

China intensifies pharma corruption battle

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Singapore: For over 12 months now, China has been cracking down on big pharma giants operating in the country and has become serious about corruption allegations.

Even as China ended the ten-month long investigation and charged executives of British drugmaker GlaxoSmithKline with corruption this month, many others big pharma giants have been brought under the purview of graft probes too. GSK on the other hand has said that it is closely co-operating with Chinese authorities.

Hangzhou city in China reportedly intensified its crackdown on graft in the healthcare sector after the local government sent out an internal memo, putting more pressure on global drugmakers operating in the country.

Meanwhile, it was reported that the office of Swiss drugmaker Roche Holding was raided by police authorities in Hangzhou and computer drives and documents were taken by the police for investigation. Roche said in a statement that the company had learnt about the local police visit from its Hangzhou office and that the details remained unclear but it would fully cooperate with the government agency's procedure. Roche's Nanjing office too was also reportedly being investigated by local authorities but the company denied such rumors.

The Health and Family Planning Commission of Zhejiang province is said to have issued a notice aimed at correcting the misconduct of pharmaceutical companies. After this, the US global pharmaceutical firm Eli Lilly and Company, Swedish-British multinational AstraZeneca and Danish firm Novo Nordisk have allegedly been found guilty of paying kickbacks.

A news report said that the city's health bureau has ordered healthcare departments to carry out internal compliance probes before the end of June and to report any kickbacks they had received.

Last year, soon after the GSK scandal broke out, Chinese authorities visited global drugmakers including Novo Nordisk, Novartis, AstraZeneca, Sanofi, Eli Lilly and Bayer as part of a broad investigation into the sector.