

## Heartening Trends

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The Indo-US nuclear agreement signed by President Bush and Prime Minister Manmohan Singh has attracted a lot of media attention since the historic July 18 event at Washington DC. There are several other important developments on the sidelines which may benefit the biotechnology sector in the long run.

The India-US High Technology Cooperation Group (HTCG), set up after the then Prime Minister Vajpayee's US visit, has emerged a major forum to initiate mutually beneficial programs between the countries and biotech is one of the four chosen areas. The HTCG group in biotech has played a major role in initiating the regulatory reforms in India and also expedited changes in the IPR regime.

Both India and the US have agreed to build on the work by the HTCG to sign a Science and Technology Framework Agreement to provide for joint research and training, and set up public-private partnerships.

HTCG has been pushing for two key actions from the US side. One, to ease the restrictions on the transfer of biological materials from the US to India. It may happen soon and this would facilitate the growth of India's clinical research industry. Current restrictions, due to the potential for using some of these biological materials for making weapons, has stymied the growth of this sector.

Two, the Indian side has been pushing for US acceptance of clinical trials done in India for home-made products. This would

reduce the enormous costs involved in conducting clinical trials of India-made drugs while seeking marketing rights in the US.

Science & Technology Minister Kapil Sibal has made a strong case for these beneficial actions during the last HTCG meeting in Washington in June and Indian biotech delegation, led by the CII and FICCI, too have made effective arguments in favor of these actions. Given the strong commitment of President Bush and Prime Minister Singh to "support and accelerate economic growth in both countries through greater trade, investment and technology collaboration", the biotech industry's demand may be met by the US agencies soon.

While the governments are doing their bit, how is the Indian industry making things happen on its own. This issue of BioSpectrum has two special reports on the trends in investments in bio manufacturing and also how Indian biotech and pharma companies are gradually increasing their R&D spends. Both these activities are crucial if Indian companies have to make a global play.

One of India's biotech pioneers, Varaprasad Reddy of Shantha Biotechnics estimates that Indian companies have invested nearly Rs 1000 crore in bio manufacturing in recent years. It may be small on a global scale but it is a major step in the Indian context. On the research front too, the investments are increasing rapidly as Indian entrepreneurs look to take advantage of the increasing global interest in the country.

The global interest is evident in another major development. The Japan Science and Technology Agency (JST) has widened its net and committed to fund a joint research project with the National Center for Biological Sciences (NCBS), Bangalore. This is the first-ever such funding of an Indian project by the JST and it in fact plans to step up its engagements with India by opening an office in New Delhi. Heartening things, indeed, are happening in Indian biotech.