



PHARMACEUTICALS EXPORT PROMOTION COUNCIL

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News / Story reproduced with thanks:- FiercePharma

Aiming for growth in Indonesia, Philippines.

Direct link to the News/Story:-

<http://www.fiercepharma.com/story/aiming-growth-indonesia-philippines/2010-02-18>

Everyone who's keeping even casual track of the drug industry knows that companies are relying on emerging markets to help fuel sales growth in the coming years as patents expire and growth in the U.S. and Europe stagnates. But we hear the most about China and India, Brazil and Russia. What about other markets? Indonesia and the Philippines, for instance?

Well, Datamonitor took a look for us. The market research firm found that both countries present strong opportunities for growth--with some caveats.

Indonesia is the fourth-most populous country in the world, and the government aims to offer universal health coverage by 2013--so far, so good. But few Indonesians have any insurance coverage--26 percent, to be exact--and so cheaper drugs rule. The opportunities for global pharma lie in branded generics.

Indonesians appear to be willing to pay a bit extra for a well-known brand, the market research firm found. In the Philippines, 78 percent of the population has insurance coverage, and branded drugs dominate the market. That's the good news. Medication prices "are some of the highest in the region, ranking second to Japan," Datamonitor analyst Maura Musciacco says in a statement. So the government has been amping up the pricing pressure; last year it cut the prices of 21 essential drugs in half.