3 September 2009

Dr. Constance Chan
Controller, Centre for Food Safety
Food and Environmental Hygiene Department
45/F., Queensway Government Offices
66 Queensway, Hong Kong

(By fax 2536 9731 and mail)

Dear Dr. Chan,

Thank you for your letter dated 20 August 2009 and we would like to respond to the presentation by MVA Hong Kong Ltd on the market survey to the Trade Consultation meeting held on 27 August 2009 as follows:

(A) Objectives

We would like to restate our views on your objectives that we agree with the three objectives shared with us; however, we believe that it is equally important to study the impact of NL regulation on different types of stores; estimate the compliance cost by market segment including labelling, testing, Small Volume Exemption ("SVE") costs, and blackening out costs; and benefits to consumers of the new NL regulation.

In your letter dated 20 August 2009, you refer to the benefits of the NL scheme to consumers as set out in the Regulatory Impact Assessment (RIA). However, as we recall and you may also note that a RIA was not carried out on the 1+7 NL scheme that was introduced. Therefore, we feel there is a need to study the benefits to consumers based on the new NL regulation.

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(B) Methodology

As stated in our letter dated 17 August 2009, we disagree with the proposed methodology and the sampling design. We maintain that the findings from a single shop from each of the three sample categories will not give a true and comprehensive representation of the whole market situation as we restate in the followings:

- (a) The sample size using one single shop approach is definitely too small and restrictive to reflect the whole picture of prepackaged food products available at the different supermarkets, big or small, in Hong Kong.
- (b) The range and type of prepackaged food product that is sold at different retail outlets under a single brand name may vary quite a lot according to their locations and size. Undoubtedly the difference is even much greater for different brands of food retail outlets.
- (c) The trade, who has unique expertise on food product categorization and the best knowledge of their outlet operation, was not consulted in the survey design before the whole exercise commences.

In regard to confirming whether a prepackaged food product is in compliance with the NL regulation, we understand your Department would conduct laboratory tests. However, we urge that the tests should be conducted immediately and the results should be shared with the trade as soon as possible.

For the survey methodology on studying if the products are compliant, there seemed to be a broad consensus at the Trade Consultation meeting last week. In our views, when surveying labels of prepackaged food, a three tier approach should be used to accurately report on products compliance to the regulation:

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(1) Complies with the Regulation

There is sufficient information on the food label to determine compliance (e.g. has 1+7 with no "0g" and no claims)

(2) May or May not Comply

There is insufficient information on the label to determine compliance. (e.g. Has a "0g" for any given nutrient or has any nutritional claim)

(3) Does not Comply with the Regulation

There is sufficient information on the label to determine non-compliance (e.g. Does not have 1+7g)

(C) Blackening out of Nutritional Claims

The HKRMA will send to your Department (Dr. Kwan) examples of products with claims blackened out for your reference. Some retailers will be able to provide you the number of different product lines that they themselves have blackened out claims, but this may not include those products with claims blackened out or overstickered by others.

We look forward to your reply to our comments above.

Yours sincerely

Peter Johnston

Chairman of Taskforce on Nutrition Labelling Scheme

Hong Kong Retail Management Association

c.c. Panel on Food Safety and Environmental Hygiene, LegCo (Fax: 2869 9055)

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