



HONG KONG
RETAIL MANAGEMENT
ASSOCIATION

香港零售管理協會

For Immediate Release

Draft food labelling legislation deprives consumers of healthy choices

(17 April 2008, Hong Kong) The Hong Kong Retail Management Association shares consumers' fear that the unintended consequence of the nutrition labelling legislation as currently proposed will be the disappearance from sale of nearly all products that make nutrition claims, including those that are labelled "transfat-free", "contains omega-3", "25% less fat", "low sodium", and "cholesterol -free", to name but a few.

Although accounting for only 2.5% of pre-packaged food eaten in Hong Kong, the Association estimates that there are 15,000 of these healthier products that make nutrition claims, representing more than 20% of the variety of all pre-packaged food products that are available in Hong Kong.

The disappearance of up to 15,000 of these healthier and more nutritious products from sale would have a major impact on consumers, who presently enjoy and are demanding a wide variety of international food choices. Furthermore, new food products will bypass the Hong Kong food market, which will stagnate as another unintended consequence.

The trade supports the introduction of mandatory nutrition labelling, but a scheme must be devised that maintains consumer choice and provides nutrition information for consumers.

There is no international consensus on nutrition labelling and Hong Kong is a small market that imports 90% of its pre-packaged food range, with relatively few local manufacturers. Accordingly, flexibility is required otherwise consumers will be deprived of the wonderful array of international food choices that they presently enjoy.

95% of pre-packaged food that is currently eaten in Hong Kong will be covered by



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the proposed new unique nutrition labelling scheme, and we generally support the Government's proposal in this regard.

By including in the regulations a small volume exemption for products that sell less than 30,000 units per year, the Government has recognised that it is not economically viable for small volume products that are not packaged specifically for the Hong Kong market to comply with its proposed nutritional labelling regulations. We support the Government's proposal in this respect as this will keep products on shelves for consumers by allowing small volume products to be imported without incurring prohibitively expensive nutrient testing and re-labelling costs.

Unfortunately, the exemption will not apply to small volume products that make nutrition claims, such as those claims listed above. That means that healthier products, organic products, and products favoured by ethnic minorities may disappear from sale because it will not be economically viable to nutrient test and re-label these products. All of these products already have extensive nutrition labelling that complies with the labelling laws of the country of origin.

The current nutrition labelling proposal will also ban from sale products that make nutrition claims that are permitted in other countries, such as "contains omega-3", because these claims are not included in Hong Kong's unique list of allowable claims. For example, many smoked salmon products, canned fish products and fish oil capsules will be banned from sale in Hong Kong, despite being legitimately sold overseas.

Much has been said about products that make false claims and the need for further regulations in this regard, but it is important to note that it is already an offence under existing food labelling regulations to sell products that make false claims. Where false claims are made on products, offenders can and should be prosecuted.

By being too prescriptive in the definition of allowable claims, it means that no product that makes a nutrition claim that is imported from USA can automatically be



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sold in Hong Kong because Hong Kong has different standards to USA for *all* types of nutrition claims (including “low fat”, “transfat-free”, and “low sugar”).

To avoid the loss to consumers of up to 15,000 healthier products and to avoid the stagnation of Hong Kong’s food market, we urge the Government and legislators to extend the small volume exemption to products that make nutrition claims.

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