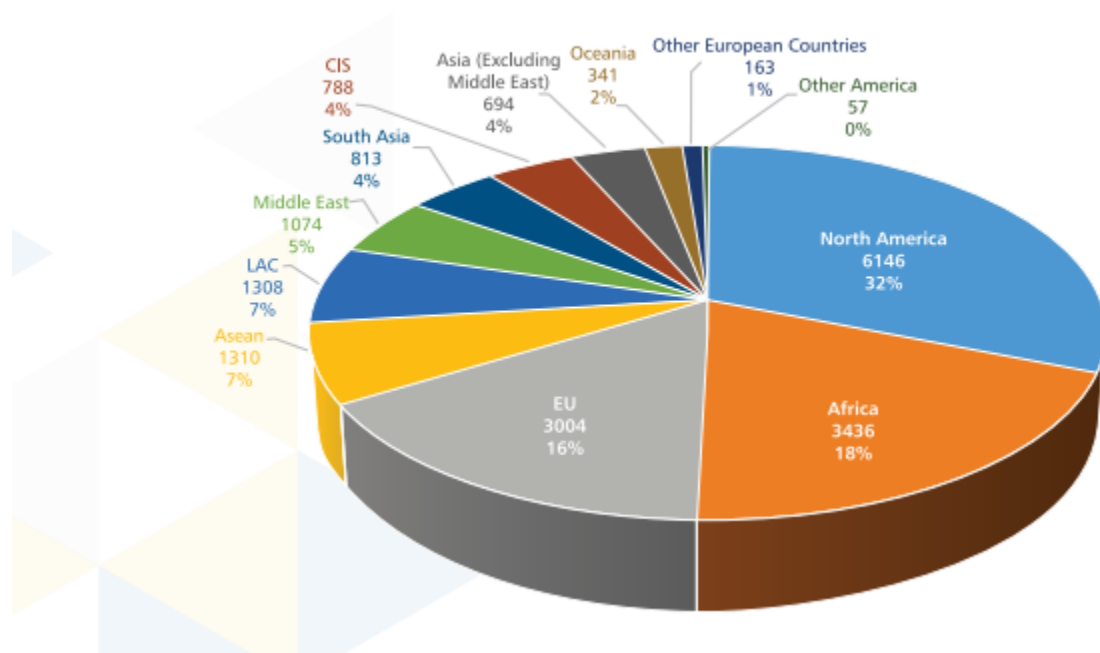
(India Brand Equity Foundation 2020)

According to the annual report (2018 – 2019) of Pharmexcil, India exported 18% of pharmaceutical products to Africa with a value of 3436.44 (in millions of Dollars). However, Ghana was not among the top 25 export destinations in the April-March 2018 – 2019 period. It included countries like South Africa, Nigeria and Kenya as the top three African export destinations. This signifies the untapped potential of the over 30 million population of the Ghanaian market.

India's Pharma Exports by Region:

India's Pharma Exports during April-March Region wise \$ Million					
Region	Fy-18	Fy-19	Change%	+/-Revenue	Contbn%
North America	5348.00	6145.67	14.92	797.67	32.12
Africa	3346.97	3436.44	2.67	89.47	17.96
EU	2752.64	3003.91	9.13	251.26	15.70
ASEAN	1181.45	1310.14	10.89	128.69	6.85
LAC	1135.15	1308.30	15.25	173.15	6.84
Middle East	869.05	1074.11	23.60	205.06	5.61
South Asia	764.33	812.84	6.35	48.51	4.25
CIS	733.17	788.27	7.52	55.10	4.12
Asia (Excluding Middle East)	627.30	693.62	10.57	66.32	3.63
Oceania	320.25	340.84	6.43	20.59	1.78
Other European Countries	150.99	162.86	7.86	11.87	0.85
Other America	52.48	57.38	9.33	4.90	0.30
Grand Total	17281.81	19134.39	10.72	1852.57	100.00

Pictorial Representation of India's Exports in 2018-19 Value in \$ Million:



Source: Pharmexcil 15th Annual Report 2018 - 2019

Five year report on pharmaceutical export to Ghana from India (Department of Commerce, India 2020

Department of Commerce

Export Import Data Bank

Export :: Commodity x Country - wise

Dated: 10/8/2020

Commodity: 30 PHARMACEUTICAL PRODUCTS

Country: GHANA

S.No.	\Year	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
1	Values in US\$ Million	123.8	132.55	99.89	96.72	91.36
2	%Growth		7.07	-24.64	-3.18	-5.54
3	Total export of commodity	12910.02	12930.48	13255.62	14754.07	16289.23
4	%Growth		0.16	2.51	11.3	10.41
5	%Share of country (1 of 3)	0.96	1.03	0.75	0.66	0.56
6	Total export to country	623.73	681.03	635.78	717.33	617.42
7	%Growth		9.19	-6.64	12.83	-13.93
8	%Share of commodity (1 of 6)	19.85	19.46	15.71	13.48	14.8

The above report shows a snapshot of fluctuations in the export of pharmaceuticals to Ghana from India in the last five years. Some aspects have shown positive growth over years while others have shown losses.

Five year report on pharmaceutical Imports by India from Ghana (Department of Commerce, India 2020

Export Import Data Bank

Import :: Commodity x Country - wise

Dated: 10/8/2020

Commodity: 30 PHARMACEUTICAL PRODUCTS

Country: GHANA

S.No.	\Year	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
1	Values in US\$ Million			0		0
2	%Growth					
3	Total Import of commodity	1641.15	1717.51	1898.38	2083.49	2334.67
4	%Growth		4.65	10.53	9.75	12.06
5	%Share of country (1 of 3)			0		0
6	Total Import to country	2981.27	1938.54	2710.05	3763.41	1773.55
7	%Growth		-34.98	39.8	38.87	-52.87
8	%Share of commodity (1 of 6)			0		0

A look at export of pharmaceutical products to India from Ghana does not show much prospect for business in the reverse order (as seen above).

Two year figures of India's export of Pharmaceuticals to the world

Department of Commerce

Export Import Data Bank

Export :: Commodity-wise

Dated: 20/8/2020

Values in US \$ Million

* ITC HS Code of the Commodity is either dropped or re-allocated from April 2019

S.No.	HSCode	Commodity	2018-2019	%Share	2019-2020	%Share	%Growth
1	30	PHARMACEUTICAL PRODUCTS	14754.07	4.4699	16289.23	5.2006	10.41
		India's Total Export	330078.09		313217.25		-5.11

(Department of Commerce, India 2020)

The figures indicate a rise of 10.41% in export of pharmaceuticals between the two year sets. This could be as a result of increased demand caused by COVID-19.

Department of Commerce

Export Import Data Bank

Import :: Country-wise all commodities

Dated: 10/8/2020

Values in US\$ Million

Sorted on HSCode

Country: GHANA

* ITC HS Code of the Commodity is either dropped or re-allocated from April 2019

S.No.	HSCode	Commodity	2018-2019	2019-2020	%Growth
32	71	NATURAL OR CULTURED PEARLS, PRECIOUS OR SEMI-PRECIOUS STONES, PRE.METALS, CLAD WITH PRE.METAL AND ARTCLS THERE OF; IMIT.JEWELRY; COIN.	3018.01	1298.04	-56.99

Ghana's biggest export to India (Department of Commerce, India 2020)

It is seen that Ghana's greatest export to India are precious stones and metals which still has fallen by over 56% in the last year.

13. INVESTMENTS

India has made many invaluable contributions to Ghana, and this includes in the pharmaceutical industry. Some of these contributions include the fairs held to share ideas with the Ghanaian people.

In January 2020, the Pharmaceutical Export Promotion Council of India (Pharmexcil) held the annual IPHEX 2020, to offer industrial players in the pharmaceutical sector across the world the much sought after opportunity to meet new and existing India producers.

IPHEX 2020 is an annual exhibition that brings together Indian drugs, pharmaceutical and health care industry all under one roof to showcase new technology to global audiences. They also display Pharma machines, Pharma plant set up, Pharma technology, finished products and formulations among others.

The relationship between Pharmexcil and Ghana began in 2013, where Pharmexcil signed a Memorandum of Understanding (MoU) with the Ghana National Chamber of Commerce and Industry (GNCCI) for collaboration on matters relating to the promotion of trade in pharmaceuticals.

Under the agreement which was signed in Mumbai, both parties were to share a common commitment to develop bilateral trade and commerce, promote investments including economic progress, mutual business interests and prosperity in a peaceful, stable and secure global environment.
(*Graphic Online 2020*)

Aside from the fairs, India also has some pharmaceutical presence on the ground in Ghana. There are currently a few well know Indian pharmaceutical companies operating in Ghana. They are:

Pharmanova Limited	Socomex Pharmacy Ltd	Eskay Therapeutics Ltd
Pass Pharmacy	Surgecare & Pharmacy Ltd	Unichem Ghana Ltd
M & G Pharmaceuticals Ltd		

Ghana also has the Ghana Investment Promotion Centre (GIPC), a Government agency, responsible under the GIPC Act, 2013 (Act 865): to encourage and promote investments in Ghana, to provide for the creation of an attractive incentive framework and a transparent, predictable and facilitating environment for investments in Ghana.

According to GIPC Act 865 (2013) Section 26 (1), “An enterprise registered by the Centre is entitled to the benefits and incentives that are applicable to an enterprise of a similar nature under the Internal Revenue Act, 2000 (Act 592), Value Added Tax Act, 1998, (Act 546) and Under Chapters 82,84,85, and 98 of the Customs Harmonized Commodity and Tariff Code Schedule to the Customs, Excise and Preventive Service (Management) Act, 1993 (P.N.D.C L.330) and any other relevant law.
(*GIPC 2020*)

14. PROSPECTS

To summarize the findings of this survey, it is clear to see that there are missed opportunities for India to invest in Ghana, especially in the pharmaceutical sector. Ghana also does not have much of a presence with regards to pharmaceutical exports to India. Thus it will be profitable to both countries to play to their strengths.

India is one of the largest contributors to the medical community, especially when it comes to generic drugs, exporting over 3 billion Dollars worth of pharmaceutical products to Africa alone in the 2018 –

2019 period. 96.72 million Dollars worth was exported to Ghana during this period. This has fallen in the 2019 – 2020 period, though this could be partially attributed to the COVID-19 crisis affecting delivery and boarder closures.

The percentage drop in total export between the previous period and the current one is 13.93%.

This can be corroborated by the Business and Financial Times which on the 21st August 2020 ran an article saying that international trade revenue had fallen by 42%.

Putting more effort into pharmaceutical and targeting counties like Ghana will lead to more profits in the sector.

Ghana on the other hand will be better off concentrating on where their strengths lie, which is in the exports of precious stones and metals. Even though this is the largest export of Ghana to India, it has taken a big hit in the 2019-2020 year period, falling by 56.99% from the previous year. This too may be attributed to the COVID-19 virus and the effects of galamsey (illegal mining).

These precious stones and metals make up 37% of Ghana's exports, closely followed by mineral fuels, oils, and distillation products which make up 32% of total exports as at 2019.

On the imports side, India ranks 4th on the list of destinations Ghana imports from. China and the U.S. make up a huge portion of the imports destination with 18% and 9.4% respectively but India still has 5.6% of the total imports as of 2019.

When looking at imports by categories, we see that in the 2019 period, Ghana's import of pharmaceutical products only came to 2.2% with a position of 12th in the imports by category section. It is however not established if this is because of the numerous manufacturing companies here in Ghana, inability to get access to foreign drugs or maybe concentration was focused on other sectors.

In conclusion, this research has tried to provide prospective investors from India with the knowledge required to export pharmaceuticals to Ghana, establish a pharmaceutical company in Ghana and all the factors they are to consider while doing this.

There is a lot of opportunity for India to invest in pharmaceutical in Ghana. Being one of the largest manufacturers of generic drug, it will provide more affordable options to Ghanaians and healthy competition in the Ghanaian market.

Ghana, not being a major exporter of pharmaceutical will stand more to gain in raising their export of other commodities which far overshadow the gains gotten from pharmaceutical exports.

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(Note: The information and data contained in this report have been checked and verified from published sources. In case any error or discrepancy is noted, it may be brought to the attention of HCI, Accra. The information contained in the report is purely for the purpose of reference.)