

Production and Commercialization of Herbal and Medicinal Plants: Success Stories of Two Home-grown Companies & Herbal Industries in Malaysia: Private Sectors' Involvement

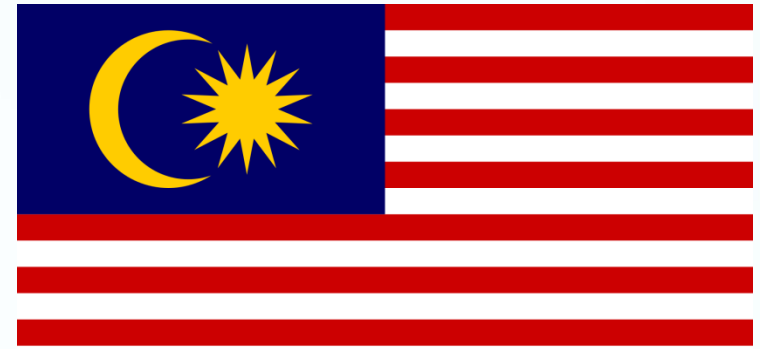
**Chee Beng Jin & Mastura Mohtar (PhD)
Natural Product Division
Forest Research Institute Malaysia
(FRIM)**



**INSTITUT PENYELIDIKAN PERHUTANAN MALAYSIA
*Forest Research Institute Malaysia***

ISO 9001 : 2008
www.frim.gov.my

Contents :-



- Herbal Industry in Malaysia
- Production and Commercialization of Herbal & Medicinal Plants
(FA Herbs Sdn Bhd & Bioalpha Holdings Sdn Bhd)
- Private sector's Involvement in Herbal Industry
(Bioeconomy Corporation, SIRIM Berhad, Technology Park Malaysia & Argobank)



Herbal Industry in Malaysia

- Identified as key source of income generation in the National Agro-Food Policy 2011-2020
- Production of herbs at 17,000 metric ton (2010) to 73,000 metric ton (2020)
- Plantation area of 1000 hectare (2010) to 4000 hectare (2020)
- National Key Economic Area in the Agricultural Sector
- “unlocking value from Malaysia’s biodiversity through high-value herbal product”



Production and Commercialization of Herbal & Medicinal Plants



- FA Herbs started at home in 1990 (Mr Mohamad Faisal Ahmad Fadzil, Mdm Faridah Ahmad Fadzil and Mdm Fauziah Ahmad Fadzil)
- Move into a make shift factory behind the house in 1994
- GMP factory in Kuala Selangor in 1999, on a 7 acres industrial land

- A product name
- “Originated from the traditional knowledge of our mother (Hajjah Siti Fatimah Sheikh Salleh), who learned from our father’s great auntie who is the Royal Midwife of the Perak Royal Family”



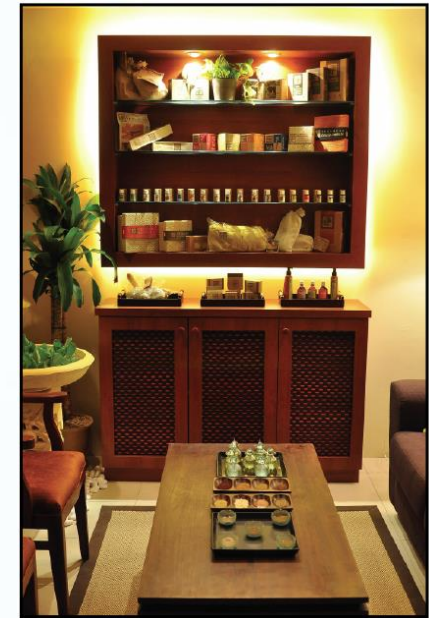
Tanamera Products :-

- Aromatherapy products
- Body care
- Body liquid soap
- Food supplements
- Hair care
- Herbal soap
- Herbal teas
- Herbal sachets
- Skin care
- Toiletries



Uniqueness :-

- The first and probably only natural personal care product from Malaysia which uses natural preservative complex
- Premium and Halal Certified
- Award Winning locally and internationally
- Vegetarian and vegan certified by the oldest and the most respected Vegetarian society in the world (The Vegetarian Society UK – 1847)
- A unique concept of traditional + tropical + halal + natural product



TANAMERA AWARDS & RECOGNITIONS



**They are slowly expanding their reach internationally.
Where they are now?**



**Traditional Knowledge and Preparation with
Global Acceptance**



Production and Commercialization of Herbal & Medicinal Plants



- 2005, involved in all levels of the value chain from the agricultural, research and development, manufacturing, marketing, retail distribution
- Manufacturing health supplement products as an Original Design Manufacturer as well as house brands (Apotec & Nushine)
- These products cover a wide array of : -
 - (1) processed herbs,
 - (2) formulated ingredients, as well as herbal and non-herbal supplements,
- offering a host of different health benefits, from general maintenance as well as enhancing vitality, to specific functions like improving blood circulation or addressing respiratory issues.



Processed Herbs

- Cultivation, farming and contract farming of herbal and non-herbal plants
- These processed herbs are then used in our manufacturing of finished and semi-finished health supplement products, and any excess processed herbs which are not used in their manufacturing process are sold to customers.
- To date, they are able to plant and/or harvest close to 20 species of herbal plants



Pasir Raja, Terengganu



Desaru, Johor Bahru

Formulated Ingredients

R&D (Fermentation and Formulation Technology) Outlook for Indigenous Mushrooms

- Production and sale of nutraceutical raw material to other nutraceutical and functional food product manufacturers



Cordyceps sinensis



Lignosus rhinocerus

Original Design Manufacturer

- Formulate various premium health products in the forms of tablet, capsule, sachet, teabag & liquid.



Tablet



Capsule



Sachet



Teabag



Liquid

House Brands

nushine 



apotec 



www.frim.gov.my





Integrated Health Supplement Company !

**Agricultural
Development**

**Research &
Development**

Manufacturing

Marketing

Pharmacy



Upstream activities

Downstream activities



Private sectors' Involvement in Herbal Industry

Economic Transformation Programme 2010



Involvement of the private sector is vital to ensure economic growth

The herbal industry which encompasses medicinal and aromatic plants (MAPs) covers a very broad scope of economic sub-sector activities such as health and dietary supplements, functional food and drinks, skin cares and spa, phyto-pharmaceuticals, and other herbs-based products and by-products

Private sectors' Involvement in Herbal Industry



Vision:

To enhance the economic, health and social well-being of the nation

Mission:

To lead the economic development of the bio-based industry in Malaysia

- Bioeconomy Corporation was formerly known as Malaysian Biotechnology Corporation Sdn Bhd which was created as the lead agency responsible for the coordinated implementation of the National Biotechnology Policy (NBP) in 2005
- Now it is the lead development agency for bio-based industry in Malaysia under the purview of Ministry of Science, Technology and Innovation (MOSTI)
- Governed by the Biotechnology Implementation Council
- Advised by the Bioeconomy International Advisory Panel - chaired by our Honorable Prime Minister





Bioeconomy Corporation help clients to source for specific Research & Development & Commercialisation needs including testing services, facilities, expertise, and technical trainings through our network of BioNexus Partners (BNP) laboratories from renown universities, research institutes, government-linked companies and commercial laboratories from all regions of Malaysia.



- BioNexus is a special status awarded to qualified international and Malaysian biotechnology companies. The status bestows fiscal incentives, grants and other guarantees to assist growth. This status is awarded to qualified companies undertaking value-added biotechnology and/or life sciences activities.
- Apart from the overall benefits and support, BioNexus companies are assured a list of privileges as stipulated in the BioNexus Bill of Guarantee



Private sectors' Involvement in Herbal Industry



Vision:

A Premier Total Solution Provider in Quality and Technology Innovation

Mission:

As A leader in Quality and Technology Development

- SIRIM Berhad is a premier industrial research and technology organization wholly owned by the Ministry of Finance Incorporated
- More than 40 years of experience and expertise to serve the industrial sector including the herbal industry
- Helps to deliver customized technology and solution to the industry
- Helps to enhance business growth and competitiveness
- Facilitates trade, enhances health, environment, safety and customer confidence through quality, standards and conformity assessment
- Plays active role in local industry and international standards development





The Industrial Biotechnology Research Centre of SIRIM Berhad, offers consultation and testing services to industry to fulfill their need to deliver high quality products that are safe and comply to current regulatory requirements



Some of the offered services

- Adulteration test
- Irritation tests
- Natural Product Profiling for herbal extracts
- Tests for regulatory requirement for cosmetic products

Private sectors' Involvement in Herbal Industry



Vision:

To be a world class Technology Park that drives the national innovation and knowledge-based economy for wealth creation and societal well-being

Mission:

- Facilitate & nurture knowledge based enterprise by providing expertise, facilities, equipment and support services
- Facilitate R & D, innovation and commercialization activities by providing advanced infrastructure, equipment and facilities
- Promote and stimulate intellectual, creative and innovative community for the development of knowledge based economy by creating a conducive Technology Park environment
- Facilitate government and private sector smart partnership in technology development & commercialization of research results
- Provide a platform for the establishment of strategic business & technology linkages between research institutions, academia, financial community and industry both local and global





Technology Park Malaysia (TPM) in Bukit Jalil



- TPM Biotech Sdn Bhd was established in 2004 as a fully owned subsidiary company of TPM.
- Two divisions were established (Herbal Biotech Centre) in Raub, Pahang and in Perlis
- Support herbal industry by serving as processing center where all semi-finished and finished herbal based products are produced



Private sectors' Involvement in Herbal Industry



Sentiasa di Sisi Anda

Vision:

To be a leading bank with a focus on agriculture

Mission:

- To provide market and client-driven financial services in financially sustainable way with specific target groups (Agropreneurs, micro, small and medium entrepreneurs, and private individuals)

A financial institution for the agricultural sector

- 1969, formerly known as Bank Pertanian Malaysia
- Having 186 branches throughout Malaysia
- Dedicated to finance the agricultural sector which is driven by the policy set by the Ministry of Agriculture and Agro-Based Industry
- Has over 40 years of excellent track record in shaping and developing successful entrepreneurs



AGROBANK IN SUPPORTING GOVERNMENT POLICY

National Agrofood Policy 2011 - 2020

Ensure food security and safety
Increase competitiveness and sustainability of agrofood industry
Develop high value agriculture industry for economic impact
Modernise the industry with R & D and new technologies



Agrobank has been the market leader in providing access to financing for the agrofood industry

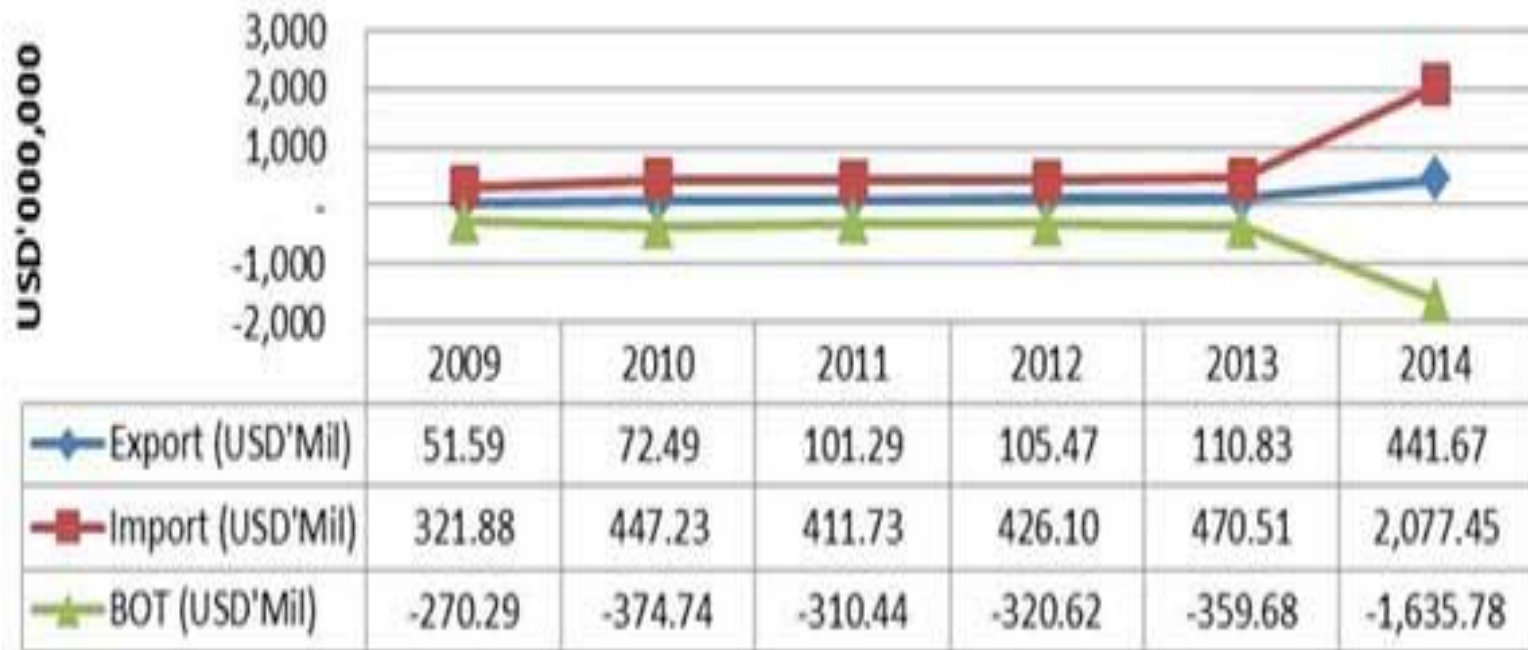


Total financing in year 2015
Of
RM2.75 bil



Trends of Herbal Import and Export

Import and Export Trend of Herbs (2009 - 2014)

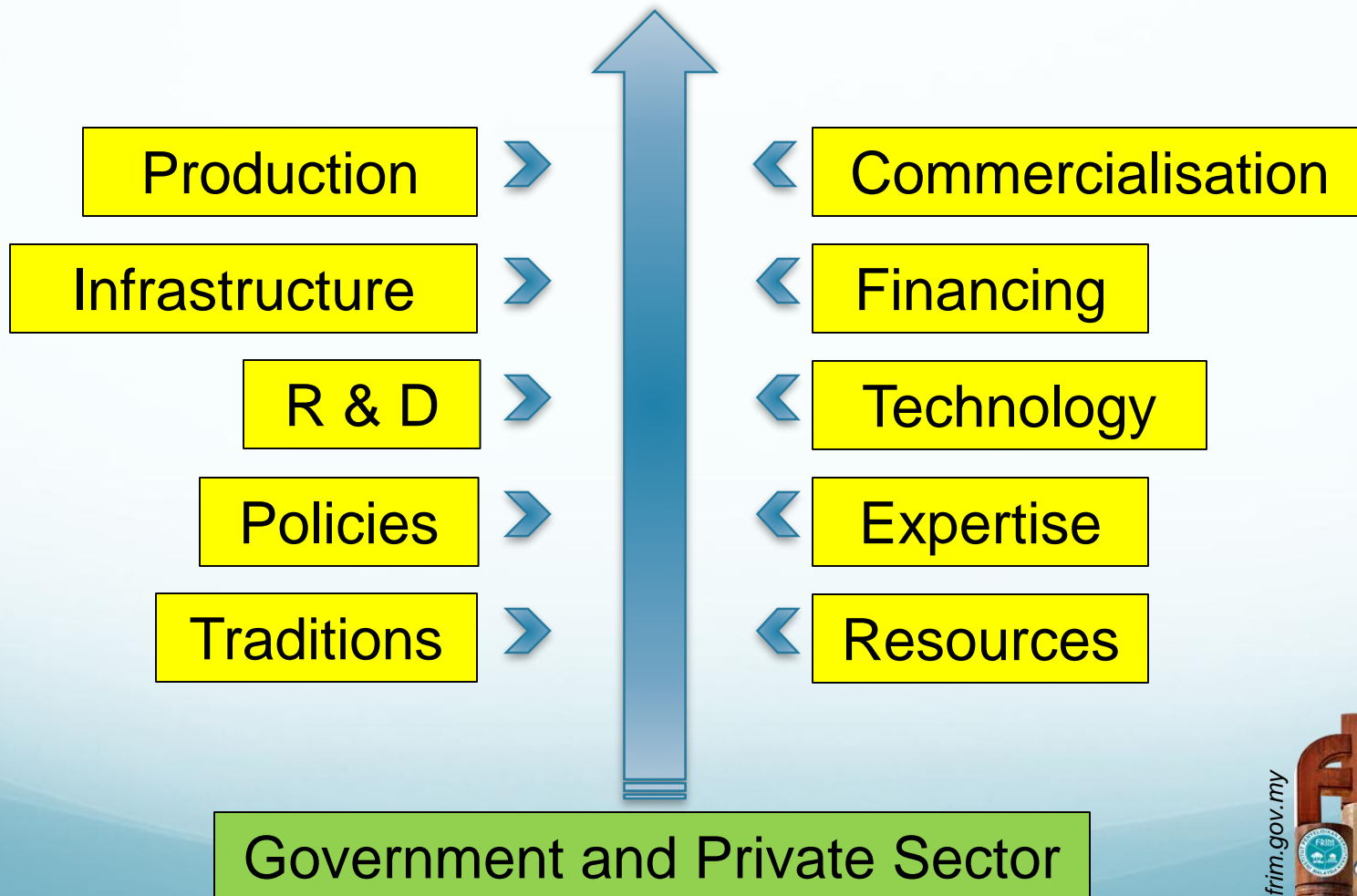


Source: Comtrade Database 2015

- Rapid development of herbal industry in Malaysia
- Malaysia is a net importer of herbal materials
- Golden opportunity for local herbal industry to grow
- It is timely for Malaysia to have a comprehensive plan to gradually reduce import and increase export

Conclusion

The Success of Herbal Industry in Malaysia



Thank You.
Terima kasih.

