

香港食品委員會的信頭

Letterhead of THE HONG KONG FOOD COUNCIL
(Governing Body of The Hong Kong Food Trades Association Ltd.)

2000 April 13

The Hon Margaret Ng
Chairman
Bills Committee on Trade Marks Bill
Legislative Council
Legislative Council Building
8 Jackson Road
Central
Hong Kong

Dear the Hon Margaret Ng,

Position Paper on Parallel Imports

We write with reference to recent debates on parallel imports.

The Council's position has always been that we will support whatever will lower costs for our consumers in the strongest belief that the lower the cost the lesser the burden and therefore more consumption and this must be good for everybody.

In food however, we need to be more cautious less:-

- (1) our food safety standards will be compromised and;
- (2) we make HK/China a laughing stock to the world.

On (1) food safety standards:-

Bring trade mark owners into the picture

Please understand that different countries have different food safety standards. Ingredients being used and considered safe or requiring no mention in labeling in one country may be considered dangerous and are banned in another countries (the recent incident with preservatives in oyster sauce which got into trouble in America is a case in point).

Our concern is that parallel imports in food when "liberalized" will greatly increase the introduction of such possible non-compliance food in our system. We are concerned that our existing monitoring system in government will not be able to cope, should parallel trade becomes the norm rather than the exception (as is under our current system).

If we are to liberalize parallel imports of food, our existing system must be strengthened before hand to ensure that all food being imported into HK from non - traditional sources are in compliance and this will surely entail more people in government and more work for everybody. An easier way to get around this would be to look to the trade mark owners. They are the people who must know ingredients being used in their formulation in all countries and they should know whether their labels contents are in compliance with that of a particular country or countries. If we liberalize parallel trade as proposed we urge that trade mark owners be brought into the monitoring system. If our regulatory department could know whether such and such a food made in Malaysia/or Indonesia/or anywhere are in compliance with HK food and label laws, then the process of monitoring will be much easier. The trade mark owners will be most happy to co-operate anyway; after all its their trade mark that will be put at risk.

This is also nothing new in America, the LANHAM ACT requires the imports without trade mark owners consent be so labeled, TARIFF ACT also requires certain goods receiving trade mark owner consent before being permitted to be imported.

In Conclusion

To safeguard the health and benefits of Hong Kong people, we recommended that parallel imports in food being allowed if they are in compliance with Hong Kong food and label laws; and if they bear a label informing consumers trade mark owners consent and agreement of such have not been obtained and therefore formulation may be different from those already in the market.

On (2) Making HK/China a laughing stock to the world :-

Reinforcement of monitoring system for imported foods from China

Hong Kong, being lack of natural resources, has to source our food supply outside especially a large portion of imported foods comes from China. If we liberate parallel food imports, we foresee the imported food from China may grow vigorously. As Hong Kong laws are not in alignment with China's, Hong Kong government should make extra efforts to ensure the imported food is complied to local food laws. We therefore urge the government to reinforce the existing monitoring system (eg. the food labeling law) so that we would not create HK/China a laughing stock to the world.

Erucic acid in rapeseed oil is a case in point. Erucic acid in rapeseed oil was controlled below 5% some 30 years ago when it was previewed as a health hazard. This has never been proven scientifically, indeed recent studies have in fact shown it to be even healthful and necessary. However, for historical, political and practical reasons (all

America rapeseed and Europe rapeseed have since gone to low erucic acid variety whilst this health debate goes on and on) this “international health standard” remains.

Hong Kong adopted this standard as it is a signatory to WHO’s codex alimentarius. China however has been adamant in maintaining that erucic acid is not a health hazard (and in a way proven right subsequent to the event); so we now have a situation where HK has a law which says erucic acid in food over 5% is illegal and no such law in China.

Reinforcement of monitoring system such as implementation of food labeling law for imported foods from China requires our urgent attention. To allow parallel import of food from China without such reinforcement will be harmful to Hong Kong as our food laws are based on international standards.

Bring in trade mark owners as suggested in (1) will kill two birds with one stone as it will greatly reduce the chance of an embarrassment (food processor, trade mark owners are more knowledgeable of these issues, food trades especially those involved in parallel trade often do not concern themselves with such issues).

In Conclusion

We urge reinforcement of monitoring system (eg. the food labeling law) for imported foods from China be undertaken as a matter of urgency and that parallel imports of food to be considered only after such reinforcement is implemented.

Yours truly,

Lee Kwong Lam
Chairman