



APEC Public - Private Dialogue

Boracay Island Philippines

17th May 2015



Fresh Foods Division within DairyFarm

Bringing to Asian Consumers the Benefits of Modern Retail

- We need to answer the changing consumer needs:
 - Informed
 - Health Conscious
 - Cost sensitive
- We need to source competitive vendors:
 - Geography
 - Infrastructures
 - Quality
 - Competitiveness
- 3 steps to Quality
 - Supplier selection
 - Product management
 - Surveillance management




What would it take for small/medium agricultural food producers to reach and be competitive in the Global Value Chain?

- **Product Quality** - Consistency guaranteed by Quality standard (ie: GSI, GFSI) and audits (GMP/HACCP)
- **Competitive pricing** – Standards are important to compare like for like, especially across borders
- **Marketing Strategies** – Producers, must allow revenue to fund marketing strategies to promote their product in any given market. (ie: Kiwi NZ)
- **Speed to Market** – An efficient supply chain is imperative to be competitive as well as ensuring product is kept at its best quality from source to shelf.



What would it take for small/medium agricultural food producers to reach and be competitive in the Global Value Chain?

- **Good Pre and Post Harvest practices** – Full transparency and traceability of Farm practices are necessary to ensure product quality, building trust across the supply chain. Post Harvest includes the shelf life the Customer will experience once they get the product home.
- **Innovation** – Whether it be through unique range improvement or packaging ideas, keeping ahead of competition.
- **Up to date technological advancement** - Technology changes the game – it can help reduce complexity, radically improve traceability – but it comes at a cost. It is not about cheaper food – it's about 'smart traceability'.



How does the DairyFarm Group support producers across borders?

- Synergize best practices across the DairyFarm Group / Share learning's.
- Introductions are made through the current purchasing channels. Potential Producers are invited to present at the Fresh Food Forums and DairyFarm internal Conference Calls.
- Partnerships are then built to encourage and drive efficiencies and productivity.
- Global Food Sourcing Hubs / Centers strategically located close to the 'farms' or source of production (DF HK FFC – Dairy Farm Hong Kong Fresh Food Centre).



Barriers of Supply in and out of Asia Pacific Region

- **Regulatory Compliance** – Each Country continue to protect the welfare of its own agricultural production, hence restricting the importation of like product.
- **Stringent Food Safety Certification requirements** – HACCP, Global Gap, ISO 9000, quality compliance and audit standards.
- **Sustainability Programs** – Seafood is a major product category that continues to get emphasis on long term sustainability.
- **Product specifications** – Grade specifications are very important to the different markets and customers as a common measure.



Questions for APEC to support agricultural product trade across borders

- How to challenge and review regulatory compliance?
- How to share best growing practices across borders?
- How much government investment is going to irrigation and farm to market road?
- How to improve quality and guarantee traceability?
- Which audit will guarantee standards across borders?
- How to stop declining farming manpower moving to cities?
- How to stop reduction of farmland due to increasing population?
- How to help small farmers to reach economies of scale?
- When restrictive constitutional provisions can be lifted?