

Fax from :



HONG KONG
RETAIL MANAGEMENT
ASSOCIATION

香港零售管理協會

17 August 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,

Nutrition Labelling Market Survey

On behalf of the Hong Kong Retail Management Association, I would like to thank you for sending your Scientific Officer, Mr John Lum, who came with the researchers of MVA Hong Kong Ltd, to brief our members of supermarket and food retail categories on the proposed Nutrition Labelling ("NL") market survey on 11 August 2009.

Our members strongly feel the survey is necessary but have the following comments on the proposed survey:

(1) Objectives of the survey

While we agree with the three objectives shared with us at the meeting, 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.

(2) Methodology

Firstly, we strongly disagree with the proposed methodology and the sampling design. We do not see the findings from a single shop from each of the three sample categories will give a true and comprehensive representation of the whole market situation in view of the followings:



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- (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.

Secondly, our members also disagree with the methodology proposed to estimate the total number of prepackaged food products that are in compliance with the NL regulation. MVA suggested that they will consider prepackaged food products as in compliance with the NL regulation if they carry a "one plus seven" label; however, please note that even a prepackaged food product carries a "one plus seven" label, it does not necessarily mean that it is in compliance with the NL regulation as the checking of the validity of the energy value and nutrition content has been neglected. For example, a "0g" nutrient declaration may not comply with Hong Kong's definition of "0g" rendering the label illegal under the new regulation.

Our members suggested that apart from having a "one plus seven" label, a much more thorough process, which involves interpretation of a certain nutrient content in various countries, laboratory tests, etc., should be taken into account in confirming whether a prepackaged food product is in compliance with the NL regulation

(3) Impact of Small Volume Exemption (SVE) on Consumers

The proposed study is deficient because it totally neglects the SVE scheme and its importance to consumers. The SVE is a significant element of the NL

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scheme which your Department and the trade have devoted a lot of hard work and time to discuss before the legislation was enacted. It has been recognised by the Government that many products would have disappeared from the market in the absence of a SVE scheme. We recommend that the survey includes:-

- (a) Figures relating to the numbers of registered SVE products on the market, total costs for registration, labelling and the blocking out claims; and
- (b) Consumer survey concerning their opinion of the new NL scheme.

We urge the FEHD to review the entire proposal on the market survey soonest so as to clearly define the survey objectives, methodology and set out specifications for our members to provide feedback. The Association is happy and ready to contribute to this process and we are open for another meeting with your Department to further discuss the matter.

I look forward to your response.

Yours sincerely,

Peter Johnston

**Chairman of Taskforce on Nutrition Labelling Scheme
Hong Kong Retail Management Association**

c.c. MVA Hong Kong Ltd (Fax: 2527 6722)

Ms. Caroline Mak, Chairman, Hong Kong Retail Management Association

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