



# HEALTHCARE MARKET:

## PHARMACEUTICALS

Flanders Investment & Trade - Lima  
Publicatiedatum / 17.08.2017



INHOUD

1.	Overview .....	3
2.	Market description.....	4
3.	Trade statistics.....	6
4.	Custom taxes.....	8
5.	Fair trades and events.....	10
6.	Related institutions.....	11
7.	News and sources .....	12



# 1. OVERVIEW

---

Peru is below the average health investment, which is 7% in Latin America. In the sector, there is an infrastructure investment gap of US\$ 18.944 million in the long term, for the period 2016-2025. In relation to projects in the aforementioned sector, an approximate investment of US\$ 1,798 million is expected for the same period.

Peruvian market size in 2015 for health services (hospitals) was around US\$ 2.5 billion, half of it through “clínicas” (private hospitals) and the other half through “hospitales” (state owned hospitals). “Hospitales” are under the management of Ministerio de Salud ([www.minsa.gob.pe](http://www.minsa.gob.pe)). Privately owned hospitals (“clínicas”) generally offer a much higher quality of service thanks to better paid and trained staff as well as better equipment. 5 private corporations own several “clínicas” in the country:

- 1 Sanna (“clínicas” in San Isidro - El Golf, San Borja, Los Olivos, Miraflores, San Miguel)
- 2 San Pablo (Surco, San Miguel, Independencia, SJM, SJL, Chacarilla, Rimac, Los Olivos, La Victoria, El Callao, Arequipa, Tacna)
- 3 Ricardo Palma (San Isidro, Comas, Chorrillos, San Isidro)
- 4 Limatambo (San Isidro, SJL, Callao, San Isidro)
- 5 Auna (Clínica Delgado – Miraflores, Jesús María)

Commercial activities with “clínicas” can be classified as standard B2B business, where local presence is highly recommended. Indeed, Peruvian businesses value close relationship and local references. Dealing with “hospitals” is much more complex since it involves dealing with government officials and public bid requests. Local presence and intimate knowledge of public bidding is absolutely necessary to do business with “hospitales”.

//

## 2. MARKET DESCRIPTION

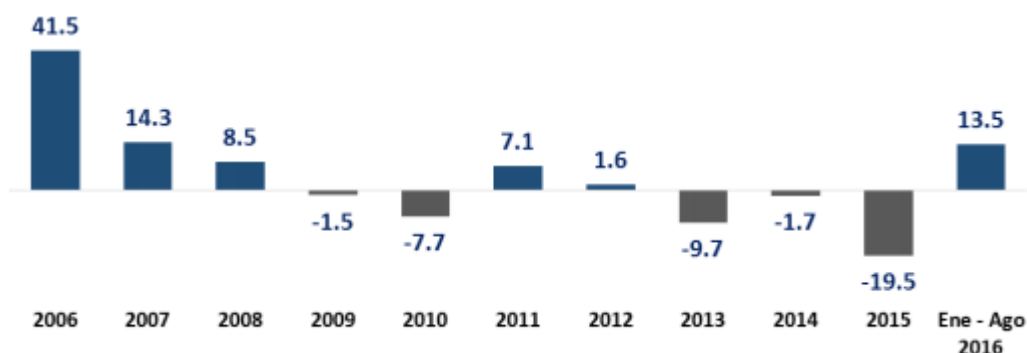
---

The Peruvian market for pharmaceutical products has been valued at approximately US\$ 2 billion in 2016, with imports of more than US\$ 540 million. More than US\$ 320 million in equipment, medical material and supplies, and more than US\$ 8 million in medical furniture imports.

The last Economic census identified 196 companies that produce pharmaceutical products, concentrated mainly in Lima (84.7%). In the last decade, the pharmaceutical industry showed a mixed performance. While the period from 2006 to 2008 was characterized by positive growth rates although decreasing, the period from 2009 to 2015 showed negative growth rates, with the exception of the years 2011 and 2012, which registered positive rates.

The most significant reduction was recorded in 2015 (-19.5%), this behavior is explained by the reduction of exports and the higher imported value. Even though the growth of the pharmaceutical industry has been negative during the last three years, the sector had a positive performance during the period from January to August 2016, growing at a rate of 13.5% in relation to the same period of the previous year.

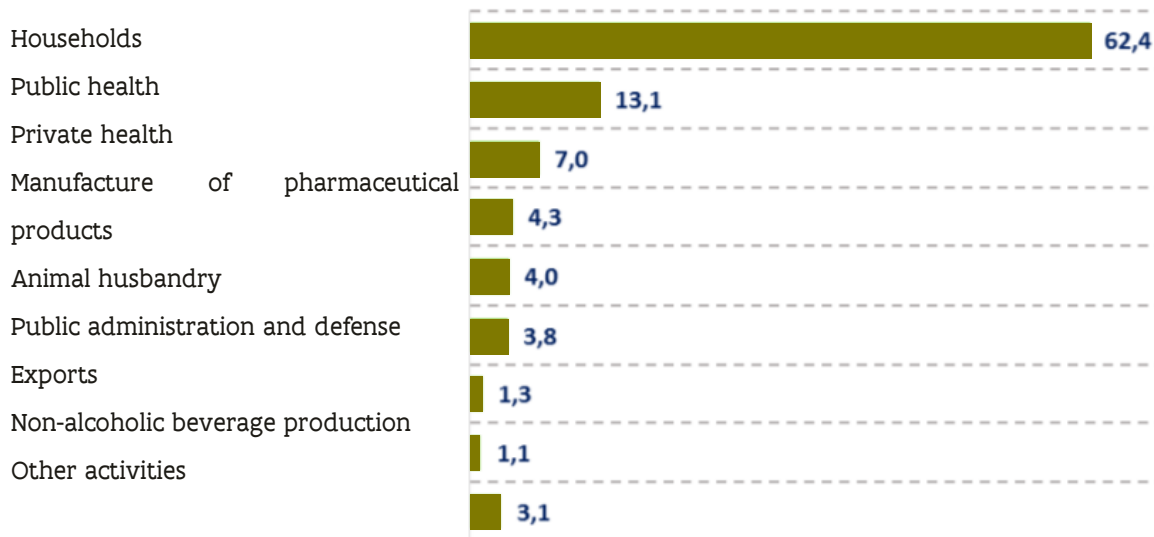
Production of the pharmaceutical industry  
(% change)



Among the main actors operating along the production chain we can mention: at the wholesale level (pharmaceutical laboratories, distributors, and importing companies) and at the retail level (pharmacies, pharmacy chains and “boticas”).

Based on the information provided by the National Institute of Statistics and Information (INEI), pharmaceutical products are mainly demanded by households (62.4%). The public health sector (hospitals, clinics, health centers and post offices) demands 13.1%, the private health sector 7%, and other activities 17.5%.

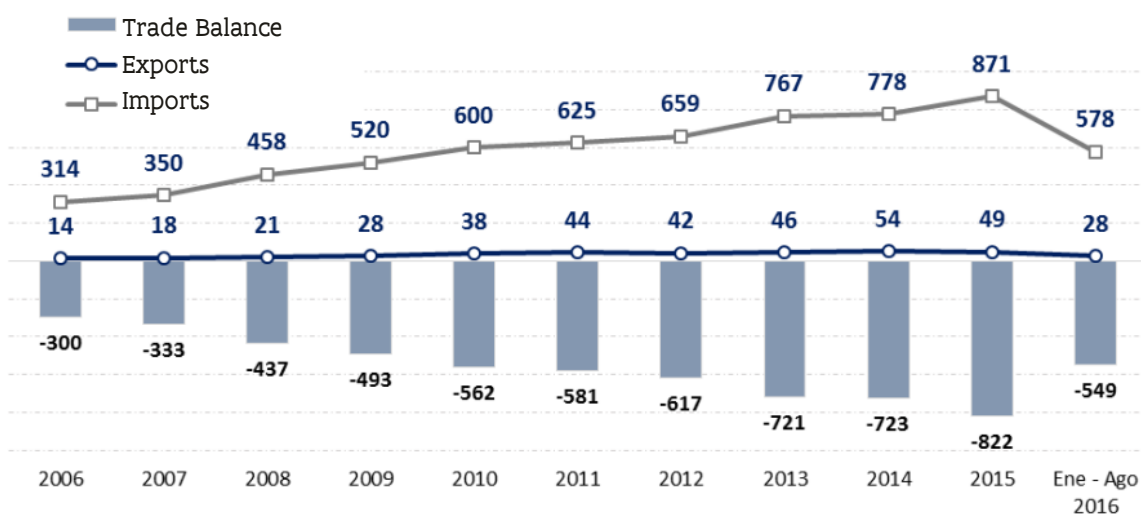
**Peruvian imports of pharmaceutical products**  
(in millions of US\$)



### 3. TRADE STATISTICS

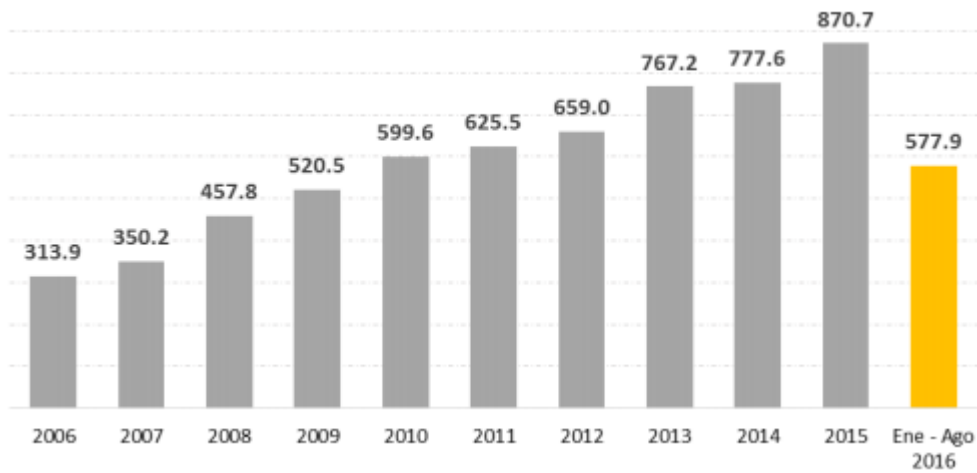
Peru has been a traditional net importer of pharmaceutical products. Based on the industry report elaborated by the National Association of Industries (SNI), the trade balance has been negative and over the last decade the gap between exports and imports of pharmaceuticals has widened (an average of US\$ 559 million from 2006 to 2015).

Trade balance of pharmaceutical products  
(in millions of US\$)



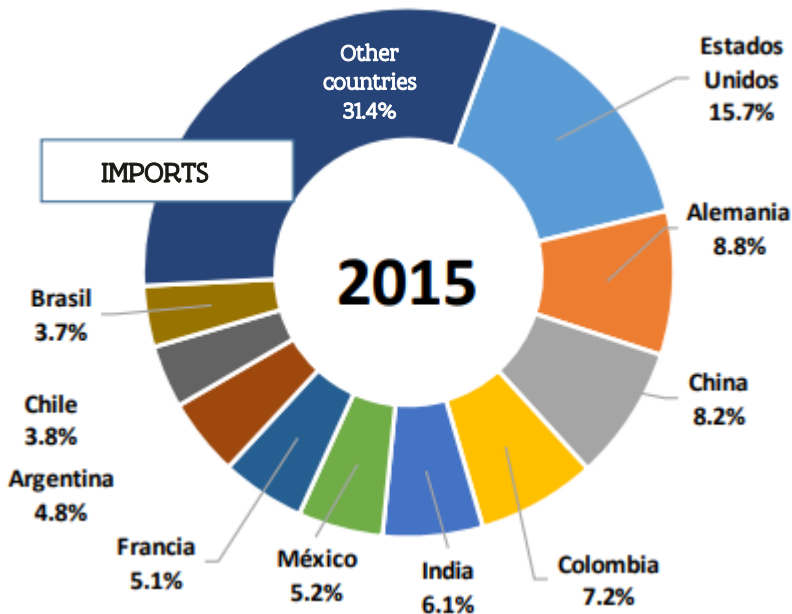
Imports of pharmaceutical products have been US\$ 594 million in average from 2006 to 2016, reaching its maximum value in 2015 (US\$ 871 million).

Peruvian imports of pharmaceutical products  
(in millions of US\$)



Based on the 2015 import CIF value, the largest suppliers were the United States, Germany and China, according to import statistics of 2016, together supply around 33% of all pharmaceutical imports to Peru.

Foreign trade of pharmaceutical products  
(% distribution)



## 4. CUSTOM TAXES

---

The duties levied on imported goods are:

**Ad valorem Tax (AV):** this tariff duty could be 0%, 6% or 11% according to customs code. It is determined on the CIF value (Value of the goods (FOB) + freight + insurance).

Heading codes	Heading description	AV Tax
2918	Carboxylic acids with additional oxygen function and their anhydrides, halides, peroxides and peroxyacids; their halogenated, sulphonated, nitrated or nitrosated derivatives	0%
2936	Provitamins and vitamins, natural or reproduced by synthesis, incl. natural concentrates, derivatives thereof used primarily as vitamins, and intermixtures of the foregoing, whether or not in any solvent	0%
2937	Hormones, prostaglandins, thromboxanes and leukotrienes, natural or reproduced by synthesis; derivatives and structural analogues thereof "incl. chain modified polypeptides", used primarily as hormones	0%
2938	Glycosides, natural or reproduced by synthesis, and their salts, ethers, esters and other derivatives	0%
2939	Vegetable alkaloids, natural or reproduced by synthesis, and their salts, ethers, esters and other derivatives	0%
2940	Sugars, chemically pure (excluding sucrose, lactose, maltose, glucose and fructose); sugar ethers, sugar acetals and sugar esters, and their salts (excluding natural or reproduced by synthesis, provitamins, vitamins, hormones, glycosides, vegetable alkaloids and their salts, ethers, esters and other derivatives)	0%
2941	Antibiotics	0%
3001	Dried glands and other organs for organo-therapeutic uses, whether or not powdered; extracts of glands or other organs or their secretions, for organo-therapeutic uses; heparin and its salts; other human or animal substances prepared for therapeutic or prophylactic uses, n.e.s.	0%
3002	Human blood; animal blood prepared for therapeutic, prophylactic or diagnostic uses; antisera and other blood fractions and immunological products, whether or not modified or obtained by means of biotechnological processes; vaccines, toxins, cultures of micro-organisms (excluding yeasts) and similar products	0%
3003	Medicaments consisting of two or more constituents mixed together for therapeutic or prophylactic uses, not in measured doses or put up for retail sale (excluding goods of heading 3002, 3005 or 3006)	0%
3004	Medicaments consisting of mixed or unmixed products for therapeutic or prophylactic uses, put up in measured doses "incl. those in the form	6%



	of transdermal administration” or in forms or packings for retail sale (excluding goods of heading 3002, 3005 or 3006)	
3005	Wadding, gauze, bandages and the like, e.g. dressings, adhesive plasters, poultices, impregnated or covered with pharmaceutical substances or put up for retail sale for medical, surgical, dental or veterinary purposes	6%
3006	Pharmaceutical preparations and products of subheadings 3006.10.10 to 3006.60.90	0% and 6%

**Excise tax (Impuesto Selectivo al Consumo - ISC):** it is applied to certain products.

**VAT:** 18% on the CIF value + other customs duties. It is compounded of:

- General Sales Tax (Impuesto General a las Ventas - IGV): 16%
- Municipal Sales Tax (Impuesto de Promoción Municipal - IPM): 2%

Please take into account that if the goods satisfy the origin requirements, you can apply for a Certificate of Origin (CO) and thus obtain preferential tariff treatment.

For more information regarding duties, please review the following website: <http://www.aduanet.gob.pe/itarancel/arancelS01Alias>

//

## 5. FAIR TRADES AND EVENTS

---

Although in Peru there is not a specific fair for pharmaceuticals, there are some events that may represent an opportunity to promote new brands. With the exception of Tecnosalud, these events are mainly medical conferences.

- **Tecnosalud 2017**

It is a specialized fair in the medical and health sector in Peru that brings together companies related to equipment and medical devices, pharmaceuticals, dental, among others. This year, the fair will take place from the 6th to the 8th of September in Lima.

In the frame of this fair, there will also be an Innovation Brokerage Event with Peruvian companies (distributors and producers), drugstores and universities.

<http://www.tecnosalud.com.pe/>

<https://www.b2match.eu/ruedainnovaciontecnosalud?locale=en>

- **XXXIII Pan American Congress of Ophthalmology 2017**

This event will take place from the 9th to the 12th of August in Lima.

<https://paaolima2017.com/>

- **WONCA Ibero-Americana CIMF Conference 2017**

This event will take place from the 16th to the 19th of August in Lima.

<http://www.lima2017woncacimf.com/>

- **Pharma and Cosmetics Conference 2017**

This event will take place from the 1st to the 2th of December in Lima.

<http://www.expofarmaycosmetica.com/>



## 7. NEWS AND SOURCES

---

- <http://cmp.org.pe/wp-content/uploads/2016/12/libroSistemaSaludPeru-.pdf>
- <https://www.esan.edu.pe/apuntes-empresariales/2017/04/la-industria-de-productos-farmaceuticos-en-peru/>
- <https://www.esan.edu.pe/apuntes-empresariales/2017/04/el-financiamiento-de-la-salud-en-peru/>
- <http://gestion.pe/economia/mas-2000-productos-cosmeticos-dejarian-comercializarse-al-ano-2178713>
- <http://diariocorreo.pe/ciudad/el-17-de-la-poblacion-carece-de-un-seguro-de-salud-743827/>
- <http://gestion.pe/economia/cual-estado-acceso-salud-america-latina-2183534>
- [http://www.afin.org.pe/images/publicaciones/estudios/plan\\_nacional\\_infraestructura\\_2016\\_2025\\_2.pdf](http://www.afin.org.pe/images/publicaciones/estudios/plan_nacional_infraestructura_2016_2025_2.pdf)
- <http://www.sni.org.pe/wp-content/uploads/2017/01/Octubre-2016-Industria-de-productos-farmac%C3%A9uticos.pdf>
- [http://demi.produce.gob.pe/images/publicaciones/publi383012709c344d4b5\\_16.pdf](http://demi.produce.gob.pe/images/publicaciones/publi383012709c344d4b5_16.pdf)

