

| Your ref. | Our ref. | Date |
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| | | 18 th February 2013 |

Private and Confidential

BY POST AND BY EMAIL (fhbenq@fhd.gov.hk)

Food and Health Bureau
18/F, East Wing
Central Government Offices
2 Tim Mei Avenue
Tamar, Hong Kong

Dear Sirs,

Re Amendments to Import and Export
(General) Regulations (Cap. 60, sub. Leg. A)

We refer to your Consultation Document of Amendment to Import and Export (General) Regulation (Cap. 60, sub. Leg. A) dated February 2013 (“the Consultation Document”).

We would like to express our opposition to the enactment of this Law based on the following reasons:-

Supply

In general, there is no overall supply or shortage issue in Hong Kong. Where only 1 or 2 SKU of 1 or 2 brand of powdered milk has out of stock issue at retails level, as in Chapter 1.2 of the Consultation Document. Supply of other SKUs of other brands has always been abundant. As such enactment of this law seems not necessary at all.

In addition, all key powdered milk suppliers have their own “Mama Club” which could satisfy the local demand.

Free Market

Hong Kong is a free market where it is being famous of. By amending the Import and Export (General) Regulations (“the Regulations”) to prohibit the export of powder formula for infants and young children under the age of 36 months from Hong Kong except with a licence issued by the relevant authority, it is very likely to undermine the international reputation of Hong Kong to which we are proud to have.

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In case the Government goes ahead with the proposed legislation, we have the following suggestions:-

Facilitate to Trade

The government should consider to have an exempted country lists, such as, Macau and Taiwan, whom are our close neighbors.

Practicality

In day to day business, there is often product testing conducted by the authority which is time consuming. If the proposal is passed, it will diminish the economic environment from both consumer and trade perspectives, where undue time and costs will certainly incur (i.e. from the stage of testing to licensing). This is even so, there will be a deficiency in the crisis situation. As such, the Government should consider shortening the approval time in normal situation, while during crisis, flexibility should be adopted in the approval procedure.

In summary, deeper discussion, observation and consideration are necessary to protect the best of interest for Hong Kong people. With every respect to the Consultation Document, we believe there is a need to extend the consultation period in order to collect more voices and come up with a comprehensive solution.

Yours faithfully,
Nestlé Hong Kong Limited



William KWONG
Corporate Affairs