

Strategic Analysis of the Pharmaceutical Sector in Morocco and Quality Approach

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Abstract: *The pharmaceutical industry constitutes a link of the Moroccan industrial sector, especially after the adoption of European good manufacturing practices (GMP) as regulatory quality standard. In a context where the economy is globalizing, competition becomes total, technology evolves more and more and the factors which determine competitiveness change. The pharmaceutical industry, being a component of the national economy, is challenged to guarantee the perennity of its investments and pretend to growth. In the same context, questions arise now, they are the strengths and weaknesses of national pharmaceutical industry? What is its threats and exists opportunities which arise? In which degree of maturity is it the quality system of national pharmaceutical industry? The objective of this article is to provide a photograph of this sector taken in its environment through a strategic analysis. After contextualization, the second part of this article presents the methodology. This work was conducted by the adoption of the combined matrix SWOT at tool PESTEL for the external diagnosis and at the approach by resources for the internal diagnosis. This analysis made it possible to reveal the strengths, weaknesses, opportunities and threats, in times present, of this industry from publications referenced, detailed in the third part of this article. The results of this study show the contribution of this industry to the social balance. And secondly, highlights the handicaps that hinder the development of the latter. Following the discussion, in last part, results obtained migration the quality system of Moroccan pharmaceutical industry to a management system for quality is defined as a strategic lever for this industry.*

Keywords: Quality, Pharmaceutical-Chemical Industry, SWOT, PESTEL, Resource-Based Approach, Good Manufacturing Practices, Drug

1. Introduction

In front of the rise of competition observed, worldwide, in several sectors which we quote Tourism, Electrical Industries, Electronics and Communication, Automotive, Health etc., in recent years the quality starts take vaster place and to constitute one of the major axes of strategic development for these.

The pharmaceutical industry is one of the most profitable and economically important industries in the world [1]. According to the figures collected by Intercontinental Marketing Services Health (IMS Health), the turnover of pharmaceutical industry on a world level in 2014 is Thousand billion dollars [3].

The pharmaceutical industry is a strategic economic sector which includes the research, manufacturing and marketing of drugs for human or veterinary medicine. This activity is carried on by the pharmaceutical laboratories and the companies of biotechnology and remains a key sector and an important growth engine of the global economy [1]. It is subject to the influence of several dynamic factors of scientific, social or economic nature. Many pharmaceutical groups are present on the national markets and multinational, so that their activities and their products are subjected to the laws, the regulations and the policies which apply to clarification, the manufacturing, the authorization, the quality control and the marketing of the drugs in many countries [3].

The Moroccan pharmaceutical industry was born by the will from some national entrepreneurs who had believed, from the start, in their mission to provide the country of this industry. Then, it developed with the encouragement of the

public authorities. These, in the context of the industrialization policy by substitution of the imports, protected the pharmaceutical industry by the progressive ban on all pharmaceutical products that can be manufactured locally [4]. This industry carries out the manufacturing of the drugs under licenses of foreign firms within the framework of a partnership which can take three forms: Creation of subsidiary, Participation in the capital, License agreement [4]. It has constituted for more than fifty years one of the pillars of the Moroccan economy. These last years, the sector experienced a development supported with a level of performance and know-how recognized by the World Health Organization [5]. This industry is exerted within a framework fixed by legislative texts. In December 2006, a new code of the drugs and pharmacy came into effect, thus releasing capital to foreign participation [5].

The Moroccan pharmaceutical market is animated as much by national companies as international. Those contribute to more than half of total turnover of the sector [5]. The actors of this industry gather, to be stronger and to better defend their interest, in three professional associations, after the Moroccan Association of Pharmaceutical Industry (AMIP), Moroccan Association of Generic Drug (AMMG) and Morocco Innovation and Health (MIS).

According to the statistics of the AMIP, in 2014, this pole counts 33 laboratories, properties of international groups, companies mixed with Moroccan partners or Moroccan operators full, 40 000 direct and indirect jobs with a rate of framing of 20%, more than 411 million produced units which cover nearly 70% of the local needs for drugs against only 15% in the Sixties and a generated income of over 8 billion DHs.

Regarding the quality control, pharmaceutical industry in Morocco is subjected to four levels of control. The first is done by the manufacturer himself, the second by the supplier of license which has its own requirements and the two others by the National Laboratory of Control of the Drugs before the granting of the marketing authorization and Ministry of Health carries out unannounced inspections [6].

The economy is globalizing, the competition becomes global, technology evolves more and more and the factors which determine competitiveness change. The pharmaceutical industry, being a component of the national economy, is challenged to guarantee the perennality of its investments and pretend to growth [5].

In this context, questions arise now, they are the strengths and weaknesses of national pharmaceutical industry? What is its constraints and exists opportunities which arise? In which degree of maturity is it the quality system of national pharmaceutical industry?

In order to answer all these questions, we conducted a SWOT analysis, the results will enable a framework for thinking on strategy, structure and management that we will begin in part discussion.

2. Methods

To undertake to good our work, the method of analysis that we used is matrix SWOT (Strengths, Weaknesses, Opportunities and Threats). This method constitutes the base of the strategic analysis [7]. She covets to identify and analyze the strengths and weaknesses in the internal environment as well as opportunities and threats in the external environment of an organization. The identification of these four factors will make it possible, thereafter, to develop draft strategies based on the strengths, exploiting

opportunities, excluding weaknesses, or facing the threats [8].

In order to achieve an internal strategic analysis, and thus identify strengths and weaknesses, we used the approach by resources. Robert Grant, 1991, distinguish five categories introducing the Tangible and Intangible character resources. This approach makes it possible to inventory the resources of the organization in two classes: Tangible resources (physical resources, financial resources) and intangible Resources (technological resources, reputation of the company, human resources) [9]. The evaluation of the external environment is complementary to the internal analysis. Indeed, the environment is generally a source of influence that shapes the organization's decisions. [7]

We adopted method of analysis PESTEL to carry out the external strategic diagnosis, and identify the opportunities and the threats. Method PESTEL is the acronym of the fields which will be investigated within the framework of the analysis (Policies, Economic, Sociocultural, Technological, Environmental and Legal) [10].

The data, informing matrix SWOT, were collected from the referenced publications (Library of the Faculty of Pharmacy and Medicine Rabat "Medramo" Articles referenced in national newspapers, government health site ...).

3. Results of strategic analysis:

The results of the identification of strengths and weaknesses, determining the internal analysis, of Moroccan pharmaceutical industry are presented on the first section of matrix SWOT, subject of Table I, whereas opportunities and the threats carrying the external analysis of this sector, on the second section of the same matrix, were reported in table II.

Table 1: Internal analysis of the Moroccan Pharmaceutical Industry Sector

<u>STRENGTHS</u>	<u>WEAKNESSES</u>
Tangible Resources :	
<ul style="list-style-type: none"> • Moroccan pharmaceutical industry markets approximately 4000 drugs which 80% are produced locally. [11]. • Pharmaceutical industry makes for Morocco an annual average savings of 1.5 billion DHS through local production [12]. • Pharmaceutical industry ensures almost the totality of its needs by a local production which exceeds the 411 million units [13]. • Morocco exports nearly 10% of its production in drugs of which a good part towards the Western and European countries [14]. • The Moroccan exports in drugs increased by 21% in 2013. 150 specialities are exported annually towards 33 countries of West Africa and Europe for a turnover of 909MDH [15]. • National sales of 12 billion Dirhams. [16] • It takes part for 2% in the Moroccan GDP. [11] <p>An annual average of investment of 300 millions DHS to improve the quality and reach the European standard. [12]</p>	<ul style="list-style-type: none"> • Low production capacity [17]. • Moroccan pharmaceutical industry accounts for 0.13% of world volume [18]. • 40% only of the production capacity of the Moroccan sites are exploited: an underutilization of successful and quality industrial tools [19]. • Neither the installation of the obligatory health insurance (AMO) in 2006, nor the mode of medical help (RAMED) succeeded, according to the professionals, with an increase in demand in drugs [15]. Supported systems AMO/RAMED remain too weak [16]. • A concentration on low value-added drugs. [20] • A handicap as regards economic competitiveness because of low volumes of production due to the weak purchasing power and the insufficiency of the cover by health insurance [19]. Limitation of average national consumption per capita. According to the 2014 results of the AMIP, consumption remains weak with 409 dirhams per person per year. [16] • The growth of the sector is only approximately 2 % a year instead of a two-digit rate one decade ago, been understandable by a degraded international and national economic situation [16]. • Cost price of the drug in Morocco is very high [15].

	<ul style="list-style-type: none"> • The revision of prices engaged by the Ministry of Health [16]. • Lower prices for more than 2,000 drugs [17]. • After the adoption of a decree lowering drug prices, the sector lost in turnover, a fall of 10% from January to December 2014 [21]. • The aggravation of the trade deficit, which was established to 84,940 MDH at the end of May, against 83,168 MDH at the same date of the year 2013, continuous to lead the national economy [22]. • In 2014 the pharmaceutical sector increased by +1.2% in volume and regressed of -2.7% in value because of the lowers prices of drugs in June of the same year [2].
Intangible Resources :	
<ul style="list-style-type: none"> • The Moroccan pharmaceutical industry is certified to the European standards [17]. • Since 1987, Morocco adopted the European standards as regards manufacturing of the drugs. It is the single actor of the sector of the drug which passed to the action by adopting the good practices of manufacturing. As for the sectors of the distribution and that of the pharmacy of dispensary, they are long in adopting the good practices [15]. • The manufacturing is made in good technical conditions and the quality of the drug in Morocco is satisfactory. [11] • The quality of the drug produced in Morocco is internationally recognized [14]. • National pharmaceutical industry is classified zone Europe by WHO by the quality of manufacturing of the drugs [13]. • The Moroccan pharmaceutical industry is classified 2nd on the African continent after South Africa [18]. • This industry developed before the establishment of the standards AFNOR (French Association of Normalization), CEN (European Standardization Committee) and of ISO its own standards. These are the Good Manufacturing Practices (GMP), Good Laboratory Practices (GLP). [23] • Investment in some industries in the machine park, expansion of the manufacturing site and launch of new products. [24] • The Moroccan pharmaceutical industry has create approximately 40 000 direct and indirect jobs [25]. 	<ul style="list-style-type: none"> • Acute shortage in human resources [4]. • The profession suffers from the scarcity of professionals dedicated to export [28]. • Strategy of the great groups which is to slash prices to paralyse the local structures, and once the monopoly acquired to increase the prices in their own way. [15]. • The Moroccan pharmaceutical sector knows certain anticompetitive practices such as: factitious clinical studies undergone and financed by the patients, or more serious still violations of the medical secret to the profit of certain laboratories where the pointing of the patients and their harassing [14].
<ul style="list-style-type: none"> • After the adoption of a decree lowering drug prices, the sector won in transparency [21]. • The AMIP through its commission HES, will continue to play its role in the construction of a sectoral and national environmental policy [26]. • In Morocco, a rare political stability in the Arab world [27]. • The activity of the latter is mastered by qualified Moroccan staff and constitutes a complementary and essential link chain of research. [1]. 	

TABLE II. PESTEL ANALYSIS OF THE MOROCCAN PHARMACEUTICAL INDUSTRY SECTOR.

OPPORTUNITIES	THREATS
Policies	
<ul style="list-style-type: none"> • Morocco has engaged in reforming the health system to meet the expectations of citizens and ensuring the access to healthcare and drugs. [29] • For the first time in Morocco, the right to health is found to the rank of constitutional law as well as the right to education, housing and employment. [30] • The Strategic Plan 2013 - 2023 [16], an action plan for the improvement of the image and recognition of the interest of the sector of the drug for the country by all the public and private actors concerned [31]. • The generalization of the health insurance [14]. • The imminent launch of the health insurance of the independents [32]. • The development of the activity of export and the delocalizations of the manufacturing of certain foreign drugs towards Morocco [14]. 	<ul style="list-style-type: none"> • New regulatory obligations regarding detention and regarding inventory management by the pharmaceutical establishments. [11] • The increases of the price of drug remain as a general rule exceptional and limited. The price reductions are quickly treated [14]. • Burial of the contract-program signed in February 2013 between the government and 3 associations of pharmaceutical industry [17]. • Family structures which do not generate any synergy between them. No common vision and are concerned with profitability [17]. • A sector which was characterized since always by the monopoly of a handful of laboratories which hold a great market share [34].

<ul style="list-style-type: none"> • Organization of a mission B to B in Azerbaijan [31]. • Partnerships with other African countries. This partnership aims developing Moroccan exports, strengthening the South South Cooperation and at proceeding in the second time to the technology transfer of Morocco towards these countries [22], [33]. • The signature of a framework agreement of partnership in the medical domain and products of health, as well as eight other protocols of cooperation in these domains with African countries with deputy Prime Minister of the Republic of the Gabon, the ministers Senegalese, Ivory Coast and Guinea Conakry health and Minister responsible for the sector in Guinea Bissau, the ambassador of Chad in Rabat, the Minister for the health of Congo-Brazzaville and the perpetual secretary of health in Gambia [33]. 	<ul style="list-style-type: none"> • Not all government support in the countries of Anglophone Africa [35]. • The pharmaceutical quality (Quality-Safety-Efficacy) fulfills the basic requirements of the patient and cannot constitute a marketing argument. However, it works immediately against the manufacturer who does not control it, (because the tangible elements of the quality appear generally only when it is failing) [36]. • A difficulty of development in the export because of the absence of an internal market being enough for establishing the essential base [13].
Economic	
<ul style="list-style-type: none"> • Obtaining of the reduction in the customs duties from 25 % to 2,5 % for a set of 27 DCI of vital products not fabricables in Morocco [11]. • Releasing 800 million DH was reserved for the chemical and pharmaceutical sectors, among which 400 million DH will be reserved for the pharmaceutical sector [32]. • The national pharmaceutical industry being classified zone Europe by WHO by the quality of manufacturing of the drugs, the marketing of the products, manufactured in Morocco, is granted in a country which imports 60 % of its drugs. [13]. 	<ul style="list-style-type: none"> • International economic crisis [17]. • The negative fallout from the reduction of the drugs on the investment projects, employment and development to international [16]. • Currently, the trade deficit rises to 4.53 billion DH and could reach 9.76 billion in 2023 [37]. • The penalization of the local manufacturing by the growing imports regular and the difficulties of development in the export [19]. • The dependence towards the foreigner for the supply in RM, importation of more than 90% of the needs near the laboratories principals which invoice these matters at higher prices of the international market [19]. • Exports account for only 0.5% of total exports [22]. • Rumor: the intention to increase the VAT on the drug. The Minister of Finance plans to change the rate from 7% to 10% [38]. • Narrowness of the local market which absorbs only approximately 400 million boxes [15], and its dispersion on a significant number of operators and more than 5000 drugs constitute an obstacle to the industrial economies of scale [14]. • Importance of the direct payments of the households: According to the National Accounts of Health (CNS 2010), the total expenditure of health rises to 47,7Milliards dirhams against 30.5 in 2006 (CNS 2006). This expenditure accounts for 6.2% of the GDP in 2010 against 5.3% in 2006. [4].
Socioculturel	
<ul style="list-style-type: none"> • The creation of five ecosystems specialized in the pharmacy returns within the framework of the strategy of industrial acceleration which seeks to create 500.000 jobs on the horizon 2020 [32]. • A control of the demographic growth is recorded in Morocco. In 50 years the Moroccan population almost tripled while passing from 11.6 million in 1960 to 33.8 million in 2014. During the same period the annual rate of demographic growth passed from 2.6 % to 1.05 %. This strong reduction shows that Morocco is in the course of completion of its demographic transition which results also by a decline of the fertility and mortality. Indeed the total fertility rate (TFR) passed during the same period from 7 to 2.13 children by woman that is 5 children less than 50 years ago. Decrease of the age to the first marriage on the one hand, and on the other hand, by a greater use of the average contraceptives. These changes incontestably have effects on the request of care and suppose a reorganization and a development of the offer. They also have an influence on request of job because it is the working population (15 - 59 years) that absorbed the variations of the demographic structure [30]. • The age structure, the population under 14 years which represented 44,4 % in 1960 is no more than of 31 % in 2004 and will decline in 20,9 % in 2030. In contrast, working population 15-59 years, it passed from 51.6% in 1960 to 60% in 2004 and will reach 63.8% in 2030. That of 60 years and more, which was only of 4% in 1960, reached 8% in 2004 and will be of 15.3% in 2030 what will represent a population of about 5,813,000 is 2.4 times more than in 2004 (2 391,000) and which will lead, on the level of morbidity, to a change 	<ul style="list-style-type: none"> • The industrialists are always at loggerheads with each other and do not manage to adopt a common position to discuss with the government [17]. • Malay within associations and resignation of certain laboratories [39]. • The pharmaceutical industrial sector is under the fire of criticisms from the exit of the report of the parliamentary committee in 2009 on the dearness of the prices of the drug in Morocco [34]. • Difficulties of access to the care are recorded in Morocco. The analysis of the indicators relating to the offer of care and to the use of the health services lets appear a quantitative insufficiency, a distribution unbalanced through the territory and of the important differences between urban and rural environments and between regions. It also results in the insufficiency of the use of the services of care and services [30]. • Weakness of the purchasing powers of the citizens and the weak social coverage [15]. • The Competition Council exposes the illegal practices of pharmaceutical industry [40].

<p>of epidemiological profile related to that of a population which ages. This will induce a progressive increase in the demand for heavy hospital care for the coverage of the chronic and degenerative disease [30].</p> <ul style="list-style-type: none"> • It was also recorded in Morocco, a significant gain in life expectancy which is of 28 years, resulting from the decline in mortality at different ages [30]. • Extension of the Obligatory Health insurance (AMO) and the increase of the budget assigned to the Ministry of Health [30]. 	
Technological	
<ul style="list-style-type: none"> • It is, for the moment, four ecosystems which were finalized with the economic operators. It is, according to the minister, of biotechnology, of the clinical trials, drugs and medical devices. As for the prospects for this approach, it consist in generating a turnover of 10.6 billion DH [32]. • The contract-program is supposed to result in an attractive offer for the pharmaceutical production in terms of costs and added value. And by capitalizing on the experience gathered in regarding foreign direct investments (IDE), Morocco wants to target the directed world operators export. The objective being to favor the transfer of technology and the know-how and to increase the produced volumes. At first, the government aims at the setting-up of clinical trials activities, before envisaging the emergence of activities of subcontracting and R & D [19]. • The State begins to provide to the industrialists a database principal CRO (Contract Research Organization) and CMO (Contract Manufacturing Organization) and shows dedicated to the R & D and to canvass the CRO. The offshoring of production also appears among the priorities. That consists in attracting the investments, in particular CMO, generics and average actors at the world level It is the group which comes just behind the large planetary operators from the sector [19]. • Today, Morocco wishes to position like a principal actor on this market, and to profit from its growth prospects. By gradually developing activities of R & D with stronger added value, pharmaceutical industry will be able to satisfy the request with the international laboratories [41]. • The Industrial Organization has changed profoundly. The large firms vertically integrated have given way to increasingly specialized firms which outsource in an increasing way certain stages of the production process [42]. 	<ul style="list-style-type: none"> • According to the commission export of the AMIP, problem of air arises much. Two years ago, a Casablanca-Nairobi connection had been announced, but the project is failed [34]. • World pharmaceutical industry tends more and more to outsource the activities R & D and of production, but Morocco does not benefit from it. In cause, the limited size of its market, the absence of dedicated installations and the shortage of qualified resources [20]. [20]. • The pharmaceutical sector knows an increasing trend with the outsourcing of the activities of R & D, with a progression of the expenditure for the activities outsourced faster than for the internalized activities. Thus, by 2018, about half of the activities of R & D will be potentially sub-contracted, that is a market estimated of more than 70 Billion \$. This is particularly the case of clinical trial activities which represent alone more than 46% of the world expenditure of R & D [41].
Environnemental	
<ul style="list-style-type: none"> • A transformation prepares in the sector within the framework of the Plan of industrial acceleration. Reorganize the ecosystems of the pharmaceutical sector and signature of the three associations the convention of starting of the studies to define the perimeter as well as the economic potential of each ecosystem [32], [20]. • Further to the first National conference of the Pharmaceutical industry in 2006, The integration of the environmental policy in the management of the pharmaceutical laboratories to the daily took place by the creation of commission HES "Health, Environment & Security" having for objective of application of the environmental commitments made by Moroccan pharmaceutical industry [26]. • The strategic lever Eco-Government is the improvement of the manufacturing processes of the drug to minimize the emanations and pollutant emissions and to reduce energy consumption [26]. 	
Legal	
<ul style="list-style-type: none"> • The Convention of the Council of Europe, ratified by Morocco, on the counterfeit of the medical products and the similar infringements threatening the public health, more known under name "Médicrime", was adopted [43]. • In order to regulate and organize effectively and efficiently the pharmaceutical sector, were recently published 20 legislative texts and regulatory specific to the drugs and pharmacy (3 laws, 4 decrees and 13 orders) [44]. 	<ul style="list-style-type: none"> • Presence of the regulatory barriers at the entry [20]. • Registration of the pharmaceutical product, a long process that can last up to 2 years. Indeed, the marketing authorization is the main obstacle for the Moroccan pharmaceutical industrialists. [2] • The agreement of validation of the European patents in Morocco. The validation of the European patents in Morocco will open the door to the abuses the great pharmaceutical groups which will not hesitate, according to the Moroccan generics, to use artifices to prolong 10 or even 15 years the duration of

protection (20 years) their initial patents [28].

- A circular of the Direction of the drug and the pharmacy whose object is to address, as soon as possible, a benchmark of princeps whose marketing authorization was renewed in 2015 and the pharmaceutical laboratories fear a new price drop of the drugs [45].
- The drugs continue to sell illegally outside pharmacies [46].

4. Discussion

The main aim of the study was to carry out a photograph of the Moroccan pharmaceutical industry sector taken in its environment through a strategic analysis. Concretely, it is to diagnose the pharmaceutical industry to raise its strengths and weaknesses, analyze the environment to detect opportunities and constraints, and then after confrontation of the results defining axes of improvement. It is a description of the state of this industry in which we delivered.

To ensure a credible and transparent methodology in order to give confidence in the got results, we used the matrix SWOT which constitutes an analysis in two times: on the one hand, a diagnosis interns, on the other hand, an external diagnosis. We adopted this tool considering which it brings a strategic vision which was lacking for the former methods and allows a more comprehensive approach to the position of a company in a market. This, at the same time in its internal management and its strategic position in relation to its market or markets that would like to conquer [47].

We combined this matrix, in first section, with an approach by resource according to model GRANT (1991) for the realization of an internal diagnosis. This model takes origin of the approach developed by PENROSE (1959) and proposes to distinguish two types of Tangible and intangible resources. WERNERFELT (1989), BARNEY (1991), BLACK and BOAL (1994), ERIKSEN and MIKKELSEN (1996) propose other categorization and classification of the resources which we did not hold account for the realization this diagnosis. We adopted the classification of GRANT (1991) due to the simplicity and clarity of the categorization criteria which he proposes.

In second section, we integrated tool PESTEL for structuring the external diagnosis. To achieve the same goal and to establish a strategic analysis, other methods and tools of assistance of the internal diagnosis as external exist. Mr. PORTER (1986) developed the concept of the value chain for internal analysis.

The value chain describes the steps that allows a company to create value for the customer.

As internal diagnostic tools, HAMEL and PRAHALAD (1994) developed the concept of key competences. To obtain a competitive advantage difficult to imitate by competitors, a company needs to build a set of key competences.

For an external diagnosis, the five competitive strengths model developed by Porter (1985) provides an analysis of the sector. We opted to PESTEL tool and not the five competitive strengths of PORTER since it has the disadvantage of not treating the opportunities while PESTEL

analysis makes it possible to identify opportunities and constraints in the sector.

The Moroccan pharmaceutical industry is a strategic sector for the national economy and the regular and made safe supply Drugs [14]. The activity of this industry generates at the national level nearly 12 Billion Dirhams turnover and takes part for 2% in the GDP. The latter ensures almost all of its needs by a local manufacturing which exceeds the 411 million units. It markets approximately 4000 drugs which 80% are produced locally. Indeed, the quality of the drug produced in Morocco is internationally recognized and Morocco exports nearly 10% of its production in drugs of which a good part towards the Western and European countries.

With regard to the intangible character of the resources, the Moroccan pharmaceutical industry is certified to the European standards. It is classified zone Europe by WHO by the quality of manufacturing of the drugs and is classified 2nd on the African continent after South Africa. The activity of the latter is mastered by qualified Moroccan staff and constitutes a complementary and essential link chain of research.

At the time of the globalization of the economy, the company must open towards outside while keeping the control of its environment. In addition, the worldwide market of the drug is increasingly competing and requires a consequent commercial strike to penetrate the target strategic markets. Besides, in the pharmaceutical company the visibility decrease when its environment quickly changes: the globalization, the reduction of the health expenditure, the development of new technologies, evaluation of the requirements of the customers, issues of the standards, etc. It is essential of this fact that pharmaceutical industry has a means to improve its vision [23].

In spite of its great potential, pharmaceutical industry in Morocco shows a considerable delay of development [34]. This industry however is subjected to a certain number of threats policy, economic, social, technological, environment and legal which slow down its development. On the one hand, the international economic crisis, the aggravation of the trade deficit and the dependence towards the foreigner for the supply in RM. On the other hand, lack of government support and the burial of the contract-program signed in February 2013 between the government and the three associations of the pharmaceutical industry. Besides, a narrowness of the local market which absorbs only approximately 400 million boxes, exports which account for only 0.5% of total exports and its dispersion on a significant number of operators constitute a serious obstacle in the industrial economies of scale. Also the study conducted by

B.TABACH in 1995 determines the delocalization as an opportunity for pharmaceutical industry. It's defined as a critical component of the strategy in companies in the world component and Morocco in assets to attract productions in this context. [4]. Without putting at the regard, the limitation of average national consumption per capita as well as the declaration of the negative repercussions of the fall of the drugs on the investment projects, jobs and international development.

The right to health is founds to the rank of constitutional law in the same way as the right to education, housing and employment, for the first time in Morocco as well as the generalization of the health insurance could be the most important opportunities offered to this industry. The development of the activity of export and the delocalizations of the manufacturing of certain foreign drugs towards Morocco can also represent opportunities to develop this industry [14].

However, the industrial pharmaceutical sector is the theatre of a number of anticompetitive practices. The essence of these practices aims at blocking the entry and the development of generic drugs and in particular on certain market segments where exist important economic and financial issues [14].

Perfectible points, this branch of industry sulphur of the scarcity of professionals dedicated to export and a low production capacity. However, 40% only of the production capacity of the Moroccan sites are exploited: an underutilization of successful and quality industrial tools. In addition, strategy of the great groups which is to slash prices to paralyse the local structures, and once the monopoly acquired to increase the prices in their own way. Besides, the cost price of the drug in Morocco is very high. A handicap as regards economic competitiveness because of low volumes of production due to the weak purchasing power and the insufficiency of the cover by health insurance. Moreover, the growth of the sector that of 2% approximately a year instead of a rate with two digits one decade ago, been understandable by a degraded international and national economic situation. On the other hand, it was published by Economies Undertaken in 2013 that the capacities of manufacturing of Moroccan pharmaceutical industry remain under used and can ensure a doubling of the production if the market carries a significant evolution (generalized Health insurance, RAMED, Export...) [34].

National pharmaceutical industry is in presence: Of a legal obligation of respect of GMP standards under the control of the Direction of Drug and Pharmacy. Of an optional choice of the ISO standards which does not exempt it at all for obligation of respect of the GMP [28]. Indeed, the good manufacturing practices of the drugs constitute one of the quality insurance elements, they are founded to certify the conformity of the production of the drugs in an industrial establishment compared to the requirements of the Marketing Authorization file. These guarantee that the products are manufactured and controlled according to the quality standards adapted to their employment and required by the marketing authorization [43].

Thus, the industrialists of this sector ensure the product quality by a approach of quality insurance having for reference the GMP without resorting to the good practices of management quality allowing to do better with less. Better in terms of quality, productivity, performance and customer satisfaction and with less resources, losses and costs. The global performance is assured only by the technical performance.

Moreover, the approach quality in the industrial sector, like any other company, according to the awareness of the importance of the quality for the company, according to its youth, the company can be in a certain degree of maturity of the quality systems in place:

- of quality control.
- of quality insurance.
- of management of quality.
- of the social responsibility of the organization
- of Sustainable development.

The main objective of the pharmaceutical industry is to reproduce the quality of the prototype drug having served for the obtaining of the marketing authorization (MA) according to the rules of good manufacturing practice (GMP) [29]. Quality in the pharmaceutical sector indicated "pharmaceutical quality" materializes by the marketing of a drug which fulfills the requirements Quality-Safety-Efficacy (QSE) which constitutes the cornerstone for drugs. They must be shown and checked at the time of the deposit of the file of Marketing Authorization but also after the marketing of the product by the inspection service and the LNCM [19].

On behalf of the imperatives of Quality-Safety-Efficacy, that the Quality Assurance (QA) of the drug is a cardinal principle in practice of pharmacy. Its main intention is the satisfaction as well as possible of these three requirements of the drug [36].

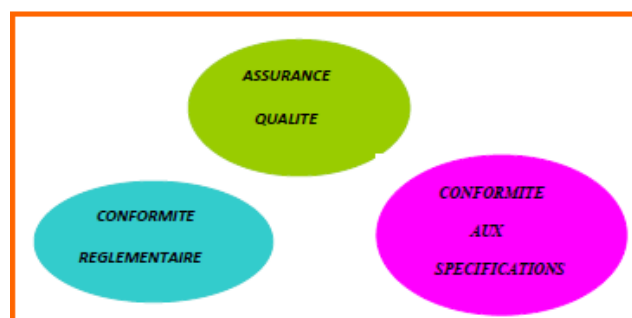


Figure 1: The three balls of the pharmaceutical quality [23].

- In terms of assurance according to analysis SWOT: The manufacturing is made in good technical conditions and the quality of the drug in Morocco is satisfactory [11]. The quality of the drug produced in Morocco is internationally recognized [14]. Furthermore, the national pharmaceutical industry classified zone Europe by the WHO by the quality of manufacturing of the drugs [13].
- On the regulatory level: this sector is managed by the law 17-04 code of the drug and the pharmacy but remains insufficient. Moreover, in terms of threats, drugs continue to sell illegally outside pharmacies [46]. Registration of

the pharmaceutical product, a long process that can last up to 2 years. Indeed, the marketing authorization is the main obstacle for the Moroccan pharmaceutical industrialists. [2] Also new opportunities promises for this component. The Convention of the Council of Europe, ratified by Morocco, on the counterfeit of the medical products and the similar infringements threatening the public health, more known under name "Médicrime", was adopted [43]. On the other hand, in order to regulate and organize effectively and efficiently the pharmaceutical sector, were recently published 20 legislative texts and regulatory specific to the drugs and pharmacy (3 laws, 4 decrees and 13 orders) [44].

- On the specifications level: although registration of pharmaceutical products requires a long process, obtaining the marketing authorization, the industrial tools adopted enable to produce a drug which answers the specifications recorded.

On the other hand, according to figure 1 defining the pharmaceutical quality, we note the absence of integration of the approach cost, customer satisfaction and process approach which constitute the added-value of quality management compared to the quality assurance.

The pharmaceutical quality (Quality-Safety-Efficacy) fulfills the basic requirements of the patient and cannot constitute a marketing argument. However, it works immediately against the manufacturer who does not control it, (because the tangible elements of the quality appear generally only when it is failing). The control of quality thus remains capital in the race for competitiveness, productivity and yield [28].

Besides, studies were conducted by various researchers about the relation between the quality and the performance of the company. Madu, Kuei, Lin (1998) studied a sample of 164 American and Taiwanese organization of production. They came to the conclusion that there exists a significant correlation between the quality performance (Satisfaction, pleasure of the employees) and the financial performance (the short-term performance, the long-term performance, the productivity, the costs, the profitability, the competitiveness, the growth of sales, market share) [48].

White (1998) is in its meta-analysis, which was compiled by an empirical study revealed a link between the quality of the product and the global performance of the company, positive effects were found between: a) the quality performance and the results of internal process (cost and the speed of delivery). b) the quality performance and the market share [48].

The study of Kaynak (2004) on a sample of 221 American companies showed that there exists a significant correlation between the quality performance (scrap, the finish, the productivity and the wastes of time) and the financial performance (market share, the return on the investment, growth of the sales and growth of the benefit) [48].

When it comes to the impact of the quality management system established and the performance of the company in the case of the pharmaceutical industry, as much in the world are not published such researches. Owing to the fact

that there are not studies of this type, a recent research conducted by Marinković (2013) in order to define relations and the effects between the quality management standard applied and the financial and/or not - financial business parameters in the case of pharmaceutical industry in Serbia. The results revealed the impact of the implementation of QMS in the performance of companies for the case of the pharmaceutical industry in Serbia. The quality is not only a statutory requirement or of marketing, but rather a parameter important for the development and the improvement of the performance of the company that is how the analysis Marinkovic (2013) was concluded.

5. Conclusion

The Moroccan pharmaceutical industry constitutes a link of the Moroccan industrial sector, especially after the adoption of the good European pharmaceutical practices (GMP) as regulatory quality standard. The results of this study illustrate its contribution to social balance [7]. It continues to export its production certified by WHO "European zone quality" towards the countries of North and of the South and the cover of the needs is satisfactory in spite of the difficulties of the industrial sector.

This analysis made it possible to initially bring a comprehensive view by highlighting opportunities, the threats, the strengths and the weaknesses in time present, of Moroccan pharmaceutical industry, which can influence its development on the scale national and international. The followed methodology structured strengths and weaknesses according to the tangible and intangible character of the resources while it organized opportunities and threats according to the fields: political, economic, sociocultural, technological, Environmental and legal. Besides, it appears the concern of pharmaceutical industry by the productivity and profitability as long as the product quality meets the GMP standards. Nevertheless, pharmaceutical quality (Quality-Safety-Efficacy) fulfills the basic requirements of the patient and cannot constitute a marketing argument. Furthermore, the GMP constitute only an element of the quality assurance to certify the conformity of the production of the drugs and the global performance is not taken account in this strategy, if not it cannot be guaranteed by the technical performance.

Knowing that the quality of the offered services passes through an in-house good organization and being management quality is a strategy for development and competitiveness, an incentive of the pharmaceutical industrialists to realize durable performances by an approach of management quality will constitute a strategic lever for this sector. The study conducted by Marinković (2013) proved the significant positive impact of management quality on the performance of pharmaceutical companies.

In addition, the bibliographical review reveals a lack as regards research about the practices of management quality in the sector of Moroccan pharmaceutical industry. So, a thorough study of these technical practices in this neuralgic sector proves to be necessary in order to make it

possible this industry to be competitive on the local market and combative on the international market.

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