

Pharmaceutical Market of Uzbekistan Investment Klondike without Side Effects

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Short Communication

Klondike at the turn of the 19th and 20th centuries, this phenomenon excited all of North America and forced many adventurers and desperate people of inhabited world to go on a deadly journey for the dream of “grabbing” gold. The starting point for the most famous gold fever, described in the novels of Jack London, was August 1896, when a deposit of this noble metal was discovered in the mouth of the Klondike River in Canada. This gave rise to a spontaneous influx of unbridled crowds of prospectors and an unorganized development of a huge land mass. Oh, what was there! Scrambled eggs for \$ 65 and rubber boots for \$ 2,500 newly made millionaires in a couple of days. But the statistics is inexorable out of hundred thousand of people who swam to Alaska only about 30 thousand reached the gold mines. And only few hundreds became fabulously wealthy due to mined gold ingots [1-3]. Gold fever in its true meaning, of course, is the vistas of bygone times and a symbol of both human dreaminess and sustainability, greed and nobility. At present, with the dominant political and economic arrangement of the world, the repetition of the mass “madness and congestion” about gold is almost impossible. But, nevertheless, Klondike, in the nominal meaning of this word as a place for easy and quick achievement of incredible abundance and wealth, can arise in the modern world. The pharmaceutical industry of Uzbekistan can be called as one of such places [4-6]. You may ask yourself the question -why? Let's see. Referring to statistics: today the pharmaceutical industry of Uzbekistan is represented only by 146 enterprises and drug producers: 4 foreign enterprises, 21 joint ventures. Pharmacy chain has about 5500 of specialized points in the country. Today the population of Uzbekistan is more than 32 million, where the annual population growth is 1.7 % [7,8]. Of course, foreign pharmaceutical producers can rely and know where to turn. However, despite the well-formed, inner conjecture of the country and legal guarantees. Uzbek pharmaceutical market offers good opportunities for foreign investors. This also related to the State course to further deepening the processes for localization of production, expansion of the intersectoral industrial cooperation, establishment of local raw material resources to substitute the import and provide domestic market with drugs and medical products. According to the state program on localization of products, components and raw materials during 2017-2019 in the pharmaceutical industry, 179 projects shall be implemented and previously imported drugs should start manufacturing in Uzbekistan [9,10]. It is obvious that to achieve ambitious targets and ensure effective substitution of import, the industry should be more intensively developed. In this point of view, the Government issued a number of documents, which provide specific exemptions to pharmaceutical manufacturers. Today, the companies specialized in drug manufacture, whose revenue from manufacture of the goods achieves the defined level, are exempted from income and property taxes, the single tax payment; the mandatory charges for the Republican Road Fund. According to the expert's opinion, these conditions will activate another 33 large pharmaceutical enterprises by the end of 2017 and increase the share of domestic products in the market up to 70 % [11,12]. It should be noted that exhaustive discussion on draft decree of the President of the Republic of Uzbekistan “On establishment of pharmaceutical industrial zones “Boysun-Pharm”, “Bostonlik Pharm”, “Zaamin Pharm” and “Syrdarya-Pharm” has been completed. This document gives the following definition to the

industrial zones: attraction of direct investments with an aim to create innovative manufacture of pharm products based on substances and herbal medicines; and creation of new modern industries in the field of primary processing, storage, packaging, processing of medicinal plants and manufacture of medical devices, auxiliary and packaging materials. Under the draft decree, the functional period of above mentioned industrial zones will be 30 years, where unprecedented tax and customs exemptions will be active, which can only be compared with the conditions that prevailed on the Bonanza Creek flowing into the Klondike river, when it was possible to become rich with a sweep of pickaxe a couple of times and then to bend and pick up what lies beneath your feet ... while - to no one and nothing! Another significant document for the pharmaceutical industry is draft decree of the President of the Republic of Uzbekistan “On measures of creation of favorable conditions for accelerated development of the pharmaceutical industry”. This decree exempt till January 1, 2021 companies specialized in manufacturing of drugs, medical products and auxiliary materials used to manufacture the medicines from basic customs payments, VAT and excise taxes. The document also will provide an opportunity for small enterprises, which work in this sector, from April 1, 2017 to increase the average annual number of employees up to 200 people. Looking at given opportunities and potential I would call it investment Klondike, rather than pharmaceutical market! What's important –it is guaranteed and without “side effects”. In other words, it can be said that the government of our country undertakes all the hardships for overcoming Passway “Chilkut”, which, during the prescription of the gold rush, was irresistible obstacle on the way to the Klondike. However, the relationship between manufacturers and regulatory bodies cannot be simplified in health sector - as in every developed country, the pharmaceutical market of Uzbekistan is regulated by a large number of laws, regulations, and guidelines to guarantee the quality, efficiency and security. In addition, the registration process of drug, medical equipment and medicinal products seems quite difficult since many registration steps require a specific knowledge and practical skills of interaction with the government institution which means - significant resources and time. In order to solve these issues effectively, the manufacturers, usually searching for the consulting companies which traditionally offer the standard range of services, including:

- Consulting on registration or re-registration of products
- Collection and acquisition of required documentation / preparation of dossier

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- Reports on the registration process

Currently, there are a big number of companies that offer services for the registration of pharmaceuticals, medical equipment, cosmetic products and veterinary products in Uzbekistan. But, PHARM GROUP is the most experienced company which sets the tone and provides highly qualified services over the past 15 years [13,14]. Moreover, besides the traditional consulting services, the experts of PHARM GROUP, having substantive knowledge and experience in the area of registration, provides the services for direct representation of producer's interest in the State registration/certification bodies and preclinical and clinical trials organizations. Created favorable conditions for business development and implementation of projects the Republic of Uzbekistan, caused by favorable climate for investment activities and in terms of perspective market with end products. So, welcome to "Klondike", where we will guide you! As a successful "conductor" with 15 years of experience, who knows every "secret pathway", PHARM GROUP, is able to provide its effective support to your business in investments to pharmaceutical market of Uzbekistan!

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