

Innovation is the key to drive pharma industry in China

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In 13th five-year plan, China has highlighted innovation as the key to drive healthcare industry. What are plans of pharmaceutical companies to drive innovation that complements the nation's strategy?

China is currently leading in production and export of raw materials and it is important for China pharmaceutical companies to develop new raw materials and drugs. One challenge of China pharmaceutical companies is that the production of raw material is far ahead the development of drugs. We need to balance the output and final product. Therefore, in the next five years, we are looking at increasing strength in formulation industry. Even the government affirms that China is already a leading manufacturer of raw material and the next focus should be on developing new raw materials for new drugs.

What are the new products that China pharmaceutical companies intends to develop in next five-year?

Our industry should focus on developing drugs that are going to be in demand in future such as slow release formulations, advance drug delivery methods, targeted therapy, and others.

China has a large population and we have a strong demand of drug. China needs to produce lot of drugs and import from other countries as well. Multinational companies have established themselves in China through joint ventures and that has led China to learn a lot about advance technologies that they brought along.

If ideas are to be exchanged, what would China intend to adapt from countries like India and Singapore?

China can learn from India on several aspects such as expanding in international market, registration and regulatory process. Singapore has very strong base of international companies and we would like to build similar relations with global world. As a part of China delegate, I have visited Singapore and was impressed by the infrastructure and management of international companies. China government wants its companies to learn from Singapore. Singapore has Chinese as well as English speaking population and this is a great advantage to collaborate.

What are the main challenges for China pharmaceutical industry?

The biggest challenge that China is facing is lack of innovation. We want innovation to be the key driving factor in China but that needs lot of investment and the return cycle is long. Due to the risks involved, investors shy away from investing in pharma industry.

Another biggest challenge for pharma industry is that the quality standard of international pharma product is very high which the local china companies are unable to match with. Even the quality and efficacy of generics drugs is not the same as of international standard. To compete in the global market, they must raise their standards.

We also have environmental challenge. Since China is a heavy producer of raw material, it has also become one of the main contributors to environmental hazards and pollution. Also, the pharmaceutical companies are facing pricing pressure. They don't get enough support from government and the cost of raw material is rising, however, the price of final products is decreasing.