

China to allow online sales of prescription drugs

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Singapore: The Chinese Food and Drug Administration has planned to introduce a new policy that will allow the online sales of prescription drugs, thus opening up a \$161 billion market to online pharmacy operators like Walmart and Alibaba.com.

According to a [report](#) from Reuters, a senior advisor was quoted saying that the CFDA was finalizing the list of prescription drugs to be approved for online sales. Speculations about this new policy was in circulation since mid-2014.

If approved, the policy will enable sales shift from hospitals to online platforms and help reform the fragmented and opaque Chinese market, currently controlled by state hospitals and distributors, that account for nearly 70 percent of the prescription drug sales in China.

Mr Frank Zhao, chief financial officer at pharmacy chain China Jo-Jo Drugstores Inc, said the CFDA had been reviewing the list of prescription drugs for sale online. "It may be a couple of days or weeks before the final list," he stated.

A major challenge to the emergence of online pharmacies is reassuring consumers of the quality and reliability of products. There are also risks of misbranded, adulterated, and counterfeit drugs online which may result in severe side effects.

Analysts have predicted that drugs sold online could be up to 10 percent cheaper with many retailers offering home delivery services. Local pharmacies in the country will be pressured to forgo their local monopoly and drop prices to remain competitive.