

## Japan pharma market worth \$80 billion by 2020: Global Data

01 March 2015 | News | By BioSpectrum Bureau

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**Singapore:** According to research and consulting firm Global Data, the Japanese pharmaceutical market is poised to grow at a CAGR of 1.3 percent to reach \$79.8 billion by 2020. The company in its latest report said that the major factors driving this market include new product launches, healthcare burden of the country's aging population and various other demographic factors.

The report further mentioned that the Japanese government's promotion of generic drugs, its biennial pricing review system and the depreciation of the yen against the dollar will serve as limiting factors, in what is the second largest mature pharmaceutical market in the world by value.

The market was valued at \$64.2 billion in 2008 and peaked at \$88 billion in 2011, before a slight dip to \$87.2 billion in 2012. A substantial drop in 2013 saw its value decrease by over \$14 billion, but GlobalData expects a steady period of recovery to follow.

Mr Joshua Owide, GlobalData's director of Healthcare Industry Dynamics, said, "Certain deregulation measures introduced in April 2005 have had an impact on the overall performance of the market and facilitated in the entry of new products."

He added that increased use of generic drugs will be a key contributor to the forthcoming period of slow growth to 2020. "In 2008, generics accounted for 19 percent of the pharmaceutical space in terms of volume, rising to 25.2 percent in 2013. Japan has set a goal for generics to account for 60 percent of all drug use by 2017."