

# STANDARDS MATTER

AN INSIGHT OF BEST PRACTICES

**A SERVICE STANDARD  
FOR CONSUMER  
VULNERABILITY**

**ENERGY MANAGEMENT  
AND WHY ADOPTING  
STANDARD TO MAKE IT  
WORK?**

**WHY SHOULD MALAYSIA  
EMBRACE UNIT PRICING  
NOW?**

**IS YOUR  
FOOD SAFE?**



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# CONTENTS

## 03 PRESIDENT'S NOTE

## 04 A SERVICE STANDARD FOR CONSUMER VULNERABILITY

## 11 ENERGY MANAGEMENT AND WHY ADOPTING STANDARD TO MAKE IT WORK?

## 18 WHY SHOULD MALAYSIA EMBRACE UNIT PRICING NOW?

## 22 IS YOUR FOOD SAFE?

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## PRESIDENT'S MESSAGE

Since digitalisation has been an exciting step forward, the Malaysian Association of Standards Users (Standards Users) wishes to truly connect with local and worldwide consumers through its annual magazine to communicate the organization's news, introduce ISO standards, Malaysian Standards, policies and best practices to demonstrate its true values, speak of its aspirations and convey an overall mission to help consumers worldwide. In a time when many consumers have lost jobs and many businesses are struggling to survive, this magazine is an instrumental guide to improve the survival of all.

Unit pricing helps consumers compare the prices of packaged goods when those goods aren't sold in equal quantities. It's unit pricing that allows a shopper to tell at a glance which is the better buy for consumers.

E-commerce has extensively matured in the last decade and it continues to grow fast even today. We are living in exciting times, where digital items are becoming smarter and advanced day after day. E-commerce is a powerful means to connect the unconnected to global trade.

Standards Users is actively involved in cultivating the implementation of standards in order to ensure business sustainability through risk management. Standards help support basic consumer protection by raising levels of quality, safety, reliability, efficiency and interchangeability. They can be an effective tool in consumer protection as they provide a basis for national legislation and certification schemes. They can also be regarded as best practices for use in promoting business and in litigation for damages. What consumers want in general are BEST Goods and Services for the BEST Value and AVAILABLE to ALL.



**DR. MARIMUTHU NADASON**

**"QUALITY IS  
NEVER AN  
ACCIDENT.  
IT IS ALWAYS  
THE RESULT OF  
INTELLIGENT  
EFFORT"**

John Ruskin



# A SERVICE STANDARD FOR CONSUMER VULNERABILITY

## WRITTEN BY

**SHIVANI SOTHIRACHAGAN**

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## IN CONSUMER PROTECTION,

the term 'vulnerable' has been used in at least three contexts. The first use of the term 'vulnerable' is to consider all consumers as vulnerable vis-à-vis the producers and suppliers of goods and services. The second use of the term is to identify the vulnerable as those who were members of specified disadvantaged groups - the poor, illiterate, children the aged and those in rural communities.

In this context, the term 'vulnerable' came to be even used interchangeably with the term 'disadvantaged'. A third and more recent use of the term consumer vulnerability is to regard consumer vulnerability in a more nuanced manner. Vulnerability can come in a range of guises, and can be temporary, sporadic or permanent in nature. We can all become vulnerable, for example, by bereavement, or an illness diagnosis. Vulnerability is also not just to do with the situation of the consumer.

It can be caused or exacerbated by the actions or processes of firms. As stated by consumer advocate Robin Simpson, some of us are vulnerable all the time and all of us are vulnerable some of the time.

It is this third approach to consumer vulnerability that is the focus of this paper. The paper advocates the adoption in Malaysia of the ISO standard on consumer vulnerability. The paper first highlights that the United Nations Guidelines on Consumer Protection (UNGCP) now requires a focus on consumer vulnerability. It then distinguishes between the terms 'vulnerable' and 'disadvantaged', both of which terms are used in the literature on consumer protection.

The major part of the paper deals with the British Standards Institution standard on consumer vulnerability (BSI 18477) that was adopted in 2010 and highlights some of the significant advances in consumer protection that resulted from the adoption of that standard. BSI18477 was the inspiration for the adoption in 2022 of a similar standard by the International Standards Organization: The conclusion to the paper suggests the benefits that can accrue to Malaysia by adopting a similar standard.







## Consumer vulnerability as dealt with in the UNGCP

The landmark UNGCP adopted by consensus by the UN General Assembly in 1985, (UNGCP 1985) makes special mention of the needs of consumers in developing countries even in the first paragraph of the Preamble. This special attention to consumers in developing countries is reflected in the Preamble. This special attention to consumers in developing countries is also reiterated in two of the guidelines. It is included in Guideline 1 (in the section on Objectives) and again in Guideline 38 (in Section G.

Measures relating to specific areas). The UNGCP was amended in 1999 (UNGCP 1999) and thereby extended the special focus on consumers in developing countries, also to consumers in countries with economies in transition. This formulation has also been maintained in the 2015 amendments to the UNGCP (UNGCP 2015). The term 'vulnerable' is not utilized in the UNGCP 1985; however, there is one mention of the term 'disadvantaged consumers'. The UNGCP 1999 maintained this formulation.

It is in the UNGCP 2015 version that the term 'vulnerable and disadvantaged consumers' is first utilized. Very significantly, it is now included in Section III General Principles and in Section IV Principles of good business practices.

The section on general principles now provides that the legitimate needs which the guidelines are intended to meet are *inter alia* the protection of vulnerable and disadvantaged consumers". The term is also used in four of the Guidelines. These are the Guidelines specifying Principles for good business practices, that which deals with alternative dispute resolution, that which deals with developing education and information programmes, and in the measures related to specific areas, special mention is made in relation to public utilities.

The UNGCP therefore recognises that there are consumers more vulnerable and disadvantaged than others and requires that account needs to be taken of vulnerable and disadvantaged consumers. This is a very significant development.





The UNGCP, however, neither provides a definition of the terms ‘vulnerable consumers’ or ‘disadvantaged consumers’ nor does it provide an exhaustive list of the categories of ‘vulnerable and disadvantaged consumers’. It merely states that disadvantaged consumers exist both in the rural and urban areas and that low income consumers and those with low or no-existent literacy levels are disadvantaged.

Though the UNGCP 1985 and UNGCP 1999, made a call for special consideration of disadvantaged consumers in policy making and programme development, there was no definition of the term 'policy'. The UNGCP 2015 section on General Principles remedies this. It provides that the legitimate needs which the UNGCP are intended to meet include the protection of vulnerable and disadvantaged consumers.

There are even those who would not use the term 'vulnerable consumers' because it is stigmatic; they would rather use the term 'consumer vulnerability' because:

**“The term vulnerable consumers implies that vulnerability is a constant state and can be applied to set groups of people with certain characteristics, affecting all of their transactions and interactions. In reality, vulnerability can affect any consumer and cannot be applied to fixed, identifiable groups of consumers with certain characteristics or personal circumstances.”**



An early effort to distinguish the terms 'vulnerable and disadvantaged' is in the 2004 discussion paper of Consumer Affairs Victoria entitled *What Do We Mean by Vulnerable and Disadvantaged Consumers?* That paper clarified that:

**“Not all vulnerable consumers are disadvantaged consumers. Some consumers will be vulnerable only because of either temporary personal circumstance that adversely affects them in consumption; or adverse market, product or transaction characteristics specific to a particular purchase, rather than their purchases generally. Consumer vulnerability is the broader concept, but both are relative and dynamic concepts.”**



## Vulnerable and disadvantaged - what are we really talking about?

Use of the terms vulnerable and disadvantaged varies in both academic and government publications. Some use the terms interchangeably; others treat disadvantaged consumers as a subset of vulnerable consumers. Yet, others see the defining characteristics of disadvantage (poverty, inability to read or write, old age, etc.) as merely indicative risk factors to assess vulnerability.



## A standard to identify and respond to consumer vulnerability

The British Standard Institution issued in 2010 its landmark standard on consumer vulnerability: *BS 18477:2010 Inclusive service provision - Requirements for identifying and responding to consumer vulnerability* (henceforth BS 18477). It is aimed at all service providers and has proven to be highly effective in addressing the issue of consumer vulnerability.

The standard was initiated by public interest groups and civil society including Citizens Advice, the Royal National Institute of Blind People and Consumer Futures (at that time known as Consumer Focus). The involvement during its development stage of these organizations that work with consumers in situations of vulnerability ensured that the standard was sensitive to the needs of such consumers. As noted earlier, the standard prefers the use of the term 'consumer vulnerability' and not 'vulnerable consumers'. Nevertheless, organisations that have since adopted the standard have defined the term 'vulnerable consumers' to suit their particular mandates.

BS 18477 sets out with clarity its scope, the guiding principles for inclusive service provision, identification of the risk factors, the required review of the existing service, the implementation of an inclusive service that addresses consumer vulnerability, and the required ensuing compliance, evaluation and improvement.

Also included in the standard are two informative Annexes which explain potential effects of consumer vulnerability and scenarios to illustrate how organizations can handle situations better. The practical examples illustrate how organisations can identify vulnerable consumers and treat them fairly. BS 18477 also covers aspects such as high-level policies, flexibility at the frontline, staff training, fair marketing and sales, and providing a range of contact methods and accessible information formats.

My preferred definition of a vulnerable consumer is that of the European Commission. A comprehensive European Commission study Consumer vulnerability across key markets in the European Union gives a comprehensive definition of consumer vulnerability. A vulnerable consumer is:

**“A consumer, who, as a result of socio-demographic characteristics, behavioural characteristics, personal situation, or market environment:**

- ✓ **Is at higher risk of experiencing negative outcomes in the market;**
- ✓ **Has limited ability to maximise his/her well-being;**
- ✓ **Has difficulty in obtaining or assimilating information;**
- ✓ **Is less able to buy, choose or access suitable products; or**
- ✓ **Is more susceptible to certain marketing practices.”**





The endorsement given BS18477 by the British government and regulators has led to its greater acceptance. Though the initial adoption of the standard was largely confined to the financial services sector and the utility companies, its adoption has over time become more widespread.

The following are illustrative of initiatives spurred by BS 18477 that resulted in positive outcomes:

**Financial Ombudsman Service (FOS)** - The FOS which was established in 2000 and given statutory powers in 2001 by the Financial Services and Markets Act 2000 helps settle disputes between consumers and UK based financial service providers. It was the first organisation to adopt BS 18477 and was showcased in the 2013 BSI white paper for service providers entitled *Providing fair, flexible and inclusive services - a business perspective*. In August 2015, the FOS published an index of twelve case studies illustrating the types of situations with banks and insurance companies that the FSO is called into where the consumers involved could be described as vulnerable. The case studies give examples of the FSO's approach to handling the cases, with examples, on the FSO website.

## Sector regulators

Adoption of BS 18477 by the sector regulators was in most instances accompanied by reports/consultation papers which dealt with consumer vulnerability in the respective regulated sector. This was the case with the Financial Conduct Authority (FCA), the Office of Gas and Electricity Markets (Ofgem), the Water Services Regulation Authority (Ofwat) and the Office of Communications (Ofcom). Another early adopter of BS 18477, the Legal Services Consumer Panel, published a report entitled *Recognising and responding to consumer vulnerability: A guide for legal services regulator* in October 2014. The Legal Services Board itself subsequently updated its consumer toolkit to incorporate lessons from BS 18477.



These documents were complemented by numerous reports from public interest groups and civil society. Each of these dealt with how consumer vulnerability may be identified and responded to. Taskforces were established to implement programmes in the interest of consumers in situations of vulnerability. An example is the Financial Services Vulnerability Taskforce established by British Banking Association. Membership in the taskforce is of financial service providers, charities and consumer groups.

This taskforce published its first report in February 2016 outlining best practice recommendations for the industry and a summary report in October 2018 reviewing progress in implementation. The UK Regulators Network (UKRN) has a programme entitled 'Promoting fairness for all consumers' which champions "success where innovative approaches are taken to delivering positive experiences for consumers, including those in vulnerable circumstances".

Standards often tend to remain unimplemented unless there is appropriate support for their adoption. BS18477 received increased traction because it was mandated by sector regulators, including the UK Financial Conduct Authority (FCA) and the regulators of the utilities (Ofgem, Ofcom and Ofwat)

In 2015, the FCA issued an important occasional paper on vulnerable consumers that set the bar for all financial service providers to identify and provide for consumer vulnerability







The statutory obligation of the Office of Gas and Electricity Markets (Ofgem), the Water Services Regulation Authority (Ofwat) and the Office of Communications (Ofcom) requires that their statutory obligation is also to, in carrying out their respective functions to protect the interests of consumers. For this they are to have regard to the interests of individuals who are disabled or chronically sick, of pensionable age, with low incomes, and those residing in rural areas.

The list of categories of disadvantaged consumers is not a closed list. The relevant statutes specifically provide that it is “not to be taken as implying that regard may not be had to the interests of other descriptions of consumer”. Pursuant to this statutory obligation and the requirements of the sector regulators Ofgem, Ofwat and Ofcom have encouraged best practices among utility suppliers, using research to identify effective ways to address poverty and help vulnerable customers.

The utility regulators had a statutory duty and a culture of providing for categories of vulnerable consumers even before BS18477 was developed. BS 18477 provided an opportunity to reconsider their understanding of consumer vulnerability and fairly cater for consumers who may be in situations of vulnerability.

FCA enforcement action takes into account whether a breach of the duty to treat customers fairly had an effect on particularly vulnerable people, whether intentionally or otherwise, when determining the seriousness of a rule breach by a firm or an individual. In assessing the effect of a breach on a vulnerable person, the FCA takes into account, among other things, the inconvenience and stress caused to the person, as well as financial loss. The seriousness of the breach is relevant to the level of penalty that is imposed – the more serious the breach, the higher the level of penalty.

## Significant Role of Civil Society

BS18477 was achieved very much by the effort of civil society organisations - their sustained campaigns, strategic alliances, and collaboration with likeminded personnel of industry, government agencies, and regulators and with the British Standards Institution. This was followed by a number of excellent reports by civil society organisations advocating the need to adopt the standard and the manner in which vulnerable consumers can be catered for fairly. Civil society organisations continue to play a role as advisers and consultants to regulatory agencies implementing programmes for addressing consumer vulnerability and identifying where there is a need for intervention/advocacy in the interest of consumers in vulnerable situations.





## An ISO standard on consumer vulnerability

The foregoing discussion of the adoption in the UK of BS18477 indicates the important outcomes a standard with appropriate support mechanism can yield. The International Standards Organization has now adopted a similar standard<sup>27</sup> informed by the very positive effects of the adoption of BS18477 in the UK. Standards Malaysia was represented in the Working Group that was responsible to draft the standard.

Standards Malaysia has also established a mirror committee on consumer vulnerability under the purview of its National Standards Committee on Consumer Interest with a wide membership of representatives from relevant government agencies, academic institutions and very importantly, representatives of civil society and organisations representing vulnerable consumers to prepare for the adoption in Malaysia of the ISO standard on consumer vulnerability.


A public presentation on the proposed ISO standard was held during the public consultation that was held by Standards Malaysia on 8 July 2021.

Consumer vulnerability is a matter of urgent concern; addressing it will deliver welfare outcomes to benefit the vulnerable and disadvantaged. The adoption of a consumer vulnerability standard will greatly facilitate this. It will provide a legal framework which sector regulators can use to clarify the responsibilities of the regulated entities under their purview as regards consumer vulnerability. They can require the regulated entities to introduce appropriate measures and specify the performance indices that they have to meet.

Such a standard will enable corporations to understand how they may identify and respond to vulnerability amongst their consumers: what they need to do to ensure that all their consumers and especially those in vulnerable situations are treated fairly.

It will also enable civil society to not only to serve individual consumers who are in a situation of vulnerability but also to address the systemic aspects of consumer vulnerability. It will permit civil society to campaign for and monitor the policies, programmes and projects that need to be in place to ensure that consumer vulnerability is addressed effectively.

It is hoped that a standard on consumer vulnerability will be adopted soon in Malaysia to protect vulnerable and disadvantaged consumers.



### **ISO/DIS 22458** **Consumer vulnerability –** **Requirements and guidelines for the** **design and delivery of inclusive service**

**Standards can play a vital role in improving outcomes for vulnerable consumers, by detailing good practice for organizations such as government, public authorities, manufacturers, retailers and service providers.**

“Voluntary commitments and ISO standards can go a long way in improving the welfare of vulnerable and disadvantaged consumers, especially in developing countries”

**Shivani Sothirachagan**

at UNCTAD’s intergovernmental meeting on consumer protection on July 2021



# ENERGY MANAGEMENT AND WHY ADOPTING STANDARD TO MAKE IT WORK?



**WRITTEN BY**  
**ZAINI ABDUL WAHAB**  
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## MANAGING

energy is more about managing the people than managing equipment in the organisation.

When I started exploring the opportunities to further develop my career in energy management many years ago, I had the impression that being a technically sound person would be the strongest advantage for me to excel or to convince others to save their energy cost. However, that perception started to slowly vanish as I am moving further exploring energy management with different roles in different organisations. It has been often seen that very brilliant and amazing engineering solutions proposed by many being turned down despite its undisputed benefits, proven success stories and assurance that all that will work to deliver the promised results. I was baffled and clueless on why such things can happen until I realized the key issues that I must understand and what to do to as solutions.

Being out here today in the market trying to sell my services as a consultant has strengthen my feeling that energy management is far beyond just competencies in providing technical or engineering solutions.

Finally, I realized that it is not all about how good is the solutions and how much it can save energy costs but it is more about how they see energy with their roles in organisations and in their life. Who decides about energy in any place or at the organization is among the most important part to make the difference. Then who can influence those who have the final say in energy related decisions and these people are also matters. Finally, it comes to who bear the costs of energy or who is pay the energy bills and they are ultimately matters the most.

Then I came into a conclusion that managing these people and others who are under their command or employed by them are the most critical factors in effective and successful energy management program in any entity. It is all about management of the human because there are the one who use, select, operate, maintain and pay for anything that using energy in their day to day life at work and home.

Everyone is looking at how they use energy differently. The challenge in promoting efficient use of energy is to convey the same message to different groups of people in the organisation through effective means of communication.



Why they do not really care about how they use energy at their workplace?

Based on experiences as a consultant in communicating with different level and group of people in many organisations, I believe the following could be among the possible main reasons:

- It does not matter to them because they do not pay energy bills themselves.
- There have been no energy supply problems and the use of energy that making them feel is not their job to save energy.
- Existing duties and tasks are that much, and they have no time to think about energy.
- No basis to do anything or clear directives from the top management on how they supposed to use energy in more efficiently.

## Then how about the decision makers or the top management?

Why they seem to ignore the importance of managing the energy efficiently too. Again, from communicating with many types of people at many organizations in public and private sectors over the years, I believe these could be the reasons:

Most decisions makers sitting in the decision-making chairs are not with technical background and their decisions on energy matters are not connected to energy in many business decisions. Concerns on energy efficiency often highlighted and proposed by the technical personnel or managers and these always been seen as operational matters that have little effects on business performance directly.

Time management is about making good time. **ENERGY management** is about making **time good**.

Nido Qubein

# energy







- The focus is more on core businesses of the organisation where more profits are always associated with more production outputs, quality and technology improvement related matters and more sales as revenue generating strategies and activities.
- Energy cost is too small compared to overall operational costs of the organisation and potential energy cost savings from energy management do not trigger or attract much interest of the top management.
- Many decision makers are still not convinced about the results that can be achieved especially with the failure of the proponents of energy saving solutions to convince them as viable and attractive business proposals instead of just as technical proposals.

Looking and assessing all the above points, I finally must acknowledge that being technically brilliant and advanced persons could be just not good enough to get energy management moving forward in any organisation. I do not see engineering approaches or solutions would be able to resolve issues related to attitude and habits in using energy in people's life.

Skills and techniques to deal with the human especially in interaction with them are equally important. Then I gradually changed my strategies and approaches in selling the idea of energy management to people from different groups and levels in every organisation. Messages on the importance of energy management need to be conveyed to them in carefully planned strategies and approaches for each target group. In the same time,

I have been also quickly polishing more of my skills related to human behaviours and how to handle accordingly to get the messages across. The real challenge is always about the ability to convince decision makers to look at energy management as one of the strategic elements in their operational or business decisions will trigger the bigger wave of the implementation at the organisation.



The main objective is often about to instil the importance of having a systematic approach and method in connecting all levels of people in the organisation to share common goals and spirit in managing and using energy in their own organization.

When I summarized all components in an energy management system, I clearly can see and understand how crucial is the people's management factors in having an effective system to be develop, implement, monitor and finally working for further improvements to sustain and achieve better results.

If you are an engineer and technically sound person with the intention to champion and drive energy management program in your organisation, you must also possess skills in effective communications that will help you a lot all the way. That skills will help you to be more effective and to feel more confident to perform the followings:

- To convey the key messages and convince the top management to indicate their commitment.
- To work with team members in the internal organisation and inspire/motivate them.
- perform the energy management planning works that will involve personnel from other departments.
- To create awareness to all employees on the energy policy and their roles and responsibilities in the implementation.
- To obtain on-going feedback from personnel and data gathering to monitor energy performance.
- To prepare and present progress and results of the system to convince the top management again to continue to give their commitment.

So, the ability to manage the people will determine how successful and how good the intended outputs of energy management program will be produced. The way forward is how to sustain the performance and to get better results by understanding more about how people can be more motivated and excited to get more benefits from energy management in their businesses and life.

**SAVING** energy  
can be as simple  
as switching  
from  
**incandescent**  
light bulbs to  
**CFL or LED**  
versions



Energy management system and standard  
Applying energy management approach is an effective strategy to implement initiatives to reduce energy costs from energy saving measures.

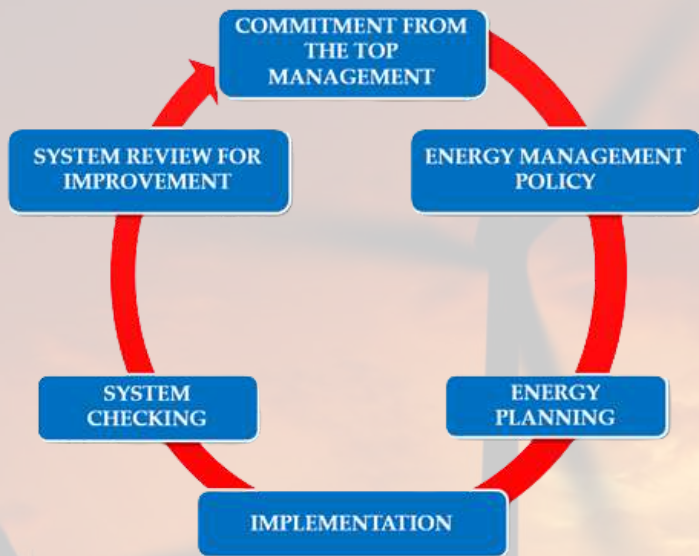
For organisations to be able to achieve sustainable energy management which is mainly to ensure sustainability if energy efficiency initiatives with changes in the organisation and personnel and due to other factors such as costs, competitiveness, market requirements, depleting energy resources, green commitments towards mitigating impacts of global warming and etc.

With the uncertainty of global prices on energy which finally will affect energy users in all sectors, energy management has become a necessity and energy too has become one of the strategic resources that require strategic attention in many organisations especially for business operators or owners from energy intensive industries.

The typical basic structure of a sustainable energy management system is in a cycle which consists of six main components namely commitment from the top management, energy management policy, energy planning, implementation, system checking and system review for improvement as illustrated in the figure below.

The importance of each element as shown in the figure below will depend on at what stage the organisation will start their energy management initiatives and for them to move forward in having a comprehensive and more sustainable system in place.





The typical sustainable energy management system implementation cycle for organisations

For example, if the organisation is starting from the Business As Usual (BAU) practices or energy is not properly managed on how it is being used in the organisation, obtaining the commitment from the top management would be the most important challenge to overcome.

The fundamentals of the proposed energy management system are based on the Plan-Do-Check-Action (PDCA) management cycle concept.

It has been proven in many organisations that by adopting a systematic approach in developing and implementing energy management system coupled with main

low and no-cost energy saving measures, the reduction from 5% to 10% of the total energy consumption cost is achievable and can be sustained in a long term as well.

## What is ISO50001?

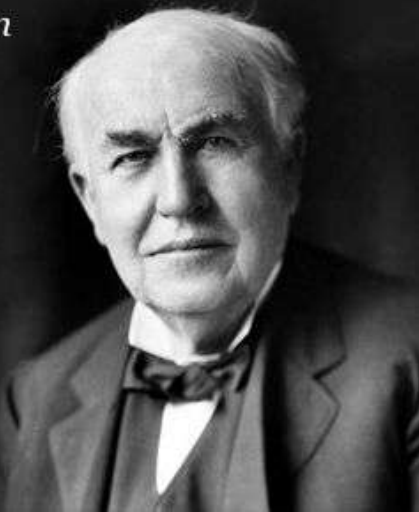
The development, implementation and performance monitoring of the energy management system can use key requirements outlined in the ISO50001 as the reference which is an internationally recognized standard for energy management system. The ISO 50001 on Energy Management System was launched by International Standardization Organisation on 15 June 2011. The standard later adopted by Malaysia and known as Malaysian Standard MS ISO 50001:2011 Energy Management Systems - Requirements with Guidance for Use in November 2011.

The latest revised version of this standard was launched in 2018 with some changes to make more synchronized with common requirements of other ISO standards such as ISO 14001, ISO 45001 and ISO 9001. The ISO50001 is a global guide on requirements that establishes a framework for commercial, institutional, and governmental facilities; and entire organisations to manage energy efficiently. It is targeting broad applicability across national economic sectors; it is estimated to influence up to 60 % of the global energy use.

The adoption of ISO50001 in energy management program development and implementation will assist in firstly, to provide organisations with technical and management strategies to increase energy efficiency, reduce costs, and improve environmental performance with a recognized framework for integrating energy efficiency into the organisation's management practices. Secondly, it provides organisations an access to a single, harmonized standard for implementation across the organisation with a logical and consistent methodology for identifying and implementing improvements.

*"I'd put my money on the sun and solar energy. What a source of power! I hope we don't have to wait till oil and coal run out before we tackle that."*

*- Thomas Edison*







In summary, the ISO50001 outlined the following requirements for organisations to have a comprehensive and sustainable energy management program implementation to achieve their intended targets and for continual improvements:

1. The need to have leadership and commitment from the top management to lead and sustain the energy management program.
2. The preparation and introduction of energy policy together with the establishment of internal energy management organisation with clearly defined roles and responsibilities of its team members.
3. To establish the energy management targets and the planning on how to achieve them
4. The need to conducting energy review and to establish the energy performance indicators and energy base line as the benchmark for improvement together with the plan on data collection.
5. To provide supports by the management with resources required to develop and implement the system and the requirements to develop competent personnel through trainings, effective awareness programme and communication with all interested parties
6. The operation of the system with the need to establish necessary operational planning and controls with the criteria for the operation and maintenance activities of facilities, equipment, systems and energy-using processes.
7. The need to consider energy performance improvement opportunities in the design of energy efficient facilities, equipment, infrastructure, systems and processes right from project stage .
8. To requirement to establish criteria in procurement of energy efficient equipment, instrument and services.
9. Monitoring and measurement plan for energy performance evaluation and compliance to the system requirements.
10. Identification and ensuring compliance against legal and other requirements.
11. Internal audit, management review and control of documents and records
12. The need to have a continual improvement plan for the developed and implemented system.



The energy management system implementation will enable the organisation to ensure all employees to contribute in achieving the common objectives and targets for all its energy management program for the company in long term.

It is expected with the process of development and implementation of effective energy management system, all levels of personnel will gradually embrace the energy efficiently culture in their daily life at work and also at home. Energy being seen differently by different types of user in the organisation. Efforts must be taken to ensure every energy user will understand and play their roles accordingly.

In the next article, I will share more about the expectations from the top management and tips on how to convince them for the organisation to be able to develop and later implementing the energy management system effectively. This is mainly because the commitment from the top management is the key and the most important factor in successful implementation of energy management system in any organisation. The top management must demonstrate its commitment to support the implementation of the system and subsequently agree to continually improve it to ensure the system remain relevant and effective in the way forward.

The nation that  
leads in renewable  
energy will be the  
nation that leads  
the world

James Cameron

### About Zaini Abdul Wahab

Mr. Zaini Abdul Wahab is an energy management system consultant who specialises in reducing business operational costs for organisations through energy management system implementation. He obtained his bachelor's degree (Hons.) in Mechanical Engineering from the National University of Malaysia in and certified as an expert in Energy Management System (EnMS) by United Nations Industrial Development Organisation (UNIDO).

Every second, our sun  
produces enough energy to  
sustain Earth's needs for  
500,000 years.

How do we harness this power?

**SOLARIZE IT**



# WHY SHOULD MALAYSIA EMBRACE UNIT PRICING NOW?

565 Gram  
RM 4.00

425 Gram  
RM 2.88



**WRITTEN BY**  
**SOON CHEE KWANG**

Managing Director  
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Have you ever see some housewives using calculator in the supermarket to calculate which product is best priced? If you watch closely, they will divide the product's shelf price with the weight to determine which pack is cheaper. For mums that buying baby diaper, you will also notice that it is very common for them to divide diaper price into per piece price. That's Unit Pricing! Without realising, some of us already do this when we shop.

## Unit Pricing

has been around hundreds of years where meat and fresh produce were sold in KG, and since everyone will sell their product in this fixed weight, price can be compare easily across different seller. This however, changed during the industry revolution, we start to have more packed food initially in limited size, but as we progress, these packed good started to come in different size and packing. As a result, consumer no longer can compare price easily, hence the Unit Pricing concept make a comeback.

United States started in the 60s, with European countries follow in the 90s, Quebec of Canada in 2001, then Australia legislate Unit Pricing in 2009. In Asia, only Japan had implemented Unit Pricing at selected prefecture (states) way back in 70s, and in South East Asia, none of the countries have law governing Unit Pricing at this point in time.

### DO MALAYSIAN NEED UNIT PRICING?

From consumer perspective, we definitely need it especially in this current challenging economy. While oil price might have dropped from the peak in 2014, our Ringgit also depreciated significantly vs US dollar since Q4 2015, with most import dealing in USD, this result in higher price for imported raw material and packed good.

With GST implementation and later become SST, our CPI is on the rise, consumers are looking for ways to save more especially their monthly grocery items. Just look at these popular items in Malaysia and how their average promotion prices for the last 10 years.

**Unit Price = Retail Price/Size**





No	Product Name	Average Promotion Price			Remarks
		2010	2020	Growth	
1	100 Plus Isotonic PET 1.5lit Assort	2.70	3.00	11%	
2	Dutch Lady UHT Milk 1lit Assort	4.10	5.30	29%	
3	Milo Softpack 1kg	13.90	16.50	19%	
4	Nescafe Classic Refill Pack 200gm	13.10	14.70	12%	
5	Anchor Salted Butter 227gm	5.90	10.20	73%	
6	Ayamas Crispy Nuggets 850gm	9.50	11.50	21%	
7	Marigold HL Low Fat Milk 1lit Assort	4.70	6.50	38%	
8	King Cup Sardine / Mackerel 425gm	4.30	6.70	56%	
9	Jasmine Sunwhite Fragrant Rice 10kg	45.00	54.00	20%	
10	Hup Seng Ping Pong Cream Cracker 428gm	3.00	3.50	17%	
11	Maggi Chilli Sauce 500gm	2.40	3.40	42%	
12	Maggi Curry Noodle 5x79g	3.60	3.70	3%	
13	Planta Margarine 1kg	8.90	11.80	33%	
14	Isomil Plus Soy Milk Powder 850gm	53.30	68.50	29%	
15	Enfagrow A+ Step 3 Milk Powder 1.7kg Assort	90.70	125.00	38%	
16	Glo Dishwash Liquid 900ml Assort	3.20	4.60	44%	
17	Softlan Fabric Softener 3lit Assort	7.20	10.90	51%	
18	Cutie Compact Toilet Roll 10s	8.20	12.50	52%	
19	Darlie Double Action Toothpaste 2x225gm	10.80	16.90	56%	2x250g in 2010
20	Rejoice Shampoo 320ml Assort	10.40	9.90	-5%	360ml in 2010

**Sources:** Mailertrack & Hargapedia internal tracking of promotion brochure and newspaper ad of major retailers from 2010 till 2020

The increase range from a low 3% to high of almost close to 80%! Furthermore, if consumers look closely, they will realise that some product might have minor or reduction of price, but that's due to product size reduction, which does not reflect the real price increase!

## UNIT PRICING CAN HELP TO LOOK AT THE REAL PRICE COMPARISON

Increasingly there are more manufacturers that reduce the size of the product in order to maintain price competitiveness or position their products at certain price point. Consumer might or might not notice these, but over the years, products like milk powder, diaper, biscuit, instant noodle, detergent, toothpaste, shampoo, shower gel and even ice cream had all reduced their size gradually.





In 2010, Dutch Lady growing up milk powder size is 1kg and since 2020, it became 900gm, that is a 10% reduction of size; if you look at the average promotion price for this D brand, it was RM19.6 in 2010 and RM19.90 in 2020; hence the increase was merely 2% over 11 years should you just look at price alone.

However, if you look at Unit Price for this product, it was RM19.6/kg in 2010; then RM22.10/kg (RM19.90 divided by 900gm) in 2020, that's a 13% increase! Without unit pricing comparison, consumer can be deceived by the price they seen.

Product Name	Actual Size			Average Promotion Price			Average Promotion Unit Price			Unit of Measurement
	2010	2020	Reduction	2010	2020	Growth	2010	2020	Growth	
Dutch Lady Milk Powder	1kg	900g	-10%	19.60	19.90	2%	19.60	22.10	13%	per kg
Breeze Liquid Detergent	5kg	3.8kg	-24%	23.80	18.90	-21%	4.75	5.00	5%	per kg
Darlie Toothpaste Twinpack	2x250g	2x225g	-10%	10.80	16.90	56%	2.16	3.75	74%	per 100g
Mamee Monster Snack	10x25g	10x25g	-20%	2.80	2.80	0%	1.12	1.40	25%	per 100g

Sources: Mailertrack & Hargapedia internal tracking of promotion brochure and newspaper ad of major retailers from 2010 till 2020

#### 4 CHALLENGES AHEAD - WILL RETAILERS IMPLEMENT THIS VOLUNTARILY WITHOUT BEEN FORCED?

In order for consumers to gain the benefits of Unit Price comparison, retailers must present this information on the shelf label at their outlets. However, without legislation, we can only hope that retailers will engage this voluntarily.

Will any international or local retailers come forward to be the first in ASEAN to implement unit pricing? Depends on respective retailers' system, the cost will varies across different retailers. Nevertheless, two biggest costing components will be in the IT system (both software & hardware) and human cost involved in modifying the system.

This will be a big challenge when all companies are focusing on cost cutting in a weak sentiment. We missed the boat of doing this more cost efficiently when retailers are adopting GST system in 2014/15.

#### MOVING FORWARD - URGE GOVERNMENT TO SERIOUSLY LOOKING INTO UNIT PRICING LEGISLATION

We need both federal & state government to serious looking into making Unit Pricing as legislation in Malaysia. This is not only a policy driven & practical method to help consumer to save more in their daily grocery expense, it is also a more sustainable method than subsidising and controlling of prices. While, we understand that legislation might take times to get it done, the alternate method is for government to incentivise retailers that voluntarily implement Unit Pricing.

#### SUGGEST ONLINE RETAILERS CAN START FIRST PRIOR LEGISLATION

While brick and mortal retailers will argue on the high implementation cost, online retailers like Lazada and Shopee should actually start to embrace Unit Pricing concept on their website or app. Since there are no needs for shelf label printer and the printing cost, these online retailers will just have to modify their system and display the information online. The cost will be significantly lower than those brick and mortal counterpart.



Else, for now, use Hargapedia app to compare Unit Pricing of your grocery purchase

Hargapedia app already provides unit pricing for more than 30,000 grocery products that it's tracked. Since launched in Jan 2018, it has now grown to a leading pricing comparison app in Malaysia with close to 1,200,000 unique download. It's a free app available in both iOS, android and Huawei store

So, start using Unit Pricing information through Hargapedia, ask your local retailers to display unit pricing in their stores and share this information to your families, friends and colleagues so that we can move toward a unit pricing implemented country in the near future!



### About the writer

**Soon Chee Kwang** is currently the Managing Director of Intrack Market Services Sdn Bhd, a company that provides specialised marketing solutions for the FMCG/Retail industry. The company also operates the Hargapedia app. Soon was the chairperson for the national technical committee for Unit Pricing in Malaysia and represent Malaysia to ISO/PC 294, which is now ISO 21041:2018





# Is Your Food Safe?

## Malaysians

love to eat. And they will eat in the most unlikely places as long as the food is tasty, often throwing food hygiene and safety to the wind. We don't hear much about foodborne diseases but worldwide, one in 10 people fall ill because of contaminated food every year. This is why a day has been designated by the World Health Organisation (WHO) to create awareness on food safety.

World Food Safety Day, which is observed on June 7 annually, aims to draw attention and mobilise action to prevent, detect and manage food-borne risks and improve human health.

The theme for this year, "Safer food, better health", serves to remind us that if we make food safety a priority, people will be healthier and more productive. We will also reduce pressure on the healthcare system and have healthier food systems.

In 1988, a series of food poisoning cases occurred in Perak, killing 13 children between the ages of two-and-a-half and 11 years. Investigations showed that all of them had eaten noodles from the same manufacturer. A combination of boric acid, which is mainly used as an insecticide and acts a disinfectant, and aflatoxin was found to be responsible for the poisoning. Another major food poisoning incident occurred on October 2018 that led to 34 infections in Perak, 25 in Kedah and 24 in Selangor. The problem was traced to laksa produced in Baling (Kedah), which was contaminated with salmonella.



**WRITTEN BY**

**SARAL JAMES MANIAM**

Secretary General

Malaysian Association of Standards Users

Food safety affects all aspects of the food production and consumption process, hence it is everyone's responsibility, from producers and distributors to caterers and consumers, to be mindful of it. The government lays down the minimum food safety or marketing standards that food businesses must meet. However, effective food safety control can be undermined by the existence of fragmented legislation, multiple jurisdictions, inconsistencies in enforcement, and weaknesses in food surveillance and monitoring.

The Food Act 1983 is the fundamental legislation for food safety in Malaysia. The government has also implemented strict rules to ensure that workers and owners of food premises prioritise the cleanliness of their working area.



The goal of the food safety professional should be to create a food safety culture, not a food safety program

-Frank Yiannas-





Food safety affects all aspects of the food production and consumption process, hence it is everyone's responsibility, from producers and distributors to caterers and consumers, to be mindful of it. The government lays down the minimum food safety or marketing standards that food businesses must meet. However, effective food safety control can be undermined by the existence of fragmented legislation, multiple jurisdictions, inconsistencies in enforcement, and weaknesses in food surveillance and monitoring.

The consequences of unsafe food can be serious. ISO's food safety management standards help organizations identify and control food safety hazards, at the same time as working together with other ISO management standards, such as **ISO 9001, Quality management systems** — Requirements. Applicable to all types of producer, **ISO 22000, Food Safety Management Systems** provides a layer of reassurance within the global food supply chain, helping products cross borders and bringing people food that they can trust.

The **Food Act 1983** is the fundamental legislation for food safety in Malaysia which consists **Food Regulations 1985** and **Food Hygiene Regulations 2009**. The government has also implemented strict rules to ensure that workers and owners of food premises prioritise the cleanliness of their working area. Improper food handling can also be a major cause of food contamination.

To prevent food contamination, the food handler should have good knowledge of food handling practices and observe them at all times. The "CLEAN, SAFE AND HEALTHY" (BeSS) recognition is one recognition given to food premises for encouraging operators maintain clean premises, provide food that safer and healthier food choices to customers. Meanwhile HACCP certification is an international standard defining the requirements for effective control of food safety which used most of food manufacturers or industries and GMP regulations require a quality approach to manufacturing, enabling companies to minimize or eliminate instances of contamination, mix-ups, and errors.

An effective and continuous food safety education is important to improve consumers' knowledge on food safety

Enforcement alone will not suffice. If consumers do not know what to look for in food safety, unsafe outlets and products will continue to flourish. Consumer education relies heavily on schools, the traditional media and also social media.

However, awareness is still lacking, and apathy towards food hygiene is still the norm rather than the exception. Reduced risk of diseases and deaths caused by unsafe food consumption leads to reduced burden of financial losses due to food-borne illnesses such as typhoid, hepatitis A, diarrhoea and dysentery. We should therefore include good food safety practices in our day-to-day activity. Food is medicine, and we should all endeavour to aim for safer food and better health.

**SAFE FOOD NOW FOR  
A HEALTHY TOMORROW**

Food safety is everyone's business





# FAIR EASY EFFICIENT



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## RINGGIT

is a joint venture of the Federation of Malaysian Consumer Associations (FOMCA) and Bank Negara Malaysia to deliver financial education to you.  
The ringgit will be issued every 2 months starting in February 2022. Read & Download via link:  
<https://rebrand.ly/Ringgit002>

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# RINGGIT

## RAKAN KEWANGAN ANDA

Perkara Penting Mengenai  
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Penyelesaian Pertikaian  
Kewangan Alternatif Dan Tabiat  
Bijak Dalam Pelaburan

Program Subsidi Pembelian  
Kerusi Keselamatan Kanak-Kanak  
Keluarga Malaysia (MyCRS)

Perkara Penting Pengguna  
Perlu Tahu Mengenai Kontrak  
Perkhidmatan Hadapan



## INISIATIF BANK BERGERAK UNTUK RAKYAT DAN EKONOMI



IMBAS KOD QR  
UNTUK MUAT TURUN  
MAJALAH RINGGIT



## ASEAN CONSUMER FORUM

### NEWSLETTER APRIL 2022

www.fomca.org.my  
Vol. 01 Newsletter



### ASEAN CONSUMER FORUM (ACF) INITIATIVES

During the initial meeting with ASEAN members from Indonesia, Malaysia, Myanmar, Philippines, Singapore, Thailand, Vietnam and GIZ on November 10, 2021, the following collaboration was agreed:

1. Online trade and consumer protection
2. Healthcare – especially on prices of test kits
3. Capacity building of Consumer Associations to move from traditional approaches to maximising the use of online platforms
4. Consumer Protection in the Digital Finance area
5. Thematic issues for example online loans.

### What do ASEAN CONSUMER want to ACHIEVE?

1. Better understand our Members Consumer Protection Situation
  - Sharing of Experiences
2. Level of Current ASEAN/ Governmental approach to Consumer Protection in ASEAN
  - Commonalities and Differences
3. Where do we go from here?
  - Strengthen Consumer Associations within and among Member States
  - Levels of Consumer Protection
    - Gaps
    - Policy/Legislation
    - Consumer Empowerment
    - Capacity Building within ASEAN
    - Capacity Building from other Jurisdictions
4. Strengthening Advocacy/Policy Reform
5. Strengthening of Consumer Empowerment
6. Regional Alternative Dispute Resolution (ADR)

## ASEAN CONSUMER FORUM

Initiated by FOMCA on Nov 21, 2021 to strengthen Consumer Associations in ASEAN consists of Indonesia, Malaysia, Myanmar, Philippines, Singapore, Thailand, Vietnam and GIZ. Please contact [fomca.fomca@org.my](mailto:fomca.fomca@org.my) if your organisation want to be the part of ACF to make a difference in ASEAN.