



CRISIS MANAGEMENT //

NEWSLETTER // ASIA

## Product Recall Monitor Asia

JUNE 2020

Welcome to the first edition of the Liberty Specialty Markets Crisis Management Asia Recall newsletter.

This will be a quarterly newsletter where we aim to share with our readers:

- ► Recent recall incidents in Asia
- ► Technical topics relating to recall policy coverage
- Updates on new wording launches and coverage enhancements

### Introduction

With food and consumer safety regulations tightening across Asia, the exposure to food safety and recalls are no longer common to only the western countries where regulations are known to be more stringent, but increasingly likely in our home countries. The Crisis Management Asia team is well positioned to assist our broker partners and clients with insurance solutions and advice in the recall space.

- We have a dedicated and experienced Recall team in Asia – Singapore, Hong Kong and Malaysia
- We work very closely with our panel of professional consultancies – HACCP International and Security Exchange, both of which have a significant presence in Asia. They provide us the necessary expertise in food safety and crisis response and together we provide our
- clients not just an insurance policy but a comprehensive service that includes pre and post incident consulting
- Whilst the topic of recall is gaining traction in Asia, it is still an unfamiliar topic to some Asian clients. We aim to raise awareness through our newsletter, as well as provide knowledge sharing through our technical topic discussions

### Recent food recalls across Asia

### March 14, 2020 – Recall of bread product from a German manufacturer

Reason: Presence of black foreign matter

The Singapore Food Agency (SFA) directed the importer, Taste Original Pte Ltd, to recall the "Schnitzer Organic Canihua" products due to the presence of a black foreign matter.

https://www.straitstimes.com/singapore/ health/singapore-food-agency-recalls-breadproduct-due-to-black-foreign-matter

### March 09, 2020 – Recall of enoki mushrooms from Korea

Reason: Listeria contamination

Sun Hong Foods recalled the mushrooms because they may have been contaminated with listeria. "Four people have died and 30 have been hospitalized with listeria, likely after eating recalled enoki mushrooms from the company Sun Hong Foods, authorities said.

https://www.nbcnews.com/health/healthnews/four-dead-32-sickened-listeriaoutbreak-tied-mushrooms-korea-n1155761

### February 28, 2020 – Recall of Lotte's Choco Pie Banana

Reason: Undeclared allergen (almonds)

The SFA directed the importer, Sing Long Foodstuff Trading Co Pte Ltd, to recall the product.

https://www.channelnewsasia.com/news/singapore/lotte-choco-pie-banana-ongoing-recall-undeclared-allergen-12482638



### February 18, 2020 – Recall of Jamie Oliver Green Pesto 190g

Reason: Undeclared allergen (Peanuts)

The Hong Kong Centre of Food Safety (CFS) revealed that a distributor, Wilson International Frozen Foods (HK) Limited had imported some of the mentioned product which had been distributed to various retail shops. The importer concerned stopped sales and removed from shelves the affected product and initiated a recall according to CFS' instructions.

https://www.cfs.gov.hk/english/whatsnew/whatsnew fa/2020 382.html

## February 11, 2020 – Recall of spring roll pastry products

Reason: Presence of undeclared milk allergen

The SFA directed a recall of several spring roll and samosa products produced by local manufacturer Tee Yih Jia Food Manufacturing due to the potential presence of an undeclared milk allergen in them.

https://www.straitstimes.com/singapore/sfadirects-recall-of-some-tee-yih-jia-spring-rollsand-pastry-products-due-to-possible

### December 27, 2019 – Recall of Huy Fong Sriracha Hot Chilli Sauce

Reason: Bottle may explode

The SFA directed the product's local importer, TC Import & Export Pte Ltd, to recall the affected batch of bottles of this popular condiment at many Vietnamese and Thai restaurants.

The bottles "could bloat and continue to ferment" owing to lactic acid build-up and the build-up of pressure could cause the bottles to explode on opening.

https://www.straitstimes.com/singapore/ popular-huy-fong-sriracha-hot-chilli-saucerecalled-over-concerns-of-bottles-exploding

# November 25, 2019 – Recall of prepackaged chorizo imported from Spain

Reason: Possible contamination of Listeria monocytogenes

Local importer, Gourmet Cuisine Hong Kong Limited had imported some of the affected batch of the product into Hong Kong. The importer initiated a recall according to the CFS' instructions.

https://www.info.gov.hk/gia/general/201911/25/P2019112500789.htm

### June 12, 2019 – Recall of bottled mineral water from Malaysia

Reason: Bacteria contamination

The SFA issued a product recall of "Starfresh" brand bottled mineral water imported from Malaysia after it was found to contain a common environmental bacterium that is found in faeces, soil, water and sewage.

https://www.todayonline.com/singapore/ singapore-authorities-recall-bottled-watermalaysia-containing-bacteria

### April 21, 2020 – Recall of Pure Tassie fruit juice from Australia

Reason: Unsafe level of a mycotoxin

The SFA recalled a fruit juice product originating from Australia after the level of patulin, a mycotoxin, had exceeded the maximum limit in fruit juice. The detected patulin in the juice was at 260 parts per billion (ppb), which exceeded the maximum limit of 50 ppb for fruit juice as stated by the SFA.

The affected product, Pure Tassie Organic Apple and Blackcurrant Juice, was imported by Cold Storage Singapore, which was told told to recall the product.

https://www.straitstimes.com/singapore/fruit-juice-product-from-australia-recalled-due-to-exceeded-level-of-a-mycotoxin

## Technical topic – Weevils

### An overview of weevil infestation by Eric Smith, Head of Product Integrity at Security Exchange

WEEVILS, [CURCULIONIDAE].

The taxonomy includes several families some which technically are not true weevils and are a type of beetle such as the biscuit beetle [Ptindae]. There are some 97,000 species, they are usually small, less than 6 mm (1/4 in) in length, and are herbivorous.

Many weevils are considered pests because of their ability to damage and kill crops whilst a small number of weevil's species are used for biological control of invasive plants.

Some weevils can fly and infest sites up to a mile from the original source, others have quite a long-life span of up to 8 months producing some 200 eggs resulting in a complete generation in 10-12 days. Weevils deposit eggs inside the food, such as grains, nuts, seeds, cereal's, corn and rice allowing the young to have a direct food source, whilst beetles live on the food and are slightly less prolific.

Contamination by weevils is usually by transmission of eggs or live weevils in packaging or food product or from a garden source. Often contamination is not seen and only when the concentration is extensive, are we then able to see dead weevils, cast skins and faeces.

High risk industries include bulk flour, rice, and grain silo storage, sack storage of grains, nuts, seeds, cereals, and corn. large plant bakeries, breakfast cereal bar producers, pasta production and specifically ready meal producers in counties where rice is the staple diet.

Industry codes of practice encourage food businesses to ensure that they adopt a robust sanitisation regime. This includes ensuring that there is regular cleaning of storage facilities where weevils are often found to reside. Cleaning in place is critical where piped bulk storage is onsite. The cleaning regime should be crosslinked to any integrated pest control measures which have been adopted by food businesses.

Active pest control is paramount. This often involves fogging of the storage areas to try and eliminate the adults and the larvae. Total elimination is difficult once an infestation has been established, hence proactive control is important to prevent primary contamination. Quality control and the use of trained personnel, to audit the facility of the primary storage sites and full inspection at intake, is critical to control this pest.





Table one: Summary of the characteristics of various weevil types

Name of Weevils	Size mm	Colour	Larvae	Pupae	Fly	Eggs produced in lifetime	Lifespan
Rice	1.6	Reddish brown - black	Yes	Yes	Yes	40	5 months
Granary	5.0	Reddish brown - black	Yes	Yes	No	200	2 months
Maize	2.5 - 4.0	Brown	Yes	Yes	Yes	300 - 400	5 - 8 months

# Our Policy Coverage on Weevils

Weevils are not likely to trigger our Contaminated Products Insurance (CPI) policy as the presence of weevil in a food product is more of a quality issue than a food safety issue. We do however, offer a Spoilage Extension in our CPI policy which is designed to provide our clients some cover for weevil contamination along with other quality related contaminations.

## Introduction to Security Exchange

Security Exchange is a dedicated specialist crisis consultancy offering crisis management support services to our Liberty policyholders on a worldwide basis, including a 24/7 hotline response. Security Exchange consultants have extensive experience in dealing with crisis incidents and know that time is key to ensuring that crisis situations are managed efficiently.

As part of Liberty's Crisis Management insurance policy, we offer our clients a pre-incident credit which can be used towards the cost of any pre-approved crisis management and advisory services with Liberty consultants. These include recall plan reviews and mock recall exercises which many of our clients find very helpful. Our policy covers expenses of up to 10% of the net base premium paid. This is especially useful for businesses that do not have the required expertise for in-house crisis management.

For more details, please visit this web site: https://www.securityexchange24.com/





## What's new at Liberty

We launched a new Contaminated Products Insurance (CPI) wording in April 2020, with the following coverage enhancements.

- New coverage:
  - ► Alleged Contamination
  - Business Interruption: To include Increased Costs of Working (ICOW)
  - Malicious Product Tampering:
    To include coverage for Cyber
    Tampering, subject to a sub-limit
- Limit of Liability for all Insured Events will no longer share a single aggregate combined limit
- ▶ Built-in Spoilage extension cover with sub-limit of 10% of Limit of Liability in the aggregate. This edition's technical topic – Weevils, is an example of a contamination that would be covered under the Spoilage extension.

Liberty continues to provide customised solutions to our clients, with the ability to tailor-made coverages and extensions according to our clients' needs. Please contact any of the Asia Crisis Management team members to find out more about our exciting new CPI offering.



#### Global reach. Financial strength. Local authority.

Distinct, complex and constantly evolving – every business is as unique as their insurance needs. To confidently progress in the face of risk and uncertainty requires a level of security you can only achieve through working with specialists.

Liberty Specialty Markets offers a breadth of world-class insurance and reinsurance services to brokers and insured clients. We bring value and solutions to more than 20,000 of Asia Pacific's most significant business and government organisations – helping protect what they earn, build and own.

We're part of the global Liberty Mutual Group, a Fortune 100 company that's been in business since 1912 with a Standard and Poor's 'A' (strong) rating.

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