Russia Pharmaceutical Market Overview Pharma companies target Russia despite the challenges it presents

Description:

Introduction

The Russian pharmaceutical market generated $10.1 billion in sales in 2009, growing by 14.5% between 2008 and 2009. Key growth drivers include a preference for foreign drugs rather than domestically manufactured products. The government has also designated healthcare a strategic priority for the country's future development which is expected to stimulate Russia's pharmaceutical market.

Scope

-Overview of socioeconomic and demographic trends, healthcare system, regulation, pricing and reimbursement and intellectual property in Russia

-Assesses the size of the Russian pharmaceutical market by prescribing setting, therapy area, leading brands and by leading companies

-Examines the Russian generics and biosimilars landscape in terms of regulatory issues, level of penetration, key players and degree of brand erosion

-Quantifies the R&D and manufacturing infrastructure for the leading pharmaceutical companies, including key metrics and domestic M&A analysis

Highlights

Private health expenditure accounts for one third of all healthcare costs of which 82% is met by out-of-pocket costs due to insufficient availability of healthcare services and medicines through the public healthcare system, as well as the widespread informal payments for healthcare services.

Registration of drugs in the Russian Federation remains a cumbersome and lengthy procedure which lacks clarity and transparency and is subject to frequent change. Cultural and language barriers present further obstacles to foreign companies "going it alone".

The generics industry is complex and fragmented, dominated by a small number of international generics manufacturers. Generics produced by these companies enjoy preferential uptake driven by their perceived superiority to domestically manufactured generics, with Russians choosing to pay higher prices for guaranteed quality.

Reasons to Purchase

- Evaluate the evolving regulatory landscape and the impact of pricing and reimbursement controls on market access in Russia

- Quantify the size and growth of the prescription pharmaceutical market in Russia, analyzing key therapy areas, brands and companies

- Assess drivers and resistors of generic and biosimilars uptake in Russia

Contents:

1. Executive Summary
   Introduction
   Strategic scoping and focus
   Key Findings
   Russia - Socio-demographic and economic analysis
   Socio-demographic trends
   Socio-economic trends
Russia - Healthcare system and drug regulatory analysis
Healthcare expenditure
Healthcare insurance
Regulatory issues
Pricing and reimbursement issues
Russia - Prescription pharmaceutical sales analysis
Pharmaceutical market size
Leading therapy areas
Leading pharmaceutical brands
Leading pharmaceutical companies
Russia - Drug expiry analysis
Generics market
Brand erosion post patent expiry
Biosimilars market
Russia - Drug Industry Infrastructure analysis
Pharmaceutical industry infrastructure overview
Related reports
Upcoming related reports

2. Russia - Socio-demographic and economic analysis
Russia - Key findings
Socio-demographic trends
Socio-economic trends
Russia - Demographic trends
Population in Russia expected to decline rapidly
Population growth rate in Russia remains low due to low birth rates
Proportion of elderly people will remain lower than in all other markets
Life expectancy in Russia is poor and will remain so
Russia - Disease burden in Russia
Cardiovascular diseases and injuries are the leading cause of death and account for the highest disease burden in Russia
High level of preventable deaths in Russia
HIV/AIDS presents a worrying trend in Russia
Russia - Political climate
The political climate in Russia has undergone recent changes
Russia remains a centralized country with power centered on Moscow
Russia - Economic climate
Economy - recovery post-recession is slow but will gain momentum from 2010
Economic growth is impacted by income inequality in Russia
Russia - Business environment
Although impediments to investing in Russia remain, the government is prioritizing healthcare
The recession has impacted unemployment levels
Russia has a uniform tax rate
Pharmaceuticals are subject to a reduced VAT rate of 10%
Corruption significantly impedes foreign investment in Russia
Local knowledge is critical for business success

3. Russia - Healthcare system and drug regulatory analysis
Russia - Key findings
Healthcare expenditure
Healthcare insurance
Regulatory issues
Pricing and reimbursement issues
Russia - Healthcare expenditure
Russia - Healthcare System
Key bodies regulating the healthcare system
Ministry of Health and Social Development (MOH)
Parallel healthcare system
The Federal and Territorial Mandatory Health Insurance Fund
Additional experts and coordinating bodies
Primary versus hospital healthcare in Russia
In efficiencies in the primary care system lead to over-referral, over-hospitalization and over treatment
Significant disparities exist in the distribution of physicians and healthcare facilities
Access to healthcare is especially problematic for the poor population...
...but healthcare modernization plans are in place
Project 'Zdorovye' is focused on developing healthcare in Russia
Local governments draft modernization plans for regions
...but the government 2020 healthcare plan is aimed at improving healthcare

Russia - Health insurance
Mandatory health insurance was introduced in 1991 but has done little to improve healthcare
The healthcare system is funded by formal and informal means
Guaranteed Package Program does not necessarily guarantee access to medicines
Reformed mandatory medical insurance system is intended to give patients more choice

Private health insurance
Voluntary Health Insurance is in high demand
Concerns raised over privatization of a number of public hospitals

Russia - Regulatory issues
Drug approval and regulatory processes - registration of drugs in Russia is considered a cumbersome process
The high number of registered drugs indicates inadequate control of the registration process
There are two regulatory bodies involved in the licensing of medicines in Russia
New Federal Law on Circulation of Medicines attracts criticism
Regulation process now less costly but time taken to register a drug is increasing
Russia's manufacturing facilities will need to align with international GMP standards
Domestic clinical trials were to be required as a registration prerequisite under the new law
New law lacks orphan drug clause
Additional new provisions

Russia - Intellectual property environment
There are two ways of obtaining patent protection in Russia
Enforceability of patent laws is still weak and data exclusivity remains an unresolved issue
Drug counterfeiting is an ongoing problem but there are few recent developments
Drug importation - new law streamlines import procedures

Russia - Pricing and reimbursement
Pricing issues - the government is increasing its controls
New Essential Drug List compiled in 2009
Mandatory state registration of maximum prices replaces voluntary system
Reimbursement issues - introduction of the federal reimbursement system DLO was a major change
Supply and deficit problems have historically hampered the DLO's success
DLO was modernized again and split into two procurement branches
Centralized program covers seven expensive-to-treat diseases
ONLS program covers remaining drugs
Oncology drugs had the highest sales volume in the DLO

4. Russia - Pharmaceutical sales analysis
Russia - Key findings
Pharmaceutical market size
Leading therapy areas
Leading pharmaceutical brands
Leading pharmaceutical companies
Russia - Pharmaceutical market size
Russia - Leading therapy areas
Central nervous system drugs hold the largest share of the Russian market value
Infectious disease drugs exhibited the strongest annual sales growth (2008-09)
Hematology drugs showed the fastest growth in terms of sales CAGR (2005-09)
Russia - Leading pharmaceutical brands
Velcade was the top selling brand in Russia
Octavi exhibited the strongest sales CAGR of the top 20 brands, but faces competition from its follow-on product
Glivec's gold-standard position drives uptake
Russia - Leading pharmaceutical companies
The leading international companies offer both innovative therapies and generic products
Domestic companies offer largely generic and consumer healthcare products
Pharmstandard
Valenta
Biosyntez
5. Russia - Drug expiry analysis
Despite universal health insurance, significant out-of-pocket costs limit access to generics
The new pharmaceutical bill will lead to enforced pricing and preferential listing of domestically manufactured generics
Domestic GMP standards are poor, but are set to improve
Lack of adequate pharmacovigilance puts patients at risk and reduces trust
Patients prefer branded generics

International funds invest in Pharmstandard
Ratiopharm acquisition gives Teva a leading role in Russia
Stada sees high growth levels in the Russian market
Novartis holds a strong position in Russia through Sandoz, Lek and Hexal
Zentiva continues to shine in the Russian market for Sanofi-Aventis
Ranbaxy fails in its attempt to enter the Russian market

Opportunities for the generics industry

Despite universal health insurance, significant out-of-pocket costs limit access to generics
The new pharmaceutical bill will lead to enforced pricing and preferential listing of domestically manufactured generics
Domestic GMP standards are poor, but are set to improve
Lack of adequate pharmacovigilance puts patients at risk and reduces trust
Patients prefer branded generics
International funds invest in Pharmstandard
Ratiopharm acquisition gives Teva a leading role in Russia
Stada sees high growth levels in the Russian market
Novartis holds a strong position in Russia through Sandoz, Lek and Hexal
Zentiva continues to shine in the Russian market for Sanofi-Aventis
Ranbaxy fails in its attempt to enter the Russian market

Opportunities for the generics industry

Overview of drugs analyzed
Mean level of brand erosion in Russia
Brand erosion in the Russian retail and hospital setting
Brand erosion by therapy area in Russia
Brand erosion by drug formulation in Russia

Russia - Key generics players
International funds invest in Pharmstandard
Ratiopharm acquisition gives Teva a leading role in Russia
Stada sees high growth levels in the Russian market
Novartis holds a strong position in Russia through Sandoz, Lek and Hexal
Zentiva continues to shine in the Russian market for Sanofi-Aventis
Ranbaxy fails in its attempt to enter the Russian market

Opportunities for the generics industry
Russia - Small molecule brand erosion
Overview of drugs analyzed
Mean level of brand erosion in Russia
Brand erosion in the Russian retail and hospital setting
Brand erosion by therapy area in Russia
Brand erosion by drug formulation in Russia

Drivers and resistors to biosimilar uptake in Russia - development costs and lack of regulation is attractive to biosimilar manufacturers

Biosimilars available in Russia
Biosimilar filgrastim

Opportunities for the biosimilar industry

Russia presents challenges for monoclonal antibody manufacturers

6. Russia - Pharmaceutical industry infrastructure analysis
Russia - Key findings

The new pharmaceutical bill will lead to enforced pricing and preferential listing of domestically manufactured generics
Domestic GMP standards are poor, but are set to improve
Russia is becoming a hotspot for clinical trials

Russia - key company infrastructure
Novartis
Sanofi-Aventis
Johnson & Johnson
Roche
Pharmstandard
Bayer Schering
Servier
Teva
Merck & Co.
Gedeon Richter
Gedeon Richter boosts its Russian presence

7. Russia - Bibliography
Russia - Executive summary
Publications and online articles
Datamonitor reports and products
Russia - Socio-demographic and economic analysis
Publications and online articles
Publications and online articles
Table 38: Russia - Johnson & Johnson's R&D and manufacturing infrastructure data compared with other top 10 companies in Russia, 2010
Table 39: Russia - Roche's R&D and manufacturing infrastructure, 2010
Table 40: Russia - Roche's R&D and manufacturing infrastructure data compared with other top 10 companies in Russia, 2010
Table 41: Russia - Pharmstandard's R&D and manufacturing infrastructure, 2010
Table 42: Russia - Pharmstandard R&D and manufacturing infrastructure data compared with other top 10 companies in Russia, 2010
Table 43: Russia - Bayer Schering's R&D and manufacturing infrastructure, 2010
Table 44: Russia - Bayer Schering's R&D and manufacturing infrastructure data compared with other top 10 companies in Russia, 2010
Table 45: Russia - Servier's R&D and manufacturing infrastructure, 2010
Table 46: Russia - Servier's R&D and manufacturing infrastructure data compared with other top 10 companies in Russia, 2010
Table 47: Russia - Teva's R&D and manufacturing infrastructure, 2010
Table 48: Russia - Teva's R&D and manufacturing infrastructure data compared with other top 10 companies in Russia, 2010
Table 49: Russia - Merck & Co.'s R&D and manufacturing infrastructure, 2010
Table 50: Russia - Merck & Co.'s R&D and manufacturing infrastructure data compared with other top 10 companies in Russia, 2010
Table 51: Russia - Gedeon Richter's R&D and manufacturing infrastructure, 2010
Table 52: Russia - Gedeon Richter R&D and manufacturing infrastructure data compared with other top 10 companies in Russia, 2010
Table 53: Russia - Gedeon Richter Italy-based M&A activity, Q1 2008-Q2 2010
Table 54: Currency exchange rates, 2010
Table 55: ATC (anatomical therapeutic chemical) classification codes assigned to a given therapy area within the prescription pharmaceutical market

List of Figures
Figure 1: Russia - population and population growth rate, 1950-2050
Figure 2: Russia - population growth compared to Australia, Japan, the other BRIC nations, North America and five major EU markets (5EU), 1950-2050
Figure 3: Russia - birth rates per 1,000 individuals compared to Australia, Japan, the other BRIC nations, North America and five major EU markets (5EU), 1950-2050
Figure 4: Russia - proportion of population over 65 years compared to Australia, Japan, the other BRIC nations, North America and five major EU markets (5EU), 1950-2050
Figure 5: Russia - life expectancy compared to Australia, Japan, the other BRIC nations, North America and five major EU markets (5EU), 1950-2050
Figure 6: Russia - GDP per capita growth rate compared to Australia, Japan, the other BRIC nations, North America and the five major EU markets (5EU), 2005-09
Figure 7: Unemployment rates in Russia, France, Germany, Italy, Spain, UK, US, Canada, Australia, Japan, Brazil, India, and China, 1990-2008
Figure 8: Russia - the proportion of GDP expenditure on healthcare is lower than in all other developed or even BRIC nations, 2006-07
Figure 9: Russia - the healthcare system includes many bodies both at the federation and regional level
Figure 10: Russia - Mandatory Health Insurance Fund financing, 2007
Figure 11: Russia - Mandatory Health Insurance Fund (MHIF) financing in Russia, 2010
Figure 12: Russia - state purchasing of drugs structure, 2010
Figure 13: Russia - relative sales and volume of the Russian pharmaceutical market (indexed against volume or value in 2005), 2005-09
Figure 14: Russia - pharmaceutical sales by therapy area (%), 2005-09
Figure 15: Russia - sales growth for the leading pharmaceutical brands ($m and %), 2009
Figure 16: Russia - sales growth for leading pharmaceutical companies (%), 2005-09
Figure 17: Russia - comparison of generic volume uptake versus other major pharmaceutical markets (%), 2007-08
Figure 18: Russia - comparison of generic value uptake versus other major pharmaceutical markets (%), 2007-08
Figure 19: Russia - comparison of generics market size versus other pharmaceutical markets ($ billion), 2007-08
Figure 20: Russia - key factors impacting generics uptake in Russia, 2010
Figure 21: Russia - mean erosion (by value and volume) of branded small molecules during the first 2 years of generic competition (%)
Figure 22: Russia - mean erosion (by value and volume) of branded small molecules by prescribing setting during the first 2 years of generic competition (%)
Figure 23: Russia - mean erosion (by value and volume) of branded small molecules by therapy area during the first 2 years of generic competition (%)
Figure 24: Russia - mean erosion (by value and volume) of branded small molecules by formulation during the first 2 years of generic competition (%)
Figure 25: Russia - key factors impacting biosimilars uptake in Russia, 2010
Figure 26: Russia - biosimilar versus branded filgrastim value uptake (%), 2006-09
Figure 27: Russia - biosimilar versus branded filgrastim volume uptake (%), 2006-09
Figure 28: Russia - sales (based on 2009 sales data) of original biologics both expired and expected to come off-patent in the five major EU markets (Germany, France, Spain, Italy and UK) 2010-15
Figure 29: Russia - key biosimilars both launched and in development internationally by product class, 2010
Figure 30: Russia - drivers and resistors to biosimilar monoclonal antibody entry
Figure 31: Russia - drivers and resistors for conducting clinical trials in Russia
Figure 32: Russia - Novartis's pharmaceutical operations, 2010
Figure 33: Russia - Sanofi-Aventis's pharmaceutical operations, 2010
Figure 34: Russia - Johnson & Johnson's pharmaceutical operations, 2010
Figure 35: Russia - Roche's pharmaceutical operations, 2010
Figure 36: Russia - Pharmstandard's pharmaceutical operations, 2010
Figure 37: Russia - Bayer Schering pharmaceutical operations, 2010
Figure 38: Russia - Servier's pharmaceutical operations, 2010
Figure 39: Russia - Teva's pharmaceutical operations, 2010
Figure 40: Russia - Merck & Co.'s pharmaceutical operations, 2010
Figure 41: Russia - Gedeon Richter's pharmaceutical operations, 2010
Figure 42: Russia - sales erosion of branded small molecules during the first 2 years of generic competition
Figure 43: Russia - volume erosion of branded small molecules during the first 2 years of generic competition
Figure 44: Drugs experiencing generic erosion between Q1 2006 and Q2 2007
Figure 45: Erosion curves for each drug experiencing generic entry
Figure 46: Mean erosion curve for drugs A, B, and C experiencing generic entry
Fax Order Form
To place an order via fax simply print this form, fill in the information below and fax the completed form to 646-607-1907 (from USA) or +353-1-481-1716 (from Rest of World). If you have any questions please visit
http://www.researchandmarkets.com/contact/

Order Information
Please verify that the product information is correct and select the format(s) you require.

Product Name: Russia Pharmaceutical Market Overview Pharma companies target Russia despite the challenges it presents
Web Address: http://www.researchandmarkets.com/reports/1448816/
Office Code: SCD2IL5D

Product Formats
Please select the product formats and quantity you require:

<table>
<thead>
<tr>
<th>Quantity</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Electronic (PDF)</td>
<td>USD 19000</td>
</tr>
<tr>
<td>EnterpriseWide</td>
<td></td>
</tr>
<tr>
<td>Electronic (PDF)</td>
<td>USD 7600</td>
</tr>
<tr>
<td>Single User</td>
<td></td>
</tr>
</tbody>
</table>

Contact Information
Please enter all the information below in BLOCK CAPITALS

Title: 
Mr [ ]  Mrs [ ]  Dr [ ]  Miss [ ]  Ms [ ]  Prof [ ]
First Name: ____________________________  Last Name: ____________________________
Email Address: * ____________________________
Job Title: ____________________________
Organisation: ____________________________
Address: ____________________________
City: ____________________________
Postal / Zip Code: ____________________________
Country: ____________________________
Phone Number: ____________________________
Fax Number: ____________________________

* Please refrain from using free email accounts when ordering (e.g. Yahoo, Hotmail, AOL)
Payment Information

Please indicate the payment method you would like to use by selecting the appropriate box.

- Pay by credit card: You will receive an email with a link to a secure webpage to enter your credit card details.

- Pay by check: Please post the check, accompanied by this form, to:

  Research and Markets,
  Guinness Center,
  Taylors Lane,
  Dublin 8,
  Ireland.

- Pay by wire transfer: Please transfer funds to:

  Account number: 833 130 83
  Sort code: 98-53-30
  Swift code: ULSBIE2D
  IBAN number: IE78ULSB98533083313083
  Bank Address: Ulster Bank,
                27-35 Main Street,
                Blackrock,
                Co. Dublin,
                Ireland.

If you have a Marketing Code please enter it below:

Marketing Code: ______________________

Please note that by ordering from Research and Markets you are agreeing to our Terms and Conditions at http://www.researchandmarkets.com/info/terms.asp

Please fax this form to:
(646) 607-1907 or (646) 964-6609 - From USA
+353-1-481-1716 or +353-1-653-1571 - From Rest of World