

Hong Kong Clamps Down on Cross-Border Baby Formula Trade

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HONG KONG (AP) — Hong Kong announced measures Friday to curb the amount of baby formula that mainland Chinese visitors are buying as anger grows at shortages in the city's stores ahead of the Lunar New Year holiday.

Chief among the measures is a plan to change the law to restrict the amount of baby formula that individuals can take out of the city.

Food and Health Secretary Ko Wing-man said legislation would be amended to prohibit taking more than 1.8 kilograms (4 pounds) of formula past Hong Kong's borders. The amount is equal to two cans of formula.

Mainland Chinese have increasingly looked abroad for baby formula following a series of tainted-formula scandals. In 2008, tainted formula killed six babies and sickened another 300,000 infants in China. Last summer, Yili Industrial Group recalled infant formula because of "unusual" levels of mercury. At about the same time, Hunan Ava Dairy Industry Co. said it found a cancer-causing toxin linked to mildewed cattle feed in five batches of baby formula.

The law change is aimed at so-called parallel traders from mainland China, who have been flooding into the city to buy up consumer goods that also include cosmetics, toiletries and electronics for resale back home. Parallel trading is frowned upon by Hong Kongers but is not illegal.

"We feel that the formula supply chain being out-of-order is directly related to parallel trading," Ko said at a press conference. "The large demand from parallel traders will lead to shortages of formula at retail outlets on numerous occasions," so the government will change export regulations to clamp down on the traders, he said.

Officials also announced other measures including a hotline that parents can call to order formula if stores have run out. They will also step up coordination with their mainland Chinese counterparts at border checkpoints to increase scrutiny of travelers and tighten up luggage limits on the main rail line that runs to the border.

Traders wheeling bulky bags or boxes stuffed with their purchases have become a common sight at train stations near the city's border with mainland China. Residents complain that their oversized luggage clogs up stations.

The baby formula controversy highlights how cross-border shopping at both the high and low end has become a major source of friction between Hong Kongers and mainland Chinese some 15 years after the former British colony was returned to

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Beijing.

Hong Kong has become a magnet for mainland visitors, with about 35 million arriving last year — or about five times the city's population. They're drawn by tax free shopping, a reputation for quality products and the strength of the yuan against the Hong Kong dollar. But some locals are growing increasingly uneasy, calling them "locusts" for their purchases of everything from apartments to luxury goods.

Last year, a Dolce & Gabbana boutique was the target of protests after a staff member reportedly tried to prevent Hong Kong people — but not mainland Chinese or foreigners — from taking photos of the shop windows from the sidewalk.

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