Market Publishers
+357 96 030922
info@marketpublishers.com

Latin America Pharmaceutical Contract Manufacturing Organization - Market Share Analysis, Industry Trends & Statistics, Growth Forecasts (2024 - 2029)

https://marketpublishers.com/r/L146D16E142BEN.html
Date: July 2024
Pages: 111
Price: US$ 4,750.00 (Single User License)
ID: L146D16E142BEN

Abstracts

The Latin America Pharmaceutical Contract Manufacturing Organization Market size is estimated at USD 3.05 billion in 2024, and is expected to reach USD 3.47 billion by 2029, growing at a CAGR of 2.65% during the forecast period (2024-2029).

The low cost of drug registration and the ongoing economic development of Latin American countries are two factors driving the growth of pharmaceuticals in the region. Rising investments in research and development and technological advancements in the pharmaceutical industry boost the contract manufacturing market in Latin America.

Key Highlights

With the increase in the aging population, the prevalence of chronic conditions has also increased, which has boosted pharmaceutical market growth and caused pharmaceutical companies to outsource manufacturing to contract manufacturers in Latin America.

Pharmaceutical companies outsource production for rapid turnaround time, lowered expenses, and revenue growth. The rising inclination of drug manufacturers to focus on core competencies to grow the company's revenue boosts the market's growth. Also, outsourcing manufacturing can accelerate the drug development process for companies, giving them a competitive advantage in the market.

According to the Wisconsin Economic Development Corporation, a government agency, Mexico is the second-largest pharmaceutical market in Latin America and is one of the world's top 15 pharma markets. The Mexican market prefers branded over generic

products, making it an ideal market for licensing innovative medicines. The Mexican market is attracting more international pharma firms and contract manufacturers due to their government initiatives that have improved the country's competitive edge in research and development (R&D), which is likely to increase the availability and affordability of biosimilar medicines in the country.

Additionally, investment in innovative research and development (R&D) equipment, the increasing cost of medical insurance and healthcare along with maintaining drug registration policies and low costs of labor, scientists, raw materials, and preclinical and clinical trials involved in the development of new drug products, many international pharma companies have been drawn to outsourcing their research and development activities to contract manufacturers, thus boosting the market's growth.

However, the current situation discourages investment and presents challenges for PE firms. CMOs that have invested in upgrading their facilities in the past few years are stuck with more expensive debt because variable interest rates have increased for loans. Also, the increasing cost of capital will force companies to limit plans to modernize their plants. This might hinder the market's growth between 2024 and 2029.

Latin America Pharmaceutical Contract Manufacturing Organization Market Trends

The Liquid Dose Formulation Segment is Expected to Witness Growth

Liquid formulations have been used in pharmaceuticals because of their high dosing flexibility, their ability to be swallowed easily, and their ability to act quickly. Most liquid formulations fall into two broad categories: monophasic and biphasic. Within these broad categories are many different dosage forms, such as oral suspension, syrup, solutions, and elixirs. The increasing demand for liquid drug formulations in Latin American countries boosts the market's growth.

The rise in government initiatives in the healthcare field, biologics innovation, and an increase in cancer and age-related disorders are crucial and critical reasons propelling the expansion of the active pharmaceutical ingredient manufacturing market.

Additionally, the Brazilian pharmaceutical and healthcare sector will experience strong demand in the medium and long term as the country's demographics are changing rapidly (the proportion of the population aged 50 and over is projected to rise to 24% by 2030). According to the International Trade Association, Brazil is the largest healthcare market in Latin America, and the industry is price-driven with the benefits of new technologies to boost the market's growth.

Moreover, developing pediatric-specific dosage forms is incredibly challenging due to the many differences between pediatric and adult populations. If the oral dosage form is unsuitable for pediatric patients, the buccal dose form is a good alternative. Children may or may not have the same ability to swallow as adults; however, solid dosage forms are generally difficult for children under the age of 5. It is important to note that children may refuse medication regardless of the size of the tablet if the flavor of the drug is unpleasant. Such factors are expected to fuel the growth of liquid formulations in the region.

Further, owing to the continued usage of liquid dosage formulation in the nasal and ophthalmic sectors, the liquid dosage formulation segment is expected to record stable growth. This growth is backed up by increasing R&D in nasal delivery systems for certain types of diseases and disorders, such as body pain, osteoporosis, and sexual diseases, which is expected to fuel the demand for contract packaging in the pharmaceutical industry.

Out-of-pocket healthcare expenditure in Latin America has declined due to increased government investments in health. The growth on healthcare spending in Argentina, Brazil and Mexico boosts the market growth in the region.

Mexico is Expected to Have a Signification Share in the Market

The Mexican pharmaceutical market is attracting the attention of global pharma companies due to its low production costs and close proximity to the United States.

According to the OECD, the country's healthcare expenditure accounted for 5.5% of the GDP in 2023. The health insurance coverage for vulnerable populations expanded over time, accounting for 89.3% among the OECD countries. This has triggered pharmaceutical companies to look into the Mexican market. However, due to weak support from the government and lower per capita health spending among the Mexican population, there is a significant scope for outsourcing pharmaceutical manufacturing.

Continuous growth in the sales of generic drugs is driving the revenues of the local pharmaceutical contract manufacturers. In addition, significant growth in the Mexican generics market is garnering investments from foreign manufacturers seeking access to

+357 96 030922
info@marketpublishers.com

other Latin American markets through Mexico-based production activities. According to the International Trade Association, Mexico invests in research for biological applications and life sciences, which is a significant growth opportunity for the market.

According to the International Trade Administration, pharmaceutical sales in Mexico were estimated to reach USD 10.83 Billion in 2023. The Mexican government provides affordable, safe, and efficient treatments to the population. Almost 400 laboratories manufacture pharmaceuticals in Mexico, thus boosting market growth.

Latin America Pharmaceutical Contract Manufacturing Organization Industry Overview

The Latin American pharmaceutical contract manufacturing organization market is fragmented. Vendors are expanding across regions and forming strategic and collaborative initiatives with companies to increase their market share and profitability. Some of the recent developments in the market are,

February 2024 - Novo Holdings, a Denmark-based company, announced it would buy the US-based contract drug manufacturing company Catalent. Catalent operates in Latin American countries, including Argentina and Brazil. The acquisition is likely to increase Novo Holdings' manufacturing capability and geographic presence globally.

December 2023 - Acino Pharmaceutical AG, a contract manufacturer in Europe, announced the acquisition of M8 Pharmaceuticals, a biopharmaceutical company in Mexico, to expand the company's pharmaceutical operations in Latin America.

Additional Benefits:

The market estimate (ME) sheet in Excel format

3 months of analyst support

+357 96 030922
info@marketpublishers.com

Contents

1 INTRODUCTION

1.1 Study Assumptions and Market Definition
1.2 Scope of the Study

2 RESEARCH METHODOLOGY

3 EXECUTIVE SUMMARY

4 MARKET DYNAMICS

4.1 Market Overview
4.2 Industry Attractiveness - Porter's Five Forces Analysis
  4.2.1 Bargaining Power of Suppliers
  4.2.2 Bargaining Power of Consumers
  4.2.3 Threat of New Entrants
  4.2.4 Intensity of Competitive Rivalry
  4.2.5 Threat of Substitutes
4.3 Industry Value Chain Analysis
4.4 Market Drivers
  4.4.1 Increasing Prevalence of Chronic Diseases
  4.4.2 Low Manufacturing Costs
4.5 Market Restraints
  4.5.1 Stringent Regulatory Requirements
  4.5.2 Capacity Utilization Issues Affecting the Profitability of CMOs

5 MARKET SEGMENTATION

5.1 Service Type
  5.1.1 Active Pharmaceutical Ingredient (API) Manufacturing
    5.1.1.1 Small Molecule
    5.1.1.2 Large Molecule
    5.1.1.3 High Potency API (HPAPI)
  5.1.2 Finished Dosage Formulation (FDF) Development and Manufacturing
    5.1.2.1 Solid Dose Formulation
      5.1.2.1.1 Tablets
      5.1.2.1.2 Others (Capsules, Powder, etc.)

5.1.2.2 Liquid Dose Formulation
5.1.2.3 Injectable Dose Formulation
5.1.3 Secondary Packaging
5.2 Country
5.2.1 Brazil
5.2.2 Mexico
5.2.3 Argentina

6 COMPETITIVE LANDSCAPE

6.1 Company Profiles
6.1.1 Catalent Inc.
6.1.2 Acino International AG
6.1.3 Thermo Fisher Scientific Inc. (Patheon Inc.)
6.1.4 Boehringer Ingelheim Group
6.1.5 Pfizer CentreSource (Pfizer Inc.)
6.1.6 Lonza Group AG
6.1.7 Famar SA
6.1.8 Baxter Biopharma Solutions (Baxter International Inc.)

7 INVESTMENT ANALYSIS

8 FUTURE OF THE MARKET

+357 96 030922
info@marketpublishers.com

I would like to order

Product name: Latin America Pharmaceutical Contract Manufacturing Organization - Market Share Analysis, Industry Trends & Statistics, Growth Forecasts (2024 - 2029)

Product link: https://marketpublishers.com/r/L146D16E142BEN.html

Price: US$ 4,750.00 (Single User License / Electronic Delivery)

If you want to order Corporate License or Hard Copy, please, contact our Customer Service:
info@marketpublishers.com

Payment

To pay by Credit Card (Visa, MasterCard, American Express, PayPal), please, click button on product page https://marketpublishers.com/r/L146D16E142BEN.html