SYNOPSIS

Dissertation Topic:
EXPLORING THE LANDSCAPE OF API MARKET IN THAILAND

Guided By:

Dr. Ashok Peepliwal
Associate Professor
School of Pharmaceutical Management

IIHMR UNIVERSITY, JAIPUR

Submitted by:

Name: Shanmukh Madapati
Roll Number: 0435

TITLE

EXPLORING THE LANDSCAPE OF API MARKET IN THAILAND

Abstract:

Innovative pharmaceuticals that alter the way various diseases are treated have special qualities that may have an effect on the nation's drug policy as a whole. This study aims to examine Thailand's drug system's shortcomings as well as the current state of biological pharmaceuticals. It has been observed that Thailand's regulations on biological goods have progressed gradually and are currently meeting international standards. Currently, the country is in the process of crafting a new cell therapy act to enhance its oversight of advanced therapeutic pharmaceutical products. API restrictions are not a big deal, but there are still problems with access to expensive, cutting-edge API. In order to reduce costs, increase accessibility, and spur economic growth in Thailand, the Royal Thai Government is actively working to strengthen research and development of API domestically. In the short term, innovative pricing mechanisms for expensive drugs are employed to increase access. The current cold chain system for vaccines has largely created the architecture of the drug's supply chain. To boost Thailand's API medication system, however, human resources development for all sectors throughout the value chain is a critical issue that needs to be addressed

Introduction:

In 2021, the Active Pharmaceutical Ingredients (API) market was worth USD 209.29 million. Over the next five years, it is projected to grow at a CAGR of 6.67 percent, reaching USD 308.34 million by 2027. An active ingredient in a pharmaceutical product is any substance or combination of substances intended for use in the manufacturing of pharmaceuticals. These substances may have pharmacological activity or have other direct effects on the disease's diagnosis, treatment, symptom relief, prevention, or function or structure. The Thai Programming interface market, zeroing in on its development, central members, and arising patterns. It looks at the current size of the market, the regulatory framework, the landscape of competition, supply chain dynamics, and challenges and opportunities. The market's development and job inside the Thai drug industry are pivotal for grasping its future development. In order to guarantee compliance and safeguard the quality of APIs used in medications, the regulatory framework governing their production and import is examined. The effect of administrative arrangements on the business' activities and advancement is additionally investigated. The cutthroat scene is breaking down, uncovering the qualities and shortcomings of significant homegrown and worldwide Programming interface producers and providers. The sourcing strategies, manufacturing procedures, and distribution channels are all examined as part of the supply chain analysis.

Literature Review

The Thai government aims to develop the pharmaceutical sector as a key part of its medical hub industry, which is one of its new S-curve industries. This is part of their plan for a new model of economic development that prioritizes to upgrade technology, innovation, and research and development (R&D). The government has created a policy to make Thailand a major player in the regional medical hub industry (Cabinet resolution, November 17, 2015). Specifically, the development of the pharmaceutical sector is addressed in national drug policies and “The National Drug System Development Strategies for 2020-2022,” with a focus on developing vaccines, chemical drugs, active pharmaceutical ingredients (APIs), API, and herbal extracts. The goal is to increase competitiveness through R&D, reduce imports, boost exports, and enhance the quality of healthcare for the Thai people (National Drug Policy Group, 2021).

The pharmaceutical industry plays a critical role in maintaining a stable supply of medicines and driving economic development. This is due to several factors such as the emergence of new diseases, rising cases of non-communicable diseases (NCDs), an aging population, and technological advancements. The COVID-19 pandemic has highlighted the importance of being prepared for future health crises by having the manufacturing industry ready and promoting partnerships between academia and other countries for the development of medicine, vaccines, and medical supplies. Effective crisis management requires proper planning and policies in place to respond to outbreaks quickly and effectively.

Aim And Objective:

The main aim of this study would be to gain a comprehensive understanding of the current state and future prospects of the API (Active Pharmaceutical Ingredient) market in Thailand.

Objectives:

- **Market size and growth:**
    - Analyze the current size of the Thai API market
    - Assess the historical growth rate of the market
    - Forecast the future growth potential of the API market in Thailand
- **Market segmentation:**
    - Identify the key segments within the Thai API market (e.g., by therapeutic area, API type)
    - Evaluate the size and growth prospects of each segment
- **Competitive landscape:**
    - Identify major players operating in the Thai API market (domestic and international)
    - Analyze their market share, product offerings, and competitive strategies
- **Regulatory environment:**
    - Examine the current regulatory framework governing the API market in Thailand
    - Assess the impact of regulations on API production, import, and export
- **Key drivers and challenges:**
    - Identify the factors driving the growth of the Thai API market (e.g., government initiatives, aging population)
    - Analyze the key challenges faced by the market participants (e.g., intellectual property concerns, competition from low-cost producers)
- **Opportunities and future trends:**
    - Explore potential opportunities for growth in the Thai API market
    - Identify emerging trends that are likely to shape the future of the market (e.g., technological advancements, focus on high-value APIs)

Research Methodology:

Research Questions

- What are challenges and opportunities for Thai API market in coming decade?
- What is the effect of technology and innovations that are having vigilant impact on the Pharma market of Thailand?
- How are the major economic drivers influencing the growth of API market in Thailand?

Objective of study

To study the API industry landscape and assess the capability of Thailand's pharmaceutical industry in the context of the API market in Thailand.

Hypothesis

The study supports dependent variable hypothesis. As it totally depends on the growth of API market in Thailand.

We believe that as regulations become more streamlined across Southeast Asian countries (ASEAN), the Thai API market will experience significant growth. This research will test this hypothesis by looking at how changes in regulations affect the Thai API industry's performance and competitiveness compared to its neighbors. Ultimately, we want to understand how regional integration impacts market growth.

Material and Methods

Study design: Descriptive Type

Setting: It would be primary and secondary research, with the goal of compiling data from Surveys and Questionnaires, Interviews, Observational Studies, Focus Groups,legal documents, regulatory documents, case studies and reports that are already inexistence.

Sample Source: Primary and Secondary Research

Research Approach/Procedure: Qualitative Approach and Quantitative Approach

Conclusion:

As a result, multinational corporations in developed nations with access to a global export market, technological know-how, skilled scientists, and financial resources are the best candidates for such endeavors. This perception lines up with discoveries from the Herfindahl-Hirschman File (HHI) examination, which uncovered that the normal product focus from 2012 to 2021 was roughly 0.21, it isn't exorbitantly high to propose that the commodity fixation. Nonetheless, countries with advanced technology and a significant pharmaceutical production base dominate exports. In Thailand, the drug business transcendently centers around delivering nonexclusive medications once the first licenses terminate, with API immunizations still in early improvement stages. The capacity for technological investment and production, in addition to the level of research, development, and innovation, requires improvement. However, the Coronavirus pandemic has served both as an emergency and an open door, catalyzing progressions in the essential Research and development framework for immunization improvement and creation because of general wellbeing crises. During this time, the public and private sectors, as well as international organizations, worked together in a way that had never been done before. This led to the largest drug development budget in Thailand's history—5,480.22 million baht—funded by the government. The determination of how this R&D advancement will affect the growth of the pharmaceutical industry over the long term remains a significant obstacle.

References:

1. Waranyoo Phoolcharoen, Jittima Amie Luckanagul, Maneewan Suksomtip, Garnpimol C Ritthidej; The Landscape of API Drug System in Thailand; Journal of Health Science 29(special issue):S96-S111; June 2020;Pg No 1-2
https://www.researchgate.net/publication/341903026_The_Landscape_of_API_Drug_System_in_Thailand
2. The study of potential for Indian Pharmaceutical Industry in Thai Market; Centre of academic services; Dec 2016 ; Pg No 1-38
https://embassyofindiabangkok.gov.in/public/assets/pdf/Market%20Survey%20Thailand%20Pharmaceutical%20Industry%202017.pdf
3. APAC Active Pharmaceutical Ingredients Market Research Report; ID: 11470; January, 2024;Pg No-1-4
https://www.marketdataforecast.com/market-reports/apac-api-market