GIFT GLOBAL INSTITUTE FOR TOMORRO

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Tradition Meets Innovation: Advancing Regional Healthcare Access Through Traditional and Complementary Medicine

Recommendation for Establishing a Regional Hub for Traditional and Complementary Medicine in Asia

Executive Summary

Project Report | Asia Young Leaders Programme 2024

Background

The Asia Young Leaders Programme (AYLP) is GIFT's flagship experiential leadership development programme. It is designed for future leaders across public and private sectors across Asia to think critically about the drivers of change in the 21st century and to develop new business models that address the defining challenges of our times.

During AYLP, a group of 16 participants representing 7 countries convened in Malaysia, as well as Shanghai and Zhejiang Province, China, for stakeholder meetings and site visits to gather insights that informed them on their development of a proposal for a Regional Hub for Traditional and Complementary Medicine.

The highlights of their proposal were presented at GIFT's Public Forum on 15th November 2024 at the Shanghai University of Traditional Chinese Medicine, attended by close to 100 participants.

GIFT would like to extend our gratitude to everyone who contributed their valuable time and effort to make this report possible. A special thanks to the National Administration of Traditional Chinese Medicine of China (NATCM) for partnering with us on this programme.

Project Background

Global Healthcare Challenge

Access to essential healthcare remains a global challenge. Despite progress in health coverage over two decades, 4.5 billion people remain vulnerable to health shocks. The COVID-19 pandemic reversed many public health gains, particularly in infectious disease management. Universal health coverage (UHC)—ensuring access to quality care without financial hardship—remains unattainable for most.

In many Asian and African countries, healthcare inequalities are worsened by insufficient professionals and limited facilities, especially in rural areas. People often travel long distances for basic care due to clinic and doctor shortages. Overburdened health systems, strained infrastructure, and rising costs make advanced treatments inaccessible for much of Asia.

The ageing population adds urgency to the crisis. By 2050, over 60% of the world's 2.1 billion elderly will live in Asia, driving demand for long-term care and higher healthcare spending. The pandemic exposed systemic flaws, underscoring the need for comprehensive, equitable solutions.

Traditional and Complementary Medicine (T&CM)

T&CM embodies ancient healing wisdom, emphasising balance between mind, body, and spirit through nature-based remedies, lifestyle modifications, and holistic techniques. Moving beyond symptom management, it addresses root causes of illness and promotes lifelong wellbeing. Widely used for wellness, pain management, and chronic conditions, T&CM proved invaluable during the COVID-19 pandemic by bridging healthcare gaps.

Given its potential and rich history, T&CM presents a viable approach to addressing diverse health needs and advancing UHC in the region.

Project Scope

Despite T&CM's vast potential, T&CM remains largely unrecognised in contemporary healthcare systems in the region.

To bridge gaps and unlock the full potential of T&CM in Asia, a cross-sectoral platform is urgently needed to convene resources and optimise development across all industries and T&CM institutes.

The objective of the project is to propose the development of a Regional Hub for T&CM that drives regional healthcare cooperation, promotes and scales T&CM practices, and thereby improve healthcare access.

Leveraging on the insights gathered on the practice of Traditional Chinese Medicine in China, the project seeks to unify various T&CM practices through the creation of a Regional Hub to produce recommendations that consider the existing initiatives and challenges faced by stakeholders across Asia, policies and regulations relevant to T&CM development, the feasibility and scalability of proposed model, and key activities of the Regional Hub.

The Regional Hub

The vision of the Regional Hub is to be a global Centre of Excellence (CoE) for the preservation, promotion, and integration of T&CM in Asia, while investing in innovation and advancing accessibility to primary healthcare for all.

It is recommended that Malaysia, China, India, Singapore, and the ASEAN bloc be the founding members of the Regional Hub, as they have demonstrated a commitment to championing T&CM as a healthcare solution.

In addition to providing initial funding, the founding members will serve as key supporters, granting the mandate and resources necessary for the Regional Hub's operations.

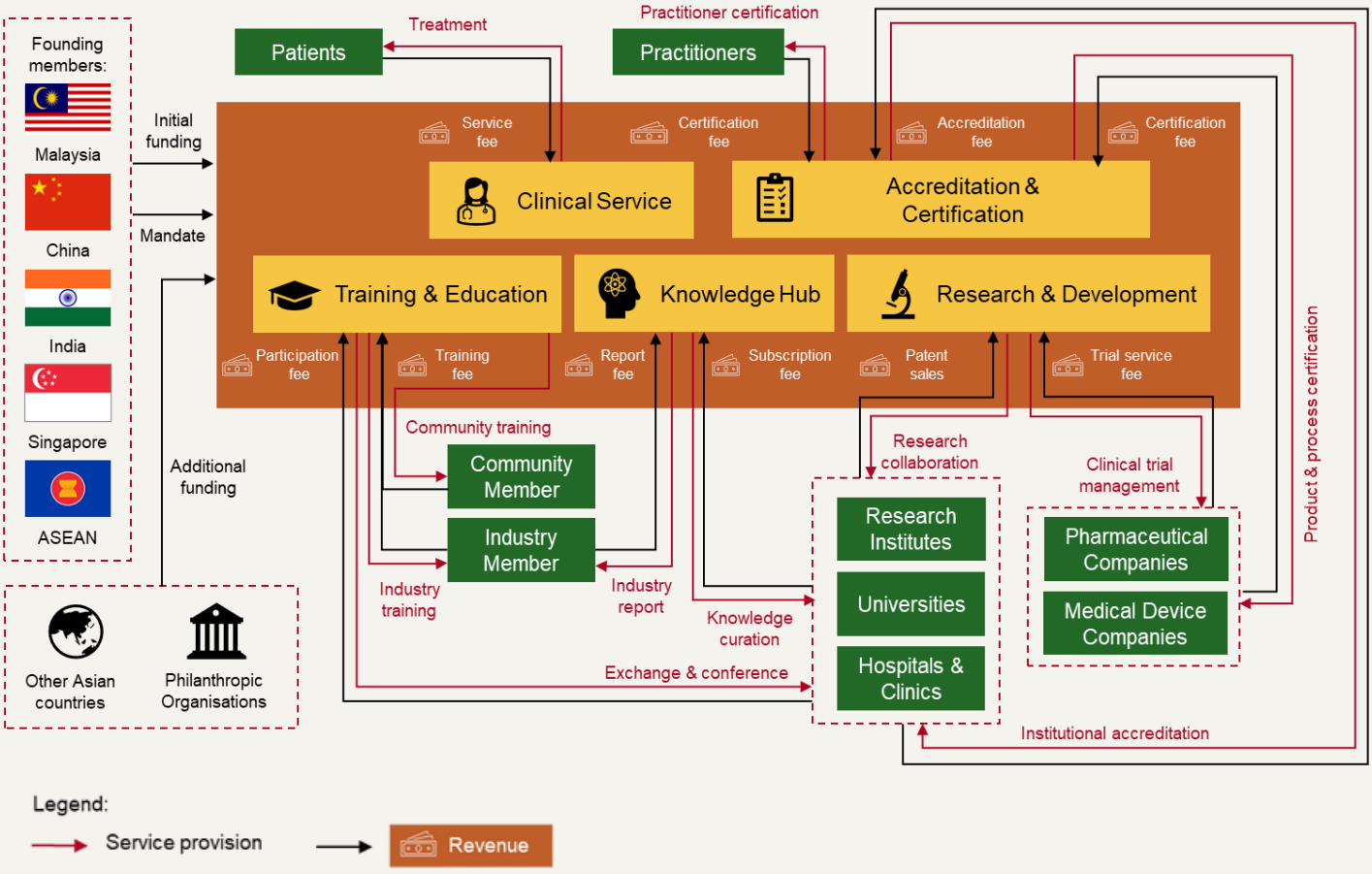
The Regional Hub will convene and engage with diverse stakeholders across the T&CM ecosystem, including public institutions, private entities, and community representatives.

The Regional Hub will operate as a non-profit organisation which aims to advance the development of T&CM in Asia by addressing key bottlenecks through five core services.

Location

Regional Hub will be established in Johor state, Malaysia, given its ample land availability, robust industrial base, affordable costs, and strategic proximity to international hubs like Singapore.

Operating Model



Key Services

The Regional Hub will provide five key services that are interdependent to systemically improve the access to T&CM in the region. Each service will address specific challenge in T&CM development while generating revenue to sustain the operation of the Regional Hub.

Service	Description
Clinical Service	The Regional Hub will provide clinical services through a world-class T&CM Hospital, delivering integrated care across the three stages of disease management: preventative & wellness, clinical treatment, and post-treatment care.
Accreditation & Certification	Upon the establishment of accreditation and certification standards through the Standards Steering Committee, the Regional Hub will provide independent certification and accreditation for T&CM activities
Research & Development	The Regional Hub will feature an R&D Department that functions to accelerate the conversion basic scientific inquiry into tangible solutions for human health improvement. It will provide clinical trial management and research collaboration.
Knowledge Hub	The Regional Hub will establish a Knowledge Hub that acts as a central data library for T&CM information and practices for the purpose of resource sharing and knowledge preservation. It will house a knowledge repository, directory, and pharmacopoeia.
Training & Education	The Academic Department of the Regional is a nexus that connects leading academic institutions, industries, and subject matter experts. It complements existing education pathways by providing capacity building, exchange opportunities, and conference platform.

Synergy of Services

Each service offered is designed to address specific challenges in T&CM development while simultaneously fostering innovation in related areas. This creates a web of synergies that drives continuous advancement in T&CM through resource sharing, knowledge exchange, and clinical application. Additionally, these efforts will generate sustainable revenue to support the ongoing operations of the Regional Hub.

Policies and Standards

The Regional Hub will establish strategic partnerships with intergovernmental organisations, such as ASEAN, and initiate a Standards Steering Committee to undertake standards development work which underpins the policy recommendations. The Regional Hub will play the following roles:

Policy Coordination

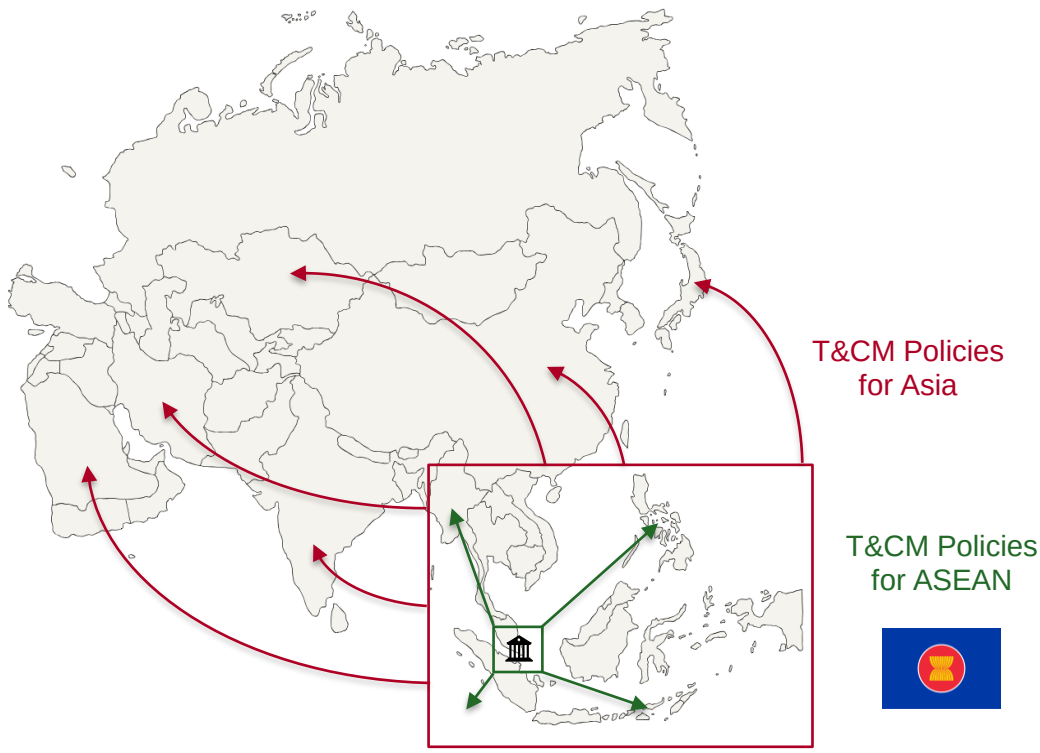
Serve as a liaison between national T&CM bodies and the ASEAN Secretariat, facilitating consensus-building on regional standards.

Regulatory Harmonisation

Assist in drafting model regulations or guidelines that could be adapted by Member States, streamlining the regulatory landscape across the region.

Capacity Building

Develop training programmes for regulators, practitioners, and policymakers across ASEAN to build capacity for implementing harmonised standards



Enabling Policies

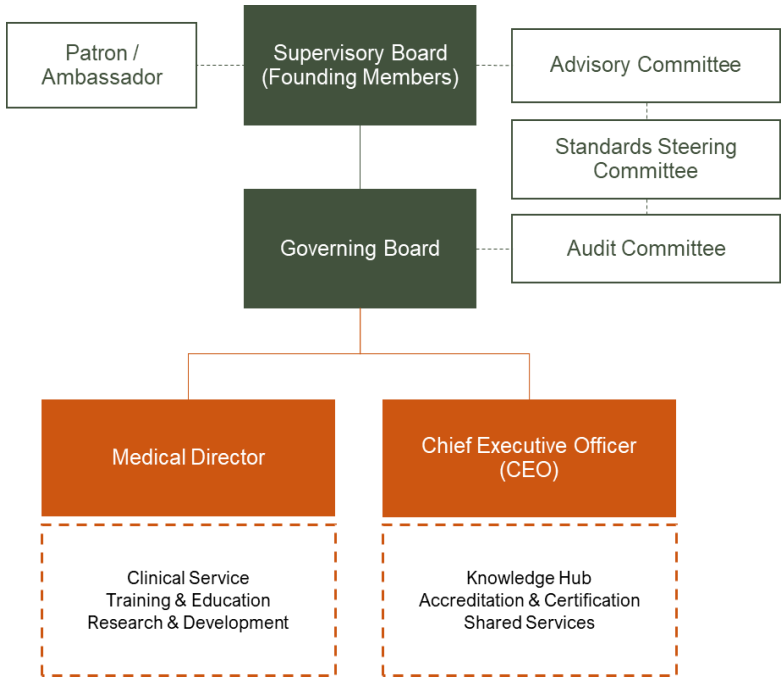
Five policy recommendations are proposed, addressing various aspects of T&CM standards and policies harmonisation:

- **Product Quality Assurance:** Harmonise quality assurance process and standards for T&CM products in the region. This includes labelling, GMP processes, and certification criteria.
- **Facility Accreditation:** Evaluate and accredit service facilities for service safety and quality with consideration of unique equipment and service provided by each T&CM.
- **Professional License Recognition:** Establish mutual license recognition and streamline pathways from T&CM programmes to national licensing, making it easier for practitioners to work across the region.
- **Standardised Nomenclature:** Implement standardised nomenclature system for herbs, materials, products, and procedures for each T&CM in the region. The system should account for the conceptual framework unique to each T&CM.
- **Common Referral System:** Establish and streamline patient referral system that enable horizontal transfers across T&CM service providers within and outside of the country.

Harmonised policies and enhanced regulation will lead to a coordinated approach in regional T&CM development, enabling initiatives such as T&CM insurance coverage, UHC scheme expansion, and modern medicine integration.

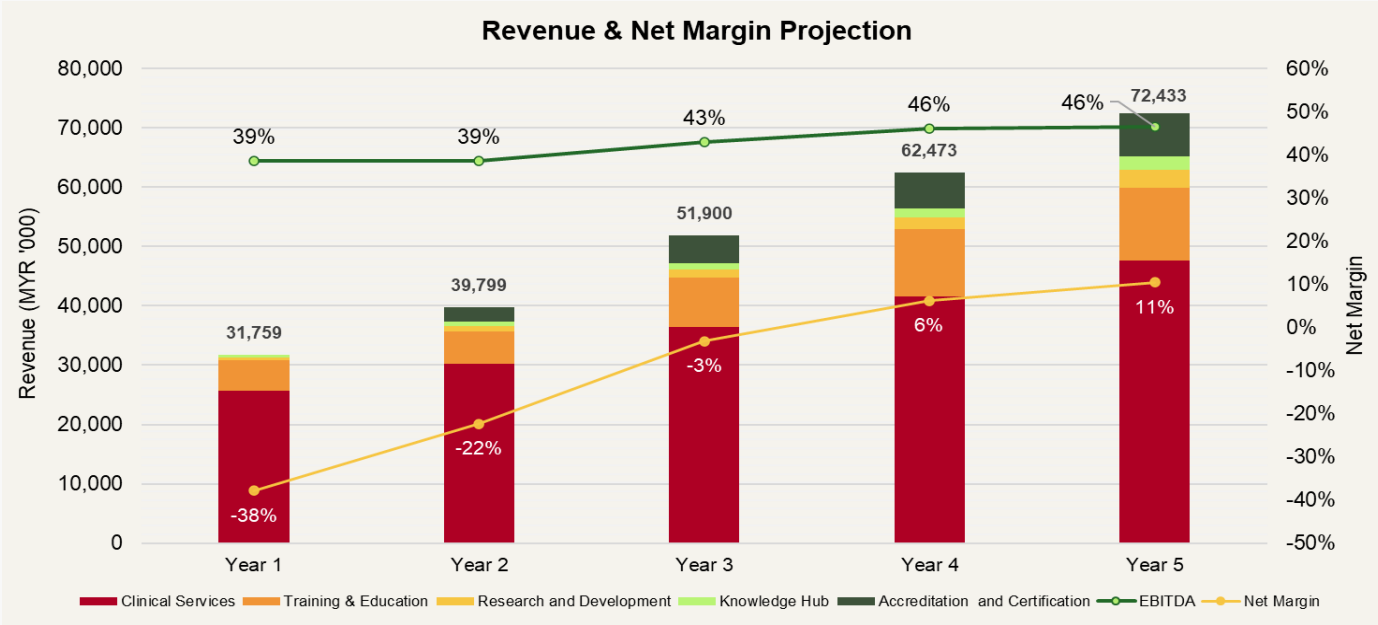
Structure of Regional Hub

The Regional Hub will be governed by Supervisory Board and Governing Board with support from other bodies. There will be two executive branches led by the CEO and Medical Director, respectively.



Financial Analysis

The establishment of the Regional Hub will require an initial funding of MYR 400 million (approx. USD 90 mil), which will be provided by the founding member countries. Through its key services, the Regional Hub will generate a direct revenue of MYR 31 mil in Year 1 (approx. USD 6.95 mil) with an average annual growth rate of 19% in the first 5 years. Additional revenue will come from annual contribution from member countries and philanthropic organisations. The Regional Hub targets to breakeven by Year 4 and to be profitable in the following years.



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