



# GOOD REGULATORY PRACTICE AND NON-TARIFF MEASURES – BUSINESS PERSPECTIVE

5 April 2018

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# **Introduction to AFBA**

# ASEAN FOOD AND BEVERAGE ALLIANCE (AFBA)



|                   |  |
|-------------------|--|
| Brunei Darussalam | National Chamber of Commerce & Industry Brunei Darussalam (NCCIBD) |
| Indonesia         | Indonesia Food and Beverage Association (GAPMMI)                   |
| Malaysia          | Federation of Malaysian Manufacturers (FMM)                        |
| Philippines       | Philippine Chamber of Food Manufacturers (PCFMI)                   |
| Singapore         | Singapore Manufacturing Federation (SMF)                           |
| Thailand          | Federation of Thai Industries (FTI)                                |

# OBJECTIVE



## Core Objective:

Facilitate **intra- and extra-regional trade in ASEAN** by supporting and accelerating the **ASEAN harmonisation process** for the benefit of small, medium and large enterprises and their consumers in the ASEAN markets

## FOOD SECTOR IS HIGHLY REGULATED

### Public NTMs in the Food Sector in ASEAN

| Country     | NTM Chapters       |       |     |                        |    |    |        | Total | % of<br>Total<br>Public<br>NTMs |
|-------------|--------------------|-------|-----|------------------------|----|----|--------|-------|---------------------------------|
|             | Technical Measures |       |     | Non-Technical Measures |    |    |        |       |                                 |
|             | A                  | B     | C   | D                      | E  | F  | G-O    |       |                                 |
|             | SPS                | TBT   | PSI | CTPM                   | QC | PC | Others |       |                                 |
|             | Food               |       |     |                        |    |    |        |       |                                 |
| Malaysia    | 222                | 253   | 2   |                        | 4  | 6  |        | 487   | 81.30                           |
| Singapore   | 119                | 169   |     |                        | 1  | 13 |        | 302   | 65.23                           |
| Thailand    | 396                | 145   | 1   |                        | 15 | 9  | 1      | 567   | 56.03                           |
| Philippines | 100                | 91    | 12  |                        | 20 | 16 | 6      | 245   | 41.32                           |
| Indonesia   | 106                | 54    | 21  |                        | 4  | 2  | 3      | 190   | 38.08                           |
| Brunei      | 150                | 211   | 1   |                        | 1  | 6  |        | 369   | 78.85                           |
| Cambodia    | 36                 | 40    |     |                        | 1  | 8  |        | 85    | 49.42                           |
| Lao PDR     | 27                 | 20    | 3   |                        | 1  | 11 |        | 62    | 29.67                           |
| Myanmar     | 38                 | 13    | 2   |                        | 3  | 4  |        | 60    | 43.80                           |
| Vietnam     | 112                | 25    | 1   |                        |    | 2  | 6      | 146   | 54.28                           |
| Total       | 1,306              | 1,021 | 43  |                        | 50 | 77 | 16     | 2,513 | 56.84                           |

Source: ERIA-UNCTAD (2016)

# Challenges and Trade Barriers

# PRIORITY NTMs FOR THE FOOD INDUSTRY TO OVERCOME IN ASEAN

Labelling  
(Nutrition  
Labelling)

Product  
Registration

Import/Export  
Certification

Halal Certification

Maximum Residue  
Limits for  
Contaminants,  
Pesticide Residues

Analytical Methods

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# **Case Study 1: Non-harmonised Nutrition Labelling**

Trade Impact of Non-harmonised nutrition  
labelling in ASEAN

[http://afba.co/wp-content/uploads/2018/02/Nutrition-Labelling-on-Prepackaged-Food-Impact-on-Trade-in-ASEAN\\_v2.pdf](http://afba.co/wp-content/uploads/2018/02/Nutrition-Labelling-on-Prepackaged-Food-Impact-on-Trade-in-ASEAN_v2.pdf)

# BACKGROUND



Differences in:

- International guidelines followed by countries
- Stages in adoption / alignment with Codex
- Regulatory regime

# KEY FINDINGS FROM REPORT

## MACRO-LEVEL ASSESSMENT

- The prepackaged food (PPF) sector is a promising segment
- PPF sector is highly regulated
- Nuanced differences in the labelling requirements prevail across the region
- Unexhausted trade potentials are evident in PPF trade

## MICRO-LEVEL ASSESSMENT

- Difference in nutrition labelling guidelines
- Costs incurred by exporters to comply to guidelines
- Complexity of nutrition labelling distorts regional trade, with both price and quantity effects
- Streamlined measures on nutrition labelling needed

# VARIANCES IN NUTRITION LABELLING



- Core / basic nutrients declaration
- Reference unit on the nutrition information panel (NIP) and nutrient reference values (NRVs)
- Minimum and maximum limits for minerals and vitamins
- Tolerance levels

# DIFFERENCES IN NUTRIENT REFERENCE VALUES (NRVs)

| Country     | NRV   | 10 mg of vitamin C<br>as a % of NRV |
|-------------|-------|-------------------------------------|
| Brunei      | 30 mg | 33.3                                |
| Malaysia    | 60 mg | 16.7                                |
| Philippines | 75 mg | 13.3                                |
| Singapore   | 30 mg | 33.3                                |
| Thailand    | 60 mg | 16.7                                |

# EXAMPLES OF NUTRITION LABEL

## Read food labels to make wise selections.

### Nutrition Information / Maklumat Pemakanan

Serving size/ Saiz hidangan: 30g

Servings per package / Hidangan sebungkus: Approx. 27

|                              | Per / Setiap 100g  | Per Serving /<br>Setiap Hidangan |
|------------------------------|--------------------|----------------------------------|
| Energy / Tenaga              | 417 kcal / 1751 kJ | 125 kcal / 525 kJ                |
| Carbohydrate / Karbohidrat   | 61.6 g             | 18.5 g                           |
| Protein / Protein            | 7.1 g              | 2.1 g                            |
| Fat / Lemak                  | 16.6 g             | 4.9 g                            |
| Cholesterol / Kolesterol     | 0 mg               | 0 mg                             |
| Vitamin A                    | 312 µg             | 94 µg                            |
| Calcium / Kalsium            | 240 mg             | 72 mg                            |
| Iodine / Iodin               | 45 µg              | 13.5 µg                          |
| Iron / Zat Besi              | 4.2 mg             | 1.3 mg                           |
| Vitamin B1 (Thiamine)        | 0.42 mg            | 0.13 mg                          |
| Vitamin B2 (Riboflavin)      | 0.50 mg            | 0.15 mg                          |
| Vitamin B3 (Niacin)          | 6.7 mg             | 2.0 mg                           |
| Vitamin B6 (Pyridoxine)      | 0.50 mg            | 0.15 mg                          |
| Vitamin B12 (Cyanocobalamin) | 0.83 µg            | 0.25 µg                          |

## Read food labels to make wise selections.

### Nutrition Information / Maklumat Pemakanan 營養資料

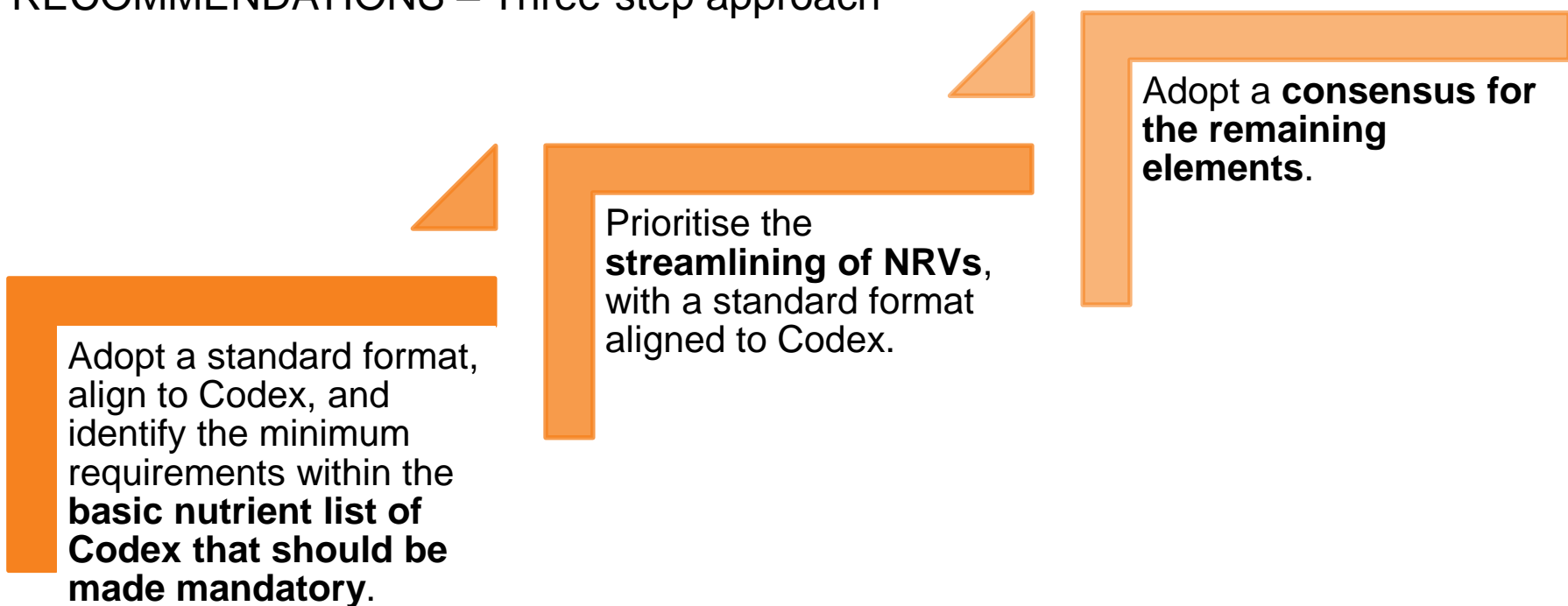
Serving size / Saiz hidangan : 30g (3pcs) 食用份量: 30克 (3片)

Servings per package / Hidangan sebungkus : Approx. 27 每包裝所含食用份量數目: 約 27

|                                     | Per / Setiap 100g 每100克  | Per Serving / Setiap Hidangan<br>每食用份量 |
|-------------------------------------|--------------------------|--|
| Energy / Tenaga 能量                  | 417 kcal 千卡 / 1751 kJ 千焦 | 125 kcal 千卡 / 525 kJ 千焦                |
| Carbohydrate / Karbohidrat 碳水化合物    | 61.6g 克                  | 18.5g 克                                |
| Sugar / 糖                           | 1.0g 克                   | 0.3g 克                                 |
| Dietary Fibre / Serat Makanan 膳食纖維  | 4.2g 克                   | 1.3g 克                                 |
| Protein / Protein 蛋白質               | 7.1g 克                   | 2.1g 克                                 |
| Fat / Lemak 脂肪                      | 16.6g 克                  | 4.9g 克                                 |
| Saturated Fat / 飽和脂肪                | 8.0g 克                   | 2.4g 克                                 |
| Trans Fat / 反式脂肪                    | 0g 克                     | 0g 克                                   |
| Polyunsaturated Fat / 多元不飽和脂肪       | 2.2g 克                   | 0.7g 克                                 |
| Monounsaturated Fat / 單元不飽和脂肪       | 6.6g 克                   | 2.0g 克                                 |
| Cholesterol / Kolesterol 膽固醇        | 0mg 毫克                   | 0mg 毫克                                 |
| Sodium / 鈉                          | 572mg 毫克                 | 172mg 毫克                               |
| Vitamin A 維他命A                      | 312µg 微克                 | 94µg 微克                                |
| Vitamin B1 (Thiamine) 維他命B1         | 0.42mg 毫克                | 0.13mg 毫克                              |
| Vitamin B2 (Riboflavin) 維他命B2       | 0.50mg 毫克                | 0.15mg 毫克                              |
| Vitamin B3 (Niacin) 維他命B3(煙酸)       | 6.7mg 毫克                 | 2.0mg 毫克                               |
| Vitamin B6 (Pyridoxine) 維他命B6       | 0.50mg 毫克                | 0.15mg 毫克                              |
| Vitamin B12 (Cyanocobalamin) 維他命B12 | 0.83µg 微克                | 0.25µg 微克                              |
| Calcium / Kalsium 鈣                 | 240mg 毫克                 | 72mg 毫克                                |
| Iron / Zat Besi 鐵                   | 4.2mg 毫克                 | 1.3mg 毫克                               |
| Iodine / Iodin 碘                    | 45µg 微克                  | 13.5µg 微克                              |

# NUTRITION LABELLING ON PREPACKAGED FOOD: IMPACT ON TRADE IN ASEAN

## RECOMMENDATIONS – Three-step approach



Adopt a standard format, align to Codex, and identify the minimum requirements within the **basic nutrient list of Codex** that should be made mandatory.

Prioritise the **streamlining of NRVs**, with a standard format aligned to Codex.

Adopt a **consensus** for the remaining elements.

# **Case Study 2: Product Registration**

Comparison Study on Product Registration  
Requirements Across ASEAN

# BACKGROUND



Difficulties in:

- Gaining market access
- Fulfilling requirements

# KEY CHALLENGES

## PRODUCT REGISTRATION

- Difficulties in obtaining documents that are required for import / export

## LABORATORY TEST

- Replication of existing laboratory test certification

## COMMON CHALLENGES

- Arbitrary process
- Ad hoc changes
- Accessibility of information

# RECOMMENDATIONS

## UNIFORM AND SIMPLIFIED LIST OF DOCUMENTS

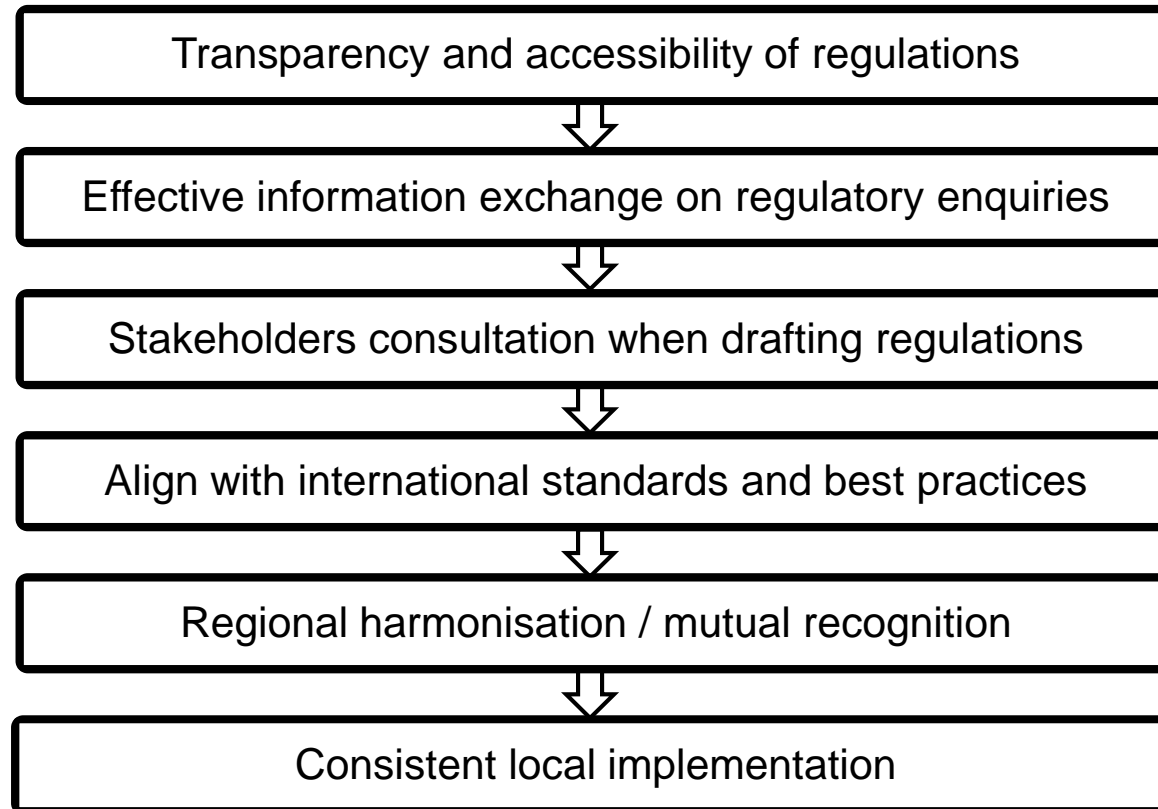
- Accessible

## RISK-BASED APPROACH OR POST MARKET SURVEILLANCE

- Shorten lead time
- Reduce market access barriers

# **A Harmonised Regulatory Framework**

# GOOD REGULATORY PRACTICE



# CAPACITY-BUILDING AND PARTNERSHIP



Technical training on harmonisation developments in ASEAN, product labelling, product registration and halal certification.

(Partnership with the Indonesia Food and Beverage Association, GAPMMI)



Technical training on the new halal certification scheme and the sweetened beverage tax.

(Partnership with Philippine Chamber of Food Manufacturers Inc, PCFMI)

# CAPACITY-BUILDING AND PARTNERSHIP



- Provide access to training and capacity building resources to public sector to strengthen national food safety regulatory systems

# AFBA IN INTERNATIONAL / REGIONAL HARMONISATION PLATFORMS



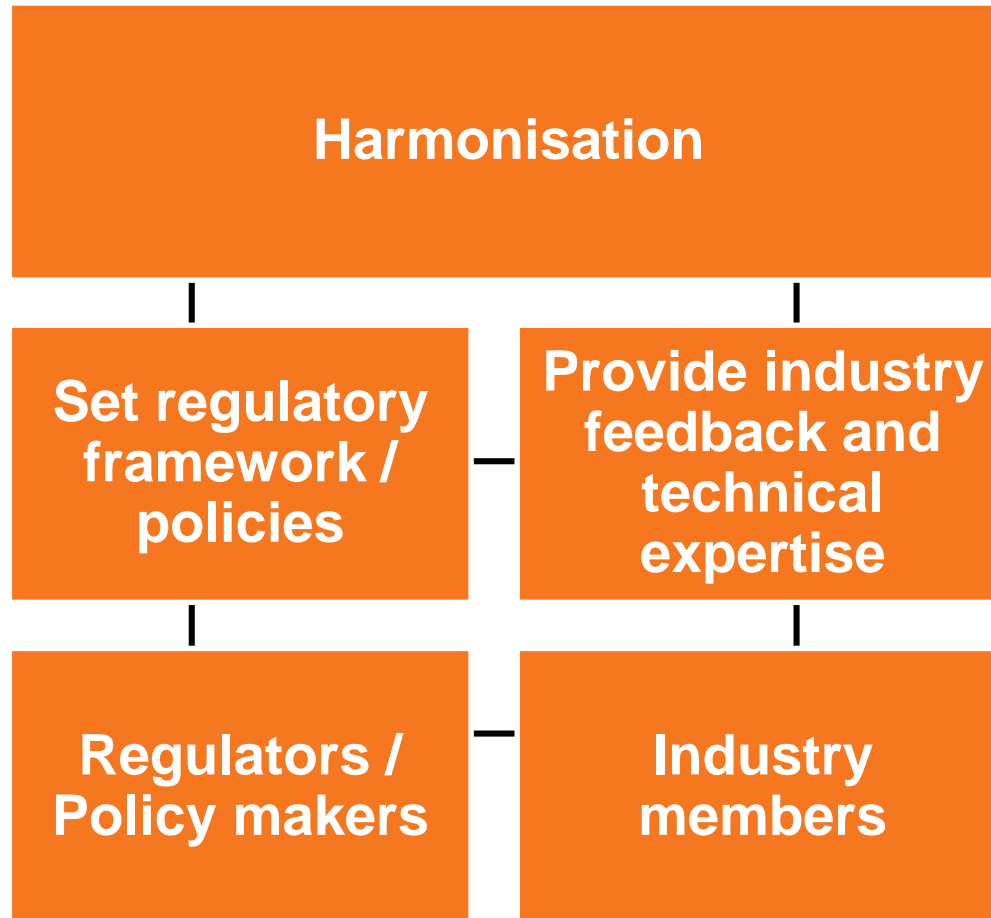
## ASEAN PREPARED FOOD PRODUCT WORKING GROUP (PFPWG)

AFBA attends industry dialogue with the PFPWG to provide updates regarding industry initiatives on regional integration and explore opportunities for collaboration.

## ASEAN BUSINESS ADVISORY COUNCIL (ASEAN BAC)

AFBA is identified as private sector champions from the agri-food sector to provide recommendations to the ASEAN BAC leaders on specific concerns on NTMs, which are subsequently channeled to the ASEAN Economic Ministers.

# CONCLUSION



*Thank you .*