

Taiwan pharma industry to be \$4.8 bn by 2020: GlobalData

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Singapore: Although a challenge for the national government, a growing aging population combined with the country's universal healthcare system means that Taiwan's healthcare market can expect to expand in the future, says the latest report by industry experts GlobalData.

According to the latest study, Taiwan's pharmaceutical industry is predicted to climb from a \$3.8 billion valuation in 2011 to \$4.8 billion by 2020, while the medical devices industry is expected to reach \$3 billion by the end of the decade from a 2011 valuation of \$1.9 billion.

GlobalData's report states that the country's aging population will be an important factor in driving this growth, with just under 11 percent of Taiwan's residents above the age of 65 last year. Taiwan's population increased slightly between 2005 and 2010, from 22.8 million to 23.2 million, but this growth was mainly down to a longer national life expectancy, as the birth rate fell from 9.1 per 1,000 population in 2005 to 7.2 per 1,000 population in 2010.

Taiwan's over-65 years population will expand still further, states GlobalData, accounting for 13 percent of the country's people by 2020. Correspondingly, Taiwan's disease burden is forecast to increase, placing greater strain on the National Health Insurance (NHI) system and its commitment to universal healthcare. According to Taiwan's Department of Health (DoH), healthcare expenditure as a percentage of Gross Domestic Product (GDP) will climb from 6.6 percent in 2011 to 7.2 percent by 2020.

However, despite Taiwan's compulsory insurance policy, out-of-pocket expenditure in the country is high, representing 36.4 percent of total health spending in 2010.