

China fines pharma firm \$1.3 billion in vaccine scandal

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Chinese authorities have slapped penalties totalling a whopping \$1.3 billion on a pharmaceutical company over a vaccine scandal that fuelled public fears of domestically-made medicine, drug regulators said Tuesday.

The massive fine and asset seizure is the latest move by authorities to punish Changchun Changsheng Biotechnology company, based in northeast Jilin province, over the faulty rabies vaccine.

The firm's chairwoman and 14 other people were arrested in connection with the scandal in July, while more than a dozen national, provincial and local officials have been sacked.

The manufacturer of rabies vaccines was ordered to cease production after it was found to have fabricated records.

Authorities say the suspect rabies vaccines did not enter the market. But the case provoked outrage from consumers fed up with recurring product-safety scandals, particularly in the drug sector.

The company was handed a fine and asset seizure totalling 9.1 billion yuan (\$1.3 billion), the China National Drug Administration (CNDA) Jilin Food and Drug Administration said Tuesday.

The amount includes the forfeiture of 1.89 billion yuan in revenue from the sale of the vaccine.

The company is accused of wrongly mixing stock solutions, modifying centrifuges, and "destroying hard drives and evidence to conceal illegal actions", the regulators said in a joint statement.

'Vile and shocking'

China is regularly hit by scandals involving sub-par or toxic food, drugs and other products, despite repeated promises by the government to address the problem.

After the latest case came to light, the authorities announced a nationwide inspection of laboratories producing vaccines.

But many Chinese parents say they no longer have confidence in the medicines administered to their children.

During the height of the scandal, clinics in Hong Kong saw a run on their vaccine stocks by worried parents from the mainland.

A dozen people protested outside the health ministry in Beijing in late July, shouting "legislation for vaccines is imperative! Handle this properly and responsibly!"

President Xi Jinping described the vaccine scandal as "vile" and "shocking" in July while Premier Li Keqiang said the latest case had crossed a "line of human ethics".

Several senior officials from the drug regulatory agency as well as top Jilin government officials were sacked over the scandal.

In August, India ordered a recall of rabies vaccines made by Changchun Changsheng and complained that it only found out about possible problems through media reports.

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