London – 29 November 2016 - The pharmaceutical market in Thailand is expected to rise from $5.91 billion in 2015 to $9.47 billion by 2020, at a compound annual growth rate (CAGR) of 10%, according to research and consulting firm GlobalData.

The company’s latest report states that the primary driver of this strong pharmaceutical expansion in Thailand is the treatment of chronic diseases in the elderly population. Indeed, obesity and other non-communicable diseases such as diabetes, hypertension, and cancer have increased over the past few years due to an increasing elderly population and unhealthy lifestyles.

As the country moves towards becoming Asia’s healthcare hub through its medical tourism sector, the pharmaceutical industry is riding on its success. Thailand attracts an average of two million foreign patients per year due to the fact that its healthcare costs are only around one-fifth of those in the US and Europe. In 2012, Thailand generated $1.84 billion from medical tourism, and this figure reached $4.7 billion in 2015, helping to enhance the country’s research and clinical trials of advanced medicine and stem cell treatments.

A number of government initiatives have also boosted the country’s pharmaceutical industry. The 11th National Economic and Social Development Plan (2012-2016) and the Second National Plan for Older Persons (2002-2021) are the major government-implemented programs in Thailand. The aim of the latter is to improve quality of life for the elderly population by providing them with easy availability of medical services.

An increase in the number of public hospitals has also led to a rise in healthcare expenditure. The number of public hospitals grew during the 2008–2015 period at a CAGR of 4%, increasing citizens’ access to affordable healthcare facilities, and this expansion will continue to drive the market.