

# Key factors

influencing the  
Saudi Arabia pharma market

## Key statistics



18th Largest  
economy worldwide



**\$10.64 bn by 2024**  
The estimated  
pharma market  
value



**Healthcare GDP grew at  
a CAGR of 11% between  
2010 and 2018**  
while nominal GDP grew  
at 3 percent. This indicates  
growing investments  
by the government and  
private sector.



**Saudi Arabia has free  
trade access to Bahrain,  
Egypt, Iraq, Jordan,  
Kuwait, Lebanon,  
Libya, Morocco, Oman,  
Palestine, Qatar, UAE,  
Syria, Tunisia, and  
Yemen**



**KSA has the  
region's largest  
pharmaceutical  
market, accounting  
for more than 50% of  
market share**

## Recent Developments:



KSA healthcare reform  
allowing 100% FDI in the  
pharma sector.



Improvement in KSA  
IP policy environment:  
Establishment of the Saudi  
Authority for Intellectual  
Property (SAIP) and launch  
of its strategy under the  
umbrella of Ministry of  
Commerce and Investment  
in 2018.



Pharma products  
registration  
applications are fully  
online and paperwork-  
free

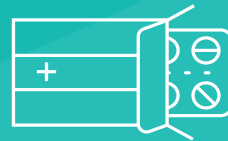
## Opportunities

- 1 Number of hospitals grew by 9% between 2014 and 2018 to reach 494 in 2018 of which 67% are public
- 2 Population growth: KSA population is expected to reach 77.2 Million people by 2050.
- 3 Higher living standard and an increased medical insurance coverage
- 4 The demand for generic drugs is projected to secure steady growth
- 5 Government initiatives to increase local pharmaceutical manufacturing through PPPs have led to the increasing collaboration between the domestic and global pharmaceutical manufacturers, making KSA a potential generic manufacturing hub of the MENA region
- 6 The government offers incentives to multinational and domestic manufacturers such as free property leases, interest-free loans, and government subsidies

## Challenges



Uncertain uptake of the  
compulsory insurance  
scheme and the ability  
of firms to fund it



Traditionally difficult  
business environment,  
restricting entry of  
foreign companies.

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