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WHY STANDARDS MATTER IN THE FOOD INDUSTRY

Standards lay the foundation for innovation, developing new products and adopting new technologies, and can also facilitate market access

BY MATTHEW KOVAC & KEE AI NAH

FOOD standards and regulations have a large part to play in Singapore's flourishing innovation climate. They outline specifications and procedures in the making of products and delivery of services, in order to ensure quality and reliability, and improve market acceptance and access.

Here are two examples of standards that play important roles in the food system. The first is ISO 22000 Food Safety Management Systems, which defines how to maintain the integrity of the product across food ingredient manufacturing, processing and packaging.

The second is the BRC Global Standard for Packaging, which ensures that the materials used are safe for consumers. These standards make the food value chain more efficient without compromising safety.

CREATING A CONDUCTIVE FOOD INNOVATION CLIMATE

Today, we live in an era where convenience is prioritised, and this fuels the food delivery business. The Asia-Pacific accounted for nearly half of the total value of global food delivery in 2015.

Hamburg-based market research firm Statista projected a 27.9 per cent revenue increase in Singapore's online food delivery market. Apps such as foodpanda, Deliveroo, honestbee and GrabFood satiate our hunger for convenience, speed and variety – all with a simple scroll of the mobile screen and touch of a button.

We are also seeing a rise in non-traditional food concepts,

ready meals and food vending machines. In August 2016, Singapore saw its first vending machine café at Anchorvale Drive. The Vendcafé serves up local delights, such as nasi goreng istimewa and mutton rendang with briyani rice, on demand in less than three minutes, 24x7.

Compared to traditional eateries, these food vending machines take up less space and are not constrained by manpower supply. Since early 2018, more than 30 vending machine clusters have sprouted around the island. This new way of selling has prompted some regulatory intervention.

The Technical Reference (TR) 57 contains guidelines on food safety and good hygiene practices for the vending machine industry. It covers areas such as design and structure, cleanliness and maintenance, food hygiene and temperature controls, food transportation and machine location.

For instance, a food vending machine must be away from drainage or sewer lines and allow adequate space around and under the machine to facilitate cleaning and maintenance.

Temperature ranges are also specified to restrict the growth of micro-organisms. Such guidelines not only give companies the confidence to innovate, but also provide customers with peace of mind when consuming machine-dispensed food.

A recent study commissioned by Enterprise Singapore found that at least one-third of our food manufacturers are already creating new food ingredients and innovative products.

Plant-based proteins, sugar alternatives and texture-

modified foods are just some emerging trends that were borne out of growing pressures to address national health priorities and evolving consumer preferences.

In 2017, TR 58 on the guidelines for developing food products that qualify for approved nutrition or health claims was created for companies looking at manufacturing food that contains health and nutritional benefits, or functional foods.

TR 58 presents standards to strengthen and accelerate product innovation and commercialisation. This is especially meaningful for new food companies and startups because introducing food products with health claims, such as "low in calories", "sugar free" or "reduced sodium", can be a long and costly process, owing to stringent regulatory requirements.

CONQUERING MARKETS WITH STANDARDS

Beyond laying the foundation for innovation, developing new products and adopting new technologies, standards can also facilitate market access for companies looking to establish brand cache and credibility.

As product quality is a key selling proposition for Singapore-made food, being certified to internationally-recognised standards can certainly help our companies to meet strict entry requirements in the different geographies.

One example of the successful use of standards is Singapore-owned food and nutrition company, SMC Food 21. In 2015, the company established SMC Nutrition Pte Ltd to enter the consumer market with higher-value dairy-based nutritional formula for infants, adults and sports. Its facilities are fully equipped with cleanroom standard HEPA filtering and stable climatic controls.

It is also one of the three factories in Singapore approved by the Certification and Accreditation Administration of China (CNCA) to produce infant formula for export to the country. In addition, SMC Food 21 is halal-certified and has achieved multiple food handling certifications.

It has also received commendations from the Agri-Food and Veterinary Authority of Singapore (2005-2016) and the American Institute of Baking in recognition of its high food production standards.

THE IMPORTANCE OF STANDARDISATION

The SMC Food 21 story shows how standards are pivotal in product development and corporate expansion.

As regulators need to work closely with industry to ensure that standards are relevant and progressive, companies that actively participate in the development of new standards have the opportunity to gain first-mover advantage in global markets too.

Industry associations and partners such as Food Industry Asia (FIA) and the Singapore Manufacturing Federation Standards Development Organisation are doing their part to guide our enterprises, startups and innovators to leverage standards to capture emerging market opportunities globally.

Since 2016, FIA – through its work with private and public sector partners – has been looking at the use of quality and standards to support the future economy.

The focus for Singapore over the last decade has been on high-value manufacturing and innovation. This has led to a shift in standardisation efforts towards enabling growth, driving productivity, improving resource efficiency, and supporting social and safety needs.

With a well-regulated, trusted and high-quality food industry, Singapore will be a step closer to becoming Asia's leading food and nutrition hub. ■

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