For information on 12 July 2011

LegCo Panel on Food Safety and Environmental Hygiene

Implementation of the Nutrition Labelling Scheme

Purpose

This paper briefs Members on the implementation of the Nutrition Labelling Scheme (the Scheme) which came into effect on 1 July 2010.

Background

In May 2008, the Legislative Council passed the Food and Drugs (Composition and Labelling) (Amendment: Requirements for Nutrition Labelling and Nutrition Claim) Regulation 2008 (the Amendment Regulation). The Scheme covers nutrition labelling¹ and nutrition claims (which includes nutrient content claim², nutrient comparative claim³ and nutrient function claim⁴).

3. The Scheme aims to -

(a) assist consumers in making informed food choices;

- (b) encourage food manufacturers to apply sound nutrition principles in the formulation of foods; and
- (c) regulate misleading or deceptive labels and claims.

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¹ Nutrition labelling refers to the listing of the nutrient content of a food in a standardized manner. When nutrition labelling is applied, energy content and the seven core nutrients (protein, carbohydrates, total fat, saturated fat, trans fat, sodium and sugars) or what is commonly known as "1+7", and claimed nutrients are required to be affixed on the nutrition label.

² A nutrient content claim describes the energy value or the level of a nutrient contained in a food, e.g. 'High calcium'; 'Low fat'; 'Sugar-free'.

A nutrient comparative claim compares the energy value or the nutrient levels of two or more different versions of the same food or similar food, e.g. 'Reduced fat – 25% less than the regular product of the same brand'.

⁴ A nutrient function claim describes the physiological role of a nutrient in growth, development and normal functions of the body, e.g. "Calcium aids in the development of strong bones and teeth".

Overseas experience shows that labelling of nutrition information can have positive impact on food consumption behaviour. In many countries, it also helps to save healthcare costs and human lives.

- 4. Since mid-2008, the Administration has been using a wide range of publicity and education means to enhance public understanding of the Scheme before its commencement in July 2010. The Administration has also kept up its communication with the trade through different channels on implementation of the Scheme, and taken a series of measures to facilitate the trade's compliance with the Scheme.
- 5. As a result of the above measures, the Scheme has been implemented successfully with an overall compliance rate of 99.3% without undue impact on consumer choice. The availability of prepackaged food products remains ample with new products being introduced into the Hong Kong market regularly. With the intensive public education and publicity activities launched by the Centre for Food Safety (CFS), consumers have become increasingly aware of the importance of making use of the nutrition labelling information in making healthier food choices.

Compliance with the Scheme

- 6. On top of the regular liaison channels, we have set up a Working Group chaired by the Controller/CFS in November 2009 to enhance communication with the trade to tackle teething problems in implementing the Scheme. We have issued guidance notes, arranged telephone hotline, workshops/seminars and small volume exemption, etc to facilitate compliance with the Scheme by the trade.
- 7. To lower compliance cost of the trade (especially small and medium enterprises (SMEs)), CFS has been providing support to the Food Composition Database operated by the Chinese University of Hong Kong. The Database provides detailed food composition reference data for over 1 300 commonly consumed food and food ingredients. Such information has provided useful technical support for the local food industry.
- 8. As at 24 June 2011, CFS has checked 16 245 prepackaged food products with 111 found not complying with the Scheme. The overall compliance rate is 99.3%. Of the 111 non-compliant cases, 78 were identified by visual checking to ascertain whether they comply with the statutory "1+7" labelling requirements and 33 by chemical analysis to verify the accuracy of the nutrition labels and nutrition claims. A table showing the detailed breakdown is at **Annex I**.

- 9. Where irregularities are identified such as incomplete nutrition label and discrepancy between the test result of the actual nutrient content and that stated on the nutrition label, CFS will issue a letter to the retailer / manufacturer / importer concerned requiring an explanation within 21 days. If the explanation is not accepted by CFS, a warning letter will be issued requiring actions to comply with the requirements of the Scheme within 60 days. For traders who fail to do so, CFS will initiate prosecution.
- 10. So far, traders have been co-operative. They have either withdrawn the product concerned from the shelf or rectify the nutrition label according to the statutory requirements of the Scheme. At this stage, no prosecution has been mounted.
- 11. As the Scheme has been implemented for one year, traders are now familiar with its requirements. It is therefore no longer necessary for CFS to issue letters requiring an explanation from them on irregularities identified. With effect from 1 July 2011, upon detection of irregularity, CFS will only issue a warning letter to such traders requiring actions within 60 days. For traders who fail to do so, CFS will initiate prosecution.

Small Volume Exemption (SVE) Scheme

- 12. To facilitate the trade to comply with the Scheme, we have introduced a number of exemptions from the nutrition labelling requirements as provided in the Amendment Regulation, e.g. exemption for prepackaged food packed in a container which has a total surface area of less than 100 cm². In addition, we have introduced a SVE Scheme for food products with annual sales volume of 30 000 units or below which do not carry nutrition claims. Food manufacturers / importers need to apply to the Director of Food and Environmental Hygiene (DFEH) for SVE, which is subject to conditions set by DFEH, including the requirement of monthly reporting of sales volume at the importer's / manufacturer's level.
- 13. Applications for SVE has commenced since 1 September 2009. The SVE scheme is well utilized by the trade. As at 24 June 2011, there were 38 682 SVE applications (since 1 September 2009), of which 35 301 have been approved with 2 000 rejected, mostly due to the presence of nutrition claims⁵. The rest are being processed. In terms of country of origin, Japan (47%), USA

Regulation 4B(4) of the Food and Drugs (Composition and Labelling) Regulations (Cap.132W) stipulates that if any nutrition claim is made on the label of, or in any advertisement for, any item in respect of which an exemption has been granted under Part 2 of Schedule 6 (i.e. the SVE), prepackaged food shall be marked or labelled with its energy value and nutrition of the SVE in the latest the latest and part of the SVE in the SV

(10%) and UK (9%) took up 66% of the applications approved. Details are at **Annex II**.

Impact on Food Choices

- 14. There has been concern that the requirement for Nutrition Labelling may reduce the number of new pre-packaged food products to be introduced into Hong Kong. Based on our observations and the feedback obtained from our trade contacts, it appears that there has been no undue impact on consumer choices of new pre-packaged food. We also understand from the Trade Development Council that the Food Expo 2010 was held successfully in mid-August 2010 with a steady number of exhibitors bringing in a large number of new prepackaged food products.
- 15. To assess the impact of the Scheme on prepackaged food products newly introduced into the Hong Kong market via the Food Expo, we have conducted a survey to collect the relevant information in August 2010. The result of the survey in 2010 would serve as a baseline for comparison with a similar study to be conducted in August 2011.
- 16. In order to understand the impact of the Scheme on food choices, CFS has also commissioned an independent consultant to find out the quantity of different types of prepackaged food products available in various retail outlets before and after the commencement of the Scheme on 1 July 2010. The consultant has conducted the fieldwork of the survey in April 2011 and is analyzing the data collected. The aim is to complete the survey in the second half of 2011.

Public Education and Publicity

- 17. To reap the benefits of the Scheme, it is important to educate the public on how to make use of the information in nutrition labels to make healthier food choices. To this end, CFS has launched a three-year Publicity and Education Campaign (the Campaign) since June 2008 with three phases -
 - (1) to raise public awareness in Phase I (June 2008 July 2009);
 - (2) to enhance understanding of the Scheme in Phase II (August 2009 June 2010); and
 - (3) to motivate behavioural changes in Phase III (July 2010 June 2011).

- 18. Building on Phases I and II which have been completed, the Campaign has entered Phase III since 1 July 2010. Phase III encourages the public to make reference to the nutrition labels when buying prepackaged food.
- 19. In March 2011, CFS launched eight newspaper supplements and ten episodes of one-minute TV programme called "Be Cool about Nutrition Labelling" featuring real-life examples of using nutrition labels as well as highlighting the ease in reading nutrition labels in making food choices.
- 20. CFS went one step further in its new round of media campaign in May 2011 by focusing on the daily intake upper limit of fat, sodium and sugars, the three nutrients of concern to many people. The main message is to use nutrition labels to choose the type and amount of food with reference to daily intake limits while exercising personal choice.
- 21. CFS has also piloted a Nutrition Labelling Promotion Award Scheme with the theme "Live it, Use it" among secondary schools in the academic year 2010/11. With the support of CFS, students are encouraged to organise activities to promote the use of nutrition labelling in daily life. A wide variety of creative activities have been carried out by 35 participating teams in 21 schools, including mobile publicity vehicle exhibition, game booth, cooking competition, tasting session, classroom learning, video production, drama and questionnaire interviews. An Award Presentation Ceremony would be held on 8 July 2011 which would also commemorate the first anniversary of the Scheme.
- 22. Behavioural changes require long term efforts. CFS will sustain its efforts by launching a two-year enhancement programme on nutrition labelling to consolidate the efforts on motivating behavioural changes among the public at large.
- Apart from continuing their public education, CFS is developing guidelines for the trade to promote manufacturing foods containing a lower level of sodium, sugar and fat. For this purpose, CFS has set up two Working Groups to develop two sets of guidelines. The Working Groups consist of experts and representatives of the trade, academia, dieticians, nutritionists, physicians, and Government officials. The guidelines would be completed sometime in 2012 after thorough consultation.

Advice Sought

24. Members are invited to note the smooth implementation of the Scheme.

Food and Health Bureau Food and Environmental Hygiene Department Centre for Food Safety July 2011

Annex I

Detailed breakdown of 111 non-compliant cases

Nature of non-compliance	No. of cases in 2010 (1.7.2010 - 31.12.2010)	No. of cases in 2011 (1.1.2011- 24.6.2011)
No NL or Incomplete 1+7 Core nutrients Label	43	4
Inappropriate nutrition label format	4	0
Inappropriate nutrient claim	7	5
Inappropriate Language	12	1
Involved more than one type of irregularity	0	2
Discrepancy on declared nutrient value confirmed after our chemical analysis	32	1
Sub Total	98	13
Total	111	

Detailed breakdown of SVE applications (as at 24 June 2011)

Annex II

No. of applications	Position as at 24.6.2011	
Received (a)	38 682	
Approved (b)	35 301	
Rejected (c)	2 000*	
Withdrawn by the applicant (d)	932	
Pending $(e)=(a)-(b)-(c)-(d)$	449	

^{*}The breakdown of 2 000 applications rejected is as follows: 1 903 applications were rejected due to the presence of nutrition claims on the package, which make them ineligible under the Amendment Regulation. 27 applications were submitted by overseas traders. We have asked the applicants to contact the local importers so that the latter could make the application direct. Another 70 applications were rejected as they were either Chinese medicines or drugs and were not regarded as "food".