

Drug Company Visit: Traphaco

Established in 1972, under the subsidized economy, the company started out as a small medicinal manufacturing workshop. Since then, the open market era has seen Trapharco emerge as the fastest developed drug company in the country.

As a joint-stock company, that is 45% government-owned and 55% privately-owned, with branches in 38 provinces, which includes pharmacies across the country. The company manufactures 170 products; consisting of 60 traditional herbal and 110 modern medicines. However, its traditional medicines are its best-known products in Vietnam and account for 80% of their profits. Trapharco has a turnover of \$US20 million a year.

Trapharco not only distributes their drugs throughout the whole country, but is also well-established in the overseas markets. Majority of their exports are to Eastern Europe; primarily Belgium who then re-exports to Africa. There is a 50/50 ratio of exported drugs that are herbal versus modern.



The company has been certified by the Drug Administration to conform with the ASEAN GMP standards. In Vietnam, the new international GMP standards have been implemented and enforced, but currently this only applies to exported medications.

Ministry of Health

A formal meeting was held with the Vice Minister of Health at the MoH. Also present were representatives from the drug administration, pharmaceutical sector advisors, the Dean of the Hanoi University of Pharmacy, Vice President of the Vietnam Pharmaceutical Association, John Ware, Kurt Rasmussen and myself.



The Vice Minister of Health summarized the current situation of Vietnam's pharmaceutical sector:

- Vietnam has just been admitted as a World Trade Organisation (WTO) member, which will enable the country to open up international harmonization in trade including pharmaceuticals.
- At the moment, Vietnam still has to import 50-60% of all available drugs on the market. Only 40% of drugs by are sourced by local manufacture, and this is only generic medicines. There has been lots of effort to modernize factories to ensure quality manufacturing practices
- However, admittedly there is weakness in distribution, which affects the price of drugs on the market. There is heavy reliance on the network of retail pharmacies to ensure more streamline distribution system.
- A key problem is ensuring the good management of quality and practice of pharmacy. Based on the law, the MoH is implementing policies to ensure and address the issues of quality and price of drugs.
- It is important that drug prices remain stable and are available at an affordable price, especially to farmers who are still poor; are of adequate quality, available in sufficient quantities and are what the people of Vietnam need (consistent with the concept of essential medicines)
- There are two limiting factors to solving the problem or quality pharmacy services
 - 1) Vietnam is still a poor country
 - 2) The scattered distribution of pharmacies, and the fact that they are very poorly equipped
- It is thus difficult to create guidelines that apply to all pharmacies, including drug outlets, and ensure they all comply.
- Prescribing practices is also another hurdle to implementing GPP
- GPP (all six variations) has been included into the pharmacy curriculum. Students have been trained in product manufacture, distribution and clinical practice; however this study has not been in-dept and requires on-the-job training for them to learn more.

- Vietnam is readily open to learning and improving based on the international experience and expertise. The MoH welcomes and is grateful for the assistance from FIP/WPPF and hopes to continue a positive relationship in the future.

John Ware and Kurt Rasmussen summarized our progress of the last few days and confirmed their commitment to providing technical assistance, in particular in regards to reviewing the GPP documents. Overall, the meeting was very formal and brief with not much in-depth discussion.

Model Pharmacy Inspection:

The pharmacy we inspected was one of three pilot stores that have been created on the basis of the GPP principles. A total of seven pilot stores will be built in Hanoi, with a total of 30 to 40 including Ho Chi Minh City and major provinces, by the end of 2007. It is the government's intention to close the kiosk-like pharmacies and switch to these new GPP model pharmacies.

This particular store is corporate owned by drug wholesaler, Harpharco. Unlike most pharmacies in Vietnam, it was located away from the main road in a small side street and was undoubtedly the largest pharmacy I'd seen in Hanoi (even comparable to a large pharmacy in Australia).

We arrived at the pharmacy a little past nine in the morning, just in time to see a dozen people cleaning the windows, dusting and sweeping the floor one last time before our inspections.



The dispensary was rectangular and located in the centre of the pharmacy. On one side of the dispensary were rows of supermarket-style shelves stocked with over-the-counter cosmetics, beauty products and vitamins.



On the other side of the store, there were small cubicles for two qualified medical doctors to use as consulting suites. On questioning whether these doctors were located in the pharmacy for prescribing purposes, we were informed that they were there only to provide medication advice to patients. Despite the suggestion that this is the role of the pharmacists, who are qualified drug specialists, we were informed that Vietnamese people do not

trust pharmacists and will only listen to medical practitioners.

The dispensary also followed a supermarket-style categorization of medications, according to therapeutic class. There are at least ten counters, for example, anti-diabetic, anti-psychotics, anti-histamines etc.



If a patient entered the pharmacy with a script with more than one drug from different therapeutic classes, the patient would be expected have to walk to different counters in order for their medications to be dispensed.

Each counter holds separate record books which detail prescriptions under patient's names. However, this segmented system is inefficient, can be confusing (as medications can be taken for multiple indications, and not

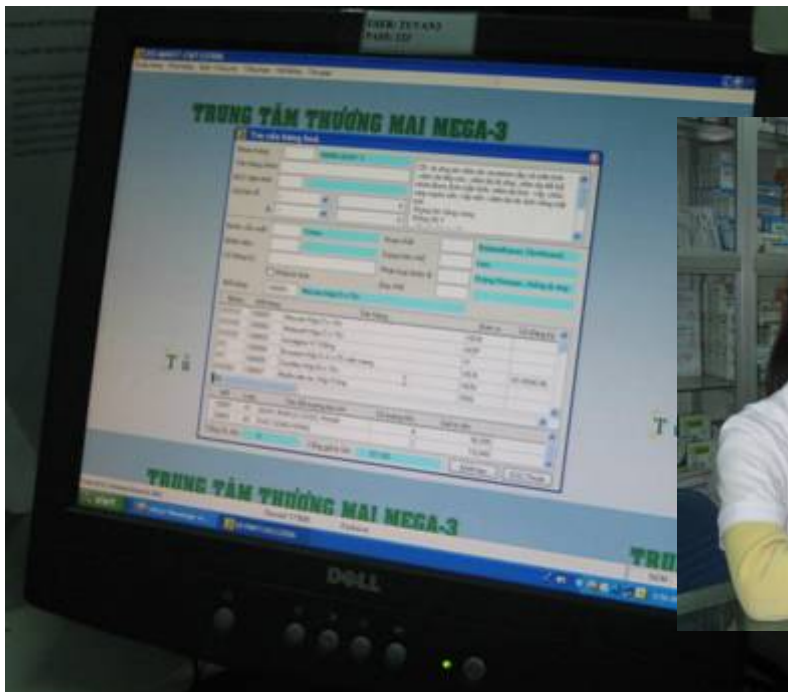


solely used as its primary therapeutic class would suggest eg. TCAs used for neuropathic pain) or embarrassing to patients (as others will be able to see what type of prescription medications they are taking e.g. anti-psychotics); moreover it does not allow for comprehensive and complete pharmaceutical care, as patient histories remain isolated at different counters.

Glass counters extended all the way around the dispensary's rectangular layout, displaying medications like a jewellery store. This superficial arrangement and categorization of drugs, demonstrates a lack of understanding of patient-centred care and puts patient safety at considerable risk.



In terms of computer software, the model pharmacies are currently in the pilot stage of a dispensing program, primarily for the purpose of selecting and cross-referencing generic brands; as well as a stock control program for ordering and price calculation purposes. There has been no attempt so far to make patient records electronic, centralized and, or easily retrievable. The VPA did admit that computer software, rather than hardware, is an area where the pharmaceutical sector is lacking and requires assistance.



During the time we were at the pharmacy, no customers entered the store. On a daily basis there are 13 pharmacists and 5 pharmacy assistants on duty. The VPA openly admitted that the supermarket design has not been successful. Furthermore, they are experiencing difficulty in convincing both pharmacists and the public to convert to the newer, more expensive (and by looking at the Harpharco model) unfeasible GPP pharmacies. Thus far, there has been no discussions on the need for a promotional campaign to encourage citizens to go to GPP pharmacies, however if pursued, it would have to go through government channels.



The VPA explained that their approach to the GPP implementation is a combination of strategies that they have learnt from their neighbouring countries:

- Thailand, who enforced compulsory implementation, and
- Singapore, who was able to introduce GPP by empowering pharmacists and positive GPP promotion.

Both countries have successfully achieved GPP standards.

The plan is for pharmacies to voluntarily apply to join the GPP initiative. An inspection team will assess whether the pharmacy has the capacity to meet the GPP standards and will monitor the transition until complete GPP implementations. The new legislation will state that GPP pharmacies must be at least ten metres square and must have adequate air-conditioning (as opposed to the small open-front shops at the moment, which expose medications to varying humidity and temperatures).

Although it is evident that steps have been taken to ensure the improved standards of premises of the pharmacy; however there seems to be a lack of attention to proper documentation in terms of medication labeling and patient records. This needs to be addressed and standardized across the board.