

LEGISLATIVE COUNCIL BRIEF

Issuance of an order under section 30(1) of the Food Safety Ordinance (Cap. 612) to prohibit the import and supply of edible fats and oils produced by CHENG I Food Co. Ltd. and TING HSIN Oil & Fat Industrial Co. Ltd. in Taiwan and food products made with such fats and oils

ISSUE

The Director of Food and Environmental Hygiene (DFEH) made an order (at **Annex**) under section 30(1) of the Food Safety Ordinance (Cap. 612) (the Order) on 29 October 2014 to prohibit the import and supply¹ within Hong Kong of all edible fats and oils produced by CHENG I Food Co. Ltd. (CHENG I) and TING HSIN Oil & Fat Industrial Co. Ltd. (TING HSIN) in Taiwan, as well as food products made in Taiwan or Hong Kong with such fats and oils, with effect from noon on 29 October 2014. The Order also directs that such fats, oils and food products which have been supplied be recalled within 14 days from the effective date of the Order and be disposed of subsequently in the specified manner. The Order was published in the gazette on 29 October 2014.

JUSTIFICATIONS

2. The incident of Taiwan “substandard lard” was first reported by Taiwan authorities on 4 September 2014. On 11 September 2014, Taiwan authorities announced that a total of 25 lard/lard products produced by CHANG GUANN Co. Ltd (CHANG GUANN) might have been contaminated as they were produced from substandard ingredients, such as collected waste oils and/or lard for animal feeds. Subsequently, Taiwan authorities notified the Food and Environmental Hygiene Department (FEHD) that some of the contaminated lard/lard products had been exported to Hong Kong and our local investigation revealed that they had already

¹ “Supply” means (a) to sell the food; (b) to offer, keep or exhibit the food for sale; (c) to exchange or dispose of the food for consideration; or (d) for commercial purposes, to give the food as a prize or to make a gift of the food.

been used to manufacture food products. Thus, a Food Safety Order (No. CFS/1/2014) was issued which took effect from noon on 14 September 2014 to prohibit the import into and the supply within Hong Kong all lard/lard products produced by CHANG GUANN in Taiwan on or after 1 March 2014 (including but not limited to the products specified in the Appendix to that Order) as well as all food products made with those lard/lard products, and to mandate recall and proper disposal of all concerned products.

3. On 8 October 2014, Taiwan authorities further announced that more suspected fraudulent fats and oils production was found in another company, CHENG I. CHENG I's fats and oils were found to have been produced from substandard ingredients, such as lard for animal feeds, and the affected products extended beyond lard to involve beef tallow, margarine and shortening.

4. In light of the above, FEHD was not satisfied with the safety and quality of Taiwan's fats and oils as we then had reasons to suspect that such malpractice in edible fats and oils production could have been systemic and went beyond lard and lard products to involve fats and oils of animal origins. Thus, on 9 October 2014, FEHD announced that precautionary measures needed to be taken to stop the import into and the supply within Hong Kong all edible oils of animal origins produced in Taiwan with relevant powers under the Public Health and Municipal Services Ordinance (Cap. 132).

5. As Taiwan authorities proceeded with their investigation, it was announced on 10 October 2014 that lard/lard products from TING HSIN were also found to have been produced from substandard ingredients, such as lard for animal feeds.

6. On 15 October 2014, we extended the coverage of the precautionary measures in Hong Kong to include all edible oils (of animal or plant origins) produced in Taiwan, following reports of an edible oil manufacturer in Taiwan importing certain oils of plant origins declared as being for industrial use without being registered for inspection.

7. Investigation by FEHD revealed that some traders in Hong Kong had imported lards from CHENG I and TING HSIN. Furthermore, on 21 and 23 October 2014, Taiwan authorities notified FEHD that respectively four and two food products made with CHENG I's substandard fats and oils had been exported to Hong Kong.

8. Coupled with Taiwan authorities' announcement on 27 October 2014 that TING HSIN's substandard fats and oils products were also found to have been produced from beef tallow and coconut oil ingredients from unapproved sources in Vietnam, we have reasonable grounds to believe that fats and oils from both TING HSIN and CHENG I are very likely unfit for human consumption unless there is formal notification by Taiwan authorities otherwise. To further safeguard Hong Kong's public health, a second Food Safety Order needs to be made to put it beyond doubt that all edible fats and oils produced by TING HSIN and CHENG I, as well as all food products manufactured with such fats and oils, are prohibited from importing into and supplying within Hong Kong, and to mandate their recall in a systematic manner so as to ensure that they are no longer in circulation in the local market.

ORDER MADE UNDER SECTION 30(1) of CAP. 612

9. Section 30(1) of Cap. 612 provides that DFEH may make an order to, among others, prohibit the import and the supply of any food for the period specified in the order, as well as to direct that any food supplied be recalled and specify the manner in which, and the period within which, the recall is to be conducted. Section 30(2) stipulates that DFEH may only make a food safety order under section 30(1) if DFEH has reasonable grounds at the time of making the order to believe that the making of the order is necessary to prevent or reduce a possibility of danger to public health or to mitigate any adverse consequence of a danger to public health.

10. According to information from Taiwan authorities, the substandard fats and oils were produced from collected waste oils and/or substandard ingredients such as lard for animal feeds. Fats and oils so produced with these substandard ingredients are subject to contamination by harmful substances such as benzo[a]pyrene, aflatoxins, metallic contaminants, etc. These harmful substances can cause cancers or other adverse health effects to consumers, thus presenting possible danger to public health.

11. A copy of the Order is at Annex. The Order –
- prohibits the import and supply of all edible fats and oils produced by CHENG I and TING HSIN;
 - prohibits the import and supply of all food products made in Taiwan or Hong Kong with the above-mentioned fats and oils, including but not limited to the products specified in the Appendix to Annex A of the Order; and
 - directs that such fats, oils and food products which have been supplied be recalled within 14 days from the effective date of the Order and be disposed of subsequently, in the manner specified.
12. The Order is directed to all persons and took effect at noon on 29 October 2014. Any person who contravenes a term of the Order commits an offence and is liable on conviction to a fine at level 6 (currently \$100,000) and to imprisonment for 12 months.

PUBLICITY

13. A press release was issued on 29 October 2014. A spokesman is available to answer press enquiries.

ENQUIRIES

14. Any enquiries on this brief may be addressed to Mr Jeff LEUNG, Principal Assistant Secretary (Food)¹ at 3509 8925.

Food and Health Bureau
30 October 2014

FOOD SAFETY ORDINANCE
(Chapter 612)
(Section 30)
Food Safety Order

Order No. : CFS/2/2014

FEHD Ref. : FEHD/CFS/12/1/32/Pt 3

TO : All Persons

This Order takes effect at noon on 29 October 2014.

I now have reasonable grounds to believe that the making of this order in relation to the food specified in Annex A is necessary to prevent or reduce a possibility of danger to public health, or to mitigate any adverse consequence of a danger to public health, the details of which are specified in Annex B. **I DO**, in exercise of my powers under section 30(1) of the Food Safety Ordinance (Chapter 612), order that :

- (a) you be prohibited from importing into Hong Kong the food specified in Annex A, that is intended for human consumption, from noon, 29 October 2014 until further notice;
- (b) you be prohibited from supplying¹ within Hong Kong the food specified in Annex A, that is intended for human consumption, from noon, 29 October 2014 until further notice; and
- (c) you recall within a period of 14 days from noon, 29 October 2014 the food specified in Annex A, that is intended for human consumption and has been supplied by you, and dispose of such food subsequently, in the manner specified in Annex C.

If you feel that you are aggrieved by this order, you may, within 28 days after becoming bound by it (that is the date and time specified in the first paragraph), appeal to the Municipal Services Appeals Board.

¹ “Supplying” means (a) selling the food; (b) offering, keeping or exhibiting the food for sale; (c) exchanging or disposing of the food for consideration; or (d) for commercial purposes, giving the food as a prize or making a gift of the food.

A person bound by this order who contravenes a term of the order commits an offence and is liable on conviction to a fine at level 6 (currently \$100,000) and to imprisonment for 12 months. It is not a defence for a person to show that the food concerned is the subject of a licence, permit or any other form of authorization issued or granted under this or any other Ordinance.

Dated this 29th October 2014



(Vivian LAU)

Director of Food and Environmental Hygiene

FOOD SPECIFIED IN THE ORDER

Brand Name & Food Name/ Designation	Place of Origin
All edible fats and oils produced by CHENG I Food Co. Ltd. All edible fats and oils produced by TING HSIN Oil & Fat Industrial Co. Ltd.	Taiwan
All food products made with the above-mentioned fats and oils including but not limited to the products specified in Appendix.	Taiwan or Hong Kong

Appendix

List of known food products made with fats and oils produced by CHENG I Food Co., Ltd. or TING HSIN Oil & Fat Industrial Co., Ltd.

Brand Name & Food Name/ Designation	Manufacturer's Name	Place of Origin	Count/ Weight/ Volume	Manufacturing Date	Best Before/ Use By Date
1. Fried Pork Floss	TAIWAN FARM INDUSTRY CO., LTD.	Taiwan	270 grammes per can/12 cans per box	Between 6 May and 14 September 2014	Between 5 May and 13 September 2015
2. Fried Pork Floss with Seaweed	TAIWAN FARM INDUSTRY CO., LTD.	Taiwan	270 grammes per can/12 cans per box	Between 6 May and 14 September 2014	Between 5 May and 13 September 2015
3. Fried Pork Floss	TAIWAN FARM INDUSTRY CO., LTD.	Taiwan	300 grammes per can/12 cans per box	Between 6 May and 14 September 2014	Between 5 May and 13 September 2015
4. Fried Pork Floss	TAIWAN FARM INDUSTRY CO., LTD.	Taiwan	180 grammes per can/12 cans per box	Between 6 May and 14 September 2014	Between 5 May and 13 September 2015

5. Fish and Cheese Stuffing Balls	CHAMPION REFRIGERANT FOODS CO., LTD.	Taiwan	3 kilograms (kg) per pack	19, 21 and 22 May 2014	20 May 2016
6. Cheese Fish Bun	CHAMPION REFRIGERANT FOODS CO., LTD.	Taiwan	3 kilograms (kg) per pack	25 April 2014	25 April 2016

**REASON FOR MAKING THE ORDER AND
PRINCIPAL FACTORS THAT LED TO MAKING OF THE ORDER**

Summary of incident

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In light of the above, FEHD was not satisfied with the safety and quality of Taiwan’s fats and oils as we then had reasons to suspect that such malpractice in edible fats and oils production could have been systemic and went beyond lard and lard products to involve fats and oils of animal origins. Thus, on 9 October 2014, FEHD announced that precautionary measures needed to be taken to stop the import into and the supply within Hong Kong all edible oils of animal origins produced in Taiwan with relevant powers under the Public Health and Municipal Services

Ordinance (Cap. 132).

As Taiwan authorities proceeded with their investigation, it was announced on 10 October 2014 that lard/lard products from TING HSIN Oil & Fat Industrial Co. Ltd. (TING HSIN) were also found to have been produced from substandard ingredients, such as lard for animal feeds.

On 15 October 2014, we extended the coverage of the precautionary measures in Hong Kong to include all edible oils (of animal or plant origins) produced in Taiwan, following reports of an edible oil manufacturer in Taiwan importing certain oils of plant origins declared as being for industrial use without being registered for inspection.

Investigation by FEHD revealed that some traders in Hong Kong had imported lards from CHENG I and TING HSIN. Furthermore, on 21 and 23 October 2014, Taiwan authorities notified FEHD that respectively four and two food products made with CHENG I's substandard fats and oils had been exported to Hong Kong.

Coupled with Taiwan authorities' announcement on 27 October 2014 that TING HSIN's substandard fats and oils products were also found to have been produced from beef tallow and coconut oil ingredients from unapproved sources in Vietnam, we have reasonable grounds to believe that fats and oils from both TING HSIN and CHENG I are very likely unfit for human consumption unless there is formal notification by Taiwan authorities otherwise. To further safeguard Hong Kong's public health, a second Food Safety Order needs to be made to put it beyond doubt that all edible fats and oils produced by TING HSIN and CHENG I, as well as all food products manufactured with such fats and oils, are prohibited from importing into and supplying within Hong Kong, and to mandate their recall in a systematic manner so as to ensure that they are no longer in circulation in the local market.

Sources of Information

- Food and Drug Administration, Taiwan
- Tainan District Prosecutors Office, Taiwan

Health Effects

According to information from Taiwan authorities, the substandard fats and oils were produced from collected waste oils and/or substandard ingredients such as lard for animal feeds. Fats and oils so produced with these substandard ingredients are subject to contamination by harmful substances such as benzo[a]pyrene, aflatoxins, metallic contaminants, etc. These harmful substances can cause cancers or other adverse health effects to consumers, thus presenting possible danger to public health.

**MANNER IN WHICH PRODUCT RECALL AND DISPOSAL
SHOULD BE CONDUCTED**

(A) Applicable to importers

1. Immediately identify food specified in Annex A from storage facilities and isolate them.
2. Set up telephone enquiry service to handle enquiries related to recall of the food specified in Annex A as soon as possible.
3. Immediately notify all known distributors of the recall and its arrangement.
4. Inform FEHD², upon commencement of recall, of detailed description of the products to be recalled and the recall period.
5. Retract the food concerned returned by distributor(s), retailer(s) or consumers.
6. Report to FEHD within two working days upon completion of recall for advice on final disposal of the recalled food³.
7. Submit report to FEHD within one week from the date of completion of recall, and the report should contain the following information:
 - (a) the names of the companies, organizations or persons from whom the food was returned;
 - (b) the description and amount of the food returned;
 - (c) the description and amount of any stock of food specified in Annex A;
 - (d) a reconciliation between the delivered and recovered quantities of the food, as well as the stock in hand; and
 - (e) the final disposal of the recalled food.

² Email : fso_enquiry@fehd.gov.hk
Fax : 2776 5226

³ Recalled food include remaining stock of food and returned food from customers

(B) Applicable to distributors

1. Immediately identify food specified in Annex A from storage facilities and return them to the supplier.
2. Set up a telephone enquiry service to handle enquiries related to recall of the food specified in Annex A as soon as possible.
3. Immediately notify all known retailer(s) and consumers of the recall and its arrangement.
4. Inform FEHD⁴, upon commencement of recall, of detailed description of the products to be recalled and the recall period.
5. Retract the food returned by retailer(s) or consumers and return to the supplier.
6. Keep records of recalled food, including :
 - (a) a description of the recalled food including brand and product name, size, identifying codes; and
 - (b) the date and quantity of food returned to the supplier.
7. Report to FEHD within two working days upon completion of recall, the quantity and description of the recalled food and any remaining stock, and the date of return to the supplier.

(C) Applicable to retailers

1. Immediately stop sale and use of all food specified in Annex A, and return them to the supplier.
2. Immediately remove from the shelves all food specified in Annex A, and return the food concerned to the supplier. In case there is no supplier, the food concerned should be properly disposed of by the retailer.
3. Retract the food returned by consumers, and return them to the supplier as

⁴ Email : Food_Recall_Notification@fehd.gov.hk
Fax : 2521 4784

appropriate.

4. Keep record on quantity and description of the food such as brand and product name, size, identifying codes, and date of return to the supplier (or disposal as appropriate) of the food concerned.