

Impact on Food Choice – Nutrition Labelling Scheme

The Administration commissioned Environmental Resources Management (ERM) (the consultant), in 2005 to undertake a Regulatory Impact Assessment (RIA), to study the impact of implementing nutrition labelling in Hong Kong.

Number of prepackaged food in the market

2. In conducting the RIA, the consultant has studied the prepackaged food market in Hong Kong. The consultant estimated in the RIA report that in any one year this market includes -

- (i) 22 000 different prepackaged food products. The consultant has derived the estimate by discussions with major food retailers and AC Nielsen. The discussions indicated that the actual number is likely to range between 14 000 and 30 000 products, and as such the analysis has adopted a mid point (22 000) for the RIA analysis.
- (ii) Product turnover of 14%. On the basis of the market survey data of AC Nielsen, the consultant estimated that every year, 14% of the existing food products are replaced by new products, and that these new products have similar current labelling practices to those that they are replacing.

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3. The consultant has studied various options for the scheme to require labelling of energy plus different combination of core nutrients for prepackaged food. The options studied include labelling of energy plus three nutrients, five nutrients, seven nutrients and nine nutrients.

4. The analysis of the consultant suggested that a number of niche products with low sales revenue and profit could cease to be exported to Hong Kong. These might amount to between 5% - 10% of product variety on sale in Hong Kong under the most stringent option of “energy plus nine core nutrients”.

5. It should be noted that when the RIA study was conducted in 2005, there were no flexibilities allowed in the labelling format of energy and nutrients and no

small volume exemption scheme. Since then, the Administration has reduced the number of core nutrients and introduced the following measures to facilitate the trade, including: labelling of energy and nutrients in either per 100g/ml or per serving format, labelling of energy in either kcal or kJ, labelling of either available carbohydrates or total carbohydrates, inclusion of non-Codex claim conditions and introduction of a small volume exemption scheme for food products with annual sales volume of 30 000 or below.

6. With the above flexibilities and exemptions, the decrease in food products due to the nutrition labelling scheme should be further reduced. If applying the originally estimated decrease of 5% -10% under the most stringent option of “energy plus nine core nutrients” to the total number of 30 000 products available on the market (which is already the upper end of the consultant’s estimate), the impact on food choice will be from 1 500 to 3 000 products.

Food and Health Bureau

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