

CB(1)1754/06-07(01)

May 26, 2007.

Dear Members of the Legislative Council,

Subsequent to the meeting held yesterday morning, the Hong Kong Beer Coalition (the Coalition) has met with the Administration to discuss how to address members' concern that duty savings on beer might not be passed on to consumers.

The Coalition reaffirms its commitment to passing on duty savings to the consumers, but understands that there is an expectation of a more direct transfer of duty savings to customers. In view of such an expectation, members of the Coalition, comprising of major beer importers, has undertaken to reflect all duty savings directly on their new price lists with effect from 1 June 2007. This will be an on-going commitment. If necessary, the Coalition will provide the relevant information to the Administration for it to monitor this undertaking.

Sincerely Yours,



Steven Co
Chairman of The Hong Kong Beer Coalition