

**Submission to Legislative Council's Subcommittee on Air Pollution Control (Volatile Organic Compounds) – 4 January 2007**

The members of our Association are mainly suppliers from the Fast Moving Consumer Goods (FMCG) trade. FMCG are consumable goods such as food grocery, personal care products, cosmetics, household and household cleaning products, insecticide, stationary, etc. Environmental protection and the interest of consumer are great concern of ours. We support cleaner air for Hong Kong.

Air pollutant from outside of Hong Kong in the Pearl River Delta area, from vehicle, from power plants are obviously the major source of air pollution, but they are not within the scope of our business and we shall not discuss it here. Our concern is emission of Volatile Organic Compounds (VOC) from FMCG.

VOC emission from FMCG is very small and not a major pollution source. Furthermore, the regulation of FMCG will contribute very little to the improvement of air quality. Even knowing we can only make a small contribution to the overall air quality of Hong Kong, we work closely and diligently with the Environment, Transport and Works Bureau (ETWB) in its admirable effort in reducing air pollution.

We participate in many long meetings under the Working Group on Regulatory Control of VOC with ETWB over a period of about 6 months in 2005. The trade collected data and seek expert advises from overseas to provide much information to the ETWB from the trade perspective that otherwise the ETWB would have no way of knowing. ETWB worked diligently in analysing the information and exchanging ideas with us in the 6 months period to arrive at their new proposal.

The new proposal has actually moved to the Stage 2 (control VOC contents of specified products) of the original consultation without going through Stage 1 (labelling of VOC contents on the products). It is our view that labelling is not an effective measure to reduce VOC emissions for the simple reasons that most consumers will not know the meaning of %VOC, low VOC but needed to use more of it does not help, difficult to make %VOC comparison across products and finally consumer may not read it.

In the new proposal, the ETWB proposed a list of specified consumer products to be regulated that would account for 80% of VOC emissions from consumer products. We feel this would be a great achievement on the part of reducing VOC from consumer goods and already causing much sacrifice from the concerned suppliers. Some members of our Association affected by this new proposal will have to reformulate their products, leading to increase in cost and consumer price. Some products will have to be withdrawn from the market because the suppliers cannot reformulate or small volume sales do not justify reformulation by the manufacturers. It has significant impact on the concerned trade and impact on increasing consumer price and reducing consumer choice. The VOC emission

of FMCG is relatively low and further restriction will have unnoticeable improvement in air quality. We strongly request the Administration not to extend the list to cover more products and Legco members not to push for more VOC regulation on FMCG.

Whenever there are new regulations on FMCG in tightening control and regulation, SME will suffer most. In this case, the Administration and the trade had worked together to maximize the benefit and minimize the impact; nevertheless, some SME will suffer. We hope the Administration will find some ways in helping the SME affected by this new regulation.

Finally, we feel the ETWB had done a proper job in working with the trade closely and openly in this case. We hope other branches of the Administration and ETWB will similarly consult the trade in open and harmonious working groups in future new regulations affecting the trade. We would also like to make a suggestion that in future consultation, the Legislative Council will consider sending representative to the working group in better understanding both the positive and negative impact of regulations to the trade and to the public.

End of Submission

Hong Kong Suppliers Association