The Current Situation of Medical Devices Industry in China

September. 2018. Beijing
Chapter 1: About US

Chapter 2: The Current Situation
China Association for Medical Devices Industry (CAMDI) is a national, industrial and nonprofit social organization that is founded in 1991 on a voluntary basis, by companies and individuals engaged in medical device manufacturing, management, R&D, investment, inspection, testing, certification consulting, education & training. CAMDI has the corporative qualifications of a social group.

CAMDI is under the supervision and administration of State-owned Assets Supervision and Administration Commission (SASAC). SASAC appoints and authorizes China Federation of Industrial Economics to manage CAMDI on his behalf. Meanwhile, CAMDI is under the professional guidance of relevant organizations such as CFDA, MCA and NDRC.
About Us
Chapter 1

**Aim**

- To represent and safeguard the common interests and lawful rights of its members
- To promote the healthy development of Chinese medical device industry
Chapter 1

About Us

- 27 full-time staff in the secretariat
- 53 branches and professional committees
- 4000 members and experts
About Us

Chapter 1

01 Domestic Manufacturers
SHINVA, Mindray, WEGO, Yuwell, United-imaging, LepuMedical, Microport......

02 Foreign Manufacturers
Medtronic, J&J, GE, SIEMENS, PHILIPS, Smith-Nephew, BD Boston Scientific, Abbott......

03 Distributors
China Medical Devices Company, JoinTown, Cardinal......

04 Others
University, Laboratory, Consulting......
About Us
Chapter 1

Member Services Department
International Cooperation Department
Med-tech and Regulatory Department
Information Department
Strategic Innovation Alliance of Medical Device Technology
About Us

Chapter 1

Respond to the demands of members

Provide reasonable suggestions for the government to formulate regulatory policies

Assist the government in industry services and researches, expand and improve membership services

Widening international communication channels and construct platforms for international cooperation
The Current Situation of MD Industry in China

Chapter 2

Increasing Fast
- Annual growth rate stays around 15% since 2001.

Great Market
- Output value is over 500 billion CNY till 2015. China has become the 2nd largest market in the world.

More Innovative Devices
- More domestic manufacturers focusing on promoting technology and innovating.
- Great need of health care.
Chapter 2

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Market Scale of Medical Devices

It grows from 17.9 billion CNY in 2001 to 370 billion CNY in 2016, with an annual average growth rate of around 15%.
Chapter 2

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Numbers of China Medical Devices Manufactures

16,000 manufacturers, including 6,096 Class I enterprises, 9,340 Class II enterprises and 2,189 Class III enterprises

410,000 medical device business enterprises with operating license (Class II and Class III)
Chapter 2
Import and Export

In 2017, the total trade of medical devices in China is amounted to 42.1 billion dollars (8.1%)
the total value of imports is amounted to 20.4 billion dollars with a year-on-year growth rate of 10.3%
the total value of exports is amounted to 21.7 billion dollars with a year-on-year growth rate of 5.8%
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#### Chapter 2

#### 2017 China Medical Devices Industry Output Value

Above-scale Sample Enterprises According to the Statistics by the MIIT

<table>
<thead>
<tr>
<th>Industry</th>
<th>main operating income (in CNY billion)</th>
<th>YoY (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medical instruments and equipment manufacturing</td>
<td>282.81</td>
<td>10.7</td>
</tr>
<tr>
<td>Sanitary materials and medical supplies manufacturing</td>
<td>226.68</td>
<td>13.5</td>
</tr>
<tr>
<td>Total</td>
<td>509.49</td>
<td>12.1</td>
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</tbody>
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Industry output value calculated by CAMDI: over CNY 500 billions
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#### Chapter 2

**Space of industrial development**

<table>
<thead>
<tr>
<th></th>
<th>Developed country</th>
<th>China</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medical industry accounts for GDP</td>
<td>More Than 10%</td>
<td>Less Than 5%</td>
</tr>
<tr>
<td>Medical devices market versus Drug market</td>
<td>About 1:1</td>
<td>About 1:3~4</td>
</tr>
<tr>
<td>Global market share</td>
<td>72% (US, Europe, Japan)</td>
<td>About 14%</td>
</tr>
<tr>
<td>Domestic market share</td>
<td>70%</td>
<td>30%</td>
</tr>
<tr>
<td>Market concentration</td>
<td>Higher</td>
<td>Lower</td>
</tr>
<tr>
<td>GPO</td>
<td>Higher</td>
<td>Lower</td>
</tr>
</tbody>
</table>
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Chapter 2

Prospects of Chinese and foreign companies cooperation

- Broad prospects
  - Cooperation in series product areas
THANK YOU!

Yang Xiaofang
Deputy Secretary General