

# Presentation at World food safety day celebration

## Compliance as an important competitive edge lever for SMMs

By  
Koketso Shakwane

05 June 2020



agriculture, land reform  
& rural development

Department:  
Agriculture, Land Reform and Rural Development  
REPUBLIC OF SOUTH AFRICA



# WHY FOOD SAFETY?

- The increased demand for safer food has resulted in the development and introduction of new food safety standards and regulations to reach a higher level of food safety.
- An integrated approach of controlling food safety throughout the entire food chain ('farm to table') has become an important issue in improving the food safety level.
- Why compliance exists, and why some industries are much more regulated than others - **those industries are the ones where the most catastrophic damage to a society or individuals can happen if bad actors are in play.**



rural development  
& land reform

Department:  
Rural Development and Land Reform  
REPUBLIC OF SOUTH AFRICA

# What is compliance?

- Generally, compliance means adhering to [legal regulations](#) governing the food and beverage industry and further implies that companies establish individual and voluntary codices.
- Compliance also means that all products that are introduced to market meet local country-specific requirements. The basic idea behind compliance is to ensure the wellbeing and protect the health of customers, and to avoid misleading or false information.



# WHO IS RESPONSIBLE FOR FOOD SAFETY?

- Food Safety is a shared responsibility where industry, governments and its agencies, producers and consumers can play their roles.
- It doesn't matter whether you are a manufacturer, consumer or distributor, the food chain contains everyone in its process.
- The food industry is responsible for producing safe food.
- Government and its agencies are responsible for setting food safety standards, conducting inspections, ensuring that standards are met, and maintaining a strong enforcement program to deal with those who do not comply with standards.
- Consumers have to be well informed about the food safety practices.



# BUSINESSES AND FOOD SAFETY?

- Businesses are tasked daily to increase revenue and maintain profit margins.
- With today's economy a competitive edge no matter how minuscule can be the difference between a win and a loss.
- Food safety factors can easily become non-tariff trade barriers thus locking out plethora aspirant and potential start-ups.
- The inability to comply with the required minimum and mandatory norms and standards governing the food industry is one of the major constraints limiting entrepreneurs to access and penetrate the retail, domestic and export markets



rural development  
& land reform

Department:  
Rural Development and Land Reform  
REPUBLIC OF SOUTH AFRICA

# Transforming compliance into a competitive advantage

- Given the large body of regulations confronting businesses in the food sector, it isn't surprising that compliance is often viewed as a hindrance.
- Other times it is seen as a chore that needs to be gotten out of the way in order to focus on the core business.
- But in truth, compliance represents a tremendous business opportunity - a way in which to invoke trust and confidence in the brand.
- For instance, compliance with food safety standards would indicate that the business in question is deeply committed not just to its shareholders and customers, but to the stability of the economy at large.
- Such businesses are the first to attract and retain customers, enabling their business to scale to greater heights of success.



rural development  
& land reform

Department:  
Rural Development and Land Reform  
REPUBLIC OF SOUTH AFRICA

# Transforming compliance into a competitive advantage cont..

- That being said, compliance is far from easy.
- Among others business will be required to assess risks, calculate capital, implement controls, monitor compliance, document findings, resolve issues and provide reports to regulators and Boards. All these functions will no doubt drain time, money and effort.
- However, with the right solution framework, businesses can not only ensure compliance, but they can also reduce costs and enhance efficiency.



rural development  
& land reform

Department:  
Rural Development and Land Reform  
REPUBLIC OF SOUTH AFRICA

- **There is a need for paradigm shift in the mindset and attitude of businesses towards compliance to food safety**



rural development  
& land reform

Department:  
Rural Development and Land Reform  
REPUBLIC OF SOUTH AFRICA

# The give truth...

- Businesses who wish to permanently position themselves on the food and beverage market and remain competitive must ensure that they are at all times compliant with all legal regulations governing the food industry.



rural development  
& land reform

Department:  
Rural Development and Land Reform  
REPUBLIC OF SOUTH AFRICA

- **a paradigm shift in compliance mindset and attitude**
- Compliance with federal employment regulations provides two interrelated benefits to every business interested in maintaining a competitive edge. Firstly, a business which complies with federal regulations will avoid the negative financial penalties associated with noncompliance. Secondly, a business which complies with federal regulations will benefit from hiring a diverse and dynamic workforce.



# Benefits of a Food Safety Plan

- Traditional food management systems are reactive to food hazards. However, a Food Safety Plan applies a preventive approach to minimize food hazards.
- Minimizes the limitations of traditional food management systems such as end-product testing and inspection.
- Acknowledges the responsibilities of the industry for food safety. Improves consumers' confidence in the product.
- Minimize the possibility of food poisoning.
- In a long run, it lowers production cost on raw material wastage and food recall.
- It is effective in preventing potential food safety problems.
- It protects public health and the reputation of food premises.
- It enhances consumers' confidence on food safety.



# A helping hand for businesses to comply

- The role of governments goes beyond developing, enforcing and monitoring compliance with national food legislation: they should actively promote food safety measures.
- The success with which food businesses establish and comply with food safety standards may be directly related to the supporting environment created by the government, including alliances with food businesses; this is particularly true in the case of SMMEs



rural development  
& land reform

Department:  
Rural Development and Land Reform  
REPUBLIC OF SOUTH AFRICA

# THE ROLE OF GOVERNMENT IN ASSISTING SMMEs TO COMPLY

- The DALRRD and its partners have developed a number of intervention measures to assist SMMEs to comply with the following challenges:
  - Infrastructure and facilities
  - Basic hygiene
  - Staff-related challenges
  - Awareness and expertise
  - Education and training
  - Technical support



rural development  
& land reform

Department:  
Rural Development and Land Reform  
REPUBLIC OF SOUTH AFRICA

# THANK YOU



agriculture, land reform  
& rural development

Department:  
Agriculture, Land Reform and Rural Development  
REPUBLIC OF SOUTH AFRICA

