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Mr P Y Lam Director of Health 17/F Wu Chung House 213 Queen's Road East Wanchai Hong Kong

Fax: 2836-0071 & mail

Dear Mr Lam

REGULATION OF HEALTH CLAIMS

I refer to the Consultation Document on "Regulation of Health Claims" and would like to draw your attention that the trade is extremely concerned about the proposals outlined in the document. Whilst the Association agrees on the principles to protect consumer health and the intentions to protect consumers from misleading and non-justified health claims on certain products, the proposed regulation has a wide implication on various trades within the retail industry and the scope of products potentially affected is extensive. The current proposed regulation, as is, will in essence take a lot of consumer products off the retail shelf and some of these products may not fall within the scope of what was originally intended. The Association does not believe that the sweeping approach as proposed by the Department of Health in its consultation document addresses the matter in hand, conversely we are much concerned that the proposed approach will in fact lead to over regulation and grossly limit consumer freedom and choice to products and information.

Any regulation in such respect should be specifically and narrowly defined to address medical related products meant for curing certain diseases and where they pose a threat to health. With regards to health foods, we do not accept the broad view that all/most claims relating to certain bodily functions such as those detailed in the consultation paper may delay people from seeking medical advice. Exceptions to this should be agreed and regulated.

The proposal covers truly "healthy" foods that make substantiated claims about benefits which concerned consumers actively seek out. Governments in even highly regulated markets such as the U.S. allow and even promote the use of such claims, with the goal of improving healthier eating habits. The proposal will eliminate a vital source of information, and because it is highly likely that the average Hong Kong consumer will not actively pursue other sources such as consulting the local government hospital, much helpful information will remain unavailable. This result is contrary to the government's aim of improving the health of Hong Kong.

Hong Kong is a small market and if food labels have to be specifically printed, the effect will be a dramatic reduction in consumer choice and a substantial increase in costs. Also, labelling is not a replacement for education. Repeated information, provided over a period of perhaps decades is the only sustainable method for improving the nutritional choices of the average consumer.

We question whether a Regulation Impact Assessment has been carried out by the Government to fully understand the extent and implications the regulation has on the trade and the scope of products being affected.

The Association also feels that for such an important regulation, the given consultation period of one & a half months is not sufficient and unrealistic. The proposed regulation also appears to be duplicating areas under review on Nutritional Labelling by the FEHD. There also seems to be uncoordinated timelines on the review and implementation of both regulations.

We invite your kind attention to this matter and we would be most happy to meet with relevant departments to discuss our concerns in greater lengths.

In the meantime, should you have any queries, please do not hesitate to contact the undersigned at 2866 8311.

Yours sincerely,

Anita Bagaman

Anita Bagaman (Miss) Executive Director

c.c. Mr Stephen Ip, GBS, JP, Secretary for Economic Development and Labour Mr John Tsang, JP, Secretary for Commerce, Industry & Technology Dr Yeoh Eng-kiong, JP, Secretary for Health, Welfare and Food Mr G Leung, Director of FEHD Mrs Selina Chow, Legislative Councillor, Wholesale & Retail Mr Tommy Li, Chairman, HK Chinese Medicine Merchants Association Mr Albert Wong, President, Modernized Chinese Medicine Int'l Association Chinese Manufacturers Association Federation of Hong Kong Industries Food Council