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# VIETNAM HEALTHTECH REPORT



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# ABOUT US

Established in 1991, the British Chamber of Commerce serves as a crucial platform for driving and enhancing business relationships between the United Kingdom and Vietnam. Focusing operations on the 2 key areas of supporting and acting as a focal point for British business in Vietnam as well as ones looking to enter it. Member activity at the Chamber includes networking, business focused, and charity events, sector working groups, advocacy and online updates/sector reports and much more. The Chamber also offers business services to companies looking to investigate or set up in Vietnam. A range of services from market research to partner finding to company registration can be facilitated through this service.

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# QUARTERLY SECTOR REPORT INTRODUCTION

## INTRODUCTION

The BritCham Quarterly Sector Report is a comprehensive analytical publication dedicated to providing insightful perspectives on diverse industries. Our reports aim to deliver a thorough understanding of market dynamics, trends, and strategic insights.

## PURPOSE

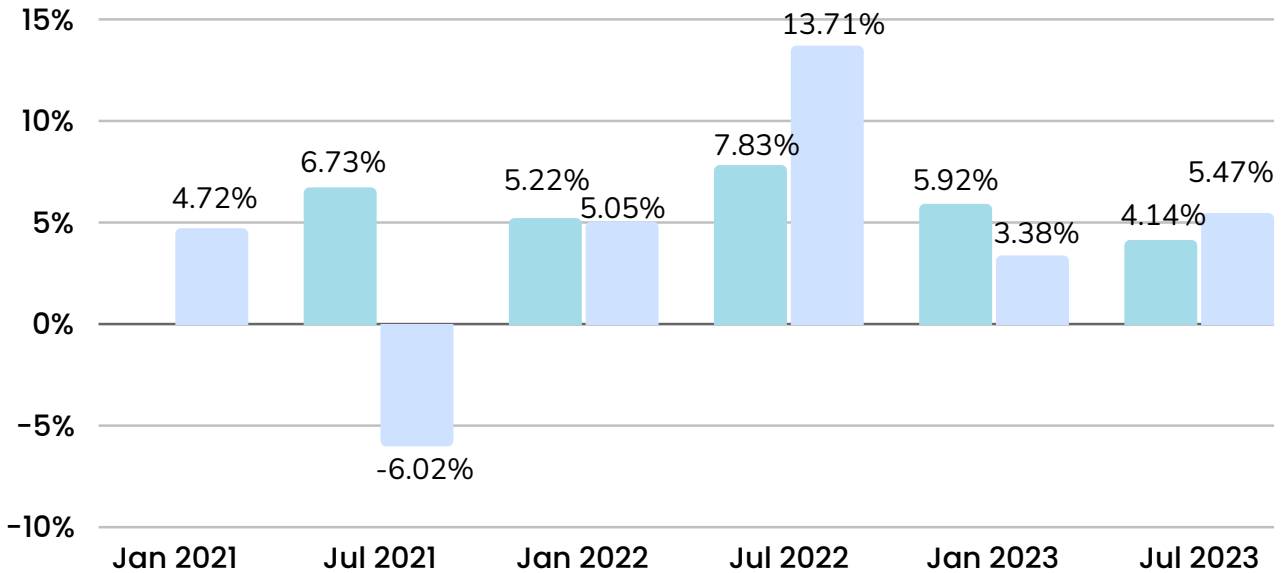
This report series serves to:

- **Offer Insightful Analysis:** Delve into key industry metrics, market trends, challenges, and growth opportunities.
- **Provide Actionable Insights:** Support informed decision-making, strategic planning, and investment considerations.
- **Furnish Timely Information:** Offer up-to-date references on sector landscapes and potential trajectories.

## DISCLAIMER

The information in this report is accurate at the time of publishing . As market conditions evolve, readers are advised to contextualize the insights accordingly. We believe our Quarterly Sector Reports will serve as essential resources for navigating the diverse landscapes of various industries.

# SNAPSHOT OF VIETNAM'S ECONOMY



Vietnam GDP Annual Growth Rate (Until Sep 2023) - TRADING ECONOMICS

According to Trading Economics, in Vietnam, industry and construction constitute the biggest sector of the economy (41 percent of total GDP). Yet, in the past six years the growth in services outpaced significantly all other sectors, and today services account for 37 percent of GDP.

Finally, agriculture, forestry and fishing represent 22 percent of total output.

From the data shown on Statista, it can be referred that in the year 2022, Vietnam recorded a gross domestic product (GDP) of approximately 406.45 billion U.S. dollars. Forecasts predict a notable surge, estimating it to reach 657.28 billion international dollars by the year 2028.

**\$433.36 million**

Vietnam's GDP in current prices (2023) - Statista (2023)

**\$4163.5 billion**

Vietnam's GDP per capita (2022) - World Bank (2023)

# VIETNAM HEALTHTECH OVERVIEW

## Healthcare market size

**5.24%**  
**of GDP**

Expected to be spent on healthcare in Vietnam in 2023



### Healthcare in general

- **Revenue:** US\$135.10m in 2022, and is projected to reach US\$144.20m in 2023.
- **CAGR 2023-2027:** 13.02% (Revenue is expected to show an annual growth rate (CAGR 2023-2027) of 13.02%, resulting in a projected market volume of US\$235.30m by 2027.)



### Digital Health

- **Revenue:** is projected to reach US\$796.90m in 2023.
- **CAGR 2023-2028:** Revenue is expected to show an annual growth rate (CAGR 2023-2028) of 12.55%, resulting in a projected market volume of US\$1,439.00m by 2028.






### Doctors

- **In 2022,** a total of 99.6K doctors across all health establishments in Vietnam.
- **In 2022,** there were 10 doctor per ten thousand inhabitants.

# VIETNAM HEALTHTECH OVERVIEW

## What can healthtech fix?

		Telemedicine	Health information systems	Tracking and notifications
 <b>Access</b>	Geographic and transport barrier	Remote access	Visibility of health stats in remote regions, for improved policies	Track and notify remotely
	Provider shortage	Access online doctors		
 <b>Quality</b>	People centered care	Direct to patient	Comprehensive history and follow up	Personalized health information
	Effectiveness of care			More patient data enables data-driven decisions
	Patient's safety		Ensure drug prescription management	Monitoring patient condition
 <b>Cost</b>	Cost of care	Reduces time associated with seeking care in remote areas	Reduces transaction costs	Reduces cost of no-shows
	Efficient use of resources		Quick access to holistic patient data	Real-time and automatic patient updates

# VIETNAM COMPANIES IN HEALTHTECH

viettel

Telehealth

01

Connects hospitals and remote clinics through video consultations, shared diagnostics, and specialist support.



eDoctor

Know Your Health

02

Users to book a doctor or nurse for medical examinations and medical services in the privacy of their homes



Jio Health

03

Provides various online booking of clinical services and online pharmacy.



docosan

04

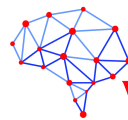
Connects doctors and patients. Which doctors can use to help poorly served citizens.



thuocsi.vn

05

Supports B2B connecting pharmacies and healthcare practices. Currently on a mission to build customer-centric health ecosystems.



VINBRAIN

06

Builds AI radiologist assistants that can provide accurate radiology diagnostics



arable®

07

Provide products that can be used to track sleep and improve sleep quality.

Pharmacy

08

Consists of a network of 293 pharmacies across major cities that are launching online pharmacies.



buymed

09

Their mission is to maximise the potential of technology to solve medical problems that specialise in healthcare and medicine distribution.



10

Has been optimising health experience in Vietnam since mid-2019.

In April 2023, VMED Group launched Scale Vietnam as a platform to support health-tech startups





# THE UNITED KINGDOM IN VIETNAM HEALTHCARE

Despite ranking 15th with \$3.87 billion invested across 400 diverse projects, British investors are making a substantial splash in Vietnam. This significant commitment reflects confidence in the country's economic boom, diversifies Vietnam's investment landscape, and paves the way for job creation, tech advancements, and further economic transformation.



## GSK

Glaxo Smith Kline (GSK) has invested \$3.87 billion in over 400 projects in Vietnam, making them the 15th largest foreign investor in the country.



## AstraZeneca



AstraZeneca is investing VND 7 trillion (US\$310 million) in Vietnam from 2020 to 2030. This includes VND2 trillion (\$103 million) for transferring technology and manufacturing medicines locally.

## Real Capital London

Real Capital London launched a \$156 million Hong Anh Medical Campus project in Ho Chi Minh City. The new healthcare facility will be a state-of-the-art system that will include a 462-bed hospital, a medical training center, general practice clinics and pharmacies, senior residencies, and nursing homes. This will add much-needed facilities and services to Vietnam's healthcare system.



# VIETNAM GOVERNMENT LEGISLATION ON HEALTHTECH



The Ministry of Health's Circular 49 provides Vietnam's telemedicine priorities:



Remote medical advisory



Remote consultation and visual diagnosis



Remote consultation on surgery



Remote training and transfer of medical examination and training techniques

On November 8, 2021, the Vietnamese government issued Decree No. 98/2021/ND-CP on the management of medical devices. This decree took effect on January 1, 2022, and replaced three previous decrees: Decree No. 36/2016/ND-CP, Decree No. 169/2018/ND-CP, and Decree No. 03/2020/ND-CP.

# VIETNAM HEALTHTECH MARKET TRENDS



## Healthcare consumerisation / Telemedicine

- Jio Health and Thuocsi.vn, as pioneering healthcare platforms in Vietnam, revolutionize healthcare delivery by offering accessible and affordable services to empower Vietnamese seeking quality care.
- Jio Health provides a broad spectrum of healthcare services, encompassing online doctor consultations, prescription delivery, and lab testing. This convenience ensures patients access the necessary care without enduring long travels or queues at clinics and hospitals.
- Thuocsi.vn facilitates patients in comparing medication prices and ordering prescriptions from various pharmacies. This platform aids in cost-saving for patients, ensuring they receive medications at optimal prices.
- eDoctor, a healthtech startup, introduces a platform enabling users to conveniently book doctors or nurses for medical examinations and services within the comfort and privacy of their homes.



## Digital Healthcare

Novartis and Ominext Group are working to make healthcare in Vietnam more accessible, affordable, and personalized through digital transformation by developing and implementing innovative digital health solutions that work in the unique Vietnamese context.



## AI Healthcare Applications

VinBrain is developing an AI assistant for radiologists that can provide more accurate radiology diagnostics using cutting-edge AI technology.



## Wearables

HCM City is home Earable, which is a US startup that develops in-ear devices that collect health data. These devices are similar to earbuds, but they include biosensors to track your health.

# VIETNAM HEALTHTECH OPPORTUNITIES



## Unrestricted Investment in Vietnam's Health Tech Market

Encourage and facilitate investments in the burgeoning health tech market without imposing restrictive limitations. This strategic approach enables investors to explore and engage in this evolving sector, fostering innovation and growth.



## British Health Tech Support & AI Training Initiatives

British enterprises have an invaluable opportunity to introduce health tech companies or forge partnerships within Vietnam. They can contribute by offering specialized training to these companies, enabling them to harness the latest advancements in AI technology. This initiative aims not only to enhance the skill sets of local staff but also to bolster consumer trust by utilizing cutting-edge tools for improved healthcare services.



## Unveiling Specialized Healthcare Services in Vietnam

Introducing services into the Vietnamese market that are not widely available currently presents a unique opportunity for British businesses. Particularly, in areas such as chronic disease detection, where innovative approaches or technologies may not have been extensively implemented. By introducing such services, British companies can significantly impact the healthcare landscape in Vietnam, addressing unmet needs and contributing to improved healthcare outcomes for the populace.



# VIETNAM HEALTHTECH CHALLENGES

## Traditional Healthcare Systems Lagging in Adaptability

This indicates that businesses, given substantial investment, could potentially emerge as industry leaders. However, the existing inefficiencies stem from inadequate management practices, prolonged waiting times, and compromised quality and safety standards.

## Scarcity of Medical Devices and Regulatory Hurdles

- There exists a window of opportunity for British businesses to import medical devices, albeit within the confines of regulatory and licensing prerequisites that necessitate establishing legal entities in Vietnam. Consequently, disruption often occurs through local businesses, although governmental encouragement in this area is apparent.
- A recent BMI report highlights that approximately 90 percent of medical equipment in Vietnam is imported, primarily sourced from Korea, PRC, Japan, the United States, and Germany, accounting for 71 percent of these imports.

## Low Consumer Trust and Inadequate Healthtech Staff

Healthtech domains grapple with low consumer confidence and a shortage of adequately trained personnel. Employing AI technologies could significantly mitigate these concerns, or alternatively, British businesses could introduce or partner with health tech companies, imparting crucial training or AI technology to bolster the sector's competence and trustworthiness.

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