

Big boost for biotech firms

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KUALA LUMPUR: The Government will encourage biotechnology companies to expand their horizons in research and development for commercialisation, Prime Minister Datuk Seri Abdullah Ahmad Badawi said.

"Under the Ninth Malaysia Plan, the Government has allocated RM2bil for biotechnology and life sciences for R&D and industry development.

"Greater emphasis was placed on commercialisation," the prime minister said in his speech before launching the Malaysia Bio Industry Organisation (MBio) 2006 here yesterday.

Abdullah said this year also saw the full establishment of the Malaysian Life Sciences Capital fund with US\$150mil

(RM525mil) in committed funds.

He said the fund was ready to begin identifying and nurturing, and creating value for local biotechnology companies.

"With the creation of this fund, we expect to catalyse the growth of a new pioneering batch of Malaysian biotechnology companies. It is hoped that this batch will provide the critical mass to generate further waves of industry creation in the future," he said.

Abdullah said Malaysia was still in the initial stages of biotechnology development.

"But with the convergence of these measures, I trust and believe that we will soon see the fruits of our labour," he said.

Much more remained to be done as an ongoing mission,

such as the development of human capital and the strengthening of Malaysia's capacity for innovation, Abdullah said.

He said this year also saw the establishment of the bio nexus status, a special designation for biotech companies that qualifies them to receive special tax incentive grants and other forms of support.

At the function, Abdullah also announced the first batch of bio nexus status companies.

They are Malaysian Bio Diagnostic Research Sdn Bhd, KL Biotech Manufacturing Sdn Bhd, Vivantis Technologies Sdn Bhd, Nova Laboratories Sdn Bhd, The Asiatic Centre for Genome Technology Sdn Bhd and Innobiologics Sdn Bhd.