



HONG KONG
RETAIL MANAGEMENT
ASSOCIATION
香港零售管理協會

19 May 2008

Legislative Council
Subcommittee on Food and Drugs
(Composition and Labelling)
(Amendment: Requirements for
Nutrition Labelling and Nutrition Claim)
Regulation 2008

(By fax 2509 9055 & mail)

Dear Sir/Madam,

Re: Comments by the Hong Kong Retail Management Association
on Proposed Amendments to Nutrition Labelling Scheme

The Hong Kong Retail Management Association ("HKRMA") welcomes and supports the Government's proposed amendments to the Food and Drugs (Composition and Labelling) (Amendment: Requirements for Nutrition Labelling and Nutrition Claim) Regulation 2008 ("Regulation").

1. Support for Government's latest proposal

We support the Government's proposals:

- (a) for a "1+7" mandatory nutrition labelling for all pre-packaged products that sell more than 30,000 units per year, representing an estimated 95% of the pre-packaged food eaten in Hong Kong;
- (b) to exempt from the requirements of the Regulation products without nutrition claims that sell less than 30,000 units per year; and
- (c) to include products that make nutrition claims within the small volume exemption, provided that they carry a warning label.



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Nearly 400,000 consumers in Hong Kong have signed a petition in support of the inclusion of products with nutrition claims within the small volume exemption. These nearly 400,000 consumers will welcome the latest amendment proposed by the Government as it will allow them to continue to enjoy the healthier food choices that are currently available to them.

2. False or misleading claims

We understand that some lawmakers are concerned that, with the extension of the small volume exemption to products with nutrition claims, products that make false or misleading claims will not be regulated. However, under section 61 of the Public Health and Municipal Service Ordinance (Cap. 132), consumers are already protected from products that make false or misleading claims.

3. Comments on proposed labels for small volume products

To facilitate ease of understanding for consumers, we believe that there should be a single, generic label that applies to all small volume products that are exempt from the nutrition labelling requirements, regardless of whether or not they carry nutrition claims.

We agree to include the word “warning” on the label. We would like to emphasize, however, that all of these products are already extensively and accurately labelled in accordance with the laws of the country where the products are primarily intended for sale. These products also comply with Hong Kong laws: their potential non-compliance relates only to the nutrition labelling regulations and we request that the word “Hong Kong laws” should be deleted and replaced by the words “Hong Kong’s labelling regulations”.

Also, to prevent inadvertently or unavoidably covering up other labelling information that is required under existing labelling regulations, the HKRMA proposes that the



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type size of the warning label should be no more than 8 point, instead of 10 point. We propose that the bilingual warning should read as follows:

HKSARG Warning 香港特區政府忠告

Nutrition label and claims (if any) for this product may not
comply with Hong Kong's labelling regulations

此產品的營養標籤及聲稱(如有)未必符合香港標籤規例

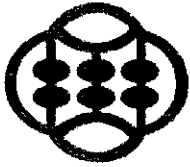
4. Other issues

Our position on other issues in the Regulation are as follows:

(a) Registration Fee

We agree with the principle of cost recovery, but we estimate that the cost recovery should be much less than the fee that the Government currently proposes.

The HKRMA proposes to reduce the registration fee for small volume exemption from HK\$345 per product to HK\$50 per product, and the annual renewal fee from HK\$335 per product to HK\$50 per product. For example, for a small retailer that imports 500 products directly or for a larger retailer organizing a food fair for 500 new imported products, the administrative costs alone would be \$172,500 and the import of such products or the staging of such food fairs may not be commercially viable.



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(b) Grace Period

Six months prior to the expiry of the grace period, retailers will not accept delivery of high volume products from their suppliers that do not comply with the new requirements: otherwise, on 1 July 2010 they will have stock that does not comply with the new regulations. Suppliers effectively only have an 18 month grace period and they have informed us that this is insufficient.

Accordingly, the HKRMA proposes to extend the grace period from two years to three years.

5. Specific Comments

The HKRMA believes that the nutrition labelling scheme will be further improved if the amendments set out in Schedule 1 are adopted.

6. Summary

The HKRMA is in support of the revised nutrition labelling proposal in general, and trusts that the Government and lawmakers will give due consideration to the above comments in order to arrive at a nutrition labelling scheme that is most suitable for Hong Kong.

Yours faithfully,

Philippe Giard
Chairman

Government Regulations Sub-Committee
Hong Kong Retail Management Association



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Schedule 1

Section	Content of Legislation	HKRMA's Proposed Amendments
1	"This Regulation shall come into operation on <i>1 July 2010</i> ."	"This Regulation shall come into operation on <i>1 July 2011</i> ."
1(1) of Part 2 of Schedule 6	"Upon an application made under subsection (2), the Authority <i>may</i> , subject to section 3(1), grant an exemption..."	"Upon an application made under subsection (2), the Authority <i>shall</i> , subject to section 3(1), grant an exemption..."
1(4) of Part 2 of Schedule 6	"When an exemption is granted under subsection (1), the Authority may impose such conditions as the Authority thinks fit."	"When an exemption is granted under subsection (1), the Authority may impose such <i>administrative</i> conditions as the Authority thinks fit."
2(3A) of Part 2 of Schedule 6	"The Authority may, in respect of a renewed exemption, impose any condition in addition to or instead of any condition previously imposed under section 1(4)."	"The Authority may, in respect of a renewed exemption, impose any <i>administrative</i> condition in addition to or instead of any <i>administrative</i> condition previously imposed under section 1(4)."



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2A(a) of Part 2 of Schedule 6	<p>The warning on small volume products without claims will read:</p> <p>“Nutrition labelling exempted”</p> <p>The warning on small volume products with claims will read:</p> <p><u>“HKSARG Warning</u> Nutrition labelling exempted Nutrition label and claims for this product may not comply with Hong Kong laws”</p>	<p>HKRMA suggests applying one warning label to all small volume products that are exempt from the scheme. The warning should read:</p> <p><u>“HKSARG Warning</u> Nutrition label and claims (<i>if any</i>) for this product may not comply with Hong Kong’s labelling regulations” <u>“香港特區政府忠告</u> 此產品的營養標籤及聲稱（如有）未必符合香港標籤規例”</p>
1(3) of Part 2 of Schedule 6	“An applicant for exemption shall pay to the Authority \$345 upon approval of the application.”	“An applicant for exemption shall pay to the Authority \$50 upon approval of the application.”
2(3) of Part 2 of Schedule 6	“An applicant for renewal shall pay to the Authority \$335 upon approval of the application.”	“An applicant for renewal shall pay to the Authority \$50 upon approval of the application.”