

Entering Africa/Asia



Agenda

- 1 What are the challenges?
- 2 How to overcome the challenges?

Asia

Indonesia is the **most populous country** in Southeast Asia

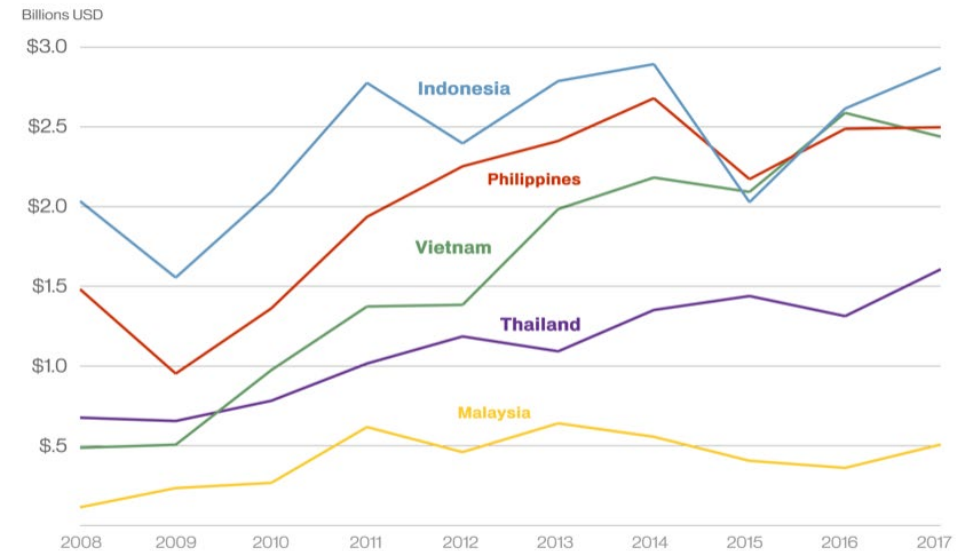
Imported food demand is **growing** in China

The Philippines is one of the **fastest-growing** economies in Asia.

The diets of Asia's citizens are changing as the region's growing middle class becomes more **urbanized** and consumers demand more **high-value** and healthy food products

Singapore is an **extremely attractive Asian market** which imports more than 90% of its food from producers from more than 160 countries worldwide

U.S. Agricultural Product Exports to Southeast Asia, 2008-2017



Source: USDA-FAS Global Agricultural Trade System (GATS), BICO HS-10

Source: USDA - Trade Opportunities in Southeast Asia: Indonesia, Malaysia, and the Philippines (2018)

Africa

Africa's food import to hit **\$110 billion by 2025**

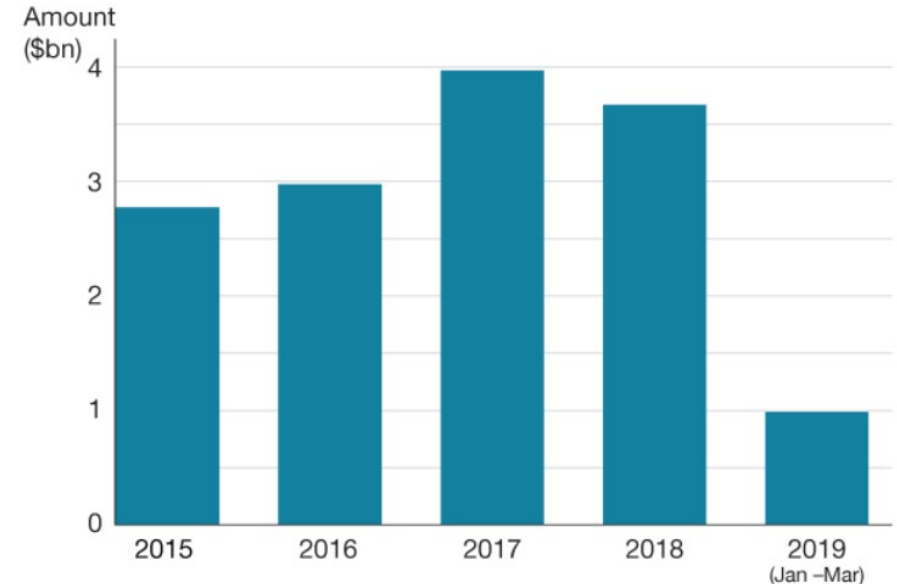
'African agriculture is **no longer capable** of feeding the current African population, with the continent according to the FAO (despite its vast agricultural potential)'

'Africa already became a net importer of agricultural products in the 1970s and a net importer of food in the 1980s'

The Guardian: <https://guardian.ng/business-services/africas-food-import-to-hit-110-billion-by-2025/>
FAO: Why has Africa become a net food importer?
BBC: <https://www.bbc.co.uk/news/world-africa-49367968>

Nigeria's food and drink import bill

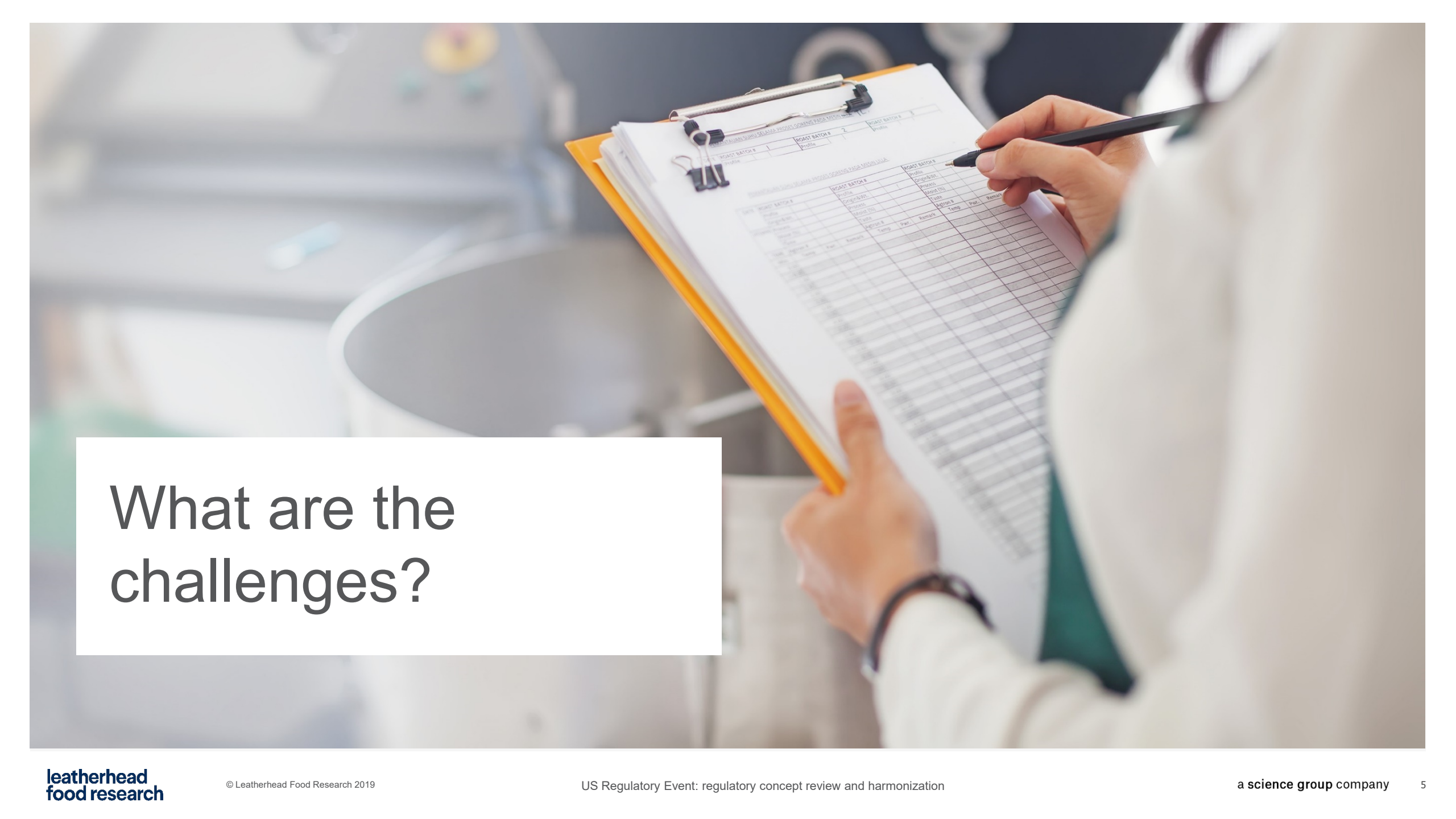
2015 - Q1 2019



Source: National Bureau of Statistics

BBC

According to data from Nigeria's National Bureau of Statistics (NBS), the amount of money the country has been spending on importing food and drink increased from 2015 to 2017, dipped in 2018 and if the trend from the first quarter of this year continues, the bill will go up again for this year

A person wearing a white lab coat is holding a clipboard with a checklist. The clipboard has several sheets of paper with tables and forms. The person is holding a black pen over the clipboard. The background is a blurred laboratory setting with various pieces of equipment.

What are the challenges?

Challenges

Regulatory framework & legislation

Difficulties in accessing regulation

Inconsistent or unpredictable enforcement

Impossible to know what is coming up and what is being discussed

Language barrier & cultural differences



Regulatory framework & legislation

Forgetting to revoke old regulation
Implementing new regulations
Draft regulations forever as draft
No transitional period

Many African markets

- Specific standards but with no framework legislation
- No clear guideline on which regulation/standards are mandatory or voluntary

Pakistan

- **NO national legislation but only at provincial level!**
- The provisions can vary from one province to another causing barriers within the country.



Regulatory framework & legislation

Same topic covered by different pieces of regulation

Indonesia nutrition labelling

- Covered by 4 different regulations which were published in 2011 – 2016

Philippines additive regulation

- Covered by 2 completely different regulations
- BUREAU CIRCULAR – 2016-016 – Updated List of Food Additives
- Administration Order 88 A s – Regulatory guidelines concerning additives

Regulatory framework & legislation - India - Height of numerals

Height of numerals

The height of any numeral required under these regulations, on the principal display panel shall not be less than:

- A. as shown in Table I below, if the net quantity is declared in terms of weight or volume and
- B. as shown in Table II below, if the net quantity is declared in terms of length, area or number.

TABLE - I When net quantity is in weight or volume

Sl. No.	Weight/volume	Minimum height of numeral in mm	
		Normal case	When blown, formed Moulded, or perforated on container
1.	Upto 50g/ml	1	2

1. 2. 3. 4. T

INGREDIENTS: Fish (71%), Bread crumbs (11%) {Wheat Flour, Dextrose, Iodised Salt, Preservative (INS 282), Yeast, Acidity Regulator (INS 260)}, Batter (6%) {Wheat Flour, Corn Starch, Edible Salt, Stabilizers (INS 466, INS 464)}, Mixed Spices & Iodised Salt.

Customer Care: INNOVATIVE FOODS LIMITED, Ezhupunna P.O., Alappuzha Dist., PIN 688 537, Kerala, INDIA. e-mail: feedback@sumeru.net

Manufactured by: INNOVATIVE FOODS LIMITED, Ezhupunna P.O., PIN 688 537, Alappuzha Dist., Kerala, INDIA.

Lic. No. 10012041000061

Tel. +91 478 2872349

DATE OF MANUFACTURE :
BATCH No. : 21 NOV 2015
MRP Rs : 351121E
Incl. of all taxes : Rs 630.00

BEST BEFORE 12 MONTHS FROM MANUFACTURE Storage Instruction : Always store in freezer compartment at -18°C or below until ready to use. Do not thaw.

Nutritional Information per 100 g *	
Energy Value	96.18 kcal
Protein	10.02 g
Carbohydrates	13.35 g
Sugar	0 g
Fat	0.3 g

* Approximate values

TOTAL TRANS FAT CONTENT NOT MORE THAN 0.1 PERCENT BY WEIGHT
 TOTAL SATURATED FAT CONTENT NOT MORE THAN 1 PERCENT BY WEIGHT

Part No.: 8242, Rev.No. : 01(07.11.16)

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Difficulties in accessing regulation

Pakistan: The access to most provinces legislation is not available on the web – only available in person?

Nigeria: All available to buy online but cannot actually be purchased from abroad but only in person

Zambia: Hard copy of the food regulation available to buy and shipped but it took a year for Leatherhead to receive a copy due to lack of printing paper and ink



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Inconsistent or unpredictable enforcement

South Korea

Went from no enforcement to enforcement of all food regulation with new government within a few months

China

A cake mix product classified as 'flour' at border and therefore refused entry due to prohibited additive usage

Reasons

- Change of government
- Change of responsibility of departments or bodies
- Untrained enforcement officers

Challenges

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Language barrier & cultural differences



Language barrier & cultural differences

Asia

About 2,300 languages!

Chinese, Hindi, English, Russian,
Indonesian, Bengali, Japanese, Malay,
Thai, Vietnamese, Pilipino ...



Language barrier & cultural differences

Official food legislation language

Africa (50+ countries)

- English - South Africa, Kenya, Nigeria, Uganda, Zambia, etc.
- French- Comoros, Congo, Senegal, Madagascar, Ivory Coast etc.
- Arabic – Morocco, Algeria, Libya
- Portuguese – Angola

Asia 25+ countries)

- Chinese – China, Taiwan, Hong Kong
- Japanese – Japan
- Korean - South and North Korea
- Indonesian – Indonesia
- Thai – Thailand
- Vietnamese – Vietnam
- Mongolian – Mongolia
- Malay + (English) – Malaysia
- Filipino + (English) – The Philippines
- Burmese + (English) – Myanmar
- Khmer + (English) - Cambodia
- Lao + (English) - Laos
- Nepali + (English) – Nepal
- English - India, Singapore, Brunei, Pakistan, Sri Lanka

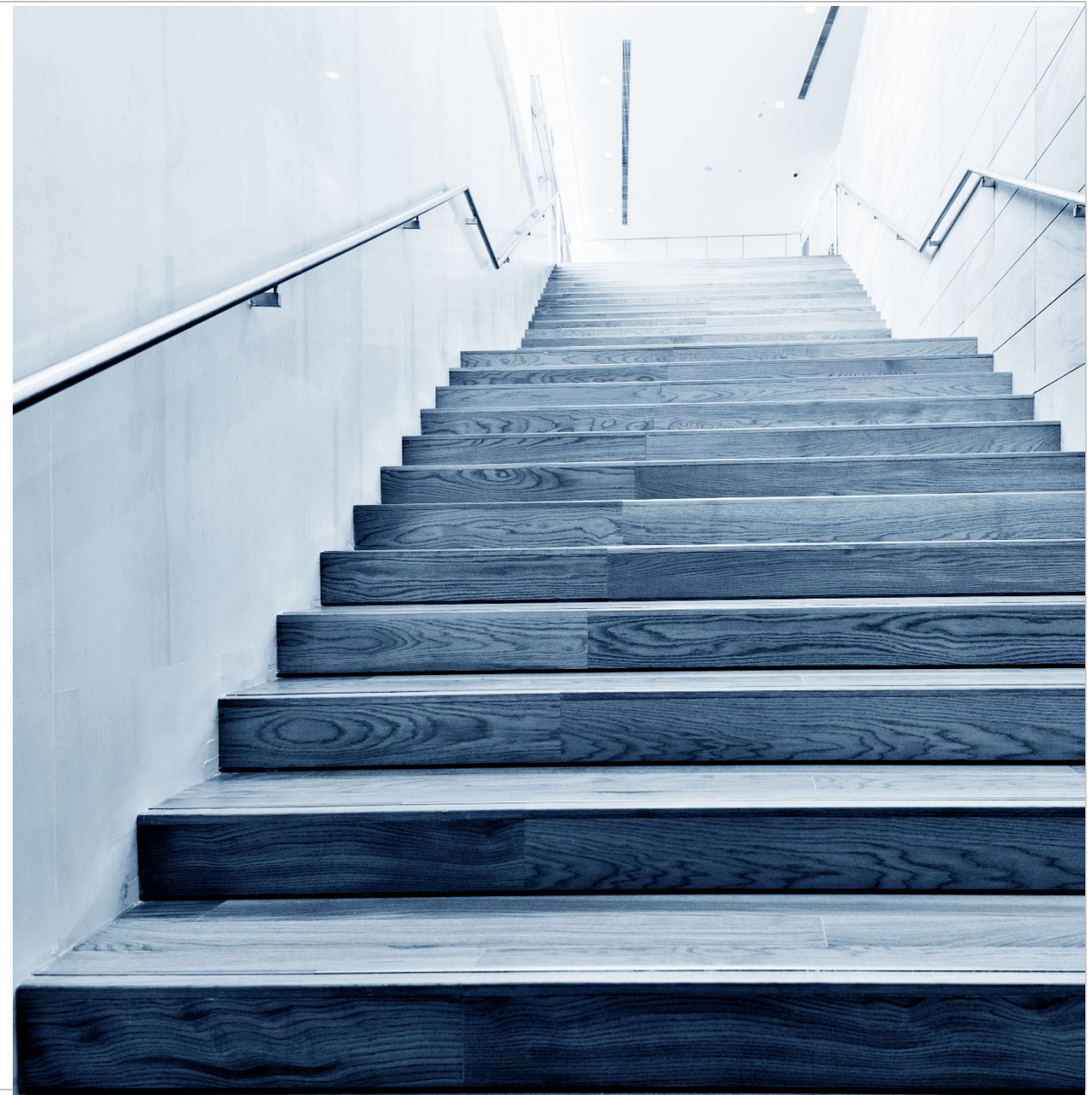
How to overcome the challenges?



Step-by-step approach; taking one country at a time

BUT

Take advantage of harmonised regulations and trade agreements



ASEAN Harmonisation

ASEAN member countries:

- Thailand
- Cambodia
- Malaysia
- Indonesia
- Singapore
- Myanmar
- Laos
- Vietnam
- Philippines
- Brunei Darussalam

ASEAN Economic Community (AEC)



ASEAN

Implementation of harmonized standards

Obligations of ASEAN Member States on harmonized standards that are referenced in MRAs/Harmonised

Regulatory regimes:

adopt the harmonised standard as the national standard, **or** use harmonised standard directly in its relevant regulations, **and** take all necessary action to ensure that all competing national standards are withdrawn.

Harmonization of guidelines

DRAFT ASEAN AGREEMENT ON HEALTH SUPPLEMENTS

Objectives

- To enhance cooperation amongst Member States in ensuring the safety, quality and efficacy/claimed benefits of Health Supplements marketed in ASEAN region; and
- To facilitate trade of Health Supplements through the harmonised technical requirements and guidelines without compromising the safety, quality and efficacy/claimed benefits of these products

- ✓ General provisions
- ✓ Product placement
- ✓ Post market surveillance
- ✓ Institutional arrangements
- ✓ Implementation & dispute settlement arrangement
- ✓ Revision, modification and amendment provisions

Entry into force:

On the thirtieth day after all Member States have signed and returned the Agreement to the Secretary-General and no later than **1 December 2020**

Harmonisation of guidelines

Definition of health supplements

Any product that is used to supplement a diet and to maintain, enhance and improve the healthy function of human body and contains one or more, or a combination of the following:

- Vitamins, minerals, amino acids, fatty acids, enzymes, probiotics and other bioactive substances.
- Substances derived from natural sources, including animal, mineral and botanical materials in the forms of extracts, isolates, concentrates, metabolites.
- Synthetic sources of ingredients mentioned in (i) and (ii).
- It is presented in dosage forms (to be administered) in small unit doses such as capsules, tablets, powder, liquids and it shall not include any sterile preparations (i.e. injectables, eye drops)

Established guidelines

- ASEAN Guiding Principles for [Inclusion into or Exclusion from the Negative List of Substances](#) for Traditional Medicines and Health Supplements
- ASEAN Guiding Principles for [Inclusion of Active Substances into the Restricted List](#) for Traditional Medicines and Health Supplements
- ASEAN General Principles for Establishing [Maximum Levels](#) of Vitamins and Minerals in Health Supplements
- ASEAN Guiding Principles for the Use [of Additives and Excipients](#) in Traditional Medicines and Health Supplements
- Guidance Notes on Control of [Pesticides](#) in Traditional Medicines and Health Supplements
- ASEAN Guidelines for Minimising the Risk of Transmission of [Transmissible Spongiform Encephalopathies](#) in Traditional Medicines and Health Supplements

Guidelines to be published

- ASEAN Guidelines on Limits of **Contaminants** for Traditional Medicines and Health Supplements
- ASEAN Guidelines on **Stability and Shelf-Life** of Traditional Medicines and Health Supplements
- ASEAN Guiding Principles on **Safety Substantiation** for Traditional Medicines and Health Supplements
- ASEAN Guidelines on **Claims and Claims Substantiation** for Traditional Medicines and Health Supplements
- ASEAN Guidelines on **Good Manufacturing Practice** for Traditional Medicines and Health Supplements
- ASEAN Guidelines on **Labelling Requirements** for Traditional Medicines and Health Supplements

Drafts can be viewed [here](#)

East African Community (EAC)

- Republic of Burundi
- Kenya
- Rwanda
- South Sudan
- United Republic of Tanzania
- Republic of Uganda



East African Community (EAC)

The Common Market is the second regional integration milestone of the East African Community (EAC), which has been in force since 2010, in line with the provisions of the EAC Treaty. It follows the Customs Union, which became fully-fledged in January 2010.

Operational principles:

- Non-discrimination of nationals of other Partner States on grounds of nationality
- Equal treatment to nationals of other Partner States
- Ensure transparency in matters concerning the other Partner States
- Share information for the smooth implementation of the Protocol

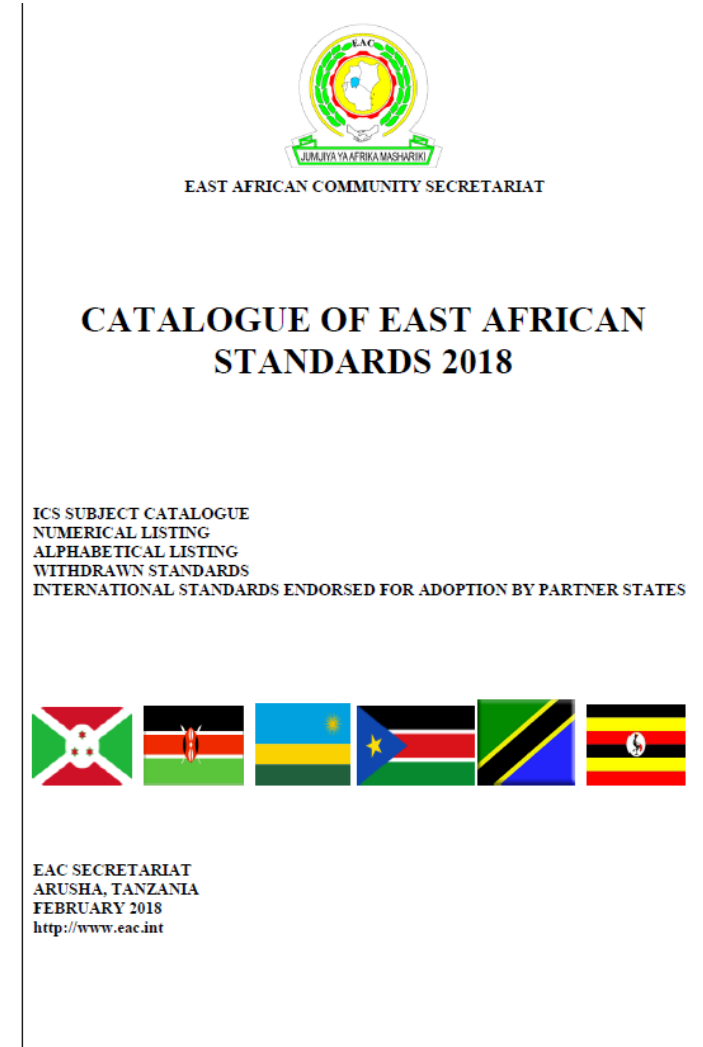
The EAC Partner States maintain a liberal stance towards the four Freedoms of movement for all the factors of production and two Rights between themselves.

- Free Movement of Goods
- Free Movement of Persons
- Free Movement of Labour / Workers
- Right of Establishment
- Right of Residence
- Free Movement of Services
- Free Movement of Capital

Standards Technical Management Committee (STMC)

The STMC is responsible for developing and harmonising East African Standards (denoted as EAS). Harmonisation of standards and technical regulations will:

- Eliminate Technical Barriers to trade (TBTs)
- Encourage a freer flow of goods and services within the Community
- Boost trade among Partner States
- Protect the health and safety of the consumers, animals, plants and the environment in general
- Prevent deceptive practices in business transactions
- Increase competitiveness and productivity



Take reference to major markets/body

- ✓ Find the original source where the national regulation was based
- ✓ In absence take Codex, EU, US, Japanese regulation as a guideline
- ✓ Ask for second opinions for grey areas
- ✓ Believe in your common sense – food must be safe and cannot mislead consumer



Co-invest with strong local players



Thanks for listening!

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Questions

leatherhead food research

innovate | access new markets | realise global opportunities