

## I Development of policy environment for paclitaxel injection in China

By the end of Jun. 2010, many standards about environmental protection, production safety and application safety had been promulgated in China. Chinese government has strengthened pollution and quality control in paclitaxel industry to safeguard public health and eco-balance. Besides, Chinese government has adjusted export tax rebate rate time and again, aiming to achieve balance of supply and demand in domestic market.

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Table I-2 Paclitaxel export tax rebate, 2005 to now

HS code	Items of each HS code	Type		Export tax rebate adjustments from Jan. 2005 to now		
				Jan., 2005~Aug., 2008	Sep., 2008~Jul. 15 <sup>th</sup> , 2010	Jul.15 <sup>th</sup> , 2010-
■	■	Paclitaxel		■%	■%	■%
	■	Semi synthetic paclitaxel	10-deacetyl paclitaxel (10-DAT)	■%	■%	■%
	■		7-epi-paclitaxel	■%	■%	■%
	■		7-epi-10-deacetyl paclitaxel	■%	■%	■%
■	■	Paclitaxel injection		■%	■%	■%

Source: State Administration of Taxation

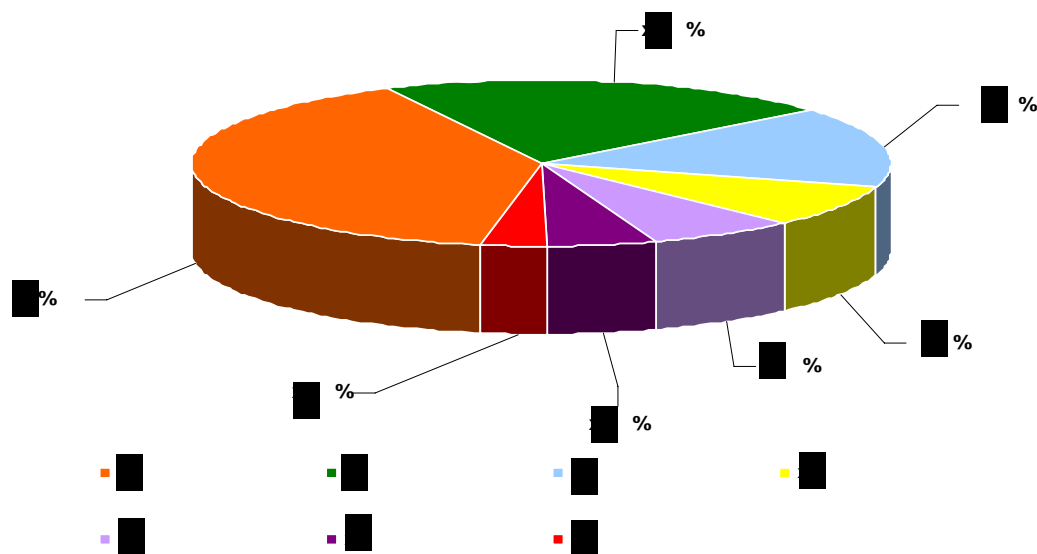
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### IV-1.3 Sales value and market concentration of pharmaceutical distribution business in China

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Regional disparity of China's economy leads to the status quo of the pharmaceutical distribution business in different regions. According to a report issued by China Association of Pharmaceutical Commerce (CAPC) in 2009, pharmaceutical distribution is mainly concentrated in China's relatively developed regions like East China, North China and South China accounting for ■% market share in 2009.

Figure IV-1.2.2 Market share of pharmaceutical distribution business in China by sales value, 2009



Source: China Association of Pharmaceutical Commerce

2003-now, the sales value and the market concentration of pharmaceutical distribution business increased year on year in China.

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The sales value of pharmaceutical distribution business has increased from USD █ million in 2003 to USD █ million in 2009 with CAGR of █%, due to the rapid development of China's economy and national health care reform.

Table IV-1.3.1 Sales value of pharmaceutical distribution companies in China, 2003-2009

Year	Sales value (million, USD)	Growth Rate
2003	█	█%
2004	█	█%
2005	█	█%
2006	█	█%
2007	█	█%
2008	█	█%
2009	█	█%
CAGR, 2003-2009	█%	-

Source: CCM International