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# PHARMA INVESTMENT MAP

Edition 1

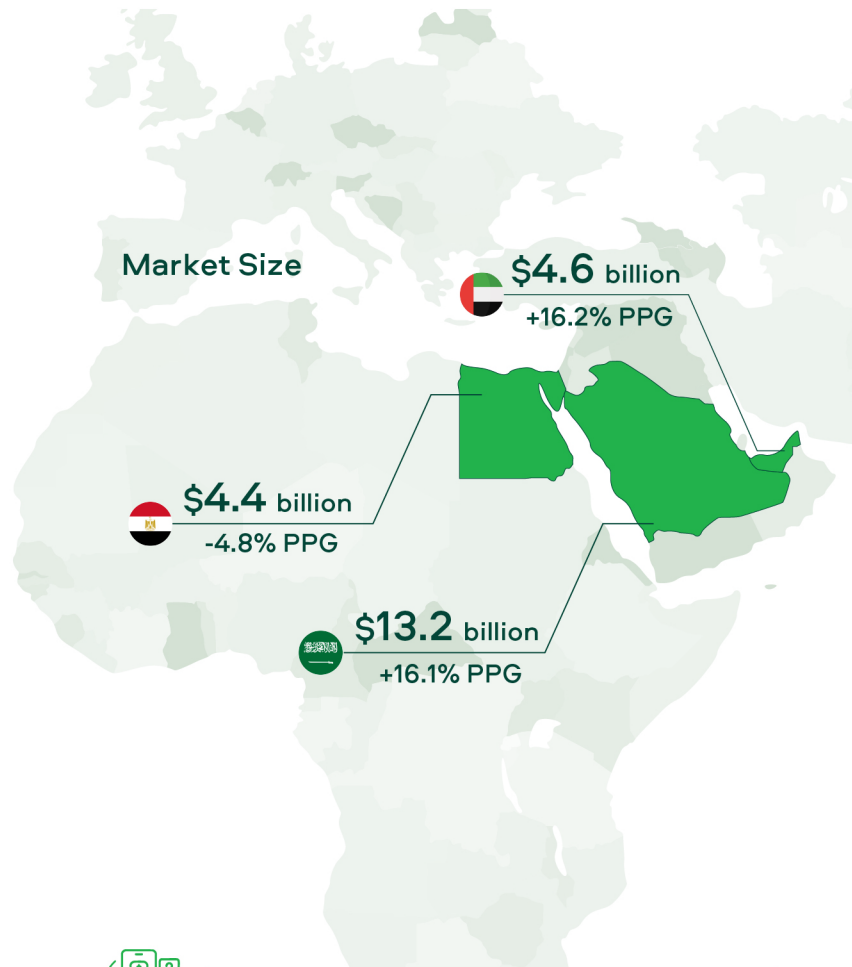
**IN THE MIDDLE EAST & AFRICA**

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The pharmaceutical landscape in the Middle East & Africa (MEA) has been on a durable growth trajectory, underpinned by three reinforcing dynamics: sustained investment in capacity and localization; and policy reforms improving transparency, pricing, and data interoperability, with the ambition to position MEA as an export hub by forging strategic, cross-border partnerships that leverage each country's comparative strengths to accelerate localization, expand market access, and improve reliability of supply. The investment opportunities are thus wide open, but the question is how to sequence investments across manufacturing, specialty portfolios, digital health, and clinical development—while navigating country-specific pricing and regulatory dynamics.

## I. MEA Pharma at a Glance – Market Overview

The MEA pharmaceutical market was valued at **USD 35.3 billion in 2024**, demonstrating a robust growth with a **15.0% Previous Period Growth (PPG)** and a **11.2% CAGR**— with **Saudi Arabia** leading at **~\$13.2 billion (+16.1% PPG)**, the **UAE** following at **~\$4.6 billion (+16.2% PPG)** and **Egypt** at **~\$4.4 billion (-4.8% PPG)**<sup>1</sup>. While the market is projected to reach **\$42.42 billion by 2030**, other forecasts suggest an even more ambitious trajectory, with the market potentially reaching **\$60 billion by 2025**.



## Demand Drivers



### Population Ageing

Individuals aged 60+ are expected to account for **9.5% of the Arab region by 2030**, rising to 15.1% by 2050, lifting pharmaceutical utilization per capita<sup>2</sup>.



### Chronic Disease Prevalence

MEA carries **the highest regional diabetes prevalence globally** (85 million in 2024), projected to grow 92%<sup>3</sup> by 2050 (163 million), structurally expanding demand for chronic and specialty therapies.



### Digitization & Telehealth

The **MEA telehealth market stood at ~USD 4.5 billion in 2024** and is expected to grow at **26.8%<sup>4</sup> CAGR to 2030**, underwritten by widespread smartphone connectivity and state-backed data platforms. The UAE leads with health information exchanges (HIE)—**Riayati** (federal), **Malaffi** (Abu Dhabi), and **NABIDH** (Dubai)—that interconnect providers and regulators, allowing for remote monitoring and data-driven care.



<sup>1</sup> Middle East & Africa Pharmaceutical Business Insights - IQVIA

<sup>2</sup> Regional Profile of the Arab Region Demographic of Ageing: Trends, Patterns, And Prospects Into 2030 And 2050 - ESCWA

<sup>3</sup> Middle East and North Africa Diabetes regional report 2000-2050 – International Diabetes Federation

<sup>4</sup> Middle East and Africa Telehealth Market (2025 - 2030) – Grand View Research

## II.

### Opportunity Landscape

#### Strategic Growth Themes in MEA Markets

##### a. Manufacturing & Localization

Manufacturing and localization in MEA constitute a coherent, investable thesis: an **\$15.2B potential revenue with 7.8% CAGR<sup>5</sup> by 2030**, where offtake agreements, local-content price preferences, and fast-track registrations are in place. Policy direction across leading markets is broadly aligned—import-substitution targets, procurement advantages for locally produced medicines, and predictable approval and pricing regimes, while port-adjacent industrial zones lower execution risk for inputs and exports.



Within this framework, Egypt's SCZone is emerging as a credible base for **contract manufacturing agreements (CMAs)** and **fill-finish** of vaccines and specialty medicines—backed by concrete deals and logistics upgrades: **VACSERA–Sinovac** manufactures locally and is supported by a planned, fully automated vaccine cold store (capacity up to 150 mn doses), while **Gypto Pharma** has a strategic alliance with US-based **Dawa Pharmaceuticals** to produce for export and pursue US-FDA qualification. At the same time, Egypt is strengthening its role as a **regional cold-chain logistics hub** through EgyptAir Cargo's renewal of IATA's Center of Excellence for Independent Validators (CEIV) Pharma certification, CACC Cargolinx's CEIV-certified pharma terminal at Cairo International Airport, and DP World's new USD 29 mn cold-storage development at Sokhna Logistics Park.



Saudi Arabia currently produces **less than 30% of its medicines but aims to raise this to 40%<sup>6</sup>**, narrowing the import gap. The SFDA has **streamlined and digitized approval processes**, cutting review times significantly versus the mid-2010s. **Centralized procurement** through NUPCO and local-content pricing incentives have strengthened the commercial appeal of domestic production. **MODON supports investors** with ready-built factories in hubs like Sudair and Jazan, reducing costs and setup time. **Logistics upgrades**—such as SAL's pharma-grade cold-chain at Riyadh Airport and DP World–Mawani's expansion of Jeddah Port with new cold storage—further de-risk pharmaceutical supply chains.

#### Key Investment Areas

##### Technology Transfer

Focus on high-volume generics and selected biosimilars.

##### Localized SKUs

Create product lines that combine procurement preference with fast-track registration.

##### Logistics Infrastructure

Leverage airport/port cold-chain investments and develop port-proximate API and fill finish clusters to compress set-up timelines, ensure temperature integrity for specialty products, and support export-oriented distribution.

<sup>5</sup> Middle East & Africa Pharmaceutical Manufacturing Market Size & Outlook – Grand View Research

<sup>6</sup> Current and future prospective of pharmaceutical manufacturing in Saudi Arabia – National Library of Medicine

## b. Digital Health & Telemedicine

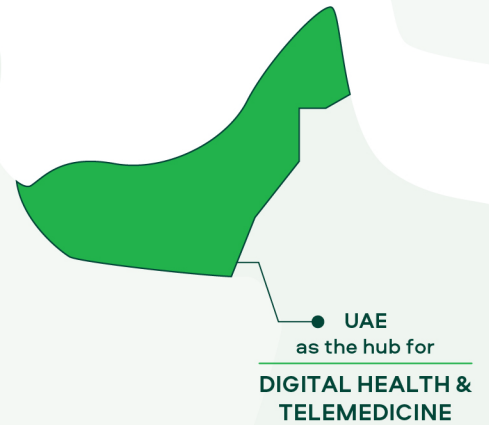
The MEA digital health and telemedicine markets respectively present a **revenue potential of USD 36.5 billion and USD 13.6 billion** by 2030, with 22.6%<sup>7</sup> and 18.1%<sup>8</sup> CAGRs. Provider digitization and national platforms are rapidly scaling across the region.

The **UAE** anchors demand with a market growing at **23.5% CAGR<sup>9</sup> to 2030**, driven by AI-enabled triage and diagnostics operating on unified HIE rails are supporting e-prescribing, clinical decision support, and remote monitoring—while accelerating the generation of payer-grade evidence.

In **Saudi Arabia**, the **Seha Virtual Hospital**—recognized by Guinness as the world’s largest virtual hospital—connects 100+ facilities and is expanding specialty access.

**Qatar’s** 2024–2030 strategy prioritizes integrated, multi-provider care with **Hamad Medical Corporation** scaling home-based and virtual services. These platforms unlock opportunities in **remote specialty programs** (endocrinology, oncology, and cardio-metabolic care), broadening access and fueling demand for digital therapeutics, RPM devices, and virtual diagnostics.

**Egypt’s health-tech scene is scaling**, supported by a large engineering talent pool and an active startup ecosystem (consistently ranking among the top tech markets in MEA by funds raised): the **Egyptian Drug Authority (EDA)** has formalized **CTD** (Common Technical Document) **dossier** requirements and submission structure, creating clear rails for automation; **eCTD is being introduced for new pharma submissions**, opening room for **AI documentation factories** that auto-assemble CTD/eCTD packages and maintain **product-compliance trackers** mapped to authority templates.



“ In parallel, **“beyond-the-pill” bundles** that integrate adherence services, RPM, and workflow AI with therapies and devices are shortening time-to-proof and becoming increasingly aligned with national registries.

### Key Investment Areas

**Integrate with national rails from day one** to speed contracting and enable payer-grade outcomes measurement.

**Evidence outcomes early**—reduced no-shows/readmissions and improved adherence—using registry/HIE data to support renewal and scale decisions.

**Automate regulatory operations** to cut time-to-file and raise compliance.

<sup>7</sup> Middle East & Africa Digital Health Market Size & Outlook, 2030 - Grand View Research

<sup>8</sup> Middle East & Africa Telemedicine Market Size & Outlook, 2030 - Grand View Research

<sup>9</sup> UAE Digital Health Market Size & Outlook, 2024-2030 – Grand View Horizon

c. **Specialty Pharmaceuticals**

Across the **UAE, Saudi Arabia, and Egypt**, specialty dynamics are converging: the **UAE** shows double-digit market expansion, with **~46.4%<sup>10</sup> PPG** in next-generation Type II antidiabetics and **triple-digit growth** for leading GLP-1 sponsors, supported by mature MOHAP re-pricing processes and **PSP/RWE** infrastructure that sustain volumes post-launch; **Saudi Arabia** couples **SFDA** price governance and **HEOR-based** evaluation with **NUPCO** purchasing, steering manufacturers toward value-justified budgets in oncology and metabolic care; and **Egypt**, characterized by elevated cancer incidence and underserved specialty segments, is positioned for **step-wise access gains** as policy frameworks and supply conditions improve.

**Key Investment Areas**

**Launch Excellence**

Sequence regulatory, pricing, and market-access activities to align with anticipated re-pricing windows and pharmacoeconomic requirements, while securing R&D/clinical readiness, knowledge & tech-transfer packs, product compliance and specialty distribution channels.

**Patient-Support Programs (PSPs)**

Design PSPs that meet formal governance standards (eligibility, auditability) and link assistance directly to measurable outcomes such as persistence, dose intensity, and avoidable hospitalizations.

**Regional Real-World Evidence (RWE)**

Generate localized evidence within UAE and KSA frameworks to support renewals and mitigate price erosion, while aligning endpoints with payer value tests in diabetes, cardio-metabolic, and oncology.













**III.**

**Investment Framework –  
A Pathway to MEA Market Entry**

Across MEA, healthcare and pharmaceutical investors face distinct policy architectures designed to attract targeted forms of capital and operating models. While the foundational elements—foreign-ownership frameworks, fiscal and customs incentives, land and utilities support, and expedited regulatory pathways—are broadly similar, their configuration varies significantly by country. This produces different thresholds for minimum investment, shapes of tax relief, and modes of engagement with public stakeholders and payers.

A structured, cross-market comparison allows investors to assess strategic fit, calibrate capital commitments, and sequence market entry around programmatic incentives. It also identifies where specific investment opportunities are most likely to deliver attractive risk-adjusted returns within each market’s regulatory framework, timelines, and procurement dynamics.

<sup>10</sup> Middle East & Africa Pharmaceutical Market Insights - IQVIA

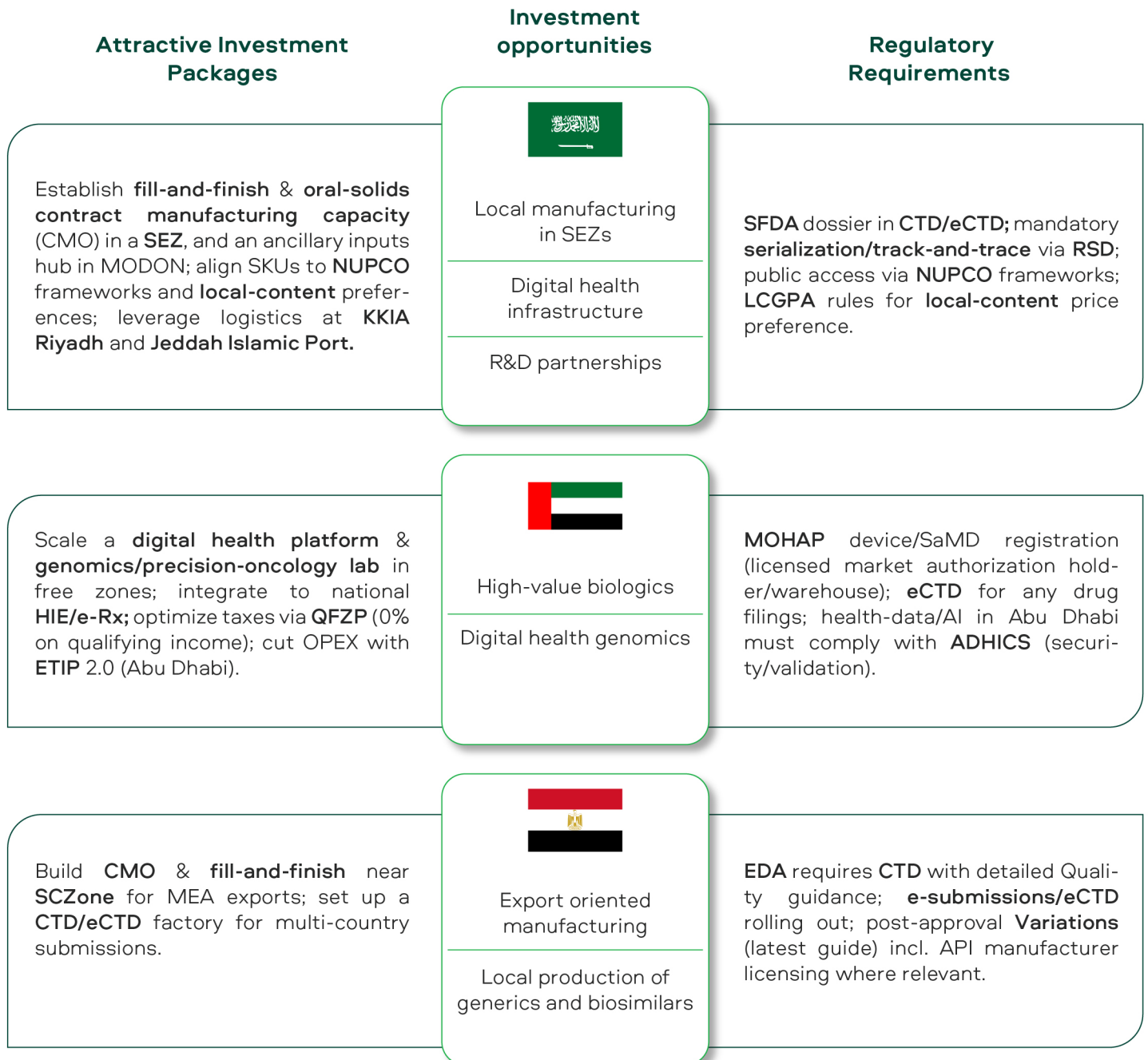
Investment Incentives	Market Value & PPG	Key Drivers	Key Shareholders
 <ul style="list-style-type: none"> <li>Ready-built, ready-to-operate factories</li> <li>SEZs tax exemptions and streamlined procedures: 5% corporate income tax up to 20 years, 0% withholding tax on profit repatriation; 0% VAT on intra-SEZ goods</li> <li>Price-preference mechanisms and local-content requirements in government tenders</li> </ul>	<p><b>Market Value:</b> <b>\$13.2B</b></p> <hr/> <p><b>PPG:</b> <b>16.1%</b></p>	<p>Vision 2030</p> <p>Rising NCDs</p> <p>Hospital channel dominance</p>	 <p>هيئة المدن والمناطق الاقتصادية الخاصة Economic Cities and Special Zones Authority</p>  <p>وزارة الصحة Ministry of Health</p>  <p>الهيئة العامة للغذاء والدواء Saudi Food &amp; Drug Authority</p>
 <ul style="list-style-type: none"> <li>Free-zone corporate tax regime: 0% corporate tax on qualifying income for qualifying free zone persons</li> <li>Energy Tariff Incentive Program (ETIP 2.0): discounted electricity &amp; gas tariffs to qualifying manufacturers</li> </ul>	<p><b>Market Value:</b> <b>\$4.6B</b></p> <hr/> <p><b>PPG:</b> <b>16.2%</b></p>	<p>High per-capita income</p> <p>“We the UAE 2031” vision</p> <p>High diabetes prevalence</p>	 <p>مدينة دبي الطبية Dubai Healthcare City</p>  <p>UNITED ARAB EMIRATES MINISTRY OF HEALTH &amp; PREVENTION</p>  <p>سلطة مدينة دبي الطبية Dubai Healthcare City Authority Regulation - القطاع التنظيمي</p>
 <ul style="list-style-type: none"> <li>Investment law 72/2017: tax-base deduction equal to 30–50% of investment cost up to 7 years, capped at 80% of paid-up capital</li> <li>Golden License (one-stop approval covering set-up, operation and management)</li> <li>SCZone incentives: 0% VAT on inputs procured into the zone; corporate tax discounts</li> </ul>	<p><b>Market Value:</b> <b>\$4.4B</b></p> <hr/> <p><b>PPG:</b> <b>-4.8%</b></p>	<p>Large population</p> <p>Government-led industrialization push</p> <p>Low-cost labor</p>	 <p>وزارة الصحة Ministry of Health</p>  <p>الهيئة العامة للاستثمار والمناطق الحرة General Authority for Investment &amp; Free Zones</p>  <p>هيئة الدواء المصرية EGYPTIAN DRUG AUTHORITY</p>

# IV.

## Implementation Roadmap

### Strategic Recommendations for Investors

For investors, attractive near-term opportunities cluster around **pharmaceutical localization, digital-health and precision-medicine scale-ups, and technology-transfer formulation and packaging for export.**



## Recent Investment Examples

Arab API (with National Bank of Egypt) announced a capital increase to develop Egypt's first multi-purpose API plant in Ain Sokhna (~96,800 m<sup>2</sup>), reinforcing upstream localization, and to establish a US\$120 m pharmaceutical industrial hub in the Suez Canal Economic Zone.

At the 2024 Global Health Exhibition, the Ministry of Health highlighted SAR 50bn+ of signed/announced deals, including a SAR 4bn insulin-localization agreement (NUPCO–Novo Nordisk–Sanofi), a SAR 5bn Fakeeh Care expansion, and SAR 4bn in Dallah acquisitions, signaling sustained localization.

In precision medicine, M42–Astra-Zeneca–SOPHiA GENETICS launched a liquid-biopsy collaboration, and DoH Abu Dhabi–M42–PureHealth–GEMMA-Bio announced plans to advance gene-therapy trials for SMA1, both deepening the country's genomics and advanced-therapies stack.



The MEA pharmaceutical market is a central hub for global health investment. Its transformation is a strategic, geopolitical imperative driven by national visions for health sovereignty and economic diversification. The market dynamics are shifting towards a more sophisticated model based on technology transfer, local content, and strategic collaboration. Value in MEA will accrue fastest to investors who pair focused theses with country-specific execution.

## Meet the Contributors

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