## Business Facilitation Advisory Committee Wholesale and Retail Task Force

# Application and Renewal for Exemption from Nutrition Labelling – System for Small Volume Exemption

### Purpose

This paper briefs Members on the Application and Renewal for Exemption from Nutrition Labelling – System for Small Volume Exemption (SSVE) developed by the Centre for Food Safety (CFS) of the Food and Environmental Hygiene Department.

### Background

2. To implement the long term strategies for IT-enabled business transformation, the CFS fully reviewed its IT systems in end- 2017 and has gradually enhanced them to increase efficiency, reinforce its capability in food import control and surveillance, step up food traceability and improve the effectiveness of food incident management.

3. The Food Trader Portal (FTP) system developed by the CFS provides a one-stop electronic platform for communication between food traders and the CFS and has been launched in phases since end-2019. The FTP aims at strengthening the CFS' capability in food import control, streamlining workflows and facilitating the trade through IT applications. The SSVE is one of the services.

#### System for Small Volume Exemption

4. Currently, the Director of Food and Environmental Hygiene (DFEH) may grant exemption in respect of any prepackaged food, with annual sales volume in Hong Kong not exceeding 30,000 units and does not carry nutrition claims on its label or in any advertisement, from the nutrition labelling requirements stipulated in the Food and Drugs

(Composition and Labelling) Regulations ("the Regulations") (Cap.132W) (known as Small Volume Exemption (SVE)).

5. After the upgrading of the Food Import Control System (FICS) since March 2014, the SVE application could be submitted via FICS electronically. The CFS has further enhanced the IT systems and launched the SSVE at the end of December 2022 to replace the existing SVE application module under FICS.

6 The SSVE is a one-stop 24x7 electronic communication platform between food traders and the CFS. Applicants can easily apply for small volume exemption at any time without submitting and collecting documents in person or by mail. It also provides a simple online payment function. The SSVE issues formal approval letter automatically upon confirmation of online transaction. The SSVE checks the accuracy of some input data automatically (e.g. verification of the digit accuracy (including pattern and length) of Business Registration Certificate number, HK identity card number and telephone numbers, etc.). The applicants can retrieve and save a past record as a template for new application. This will save the effort of inputting the same information repeatedly. The interface for the public to view SVE products in the system was optimized. Application by electronic means through the SSVE reduces paper consumption, which is environmental friendly and economical.

7. Apart from the above functions of SSVE provided, food traders may make use of the SSVE to check the exemption products, apply for amendment and cancellation of new / renewal application. Food traders may also check the cumulative sales volume of a product when it has reached 70%, 90% and over 30,000 units; monthly reporting of sale volume; products enquiry and updating the information on the exempted products; and updating the information of company / user account. The CFS also issues notifications relating to exemption SVE applications through the SSVE.

8. Besides, the exemption fee for SVE applications submitted through SSVE is lower than that for applications submitted by other means (e.g. by hand, mail, fax or email). For new applications and renewal applications submitted through the SSVE, the fees are \$265 and \$250 respectively while for new applications and renewal applications submitted by other means, the fees are \$345 and \$335 respectively.

9. In preparation for the rollout of the SSVE services, the CFS has organised briefings and training workshops for food traders in September 2022 to help them familiarize with the online operation. Online resources including tutorial videos, frequently asked questions and operational manual have also been uploaded to the SSVE website (www.ftp.cfs.gov.hk/ssve/) for reference of food traders.

10. At the end of March 2023, more than 630 food traders have already registered and opened accounts on the SSVE. Around 3,200 new and renewal products had been processed by the SSVE, about 94 % of the products were processed via online submission.

### **Advice Sought**

11. Members are invited to note the content of this paper.

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