

立法會
Legislative Council

LC Paper No. CB(2)1215/13-14
(These minutes have been seen
by the Administration)

Ref : CB2/PL/FE

Panel on Food Safety and Environmental Hygiene

Minutes of meeting
held on Tuesday, 10 December 2013, at 2:30 pm
in Conference Room 3 of the Legislative Council Complex

- Members present** : Dr Hon Helena WONG Pik-wan (Chairman)
Hon Steven HO Chun-yin (Deputy Chairman)
Hon Tommy CHEUNG Yu-yan, SBS, JP
Hon Vincent FANG Kang, SBS, JP
Hon WONG Kwok-hing, BBS, MH
Prof Hon Joseph LEE Kok-long, SBS, JP, PhD, RN
Hon Cyd HO Sau-lan
Dr Hon Priscilla LEUNG Mei-fun, SBS, JP
Dr Hon LEUNG Ka-lau
Hon WONG Kwok-kin, BBS
Hon Alan LEONG Kah-kit, SC
Hon WONG Yuk-man
Hon Claudia MO
Hon Michael TIEN Puk-sun, BBS, JP
Hon WU Chi-wai, MH
Hon CHAN Chi-chuen
Hon CHAN Han-pan
Dr Hon Kenneth CHAN Ka-lok
Dr Hon KWOK Ka-ki
Hon Christopher CHUNG Shu-kun, BBS, MH, JP
- Members attending** : Hon Paul TSE Wai-chun, JP
Hon James TIEN Pei-chun, GBS, JP
Hon Gary FAN Kwok-wai
- Members absent** : Hon CHEUNG Kwok-che
Hon Alice MAK Mei-kuen, JP

**Public Officers : Item III
attending**

The Administration

Dr KO Wing-man, BBS, JP
Secretary for Food and Health

Mrs Marion LAI CHAN Chi-kuen, JP
Permanent Secretary for Food and Health (Food)

Mr Philip CHAN Kwan-ye, JP
Deputy Secretary for Food and Health (Food) Special Duties

Mr Jacky LUM Kwok-keung
Assistant Director-General (Systems)
Trade and Industry Department

Mr Thomas S Y LIN
Head of Land Boundary Command
Customs and Excise Department

BMT Asia Pacific Ltd.

Dr Simon SU
Director and Chief Economist

Dr Tony WU
Senior Consultant

Item IV

The Administration

Professor Sophia CHAN Siu-chee, JP
Under Secretary for Food and Health

Mr Christopher WONG Kwok-bun, JP
Deputy Secretary for Food and Health (Food) 1

Mr LAU Che-wong
Assistant Director (Operations) 1
Food and Environmental Hygiene Department

Ms LEUNG Yuen Sheung
Senior Superintendent (Hygiene)
Food and Environmental Hygiene Department

Mr YAU Wai-keung
Assistant Director (Licensing and Certification) (Acting)
Fire Services Department

Mr CHEUNG Ka-wai
Senior Divisional Officer (Policy) (Acting)
Fire Services Department

Deloitte Consulting (Hong Kong) Ltd.

Mr Karon WAN
Public Sector Managing Partner

Mr Alan LAM
Associate Director

Mr Julian WONG
Consultant

Item V

Mr Philip CHAN Kwan-ye, JP
Deputy Secretary for Food and Health (Food) Special Duties

Dr LEE Siu-yuen, JP
Assistant Director (Food Surveillance and Control),
Centre for Food Safety
Food and Environmental Hygiene Department

Mr NG Ping-wah
Senior Superintendent (Centre for Food Safety) 2,
Centre for Food Safety
Food and Environmental Hygiene Department

Attendance : Item IV
by invitation

Hong Kong & Kowloon Vermicelli & Noodle
Manufacturing Industry Merchants' General Association

Mr FUNG Bing-hau
Permanent President

Hong Kong Catering Industry Association

Mr Tony TAM
Vice Chairman

Association of Restaurant Managers

Mr LEUNG Chun-wah
Vice Chairman

Institution of Dining Art

Mr Kelvin YAU
First Vice Chairman

Clerk in attendance : Ms Alice LEUNG
Chief Council Secretary (2) 2

Staff in attendance : Assistant Legal Adviser 4
Miss Carrie WONG

Mr Jove CHAN
Senior Council Secretary (2) 2

Miss Emma CHEUNG
Legislative Assistant (2) 2

Action

I. Information papers issued since the last meeting

(LC Paper Nos. CB(2)316/13-14(01), CB(2)383/13-14(01) and CB(2)474/13-14(01))

Members noted that the following papers had been issued since the last meeting -

- (a) referral memorandum from Legislative Council ("LegCo") Members' meeting with the North District Council members on 27 June 2013 on the obstruction of streets by bicycles, art activities and business promotion activities in the vicinity of Fanling and Sheung Shui railway stations;

Action

- (b) Administration's response to the letter dated 8 November 2013 from Prof Hon Joseph LEE regarding the presence of copper chlorophyll in food products produced by a food manufacturer in Taiwan; and
- (c) information Paper on the Administration's proposal to make an order under section 14 of the Plant (Importation and Pest Control) Ordinance (Cap. 207) to declare a new quarantine area and an order to cancel the declaration of the existing quarantine area.

2. The Chairman informed members that the paper as referred to the above item (c) had been issued to members on the day before the meeting. Members raised no query on the paper.

II. Date of next meeting and items for discussion (LC Paper Nos. CB(2)423/13-14(01) and (02))

List of outstanding items for discussion

3. In the light of the recent outbreak of H7N9 avian influenza in the Mainland, members agreed that the item "Update on the prevention and control measures against avian influenza" should be kept on the list of outstanding items for discussion and the Panel would discuss the subject as and when required.

4. In the light of members' concerns about the food safety of imported food and the food surveillance work in Hong Kong, the Chairman suggested that those items on the list of outstanding items for discussion which were related to these subjects (i.e. "Total diet study", "Regulatory control on sale of chilled meat in fresh provision shops", "Implementation of the Food Safety Ordinance", and "Report on the Food Surveillance Programme for 2013") be scheduled for discussion at the regular meetings in February and March 2014. Members raised no objection.

5. The Chairman consulted members on the suggestion of requesting the Research Office of LegCo Secretariat to conduct a research study on liquor licensing system in selected places which would facilitate members' discussion on liquor licensing regime scheduled for the regular meeting in April 2014. Members agreed with the suggestion. Mr Tommy CHEUNG considered that business facilitation measures should also be covered in the study. The Chairman said that should members have any views on the scope and areas of the study, they could convey their views to her or the Clerk.

Action

Regular meeting in January 2014

6. Members agreed to discuss the following items at the next regular meeting scheduled for Tuesday, 14 January 2014 at 2:30 pm -

- (a) Trap-Neuter-Return trial scheme for stray dogs and handling of animal cases; and
- (b) Proposed updating of the schedules to the Pesticide Residues in Food Regulation (Cap. 132 CM).

7. Members agreed that deputations would be invited to give views on item (a) of paragraph 6 above at the next regular meeting and to allow sufficient time for discussion, the meeting would be extended for one hour to end at 5:30 pm.

III. Review of supply chain of powdered formula

(LC Paper Nos. CB(2)423/13-14(07) and (08), CB(2)533(01)/13-14)

8. At the invitation of the Chairman, the Secretary for Food and Health ("SFH") briefed members on the outcome of the Administration's review on the trade's measure to improve the supply chain of powdered formula, and the Government's position regarding the regulatory measures on the export of powdered formula, details of which were set out in the Administration's paper (LC Paper No. CB(2)423/13-14(07)). SFH also hoped that parents would plan ahead for procuring adequate amount of powdered formula for their infants and young children in the run up to Christmas and Lunar New Year, as the demand for certain brands powdered formula was generally higher than usual during that period. At the request of Panel members, the speaking note of SFH was tabled at the meeting.

(Post-meeting note: The speaking note of SFH was circulated to members after the meeting vide LC Paper No. CB(2)533/13-14(01) on 16 December 2013.)

9. Members also noted the background brief entitled "Implementation of the Import and Export (General) (Amendment) Regulation 2013" (LC Paper No. CB(2)423/13-14(08)) prepared by LegCo Secretariat.

Supply of powdered formula during the Christmas and New Year period

10. Mr WONG Kwok-hing, Mr CHAN Chi-chuen and Dr KWOK Ka-ki expressed deep concern about SFH's remarks that local parents might need to better plan for their purchase of sufficient amount of powdered formula for

Action

consumption by their infants and young children during the Christmas and New Year period. They were worried that such remarks would lead to "panic buying" of powdered formula and cause a sudden upsurge in the demand, thus creating chaos to the market. In response, SFH said that in view of past experience, the demand for powdered formula was higher than usual in the run up to Christmas and Lunar New Year. He only wished to remind local parents to be better prepared so that they had adequate amount of powdered formula for their infants and young children during that period. He stressed that he had absolutely no intention to encourage local parents to rush to buy powdered formula.

11. Mr WONG Kwok-hing enquired about the assistance that the Administration would offer to parents in the event that they were not able to procure powdered formula for their infants during the period concerned. SFH responded that the Import and Export (General) (Amendment) Regulation 2013 ("the Amendment Regulation") aimed to combat the problem of parallel traders diverting large quantities of powdered formula away from the supply chain in Hong Kong. In addition, the Government had been urging powdered formula suppliers to increase their supply and improve their supply chain management to enable local parents to procure powdered formula. In this regard, the suppliers of powdered formula had implemented a number of improvement measures, including, among others, establishing a "pre-order system" in 95 designated pharmacies as "Safety Net for Supply" for local infants and young children aged under 36 months ("the Coupon Scheme"). The improvement measures sought to separate local demand from non-local demand by setting up a "dedicated supply chain" through the Coupon Scheme, thereby ensuring sufficient and stable supply to meet local demand.

Import and Export (General) (Amendment) Regulation 2013

12. Mr WONG Kwok-hing, Mr CHAN Chi-chuen, Dr KWOK Ka-ki, Mr Gary FAN and Mr CHAN Han-pan expressed support for the Administration's decision of not repealing the provisions introduced by the Amendment Regulation at this stage so that the stability of supply of powdered formula for local infants and young children could be ensured.

13. Mr Gary FAN said that most of the powdered formula supplied in Hong Kong was purchased by parallel traders, and parallel trading activities were found not only in the North District but also in Mongkok and Causeway Bay. He asked whether the regulatory measures on the export of powdered formula under the Amendment Regulation would continue to be adopted as medium- and long-term measures to combat parallel trading activities of powdered formula.

Action

14. Mr Michael TIEN said that while the New People's Party was in support for the Amendment Regulation as a short-term measure to modulate the demand for powdered formula in Hong Kong, it would not agree with the view that the regulatory measures on the export of powdered formula should be adopted as a long-term measure.

15. In response, SFH said that the regulatory measures under the Amendment Regulation were not intended to be a long-term arrangement. However, the Administration would not rush into repealing the provisions introduced by the Amendment Regulation unless stable and sufficient supply for local infants and young children was ensured.

16. Mr Vincent FANG and Prof Joseph LEE said that they were not in support of the Amendment Regulation as a measure to ensure that there was sufficient supply of powdered formula for local parents. They pointed out that more people had been attracted to join the parallel trading activities after the implementation of the Amendment Regulation. In their view, the Amendment Regulation had failed to combat the problem of parallel traders diverting large quantities of powdered formula away from the supply chain in Hong Kong. Mr FANG suggested the Administration to consider implementing a scheme similar to the "Temporary Support Scheme for Mothers and Babies" ("the Support Scheme") in Macao to assist parents to purchase powdered formula at designated points of sales with a "Purchase Card".

17. SFH said that he could not subscribe to the view that the enactment of the Amendment Regulation had attracted more people to participate in parallel trading activities of powdered formula. He stressed that the huge demand of parallel traders had led to a supply chain failure in the market of powdered formula, resulting in the serious shortage of powdered formula available for purchase by local parents at the retail level. The implementation of the Amendment Regulation could combat the problem of parallel traders by limiting the quantity of powdered formula which each outbound traveller could carry. SFH further said that the demographic structure of and the number of infants and young children as well as the gravity of the problem of parallel trading activities in Hong Kong and Macao were different. The Support Scheme implemented in Macao was unlikely to be applicable to Hong Kong.

Stress Test

18. Given that the Stress Test in October 2013 was conducted in a controlled situation where the Amendment Regulation was in operation, Mr CHAN Chi-chuen opined that the genuine demand for powdered formula could only be revealed when the Amendment Regulation was repealed. He

Action

considered it necessary to carry out further stress tests after the repealing of the Amendment Regulation. Mr CHAN Han-pan expressed similar view and enquired whether the Administration had any plan to conduct stress tests in future.

19. Pointing out that parallel trading activities of powdered formula had become increasingly active and had already spread from the North District to many other districts, Dr KWOK Ka-ki criticized that the carrying out of the Stress Test was simply to ingratiate the suppliers of powdered formula and could not help stabilizing the supply of powdered formula.

Admin

20. SFH advised that the Administration had no plan to conduct further stress tests at this stage. However, in the event that further stress tests were considered necessary, the Panel's views would be taken into account before the implementation of the tests. In response to the request of Dr KWOK Ka-ki, SFH undertook to provide written information on the fees of the Consultant tasked to review the trade's measures to improve the supply chain of powdered formula after the meeting.

(Post-meeting notes: The Chinese version and English version of the Administration's response on the fees of the Consultant tasked to review the trade's measures to improve the supply chain of powdered formula were issued to members vide LC Paper No. CB(2)607/13-14(01) on 3 and 29 January 2014 respectively.)

Measures to improve the powdered formula supply chain

21. Noting that one of the recommendations put forward by the consultant commissioned by the Administration was to build up local parents' confidence in the Coupon Scheme, Mr WONG Yuk-man commented that the Scheme failed to respond expeditiously to the demand from local parents. He pointed out that the public's lack of confidence in the Coupon Scheme, which in his view, stemmed from their lack of confidence in the Government. Mr Alan LEONG enquired about the Administration's role in implementing the recommendations of the consultant (e.g. building the Coupon Scheme into a sanction mechanism and drawing up a written Code of Practice or Guideline on proper management of the reserved stock) to improve the powdered formula supply chain. He considered that the Administration should impress upon the suppliers to take initiative to improve their supply chain. Sharing the views of Mr WONG and Mr LEONG, Mr WU Chi-wai considered it necessary for the Administration to work out a specific timetable for improving the Coupon Scheme.

22. SFH advised that the Administration had taken the lead to urge the trade to implement measures to improve the powdered formula supply chain

Action

so as to ensure that there was stable and sufficient supply of powdered formula to meet the needs of parents of local infants and young children. The measures implemented by the trade included reserving enough stock for Hong Kong infants and young children aged under 36 months, increasing delivery up to daily to pharmacies when required and establishing the Coupon Scheme. According to the consultancy report, actions would need to be taken to ensure that the Coupon Scheme, as a safety net for supply, met the expectations of local parents, thus gaining their confidence and acceptance. Suppliers should strive to increase the number of pharmacies participating in the Scheme from presently 95 to 175 to make it effective. The trade should also step up publicity on the Scheme to encourage those parents who were interested in the Scheme to enrol early. SFH further said that while some members of the public expected the Administration to mobilize public resources to assist local parents to meet their needs in purchasing powdered formula in the market, there was also a strong view that the Administration should not interfere with the market. The Administration was endeavouring to strike a balance of these views by closely monitoring measures implemented by the trade and the progress of improvements of the supply chain of powdered formula. The Administration would continue to liaise with trade and appeal to the suppliers to take proactive steps to publicize the measures for improving the supply chain that they had implemented.

23. The Chairman, Mr Tommy CHEUNG, Prof Joseph LEE and Mr WONG Yuk-man pointed out that according to the results of the Stress Test, only the powdered formula supplied from one individual supplier (i.e. Mead Johnson) was found inadequate. The Chairman said that as Mead Johnson was already a member of the Committee on Supply Chain of Powdered Formula ("the Committee"), she expressed doubt on whether the problem of insufficient supply could be solved. Prof LEE was concerned about how the local parents could be given a guarantee that there were sufficient stocks of Mead Johnson's powdered formula at retailers in all districts in Hong Kong. Mr WONG pointed out that the Administration was facing a dilemma in maintaining a stable and adequate supply of powdered formula. The continual implementation of the Amendment Regulation would jeopardize the fair market competition. Mr CHAN Han-pan expressed similar view and urged the Administration to liaise with individual suppliers to enhance their supply chain. He suggested the Administration to consider developing retail outlets near cross boundary check points where Mainland travellers could purchase powdered formula as it could divert the demand for powdered formula from local pharmacies. This would offer an opportunity for the Government to consider repealing the provisions introduced by the Amendment Regulation in the future.

24. SFH responded that as revealed by the stress test, the Coupon Scheme fell short of expectation in certain vital areas, including insufficient number

Action

of participating pharmacies, long redemption lead time and being prone to abuse as well as lack of publicity, co-ordination and monitoring. These were possible reasons why parents lacked confidence in the Coupon Scheme, leading to its low usage rate. The Administration had therefore urged the trade to continue to improve their supply chain and step up publicity on the Coupon Scheme.

25. Mr Tommy CHEUNG said that he noted that the stock replenishment arrangement of powdered formula to pharmacies had improved. He enquired about the time span for retailers to receive their stock replenishments after placing their orders, and whether they were required by suppliers for bundling sale of powdered formula for all stages. Dr Simon SU, Director and Chief Economist of the BMT Asia Pacific Ltd, (the consultant commissioned by the Administration to study the improvement measures) advised that retailers could receive their stock replenishment on the following day after placing their orders. There was no sign of bundling sale arrangement observed during the period of the Stress Test.

26. The Deputy Chairman said that parents might be unwilling to buy directly from the powdered formula suppliers through their mothers' clubs as retailers or pharmacies might offer discounts to them. Noting that the Administration would engage a consultant to conduct regular surveys on the demand and supply of major brands of powdered formula across the territory as well as to monitor any unusual fluctuation in prices, the Deputy Chairman enquired about the details of the surveys, particularly whether they would be announced in advance. Expressing similar view, Mr Michael TIEN hoped that the Administration would liaise with the suppliers to appeal to them to lower their prices of powdered formula supplied through mothers' clubs in order to attract a higher patronage.

27. SFH said that it was not appropriate for the Administration to regulate the prices of powdered formula. The Administration understood that under the Coupon Scheme, retailers would not sell powdered formula at prices higher than the suppliers' recommended retail prices. The Administration would also request the trade to enhance its publicity to encourage parents to purchase powdered formula through the Coupon Scheme. The Permanent Secretary for Food and Health (Food) ("PSFH(F)") added that the surveys would enable the Administration to collect data on the demand and supply as well as prices of powdered formula more comprehensively at retail level to facilitate its formulation of policy relating to stabilizing the supply of powdered formula. She stressed that the Administration collected data on the prices of powdered formula with a view to monitoring the market situation. The Administration had no intention to regulate the price of powdered formula. .

Action

Management of the demand from the Mainland for powdered formula

28. Dr KWOK Ka-ki pointed out that the lack of confidence of the Mainland people in the powdered formula supplied in the Mainland had contributed to the problem of inadequate supply of powdered formula in Hong Kong. He considered it necessary for the Administration to work with the relevant Mainland authorities to enhance the confidence of consumers in the Mainland in powdered formula available in Mainland market.

29. Mr Gary FAN held the view that the crux of the problem lay in the active parallel trading activities which was caused by the policy of "multiple entry permits" ("MEP") and the "Individual Visit Scheme" ("IVS"). He asked whether the Administration would apply any restrictions on MEP arrangement and cease expanding the scope of IVS. Mr WONG Yuk-man expressed similar view and urged the Administration to review both MEP arrangement and IVS.

30. SFH responded that as the issue of powdered formula supply had been discussed openly and attracted wide media coverage, the people in Hong Kong and the Mainland should have noticed the Hong Kong Government's stance on this issue. He stressed that the Amendment Regulation was effective in increasing the operating cost of the parallel trading activities of powdered formula, and as a result had effectively addressed the problem of large quantities of powdered formula being diverted away from the local retail level in Hong Kong.

IV. Proposed measures for compliance with fire safety requirements by food premises
(LC Paper Nos. CB(2)423/13-14(03) and (04))

31. Members noted the updated information note entitled "Fire safety requirements for food premises" (LC Paper No. CB(2)423/13-14(04)) prepared by LegCo Secretariat.

Views of deputations

32. The Chairman reminded the deputations attending the meeting that they were not covered by the protection and immunity provided under the Legislative Council (Powers and Privileges) Ordinance (Cap. 382) when addressing the Panel. The Chairman invited the representatives of the four deputations to present their views on the subject at the meeting.

Action

Hong Kong & Kowloon Vermicelli & Noodle Manufacturing Industry Merchants' General Association
(LC Paper No. CB(2)465/13-14(01))

33. Mr FUNG Bing-hau presented the views of Hong Kong & Kowloon Vermicelli & Noodle Manufacturing Industry Merchants' General Association ("VNMIMGA"), as detailed in its submission.

Hong Kong Catering Industry Association
(LC Paper No. CB(2)465/13-14(01))

34. Mr Tony TAM presented the views of Hong Kong Catering Industry Association, as detailed in its submission.

Association of Restaurant Managers
(LC Paper No. CB(2)465/13-14(02))

35. Mr LEUNG Chun-wah presented the views of Association of Restaurant Managers, as detailed in its submission.

Institution of Dining Art
(LC Paper No. CB(2)423/13-14(05))

36. Mr Kelvin YAU presented the views of Institution of Dining Art ("IDA"), as detailed in its submission.

37. Members also noted two written submissions from Dr YANG Mo, Southern District Council Member and Hong Kong Retail Management Association (LC Paper Nos. CB(2)423/13-14(06) and CB(2)432/13-14(01) respectively).

38. At the invitation of the Chairman, Under Secretary for Food and Health ("USFH") briefed members on the proposed measures proposed by the Food and Environmental Hygiene Department ("FEHD") and the Fire Services Department ("FSD") for ensuring compliance with fire safety requirements ("FSRs") by food premises, details of which were set out in the Administration's paper (LC Paper No. CB(2)423/13-14(03)). USFH stressed that currently food premises had been required to comply at all times with FSRs so imposed. On the deputations' views, USFH said that the Administration would, where necessary, follow up case by case with operators of food premises on the implementation of the proposed measures (e.g. the submission of invoices and test certificates of polyurethane ("PU") foam filled mattresses and upholstered furniture ("the Invoices and Test Certificates")) in order to address their concerns and difficulties in complying with the requirements.

Discussion

Business Impact Assessment ("BIA") Study

39. Echoing the deputations' views objecting to the proposed measures, Mr Tommy CHEUNG expressed strong dissatisfaction with the BIA Study commissioned by the Administration to examine the possible impact of the proposed measures on the trade and questioned the representativeness of the trade participants who had been interviewed by the consultant for the study. In his view, sample size was small and not representative at all, and the focus was not on food catering business. He doubted whether any trade associations in food catering industry had participated in the study. Mr CHAN Han-pan expressed similar views.

40. At the invitation of the Chairman, Mr Alan LAM, Associate Director of Deloitte Consulting (Hong Kong) Ltd. (i.e. the consultant commissioned by the Administration), explained that about 70 trade participants from food premises of different scales, types, mode and location of business, as well as certain trade associations in catering and entertainment businesses, had been interviewed during the BIA Study. Some of the trade associations interviewed included the Hong Kong Federation of Restaurants and Related Trades, the Federation of Hong Kong Hotel Owners, 夜總會商會, 港九麻雀聯誼會總商會, the Federation of Hong Kong and Kowloon Ballroom and Night Club Merchants, the Entertainment Business Rights Concern Group, and the Hong Kong Bars and Karaoke Rights Advocacy, etc. Mr LAM stressed that the purpose of the BIA Study was to assess the impacts of the proposed measures on the trade and identify the possible difficulties that food premises might face after the implementation of the proposed measures. He further said that the trade participants raised no objection to the proposed measures after understanding that no additional FSRs had been introduced by these measures.

Impact of the proposed measures on food premises

41. Mr Tommy CHEUNG, Mr WONG Kwok-hing, Mr WU Chi-wai and Mr Christopher CHUNG were concerned about the difficulties faced by the food premises operators to comply with the requirements set out by the proposed measures, in particular, the submission of valid certificates of annual inspections of fire service installations and equipment (i.e. FS251) as documentary evidence of compliance with FSRs when tendering applications for licence renewal, as well as the Invoices and Test Certificates. Mr CHEUNG expressed grave concern that food premises might fail to renew their food premises licences and be forced to close their business if they could not produce the documents required in time. Mr CHUNG asked the deputations to explain in more details of their difficulties in providing

Action

these documents and whether any additional costs would be incurred by the food premises operators in meeting requirements of the proposed measures.

42. Mr Kelvin YAU of IDA pointed out that it was common for food premises operators to have a 60 or 90 day payment terms after delivery of the furniture. It was unlikely for applicants of provisional restaurant licence ("P-licences") to provide the Invoices and Test Certificates within six weeks as proposed by the consultant. The food premises operators were also not able to conduct laboratory tests on the furniture on their own because they could not bear the cost of laboratory tests.

43. Mr Tommy CHEUNG echoed the view of Mr Kelvin YAU of IDA. He expressed strong objection to the proposed measure which required food premises operators providing the relevant Invoices and Test Certificates to FSD within six weeks after the issuance of P-licence. He considered it should be more reasonable for the Administration to require the submission of these documents at the time of the issuance of full licence.

44. Mr FUNG Bing-hau of VNMIMGA said that it was unfair for FSD to expect food premises operators to possess fire safety knowledge of the furniture that was in use in the premises, and penalize them if they were unable to provide proof on the safety of the furniture they used. In his view, FSD should set up its accreditation mechanism to ensure the safety of PU furniture products and advise food premises operators to procure those PU furniture products accredited by FSD.

45. Mr Christopher CHUNG shared the view of Mr FUNG Bing-hau of VNMIMGA. He said that the Administration should set safety standards for the use of PU products in Hong Kong and request the manufacturers and importers concerned to comply with the standards.

46. Assistant Director (Licensing and Certification) (Acting)/FSD ("AD(LC)(Acting)/FSD") explained that it was the decision of the food premises operators to procure PU furniture products or other types of furniture products for their food premises. As different food premises might have different designs such that the provision of fire safety requirements would not be comparable, the use of PU foam filled furniture was solely their own choice. He said that to comply with the proposed measures, food premises operators should request their furniture suppliers to provide the test certificates required. According to the consultant, the trade participants interviewed for the BIA study had not indicated that they had substantive difficulties in providing the Invoices and the Certificates.

47. Mr WU Chi-wai expressed worries that some existing food premises might not be able to renew their licences if they failed to meet additional

Action

FSRs, say, requirement for additional sprinkler system. He questioned the need for requesting food premises operators to submit FS251 for the renewal of food premises licences. Expressing similar concern, Mr Tommy CHEUNG considered that it should be the responsibility of the property owners rather than the operators of food premises to provide such information to the FSD.

48. AD(LC)(Acting)/FSD stressed that no additional FSRs were introduced by the proposed measures. He clarified that the annual inspection and the submission of relevant valid certificates, i.e. FS251, were existing FSRs that operators of food premises should comply with. The existing Certificate of Compliance C (Fire Safety Requirements) ("Form C") was one of the pre-requisite documents to be submitted by a food business licence applicant for issue of P-licences. Under the proposed measure, the existing Form C would be revised to facilitate the applicant to declare whether PU foam filled mattresses and upholstered furniture were in use in the premises.

49. On members' concern about the fire risk at food premises, AD(LC)(Acting)/FSD said the proposed measures would safeguard public safety against fire risks relating to the use of portable stoves for hot pot business and unpermitted pyrotechnic activities in some food premises.

50. Mr WONG Kwok-hing enquired whether the Administration would consider providing a longer grace period for the P-licence applicants to submit the relevant Invoices and Test Certificates to FSD. He hoped the Administration would consider providing financial assistance for the existing food premises to replace their furniture in order to comply with FSRs.

51. Deputy Secretary for Food and Health (Food) 1 ("DSFH(F)1") advised that having considered the recommendations of the consultant, a six-week grace period would be granted for the P-licence applicants to submit the relevant Invoices and Test Certificates. To ensure continuous compliance with FSRs by food premises, FEHD would set up a monitoring mechanism with FSD for handling breaches of FSRs. For minor breaches of FSRs notified by FSD, FEHD would issue a warning letter to the licensee requiring him/her to rectify the breaches within 30 days. In response to Mr WONG Kwok-hing's concern about the period allowed for licensees to rectify their minor breaches, DSFH(F)1 said that the food premises should have complied with FSRs before the licensees were granted the restaurant licences. Therefore, the licensees should not have substantive difficulties in meeting FSRs in question.

52. The Chairman, the Deputy Chairman, Mr Tommy CHEUNG and Mr WU Chi-wai sought clarification on whether the operators of existing food premises would be required to submit the revised Form C when they

Action

renewed their restaurant licences if they had purchased new furniture using PU. AD(LC)(Acting)/FSD and Senior Divisional Officer (Policy) (Acting) / FSD advised that the revised Form C would not be required for renewal of restaurant licences. However, operators of existing food premises would need to submit the relevant Invoices and Test Certificates to FSD for replacement furniture using PU foam filled materials.

Implementation of the proposed measures

Admin

53. Mr WU Chi-wai requested the Administration to provide the implementation details of the proposed measures to the Panel before rolling them out in the second quarter of 2014. DSFH(F)1 advised that details of the proposed measures had been provided in the Administration's paper. The Administration was preparing guidelines to help the trade to better understand FSRs and the proposed measures. He undertook to provide the Panel with the guidelines before implementation.

54. Mr Tommy CHEUNG urged the Administration to suspend the implementation of the proposed measures and enhance its communication with stakeholders of the trade on the subject matter. He said that he was willing to coordinate a meeting between the stakeholders in the catering trade and the Administration on proposed measures with a view to exploring feasible solutions to address the concerns of the trade. The Deputy Chairman concurred that the Administration should strengthen its communication with the trade on the proposed measures.

V. Review of small volume exemption fees - proposed amendments to Food and Drugs (Composition and Labelling) Regulations (Cap. 132W)
(LC Paper Nos. CB(2)423/13-14(09) and (10))

55. The Chairman extended the meeting for 15 minutes beyond its appointed time to allow more time for discussion.

56. Members noted the background brief entitled "Nutrition Labelling Scheme - Small Volume Exemption Scheme" (LC Paper No. CB(2)423/13-14(10)) prepared by LegCo Secretariat.

57. At the invitation of the Chairman, Deputy Secretary for Food and Health (Food) Special Duty ("DSFH(F)SD") briefed members on the proposed amendments to Food and Drugs (Composition and Labelling) Regulations ("the Regulations") (Cap. 132W) (known as Small Volume Exemption ("SVE")) to introduce reduced fees for SVE applications and renewal applications submitted by electronic means through the Food Import

Action

Control System ("FICS"), details of which were set out in the Administration's paper (LC Paper No. CB(2)423/13-14(09)).

58. The Deputy Chairman enquired about whether there was room for further reduction in the fees for SVE applications and renewal applications submitted online through FICS. DSFH(F)SD explained that in considering the proposed reduction of fees, the Administration had already taken in account the reduction of administrative cost contributed by the enhanced efficiency having regard to the experience gained in processing electronic applications as well as streamlining its work procedures and upgrading its computer system.

59. In response to the Chairman's enquiry on whether SVE was a permanent arrangement, DSFH(F)SD advised that in accordance with the Regulations, exemption might be granted in respect of any pre-packaged food with annual sales volume in Hong Kong not exceeding 30 000 units which did not carry nutrition claims on its label or in any advertisement from the nutrition labelling requirements. The aim of establishing an SVE scheme was to minimize the impact on food choice and facilitate the trade to introduce new food products into the market in small volume.

60. The Chairman sought information on the number of SVE applications submitted by the food trade and the types of food in respect of these SVE products over the past year. Assistant Director (Food Surveillance and Control), Centre for Food Safety ("AD(FS&C)/CFS") advised that at present, there were about 16 000 SVE products with valid exemption for sale in the market. SVE could be renewed annually given the annual sales volume of the pre-packaged food product concerned had not exceeded the exemption limit of 30 000 units in the previous year. The traders concerned, if not seeking SVE for their products, would need to comply with the Nutrition Labelling Scheme by affixing the information on energy content and the seven core nutrients on the nutrition label attached to the pre-packaged food products concerned. At the request of the Chairman, AD(FS&C)/CFS undertook to provide a breakdown on the number of pre-packaged food products which applied for SVE by food categories/types after the meeting.

Admin

(Post-meeting notes: The Chinese version and English version of the breakdown on the number of pre-packaged food products which applied for SVE were issued to members vide LC Paper No. CB(2)787/13-14(01) on 30 January and 5 February 2014 respectively.)

61. In response to the Chairman's enquiry about the legislative timetable, DSFH(F)SD advised that the legislative amendment would be introduced to LegCo in form of a subsidiary legislation shortly.

VI. Any other business

Visits to the New Territories North Animal Management Centre ("NTNAMC")

62. The Chairman reminded members that a visit to NTNAMC had been scheduled for 23 December 2013 from 2:00 pm to 5:00 pm. Members noted the Administration's advice that having regard to the capacity of the venue, the maximum number of participants of the visit was 10. Noting that four Panel members had indicated their participation, members agreed that non-Panel Members would be invited to participate in the visit and the remaining vacancies would be filled on a first-come, first-served basis.

Visit to the Man Kam To Food Control Office ("MKTFCO")

63. Noting that the Panel had scheduled to discuss items relating to food safety of food and food surveillance programme at its meetings in the first quarter of 2014, members agreed that a visit should be made to MKTFCO to provide members with a better understanding of the operation of food surveillance and tests on imported vegetables by the Centre for Food Safety at the Man Kam To Control Point.

64. There being no other business, the meeting ended at 5:04 pm.