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Big pharma to drive R&D innovation with $4.4 bn

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Singapore: The European Commission (EC) and other leading pharma giants have come together to invest $4.4 billion into programs that would be focused on innovation in the health sector over the next 10 years.

The main aim of this is to help in the advancement of new antibiotics and develop treatments for major health risks like Alzheimer's disease. These funds would further help in the advancement of the second phase of the Innovative Medicines Initiative (IMI) that resulted in about 40 projects involving pharma companies, universities and others. The initiative that began in 2007 will now have a IMI2 version that will aim at enticing corporate investments in the field of pharma in EU countries.

The EU has further said that since Europe's pharma sector faces strong competition from US and emerging markets in Asia, the IMI program comes at the right time. The EC has targeted pharma and four other tech-driven industries as the focus of $22 billion in research spending, with the help of industry, to create badly needed jobs in EU countries.

"The EU must remain a leader in strategic global technology sectors that provide high quality jobs. This innovation investment package combines public and private funding to do just that. This is a perfect demonstration of the leverage effect of the EU budget for growth and jobs," JosÃ?Æ?Ã?Â© Manuel Barroso, president of the EC, said in a statement

The IMI2 program is expected to launch in January 2014 and last through 2024. The initiative will involve the European Federation of Pharmaceutical Industries and Associations, whose members include Novartis, Sanofi, GlaxoSmithKline and most of the world's largest drugmakers.