

**Twenty-fifth Meeting of  
the Business Facilitation Advisory Committee**

***Agenda Item 4(a) : Report on the work of the  
Wholesale and Retail Task Force***

**Purpose**

This paper reports on the work of the Wholesale and Retail Task Force (WRTF) since the last Business Facilitation Advisory Committee meeting held on 28 November 2013.

**Work progress of WRTF**

***Enforcement of Newly Amended Trade Descriptions Ordinance***

2. The Customs and Excise Department (C&ED) has recently briefed WRTF on the enforcement of the newly amended Trade Descriptions Ordinance (TDO), which came into effect on 19 July 2013.

3. WRTF is concerned about the enforcement of TDO against traditional food items. For example, most if not all beef tendon balls in Hong Kong do not contain beef tendon. In response, C&ED advises that “trade description” as defined in TDO covers every information that will influence customers to buy the items. The question is to what extent that the trade description has affected customers to decide on making the transaction and each case must be determined individually. For example, customers’ expectation will be completely different between a bowl of “shark fin soup” sold by a street hawker at a few dollars and an expensive one sold by a high-end restaurant.

4. WRTF requests the department to consider citing more examples in the Enforcement Guidelines to clarify grey areas for traditional food items. C&ED agrees to beef up the guidelines in this area when they are due for review.

***Progress update on the Pharmaceutical Licensing Applications and Movement Monitoring System (PLAMMS)***

5. The Department of Health (DH) has updated WRTF on the current position of PLAMMS for unregistered pharmaceutical products which is tentatively scheduled to be launched in May 2014. The existing performance pledge for issuing a licence in manual mode for the import/export of un-registered drugs is two working days. With implementation of PLAMMS, approval will be almost instant if the product has already been enlisted and the application passes the built-in evaluation check. Traders will not be charged in using PLAMMS and can even save the money on buying the paper application forms. For security reason, they need to procure an e-certificate from the Hong Kong Post in order to access PLAMMS. The first-time subscription fee of an e-certificate is around \$50 and the subsequent annual renewal fee is around \$150.

6. Besides applying to DH for import/export licences, traders also need to file trade declarations to C&ED. As some of the information required for these two documents is common, a feature has been built in PLAMMS to enable the traders to retrieve the relevant information from the system for the submission of trade declarations. This will reduce the administrative burden of traders and minimize human errors of their data input.

7. WRTF appreciates the efforts of DH in developing PLAMMS to help reduce the business compliance costs and offer convenience for the trade to track their past transaction records on import and export of the drugs.

***Review of Small Volume Exemption (SVE) Fees under Nutrition Labelling Scheme***

8. The Food and Health Bureau (FHB) and the Centre for Food Safety (CFS) have briefed WRTF on the review results of SVE fees under the nutrition labelling scheme in respect of prepackaged food with annual sales volume in Hong Kong not exceeding 30 000 units.

9. As a result of streamlining the application procedures and upgrading the computer systems, the time taken to process SVE applications through the Food Import Control System (FICS) has been reduced. Hence, there is room to reduce the SVE fees for such applications. Subject to the

negative vetting of the Legislative Council, the fees for new applications and renewal applications submitted through FICS will be reduced from \$345 to \$265 and from \$335 to \$250 respectively. The fees for submission by other means (for example, by mail and fax) will remain the same. It is expected that the new fees will take effect on 24 March 2014.

10. WRTF appreciates the efforts of FHB and CFS in reducing the compliance costs to the trade.

### **Way forward**

11. Members are invited to note the work progress of WRTF. The Task Force will continue to monitor the development of the issues.

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