

Opinion

Clinical Research Investment: New lifeblood for the economy

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KUALA LUMPUR (June 26): In recent years, Malaysia has strategically positioned itself as a burgeoning hub in the global clinical research landscape. The recent announcement by Prime Minister Datuk Seri Anwar Ibrahim about the substantial contributions of sponsored clinical research to the national income, to the tune of over RM1.16 billion since 2012, underscores a pivotal shift in Malaysia's economic and healthcare trajectory.

2023, with a significant 24% increase in new studies compared to the previous year, heralds more than just a peak in activities — it signifies the maturation of an industry that is rapidly becoming the new lifeblood of Malaysia's economy.

This leap is not merely about numbers; it's about the strategic foresight demonstrated by the establishment of Clinical Research Malaysia (CRM). Tasked with catalysing the clinical research sector, CRM has been a cornerstone in transforming health sciences into a key economic pillar, proving self-sufficient for the past six years.

Globally, the clinical trial market reached a valuation of over US\$80 billion (RM376.7 billion) last year, with projections pointing to a robust annual growth of 6.5%. Notably, half of this activity is concentrated in the Asia-Pacific region, spotlighting countries like China, South Korea, Japan, and Australia. However, Malaysia's role — as highlighted by the prime minister — suggests it could be a dark horse, ready to emerge as an industry leader, thanks to its diverse locations, skilled workforce, and supportive infrastructure.

The ripple effects of this burgeoning sector are palpable across the country's economic fabric. Multinational pharmaceutical companies and contract research organisations (CROs) are increasingly marking their presence in Malaysia, drawn not only by its strategic geographic locale but also by its robust regulatory framework and a conducive business environment. This influx has positioned Malaysia as a regional hub for clinical research, evidenced by the expansion of major players like AstraZeneca and Novo Nordisk, which have significantly scaled up their local operations.

This growth extends beyond mere corporate presence. The clinical research industry is a formidable catalyst for job creation and skill development. Last year alone, the industry was responsible for generating over 2,700 skilled jobs. Entities like Parexel Malaysia and Hematogenix have become integral parts of this ecosystem, not just supporting regional operations but also enhancing the local knowledge base and technical expertise.

The socio-economic value of clinical research is thus two-fold: while contributing significantly to the gross national income, it also fortifies Malaysia's standing in the global scientific community. As the industry expands, so does the ancillary demand for related services — CROs, laboratories, manufacturing plants, and logistic services — which in turn perpetuates a cycle of investment and reinvestment in the local economy.

As Malaysia continues to nurture and expand its clinical research capabilities, it is imperative that both the government and private sectors sustain their

support and investment. Enhancing educational programmes to produce more homegrown researchers and improving infrastructure will be crucial in maintaining the momentum. With sustained focus and investment, clinical research can indeed become the new lifeblood of Malaysia's economy, promising not just immediate financial gains but long-term sustainable growth.

This evolution from an emerging player to a central hub in clinical research is not just a testament to Malaysia's potential but also a beacon of opportunity for the entire Southeast Asian region. It's a narrative of transformation, highlighting how investment in healthcare and research can pivot an entire economic landscape towards sustained growth and development.

Switching our lens to a rakyat-centric one, the benefits come in the form of three A's: enhancing the Availability of cutting edge resources, leading to better Affordability, and subsequently increased Accessibility to advanced medical treatments. The flourishing of clinical research means Malaysians stand to gain access to the latest therapies and medical innovations, at times ahead of global rollouts. This provides the opportunity for patients to benefit from the latest treatments, which are often accompanied by better health outcomes.

The expansion of the clinical research sector contributes significantly to the affordability and accessibility of these advanced treatments. As local capabilities and technologies develop, the costs associated with state-of-the-art treatments can decrease, making them more affordable for the average Malaysian. Moreover, increased local production and research reduce dependency on international pharmaceutical imports, which often carry higher costs. Enhanced accessibility ensures that more individuals across various socioeconomic backgrounds can benefit from high-quality medical care. Consequently, this widespread access is likely to lead to improved health outcomes, reflecting the benefits of robust clinical research on public health and societal well-being.

Furthermore, the economic benefits from this sector trickle down to the general populace. The creation of high-skilled jobs leads to an improved standard of living and a reduction in brain drain, as highly qualified local talents find lucrative opportunities within the country. Malaysia indeed possesses experts trained in clinical research, whose talents can be effectively leveraged in this sector.

For instance, world-class clinical research institutions such as Duke-NUS Medical School in Singapore and the Vietnam Ho Chi Minh City Oxford Clinical Research Unit significantly enhance local economies by creating high-skilled job opportunities, and retaining highly trained local talent. These centres attract international investments and collaborations, fostering a research-conducive environment that not only elevates their international stature but also develops local expertise. This leads to a positive feedback loop where increased local capability attracts more global research funding, and contributes to public health advancements and economic benefits through technology transfer and the establishment of spin-offs and startups.

In essence, a sustained surge in clinical research activities propels Malaysia towards a healthier future. The government's strategic focus in this sector bolsters the economy while ensuring the rakyat reaps the rewards of better health and job opportunities. By prioritising and investing in clinical research, Malaysia has secured economical gains while championing the health and wellbeing of the rakyat.

All in all, as Malaysia establishes itself as an emerging player in the global clinical research arena, the implications are profound and far-reaching. Enhanced healthcare capabilities, fostered through both local and international collaborations, transcend immediate medical advancements to forge a more resilient healthcare infrastructure. Thus, the new lifeblood of Malaysia's economy transcends mere financial metrics; it is fundamentally about cultivating a healthier, more prosperous nation for future generations.

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