

**Yang Berhormat Pehin Orang Kaya Seri Utama  
Dato Seri Setia Awang Haji Yahya Bin  
Begawan Mudim Dato Paduka Haji Bakar**

**Minister of Industry and Primary Resources Brunei Darussalam  
Excellency's, Distinguished Guests, Ladies and Gentlemen  
A very pleasant and good morning to all of you.**

**It is my great privilege to be here in Brunei representing the ASEAN Food and Beverage Alliance, and allow me to begin firstly by thanking the Organizing Committee for inviting me to provide the keynote presentation in celebration of World Standards Day on the theme of "International Standards Ensure Positive Change" AFBA congratulates Brunei Darussalam on all of your achievements in moving forward with a complex and difficult task under your Leadership of ASEAN during 2013.**

**As you have seen from the opening video, the food and beverage sector has a huge role to play in the success of ASEAN, and integral to meeting this challenge is the role of international standards in supporting a positive change for trade in safe food throughout the region.**

**I have the honour of representing the food and beverage industry across ASEAN. This sector employs more than four million people and includes over 300,000 companies - mostly SMEs.**

Throughout this great region, businesses, governments and ordinary citizens are starting to glimpse the prospect of living in a thriving “Single Economic Community”. And although this might not be immediately apparent to every small business owner, this dream is getting closer thanks to the hard work of the ASEAN partners.

As we have heard, the community-building efforts started back in 2007 with the adoption of the AEC blueprint ..and great progress has already been made ..with the removal of tariffs, simplification of customs and strengthening of Free Trade Agreements.

These developments have a direct bearing on the ability of food companies to do business in ASEAN, and have removed some costs and impediments to trade.

Doing business means being able to bring product to market in a timely and cost effective manner; it means being efficient in the way that companies source product from an increasingly competitive global supply chain, and avoiding delays or prohibitions on trade brought about by inconsistent technical requirements to what is otherwise safe food. In this context, the harmonisation of national standards to internationally recognised standards plays an important role.

ASEAN recognises that differing standards or excessive technical regulations can serve as obstacles for producers and exporters. The harmonisation of standards, technical regulations and conformity assessment across ASEAN plays an important role in trade facilitation, a key component in building of the Single Market under the AEC.

Most people will be aware of the tremendous advances in digital and electronic communications that have occurred in the last 20 years. The introduction of mobile phones has revolutionised communications. Technology has also been advancing rapidly in many other areas including automation, software and measurement instrumentation.

There have been major changes in the way in which the world communicates, trades, and generally does business. But what lies behind the global application and access to these great advances are the developments in International Standards that support how these systems work and interact.

The role of international organisations, such as the International Organisation of Legal Metrology (OIML), the International Organisation for Standards (ISO), and the WHO/FAO Codex Alimentarius, support the development of standards covering almost all aspects of technology and business. From food management systems to computer security, from laboratory testing of milk to the operation of sophisticated diagnostic healthcare equipment, standards impact all aspects of our lives.

Doing business means being able to trust that the results of performance tests reliably measure the key ingredient that is being assessed; it means trusting that the weights and measures of products traded are accurate; and it means that the electronic information that is exchanged in the trade of goods is secure and protected from tampering and fraud.

OIML is an intergovernmental treaty organisation created to promote the global standards on legal metrology and has observer status on the

**Committee on Technical Barriers to Trade (TBT Committee) of the World Trade Organisation. Accordingly, its recommendations, are critical to underpin international and national trade, particularly in pre-packaged goods.**

**I mention pre-packaged goods because this increasing as a high-value internationally traded commodity in which industry is responsible for safety and accuracy of the information provided on the product, as distinct from trade in bulk agricultural commodities. OIML standards specifically address requirements for trade measurement and labelling requirements of prepared packaged goods.**

**ASEAN's approach to preparing, revising and applying standards and technical regulations has been based on international standards and practices. This includes alignment, as much as possible, with the obligations under the Agreement on Technical Barriers to Trade. The ASEAN Policy Guideline on Standards and Conformance adopted in 2005 and the ASEAN Good Regulatory Practice adopted in 2009 are in line with international standards.**

**As you know, the agri-food sector has earned its place as a top priority in the first pillar of the AEC. While the adoption of some international standards has enabled ASEAN's intra-ASEAN trade to grow in the priority sectors of integration, there are still many challenges due to differing national laws and regulations to regional commitments made, country-specific requirements, the lack of development in mutual recognition arrangements in areas where they are needed, including in the prepared food sector.**

**The road to harmonisation has not been easy with many obstacles to an ASEAN-wide alignment, and to seek agreement 5**

**on the importance of harmonisation to International Standards. As we near the goal of 2015, the food industry has come together and stands ready to provide support with extra expertise and resources to help accelerate this vital effort.**

**As an industry, we understand the perils of fragmentation and we want to leverage the support of all stakeholders to accelerate the harmonisation of national standards impacting on the food industry and remove the remaining barriers to trade.**

**We are already showing the value of innovation but we need a large, open market to realise our full potential for growth. If we work together to create a well-regulated, safe industry, we can comfortably serve all 650 million citizens in ASEAN with affordable delicious and healthy foods; and we can strive to be an export generator that helps to feed India and China in a large, open market that stimulates innovation and fair competition.**

**At present, the ASEAN food industry is still relatively 'young'. We have a market size of just 200 billion US dollars and much of this is concentrated in the developed markets of ASEAN. Currently, the lack of regulatory harmonisation is holding us back and this is reflected in our reduced industry growth rates of just 7 – 9%.**

**Forging greater harmonisation in standards affecting the food industry is a high priority for ASEAN but it will involve all players across the region; from farmers to suppliers, manufacturers and retailers. It is so important because it ensures the application of a common set of standards to laboratory testing, safety standards, labeling, quality and certification that is achievable and acceptable everywhere, no matter the size of your business. As our video showed, companies in ASEAN are being shackled by a multitude of costs because each country has its own unique rules for things like food labelling and product registration.**

**This is not a deliberate attempt to create trade barriers but it results in increased costs for companies and consumers, reduced trade, slower growth and overall loss of regional competitiveness.**

**We know that a harmonized set of rules based on mutual recognition and determination of equivalence to International Standards would allow us to speed up innovation and encourage companies to explore new markets, increasing the region's overall competitiveness.**

**As we near the goal of 2015, Governments and the private sector have an opportunity to work together to remove the remaining technical barriers to trade and help ease the movement of food between countries. Each side can bring its strengths and resources to boost economic prosperity whilst celebrating the diversity of individual member states. The opportunity for harmonisation across all sectors is upon us and we really can make it a WIN-WIN-WIN for Governments, companies and the citizens of ASEAN.**



**The private sector is already viewed as a vital component to achieving the goals of ASEAN but what more can we do to truly engage in this process?**

**The food industry can be much more than just a feedback mechanism for regulators, it can be a partner and stakeholder of the ASEAN Economic Community. That is, a partner in shaping the present and future direction of the Community, working together with all stakeholders like the ASEAN governments, and the ASEAN Secretariat.**

**Let me tell you about one way that we are learning to do this. As you saw in the video, the food industry has created a single, united body that brings together all of the existing food & beverage associations across ASEAN. The ASEAN Food & Beverage Alliance – AFBA – was launched in April and covers thousands of small, medium and large food companies in all ten member states. Together, they can provide a single voice for public-private dialogue.**

**AFBA is an alliance of associations in ASEAN. It is governed by an Executive Board comprising the Chairmen of the major food & beverage groups in each country as well as the recognised SME associations in ASEAN.**

**By understanding the priorities of all of these businesses, AFBA is able to contribute to the ongoing integration process in ASEAN. It provides technical support to the ASEAN Committees and serves as a single contact point for the food industry with the relevant Ministers.**

**Like many sectors, the food industry is poised for rapid growth in ASEAN and AFBA is at the forefront of this exciting journey. We are aware there will be challenges ahead, but regulations harmonised to International Standards can be achieved through the development of a shared vision and active collaboration between the ASEAN governments and the private sector.**

**In closing, let me leave you with three observations from our journey so far:**

**Building a single economic community is a huge task. It requires governments, private sector and civil society to work in partnership.**

**Working together requires active rather than passive participation by the private sector. We must be well-organised and prepared to offer timely, meaningful contributions at the technical level of ASEAN - as well as attending high-level forums and CEO meetings.**

**We can achieve this by forming dedicated industry associations who are committed to support the goals of ASEAN and, through these groups, we can earn our seat at the table and demonstrate the value of true public-private partnership.**

**As the leading voice of food and beverage companies – large, medium and small - all over ASEAN, the AFBA Executive Board has urged all nations to join forces to embrace a shared vision for integration and the opportunity provided by global International Standards.**





Kementerian Perindustrian dan Sumber-Sumber Utama

**Together, we can deliver a stronger, safer and diverse choice of quality foods for all citizens, wherever they live in this great region.**



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