

# Herbs set to take on the world

**The Chinese traditional medicines industry is undergoing a revolution as Good Manufacturing Processes and Good Agricultural Processes are implemented by China's State Drug Administration. SHANE STARLING files this update**

**T**he new GMP and GAP regulations mean only those TCM manufacturers that comply with the new standards will be permitted to continue trading beyond mid-2004. Raw ingredient suppliers have until 2007 to get their farms in order.

While there have been inevitable casualties, most in the industry have welcomed the new regime. They understand that if China is to increase its five per cent share of world TCM trade, higher standards of production are a must. This is because the Chinese TCM industry has an image problem that has led to neighbours such as Japan and the Koreans exporting more TCMs than China. Despite this, the Chinese TCM industry has recorded double-digit growth for the best part of a decade and this is expected to continue. [according to somebody at somewhere?]

For larger companies like the Tasly Group, a grower, packager and marketer of herbs, modernisation of the TCM industry in China cannot happen quickly enough. The Tianjin-based company runs one of the country's most modern operations and has substantial domestic and international sales. All its facilities meet or exceed GMP and GAP standards for the TCM industry.

Tasly, founded in 1994, strictly monitors its raw material producing areas—the family, genus and species of all herbs it grows as well as collecting procedures to ensure manufacturing inputs meet pharmaceutical standards. Tasly highlights versatility, stability, low sensitivity to environmental change and low maintenance as vital characteristics in the well-functioning plant.

For Tasly, only when these kinds of stan-

dards define the TCM industry in China will it stand a chance of fulfilling its potential. “With the improvement in living conditions of the Chinese people and the continual development of the Chinese socialist market economy, the quality of TCM in both national and international markets is getting more and more strict,” a company spokesperson said. “It’s a challenge we all have to meet.”

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Lorenzo Puertas, director of quality and safety at Nuherbs, a California-based business with operations in China, believes the TCM industry's poor image is at least partially unwarranted. “There's tremendous ignorance,” he opines. “Westerners assume the industry there is as new as ours but worse because it's a developing country.” As a result, many Western consumers are not willing to put their faith in Chinese herbal medicine. Not to mention producers.

Unfair, according to Puertas. Even before ‘the revolution,’ China had a regulated industry, it just functioned differently to Western systems. “There's a tremendous wealth of herb knowledge and regulation in China, but because of the language barrier, many Western regulatory bodies like the US Food and Drug Administration (FDA) act as if herbs are a complete unknown,” Puertas says. “There's a very precise under-

standing of how different herbs interact with each other, and how and when they should be used, but much of that data is still unavailable in English or inadmissible to the FDA. Herbs have to start from square-one, and so there's an illusion of uncertainty. This does not help with the public's perception of TCM.”

Unfair or not, few industry observers doubt the potential good the new system

can deliver for Chinese producers. “It has become the common view that the lack of competitiveness of TCM in the world market was due to the sluggishness of its quality control and the failure to meet the regulatory standards in Western countries,” says Bill Liang, PhD, managing director of China Healthcare Consulting. “Implementation of GAP and GMP will put TCM in a strong position to compete in a long term.”

By the end of 2002, 1,470 Chinese firms had completed GMP certification. Almost 600 firms were forced out of business or were taken over by larger companies willing to make the necessary changes. More than 3,000 firms are still in the process of upgrading their facilities, although it is expected that many won't meet the requirements. And, about 600 farms and plantations had gained GAP certification. **FFN**