

立法會
Legislative Council

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LC Paper No. CB(2) 2134/04-05
(These minutes have been seen by
the Administration)

Panel on Food Safety and Environmental Hygiene

Minutes of Meeting
held on Tuesday, 10 May 2005 at 2:30 pm
in Conference Room A of the Legislative Council Building

Members Present : Hon Fred LI Wah-ming, JP (Chairman)
Hon WONG Yung-kan, JP (Deputy Chairman)
Hon Bernard CHAN, JP
Hon Andrew CHENG Kar-foo
Hon TAM Yiu-chung, GBS, JP
Hon Tommy CHEUNG Yu-yan, JP
Hon Vincent FANG Kang, JP
Hon WONG Kwok-hing, MH
Dr Hon Joseph LEE Kok-long
Dr Hon KWOK Ka-ki

Members Attending : Hon Emily LAU Wai-hing, JP
Hon Audrey EU Yuet-mee, SC, JP

Public Officers Attending : Mr Eddy CHAN
Deputy Secretary (Food & Environmental Hygiene)
Health, Welfare and Food Bureau

Miss Vivian KO
Principal Assistant Secretary (Food & Environmental Hygiene) 1
Health, Welfare and Food Bureau

Dr HO Yuk-yin, Philip
Consultant (Community Medicine)
(Risk Assessment and Communication)
Food and Environmental Hygiene Department

Attendance by : Item IV
Invitation

Consumer Council

Mrs CHAN Wong Shui
Chief Executive

Ms Rosa WONG
Head, Research and Trade Practices Division

Hong Kong Retail Management Association

Mr Jeff SHAW
Government Regulations Sub-Committee
Hong Kong Retail Management Association

Mr Philippe GIARD
Managing Director, Hong Kong
A.S. Watson & Co. Ltd. — PARKnSHOP

Miss Anita BAGAMAN
Executive Director
Hong Kong Retail Management Association

Federation of Hong Kong Industries

Mr Stephan CHANG
General Committee Member

Mr Roger TAM
Manager

Hong Kong Suppliers Association Limited

Mr Albert TANG
Chairman – Government Policy

Ms Frenda WONG
Committee Member

The Hong Kong Food Council Limited

Mr Ronald LAU
Vice President

Mr Arthur TSOI
Executive Committee Member

Hong Kong Food Science and Technology Association Limited

Mr Leo YUEN
Founding Chairman

Hong Kong Federation of Restaurants and Related Trades

Mr Simon WONG
Chairman

Ms Phyllis CHEUK
Director

Hong Kong and Kowloon Sauce and Preserved Fruits
Amalgamated Employers Association

Dr WONG Pak-yuen
Chairman

Hong Kong Medical Association

Dr TSE Hung-hing
Representative

Hong Kong Doctors Union

Dr SHE Siu-yam
Hon. Treasurer

Dr WONG Bun-lap
Council Member

Association of Hong Kong Nursing Staff

Mr YUEN Chi-man, Anders
Executive Member

Mr CHOI Pui-wah, Philip
Executive Member

Care For Your Heart

Ms Sandra CHOW Mun-yuk
Chairperson

The Hong Kong Dietitians Association Limited

Ms Priscilla LAU
Training and Development Officer

Ms Kitty WONG
Registered Dietitian

Hong Kong Nutrition Association Limited

Miss CHAN King-chi, June
President-elect

Miss LAU Wan-yee, Winny
Membership Secretary

Mr Spencer TONG
Internal Co-ordinator

Clerk in Attendance : Mrs Constance LI
Chief Council Secretary (2)5

Staff in Attendance : Miss Betty MA
Senior Council Secretary (2)1

Ms Anna CHEUNG
Legislative Assistant (2)5

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I. Date of next meeting and items for discussion
[LC Paper Nos. CB(2) 1465/04-05(01) and (02)]

The Chairman said that Mr Tommy CHEUNG had suggested in his letter dated 9 May 2005 (which was tabled at the meeting) that the Panel should discuss the proposal to extend the deadline for applying for the voluntary surrender of licences/tenancies scheme for live poultry retailers until the expiry of their tenancies. The Chairman proposed that the Panel could include this in the agenda of the next

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regular meeting scheduled for 14 June 2005 at 2:30 pm. The Chairman further said that the Administration should also brief members on its way forward for the proposed voluntary surrender scheme for live poultry farmers and wholesalers. Members agreed.

2. Referring to the list of outstanding items for discussion, the Chairman asked the Administration when it would revert to the Panel on those items which were said to be ready for discussion in the second quarter 2005. Deputy Secretary for Health, Welfare and Food (Food and Environmental Hygiene) (DS(FEH)) said that the Administration would revert to the Panel in one or two months.

3. Mr WONG Yung-kan said that with the onset of rainy season, there would be accumulation of water at rear lanes and private streets, and these would become mosquito breeding grounds and also give rise to other health hazards. Mr WONG suggested that the Administration should be invited to brief the Panel on the action plan in this regard.

4. DS(FEH) said that following the disbandment of Team Clean, the Home Affairs Department (HAD) played the role of a central coordinator in spearheading inter-departmental efforts at district level to monitor the hygiene conditions of rear lanes and private streets. The Chairman suggested that HAD be requested to provide an information paper to the Panel on the efforts made and the action plan for maintaining the hygiene conditions of rear lanes and private streets. Members agreed.

II. Information paper(s) issued since last meeting

5. Members noted that the Administration had provided the following information papers since the last meeting –

- (a) Updated information on the applications for voluntary surrender of live poultry licences/tenancies in Food and Environmental Hygiene Department (FEHD) and public housing markets [LC Paper No. CB(2) 1448/04-05(01)];
- (b) Information paper on “Discovery of Avian Influenza Virus a subtype H7 in the Democratic People’s Republic of Korea” [LC Paper No. CB(2) 1453/04-05(01)]; and
- (c) Information paper on “Monitoring of street-washing service” [LC Paper No. CB(2) 1465/04-05(03)].

III Study on dietary exposure to lead of secondary school students

[LC Paper No. CB(2) 1456/04-05(01)]

6. With the aid of powerpoint, Consultant (Community Medicine) (Risk Assessment and Communication)/FEHD (Consultant/FEHD) briefed members on the results of the study on dietary exposure to lead of secondary school students. Consultant/FEHD said that the findings of the study revealed that the dietary exposures to lead among secondary school students were well below the international reference on safe intake level. Nevertheless, the food trade was advised to observe good agricultural and manufacturing practices in order to minimise lead contamination of foods. The public was also advised of the risk factors and ways to reduce the possible risk through dietary intake.

7. Noting that vegetables was identified as the main dietary source of lead, Mr TAM Yiu-chung asked about the sources of vegetables found to contain high concentration of lead, and whether vegetables from the Mainland posed a problem in this respect.

8. Consultant/FEHD responded that the study conducted by FEHD did not include tracing the origin of such foods. Only one sample taken from vegetables imported from the Mainland in 2004 was found to contain cadmium at a level of 0.16 ppm, exceeding the standard of 0.1 ppm. There were no other failed samples of vegetables from the Mainland.

9. Mr WONG Yung-kan asked about the ways to reduce the content of lead in vegetables. He commented that it would be more convenient for one single department to conduct tests on all food products in Hong Kong, instead of splitting the responsibilities between FEHD and the Agriculture, Fisheries and Conservation Department (AFCD).

10. Consultant/FEHD explained that the regular food surveillance and inspection programme of FEHD covered all food products. FEHD conducted tests on all vegetables, including those imported from the Mainland, while AFCD conducted tests on vegetables sold in Vegetable Marketing Organisation's Cheung Sha Wan Wholesale Vegetable Market only.

(Post-meeting note : The Administration subsequently advised that positive results obtained by AFCD would be referred to FEHD for follow-up action.)

11. Consultant/FEHD said that although vegetable was identified as the main dietary source of lead, it did not constitute a health hazard because the lead content was within the acceptable limit. He advised that the content of lead could be reduced by half if the vegetables were soaked in water for 30 minutes and washed under running water. Consultant/FEHD further said that as part of the public educational programme, the Administration would publicise the food study findings and ways to reduce the possible risk through dietary intake.

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12. Mr Tommy CHEUNG asked whether soaking and washing vegetables for a long period of time would lead to a loss of the nutrient contents. Consultant/FEHD responded that the loss of nutrient contents caused by soaking and washing vegetables should not be significant. However, more information would be available after completion of the study to be conducted on nutrients values of vegetables and fruits.

13. Dr KWOK Ka-ki asked whether the Administration had conducted other studies on dietary exposure to heavy metals. Consultant/FEHD said that FEHD had previously conducted studies on dietary exposures to arsenic, cadmium and mercury, and there was no plan to conduct other similar studies at the moment.

14. Dr KWOK suggested that FEHD should discuss with the Education and Manpower Bureau (EMB) to include the food study findings and health advice in the curriculum of the primary and secondary schools. Consultant/FEHD responded that his department would discuss the suggestion with EMB.

(Post-meeting note : The Administration subsequently advised that EMB would be pleased to disseminate the FEHD's study findings to schools. They would also consider incorporating the findings into their teaching materials whenever appropriate.)

15. The Chairman asked about the toxicological effect of substituting lead by copper or zinc in lime preserved eggs, as this was mentioned in the Administration's paper. Consultant/FEHD said that some operators had already changed to use copper or zinc for preserved eggs. He explained that copper and zinc were essential nutrients to human body, and would not have adverse impact on health if not taken in large amounts. He added that although lime preserved eggs were found to contain high concentration of lead, the lead content did not exceed the prescribed safety level for food consumption.

IV Meeting with deputations to discuss the proposed labelling scheme on nutrition information

[LC Paper No. CB(2) 1230/04-05(05)]

[LC Paper No. CB(2) 1449/04-05(01)]

16. The Chairman welcomed representatives of the Administration and deputations to the meeting.

17. Consultant/FEHD informed members that according to the surveys conducted in 2001 and 2004, 42% and over 50% respectively of pre-packaged food products sold in local market had nutrition labels. The survey conducted by the consultant in 2004 also revealed that pre-packaged food with nutrient-related claims had increased from 19% in 2001 to 28% in 2004. As for imported pre-packaged food products, 73% of

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them had labels specially made for Hong Kong market. Consultant/FEHD further said that nutrition labelling was essential for making product-to-product comparisons and would help prevent false nutritional claims. Consultant/FEHD added that either English or Chinese would be acceptable for labelling of nutrition information.

18. The Chairman said that 14 deputations would present their views at the meeting, and most of them had provided written submissions. Their views given at the meeting were summarised in the following paragraphs.

Consumer Council

[LC Paper No. CB(2) 1507/04-05(01)]

19. Mrs CHAN Wong Shui presented the views of Consumer Council as detailed in its submission. Mrs CHAN said that many countries had already implemented nutrition labelling, and it should not pose much difficulties for Hong Kong to adopt a nutrition labelling scheme. She added that the Consumer Council supported early implementation of nutrition labelling, and the two phases should not be implemented later than 2008 and 2010 respectively. The two-year grace period for implementing each Phase should be sufficient for the trade to make necessary adjustments to meet the labelling requirements. The Consumer Council did not consider it appropriate for Hong Kong to accept the food labels of source countries, as different labelling requirements for nutrition information were adopted by different countries.

20. Mrs CHAN further said that the Consumer Council supported the standardisation of presentation of nutrition information on pre-packaged food, so as to facilitate comparison of the nutrient contents between food products. She added that the implementation of the nutrition labelling scheme would also create new opportunities for the trade, for example, there was a great demand from Mainland visitors for food products made or sold in Hong Kong.

Hong Kong Retail Management Association

[LC Paper No. CB(2) 1513/04-05(01)]

21. Mr Jeff SHAW presented the views of Hong Kong Retail Management Association as detailed in its submission. Mr SHAW said that the Association supported a labelling guideline that would help consumers make informed decisions about the food they purchased. However, the retail trade had raised practical concerns if a mandatory labelling scheme was to be introduced, as the proposed labelling requirements were too stringent and different from those adopted by some other countries. The Association considered that Hong Kong should not move ahead of the European Union and the Mainland in implementing labelling requirements where nutrition labelling was not yet mandatory. Mr SHAW stressed that the proposed nutrition labelling scheme would have significant impact on the industry and the community in terms of employment, price increase and availability of foreign foods.

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22. Mr SHAW further said that the Association considered that adaptation of the source countries' food labels could equally serve the purpose of providing nutrition information to consumers.

Federation of Hong Kong Industries
[LC Paper No. CB(2) 1507/04-05(02)]

23. Mr Stephan CHANG presented the views of Federation of Hong Kong Industries as detailed in its submission. Mr CHANG said that a lot of work was involved in the re-labelling of food products, and there was also concern whether the laboratory facilities in Hong Kong could cope with the upsurge in demand for laboratory testing. The shortest possible time for implementing the proposed nutrition labelling scheme should therefore be five years (i.e. a two-year grace period should be allowed before implementation of Phase I, and Phase II would be implemented three years after implementation of Phase I).

24. Mr CHANG further said that Hong Kong was a small market, and it should only follow the Codex recommendation on nutrition labelling, i.e. only energy and three core nutrients would need to be declared on food labels. Moreover, food products bearing food labels from the source countries which had put in place nutrition labelling requirements should be accepted without re-labelling. Mr CHANG added that a 20 % range of error should be allowed for the nutrition information put on the label. He also warned that the proposed scheme would increase the costs of food products which would eventually be transferred to consumers.

Hong Kong Suppliers Association Limited
[LC Paper No. CB(2) 1465/04-05(04)]

25. Mr Stephen TANG said that he would like to raise the queries as detailed in the submission of the Hong Kong Suppliers Association Limited. Mr TANG queried that the impact on the Small and Medium-sized Enterprises (SMEs) had been underestimated in the Regulatory Impact Assessment (RIA). He pointed out that a substantial amount of resources would be required to educate the public on how to make use of the nutrition information on food labels.

26. Mr TANG further said that the proposed labelling requirements were too stringent, and Hong Kong would only be second to the United States and Canada in its nutrition labelling requirements after Phase II was implemented. He urged for a longer lead time (i.e. five years after implementation of Phase I) before Phase II was fully implemented.

The Hong Kong Food Council Limited
[LC Paper No. CB(2) 1507/04-05(03)]

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27. Mr Ronald LAU presented the views of The Hong Kong Food Council Limited as detailed in its joint submission with the Chinese Manufacturers' Association of Hong Kong, Hong Kong Federation of Restaurants and Related Trades, 港九果菜行工商總會, 港九凍肉行商會, 香港食品衛生管理人員協會 and 24 other companies in the food industry. Mr LAU expressed concern about the re-labelling costs, adequacy of laboratory facilities, reliability of the cost-benefit analysis in the RIA, and whether Government would use the estimated savings in medical costs to launch more public education on healthy living.

28. Mr LAU said that Codex had only recommended the labelling of energy and three core nutrients. The Administration should therefore review the need for implementing Phase II one year after implementation of Phase I. He added that nutrition labelling for all pre-packaged foods in Phase II should only be implemented on a voluntary basis, and that re-labelling should not be required for those food products which had labels based on the source countries' nutrition labelling requirements.

Hong Kong Food Science and Technology Association Limited

29. Mr Leo YUEN said that the Association supported in principle the proposed labelling scheme. However, as Hong Kong was a small market, it would be difficult for overseas manufacturers or suppliers to provide separate food labels to meet Hong Kong's requirements. He considered that Hong Kong's nutrition labelling scheme should base on the nutritional reference value for Asian people, and such a scheme in Hong Kong should synchronise with the requirements to be introduced in the Mainland. He further said that no re-labelling should be required for those imported foods which had labels from the source countries.

30. Mr YUEN also expressed concern about the adverse impact on the food industry, and that certain traditional Chinese foods might disappear from the market. He also urged for strengthened public education on nutrition information in the long-term, otherwise it would be a waste of resources to implement the nutrition labelling scheme if the community at large did not understand such labels.

Hong Kong Federation of Restaurants and Related Trades
[LC Paper No. CB(2) 1456/04-05(02)]

31. Mr Simon WONG presented the views of Hong Kong Federation of Restaurants and Related Trades as detailed in its submission. Mr WONG queried the estimates on the costs and savings in the RIA for implementation of a nutrition labelling scheme. He said that the Federation did not object to the proposed scheme but considered the labelling requirements too stringent. He added that many overseas countries (e.g. European countries and Japan) only required labelling of energy plus five to seven core nutrients. He suggested that Hong Kong should only require the labelling of energy and five core nutrients, as more stringent labelling requirements

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would discourage importers to explore new variety of foods. Niche foods would also disappear from the market. Mr WONG further said that one-step approach with a longer grace period should be adopted.

Hong Kong and Kowloon Sauce and Preserved Fruits Amalgamated Employers Association

32. Dr WONG Pak-yuen said that while the Association agreed that nutrition labelling would have positive impact on the food industry in the long term, it should be implemented on a voluntary basis. Dr WONG further said that the implementation timetable should have regard to the shelf-life of various food products and the impact on employment, as it would take a longer time for clear the stock of niche food and food with low sale volume. He also stressed the importance of public education on the use of nutrition information.

Hong Kong Medical Association

33. Dr TSE Hung-hing said that Hong Kong Medical Association supported the proposed labelling scheme which would help consumers, especially patients, to select foods which were best to their health. While the Association supported a phased approach for the implementation of the labelling requirements, it did not consider it necessary to take four years to fully implement the scheme, as the labelling requirements had been discussed for a very long time. He urged the Administration to expedite the implementation timetable. Dr TSE added that potassium should be included as one of the core nutrients to be labelled. He said that excessive intake of potassium was harmful.

Hong Kong Doctors Union
[LC Paper No. CB(2) 1456/04-05(03)]

34. Dr SHE Siu-yam and Dr WONG Bun-lap presented the views of Hong Kong Doctors Union as detailed in its submission. They said that the Union supported the proposed nutrition labelling scheme as it would help people to better understand the nutritional value of food products with nutrition-related claims. They pointed out that some foods with nutrient claims actually contained contents which were harmful to health. They further said that the grace period for full implementation of mandatory labelling should be shortened to three years, in order to alleviate the burden on the medical sector and the community to provide cure and care for cases caused by intake of harmful foods. The Union also considered that the content of potassium should also be included on the labels.

Association of Hong Kong Nursing Staff
[LC Paper No. CB(2) 1456/04-05(04)]

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35. Mr Anders YUEN presented the views of Association of Hong Kong Nursing Staff as detailed in its submission. Mr YUEN said that nutrition labelling was an important tool of disease prevention and health promotion. The Association strongly urged for a one-step approach to implement the mandatory requirement that the labels of all pre-packaged food should include information on energy plus nine core nutrients. Such a mandatory scheme should be implemented as soon as possible, subject to a grace period of three years.

Care For Your Heart

[LC Paper No. CB(2) 1456/04-05(05)]

36. Ms Sandra CHOW presented the views of Care For Your Heart as detailed in its submission. Ms CHOW said that Care For Your Heart supported early implementation of nutrition labelling requirements which would encourage consumers to make healthier food choices. She said that the association would be willing to provide education programmes to members of the public free of charge, to help them understand the nutrition information on the food labels. She further said that the grace period should not be too long, as the trade was already allowed sufficient time to adapt to the change.

The Hong Kong Dietitians Association Limited

[LC Paper No. CB(2) 1517/04-05(01)]

37. Ms Priscilla LAU presented the views of The Hong Kong Dietitians Association Limited as detailed in its submission. Ms LAU said that the Association supported the proposed implementation timetable on the condition that Phase I, which was limited to pre-packaged food with nutrient-related claims, should be required to label information on energy plus nine core nutrients. Nevertheless, it supported that Phase II would be implemented two years after implementation of Phase I. Ms LAU further said that, apart from energy and the nine core nutrients, the food industry should be encouraged to include additional nutrients such as potassium, soluble fiber, monounsaturated fat, trans fatty acids as optional label items.

The Hong Kong Nutrition Association Limited

[LC Paper No. CB(2) 1507/04-05(04)]

38. Miss June CHAN presented the views of The Hong Kong Nutrition Association Limited as detailed in its submission. Miss CHAN said that the Association found the cost-benefit analysis in the RIA acceptable, and supported the implementation of a mandatory labelling scheme as it would encourage the food industry to provide healthier food. The Association was of the view that the scheme should start off with the labelling of energy and nine (instead of five) core nutrients in Phase I.

Other submissions received

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39. The Chairman informed members that the following organisations had provided written submissions but had not sent representatives to the meeting –

- (a) Hong Kong Academy of Medicines (LC Paper No. CB(2)1456/04-05(06));
- (b) The Confectioners and Bakers Association of Hong Kong and Kowloon (LC Paper No. CB(2)1456/04-05(07));
- (c) Hong Kong Association of Study on Obesity (LC Paper No. CB(2)1465/04-05(05));
- (d) Vitasoy International Holdings Limited (LC Paper No. CB(2)1492/04-05(01)); and
- (e) Hong Kong College of Community Medicine (LC Paper No. CB(2)1507/04-05(05)).

Discussion

40. Ms Emily LAU declared that she was a member of the Economic and Employment Council which was formed under the Financial Secretary's Office. She said that while she agreed that a nutrition labelling scheme should be introduced, it was important to strike a proper balance between promoting public health and minimising the adverse impact on the food industry. Noting that most of imported food products already had nutrition labels, Ms LAU asked whether these products would have to be re-labelled to meet the proposed labelling requirements in Hong Kong; and if so, what the additional costs would be. Ms LAU further asked the Consumer Council whether it had studied the economic impact of the proposal, for example, whether the additional costs would be transferred to consumers as claimed by some food manufacturers or importers.

41. Mrs CHAN Wong Shui of Consumer Council said that as Government had engaged a consultant to conduct the RIA, the Consumer Council did not study the economic impact of the proposed nutrition labelling scheme. Mrs CHAN further said that while some deputations had expressed concern about the closure of some SMEs, the provision of nutrition information would also increase the competitiveness of these food products. Moreover, the scheme would create new business opportunities and newcomers would be attracted to enter the market, which would help keep the food price low.

42. Mr Stephen TANG of Hong Kong Suppliers Association Limited said that all pre-packaged food would need re-labelling in order to meet the requirements in Hong Kong. Mr TANG further said that the costs for nutrient laboratory tests would be around \$7,000 for one product. This would incur significant costs to the

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manufacturers or importers of low volume niche products, and some SMEs might have to close down.

43. Dr Joseph LEE said that as many food products already had the nutrition information labels although in a different format, only re-labelling instead of laboratory tests would be involved. Referring to some deputations' comments that the Government should put in place public educational programme on nutrient information before implementation of nutrition labelling requirements, Dr LEE said that promoting public health was not only Government's responsibility but the joint responsibility of the community, including the food industry. Dr LEE added that the curriculum of primary schools already included health education, and consumers should not have much difficulty in understanding the nutrition information on food labels. Dr LEE further said that nutrition labelling would create new employment opportunities in laboratories and food packaging industry.

44. Mr Stephen TANG of Hong Kong Suppliers Association Limited said that the RIA had pointed out that the introduction of the nutrition labelling scheme would likely impose costs on importers, manufacturers and retailers in Hong Kong, and the total costs for implementing Phase II requirements would be \$244 million. Mr TANG further said that consumers would need to be educated on how to use the nutrition information on food labels, and the estimated amount of \$4 million would not be sufficient for the purpose. Without such public education, it would be a waste of efforts and money to implement the nutrient labelling scheme.

45. Mr WONG Kwok-hing said that the medical and healthcare sectors had conveyed a very clear and strong message that the proposed nutrition labelling scheme should be implemented expeditiously in one-go in order to protect public health. Mr WONG urged the Administration to follow the advice of these medical professionals, in order to avoid causing confusion to the industry and the public about the labelling requirements. He suggested that consideration could be given to waiving the re-packaging requirements during the transitional period, and a notice displaying all the required nutrition information on the shelf displaying such food products would suffice.

46. DS(FEH) responded that it was the Administration's intention to introduce the labelling scheme as soon as possible. During the public consultation, the food industry had expressed difficulties in complying with the requirement of labelling "energy plus nine core nutrients". Different options on the labelling requirements had been explored in the RIA study which provided the cost-benefit analyses on these options. Having considered the views collected during the public consultation, the findings of RIA and the local health situation, the Administration proposed to adopt less stringent labelling requirements in Phase I. Under the revised proposal, only information on energy and five core nutrients would need to be labelled on pre-packaged food with nutrient-related claims. This proposal would reduce the initial cost of testing and re-labelling but still have considerable net benefits. The

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Administration considered that the revised proposal would strike a balance between the interests of the public and the food industry. DS(FEH) added that the Administration would be willing to consider requiring the labelling of energy and nine core nutrients in one-step, if the food industry agreed to such an approach.

47. Mr Vincent FANG said that there was no doubt about the importance of safeguarding public health. However, the food industry was concerned that 191 SMEs would close down as estimated in the RIA. Mr FANG further said that the food industry generally considered that there were difficulties in complying with the Phase II requirements. Given that most food products were imported and the Codex guidelines suggested labelling of energy plus five core nutrients, the industry would accept a scheme which imposed only the Phase I requirements or which accepted labels based on the source countries' requirements. The industry also suggested that the grace period for existing products should be extended to three to four years, while the labelling requirements could take immediate effect for new products. Mr FANG added that the Administration should also provide assistance to those SMEs which would face hardship because of the higher costs or business loss after implementation of the scheme. The Administration should also launch public education to enable consumers to understand the nutrient labels.

48. DS(FEH) responded that the closure of up to 191 SMEs mentioned in RIA was an estimate to illustrate the impact of the nutrition labelling scheme on the trade. He said that the Administration would provide technical assistance to the trade to explain the specific requirements. DS(FEH) further said that the major difficulty faced by the trade would be the source of food products which had no nutrition labels or those which did not fit requirements. As regards the suggestion of providing financial assistance, he said that the Administration had to be very careful in using public money to assist a certain type or sector of industry.

49. Dr KWOK Ka-ki asked whether implementing the nutrition labelling scheme in two phases would give rise to higher costs to the trade, as it had to undertake re-labelling and repackaging of food products twice. He said that there was little difference in the laboratory testing fees for testing five or nine nutrients. Dr KWOK said that he had the impression that the food industry was very concerned about the laboratory capacities and testing fees, and the hardship to be faced by SMEs. However, the industry seemed to be willing to support a one-step approach for implementing the nutrition labelling requirement, if the Government could address their concerns and offer assistance to SMEs. Dr KWOK added that he did not agree to extend the grace period for implementing Phase II requirements, since 28% of pre-packaged food products currently had nutrient labels.

50. Consultant/FEHD said that local laboratories were already conducting nutrient testing, and they had indicated that they could cope with the demand after

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implementation of the nutrition labelling scheme. These laboratories could also expand their capacity within a short period of time. Consultant/FEHD further said that the current laboratory fees on testing nine nutrients ranged from \$4,000 to \$8,000. Some laboratories had indicated that the fees could be lowered if there was greater demand. Consultant/FEHD added that under the proposal, FEHD could also accept the testing result or evidence provided by local or overseas laboratories.

51. Mr Tommy CHEUNG commented that the estimated impact on the trade in RIAs was usually on the conservative side. Mr CHEUNG said that he had no strong views against the labelling requirements if these were the same as the Codex guidelines or the Mainland requirements. He could not understand why the Administration had proposed a set of nutrient labelling requirements which was different from those of Hong Kong's major trading partners or international practice. Mr CHEUNG further said that the Administration should strike a proper balance between the consumers' right to know and the impact on the trade. He considered that a longer grace period was necessary because many food products had a shelf-life longer than the proposed grace period.

52. Mr Simon WONG of Hong Kong Federation of Restaurants and Related Trades said that Phase II requirements were only second to those adopted by US and Canada. In other words, all the pre-packaged food products other than those imported from US and Canada would need re-labelling and repacking, as only 15% to 18% of imported pre-packaged food products came from US and Canada. This would give rise to additional costs on the food industry.

53. Mr WONG Yung-kan asked whether the medical and healthcare sector had taken into account the possible closure of 191 SMEs as pointed out in the RIA, and what assistance could be provided to the trade.

54. Dr WONG Bun-lap of Hong Kong Doctors Union said that the nutrient labelling scheme would help lower the overall health costs.

55. In view of the limited time for discussion at this meeting, the Chairman said that the Panel would further discuss the proposed labelling scheme on nutrition information at the next meeting on 14 June 2005. Members agreed.

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VI Any other business

56. There being no other business, the meeting ended at 4:30 pm.

Council Business Division 2
Legislative Council Secretariat
28 June 2005