

# Pharmaceutical & Medical Equipment

## Medical Devices Q4 2017

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## Executive Summary

- ***The Pharmaceuticals and Medical Equipment sector is one of six target sectors of DIS***
- ***Strengths and opportunities follow on from a large domestic and regional markets and a high Risk/Reward Index far above regional average by BMI***
- ***UAE Ranks first in the region in RRI of medical devices market***
- ***Domestic market alone will tune to about 5 Bil AED in 2021, while MENA market will touch 10 Bil US\$ by 2021 growing at around 7% p.a. for 2016-2021***
- ***There are good opportunities both for export and re-export from Dubai***
- ***Current exports of medical devices from Dubai though remained small but have stabilized over the last two years***
- ***Re-exports from Dubai have exhibited large growth since 2013 but fell in 2016, following the decline in growth of overall exports in 2016***
- ***Exports comprised mostly of instruments and medical appliances and minor exports of consumables like gauze and bandages***
- ***Good potential markets exist in Africa and ME for medical consumables. Top potential markets are KSA(88 Mil US\$), South Africa (43 Mil US\$)***
- ***Medical gloves have also excellent market in USA with zero tariff for export from UAE ,the annual potential for export to USA for medical gloves is 2.5 Mil US\$***

## UAE Medical Devices sector strengths and opportunities

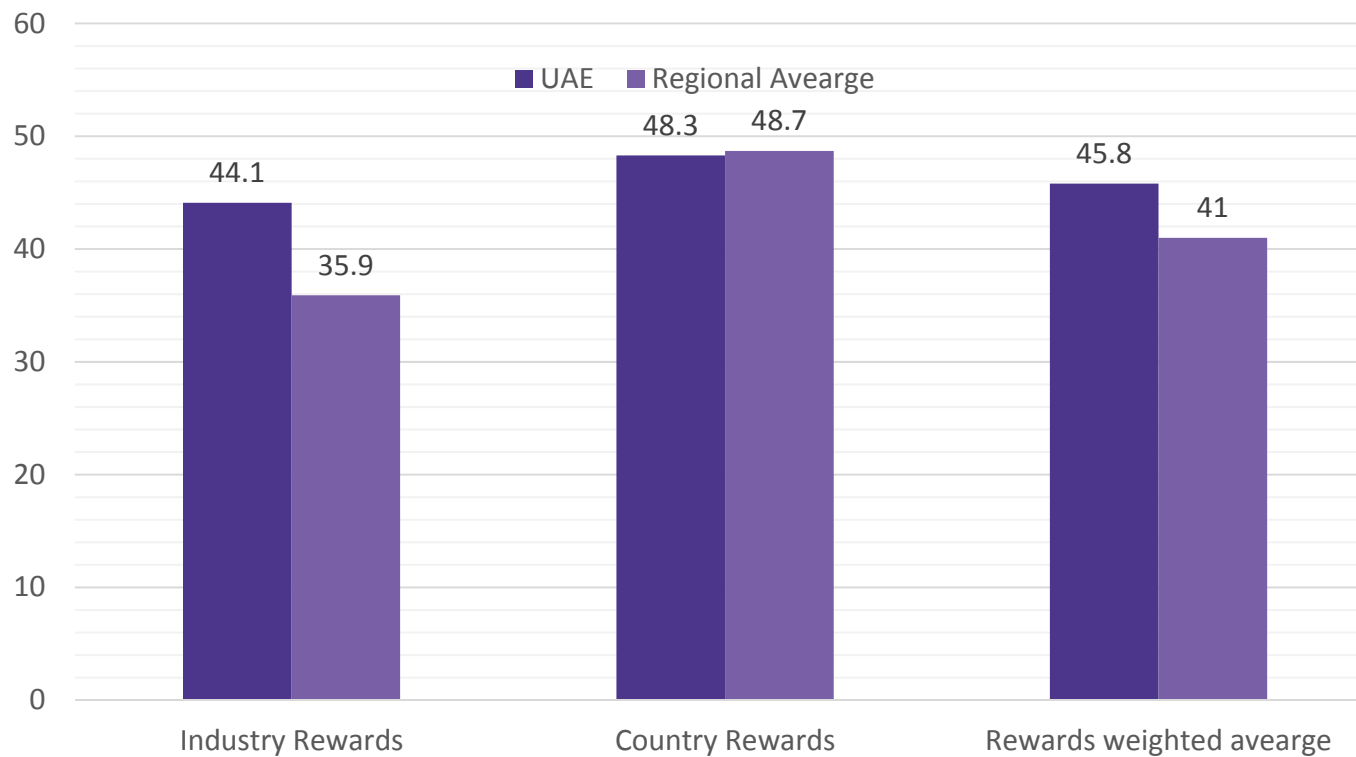
*Opportunities follow-on from:*

- *UAE is one of the largest medical device market in the region*
- **high medical expenditure for medical devices per capita**
- **strong GDP growth**
- **The hosting of Expo 2020**
- **The expansion of the private healthcare system ,**
- **the launch of the medical tourism initiative ,**
- **The development of IoT based healthcare systems,**
- **Medical device market growth higher than GDP growth,**
- **An increasing diagnostic imaging imports from Japan**
- **Regional headquarters established by multinationals**

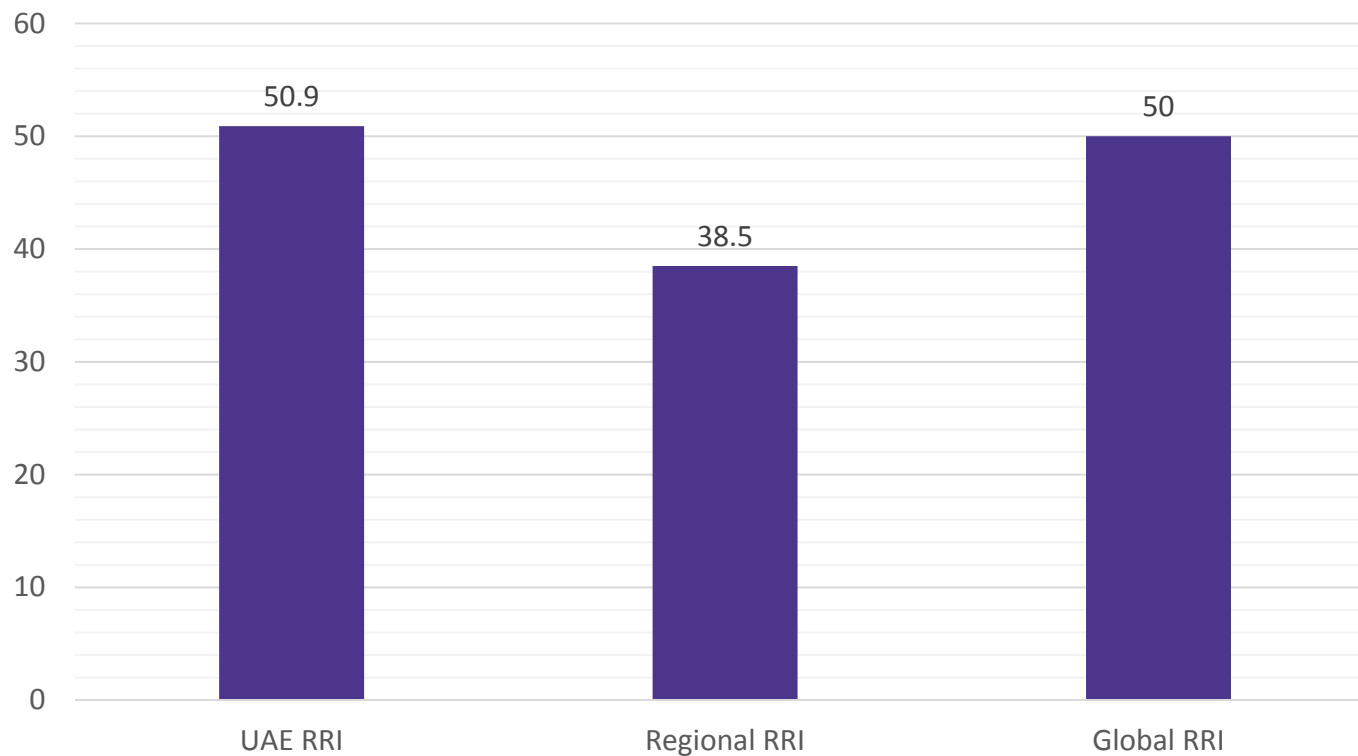
## UAE Medical Devices sector strengths and opportunities

- ***The Pharmaceuticals and Medical Equipment sector is one of six target sectors of DIS***
- ***.The dental and orthopedics & prosthetics manufacturing will benefit from new SME technologies such as 3D printing which is being contemplated for other sectors in Dubai e.g. gold manufacturing***

# Medical Devices Reward Index



## Medical Devices Risk/Reward Index

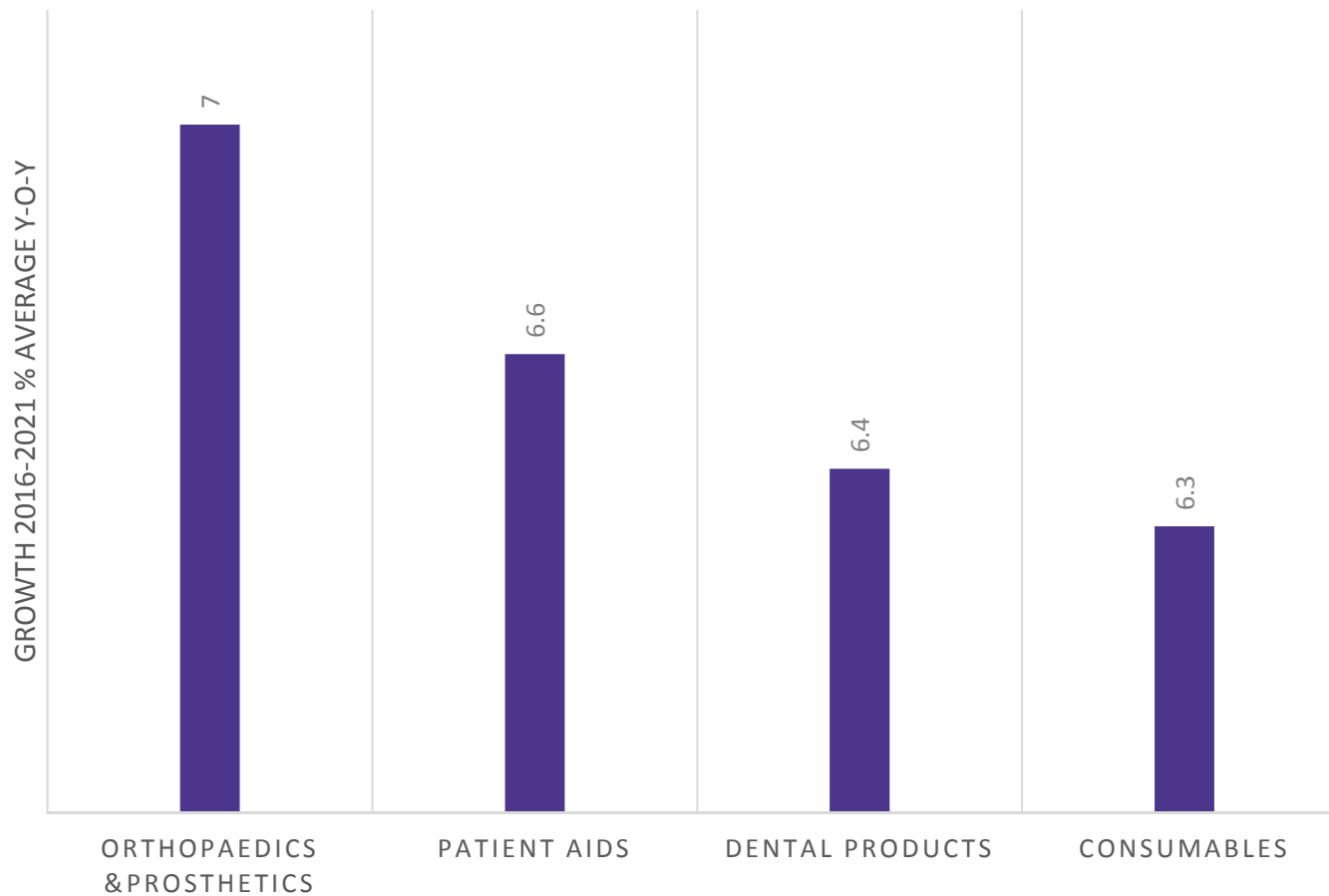


UAE is above the world average and far above the regional average in RRI

## UAE market size

**The market will grow from AED 3.5 bn 2016 to AED 4.9bn in 2021 at CAGR of 6.9%**

## Top Medical Devices in Demand in UAE market

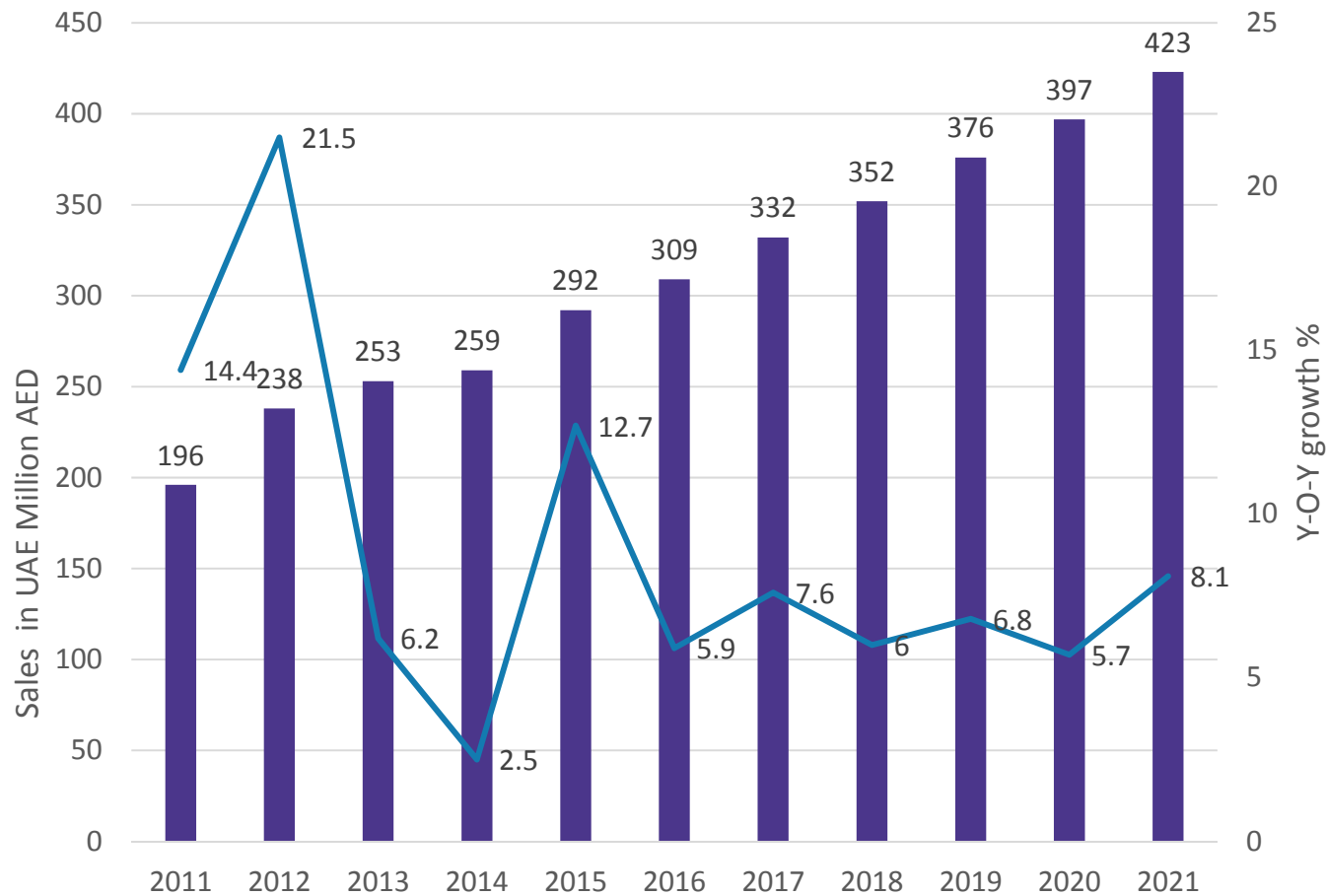


Four product categories show high growth in domestic demand above 6% Y-O-Y average for 2016-2021. However Consumables seem a good candidate for investment in the short and medium terms



# UAE market projection by top products

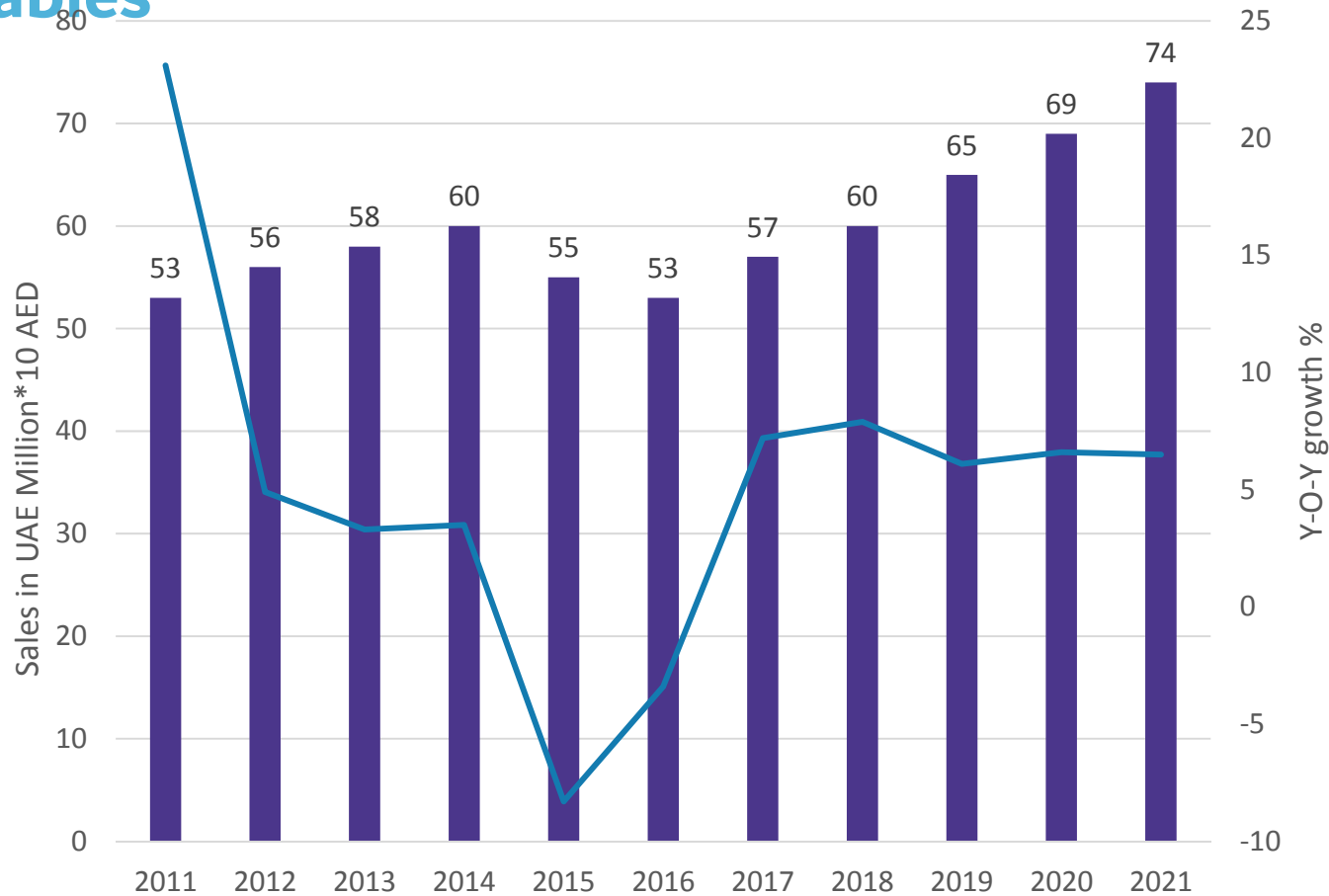
## Dental



**Dental Market is sizable approaching 423 Mil AED by 2021 but growing at a lesser rate than Consumables and Orthopedics & Prosthetics, though growth increase to 8.1% in 2021**

# UAE market projection by top products

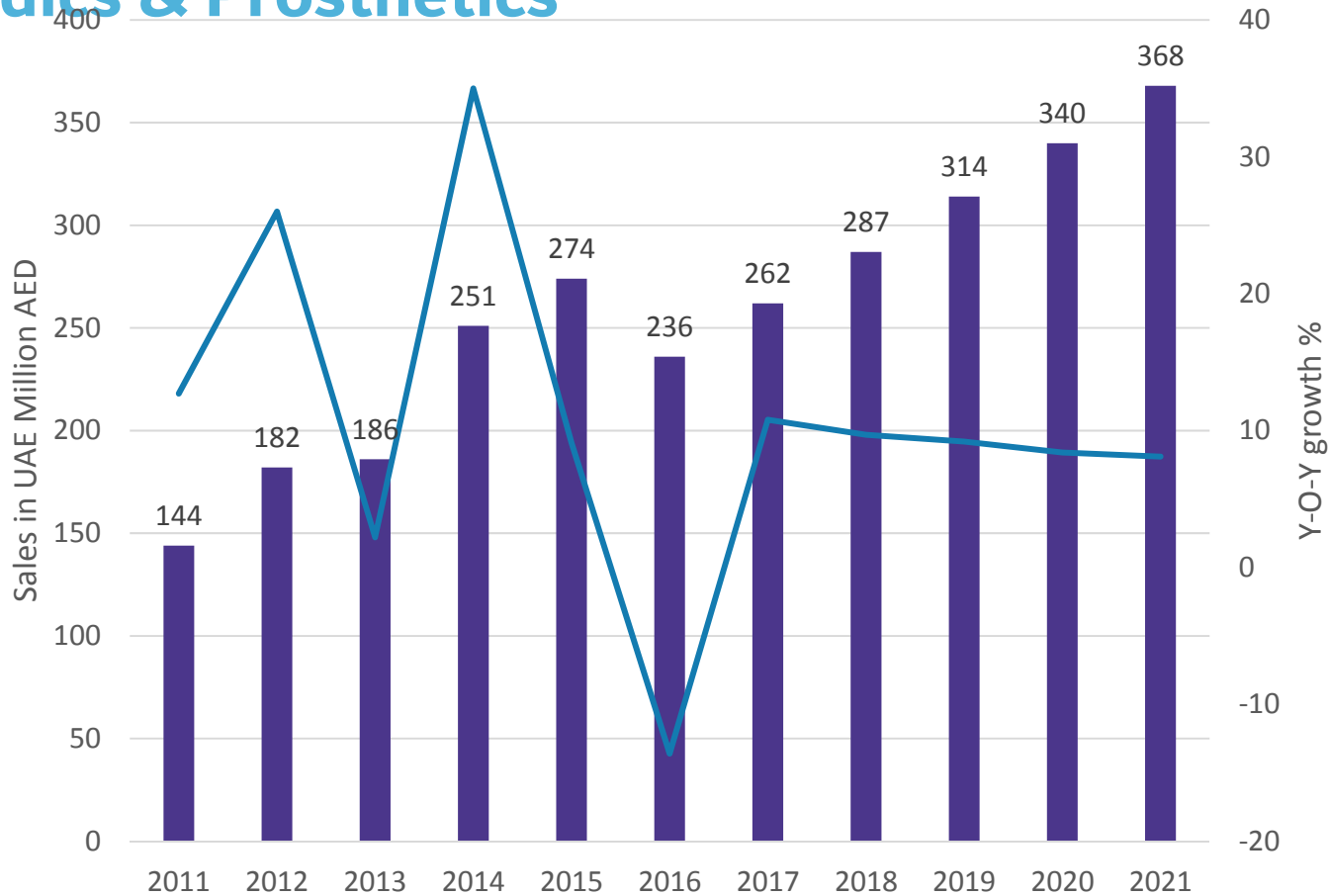
## Consumables



Consumables include bandages, dressings, suturing materials, syringes, needles, catheters, gloves etc. These are the most promising products for domestic manufacturing in the short to medium term. Consumables market will touch 740 Mil AED by 2021 growing from 570 Mil AED in 2017 at around 7% Y-O-Y

# UAE market projection by top products

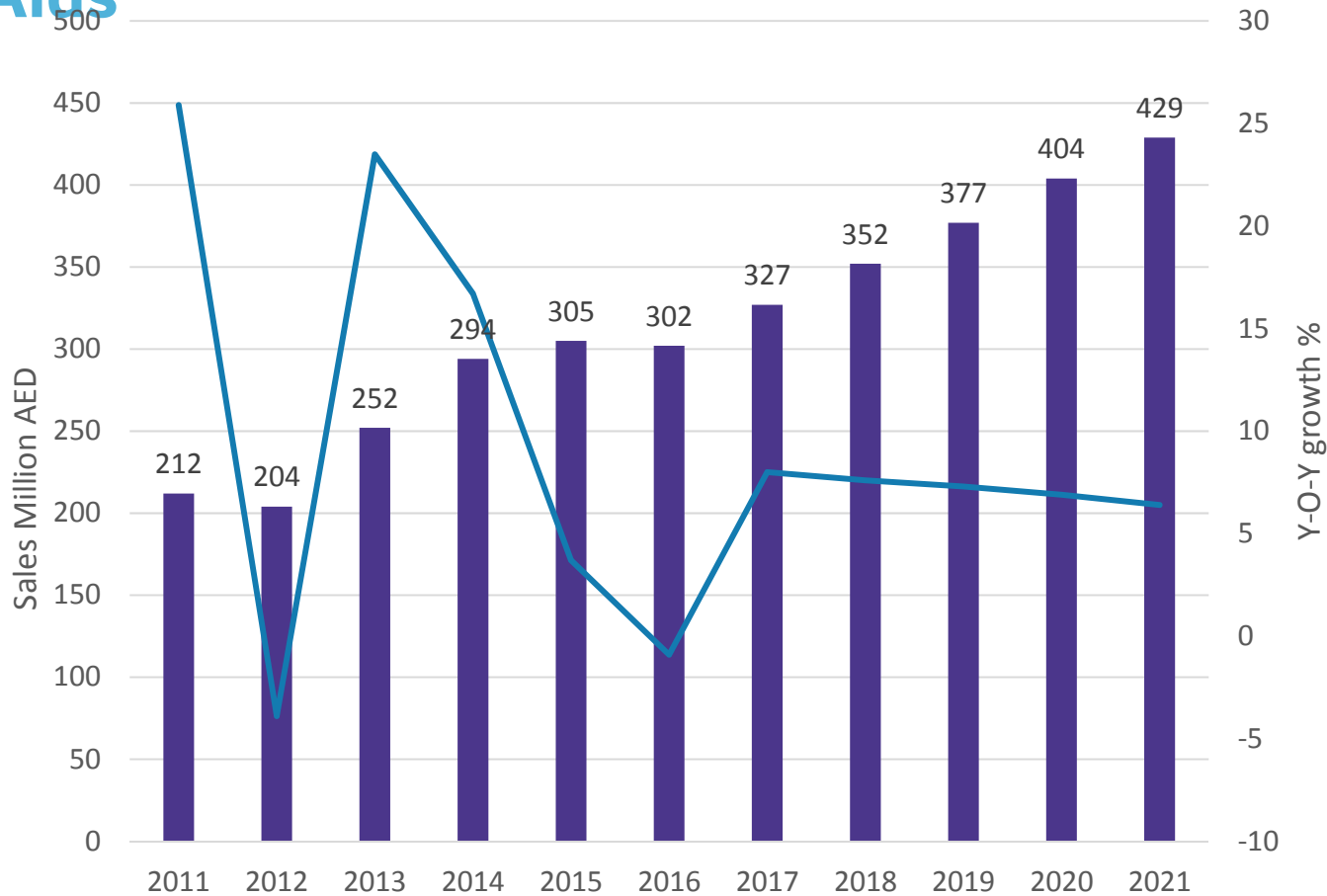
## Orthopedics & Prosthetics



**Orthopedics & Prosthetics is one of the highest growing product category ,growth approaching about 9% Y-O-Y by 2021.It is a high potential sector for manufacturing**

# UAE market projection by top products

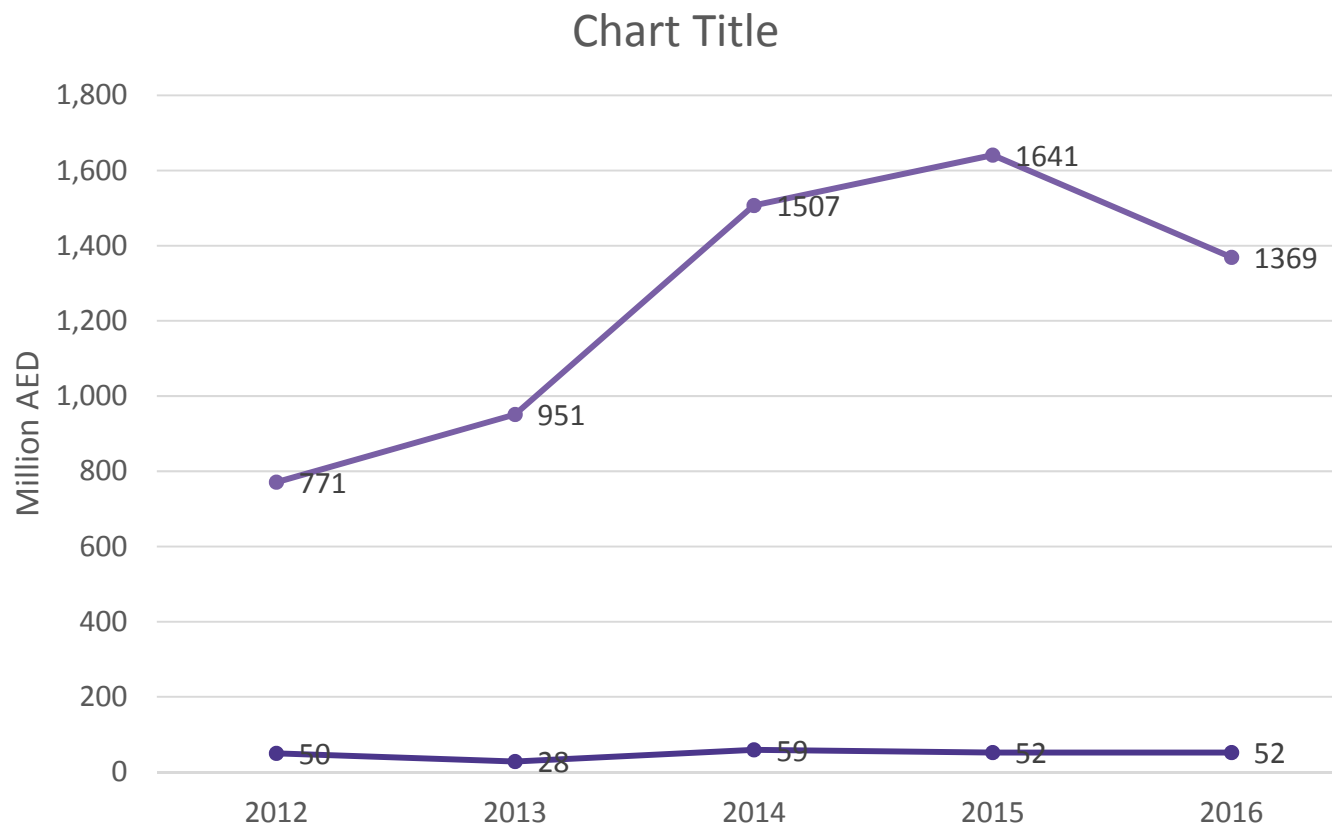
## Patient Aids



**Patient Aids market size is approximately the same as dental market approaching 429 Mil AED by 2021 but growing at lesser rate**

# Dubai Foreign Trade in Medical Devices

## Export & Re-export Trend

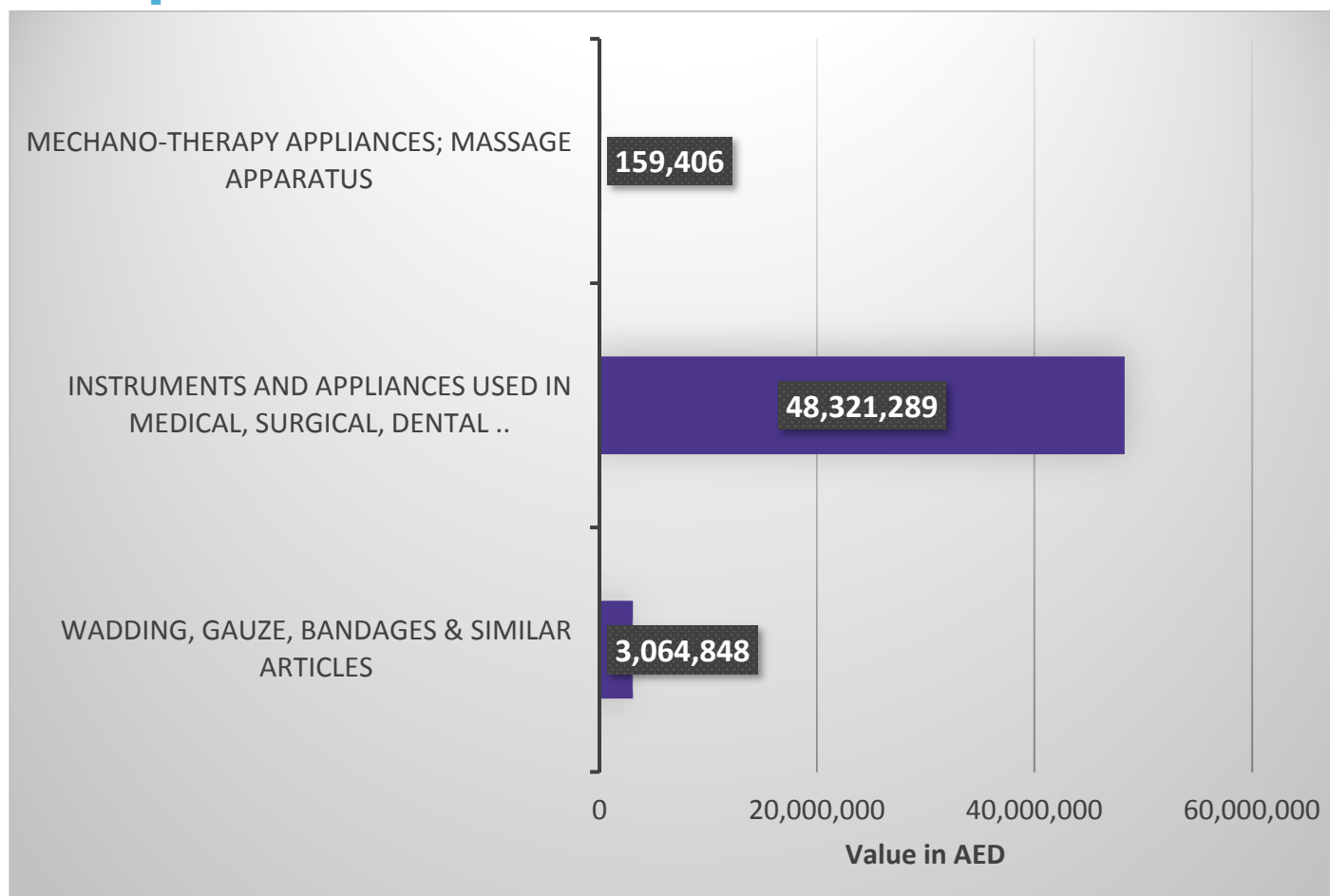


**Exports of medical devices though remained small but have stabilized over the last two years**

**Re-exports have exhibited large growth since 2013 but fell in 2016, following decline in growth of overall exports in 2016**

# Dubai Foreign Trade in Medical Devices

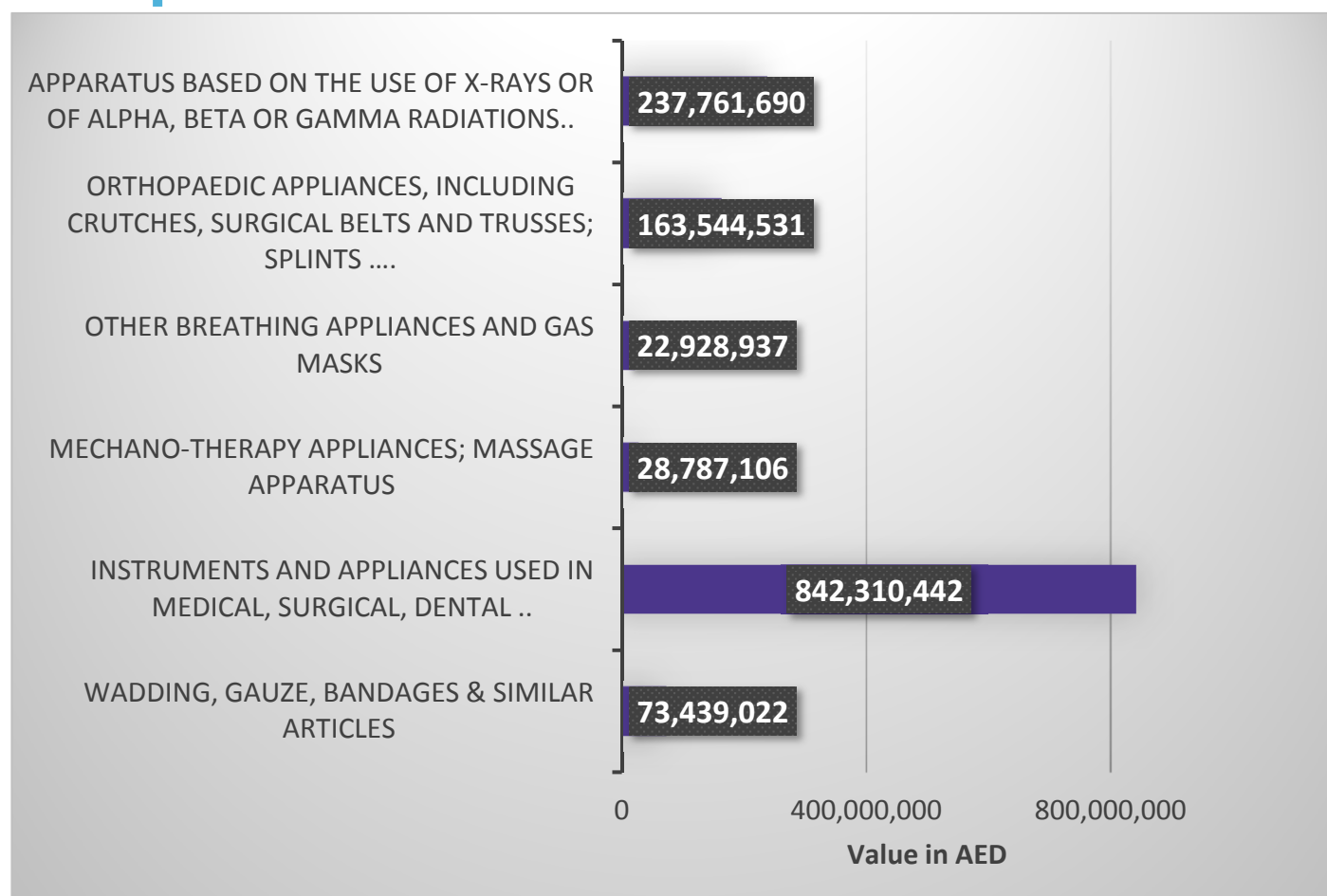
## Export Composition 2016



**Exports comprise mostly of instruments and medical appliances and minor exports of consumables like gauze and bandages**

# Dubai Foreign Trade in Medical Devices

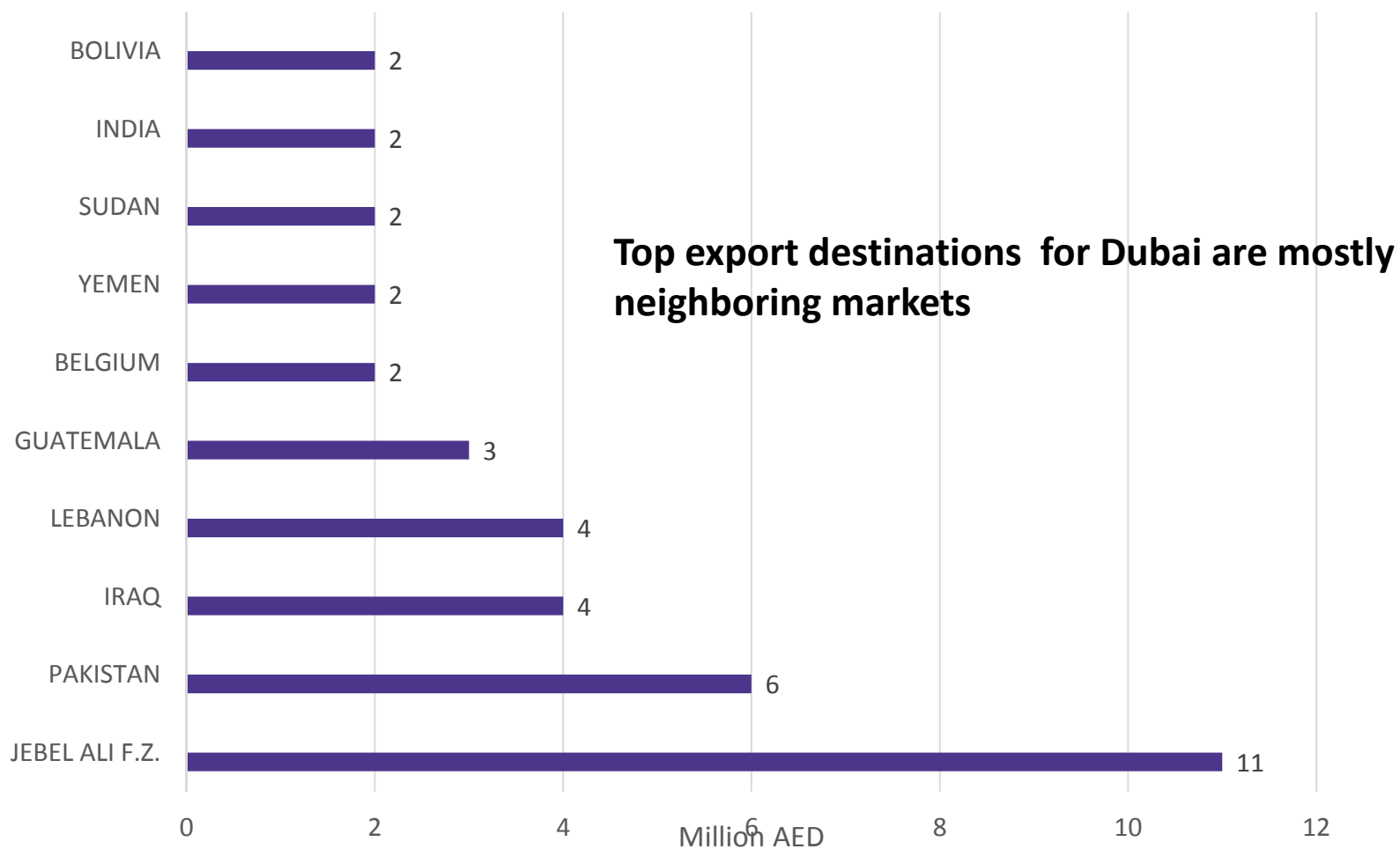
## Export Composition 2016



**Re-exports cover a wider spectrum of products than exports ,the largest re-exports are in instruments ,X-ray related apparatus and orthopedic appliances ...**

# Dubai Foreign Trade in Medical Devices

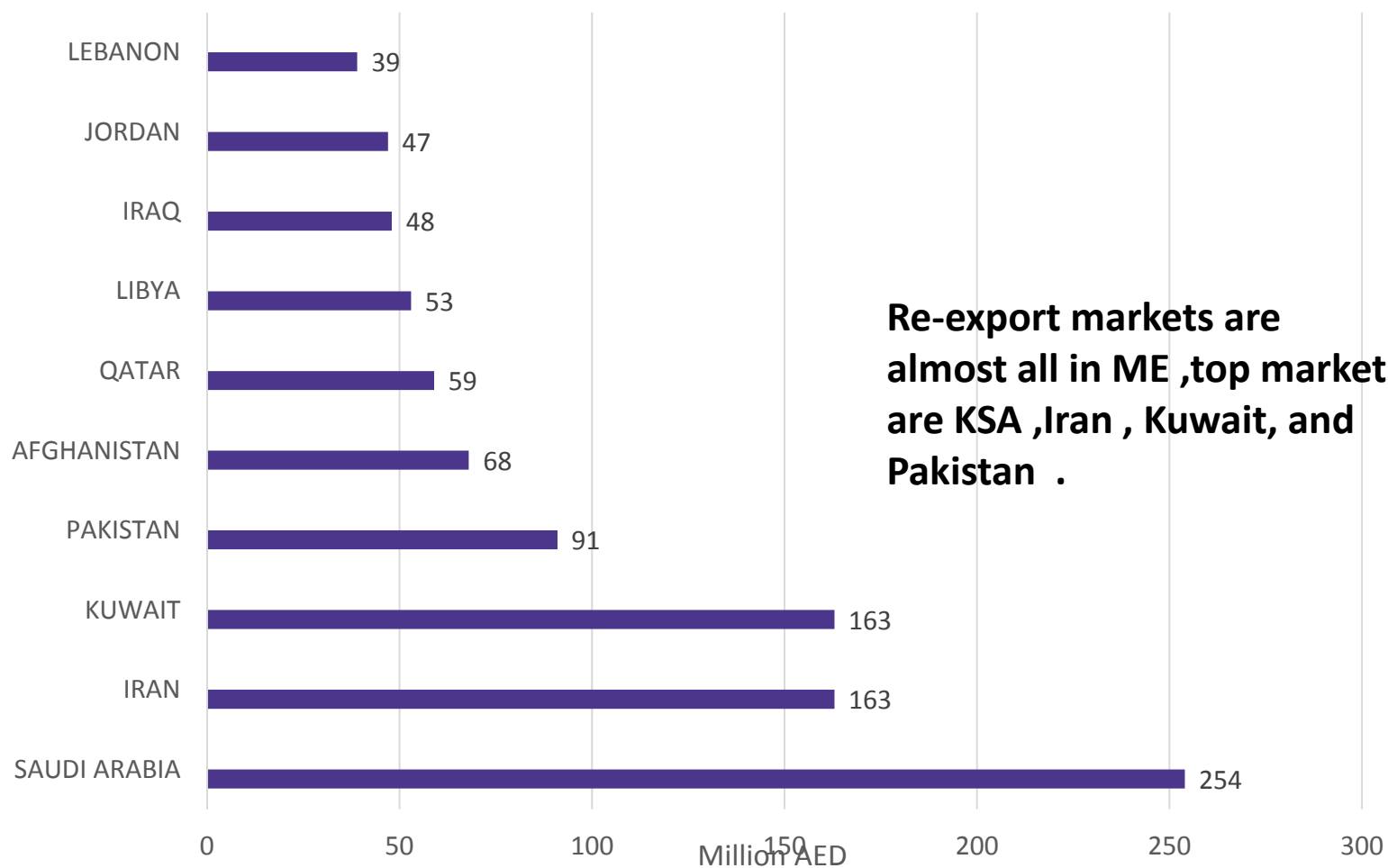
## Top export markets





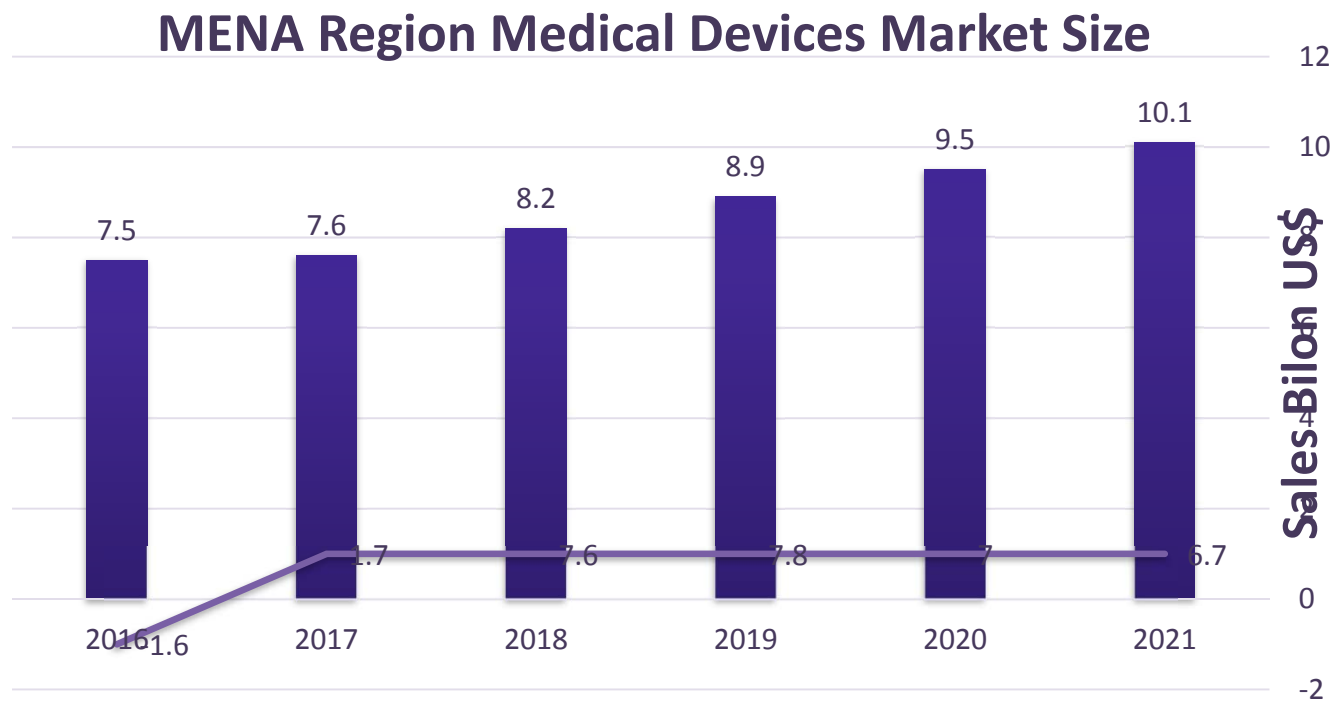
# Dubai Foreign Trade in Medical Devices

## Top re-export markets 2016



## MENA Region Opportunities

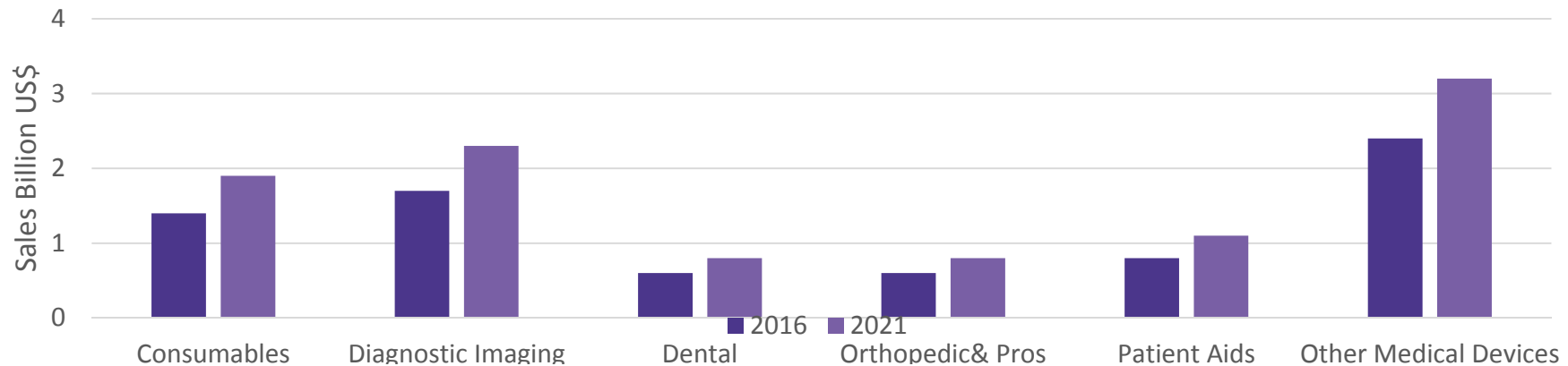
Market size of Medical Devices is on increase and projected to grow at about 7.2% p.a. average hence offers immense opportunities both for export and re-export from Dubai



## MENA Region Opportunities

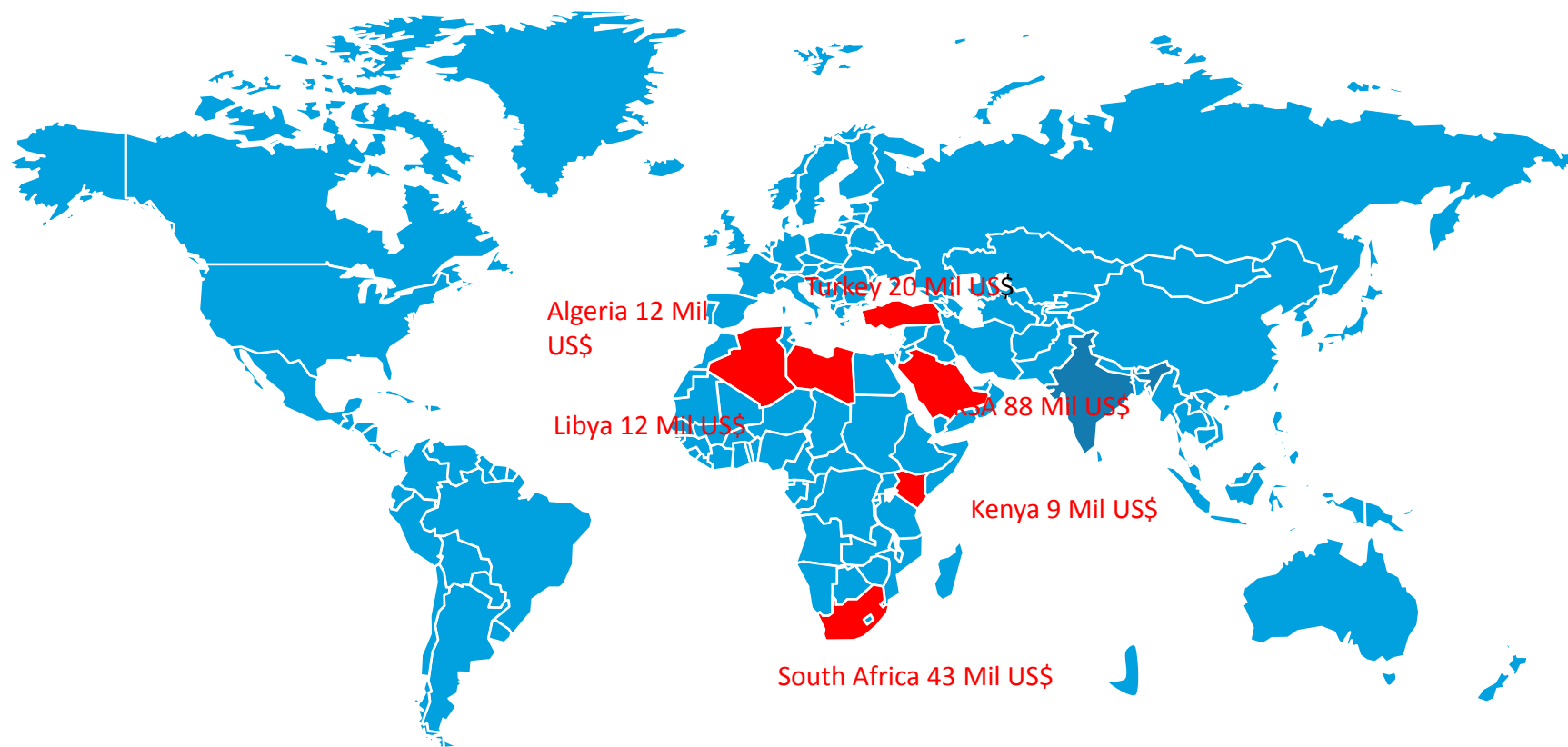
Consumables e.g. Like Wadding, gauze, bandages, medical gloves & similar articles offer the most likely feasible investment for both exporters and re-exporters from Dubai to MENA

Medical gloves have also excellent market in USA with zero tariff ,the annual potential for export to USA for medical gloves is 2.5 Mil US\$



**Diagnostic Imaging and Consumables are outperforming .However UAE entrepreneurs may for the short to medium term concentrate on consumables e.g. Like Wadding, gauze, bandages, medical gloves & similar articles, in the longer term investment may look into other sector investment in partnership with technology suppliers e.g. Diagnostic Imaging, Orthopedics & Prosthetics ,Patient Aids and Dental**

## Top potential markets in Africa and ME for medical consumables



Source ITC  
Trade Map