

News Details

India emerging as vaccine hub

Feb 28, 2004

Three key industry players inoculate the idea of the country making big strides in the field

India is slated to play a leading role in the vaccine market of the world even as Asia starts to become the vaccine hub of the world. The \$8 billion global vaccine market is expected grow to about \$ 10 billion by 2010.

On the second day of the three-day BioAsia 2004 summit in the city, three key players in the vaccines market in the country – Shantha Biotechnics, Bharat Biotech and Indian Immunologicals – predicted that India was increasingly positioning itself as an emerging leader in the global vaccines market.

Addressing a session on 'Vaccine industry in Asia: A look at the growth perspective', Varaprasad Reddy, managing director of Shantha Biotechnics, said that the relatively lower costs in manufacturing and research and development, the ability to produce and develop high quality vaccines, the lower costs of clinical trials, a large pool of scientists and skilled manpower and increasing local demand were fast turning Asia into a favourite hub for vaccine development and manufacturing.

There was also a high potential for contract services by Asian vaccine manufacturers in areas like basic research, molecular cloning and gene expression, development of cell lines for vaccines, fermentation and purification processes, clinical trials and manufacturing, he said.

Giving a break-up of the vaccine industry worldwide and in Asia, K V Balasubramaniam, managing director of Indian Immunologicals, said that the global vaccine market was around \$8 billion which is only two per cent of the global pharmaceutical market. The human vaccines segment accounts for \$6 billion, with an annual growth of 10 per cent, while the \$2 billion veterinary segment is growing at a rate of four per cent a year, he said.

While the US continues to account for 40 per cent of the vaccine market, the vaccine market size is expected to touch \$10 billion by 2010. Asia consumes 13 per cent of global human vaccines and 20 per cent of animal vaccines. Home to 60 per cent of the world population and groaning under a heavy disease burden, the Asian continent, nevertheless, could inspire to a global hub for vaccines, Balasubramaniam observed.

Key drivers of this phenomenon were a large pool of scientific talent, higher investments in research, new investments in quality infrastructure and new strategic-alliances, he said.

Sounding a note of caution Shantha Biotech's Reddy pointed out that factors like safety perceptions, the downward pressure on prices, lack of effective regulatory system to facilitate timely clearance, lack of transparency and quality of vaccines could derail Asia's march. Reddy advocated the setting up of an Asian Federation of Drug Administration on the lines of USFDA for the vaccine industry to tap the opportunity that existed in the industrialized countries.

On the challenges for the Asian vaccine industry, he pointed out that poor support from national governments and venture funds for R&D; in the industry and the lack of accurate long-term demand forecasting was affecting the profitability of players in the industry.

Earlier, Bharat Biotech chairman and managing director Krishna M Ella said the real threat to Asian countries was the high and large incidence of diseases which were pulling down their economics.

Partnerships between companies in the developed and developing world, Ella said, could contribute much to global health by way of sharing of knowledge and cost reductions. Among the major challenges for the Asian vaccine manufacturers, he pointed out, were extension of bio-generic vaccine patents, material transfer agreements (strains), combination of vaccines, monopolization of technology by a handful of companies, and super biogenerics, ie, novel deliveries.

Explaining the changes in the marketing scenario of vaccines, he said regional diseases were turning global due to travel. Global agencies like WHO were exerting better influence on countries to go in for mass vaccinations. Predicting that malarial vaccines would be a reality soon, Ella pointed to the possibility of HIV vaccine candidates.