Sales volume of SVE products

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The issue

- The public concerns the situation that some products are granted with SVE while same products with nutrition label provided are also available in the market at the same time
- To discuss the approval and renewal of SVE applications for these products





Current regulation

- Under the current NL regulation, products with annual sales volume not exceeding 30000 units may apply for SVE
- If the sales volume of the product of the same version granted SVE has exceeded 30 000 units during the exemption period, the exemption will be revoked.





Counting of sales volume

- When counting the sales volume for the product granted with small volume exemption, it refers to the sum of units sold in Hong Kong by all the exempted grantees in respect of the product.
- Sales volume of other traders not granted with SVE would not be covered when counting the 30 000 units





Granting/renewal of exemption

- According to Cap 132W, Schedule 6, Part 2:
 - The Authority may renew an exemption granted if the Authority is satisfied that the total sales volume of the version of the prepackaged food in HK within the validity period of the exemption has not exceeded 30000 units
 - The Authority may refuse to grant an exemption if the annual sales volume of the prepackaged food (including all of the same version sold in HK) has exceeded 30000 units per year in the last two years



Granting/renewal of exemption

- Therefore, for a product granted with SVE, if it was found that the same products with nutrition label provided are commonly available in the market/ available in large amount at the same time-
 - for exemption renewal, the authority may not satisfy that the total sales volume of the version of the prepackaged food in HK within the validity period of the exemption would not exceed 30000 units
 - the exemption may not be renewed
 - new applications in relation to the product may not be approved within 2 years

Recommendation

 Traders should be aware of the sales situation of their products before considering SVE renewal









