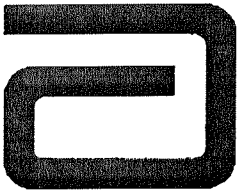


Abbott Laboratories Limited

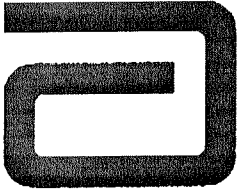
2D/F AIA Tower
183 Electric Road
North Point
Hong Kongt 852 2566 8711
f 852 2508 6313SUBMISSION TO HONG KONG LEGISLATIVE COUNCIL
SUBCOMMITTEE ON IMPORT AND EXPORT (GENERAL) (AMENDMENT)
REGULATION 2013

ABBOTT LABORATORIES LIMITED

12 MARCH 2013

Abbott Laboratories Limited ("Abbott") objects to the Government's amendment to the Import and Export (General) Regulations to prohibit the export of powdered formula for infants and young children under the age of 36 months from Hong Kong except with a license for the following reasons:

1. There has never been a shortage in supply for infant or follow-on formulas in Hong Kong in general. As stated in paragraph 1.4 of the Consultation Document of February, 2013, the recent shortage of supply only happened to "certain brands of powdered milk" at "certain retail outlets". It is not appropriate for the Government to impose such drastic legislative measure which will negatively impact the businesses of all suppliers of powdered milk.
2. Abbott agrees that infant formula may be the sole source of nutrients for infants from 0 - 6 months where breastfeeding is not feasible, and some form of legislative measure to ensure supplies for the Hong Kong market for this category of powdered milk may be necessary. However, follow-on formulas for infant or children between the age of 6 to 36 months only serve as complementary food. Therefore, legislative measure to restrict the export of powdered formula for infants and young children between the age of 6 to 36 months is neither necessary nor appropriate.
3. The amendment also restricts each person over 16 years of age departing from Hong Kong to carry only 1.8kg (or 2 cans of 900g) of powdered formula for personal use. This is an over restrictive and inflexible measure and may impact the health of infants or children under some circumstances. For instance, the permitted amount of powdered formula will not be enough for a single mother bringing three children for an overseas vacation for a month. Abbott recommends that the Government adopts more flexible measures and grants exemption in certain circumstances to safeguard the health of Hong Kong infants and children.



4. Based upon data from the past few years, Abbott understands that the peak demand for infant formula in Hong Kong routinely occurs the month before the Chinese New Year. Historically, supply and demand quickly return to normal, predictable levels for the rest of the year. Abbott has adapted its forecasting and supply chain to meet this annual peak demand. Consequently, Abbott has been able to fulfill consumer demand without issues. However, we acknowledge that there have been incidences of short supply with certain other brands during the month leading up to Chinese New Year. Therefore, if the Hong Kong government is going to implement any restrictions on infant formula, we would suggest the measure be limited to only 1-month before the Chinese New Year. This would be a potential win-win situation in which the supply for Hong Kong consumers is ensured during the annual peak demand and Hong Kong's free trade reputation is maintained.