

**AUSTRALIA**

**Australia to increase jail term for food tampering**

Australia increased the jail term to 15 years for anyone convicted of contaminating foodstuffs as a scare over needles found in strawberries and other fruits gripped the country.

Police are investigating more than 100 reports of sewing needles found in strawberries, which have forced farmers to dump fruit as demand plummets, and cast a shadow over an industry worth A\$160 million (\$116 million).

Australia's parliament passed legislation to increase the maximum prison term to 15 years from 10 years for anyone convicted of tampering with food, in line with offenses such as financing terrorism.

Supplied undated handout image obtained September 14, 2018, of a thin piece of metal seen among a punnet of strawberries in Gladstone. It also criminalized hoax claims, making them punishable by up to 10 years in prison.

The legislation was rushed through in less than a day as lawmakers try to repair public trust in the strawberry industry. Politicians across the political divide spent much of the day promoting the industry, with Morrison promising to eat a dessert made with strawberries.

Strawberry farmers have welcomed the action, saying they faced financial ruin if demand did not recover quickly. Consumers remained wary, forcing retailers in Australia and New Zealand to pull strawberries from store shelves.

**CANADA**

**Maple Leaf Foods to Acquire VIAU Foods**

Maple Leaf Foods Inc. announced that it has signed a definitive agreement to acquire VIAU Foods ("VIAU"), a Canadian market leader in premium Italian cooked, dry-cured and charcuterie meats for a purchase price of \$215 million, including \$30 million in Maple Leaf stock. With sales of \$180 million over the last twelve months, the transaction is



expected to be accretive to Maple Leaf's earnings per share in the first year and to the Company's margin expansion over time.

"VIAU brings a portfolio of leading brands, a reputation for innovation and quality, skilled management and people, and excellent manufacturing assets," said Michael McCain, President and CEO of Maple Leaf Foods. "This acquisition expands Maple Leaf's position in the growing market for premium dry cured and pepperoni meat products and provides further production capacity in Quebec, an important strategic base to grow both Canadian and U.S. sales. It also enables VIAU to expand its portfolio to include raised without antibiotic products, leveraging Maple Leaf's leadership in this growing market."

"It is with great pride that we join the Maple Leaf family," said Pat De Marco, President and COO of VIAU. "Our quality and food safety culture fit perfectly with Maple Leaf, the company that, for years, we have regarded as the Canadian industry leader. The resources that Maple Leaf brings will allow us to more quickly grow our business, provide additional product offerings to our customers, make further inroads into the U.S. market, and provide more opportunities to our people. We are truly excited about the future possibilities."

Maple Leaf Foods Inc. is a leading consumer protein company, making high

quality, innovative products under national brands including Maple Leaf®, Maple Leaf Prime®, Maple Leaf Natural Selections®, Schneiders®, Schneiders® Country Naturals®, Mina®, SWIFT®, Lightlife™ and Field Roast Grain Meat Co.™. Maple Leaf employs approximately 11,500 people and does business in Canada, the U.S., and Asia. The Company is headquartered in Mississauga, Ontario and its shares trade on the Toronto Stock Exchange (MFI).

**CHINA**

**China will support Africa to achieve food security by 2030**

Chinese President Xi Jinping who said this at the Forum on China-Africa cooperation also announced plans to enhance cooperation with Africa.

Chinese President Xi said, "We will support Africa in achieving food security in general by 2030, work with Africa to formulate and implement a program and action to promote China-Africa cooperation on agricultural modernization. We will implement 50 agricultural assistance programs, provide one billion RMB of emergency humanitarian food assistance to African countries affected by natural disasters, send 500 senior agriculture experts to Africa, and train young researchers in agri-science and entrepreneurs in agri-businesses".

### INDIA

#### India frozen food market is expected to be valued at \$1,322.3 million by 2024

India is the second largest food producer in the world straight after China. Despite strong agriculture production base, a noteworthy amount of food produced gets wasted owing to poor storage and inadequate infrastructure in the country. Hence, frozen processed food products with longer shelf life and easy preparation than traditional food products, are expected to be booming and hence, bring new players in the market to serve the rising requirement with adequate and sustainable infrastructure.

India being a tropical country, a vast amount of post-harvest losses of vegetable and fruits takes place every year and therefore, frozen convenience food is expected to solve the problem over the coming years.

The Indian industry comprises of heat-and-eat vegetarian, ready-to-cook, fry, and non-vegetarian food products, and is chiefly dominated by some regional players and select national brands. However, the frozen food market in India is at a nascent stage owing to low awareness, few products, lack of refrigeration equipment, and underdeveloped cold chain network.

The paucity of time along with growing urbanization, lots of Indians are preferring western dishes over traditional food products. The population of working women and young professional teenagers living alone is increasing the demand. Increased shelf life, good visibility, a variety of frozen food products, and offering free samples in food markets is expected to provide further exposure to these products in the country over the coming years.

Regardless of the variety of offerings and expected promising growth, the frozen food industry in India is at nascent stage however, companies are focusing on finding out more promising freezing process which will reduce the production time and will help in increasing the volume in minimum time. Lack of neces-

sary back-end infrastructure is causing delays and failures in delivery of frozen food products from the manufacturer to retailers and also is expected to hamper the quality of the products.

### ITALY

#### Italy to strengthen ties with Qatar agro-food sector

Amid the growth in the agro-food sector in the past two years, Italy is strengthening the ties of Qatari and Italian private sectors in the fields of agriculture and livestock production, feed production and food processing, Italian ambassador Pasquale Salzano said.

These efforts also include introducing Qatari businessmen to major Italian agricultural products, Salzano said in a speech during a recent press conference that announced the 'Back to Business' networking event to be held on October 29 at the W Doha Hotel.

"The new agreement between Coldiretti and LuLu marks an important milestone in this direction. Coldiretti, as a matter of fact, is the leading Italian organization of cultivators representing half-million Italian farmers.

"The next step, hopefully, will be the opening of Italian-Qatari companies to handle the distribution of Italian food in Doha to meet the fast-growing demand for the outlets of international quality food required to create a sophisticated

offer for expats, tourists and, of course, 2022," Salzano said.

He continued, "New businesses are created through synergies and strengthened by sharing common beliefs and traditions. Food, both for in the Arab and Italian world, is an important aspect of the heritage that brings together family and business gatherings and celebrates hospitality by welcoming people into our communities."

Underlining the role of the 'Back to Business' networking event in increasing investments in Qatar, Salzano said: "We are witnessing a phase of great renewal in the economy of Qatar, the awareness of being able to depend on the country's potential, as well as the new generation is the driving force for this renaissance.

### JAPAN

#### Japan frozen food market is expected to reach USD 5.6 billion by 2024

About 23% to 25% of the domestic expenditure in Japan is on food. The culture of Japan is heavily influenced by senior citizen owing to the growing aging population and minimum youth segment. A young adult who lives in a single household, often eat outside and prefer good quality food owing to a busy lifestyle. Growing influence of healthy nutritional food, busy lifestyle and increase in the numbers of single person



household is correlated with an increase in the sale of frozen meals or on-the-way food products.

E-commerce as well as mobile m-commerce, both channels are expected to be a lucrative market for the sale of frozen food products. Japan is dominated by elder population; a senior citizen is expected to be the most active online citizen in Japan. Despite the small-scale sale of online frozen food products, the growth rate is expected to be in double digits over the coming years. Major supermarket and hypermarket stores are also offering online grocery service hence the frozen food market is expected to show tremendous growth over the forecast period.

In the business sector, food and service industry is growing hence the need for ready meals or Convenience, Value, and Service (CVS) categories are growing at a brisk pace. Furthermore, home delivery and the nursing home category are also growing hence these trends altogether are expected to develop the frozen food industry in Japan over the forecast period. Despite the huge take off by e-commerce in Japan on a daily basis, convenience stores still continue to be a major retail purchasing choice. Expansion of convenience stores in terms of location, reinvention, and introduction of a wide variety of products are expected to be the major contributing factor in the growth of frozen food products sales in Japan.

Within the offline distribution channel, supermarkets, hypermarkets, and

convenience stores are expected to enjoy maximum market share owing to upcoming construction activity in the form of shopping malls which is expected to provide opportunities to new players to establish their market and local players can further grow their market with in-store promotions and on-site demonstration.

### **SOUTH AFRICA**

#### **South Africa's food and beverage industry a key driver for future economic growth**

The estimated sales growth between 5%-7% in the food and beverage industry between 2018 - 2020.

The sustainability of the agriculture and food and beverage industries is dependent on the economic and agricultural production recovery, stimulus programs by government and policy reform outcomes; this is according to Justin Malherbe, Chemical, Food and Beverage consultant at Frost & Sullivan. The South African government, The Department of Trade and Industry (DTI) and the Department of Trade and Investment in South Africa (TISA) have identified these sectors as a focus for local manufacturing opportunities, import substitution, employment as well as export and economic growth, he says.

South Africa's agricultural sector accounts for approximately 12% of its export earnings with the fruit and veg-

etable industry showing rapid growth during the past 20 years. Exports reached nearly 60% of local production. With the beverages, spirits, vinegar, sugars and the residue food industry being the most significant contributors to South Africa's imports in 2017 of approximately R36.6 billion in value, Frost & Sullivan believes that the recovery of the South African economy and the growth and recovery in neighboring SADC export destinations will result in an increased local demand.

The Rapidly growing GCC region's stock farming demand, 80% attributable to KSA, provides opportunities for niche and premium markets. South Africa is the 4th largest wheat producer in Africa with a highly developed and well-regulated industry; however, local demand exceeds production by a significant margin, providing growth opportunities in local production or import substitution.

Although the agriculture and food and beverage industry remain a core focus for the country's economic growth, the increased political uncertainty, a current technical recession, and land reform policies have resulted in decreased investor confidence and could prove detrimental to the South African economy.

However, President Cyril Ramaphosa has announced an economic recovery and stimulus plan focused on the agriculture industry, its employment and economic growth potential with a focus on labor-intensive export based crops. A focus will be on efficient education on farming, institutions, efficient irrigation systems and technology, financing options and the introduction of communal areas to commercialism. Crucial to the direction and success of this plan to stimulate the South African agricultural sector and therefore the economy is the land reform discussions and action points as well as their success.

With South Africa having the most advanced and refined food and beverage market on the African continent, Frost & Sullivan believes in a 4%-7% estimated growth in the sector by 2020. The agricultural, agro-processing and food and beverage industries provide an abundance of opportunity for investors as well as key domestic and new players.





## UAE

### Annual Sales in the UAE Food Retail Industry are estimated at \$3.5 Billion

The UAE retail sector continues to grow, supported by the upgrading of existing retail stores and the addition of state of the art new mega retail stores.

The UAE market presents retailers with diverse relatively high-income consumers. Exporters who are willing to establish personal relationships, consolidate shipments, and meet the labeling requirements of the UAE market will find a rapidly growing sector in which to sell a wide range of products. Annual sales in the industry are estimated at \$3.5 billion.

The UAE food retail sector continues its aggressive growth. More large type stores are being built. French retail chain already operates in the market while a new one is being prepared to launch its services.

The French Retail Giant, Carrefour, has moved aggressively into the retail of food and non-food products in the United Arab Emirates and is expected to open at more locations across the UAE. Other Arabian Peninsula markets are definitely in the cards for this retailer as con-

sumers go more and more for low prices and everything under one roof.

## UNITED KINGDOM

### The UK food industry has adopted a revolutionary new food waste plan

All major supermarkets, alongside Nandos and Coca-Cola, are on a list of 90 firms which have pledged to halve the amount of food binned by 2030. Every year, the UK chucks away £20 billion-worth of perfectly good food – now 90 businesses are leading the fight to bring that number down with the world's first Food Waste Reduction Roadmap.

Developed by grocery research charity IGD and waste reduction body the Waste and Resources Action Programme (WRAP), the roadmap aims to show large business how they can reduce food waste in their own operation and suppliers from the field to fork. It aims to slash the number of binned grub – currently amounting to more than £300 per UK citizen – by half and has already achieved considerable support from 90 of the UK's largest food businesses.

All major supermarkets have pledged to follow the roadmap while restaurants like Nando's and Pizza Hut as well as pro-

duction giants like Nestle, Coca-Cola, Quorn, and Muller are also on board.

Defra and the Scottish and Welsh governments have also signed up with plans to get half of the UK's largest 250 food businesses following the Target, Measure, Act mantra by September next year with all 250 to the following suit by 2026. The roadmap will play a significant role in the UK's ability to meet their UN Sustainable Development Goal 12.3 of halving the amount of food waste.

Food waste increases the strain on farmers to produce enough food to meet demand. And with Theresa May forced to quell fears over the summer that food in fields and on shelves would have to be stockpiled in the case of a no-deal Brexit, it is a crucial time to make the most of the food that the country already has.

Environment Minister Thérèse Coffey said: "I congratulate the businesses stepping up to the plate in this ground-breaking commitment. The UK is a global leader in measuring food waste and supporting international food waste prevention projects. It is through the government, consumers, and businesses working together that we will continue to tackle the unacceptable issue of unnecessary food waste." ♦