

Market Overview

The APAC market will remain a key commercial opportunity for multinational drugmakers. An ageing population and rising burden of chronic diseases will play part in the heightening of medicine demand in the region. The expansion of access to healthcare will, however, be the primary driver of robust growth.



Strengths



Sedentary lifestyles



Rapid urbanization



Dietary trends



Economic reforms



Government commitment to healthcare

Challenges



Government cost-cutting measures, including the promotion of generic drugs



Weak intellectual property protection poses risks for innovative drugmakers

Statistics by Country



VIETNAM
Pharma Companies **442**
Import **US\$ 2328.05 million**
Export **US\$ 105.03 million**

THAILAND
Pharma Companies **395**
Import **US\$ 2552.10 million**
Export **US\$ 474.53 million**

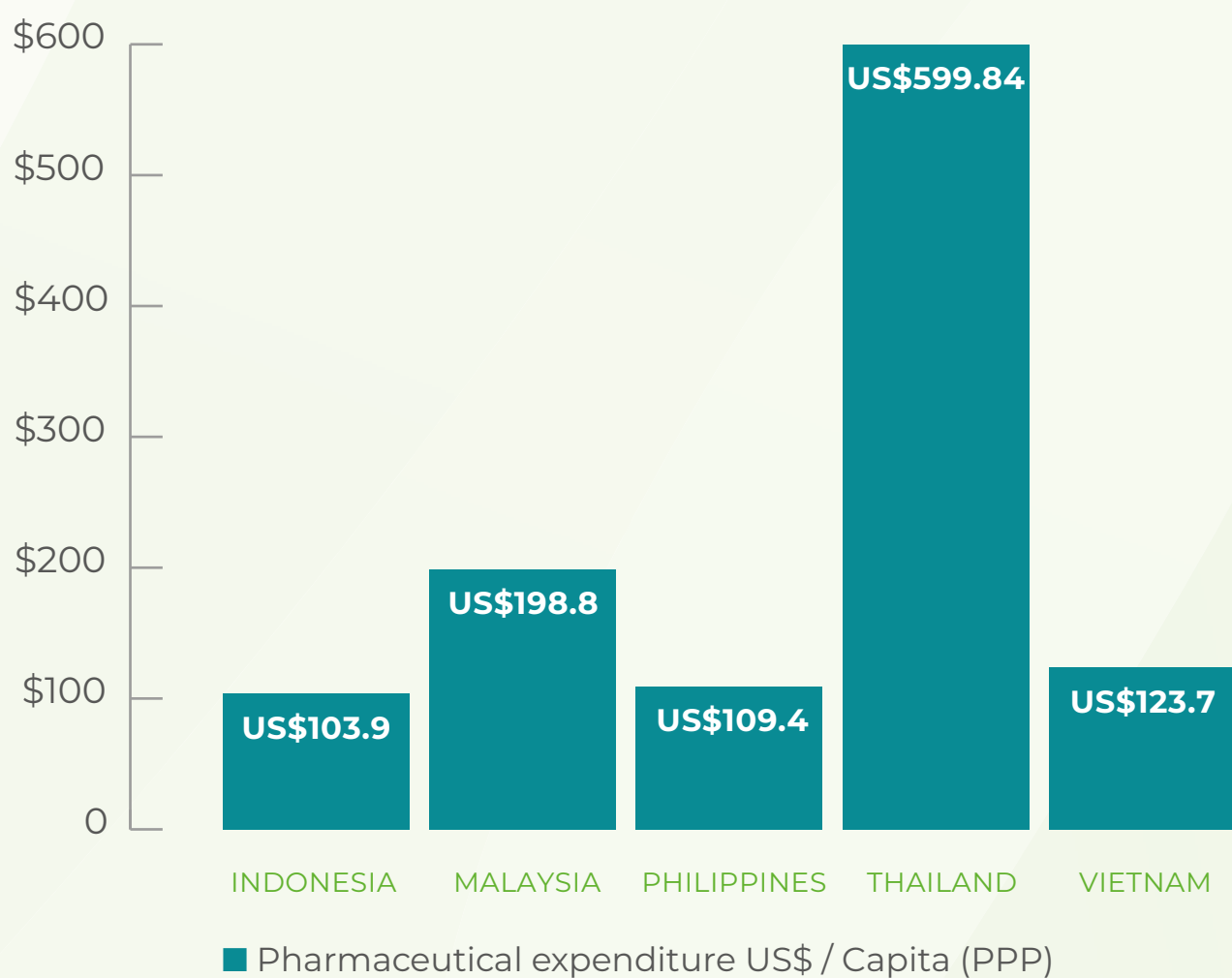
MALAYSIA
Pharma Companies **371**
Import **US\$ 1438.87 million**
Export **US\$ 224.55 million**

SINGAPORE
Pharma Companies **51**
Import **US\$ 2317.85 million**
Export **US\$ 8348.29 million**

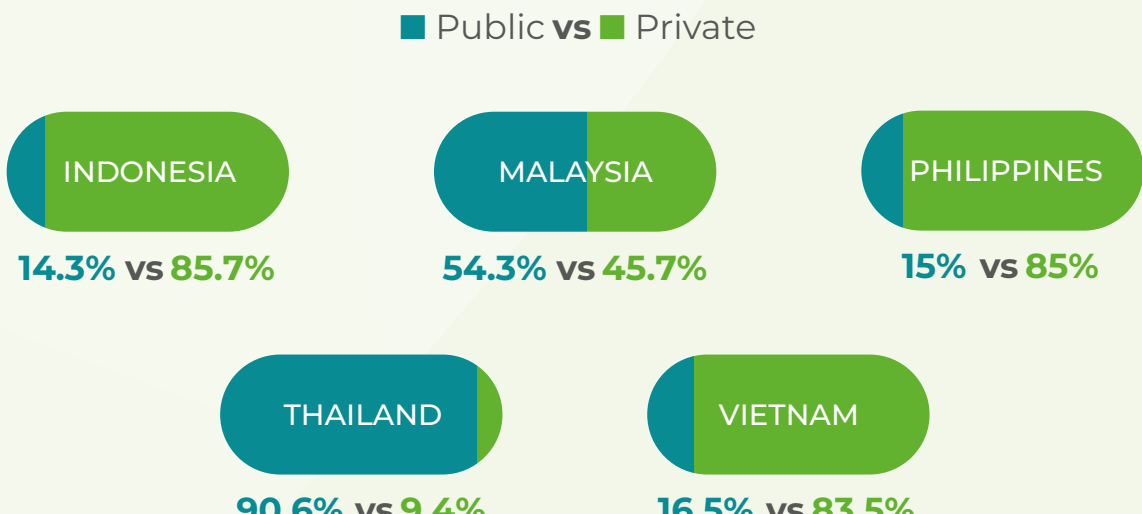
INDONESIA
Pharma Companies **272**
Import **US\$ 989.82 million**
Export **US\$ 587.52 million**

PHILIPPINES
Pharma Companies **117**
Import **US\$ 1653.56 million**
Export **US\$ 33.91 million**

Expenditure by Country



Total Pharmaceutical Expenditure



VAT on Medicine



10%
INDONESIA

6%
MALAYSIA

12%
PHILIPPINES

7%
THAILAND

5%
VIETNAM

Latest Updates

Healthcare expenditure in Singapore is expected to increase mainly due to higher subsidies to the public hospitals and healthcare institutions, community hospitals, general practitioners and other institutions in the aged care and long-term care sectors. The increase will also be due to provisional funding for contingency plans and measures for the prevention, containment and control of the coronavirus outbreak by the Ministry of Health and the healthcare sector.

In January 2020, the **Indonesian government raised the premiums for first-class service by 100%** to USD11.7 per month per person, while more than doubling the cost for the second-class service from USD3.7 to USD8.0. The government also hiked the premiums for the third-class service by 64% from USD1.8 per person per month to USD3.08. The increase in the premiums is expected to reduce its deficit to USD1.3bn from the initial estimate of USD2.3bn at the end of 2019.

The Philippines **President Rodrigo Duterte signed the USD81bn national budget for 2020** into law, 12% higher than the 2019 budget. The budget allocated USD3.2bn towards the health sector, of which USD1.3bn will go the Philippine Health Insurance Corporation, USD1.1bn will go towards hospital services and USD0.67bn will go towards public health services