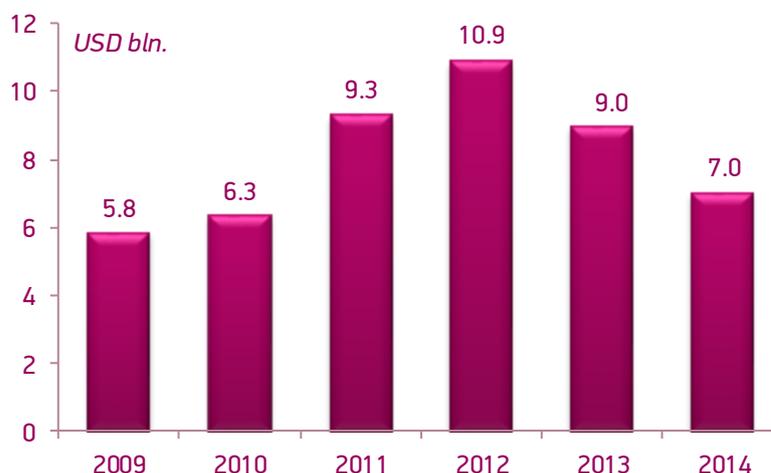


Russian Medical Device Market 2014

Summary

The Russian medical device market demonstrated rapid growth over the period 2006-2012. Consumption increased with state support of health care, in particular under the 2011-2012 regional modernization programs worth RUB 635.7 bln., a large portion of it spent on equipment upgrades. With the programs played out, public health centers could not support the former level of demand.

Growth of the market in 2011-2012 gave way to a downward trend in 2013 when the market shrank by 16% from 2012 (in rubles). In 2014 the slide continued, with customers spending 6% less on medical devices overall; taken separately, public buyers spent nearly 10% less. Dollar worth of the market suffered further because of the ruble exchange rate's collapse in 2014. Thus, in 2013 the market was worth USD 9.0 bln, in 2014 7.0 bln – down by 22%.



The dynamics of Russian medical device market (billion dollars), 2009-2014

Source of information: MDpro

The 2013 decrease was a consequence of the market's oversaturation in 2011-2012 when regional health care modernization programs were in effect. In 2014 the reasons were different: public funding for health care was cut and some of the money diverted from outfitting to pharmaceuticals and wages. That year a sweeping health care reform was also started, which may eventually bring down the public share of device consumption.

In 2013 spending was often redirected from serious acquisitions to maintenance of equipment pools and expendables. This tendency became less pronounced in 2014 as the market stabilized and segments returned to more natural proportions.

Despite of modernization programs end, public procurement constitutes the largest share of Russian medical device market: in 2014 72% of all medical devices were purchased under government contracts.

Imports continue to dominate the field, 85% of all devices were imported in 2014. At the end of the year the ruble's fall made Russian devices more competitive; together with the federal government's effort to replace

foreign products with domestic equivalents, this gives reason to expect somewhat more Russian devices on the market in 2015.

The bulk of money on the Russian market was spent on the same groups of equipment as in earlier years: in-vitro diagnostic devices (about 19%), devices for diagnostic imaging (12%) and general surgery and endoscopy (11%).

Report Description

Report scope. The report provides complete information about the Russian medical device market in 2014. It also contains a forecast for the Russian medical device market till 2018.

Report includes the following parts:

“Methodology” section includes a list of information sources, which were used while preparing the report. It also contains the structure of data, which served as a basis for the report. Additionally, core procedures of data processing and data analysis are described.

“Summary” section is a review of the key findings from the report.

The first part of the report (*“Russian medical device market in 2009-2014”*) encompasses the most important characteristics of the Russian medical device market: its dynamics and structure, key information about public procurement and imports of medical devices. The most important Russian medical device market trends and significant factors, determining its current state, are outlined.

This part also includes a forecast of Russian medical device market development until 2018. Based on the analysis of drivers and barriers for the market growth, two possible scenarios for market development are presented.

Moreover, this section contains a forecast of consumption of the following types of medical devices: medical imaging devices, in-vitro diagnostic devices, cardiovascular surgery and neurosurgery devices, general surgery devices.

The second part (*“Public procurement of medical devices in 2014”*) is dedicated to the results of Russian medical devices public procurement analysis. It includes data on monthly dynamics of medical devices public procurement (incl. segments breakdown) and detailed structure of public procurement. The largest purchasers and of all types of medical devices are named. A list of the largest suppliers of medical devices is provided with information about their public purchasers, regions of supply and the structure of supply (by segments). This part also contains a list of top contractors for the supply of different types of medical devices. Finally, this section includes in-depth analysis of medical devices public procurement in each federal district.

The third part (*“Imports of medical devices into Russia in 2014”*) encompasses data on the structure and dynamics of medical devices imports into Russia in 2014. Data are provided in breakdown by types of medical devices and manufacturing countries. A list of the largest medical devices importers is included. Moreover, it contains information about the structure of certain types of medical devices' imports.

The fourth part (*“Exports of medical devices from Russia in 2014”*) includes data on the structure and dynamics of medical devices exports from Russia in 2014. It also contains information about the volume of exports and the major exporters of Russian medical devices (incl. segments breakdown).

The fifth part (“*Business environment in Russia*”) provides a practical guide to what is necessary for achieving compliance with Russia’s regulatory requirements. It also describes Russian policies on health care system and medical device market development.

Sources of Information

To conduct the research study three types of data were used:

- ✓ Data on public procurement of medical devices, which are gathered by MDpro specialists from an official public procurement website (www.zakupki.gov.ru) on a monthly basis
- ✓ Data on export-import operations, which are formed by MDpro specialists from customs statistics on a monthly basis
- ✓ Open information sources:
 - Russian healthcare statistics;
 - Publications of international market research agencies;
 - Companies’ reports;
 - News, etc.

Contents

STUDY METHODOLOGY

SUMMARY

PART 1. RUSSIAN MARKET OF MEDICAL DEVICES IN 2009-2014

- 1.1 Market dynamics in 2009-2014
- 1.2 Main market indicators in 2014
- 1.3 Russian market forecast for 2015-2018
- 1.4 Consumption forecast by device category for 2015-2018

PART 2. PUBLIC PROCUREMENT OF MEDICAL DEVICES IN 2014

- 2.1 The structure of public procurement

PART 3. IMPORTS OF MEDICAL DEVICES TO RUSSIA IN 2014

- 3.1 The structure of imports of medical devices
- 3.2 Imports of diagnostic imaging devices
- 3.3 Imports of in-vitro diagnostic devices
- 3.4 Imports of general surgery and endoscopic devices
- 3.5 Imports of cardiovascular surgery and neurosurgery devices
- 3.6 Imports of devices for resuscitation, anesthesia and emergency care
- 3.7 Imports of orthopedic devices
- 3.8 Imports of devices for rehabilitation and recovery medicine

PART 4. EXPORTS OF MEDICAL DEVICES FROM RUSSIA IN 2014

- 4.1 Dynamics of exports of medical devices
- 4.2 The structure of exports of medical devices

PART 5. BUSINESS ENVIRONMENT IN RUSSIA

- 5.1 The regulation of medical devices in Russia
- 5.2 Russian policies on health care system and medical device market development

List of Figures

- Figure 1 – The Russian market of medical devices in 2009-2014
- Figure 2 – The structure of consumption in Russia by device category in 2014
- Figure 3 – Dynamics of imports in 2014
- Figure 4 – Dynamics of imports, running total in 2013-2014
- Figure 5 – Dynamics of public procurement, running total in 2013-2014
- Figure 6 – Russian market dynamics in 2015-2018 (a forecast)
- Figure 7 – The Russian market of diagnostic imaging devices in 2015-2018
- Figure 8 – The Russian market of in-vitro diagnostic devices in 2015-2018
- Figure 9 – The Russian market of cardiovascular surgery and neurosurgery devices in 2015-2018
- Figure 10 – The Russian market of general surgery devices in 2015-2018
- Figure 11 – Dynamics of public contracting in 2013-2014
- Figure 12 – The structure of public procurement by device category in 2014
- Figure 13 – The structure of public procurement by Federal District in 2014
- Figure 14 – Dynamics of imports to Russia in 2013-2014
- Figure 15 – Imports of medical devices by device category in 2014
- Figure 16 – The structure of imports in 2014
- Figure 17 – The structure of imports by country of origin in 2014
- Figure 18 – The structure of imports of diagnostic imaging devices in 2014
- Figure 19 – The structure of imports of in-vitro diagnostic devices in 2014
- Figure 20 – The structure of imports of general surgery and endoscopic devices in 2014
- Figure 21 – The structure of imports of minimally invasive surgery devices in 2014
- Figure 22 – The structure of imports of resuscitation, anesthetic and emergency care devices in 2014
- Figure 23 – The structure of imports of orthopedic devices in 2014
- Figure 24 – The structure of imports of devices for rehabilitation and recovery medicine in 2014
- Figure 25 – Exports of medical devices from Russia in 2014
- Figure 26 – The structure of exports from Russia by device category in 2014

List of Tables

Table 1 – Main indicators of the Russian market of medical devices in 2014

Table 2 – The structure of consumption in the private and public sectors in 2014

Table 3 – Dynamics of public contracting by device category in 2014

Table 4 – The structure of procurement by device category in 2013-2014

Table 5 – Miscellaneous medical devices delivered under public contracts in 2013-2014

Table 6 – The largest public buyers in 2013-2014

Table 7 – Top public buyers of in-vitro diagnostic devices in 2014

Table 8 – Top public buyers of diagnostic imaging devices in 2014

Table 9 – Top public buyers of general surgery and endoscopic devices in 2014

Table 10 – Top public buyers of cardiovascular surgery and neurosurgery devices in 2014

Table 11 – Top public buyers of resuscitation, anesthetic and emergency care devices in 2014

Table 12 – Top public buyers of devices for rehabilitation and recovery medicine in 2014

Table 13 – Top public buyers of orthopedic devices in 2014

Table 14 – Top public buyers of dental devices in 2014

Table 15 – Top public buyers of devices for nuclear medicine and radiation therapy in 2014

Table 16 – Top public buyers of ophthalmic devices in 2014

Table 17 – Top public buyers of functional diagnostic devices in 2014

Table 18 – Leading suppliers of medical devices in 2013-2014

Table 19 – Devices supplied by DELRUS by device category in 2014

Table 20 – Devices supplied by Klatona by device category in 2014

Table 21 – Devices supplied by Intermedservice in 2014

Table 22 – Devices supplied by Deost by device category in 2014

Table 23 – Devices supplied by UNIX by device category in 2014

Table 24 – Devices supplied by CJSC PHARMADIS by device category in 2014

Table 25 – Devices supplied by CJSC GLN-Invest in 2014

Table 26 – Devices supplied by LLC Labtronika in 2014

Table 27 – Devices supplied by Paritet in 2014

Table 28 – Devices supplied by LLC Sovremenniye Meditsinskiye Tekhnologiyi in 2014

Table 29 – Devices supplied by DELRUS by region in 2014

Table 30 – Devices supplied by Klatona under public contracts by region in 2014

Table 31 – Devices supplied by Intermedservice under public contracts by region in 2014

Table 32 – Devices supplied by Deost under public contracts by region in 2014

Table 33 – Devices supplied by UNIX under public contracts by region in 2014

Table 34 – Devices supplied by CJSC PHARMADIS under public contracts by region in 2014

Table 35 – Devices supplied by CJSC GLN-Invest under public contracts by region in 2014

Table 36 – Devices supplied by LLC Labtronika under public contracts by region in 2014

Table 37 – Devices supplied by Paritet under public contracts by region in 2014

Table 38 – Devices supplied by LLC Sovremenniye Meditsinskiye Tekhnologiyi under public contracts by region in 2014

Table 39 – Key public clients of Research Center for DELRUS in 2014

Table 40 – Key public clients of Research Center for Klatona in 2014

Table 41 – Key public clients of Research Center for Intermedservice in 2014

Table 42 – Key public clients of Deost in 2014

Table 43 – Key public clients of Research Center for UNIX in 2014

Table 44 – Key public clients of CJSC PHARMADIS in 2014

Table 45 – Key public clients of CJSC GLN-Invest in 2014

Table 46 – Key public clients of LLC Labtronika in 2014

Table 47 – Key public clients of Research Center for Paritet in 2014

Table 48 – Key public clients of LLC Sovremenniye Meditsinskiye Tekhnologiyi in 2014

Table 49 – The largest public-contracted suppliers for in-vitro diagnostic devices in 2014

Table 50 – The largest public-contracted suppliers for Diagnostic imaging devices in 2014

Table 51 – The largest public-contracted suppliers for general surgery and endoscopic devices in 2014

Table 52 – The largest public-contracted suppliers for cardiovascular surgery and neurosurgery devices in 2014

Table 53 – The largest public-contracted suppliers for resuscitation, anesthetic and emergency care devices in 2014

Table 54 – The largest public-contracted suppliers for rehabilitation and recovery medicine in 2014

Table 55 – The largest public-contracted suppliers for orthopedic devices in 2014

Table 56 – The largest public-contracted suppliers for devices for nuclear medicine and radiation therapy in 2014

Table 57 – The largest public-contracted suppliers for dental devices in 2014

Table 58 – The structure of public procurement for in-vitro diagnostic devices in 2014

Table 59 – The structure of public procurement for diagnostic imaging devices in 2014

Table 60 – The structure of public procurement for general surgery and endoscopic devices in 2014

Table 61 – The structure of public procurement for cardiovascular surgery and neurosurgery devices in 2014

Table 62 – The structure of public procurement for resuscitation, anesthetic and emergency care devices in 2014

Table 63 – The structure of public procurement for devices for rehabilitation and recovery medicine in 2014

Table 64 – The structure of public procurement for orthopedic devices in 2014

Table 65 – The structure of public procurement for devices for nuclear medicine and radiation therapy in 2014

Table 66 – The structure of public procurement for dental devices in 2014

Table 67 – The structure of public procurement for ophthalmic devices in 2014

Table 68 – The structure of public procurement for functional diagnostic devices in 2014

Table 69 – The structure of imports by country of origin in 2014

Table 70 – Top importers to Russia in 2014

Table 71 – Imports of diagnostic imaging devices in 2014

Table 72 – Top 10 brands of imported diagnostic imaging devices in 2014

Table 73 – Imports In-vitro diagnostic devices in 2014

Table 74 – Top 10 brands of imported in-vitro diagnostic devices in 2014

Table 75 – Imports of general surgery and endoscopic devices in 2014

Table 76 – Top 10 brands of imported general surgery and endoscopic devices in 2014

Table 77 – Imports of cardiovascular surgery and neurosurgery devices in 2014

Table 78 – Top 10 brands of imported cardiovascular surgery and neurosurgery devices in 2014

Table 79 – Imports of resuscitation, anesthetic and emergency care devices in 2014

Table 80 – Top 10 brands of imported resuscitation, anesthetic and emergency care devices in 2014

Table 81 – Imports of orthopedic devices in 2014

Table 82 – Top 10 brands of imported orthopedic devices in 2014

Table 83 – Imports of devices for rehabilitation and recovery medicine in 2014

Table 84 – Top 10 brands of imported devices for rehabilitation and recovery medicine in 2014

Table 85 – Exports volume by device category in 2014

Table 86 – Leading Russian exporters in 2014

Table 87 – Leading Russian exporters by device category in 2014