Exemption from Nutrition Labelling

Under

Small Volume Exemption Scheme





Small Volume Exemption

Under the Food and Drugs (Composition and Labelling) (Amendment: Requirements for Nutrition Labelling and Nutrition Claim) Regulation 2008,

- * Prepackaged foods of the same version with annual sales volume in HK not exceeding 30,000 units may be granted with exemption from providing nutrition labelling.
- Prior approval from Centre for Food Safety (CFS) of FEHD is required.





Exemption Restrictions

- * If certain nutrition information is provided on the label, exemption can still be granted. However, such information should be accurate and not misleading.
- * If any <u>nutrition claim</u> is made on the label or in any advertisement, no exemption will be granted.





Eligible Applicants

- ***Importers** (for imported products)
- Manufacturers (for local products)

* For the same product, we can accept applications from more than one importer or manufacturer.





How to define foods of same version?

- In determining whether certain foods are of the same version, the following characteristics will be taken into consideration:
 - ingredients, packing size, flavour, manufacturer/packer's particulars, container and other features.
- * If any one of the characteristics is different, the foods are regarded as <u>different versions</u>.

 Traders should submit separate applications for products of different versions.





<u>Different Pack Sizes</u> of Same Food are regarded as <u>Different Versions</u>







<u>Different Flavours</u> of Same Food are regarded as <u>Different Versions</u>







How to define foods of same version?

- * For products identical in all the characteristics mentioned above but with <u>different packaging</u> <u>design or artwork</u>, whether they are regarded as different versions will be determined on a case-by-case basis.
- * Traders should submit the product details and the package sample for consideration.





How to count the sales volume?

- * Sales volume refer to those at the manufacturer or importer level (i.e. no. of units that are sold to the retailers or distributors).
- * Not referring to those actually sold out by the retailers to the ultimate consumers.
- * Selling unit refer to the unit of the pack size that is to be sold to the ultimate consumers, e.g. 250 mL x 6 packs. Traders should specify such in the application form.





Drink product sold in 6-unit bulk pack







How to count the sales volume?

- * When counting the sales volume for a product granted with exemption, it refers to the sum of the no. of units sold by <u>all</u> the exemption grantees in respect of the product.
- * It <u>does not cover</u> the sales volume for the same product being sold by other manufacturers or importers not granted with exemption.





Fee for Exemption

As prescribed in the Amendment Regulation,

- * Annual Fee for first grant of exemption is \$345
- * Annual Fee for subsequent renewal of the exemption is \$335
- * Non-refundable even if the exemption is revoked by CFS, or voluntarily cancelled by the grantee.





* The exemption will be granted/ renewed subject to the observance of the conditions imposed by CFS





(a) The exemption grantee should inform the distributors / retailers that the exempted products should each bear a specific label/sticker indicating the exemption status when they are displayed for sale.





(b) The exemption grantee should notify CFS any changes to the grantee's particulars, product particulars or the list of the distributors /retailers, within one month of such changes.





(c) The exemption grantee should keep for at least two years a record of distribution of the exempted product.

Such record shall be made available for inspection upon request by CFS.





(d) The exemption grantee should report the sales volume of the exempted product within the first 10 days of the following month; and to produce supporting documents including relevant records or accounts for

inspection upon request by CFS.





(e) The exemption grantee should allow any person appointed by CFS to inspect the records or accounts related to the sales volume of the exempted product.





(f) The exemption grantee should not make any nutrition claim on the label of, or in any advertisement for, the exempted product.





Revocation of Exemption

* If any condition is breached, CFS would issue a warning letter to the grantee for rectification within a specified period.

* If the warning is unheeded to, the exemption may be revoked.





Revocation of Exemption

* If the exemption is revoked due to breach of condition(s), no exemption will be granted to the same grantee in respect of the same product within a period of two years.





Revocation of Exemption

- When the annual sales volume of the exempted product exceeds 30,000 units, the exemption would be revoked.
- No exemption will be granted for the same product within a period of two years.





Renewal of Exemption

- * If the annual sales volume of the product has not exceeded 30,000 units, exemption may be renewed for the following year
- * The sales volume recorded will be reset to zero
- * All the grantees are required to pay the annual renewal fee





* The exempted product, when displayed for sale, should bear a label/sticker printed with the following wordings:

此乃豁免營養標籤產品
Nutrition Labelling Exempted
豁免編號 Exemption No.:
09-XXXXXXX





The wordings shall be —

- (a) in both Chinese and English languages;
- (b) of the type size not smaller than 10 point (or not smaller than 6 point if the total surface area of the food package is less than 200 cm²);





The wordings shall be –

(c) printed in dark block type upon a lightcoloured ground <u>or</u> in light block type upon a dark-coloured ground; and

(d) enclosed by a surrounding line in the shape of a rectangle, a square or a circle.





- * The label shall only include the wordings as specified above.
- * The label shall be securely affixed to or form part of the package, and shall be placed on a conspicuous position; on sides, top or bottom are all acceptable.





- * The Exemption No. shall be put down on the label.
- Alternatively, it may be marked on a conspicuous place in close proximity to where the product is displayed for sale
 (e.g. on the display card for the food name and price put on the shelf)





* The retailers must ensure that the exempted products are marked with the specific label/sticker and the exemption number, otherwise it would be a contravention of the Amendment Regulation.





When will Centre for Food Safety (CFS) accept applications

- * The Amendment Regulation will take effect on 1.7.2010.
- *** CFS** has commenced processing applications since 1.9.2009.





Application Form

- **Traders could download the application** form from CFS's website; or
- **Obtain the form from CFS's main offices.**

+ Completed application forms could be returned by email, post, fax or in person.



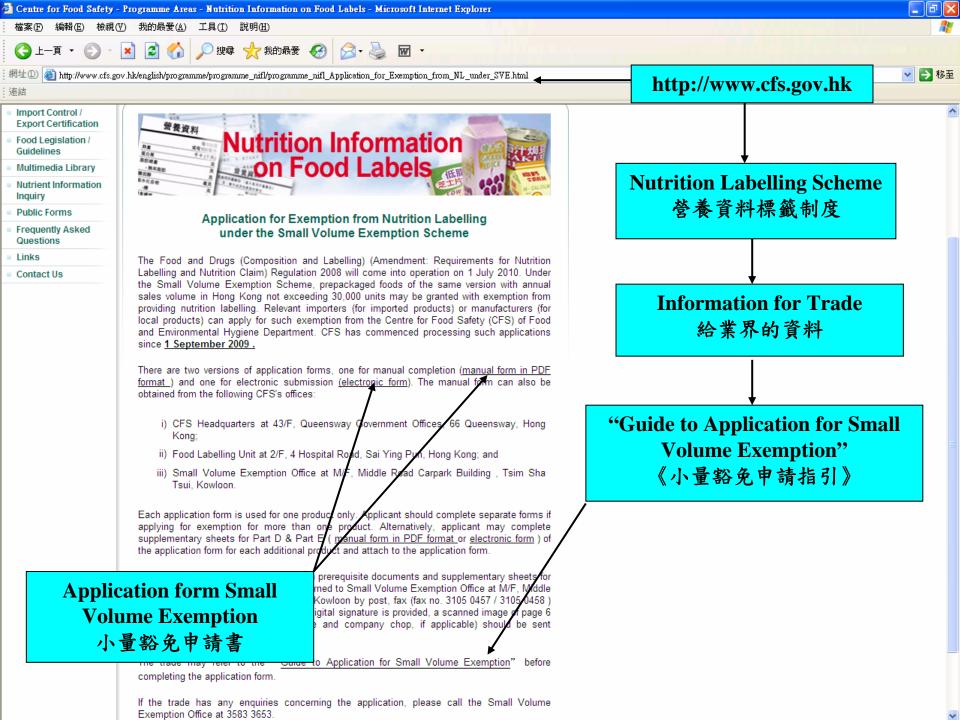


Guide to Application for Small Volume Exemption

Centre for Food Safety has prepared the "Guide to Application for Small Volume Exemption" and uploaded into CFS's website for reference by the trade.







Information and Documents to be Provided by Applicant

- Application can be made in the name of an Individual or a Company.
- Applicant should provide personal/company particulars; and
- submit a copy of valid Business Registration Certificate (BRC).
- For application made in the name of an individual – should also submit a copy of identity card in addition to copy of BRC.





Information and Documents to be Provided by Applicant

Applicant should submit the product information including:

- brand name
- food name
- net weight/ volume/ count
- country of origin
- manufacturer/packer's particulars
- * list of distribution (i.e. names and addresses of the distributors/retailers)

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Information and Documents to be Provided by Applicant

- * Applicant should submit photos or scanned images of the product showing its food name and brand name, and the bar code (if available) that appears on the product package.
- * Applicant can also submit an empty box or wrapper of the product as an alternative.





Granting of Exemption

* For applications submitted before the end of October 2009, CFS would inform the applicant the result of application before 18.12.2009.

* Traders are advised to submit applications as early as possible.





Effective Date of Exemption

* The effective date of the exemption will normally fall on 1.7.2010.

* The applicant may also choose the first day of any month from August to December 2010 as the effective date.





Validity of Exemption

- If more than one applicant apply for exemption for certain product at different time, the exemption granted to any applicant later on would only be valid:
 - (a) up to the expiry date of the exemption granted to the first applicant; or
 - (b) until the annual sales volume of the product has exceeded 30,000 units,
 - whichever is earlier.





Payment of Exemption Fee

- * For exemption to be effected on 1.7.2010, applicant should pay the exemption fee within the period from 2.7.2010 to 24.7.2010.
- * For exemption to be effected from <u>August to December 2010</u>, payment should be made within a specified period before the effective date of exemption.





Arrangement after 1.7.2010

- * Upon the commencement of the Amendment Regulation on 1.7.2010, CFS will notify the applicant of the result of application within 14 working days.
- * Once payment of exemption fee is received from the successful applicant, CFS will issue approval letter within 7 working days.
- * The time between submission of application and obtaining approval is about one month.





Web-based system

- * CFS will set up a website serving as a single platform:
 - For the traders to submit applications for exemption;
 - For the grantees to have access to and report the sales volume of the exempted products;
 - For the general public to know which products are exempted.





Web-based system

- *The system will alert CFS and the grantees when the sales volume of the product is:
 - Approaching exemption limit (say 70% and 90%)
 - Exceeding exemption limit





- End -

Thank You!



