



Boom expected on medical equipment market in Poland in 2013

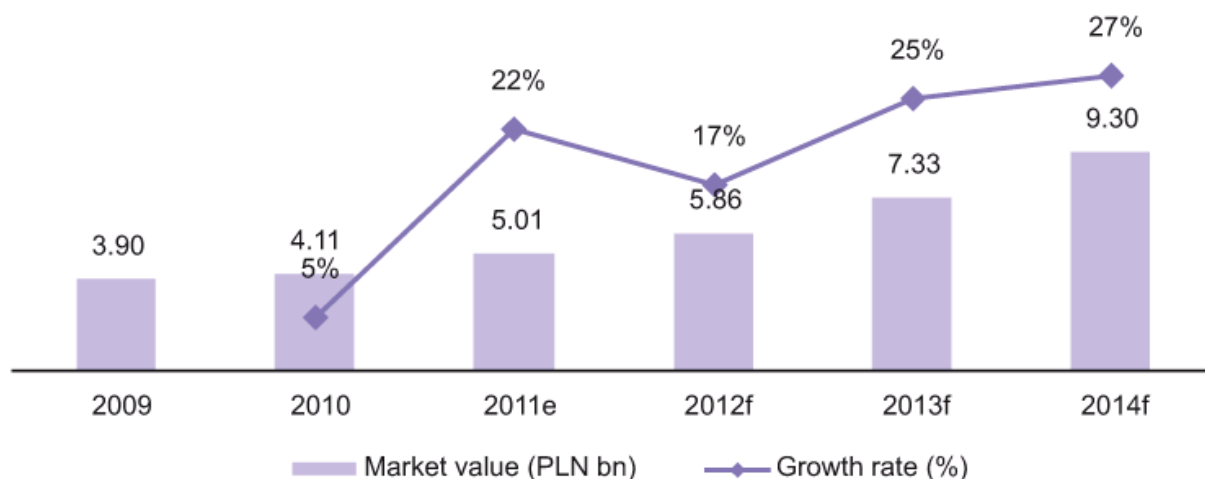
In 2010 the overall Polish medical equipment market grew by 5% year on year. The increase primarily reflected imports, which grew by 6%, to PLN 3.9bn (€1.0bn). According to the most recent PMR report "Medical devices market in Poland 2012. Development forecast for 2012-2014", the market experienced a greater rate of growth in 2011. There was a 30% increase in imports during the first half of the year. It is thought, therefore, that the overall medical equipment market in Poland will grow by more than 20% and that it will be worth more than PLN 5.0bn (€1.2bn) in 2011. Following a temporary slowdown predicted for next year, the market is forecast to enjoy growth of over 25% from 2013 onwards.

Depleting EU funds to constrain market growth in 2012

It is worthy of note that the 5% increase in the value of the medical equipment market in 2010 was one of the least substantial in recent years. The main reasons for this was the global financial crisis.

In 2012 there will be a slight year-on-year reduction in the growth rate of the overall medical equipment market. This will be because of the high base effect and the consumption of EU funding (for example, approximately 90% of the ROP (Regional Operational Programmes) resources have already been exhausted). "We forecast that from 2013 onwards the market's annual growth rates will exceed 25% and that the year-on-year growth rate will rise until 2016, i.e. until healthcare centres have to be categorically adjusted in accordance with European requirements. Optimistic estimates assume that PLN 7bn (€1.6bn) will be spent on medical devices because of these provisions. According to our forecasts, and taking other factors (e.g. the public healthcare debt) into account, there will be an accumulation of investment in 2015-2016." Monika Stefanczyk, Head Pharma & Healthcare PMR Analyst and co-author of the report said.

Value and growth rate of the Polish medical devices market, 2009-2014



e – estimate
f – forecast

Note: excluding thermometers, lenses and eyeglasses frames
Source: report "Medical devices market in Poland 2012. Development forecast for 2012-2014", PMR Publications, 2011

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"One significant characteristic of the Polish medical appliance industry is the fact that Polish medical equipment companies focus on relatively simple devices, whereas most modern equipment has to be imported. For example, with regard to export activity, for the most part, Polish exports rely on medical furniture and lenses, eyeglass frames and other ophthalmologic devices. Catheters, cannulas and other, similar, devices account for

a relatively large proportion of exports.” Agnieszka Skonieczna, Senior Pharma & Healthcare Analyst and co-author of the report explained. Poland does not export, or exports very few, machines which use alpha, beta and gamma rays or ultraviolet and infrared radiation, and the same is true of equipment for dialysis, tomography, nuclear imaging and stimulation of the heart.

The vast potential of X-ray equipment in Poland

One important subgroup of the medical appliances analysed in the report is X-ray equipment. The potential remains substantial because it is estimated that in Poland there are approximately 11,000 analogue X-ray machines which will be successively digitised or replaced by digital X-ray machines.

From 2011 onwards specialist tests of X-ray machines may be carried out only by companies accredited in accordance with the PN-EN ISO 17,025 norm. In the past such tests could be carried out only by companies authorised by the Voivodship Sanitary Inspector. As a result, the cheapest X-ray machine tests were selected, without the quality of the test being taken into account. This is confirmed by the results of an NIK audit of 53 hospitals in Poland. It transpired that almost 88% of the institutions had not ensured the safe use of X-ray machines and had failed to protect employees and patients from the hazards of ionising radiation.

Despite the considerable potential, for the past few years, none of the Polish manufacturers has declared producing machines X-ray machines (with the exception of X-ray generators), according to the GUS. At the same time, the value of imported X-ray equipment, along with spare parts and accessories, is one of the highest among the medical equipment categories. Poland is supplied by other countries. In 2010 imports of such equipment were worth almost PLN 312m (€78m), a 7% year-on-year increase.

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