STUDY ON THE DEVELOPMENT OF INTERNATIONAL HERBAL HUB OF THAILAND WITH GOOD GOVERNANCE

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Abstract— Thailand as a top travel destination Medical Tourism of the world, as recognized by Bloomberg, not only western medicine, but also Thai traditional and alternative Medicine which play important roles for being the Medical Hub, especially Thai massage, spa and Thai herb. In order to be Herbal Center of Asia, this research was carried out that aim to propose policies recommendation for the public sector in order to set up country strategy to be the Center of Thai Herbal Products in this region. By using method of qualitative research, using literature review, in-depth interview and focus group discussion with experts who are representatives from public offices involved and stakeholders from private sectors, in order to gather information, participatory ideas, and comments on key questions and make a conclusion and suggestions on the study issue. The study has found that there are various situations that hinder the development of Thailand to be the Center of Thai Herbal Products i.e. the country lack of the law dealing specifically with Thai herbal products, the identity and direction for development that base on fashion demand. The other problems are the lack of efficient administration and management process, contamination of herbal raw materials with chemicals, the lack of government agency systematically responsible for the regulation, control, supervision, and certification of the quality of herbal products. Moreover, there are inadequate numbers of government officials for products certification. On the demand side, the market and consumption of herbal products is limited to the consumers who appreciate the value of herbs. The 4 strategic recommendations focus on promoting the country to be 1) the production sources of chemical contaminant-free herbal materials, 2) the trader of quality herbal products that meet international standards with efficient administration and management system, 3) the center of comprehensive herbal education and the fourth recommendation focuses on moral and professional ethics as the basis of worker qualification and promotes the use of the principles of legitimacy and equality on the legislation and enforcement of the laws in order to equally protect the rights of all parties concerned. This study also proposes 20 tactics for the implementation that cover the development of all stakeholders that aim to solve every problem encountered in order to achieve the goal. Details of the study are elaborated in this research report.

Index Terms— Medical Hub, Herbal Hub, Good Governance, Herbal Strategy,Traditional Medicine, Strategic management.

I. INTRODUCTION

"Thai Herbal Medicine" is considered a unique national culture that reflects Thailand since ancient times. They are a component of cooking in savory, in sweet, herbal medicines, cosmetics, wound treatment or even elixirs. These are Thai wisdom that had passed down from generation to generation. They become a lifestyle and a unique that can be said that Herb is an ultimate Thai wisdom and become a part of export so call "Thai Traditional Product" which has our own raw materials cost that can be produced manually and have the ability in the manufacture and in market distribution in both domestic and foreign markets. From database of international trade promotion department, the Ministry of Commerce has indicated that during the month of May 2014,Thailand's herbs export value is in principle of billion baht. Herbal supplements in this group by Thailand are worth using and exporting over 80,000million baht, while spa products is around 10,000 million baht and Thai herbal medicine is around 10,000 million baht also. Beside that herbs play important role for animal food and for insecticide too. The herbal export market grows about 10 % each year. Currently, Thailand's main export markets are Japan, USA and Europe.

If considered in government policy and the implementation of Government and organizations involved, such as the Federation of National Economic and SocialDevelopment,the Office of Public Health Policy development, Ministry of Public Health, National Health Office,Medical Faculty in the University and private sectors are trying to push Thailand as a medical center on an international level. The goal was important for Thailand as the country for health tourism.Since 2003, the plan "Thailand: The Excellent Medical Hub of Asia has been developed. Which one of the strategies is to develop "Thailand: The Origin of Precious Herbs for Superior Health", and the government still continues in a second phase policy concepts, develop countries, "Thailand as World Class Health Care Provider". Which the goal adapt from regional to international Medical Hub but still focus on strategic development of herbal medicines and health products. By country target "Thailand as a Centre for the manufacture and export of medicines and health products at international standards".

Important elements of the Medical Hub are Service Hub, Academic Hub and Product Hub which is a Thailand national policy since 2003 up to now. This research is aim to study only in the part of Product Hub. In order to find out strategies for the government to accomplish the goal that is to bring Thailand a center of Thai herbs and herbal products of the world.

II. METHODOLOGY

A qualitative research study conduct by 3 steps of study: review of Literature to analyze, synthesis theory, concept, research documents and other related medical hub information, coupled with in-depth information prepared by focus group discussions in a group whom directly involved. This study was performed in 4 steps.

1. Consider policies and measures of the government from the past to the present in promoting the herbal product that based on the statement of policies towards parliament, the national economic and social development plan and the strategic plan of development related herbs of Ministry of public health.
2. Consider both constitution and act related to developing and promoting of the herbal product Thailand into a comprehensive commercial trade (manufacture, distributor, standards control and maintain a unique sheer of herbs).
3. Considering the fact, in the context of the current development of the herbal product from the stakeholders by using the conversation group (Focus Group) in order to examine the strengths weaknesses opportunities and threats of the country, those have an impact on the development to be the center for developing the herbal product Thailand on an international level.
4. Using the concept of good governance in the analysis and synthetic conclusion and recommendations intended to develop the country as a center Thailand herbal products at the international level.

III. OBJECTIVES

This study wants to find the answers in the 3 ways.

1. Analyze Herbal issues concerning with law, national policy, product development, measures or guidelines for the operation etc. that are support or not support goal.
2. Analyze the strengths weaknesses, opportunities, and threats that will be benefit for strategic planning for both from the upstream level (the manufacturer) to downstream level (distribution).
3. To generate concept under good governance principal so that the government and the relevant departments will recognize, acknowledge and offer guidelines for developing countries Thailand to be the central of herbal product development at an international level.

IV. RESULTS AND DISCUSSION

The study found that Thailand has strong legislation on drugs and food but has no specific legislation of herbal product that promote use, support, control standard, which is used as a primary treatment medications from Thai wisdom.

The government should get speeding in developing herbal medicine policy by defining in national economic and social development plan,priority in the promoting of medicinal plant production, herbal standard control, commercial seeds development, research on ancient herbal formulas and related products, make them become Thailand's comprehensive cultural product for international market.

The government should promote health tourism with emphasis on medicinal plants as elements of health, and promote conservation, rehabilitation, dietary herbs,as well as research on tradition Thai massage and medicinal plant processing.

Policy and strategic plan in a wide range of supports and multiple dimensions that covers all stakeholders, from downstream producers, manufacturers, consumers, government officials who operate and control thesafety and efficiency and international standard to protect consumers.

Promote the planting of medicinal plants and build cooperation in the production of raw materials for industry.Accelerate the development of knowledge, standards and the strength of the farmers group. Support herbal medicine in Thailand and integrate into comprehensive health care system. One district one product or OTOP is also a good policy.

A. The analysis of challenges issues of Thailand by SWOT analysis results.

1. The strengths of Thai herbal products.

Bio-diversity of herbs which is important natural raw material cost. Herb growers with less market can set their sale price. Agriculture already has basic knowledge on the subject is the original cost from herbal folk wisdom.The growth of the herbs business is far because of the high future demand.

The ability of governments in the development of Thai herbal products and science-technology innovation which has the potential to elevate the industrial goods is unique. While Thailand has a number of basic knowledge about Thai herbal medicine via the local wisdom in a very long time.Finally, consumer markets are easy to access by using the social Network System which helps to create a customer base of herbal products Thailand.

2. The weaknesses of the Thai herbal products that need to develop and improve:

Chemical contamination in planting herbs derived from some plantation farmers grow herb on the same area as other crops. The lack of systematic planning in developing Thai herbs, from the whole planting, processing, distributing and exporting channel, which are the directly result from government policies that are not clear. Some problems derived from untrusted pricing agreement in between herbal planters and entrepreneurs. So it is a problem to send the sufficient raw material enters the production process. Moreover there are the lack of supervision of safety in production plant for herbal medicines, the lack of

management system as well as the unity and efficiency of enterprises and the lack of mechanisms to support development in both knowledge and potential for herbal production.

Herbal medicines and health products from Thailand need much more research studies to prove security properties in both the pre-clinical and the clinical level, including the development of standards and research methods, quality control.

Laws relating to the many herbs are lack of specific and effectively enforcement system.The request for registration of herbal medicine with Thailand and the Thailand food and Drug Administration (FDA) currently are delays in many processes.In regard to the issues considered was posted at the center of FDA single point so is the operational bottlenecks.Seriously, the Government lacks continuity in support of education, research and development of cable plant herbs, namely the Mucuna seed which is the raw material for L-Dopa that efforts in development for drug treatment. Government officials lack of expertise and use different standards in quality inspection and certification of products, combined with the issues of consumer attitudes commonly used herbal medicines have not yet agreed. Because of security concerns in the use of herbs as well as knowledge and understanding on Herb are also in limited groups, it is not conducive to building a lead popularity rapidly.

3. The chances of the Thai herbal products.

Producers (the herbs growers) as a herbal raw materials sales pricing based on its own market price, making a career in agricultural crops, herbs created income satisfaction.Certain types of medicinal plants can grow well in Thailand, like black ginger Turmeric etc. Thus the unique species should come from Thailand only.

The change of situation, the economic and social context that flows around the world, society tends to awake the self-health care storyisa great opportunity to expand the market for Thai herbs. Thailand and ASEAN countries also lack quality herbal extraction plant.So it is a good opportunity for Thailand to develop a base of production, quality and business expansion.Geography, which countries are in tropical Thailand, there is terrain that is suitable to crops herbs.While Thailand has a GMP standard, countries, ISO 17025:2005, PICS to control the standard and quality of food and drugs, including herbal which is recognized on an international level. Including with a wide variety of products and services by the main components from herbs has created a wide variety of choices in consumer product design.

4. Obstacles and threats the Thai Herbs

The reduction of tax walls until the zero rate, according to the policies of AFTA will result in the influx of foreign country herbs. This can cause a race condition in the domestic market.The lack of herbal central market wills not yield, price volatility and help buyers and sellers to meet directly in the trading market.There is no limitation of a particular animal or plant endemic only in Thailand. In doing so, Thai herb is not unique anymore.

Modern medicine does not dare to prescribe herbal medicines for the patients because they do not believe in herbal medicine.Price for medicinal plants is very volatile, which affects the cost of producing herbal medicines. The uncertainty in both quantity and quality in raw materials of herb will effect commercial or industrial processing quality. With the lack of raw materials, herb would be imported from foreign countries which have high costs.Thailand country lack of agency support and manage the quality and compliance to the quality certification.

Regulation of experimental research laboratory (clinical trial) before the registration of herbal medicines are complex and cumbersome step which is not contributing to the entrepreneur in compete with competitors in many potential herbal products, such as Korea, Malaysia, India etc.

B. Strategic guidelines based on the principles of good governance

If considering a development framework based on the principles of good governance, which focused on the development, under the key element 6reasons.

1. Rule of law with a major objective for the protection of the rights and freedoms of the individual, equal with the law.
2. Principal of Moral is important to the performance of the duties of the authorities within the framework of establishing a code of ethics and professional standard.
3. Principal of transparency with a key objective to examine the actions of government officials.
4. Principal of participationor engagement policy with a purpose is important to all stakeholders have the opportunity to participate, leave a comment in the equally.
5. Principal of accountability to create values, to enrich all involved Government officials who use administrative powers to private entrepreneurship, consumer partners, the public and the relevant authorities.
6. And most importantly, is "on value" by state policy actions will focus on just the benefit of one party but the result must be weighed the effect the risk occurs, opportunity cost if you choose or not choose continue. Which must be based on the utility involved it in the various policy decisions.

Honorably from the principles of good governance that are already mentioned above.The groups of discussion see that a strategic approach to development issues for the sustainability of the country will be the international herbal products Center must take the principle mentioned above by 4 reasons as follows:

1. Medicinal plant production without chemicals contamination by supplying herbal products

with international standards and an efficient management system.
2. Being a source of learning from local wisdom.
3. Undertake the profession moral and ethical practitioners.
4. The provisions of law and law enforcement to link the rule of law, equality and the protection of the rights of those involved all parties equally.

C. The strategic suggestion for the sustainable development towards an international herbal center of Thailand.

The strategic developments of the herbal product Thailand are in 4 strategies and 20 tactics as follows:

Strategy 1: Promote Thailand as a country cultivated non chemical medicinal plants with unique and high quality international standards, implemented in 4 tactics are.

1. Promote the cultivation of organic medicinal plants without chemicals by tax reduction and subsidy the budget to support growers, herb market for the agricultural products distribution system, including the agricultural measures that emphasize free from chemical preservatives, plant disease control, and prevention measures and by avoiding the use of pesticides because it may cause problems with toxic residues in cultivated medicinal plants.
2. Encourage agricultural research to increase yields per area of herbs. Both research studies the breeding methods of cultivation and harvesting the raw herbs are good quality. Important features are built into each compound in high doses, including education, research, and propagation by plant tissue culture methods in order to obtain good quality raw herbs in large quantities and consistent enough to bring into production processes and processing business in to commerce. Both these the research process must be emphasized in regard to a stable unique Thai herbs keep translations unchanged the species, along with furthering development of species which are unique base of quality herbal products with Thailand.
3. Promote the establishment of the herbal central market and herbal center, sets the standard in each type by using market mechanisms to determine the price to make trading center, reduced price volatility and pushing farmers produce more Thai herbal raw material.
4. Promote the development of technology for the production of raw materials. Herb industry level using the Plantation production by this action, the Government may seek the cooperation of the private sector, which is a large source of funds, technological development, join the cost-saving benefits and is to increase knowledge. The innovative production of medicinal plants, spread to the private sector and together define the quality standards of raw materials and the standard in the next step to produce medicine by Government pharmaceutical organization. Development of Thai Tradition Medicine gives advice to the types of herbs that should encourage the cultivation of the raw materials to meet market demands and what kind of research should be done to develop the quality and quantity raw material.

Strategy 2: Promote the process of production, processing, distribution and product standards in both herbal business and related business to be national Premium high-end cultural products for both in domestic and foreign markets. Implemented in 6 tactics are:

1. Construct the master plan for the development of a mechanism to create herbal products. The entire system of herbal products since the selection of species for planting an organic management area, determines the amount entered into the market, quality control with the marketing standards, distribution channel, product processing technology, support certification of products internationally should be done. Prepare human resource development in all relevant sections (growers, entrepreneur. state officers, the citizens) are essential. Communications, public relations, including a plan are to promote continuous business operations with the herbal product Thailand which policies and guidelines that will continue to development needs to be linked and contributing to each other as a system.
2. Selection to create a unique Premium Herbal Product of Thailand and Thailand herbal marketing promotion are serious. Country of Thailand must create image, herbal product Thailand as a unique cultural virtual "Korea ginseng" that want to come from Korea only. So it is a quality product and a "true" soma with the minds of the consumers, which could not find another replacement. These values are at the heart of the government must promote and cultivate markets; consumers perceive the value of Thai herbal product selected as Premium Herbal Product of Thailand very seriously.
3. Support quality assurance processes to ensure Thailand herbs since production until processed into products. By mounting a standard link from the manufacturing standards of the World Health Organization (WHO), which are the criteria and methods of good manufacturing Practice or Good Manufacturing herbal medicines: GMP to provide confidence that the medications are manufactured with consistent quality.

4. Promote research and development in the clinic and actions to integrate all sectors related to herbal product line for optimal performance and results of the studies used concretely. The Government should promote interoperability of units involved in the Collaborative nature of Research Integration Project; each institution shall have expertise and specific expertise to make research results into concrete as soon as possible.
5. Support the establishment of a quality laboratory system according to the standard Good Laboratory Practice (GLP) to provide clinical research.
6. Promote the use of herbal medicines in State hospitals, including a push to use of herbs as an alternative drug for the public health care in conjunction with modern medicine.

Strategy 3: Development and promotion of knowledge of folk wisdom to remain and the furtherance of knowledge for sustainable development of herbal products implemented in 5 tactics are:

1. Promote your local party chart to "Sage herbal folklore" to maintain local wisdom Thai herb.. Promoting knowledge transfer activities from the Sage herb continued from generation to generation. Working Group of the network cooperates among villagers, philosopher with the government, and private sector to transmit knowledge and expand benefits to commercial operators of the country.
2. Promotes research studies the cognitive side of herbs and herbal products Thailand in network characteristics of knowledge to the development of the cognitive System. Continuously and aggressively by the State should determine a country's budget framework, a minimum of at least 0.5 per cent of the budget allocated to health support Thailand studies on herbs and herbal products.
3. The knowledge management of local wisdom and herbs so they can be easy to access for further benefits across the public sector by using the convenient technology support to deal with the creation of a knowledge base.
4. Accelerating campaigning and promoting awareness, recognizing the value "with love and care and continues" of the wisdom for youth and the local community.
5. Promote and support the establishment of a Council of indigenous healers to be center stage in the talks, exchange of knowledge and experience of the folk healers with sponsored links network folk healers in the community.

Strategy 4: Develop a mechanism for the protection of wisdom herbs of Thailand, to improve legislation related to herbs contributing to the policy center of the herbal product Thailand international level. Implemented in 5 tactics are:

1. Support and push out the national legislation of herbal productto support managementmechanism,product registration, health claim, quality assurance. Set up National Institute of medicinal herbsresponsible for administration policy implementation and cooperation the whole system of herbs, including support to the establishment of a fund to support the national herbal research.
2. Accelerated standard certification support herbal medicine national drug list. Drug Act need to be edit by separate Herbal and Tradition drug from the main act.
3. Promoting and pushing to prepared a system for digital information Traditional Thai Digital Knowledge: TTDK
4. Agreements with the Office of the international patent system by connecting the digital information, wisdom, medicine and Thai folk medicine with foreign patent offices. So who is responsible for considering a patent registration of that country can verify if there has been a breach of the wisdom of Thailand or not.
5. To promote participation of Philosopher, villagers of the local community in the protection and surveillance of Thai wisdom.

So from the issues mentioned above, suggesting that if countries are to develop Thailand as the Center of herbal products, consideration needs to be given to a strategic approach covering the 4strategies and 20 tactics.

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