Vietnam’s fast growing medical device market is emerging as one of the most promising sectors for the Indian industry to tap and several manufacturers of medical devices and pharmaceuticals from the country have already entered and invested in the market, according to the Engineering Export Promotion Council (EEPC) of India.

“Indian companies could look to tap Vietnam’s burgeoning medical devices market which meets nearly 90 per cent of the demand through imports... The country appears among the top markets in India’s exports of medical devices and also acts as a springboard to other ASEAN countries,” EEPC Chairman Mahesh Desai said at the India-Vietnam Business Meet in the Medical Devices sector.

Import stats
Outlining the opportunities for India, Desai said that Japan, Germany, the US, China, and Singapore accounted for nearly 55 per cent of the total medical devices imported by Vietnam while the domestic market comprising about 50 manufacturers contributed less than 10 per cent to the market share.

The Vietnamese government has been providing a conducive policy environment to support local manufacturing and trading in the medical devices sector, said Doan Quang Minh from the Department of Medical Equipment and Infrastructure, Ministry of Health, Vietnam.

"Many Indian manufacturers of medical devices and pharmaceuticals have already entered and invested in the Vietnam market which is a very positive sign," said Desai.

‘Global powerhouse’
As Indian medical devices industry has been scaling up production at a faster pace it could become a global powerhouse in the sector over the next few years, according to EEPC. From its current market size of $11 billion, it is projected to reach $50 billion by 2025.

Agreeing with Desai on Vietnam’s potential, India’s Consul General in Vietnam Madan Mohan Sethi said that the South-East Asian country’s medical device industry was promising for foreign investors due to the country’s economic development and rising demand for adequate medical care and equipment.

“There is a lot of untapped potential in this area (medical devices sector). The Covid-19 crisis has given an opportunity to both sides to join hands and set up alternative global supply chains in different products that have been disrupted by the pandemic,” said Sethi.