

# Speech by Mr Chee Hong Tat, Minister of State for Health, at the Food Vision Asia 2017, 26 April 2017

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Distinguished Guests

Ladies and Gentlemen

Good morning. It is my pleasure to join you at the second Food Vision Asia Summit.

## **Changing needs of the global and Asian food market**

2. The needs of consumers are ever shifting, and this is especially evident in the global food industry. While food security and under-nutrition remain a challenge for some countries, growing affluence in developed economies and emerging markets has led to increased expectations for taste, variety and convenience of food. This has led to increasing pressure for industry players to continually innovate to meet these demands.

3. In Asia, there is a growing middle class of consumers who are becoming wealthier but also ageing rapidly, and perhaps faster than many other regions in the world. Some companies have responded by creating products tailored to the needs of the elderly. For example, one of our local public hospitals, Changi General Hospital, has worked with a local nutrition company, Health Food Matters, to develop a range of texture-modified ready-to-eat meals in local flavours suitable for seniors who have difficulty swallowing their food. I am glad to know that these products have been well-received by seniors who have tried them.

4. Our lifestyles and eating habits are also changing. With higher demand for packaged and convenience meals, the first fully automated vending machine café was launched in Singapore last year, providing hot meals round-the-clock at the push of a button. The quality of these meals is actually not bad, though at this moment, it still cannot compare against freshly prepared fried noodles made by the best hawker stalls. I hope our overseas guests will have a chance to try our famous hawker food in Singapore. The technology will continue to improve, and I am confident that this gap will narrow over time.

5. These shifts present major opportunities for the food industry to innovate and come up with new products. Building on Singapore's trusted brand for quality and safety, there is potential for Singapore food products to be exported overseas, a point which was also made by the Committee on the Future Economy or CFE.

## **Diabetes - a global problem demanding a localised solution**

6. One particular area is how we can tackle the diabetes problem through healthier food and healthier ingredients. In many countries, type 2 diabetes has reached epidemic proportions. There are many contributing factors such as ageing, lifestyle, the food that we eat and the lack of exercise. Later, Prof Jeya will also share with us the kind of food that we eat in Asia which further contributes to the diabetes problem because of the proportion of refined carbohydrates in our diet. We currently have an estimated 400 million people having the disease worldwide and 60% of the world's diabetic population is in Asia. In Singapore, more than 400,000 are diabetic and this number is projected to exceed 1 million by 2050 if current trends continue.

7. While obesity is strongly associated with diabetes among western countries, I understand from Professor Jeya Henry that a key contributor in Asia is the foods that we eat. So, if you look at Singapore's obesity rate, it is lower than countries like UK and Australia but we have a higher diabetes prevalence rate compared to these western countries. Most notably, we consume a diet where carbohydrates form the bulk of our meals. The vast majority of these are highly refined staples such as white rice and noodles

made from refined flour. We also consume too much sugar from packaged food and beverages.

8. Governments across Asia are taking action, from regulatory measures to educational efforts such as nutrition labelling and public campaigns. In Singapore, the Minister for Health has declared a “War on Diabetes” and laid out a multi-year strategy to combat this chronic disease.

9. As we become more health conscious, taste and convenience alone will no longer be enough to win over consumers. Health will become an important factor for many consumers when they decide what food to purchase and what they would like to consume. I encourage more companies to focus on creating foods that are not only tasty and convenient, but also good for health. My belief is that health and taste are not mutually exclusive. Food can be both tasty and healthy.

### **Rising to the Asian Challenge**

10. I am therefore excited to see many companies rising to meet the needs of the Asian market. For example, Coca Cola, not a company that you would normally associate with healthy foods, is making progress in the direction by trying to move towards healthier drinks, healthier beverages, and healthier food products. Coca Cola Singapore has recently adopted the government’s Healthier Choice Symbol labelling for its lower sugar products, to provide clear and simple information to consumers. This signals a commitment by the company to provide consumers with more choices to control their sugar intake and choose healthier beverage options. Of course, it is still best to drink water. I am glad to see many people drinking water. That is still the best beverage. But if you would occasionally want to consume a soft drink or a flavoured drink, a healthier choice would give consumers more options to choose from. So the key is how to work with the industry to provide healthier options so that there is a greater variety that benefit our consumers.

11. Companies have also created a range of functional ingredients that offer enhanced health benefits and value to consumers. In particular, I am excited about the new sugar reduction innovations, such as the development of novel sugars, as they offer new options in our fight against diabetes. Novel sugars such as the hollow sugar by *Nestle*, Allulose by *Matsutani Chemical Industry* and Isomaltulose by *Beneo*, have improved physiological effects and yet provide natural sweetness to food products. These are not artificial sweeteners but they give food a natural sweetness and from a health and GI point-of-view, they offer benefits. This offers great promise in creating commercially viable healthier products, and reducing the negative effects of sugar-sweetened food and beverages.

12. I am proud of our local companies such as *Alchemy Foodtech*, supported by SPRING Singapore, who are currently working on creating lower Glycemic Index (GI) white rice that tastes the same as regular rice. This is done through incorporating functional ingredients such as fibre grains into the rice. This product, I believe, can benefit many people in Asia, as rice is a main staple in this region. I understand that the company is also exploring ways to extend this technology to other products such as bread and noodles and I wish them all the best in their research efforts. I hope they come up with healthier products across a wider range of staples.

13. Singapore companies have also been at the forefront in translating these innovations into commercially viable solutions for food companies and consumers.

14. One of our local SMEs, *Faesol*, has developed a range of proprietary sugar replacement products for diverse applications which include bakery products, confectionery, sauces and beverages. *Faesol* has also lent their expertise to help other local SMEs find customised solutions for lower sugar products.

15. Our bread and noodle makers are also coming up with new healthier products. *Sunshine Bakeries* has incorporated beta-glucan, an oat soluble fibre, to create a low-GI bread with a soft texture that appeals to many Asian consumers. Noodle manufacturers such as *Prima* have developed a super fine version of their wholegrain flour, to create

noodles that are 50% wholegrain but retain the taste and texture of regular noodles. My family and I have tried both products and they taste good.

### **Partnering with the government**

16. The Singapore government will support and work with the food industry in your innovation journey. We will offer assistance to companies undertaking healthier product innovation in 3 ways:

a. First, we will support companies undertaking healthier product innovation.

b. Second, we will foster a supportive regulatory environment to encourage innovation and experimentation.

c. Third, we will help companies to use Singapore as a region HQ and launch pad to access other Asian markets.

17. Last month, I launched the Healthier Ingredient Development Scheme, or HIDS. For a start, HIDS will invest \$20 million over the next three years to support food manufacturers in creating healthier staple food ingredients such as wholegrain rice, wholegrain noodles and healthier cooking oils.

18. Unlike most grants that typically cover only capability building costs such as R&D, HIDS will also provide end-to-end support, from product development to marketing, publicity and trade promotions. With such comprehensive support, we hope to work closely with the industry to shift the market towards healthier food products. Projects supported by the HIDS will begin work from July this year and we have already started talking with industry players and many have expressed interest. For those of you who have yet to engage HPB to discuss possible areas of collaboration, you may wish to do so and may approach my HPB colleagues later. We are very happy to work with the industry to see how we can co-create and collaborate to come up with these healthier products.

19. Sugar consumption is another area we must address. The government will work with industry players on sugar reduction strategies to develop and expand their range of low-sugar product offerings.

20. Next, the government can support enterprise development by creating a supportive regulatory environment for innovations to thrive.

21. We will work alongside other agencies to ease regulatory pathways, including speeding up the approval processes for market entry of novel ingredients and product benefit claims, including those that support our War on Diabetes. For example, the novel sugar Allulose has recently been approved by AVA for use in Singapore, ahead of many other developed countries. MOH will apply a similar approach to other areas under our purview, to be a progressive regulator to support med-tech product innovation and create opportunities for start-ups and SMEs in healthcare-related sectors.

22. We will work with regional partners to progressively align our healthier product guidelines for government accreditation schemes such as the *Healthier Choice Labelling*. Over time, this will lead to greater uniformity in guidelines that will lead to lower regulatory burdens for companies when they export to regional markets. So, if you can get the accreditation from one country, it means that you can also be recognised, without having to go through the entire accreditation process in another country. This will help if you are planning to use Singapore as a base to export to other countries in the region. We will also work with our partners and counterparts in the region to open up more access for all.

23. Finally, the government will continue to strengthen support for companies to use Singapore as a region HQ and launch pad to access other Asian markets.

24. Food manufacturing is one of Singapore's strengths. We have got many traditional and new food companies. We are recognised worldwide for the quality and safety of our products. We also have a good mix of food from different regions. We have strong R&D

capabilities. So I think we do have a good ecosystem to support our companies to come up with innovative food products that will not only appeal to consumers in Singapore but also consumers in overseas markets. I would like to urge the industry players and the industry association here to work closely with the government so that through a partnership model, we can collaborate and co-develop delicious healthier products that can be enjoyed by consumers in Singapore and overseas.

25. Support schemes for such internationalisation efforts include the *Market Readiness Assistance* and the *Global Company Partnership* grants managed by IE Singapore, a government agency which supports local companies accessing overseas markets in areas such as market research, entry costs, and promotional activities. I encourage MNCs and large local enterprises to partner with our SMEs to make good use of these support schemes to develop innovative food products. Similar to other sectors, like IT, where we see useful collaboration between the larger MNCs and enterprises with local start-ups, the same can be done in the food manufacturing industry. The research that is being done requires ideas coming from different sources. So both large companies and MNCs bring valuable network, expertise and resources. If we have strong local start-ups and SMEs, they can partner and work together with them to come up with innovative products that will benefit the market and consumers.

26. Let me just end by thanking everybody for being here. We have different partners, people from academia, people from the government, and people from the industry. I believe the way forward is for all of us to focus on innovation and on coming up with new products that achieve the objectives of taste as well as health. It is through such partnerships and platforms that I think we can have new breakthroughs. With that, I wish you a fruitful session ahead. Thank you.