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News

Arrotex's vax, mAb, pill park 07.08.2020

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Australian pharmaceutical generics entrepreneur Dennis Bastas has formally pitched his proposal to build a \$1.5 billion medicines technology park in Australia to two parliamentary enquiries and two federal ministers, expanding his original concept to include vaccines and biologics alongside 120 generic medicines.

The extensive submission, handed to two federal joint parliamentary committees, Health Minister Greg Hunt and Industry Minister Karen Andrews on Wednesday, details Arrotex CEO and chairman Dennis Bastas' vision, first outlined in May, to [turn Australia into a medicines manufacturing hub](#).

Titled 'The Australian Medicines and Vaccines Manufacturing Initiative', the submission has been obtained exclusively by **Pharma in Focus** after being developed with input from National COVID-19 Commission chair Neville Power and commissioner and former health secretary Jane Halton, along with other industry experts.

The ambitious joint public-private funding proposal outlines three phases of development leading to "construction of a world-class pharmaceutical manufacturing and development technology park" by the end of 2022.

"This is estimated to cost \$1 billion - \$1.5 billion, depending on the number of APIs and vaccines that are deemed necessary for production," it says. "This can be scaled up or down, as required."

While the technology park would produce the active pharmaceutical ingredients required for 120 of the generic medicines which Arrotex specialises in, Bastas has expanded his initial proposal to cover manufacturing of vaccines, monoclonal antibodies (mAbs), vials and pre-filled syringes, and oral tablets and capsules.

Confidential costings on each element were provided to the government and COVID-19 Commission, with Bastas saying "it demonstrates a strong return on investment to taxpayers".

"This sovereign public-private investment vehicle will be initially supported by the Australian Government, superannuation funds, the pharmaceutical industry and other foreign investors," the proposal says.

"It will be cost neutral in that the government's investment will offset the need for an expensive stockpile of medicines, many of which have a short shelf life.

"This can also apply to all state governments and territories who can also access the facility when they need to, rather than waste taxpayers' money on stockpiling medicines they may never need or use."

The Arrotex proposal is to use a "mix of private and public funds to build a new state of the art manufacturing and technology park, and to support deeper collaboration between the industry, medical researchers and regulators such as the TGA".

"If implemented as intended, we envisage that by the end of 2022, Australia will be capable of locally producing the most vital 120 medicines and vaccines for Australian patients, in the first instance, and then for export, in the second."

The proposal says COVID-19 has "pulled the curtain back on the risks of Australia being so completely dependent on major trading partners of China, India and United States to deliver to us those vital medicines Australians need".

"Importing more than 90 per cent of our vital medicines is no longer the economically sage approach it was pre-COVID-19. Nor is it in our national security interest," the proposal states.



Bastas' vision is for the park to also provide a facility where Australian researchers can test batch manufacture their own discoveries, enabling them to retain their patents through to commercialisation rather than selling them "to foreign big pharma or venture capitalists".

"This world-class facility can be accessed by the government in times of any future pandemic to produce - as demanded - the additional medicines and vaccines we need," the proposal says.

"We believe this initiative will create jobs, provide sovereign strength against any future global shocks, boost our export complexity, protect our national interests and is well aligned to the government's agenda of developing an economy-boosting advanced technology sector.

"As a company that knows both the domestic and international markets, Arrotex is well placed to help deliver a blueprint for the Australian Government with consultation with both international and national stakeholders, prescribers, pharmacists and patient groups."

Megan Brodie

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