

**Written Submission on Amendment on Import and Export (General) Regulations to prohibit the export of powdered formula from Hong Kong**

As a socially responsible corporation, Snow Brand's primarily objective is to provide quality products and services to Hong Kong parents. Hence, we have been proud of maintaining healthy stock supply to retail market even during the recent infant formula stock shortage crisis brought by certain brands.

We understand Government's action to amend the Import and Export (General) Regulations is to address public concern and to combat the problem of parallel traders diverting large quantities of powdered milk away from the supply chain in Hong Kong. However, as we pointed out before, such phenomenon was limited to certain SKUs of certain brands only, but not applicable to the whole market situation. Hence, we have reservation for setting export control to all infant formula brands because of a problem caused by certain brands. This regulation does disrupt our normal business trading activities such as supplying our products to Macau, handling customer product complaints by sending out products to our Japan Head Office for investigation etc. We sincerely hope that the Government will remain flexible to simplify the export license application procedures and help industry stakeholders to reduce business costs and better serve our customers' needs.

At the same time, we suggest the Government set a timeline to review the effectiveness and the necessity to continue this export control regulation in an open and transparent manner such as when to review and how to review. Aside from related industry stakeholders, the Government must also listen to the voices from end consumers (i.e. local parents and caretakers) after executing the export control regulation for a certain period of time because such regulation to a certain extent, does cast some impact on consumers' living well beings.

Last but not the least, Snow Brand would like to reiterate that stabilizing supply of formula products for Hong Kong infants and young children should rest on the effort of manufacturers. Government's fundamental responsibility is to monitor the long run demand-supply mechanism in the marketplace, and should not execute any excessive regulatory and administrative policy to disturb the market operation, be it in favor of or otherwise, to solve a social structural problem contributed by certain players. Government's objective should always be to provide and maintain a fair and open competition platform in a free business market that Hong Kong has always been proud of.

**Snow Brand Hong Kong Co., Ltd.**