

**Fifty-first Meeting of
the Business Facilitation Advisory Committee**

***Agenda Item 3(a) : Report on the work of the
Wholesale and Retail Task Force***

Purpose

This paper reports the work of the Wholesale and Retail Task Force (WRTF) since the last Business Facilitation Advisory Committee meeting held on 23 February 2023.

Work progress of WRTF

***Proprietary Chinese Medicine Registration Supporting Scheme (A3 Scheme)
under the Chinese Medicine Development Fund***

2. At the WRTF meeting of 5 May 2023, the Hong Kong Productivity Council, implementation agent of the Chinese Medicine Development Fund, introduced the WRTF on the A3 Scheme under the Chinese Medicine Development Fund (CMDf). Launched in September 2019, A3 Scheme aims to provide eligible local licenced proprietary Chinese medicines (pCms) manufacturers or wholesalers with subsidy and technical support for application for “Certificate of Registration of pCm” (HKC), including the engagement of consultants to provide relevant expert advice and subsidisation of the conduct of necessary laboratory testing for pCm products. Each eligible pCm manufacturer or wholesaler can apply for subsidy for a maximum of ten pCm products under its ownership or licence. The maximum subsidy of \$20,000 could be approved for each pCm product, and the funding amount for each item will be 50% of the fees of eligible consultancy and/or laboratory testing services.

3. A3 Scheme has approved approximately 650 applications since its launch, benefitting 130 licenced local manufacturers or wholesalers of pCm. The CMDf will continue to strengthen the publicity and promotion of the A3 Scheme, maintain close liaison with stakeholders of the Chinese medicine (CM) sector and enhance the implementation of the CMDf from time to time.

4. The WRTF welcomed the setting up of the CMDf and considered it conducive to supporting the development of CM and enhancing the overall standard of the CM sector.

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

5. At the same meeting, the Centre for Food Safety (CFS) of the Food and Environmental Hygiene Department (FEHD) introduced to the WRTF the System for Small Volume Exemption (SSVE) which facilitates the application and renewal for exemption from nutrition labelling by the trade. The Director of Food and Environmental Hygiene may grant exemption from the nutrition labelling requirements (Small Volume Exemption (SVE)) 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. As from March 2014, the trade can submit SVE application electronically via the Food Import Control System (FICS). The CFS has then further enhanced the IT systems, launched the SSVE at the end of December 2022, and incorporated the SSVE into the Food Trader Portal. The trade can submit SVE application through this one-stop electronic platform.

6. The SSVE provides new online payment function, and formal approval letter will be issued to applicants automatically upon confirmation of online transaction. Besides, the exemption fee for applications submitted through SSVE is lower than that for applications submitted by other means. As at the end of March 2023, around 3 200 new and renewal products had been processed by the SSVE, and 94% of the products were processed via online submission.

7. The WRTF appreciated the CFS had implemented the SSVE to provide the trade with business facilitation e-services.

Way forward

8. Members are invited to note the work progress of the WRTF. The WRTF will continue to monitor the development of the above initiatives.

**Business Facilitation Team
Efficiency Office
Innovation, Technology and Industry Bureau
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