



**Views about Legislative proposals on regulation of edible fats and oils
and recycling of "waste cooking oils"**

to: edible_oils@fehd.gov.hk

5/10/2015 20:28

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From:

To: "edible_oils@fehd.gov.hk" <edible_oils@fehd.gov.hk>

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1 個附件檔



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Dear Sir/Madam,

We would like to express our company's view about the legislative proposals on regulation of edible fats and oil and recycling of "waste cooking oils".
Please find the attached letter for your perusals.

Best regards,
Jones Lam

R & D Department
Nissin Foods (H.K.) Management Co., Ltd



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Food and Environment Hygiene Department
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Views about Legislative Proposals on Regulation of Edible Fats and Oils and Recycling of "Waste Cooking Oils"

According to the Hong Kong Merchandise Trade Statistics Imports, in 2014, Hong Kong imports about 9,178 tons of refined palm oil, in which, about 58% was imported by Nissin Foods for production use. In the same period of time, Hong Kong imported about 417 tons of sesame oil from Japan, in which, about 31% was imported by Nissin. We also imported other vegetable oils from Japan, Canada and USA. All the imported vegetable oils were used for production of instant noodle.

From the above data, it is obvious that vegetable oils are key ingredient for our instant noodle products. We understand the rationale behind about Hong Kong government's intention to amend existing regulations to regulate disposal of recycle oil and make specific legal standard for edible oil and fats. We also fully support Hong Kong government's initiatives to protect consumer's health.

However, the problems are in the details. We would like to express our concern over details in proposed regulation on Import and Export of Edible Fats and Oils.

Concern 1. Different quality standard with main importing countries
According to the consultation document, Hong Kong market situation: Main importing countries are China 24%, Canada 20%, Brazil 18%, USA 10%. The proposed standard specification, such as Aflatoxin & Benzo[a]pyrene, not

only stricter than CODEX international standard, but also stricter than China and Canada, which are the top 1 & 2 edible fats and oil exporting countries to Hong Kong. If the exporting countries cannot meet the Hong Kong's new quality standards, Hong Kong will need to stop import from these countries.

Table 1. Requirement on quality parameters for vegetable fats and oil in different countries/places

Countries /Places	standards for Edible vegetable Fats and Oils (max. levels)				
	As mg/kg	Pb mg/kg	Erucic acid %	Alfatoxins ug/kg	Benzo[a]pyrene ug/kg
Hong Kong (proposals)	0.1	0.1	2	5	5
CODEX	0.1	0.1	2	NA	NA
China	0.1	0.1	2	10	10
Canada	NA	NA	NA	15	NA
USA	0.1	0.1	2	5	2
Malaysia	0.1	0.1	NA	5	NA
Japan	NA	NA	NA	10	NA

Concern 2 Provide official certificate by government or government recognized independent testing institution certifying that the edible fats and oils fulfill Hong Kong requirements.

It is common practice for product origin country to issue government health certificates for foods which pose high risk, such as dairy and animal products. But for plant origin vegetable oil, they are not considered as high risk food ingredients, only few countries will issue official government certificate according to their common procedure. The consultation document also admitted the fact that there is no uniform requirement concerning whether imported edible fats and oil should be accompanied by official health certificates. In case the official certificate requirement was written in the regulation, then the country failing to do so will have to stop importing their cooking oil to Hong Kong and withdraw from Hong Kong market.

As mentioned before, most of the cooking oils in Hong Kong market are imported from No.1 China, No.2 Canada, No.3 Brazil, No.4 USA...etc. According to Hong Kong Merchandise Trade Statistics Imports data, in 2014,



top 4 groups of edible oil, namely Soya Bean Oil, Rape_Colza or Mustard Oil, Palm Oil and Peanut Oil occupy 83% of Hong Kong total import amount. Remain 14 groups of edible oil only accounts for 17% of import amount. Each of their import share is less than 5%. As they are in small volume, the exporting country might not be able to issue a government certificate particularly for Hong Kong. Even if they can issue the certificate, the cost will become high. Eventually, those minority oils will vanish from Hong Kong market too.

In case of sesame oil, it's impossible to obtain the health certificate from Japan government with current government policy.

As a result, such government-imposed restraint to vegetable oil goods in Hong Kong will become a trade barrier. Food industry in Hong Kong including food manufacturers, hotel and restaurants only can import oil from country which can provide government approved certificates, such as China. This will inhibit competition and food varieties. In such a case, this will also damage the food paradise image of Hong Kong, as only oil from limited country can be used. In order to protect the health of consumers in Hong Kong, our company also believes that safety of edible oil and fats should be strengthened, but the proposed legislation content has deviate from the original good will and confused the domestic food industry. We are highly concerned that it might pose the food industry a serious problem.

In lieu of official certificate, we suggest to use de facto approach to facilitate the trade. Require vegetable oil importers to obtain the related safety certificate document such as Certificate of Analysis from the manufacturer by each production lot and keep the record. In addition to that, require Hong Kong importers to analysis the oil product regularly by the third party laboratory and keep the record. We consider that it is enough to guarantee the safety of cooking oil and fats.

In order to regulate the oil and achieve food safety protection, we suggest to regulate the cooking oil which is in large quantity and pose high risk as an alternative proposal.

we suggest that the new regulation targets on high import volume and large usage cooking fats and oil, such as top 4 edible fats and oil major vegetable oil



in Hong Kong , namely Soya Bean Oil, Rape_colza or Mustard Oil, Palm Oil and Peanut Oil. In addition to that, you may consider to include peanut oil and lard, they had safety problem in the past.

Concern 3 **Products covered in the proposed regulatory regime**

In the consultation document, only below products was excluded:

- Butter, margarine and their mixture
- Cocoa butter

For Flavour and Flavouring material widely used in food industry, they usually contain edible fats and cooking oil as carrier body of the flavor. As categorized by Codex, flavor and flavorings fall outside the scope of edible fats and oil, they should be excluded from the regulation too.

In addition, for edible fats and oil products in transit or re-export to other country, as they are not intended to be used in Hong Kong, an exemption arrangement should be stated clearly in regulation amendment to facilitate the trade.

Once again, we agree and welcome about the spirit of providing a new standard in order to ensure food safety. However, such as government certificate is impossible to obtain in some countries under present conditions, if the regulation were enforced, that will cause big problem to the development and the continuity of the food industry in Hong Kong.

Our company feels grateful to all the Hong Kong peoples' supports in manufacturing and selling of Demae Ramen [出前一丁] and Doll [公仔麵] brand instant noodle and sell in Hong Kong for so many years. We are proud of that and hope to continue to manufacture and sell in Hong Kong in the future.

We appreciate that Hong Kong government can understand local food manufacturer's situation.

Rank	Item	Percentage
1	Soya Bean Oil	35.19%
2	Rape, Colza or Mustard Oil	29.90%
3	Palm Oil	10.44%
4	Peanut Oil	7.69%
5	Olive Oil	4.38%
6	Corn Oil	3.95%
7	Lard	3.47%
8	Sesame Oil	1.95%
9-18	Others	3.01%

Others		Percentage
	Other Fixed Vegetable Fats	1.01%
	Sunflower Seed or Safflower Oil	0.89%
	Coconut Oil	0.64%
	Castor Oil	0.14%
	Fish Liver Oil/Fish Oil	0.12%
	Animal Oils and Fats	0.10%
	Linseed Oil	0.07%
	Vegetable Fats and Oils	0.02%
	Cotton Seed Oil	0.02%
	Fats of Bovine Animals, sheep or Goats	0.002%

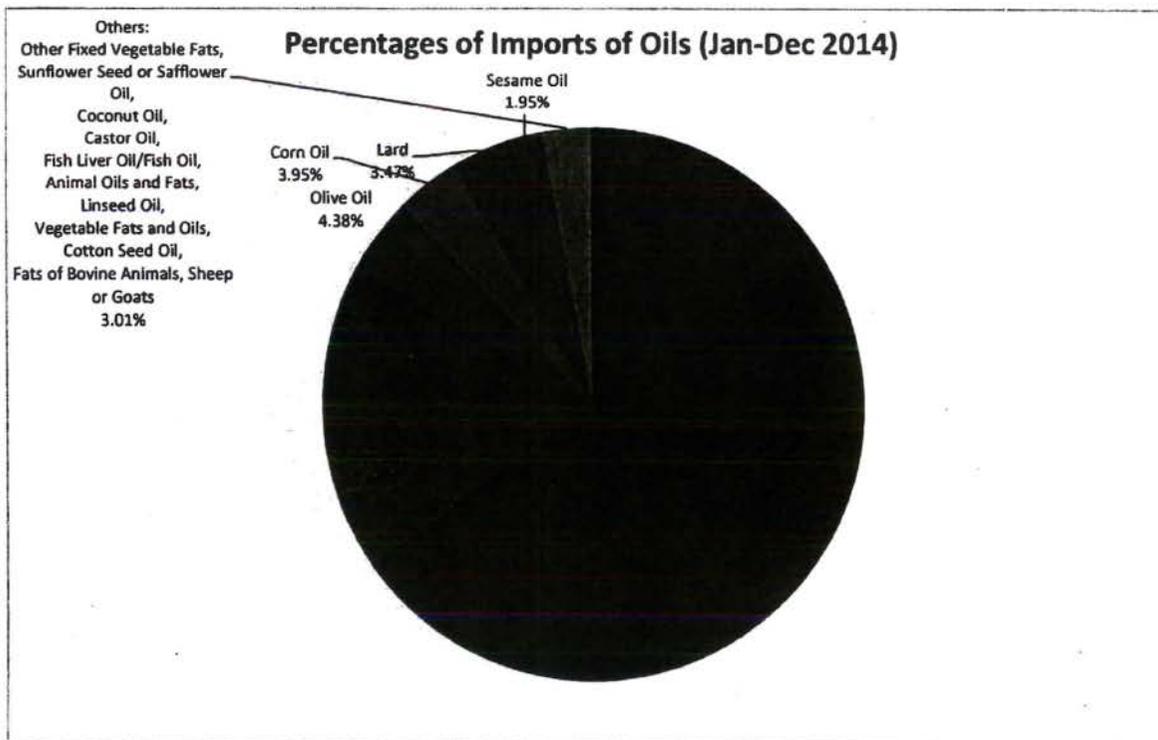


Table 2 Percentages of Imports of Oil (Jan-Dec 2014)
 data extracted from
 Hong Kong Merchandise Trade Statistics - Imports December 2014
 Census and Statistics Department, Hong Kong Special Administrative Region