

## 2026-27 PRE-BUDGET SUBMISSION

30 January 2026

AusBiotech and MTPConnect welcome the opportunity to make a pre-Budget submission for the 2026-27 Federal Budget to establish a BioBridge for the life sciences between Australia and the United Kingdom (UK) under the auspices of the Australia-United Kingdom Free Trade Agreement (A-UKFTA).

### Recommendation

The Australian Government provides the necessary scaffolding and resourcing to establish a BioBridge for the life sciences sector between Australia and the UK, leveraging existing mechanisms and structures where possible e.g., Austrade's UK Landing Pad program in London and TradeStart program.

### Background information

On 8-9 April 2024, Australia and the UK held the inaugural Strategic Innovation Dialogue (SID) in London. This put into practice the commitments made under the Innovation Chapter of the A-UKFTA, the first such chapter in the world. Discussions focussed on priority areas, including future health, with a view to encouraging further science, research, commercialisation and trade collaboration. On future health, discussions focussed on strategies for commercialising innovation in biotechnology, highlighting advances in complex precision medicines and materials technology, as well as greater regulatory harmonisation and supply chain resilience.

Australia and the UK outlined their existing health research networks and agreed to explore the potential for a 'biobridge' between our countries to expedite new and innovative medicines, diagnostics, and therapeutics to market. This was confirmed in a "side letter" to Australia from the UK Government under the FTA and was reiterated by the Australian Government in their response. There is, therefore, a need to start delivering on the relevant commitments within the SID, noting that the next SID is due to be held in Australia later this year.

### Why partner with the UK?

Australia and the UK are natural collaborators in life sciences. We share a strong science, public health and manufacturing foundation with complementary biotechnology services communities. For this reason, the scope of the A-UKFTA includes medicines, biologicals / advanced therapy medicinal products, and medical devices.

Both Australia and the UK exist in a competitive global market for investment, export partnership, and skills. In addition, shifting trade dynamics, supply chain pressures, ageing

populations, and new health challenges, as well as the rapid pace of innovation, is placing more importance on the need for strengthening and diversifying global collaborations.

In a time of global market uncertainty, aligning and facilitating life science commercialisation between the countries will open new market partnership opportunities, attract private and foreign investment and support SME scale-up, while strengthening supply chains and high-value jobs that will enhance national competitiveness, productivity and potential health system efficiency in both countries.

The proposed BioBridge will build upon the strong existing relationships and knowledge sharing between the two countries, including the Access Consortium between our healthcare regulators – the Therapeutic Goods Administration (TGA) and Medicines and Healthcare products Regulatory Agency (MHRA). The goal of the BioBridge will be to provide a two-way, low-friction bridge to streamline existing government schemes in Australia and the UK and enable the fastest routes to patient trials and approvals by leveraging the best infrastructure, services and assets each nation has to offer. It will seek to:

- Accelerate trade and multijurisdictional development and commercialisation.
- Lower barriers to innovation and help generate value and company growth.
- Deliver faster and improved health and economic outcomes for both countries.

It is envisaged the BioBridge would commence with a three year pilot that would allow for development, establishment and rollout of the initiative and enable the value of the program to be evaluated and to determine where any changes may be necessary to ensure it meets the needs of Australian biotechnology and medtech companies – and is delivering a return on investment for the Federal Government. Metrics for the pilot would be developed in consultation with the Department of Industry, Science and Resources. They would likely be primarily focused on the trade and economic benefits e.g., new multijurisdictional clinical trials initiative, international venture capital funding leveraged, and services revenue from Australian and UK companies involved in the BioBridge.

## **BioBridge priority areas**

Throughout 2025 AusBiotech and MTPConnect conducted extensive industry engagement, with both Australian and UK biotechnology companies, to gauge the level of interest and appetite to utilise a 'BioBridge' between Australia and the UK.

AusBiotech also undertook bi-lateral engagement with the UK, with both the Medicines Discovery Catapult and the MHRA, as well as Australia's TGA. Feedback from our stakeholder engagement revealed a strong interest and desire to see a 'BioBridge' set up to help expedite the commercialisation of new health products, with a particular focus on the following two areas:

1. Landing pads and concierge services:

- Facilitates access for visiting biotechnology and medtech companies to dedicated landing pads, including existing infrastructure, resources and expertise e.g., clinical trial facilities, funding, and concierge services.
- Utilises and expands existing national initiatives, e.g., Austrade's UK Landing Pad program in London that currently supports Australian technology scaleups and equips innovators with a deeper understanding of UK market opportunities and helps them to refine their value proposition and market entry strategy.
- Concierges will introduce biotechnology or medtech companies to 1-2 potential landing pads and identify relevant multijurisdictional services providers.

2. Regulatory alignment:

- Joint advisory sessions with regulators to ensure designs are acceptable and replicable across jurisdictions.
- Leverage the goals of the Access Consortium to enable closer regulatory alignment e.g., common dossiers for each market, which undergo the same review, at the same time to provide regulatory outcomes that are more consistent across both markets and maximise speed to market.

## Focus areas

The following suggested areas have shared international interest and gaps that can be filled by multijurisdictional R&D. They are not exhaustive.

- Radiopharmaceuticals
- Cell and gene (advanced) therapies, including nanomedicines
- Women's health
- Biosecurity, including antimicrobial resistance (AMR)
- Vaccines

## Conclusion

As highlighted in the Innovation Chapter of the A-UKFTA, there is a strong case for establishing a BioBridge between Australia and the UK. Not only does it have the potential to help deliver faster access to innovative therapies, but it also promises to strengthen trade ties between two long-standing and close allies.

At a time of increasing geopolitical and trade tensions, rising rates of complex and chronic diseases and increasing global competition for investment, the time is right to move to establish a three-year BioBridge pilot. Australian Government funding of a BioBridge would also enable Australia to capitalise on our growing expertise in the life sciences and improve pathways to commercialisation for Australian innovations.