

SCMP's China Healthcare Report reveals World's Second-Largest Healthcare Market

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Findings include the latest in Covid-19 vaccines, innovations in health-tech, business trends in biopharmaceuticals and healthcare manufacturing priorities that will impact global markets



South China Morning Post announced on 13 August 2020 the release of its inaugural *China Healthcare Report* that comprehensively examines industry innovations and trends that will impact the global market, as well as ambitious reforms that will reshape China's domestic healthcare market.

China's healthcare industry currently leads the world in double-digit growth and has an outsized impact on the global healthcare market as the second-largest healthcare market by expenditure - US\$3.5 trillion in 2018. The report also tracks the

impact of Covid-19 on structural shifts in the global supply chain of healthcare products and includes a review of Covid-19 vaccine developments and leading healthcare innovators and industry leaders in China.

The report features deep-dive case studies on the latest developments in the business of China's healthcare industry, including opportunities, risks, and predictions. The report is created by [SCMP Research](#) and leverages the *Post's* unmatched access into China, covering major sectors such as pharmaceuticals, biotechnology, medical devices and supplies manufacturing, service providers, and healthcare technology. Several major findings include:

- **Massive investments in R&D and innovation:** China's combined pharmaceutical and biopharmaceutical R&D spending is forecast to grow at a 23 percent compound annual rate until 2023, when it will reach US\$49 billion, accounting for 23 percent of the world's total spending on drug discovery and testing.
- **Rapid growth of China's biopharmaceutical industry:** Biopharmaceutical sales in China have more than doubled since 2016 and are projected to reach almost \$50 billion by 2021. China's capacity to create best-in-class drugs could rival that of America and Europe before 2030.
- **Global manufacturing tech giants tap into medical devices and equipment** Chinese medical supplies accounted for US\$10 billion or 2.6 percent of the total exports in Q1 2020. The government's Made in China 2025 strategic plan calls for a greater focus on innovation to bring manufacturing up the value chain for high-tech medical devices.
- **China's dominance in Active Pharmaceutical Ingredients global exports:** China manufactures 40 percent of APIs used worldwide and is a leading supplier of basic chemicals to the global pharmaceutical industry, worth 384.3 billion yuan (US\$54 billion) in 2018.
- **China's foray into health-technology:** The Covid-19 outbreak prompted a 20x increase in diagnoses and 10x jump in prescriptions on online healthcare platforms, and accelerated the adoption of AI in CT scans, algorithms for Covid-19 detection in genomic sequencing, and AI-based research platforms for vaccines.

SCMP's Executive Editor Chow Chung-yan said: "The world is facing an acute healthcare challenge when people are living much longer, populations are rapidly ageing, and healthcare costs are rising. China aims to significantly improve its healthcare standards to be on par with those in developed nations by 2030. This will spur innovation in the sector, provide impetus for growth in the global healthcare industry, and catapult Chinese healthcare firms onto the international stage."

The report is targeted at those interested in understanding the complexity of the Chinese healthcare market, including academics, investors and technologists. For an overview of the China Healthcare Report and to purchase the full report, visit <https://research.scmp.com/products/healthcare-2020>.