SME EXPORT TALK

Food Safety for Export

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ARISE+ Cambodia
Funded by the European Union

កិច្ចសហប្រតិបត្តិការ
អាល្លឺម៉ង់
DEUTSCHE ZUSAMMENARBEIT

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Business Scouts
for Development

INTRODUCTION

ARISE Plus Cambodia:
- Is co-funded by the European Union and the German Federal Ministry for Economic Cooperation and Development (BMZ).
- Is implemented by GIZ, the German Agency for International Cooperation (Deutsche Gesellschaft für Internationale Zusammenarbeit).
- Aims to support greater connectivity and economic integration between Cambodia and the rest of ASEAN, by implementing the ASEAN Economic Community Blueprint 2025.

     Among others, ARISE Plus Cambodia aims to assist Cambodian SMEs in increasing and/or diversifying exports. SMEs contribute greatly to job creation, new income opportunities and economic development in rural areas. Exporting is a possible solution to achieve the long-term sustainability of such enterprises. In this regard, the key for successful business is the ability to access reliable and accurate information, particularly with regards to export requirements and strategies. Therefore, together with EuroCham, ARISE Plus Cambodia is organising a series of information events, the **"SME Export Talk".** These events will cover several topics related to exporting and SMEs, and will last until the end of 2022.

     The content of the SME Export Talk includes, for instance: social media for SMEs, export opportunities in ASEAN, product/process quality standards, product branding, ASEAN Non-Tariff Measures (NTMs), effective business matching and negotiation, participating in trade fairs, third-party logistics and others.

FOOD SAFETY DEFINITION

Food Safety refers to the handling, preparation and storage of food in a way so as to most reduce the risk of individuals becoming sick from foodborne illnesses. Food safety is a cross-sectoral science affecting several levels of the food chain, from producers and processors to consumers.

The principles of food safety aim to prevent food from becoming contaminated and causing food poisoning. This is achieved in various ways, including:

Properly cleaning and sanitising all surfaces, equipment and utensils used in food processes;

Maintaining a high level of personal hygiene, especially hand-washing;

Storing, chilling and heating food correctly with regards to temperature, environment and equipment;

Implementing effective pest control;

Comprehending food allergies, food poisoning and food intolerance.

FOOD SAFETY IS ABOUT PROTECTING THE CONSUMER

Every consumer has the right to know whether the food they consume is safe and of good quality. It is very common for the regulator to associate food safety with the protection of consumers.
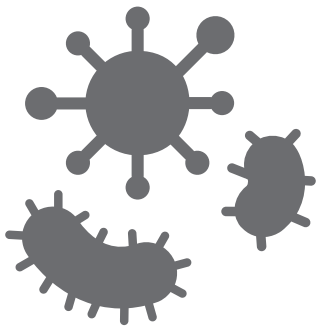
Therefore, food safety policy has two objectives:

to **Protect Health** and **The Interests of Consumers**.

The term Hazard refers to the identification of biological, chemical, and physical agents capable of causing adverse health effects, which may be present in a particular food or group of foods. Several type of hazards can be found in food:

FOOD HAZARDS

Biological (germs)   **Chemical**   **Physical**

Biological hazards (germs)

o   These are harmful micro-organisms, such as bacteria, viruses, helminths, rotozoa, algae, and certain toxic products that they may produce.

Chemical hazards

o   These include fertilizers, pesticides, weed inhibitors, growth regulators added intentionally during production, as well as waxes during post-harvest, the residues of which are beyond safe or acceptable limits. They may also be prohibited or unauthorized substances and colorants.

Physical hazards

o   These are pieces of metal, glass, plastic, wood, personal items, machinery and equipment. For example: pins, nails, broken bulbs or bottle fragments, watches, jewellery, keys, stones, hair.

FOOD SAFETY IS A MUST,
NOT AN OPTION

600 MILLION PEOPLE

1 IN 10 fall ill after eating contaminated food

Around the world, an estimated 600 million people – almost 1 in 10 – **fall ill after eating contaminated food each year.** As a result, food safety authorities worldwide have established strict guidelines regarding the importation of food.

It is crucial for agro-SMEs to follow strict guidelines in order to meet the requirements of the regulators. It means in practice that such SMEs should obtain quality standards and certifications internationally recognised on food safety, such as: **GMP, HACCP** and **ISO 22000**, among others.

Furthermore, a failure on the part of businesses to manufacture, distribute and sell safe food products will lead to a loss in consumer confidence and a subsequent loss of market share. To guard against this, SMEs must regard food safety as an opportunity to create competitive advantage, rather than an onerous and costly burden.

The Asia-Pacific region faces great challenges on this front, because most food producers and processors are SMEs. They are constrained by limited resources and a lack of expertise concerning food safety standards and management systems. Food moves from farms to consumers via supply chains composed of multiple actors.

Since safety hazards can enter the food chain at any stage from farm to fork, adequate control is essential and requires the implementation of relevant processes that comply with international quality standards and certifications.

ASIA-PACIFIC

CRITICAL RISK FACTORS IN FOOD

Contaminants	Products
Pesticide residue	Fruits and vegetables, milk, sea food, meat, cereals
Aflatoxin	Peanuts, rice, dry chillies
Sudan red	Chillies
Food additives	Noodle, processed food

FOOD SAFETY AND COVID-19

The virus that causes COVID-19 does not represent a direct food safety concern, according to updated guidance from the Food and Agriculture Organization of the United Nations (FAO).

Current data indicates that neither food nor food packaging is a pathway for the spread of viruses such as COVID-19. Coronaviruses cannot multiply on food or other surfaces but are able do so in humans and certain animals (FAO).

However, a large number of employees in the food supply chain have been contaminated. Introducing effective guidelines on the safety of employees has therefore been an integral part of food safety strategies, as the pandemic has fundamentally affected the management and assurance of food safety in all retailers and manufacturers.

Many of the precautions used to promote food safety are the same to those used to reduce the spread of respiratory illnesses like COVID-19, such as frequent hand washing, wearing hair nets, face masks, and disinfecting surfaces. These precautions protect workers and consumers. Compliant SMEs will see the food safety of their products increase, while also reducing the risk associated with COVID-19. By doing so, they also contribute to reducing the spread of foodborne diseases and increasing community awareness.

FOOD SAFETY AND EXPORTS

Exporting food is a complicated process due to the associated hazards in public health and consumer protection.

Exported fruits and vegetables must meet the same health requirements of those produced locally in the destination markets, therefore products must be safe and contain no prohibited ingredients. Labelling and packaging are also critical components.

When regulating the import of food of animal origin in the EU, (meats, dairy products, eggs, etc.) the current legislation allows doing so but only through a third-party country, from a list of countries established by the relevant authorities of the EU. A similar scheme applies in the US, Japan and the ASEAN.

When it comes to food of non-animal origin, however, the requirements are less strict, as there is no mention of a third-party country being necessary to complete the process, meaning companies from exporting countries can do so freely, provided they meet all the legal requirements. The list of foods under this process includes fruits, vegetables, cereals, tubers, drinks, (apart from drinks prepared from or including products of animal origin, such as milk or egg products, as well as certain milk-based drinks).

FOOD EXPORT
(% OF MERCHANDISE EXPORTS)

2000	1.0%
2001	1.2%
2002	0.8%
2003	0.5%
2004	1.1%
2005	0.9%
2006	0.6%
2007	0.7%
2008	0.7%
2009	0.8%
2010	1.4%
2011	2.6%
2012	3.5%
2013	5.8%
2014	5.3%
2015	4.8%
2016	4.5%
2017	4.8%
2018	5.2%
2019	4.6%

source: World Bank

FOOD SAFETY AND QUALITY CONTROL STRATEGIES FOR EXPORT

To export, an SME has to focus on several areas to strengthen food safety, quality and food controls, in order to meet the requirements of the importing country. Food operators are responsible for the safety of the products they sell. This also affects SMEs as suppliers, because SMEs are expected to control the supply chain according to the guidelines of Hazard Analysis and Critical Control Points (HACCP) process.

o   A preventive approach is required, since **prevention is the ultimate goal of food control** and this is only possible if food producers and food businesses are correctly implementing effective food safety management programmes. **Once the hazards enter the food chain, it may be difficult to remove them.**

o   It is important therefore to implement good practices, such as those listed under Good Agriculture Practices (GAP), Good Manufacturing Practices (GMP), the Hazard Analysis and Critical Control Point (HACCP) approach and the Food Safety Management Systems (FSMS) for example those offered under the ISO 22000 certification.

o   These basic good practices, along with food safety management systems, are the foundation of food safety across the entire supply chain, and often represent a strict requirement for producers and operators to access global food market.

Without HACCP, it is not possible to export to the EU, US, Japan or to other ASEAN countries.

HACCP
A MUST-HAVE TO EXPORT FOOD

The HACCP (Hazard analysis and critical control points) certification deals with hazards that are significant for food safety. Other hazards (those not significant for food safety, but still relevant for the purposes of hygiene and the removal of contaminations) are covered under other programmes, such as: Good Agricultural Practises, Good Hygiene Practises and Good Manufacturing Practises.

Food safety is addressed through the analysis and control of biological, chemical, and physical hazards during various processes: ranging from raw material production to procurement and handling, manufacturing, distribution and consumption of finished products.

HACCP PRINCIPLES

HACCP is a systematic approach to the identification, evaluation, and control of food safety hazards based on the following seven principles:

o   **Principle 1:** Conduct a hazard analysis
o   **Principle 2:** Determine the critical control points (CCPs)
o   **Principle 3:** Establish critical limits
o   **Principle 4:** Establish monitoring procedures
o   **Principle 5:** Establish corrective actions
o   **Principle 6:** Establish verification procedures
o   **Principle 7:** Establish record-keeping and documentation procedures

These seven principles of HACCP have been universally accepted by governmental agencies, trade associations and the food industry around the world.

HACCP
CONCEPT

Company audit
Monitoring system, inspections, specifications, products recalls, documentation

Maintenance and hygiene
Sanitizing processes, waste management, pest control, facility rnanagernent

Personal hygiene
Staff, visitors

Distribution and logistics

Product information
Product labels, consumer data

Training

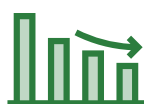## REQUIREMENTS FOR SITES, BUILDINGS, INTERIORS, FACILITIES, UTILITIES AND EQUIPMENT

ADVANTAGES OF OBTAINING HACCP FOR AN SME

Gain control over hygienic risks and hazards

Improve your food safety

Mitigate the risk of product liability claims

Demonstrate due diligence

Earn international recognition

Earn international recognition

WHAT'S NEXT AFTER HACCP?

The seven HACCP principles are included in the international standard ISO 22000 and BRC (British Retail Consortium); both standards are in accordance to the Codex Alimentarius. In practice, many SMEs choose to obtain HACCP first, since it helps establish the foundations of an internal food safety management system.

As a result, the HACCP certification methodology is a must-have to develop and uphold food safety.

Codex Alimentarius a collection of international standards, guidelines and codes of practice to protect the health of consumers and ensure fair practices in the food trade (FAO).

GLOBAL FOOD SAFETY INITIATIVE AND THE FSSC 22000 STANDARD

The Global Food Safety Initiative (GFSI) is a non-profit association of industry experts committed to improving food safety along the value chain. One of the GFSI's main missions is to approve food safety standards covering farming, packaging, storage and distribution, to meet requirements by the world's major food retailers. GFSI also aims to **reduce food safety risks by converging effective food safety management systems.** It also contributes to **manage cost in the global food system** by eliminating redundancy and improving operational efficiency.

The GFSI recognises the FSSC 22000, a certification scheme for food safety and quality management systems in compliance with HACCP, ISO22000 and ISO 9001. FSSC 22000 defines, evaluates and controls risks and hazards during the processing, manufacturing, packaging, storage, transportation, distribution, handling and offering for sale or supply across any sector of the food chain.

This certification is often required by leading global food retailers, therefore obtaining it greatly enhances a company's market access. all companies operating in in the food chain, regardless of size and complexity, should obtain FSSC 22000.
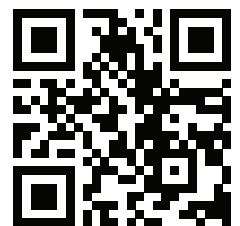
Get started here, scan this
QR code to find
An Overview of ISO 22000,
a food safety management system

BRITISH RETAIL CONSORTIUM
GLOBAL STANDARDS

Originally developed and published in 1998, BRC has become a leading brand and consumer protection organisation. This group of standards provides a framework to manage the safety, integrity, legality and quality of products, as well as the operational controls in the food manufacturing, processing and packing industry. BRC is based on HACCP principles and incorporates food safety management systems.

The BRC standards are not only popular in the UK and other English-speaking countries, being also used in over 130 countries and accepted by 70% of the top 10 global retailers, 60% of the top 10 quick-service restaurants, and 50% of the top 25 manufacturers. The standards are recognised by the GFSI. This opens up new export opportunities, since an increasing number of retailers and food service providers are mandating that their suppliers be certified against a scheme approved by the GFSI.

GMP, FIRST STEP TO FOOD SAFETY

GMP can be considered as a "first step" to food safety and can be one of the components of HACCP. This standard includes the basic operational and environmental conditions required to produce safe food. It ensures that ingredients, products and packaging materials are handled safely and that food products are processed in a suitable environment.

GMPs address the hazards associated with potential contamination by staff or the environment during food production. Once this standard is in place, processors can implement a HACCP mechanism to control hazards that may affect the ingredients and packaging material during food processing.
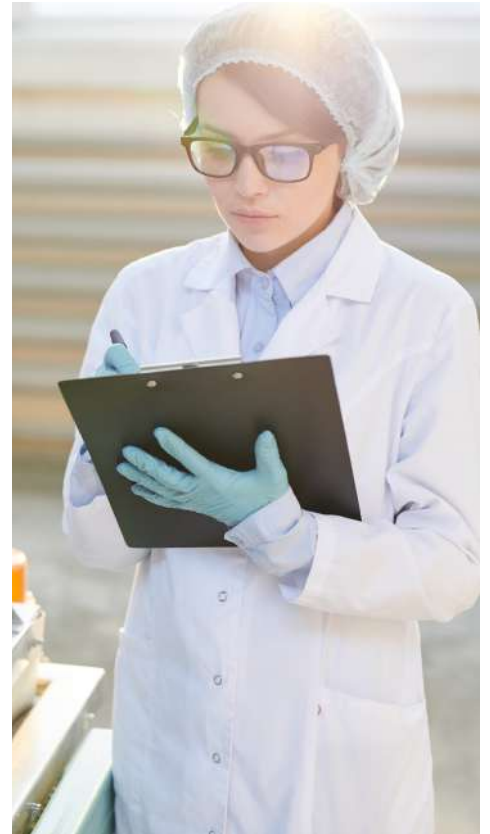
GMP+, THE REFERENCE FOR THE ANIMAL FEED INDUSTRY

GMP+ was published in 2013 and is tailored to the animal feed industry. It contains two components, "GMP+ Feed Safety Assurance" (dealing with feed safety) and "GMP+ Feed Responsibility Assurance" (dealing with sustainable feed). GMP+ monitors the entire feed chain, from producers of raw materials to transport organizations and livestock farmers. GMP+ integrates HACCP.

Even though HACCP is embedded in GMP+, some buyers request suppliers to have both certifications.

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