OPPI

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Article:
The government is committed to making India one of the world's leading destinations for end-to-end drug discovery and innovation by 2020. Although India has achieved the distinction of being the world's No. 1 supplier of low-cost generic medicines, in recent years, a toxic brew of misguided government policy and shortsighted business practices has crippled our efforts to become a drug discovery and innovation powerhouse, even while jeopardising our access to foreign markets due to quality issues .

2013 has been a year with mixed blessings and some policy decisions taken this year are likely to have farreaching impact on the future of the pharmaceutical industry in India. In March this year, the Intellectual Property Appellate Board upheld the compulsory licence (CL) issued for the manufacture and sale of a generic version of Bayer's Nexavar in India citing affordability and product access as the reasons for the decision. While the grant of a CL is justified in a national emergency, broadening the scope to affordability can result in abuse of this provision and be counterproductive to pharmaceutical innovation in India. CL must remain the exception rather than the rule.

On the upside, after much deliberation, the government ruled in favour of 100% foreign direct investment in the pharmaceutical industry. This is a positive move and will allow India to invest in R&D, enhance local capabilities and find solutions to endemic health problems. 2013 also saw the success of several public-private partnerships between government and MNCs in the pharmaceutical industry.

Such partnerships hold great potential when it comes to larger healthcare access in India.

However, the crisis in the clinical research industry that peaked this year needs to be resolved without delay. India has the potential to become a global hub for clinical trials and banning trials for new chemical entities, unless vetted by the Union health secretary, is not the answer. To grow, both in terms of value and volume, India needs to strengthen its commercial capabilities, realise its R&D prowess and collaborate with stakeholders within and outside the industry to drive access and shape the market.

Three years ago, the then-President Pratibha Patil declared this to be India's "Decade of Innovation". However, we have since lost sight of an important fact: promoting innovation means protecting our innovators and creators, attracting world-class R&D, and creating and sustaining high-quality future jobs through robust protection of intellectual property (IP) rights.

Today, India is primarily a branded generics supplier with limited focus on innovation and research. While we excel at developing copies of offpatent drugs, we lag far behind other member-countries of the World Trade Organization in new drug development.

India experienced a significant increase in the number of patents granted and in force immediately following the implementation of the TRIPS agreement in 2005, but since then, there has been a pronounced fall. This fall coincides with a wider weakening of India's IP environment and hurts domestic inventors as well as foreign companies.

This shows that while India is potentially well-placed to lead in R&D, it has in the past lacked the will to build on this potential. India has some of the finest minds available for research. It has a well-developed pharmaceutical industry that can ably support R&D but for many complex reasons, this has not happened. The time to set things right is now and India is taking the right steps in this direction.