

Speech by Mr Khaw Boon Wan, Minister For National Development at AVA Food Industry Convention

10 October 2013

1. Next week, the world will observe the World Food Day on Oct 16. This year, Food and Agriculture Organisation (FAO) has chosen the theme: “Sustainable Food Systems for Food Security and Nutrition”.

2. While hunger remains a problem in some parts of the world, access to food has long not been a problem in Singapore. But with our heavy reliance on overseas sources, food security will always be a top priority for us. Our basic strategy is to pursue diversity. Today, we import more than 90% of our food from 160 countries worldwide.

3. This strategy has served us well. For instance, in July this year, Malaysia imposed a 2-month export ban on 5 species of fish. However, the ban did not have a significant impact on our fish supply, as we import over 100 species of fish from more than 60 countries.

4. While diversity of sources can guard against food shortages, price volatility is sometimes difficult to avoid, if it is part of a global phenomenon. One recent example was the 2007-2008 global food crisis which saw sharp increases in world food prices. That is why we must never take for granted the easy access to affordable and nutritious food that we have enjoyed for a long time.

Updating Our Roadmap

5. Last year, the Agri-Food and Veterinary Authority (AVA) reaffirmed our Food Security Roadmap, after wide consultations with industry players and other government agencies. In addition to the time-tested approach which has served us well, AVA updated the Roadmap with two new emphases.

6. First, where commercial opportunities arise, we are prepared to explore investment in overseas food sources to raise our food supply resilience in key food items. One demonstration of this approach is our investing in a Food Zone in Jilin by Singbridge, a Temasek-owned company. AVA is also involved by providing technical advice to the local authorities to help them maintain a disease-free zone there. In due course, we look forward to importing regularly some key food items from Jilin, starting with pork and pork products.

7. Second, although there are obvious limits for local agricultural production, we must still try and explore how to increase it in pragmatic ways, focussing on key food items, such as leafy vegetables, fish and eggs. But it cannot be based on traditional farming as in the third world with large rural land and abundant farm labour. Singapore can accommodate some local farms but they must be highly productive and highly selective in the food items they produce. They must invest in technology and adopt efficient farming methods so that they can grow more with less land and fewer workers. AVA officers stand ready to help these farmers to fully optimise our limited farm land.

8. In 2009, AVA launched an AVA Food Fund to help such farmers. Nearly \$20 mil has been spent. This has benefitted 71 companies and 141 projects. Collectively, these projects have increased local farm production by 550 tonnes of fish and 360 tonnes of leafy vegetables.

9. This morning, I am pleased to add another tranche of \$10 million to the AVA Food Fund. For the new tranche, eligible farmers can look forward to greater funding for quality seeds and fish fry. We will also simplify the application process. I encourage you to make good use of the Food Fund to make your farms more productive, innovative, and competitive.

What more can we do for food security?

10. Achieving food security is everyone's business. And I do mean everyone: farmers, traders, distributors, retailers, restaurants and consumers. All have a role to play in ensuring we can continue to put food on our tables. Let me give four examples.

Preparing for contingencies

11. First, companies must prepare themselves for contingencies. Supply disruptions, even short-term ones, can affect your businesses. Hence, all companies should have business continuity plans, so that they can quickly activate alternative supply sources when needed.

Enhancing productivity and efficiency

12. Second, companies must strive to be more productive and efficient. This is the only viable approach to remain competitive and resilient to potential supply shocks. The

Government will help. For instance, SPRING Singapore and the Singapore Food Manufacturers' Association supported the Restaurant Association of Singapore to develop an e-procurement portal to raise procurement efficiency. Instead of ordering food products via phone, fax or email, restaurants can save manpower and reduce paper work by using this online portal to automate purchasing processes.

13. A few months ago, I visited a home-grown soy sauce family business, after reading about them in the local newspaper. They knew that the traditional way of producing soy sauce would not do in modern Singapore. They had to transform their operation and adopt innovative approach. They added that HDB, their land lord and SPRING Singapore have been most helpful to facilitate their business transformation. They are developing an innovative way to vertically stack up the fermentation vats, thus enabling the company to better utilise its limited land space.

Reducing food wastage

14. Third, we must reduce food wastage. FAO estimated that one third of all food produced in the world gets wasted. In Singapore, our National Environment Agency (NEA) estimated that 703,200 tonnes of food were wasted last year. When many elsewhere are still not getting enough food to eat, this is sinful.

15. Waste can occur anywhere from farm to fork, so everyone needs to do their part. Individually, we can minimise food wastage as consumers, especially when dining at buffet lunch or dinner.

Plugging into international platforms

16. Fourth, we should keep abreast of the latest developments in global food security and learn best practices. Our food industry should, where possible, take part in international industry platforms on food security. One example is the Policy Partnership on Food Security (PPFS) established by the Asia-Pacific Economic Cooperation (APEC), which brings together individuals from both the private and public sectors to discuss issues related to food security. The platform provides a good opportunity for our industry players to engage and network with food companies from other APEC economies. This should be good for cross-border business and trade.

Conclusion

17. This year, the FAO turns 68. Being a non-agricultural country, Singapore has not been an FAO member.

18. But over the years, FAO discussions have evolved. It is no longer just a forum for agricultural countries to discuss developments in agriculture, fisheries or food production. Increasingly, it is about food security, food safety and food nutrition. These are important topics both for food producers and food consumers.

19. In June, Singapore joined the FAO as a member. This is a milestone for us, as Singapore will now be at the forefront of the global dialogue on these important topics. This will help us better anticipate potential supply disruptions and strengthen our preparedness for food-related crisis.

20. This is AVA's inaugural Food Industry Convention. In the audience are key stakeholders in the food supply chain. Our food security depends on you to build up your local capability and also to link up with your counterparts elsewhere so that our food system is healthy and resilient. Many of you have been in this business for decades. Share your knowledge and your wisdom. Together, we can ensure food security for many decades ahead. On this note, I wish you a fruitful convention ahead.

21. Thank you.