

## Consultation on Regulation of Edible Fats and Oils

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Dear Sir / Madam,

Thank you for the consultation on Import of Edible Fats and Oils. Below please find some feedbacks of our company:

In the accident of "Substandard Lard", the case is more related to "frauds" of individual manufacturers. It is not because of not having related regulations in Hong Kong. Hong Kong already has Public Heath and Municipal Services Ordinance (Cap. 132), The Harmful Substances in Food Regulations (Cap. 132AF), The Food Adulteration (Metallic Contamination) Regulations (Cap. 132V), etc to regulate safety standards of food which including edible fats and oils. If the manufacturers are exporting foods that are not fit for human consumption to Hong Kong, Hong Kong can already use the existing regulations to regulate them. Why it needs to create other legislations and regulations which create lot of restrictions to the trades and operating costs to the society?

Even if Hong Kong has regulations on Import of Edible Fats and Oils, they should in line with other developed countries, like European Commission (EC), Australia/New Zealand, Canada, etc as Hong Kong need to import a lot of good quality products from these countries. If Hong Kong sets some regulations or standards higher than those of other developed countries, it creates barriers to the trade and limits the choice of high quality and low risk products to consumers.

In the meetings and public consultation, it states that importers of edible fats and oils are required to provide official certificates to certify the edible fats and oils fulfill the proposed Hong Kong statutory standards. For other countries, they may able to provide a certificate to certify the products fit for human consumption. However, it is not normal practice in international trade for a country to issue certificates to certify the products able to fulfill the regulations requirements of other countries. Is it creating some requirements that are not possible to do in real situation?

On the other hand, while the new legislative proposals seems taking the standards of international body like Codex, why the new legislative proposals also set standards higher than those in Codex? For examples, while Codex has not specified the standards of Aflatoxins and Benzo[a]pyrene, the new legislative proposals take the higher standards in different countries and amend the maximum level of the standards. This kind of practice violates the principle of taking international standards and just taking the highest standards around the world. As such, it creates special high standards for Hong Kong and discourages international trade.

Even though existing products are able to meet the standards and manufacturers in some other countries are certain that they can meet the standards, the special requests of additional tests will add extra costs (which in turn increase the retail prices) to general consumers or discourages the manufacturers in other countries to import the products to Hong Kong. As the manufacturers of some countries do not have such kind of requirements in their home markets, they need to pay extra costs and resources in searching and arranging such additional tests. If the countries do not have such requirements, those authorities are also difficult to certify such special requirements for a small market of Hong Kong. These all in turn increase the costs and limit the choice of good quality products to general public.

If the certificates issued by an officially recognized independent testing institution are required each time when importing the edible fats and oils, this will greatly increase the operating costs and hurt the business environments of many companies, especially small enterprises (SME). In Hong Kong, some small companies and specialty stores only import small quantities of edible oils each time. If they are requested to conduct such kind of extra tests when importing products each time, the costs will be too high and not reasonable for them. These additional requirements will damage the business environments of these small companies (SME) and foster big companies or monopoly in importing edible oils.

When setting new legislations, it should consider

- whether the legislations can tackle the main causes of the problems
- whether the legislations are too strict and using too much resources on restricting low risk high quality products
- whether the standards are taking reference of many developed countries and not just taking the highest standards of each different country

We hope the government can consider these factors when setting new regulations.

Best regards,