South Korea's comprehensive plan to boost BT sector

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The South Korean health Ministry recently rolled out a list of measures to fuel the country's already burgeoning biotech sector. The comprehensive plan that aimed to make Korea a global biotech giant was announced by the Ministry of Health and Welfare, finalized in a meeting presided over by Prime Minister Hwang Kyo-ahn.

As per the plan, South Korea aims to become a global biotech and medical industry hub by investing more in research and development (R&D) on medicine, medical devices and cosmetics.

To further provide an impetus to the clinical trials industry, First, the government has rolled out plans that will offer higher tax benefits and incentives for clinical trials of indigenous drugs and investment on R&D facilities, officials said As per the government forecast 940,000 new jobs will be created by 2020 in the industry that is widely viewed as the nation's next growth engine after IT.

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"The government plans to support various measures so that our products in medical, medical instruments and cosmetics sectors would lead the global market where there is fierce competition," said a health ministry official.

In a bid to foster R&D, the government said that it expand the R&D budget for the development of various medical devices and put effort into improving distribution channels to further foster exports. To further enhance competitiveness, the government plans to increase the number of homegrown drugs from the current three to 17 by 2020. Also, the government plans to expand support to local drug firms in an aim to expand the number of generic drugs from five in 2015 to 10 by 2020, officials said.

The ministry said it will support expanding R&D investment in anti-aging products and other cosmetics. The Ministry officials also mentioned that the government plans to support various measures so that Korean products in medical, medical instruments and cosmetics sectors would lead the global market where there is fierce competition.

The ministry will expand the R&D budget for the development of stem cell and gene therapy as well as create funds to support bio startups. The government said it aims to commercialize stem cell research to further apply to patients by streamlining relevant policies and paperwork.

The ministry also rolled out measures to expand the growth of precision medicine, one of nine strategic projects announced earlier by the government aimed at securing the nation's new growth engines and enhancing the quality of life for the general populace. The government plans to build the necessary infrastructure, attract top-level laboratories including top-notch universities and talented researchers and create a system for joint research and development activities,
The central government said that it will provide key facilities and devices essential for developing new drugs and medical equipment that are too expensive for individual companies and laboratories to buy themselves.

With the measures, the government plans to increase the 'healthy life' expectancy from 73 in 2015 to 76 in 2025, officials said.

As per industry data, the combined exports of medicine, medical instruments and cosmetics jumped to 9.3 trillion won (US$8.5 billion) in 2015 from 4.7 trillion won in 2011, The number of people working in the industry also jumped to 760,000 in 2015 from 620,000 in 2011, according to the data.

"The global bio-health industry is forecast to increase by 5.3 percent annually from 2015 to 2010 to become almost $11 trillion," said a ministry official. "South Korea will be able to grow into the global powerhouse with good manpower and technology."

The local bio-health industry only accounts for 1.4 percent of the global market, data showed. However, the local industry is forecast to log an annual 5.7 percent growth by 2020.