



Products of the U.S.A.

Monthly Report

Trade Servicing

July 2022



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MONTHLY TRADE SERVICING REPORT
July 2022
Submitted by Lieu Marketing Associates Pte Ltd

(i) Executive Summary

The COVID-19 pandemic has redefined consumer attitudes toward food, and many within Southeast Asia have hopped on to trends relating to health, wellness, and sustainability. Consumers are looking for more clean-label foods, and healthier food options and are gradually shifting towards plant-based diets. Consumers not only derive health benefits from a plant-based diet like reduced “bad” cholesterol levels, and risks of obesity and heart-related diseases, but their actions are also more sustainable. No animals are harmed and one’s overall carbon footprint is lower. These trends are likely to continue in the immediate term.

(ii) Market Intelligence Update

Burma:

High food prices in Myanmar have taken a toll on low-income households. Prices of key commodities like oil and rice have soared, including basic commodities like salt, pepper, onions, and garlic. ([Development Media Group](#), 14 July 2022)

Indonesia:

Instant noodles are popular amongst Indonesians, as they come in many flavors, and are affordable, convenient, and delicious. They are made predominantly from wheat, which Indonesia is the world’s largest importer of, particularly from Ukraine. However, due to the Russia - Ukraine war, Ukraine faces wheat export restrictions, causing Indonesia to face a wheat supply crunch. This led to higher instant noodle prices and worries over wheat availability in the country. ([Channel News Asia](#), 30 July 2022)

In Indonesia, the Bali Hotels Association partnered with the Bali Restaurant and Cafe Association (BRCA) and launched the second BHA Sustainable Food Festival, which ran from 8 to 24 July 2022. Hotels and

restaurants had the chance to feature their sustainable food creations, using only locally sourced ingredients. Dish menus were highly encouraged to be based on Indonesian delights like Rendang and Balado. To minimize food wastage, hotels and restaurants which participated in the festival donated their prepared but unserved foods. This festival represents a step forward in the area of sustainability, by minimizing environmental damages and supporting the local community and economy. ([Bali Hotels Association](#), 24 July 2022)

Malaysia:

You may not be aware but robots are becoming increasingly common in the food service industry! In Kuala Lumpur (KL), robot waiters are used in restaurants and cafes, to serve food and beverages to diners. For instance, Bella Bot, a premium delivery robot, has been commonly observed in Malaysian restaurants. With a smiley face, an electronic shelf on wheels will deliver food and beverages to each table. This has allowed food and beverage (F&B) outlets to mitigate manpower-related issues.

In Malaysia, alternative meat products from key brands like Beyond Meat and Impossible Foods are increasingly occupying supermarket shelves and dish menus in restaurants. This is due to how the production and consumption of plant-based meats can reduce greenhouse gas emissions, effectively targeting climate change challenges. Purchasing plant-based meat products could reduce greenhouse gas emissions more than investments in electric vehicles and green buildings. ([Free Malaysia Today](#), 15 July 2022) Hence, this creates a platform for more alternative meat manufacturers to enter the market and supply these products to businesses.

To encourage Malaysians to consume healthier food products, Tasty Australia 2022 Food and Beverage festival was held from 22 July to 3 August 2022 in Kuala Lumpur (KL). To promote healthier eating habits with a focus on sustainability, consumers were offered GMO-free foods which are more nutritious and thus, beneficial for one's health. Nine new gourmet brands comprising thirty-five products were newly introduced at this food festival, alongside The Model Cook's twenty-five known brands from South Australia. Examples of these products include Truffle oil and seasonings, Oats, vegan superfood lattes, and pure, gluten-free nut butter. ([New Straits Times](#), 23 July 2022)

Philippines:

in the Philippines, the growing middle-class segment is looking to consume healthier food products. Despite inflationary pressures, Filipinos are generally enjoying higher disposable incomes and purchasing power, thus are willing and able to purchase premium, healthier foods like dairy and both fresh and preserved fruits. This represents a key opportunity for more imports of such goods into the state. ([Philstar.com](#), 29 July 2022)

For a nation that loves bread, many Philippine bakeries have seen their baked delicacies shrink in size due to inflationary pressures. An example would be the "pandesal", a soft and mildly sweetened bread often

paired with coffee. It weighed 35 grams previously, but as inflation pushed ingredient costs up, the bread was reduced to a 25-gram one, to avoid the cost burden from being passed on to consumers. Many Philippine bakeries have done the same to stay in business and avoid losing loyal customers. For certain bakeries, they were left with no choice but to increase bread roll prices. ([The Straits Times](#), 24 July 2022)

Singapore:

Did you know there is a rising number of flexitarians in Singapore? Flexitarian diets comprise mostly plant-based foods and occasionally include meat consumption. To cater to this segment and also encourage the uptake of plant-based foods in Singapore, a new production plant in Tuas is set to open, ramping up production of alternative proteins like plant-based patties, nuggets, and popcorn chicken. It is hoped that local production and shorter supply chains would translate to lower prices for consumers, encouraging them to switch toward consuming more plant-based foods. ([Channel News Asia](#), 20 July 2022)

Lecka, a Vietnamese healthy snack brand has recently entered the Singapore market, introducing all-natural energy bars packaged in sustainable packaging. Ingredients used to produce these energy bars are all ethically sourced from local farms in Vietnam. Also, the packaging material used is fully biodegradable and compostable, beneficial for the environment. The brand has worked closely with its distributor, Smart Snacks, and has also formed partnerships with large corporations like Google, DBS bank, and WeWork to provide employees with healthy snacks. This initiative aims to enhance employees' overall health and well-being. Lecka products are now accessible in various premium gourmet stores and also, on online platforms. An interesting trend to note, however, would be the rising demand for healthy and eco-friendly brands and products, by corporate clients in particular. Recent surveys have shown that more than half of Singaporeans were "sustainable shoppers" and consumers indicated that there remains an insufficient variety of sustainable products on supermarket and store shelves. ([Eco-business](#), 27 July 2022) Hence, this represents an exciting opportunity for more healthy, sustainable snack and food suppliers to enter the Singapore market.

Thailand:

V Foods Thailand, a key producer of corn and dried goods, has recently launched a full range of plant-based products. It launched the "100% Whole Veggie Bites" range, created using natural products like vegetables, grains, and seeds alone. In launching this new product range, the business focus was on clearing consumers' misconceptions that plant-based meats were highly processed due to attempts to make plant-based meats taste like real meats. The "100% Whole Veggie Bites" range features Buffalo Cauliflower wings, Champignon Mushroom Nuggets, Spinach, and Vegan Cheese patties, and Root Chips. The firm's key target audience is urban consumers who aspire to lead healthy lifestyles, and it aims to provide healthy, non-fast food-related plant-based products to this segment. ([Food Navigator Asia](#), 4 July 2022)

Great news! For vegans, vegetarians, and plant-lovers, a Plant-based and Sustainability food market is coming to Chiang Mai in August. Preparations are underway and both vegetarian and vegan dishes will be featured. ([Lifestyle Asia](#), 18 July 2022)

Vietnam:

Fun fact: Vietnam is Asia's largest beer consumer. Beer giant Tiger Beer is set to launch a new product range specifically for Vietnamese consumers, especially those living in Hanoi and the northern provinces. Tiger has taken into consideration the local culture, unique tastes and preferences, and consumption patterns of the Vietnamese consumers and undertaken research and development (R&D), to create the ideal beer for this market. ([Vietnam Investment Review](#), 11 July 2022)

In Hanoi, many areas in the city have been converted to land used for agricultural production. Leveraging science and technology, Hanoi has developed new and eco-friendly agricultural production methods. The goal is to raise production efficiencies by minimizing material usage and agricultural waste by households. For instance, chemical pesticides are not used, and technology is used in production and processing. Organic farming methods are also used. Local authorities will be consulted on policies relating to business locations, and trade promotions by businesses in Hanoi's agricultural sector, as these same businesses continue to map out designated agricultural production areas and apply advanced technology in production. Hence, mass production of agricultural products for the local market and exports can be expected. ([Vietnam Plus](#), 7 July 2022)

As part of the Foodex Japan event in Kansai which concluded on 29 July 2022, Vietnamese food products left a positive impression on many Japanese consumers' minds. Examples include eco-friendly products like straws made of grass, fruits, beverages, and Vietnamese instant food products. Processed and frozen coffee, fruits, and vegetables were very well received by Japanese consumers and businesses. ([Vietnam Plus](#), 29 July 2022)

(iii) Administrative Customs and Other Consideration Updates

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