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GAIN Report

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Regulating Edible Oil Trade

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Report Highlights:

The recent detection of substandard lard produced from recycled cooking oil has caused the recall of hundreds of food products in Hong Kong and generated new proposals to regulate cooking oil waste in Hong Kong.

Background

In early September, Taiwan officials recalled hundreds of food items after discovering they were manufactured with lard prohibited for use in human consumption. The lard was made from recycled cooking oil collected in Hong Kong and manufactured for use in animal feed. However, the lard was subsequently relabeled for human consumption and exported to Taiwan where it was used to make a variety of baked and noodle products. These products were distributed in Taiwan and exported to Hong Kong. In conjunction with the recall, Taiwan officials banned the importation of Hong Kong based lard.

Hong Kong authorities also issued a Food Safety Order banning all imports of lard/lard product produced by the Taiwan company after March 1, 2014 and recalled all food products made by the contaminated oil. (The contaminated oil was identified by Taiwan authorities as being produced after March 1, 2014.) According to preliminary estimates, about 500 MT of food was recalled.

Hong Kong authorities have since conducted 46 tests at the retail level on edible oils to determine the amount of Benzo[a]pyrene (BaP), aflatoxins and metal contaminants contained in the oil, in conformance with Codex and international practice. To date, no samples of food and lard have shown abnormal results.

Recycling Cooking Oil Waste from Restaurants

Utilization of low-priced recycled cooking oil waste in Hong Kong is restricted to animal feed. More commonly, though, it has been used in biofuel production. However, prices for local recycled oil waste in recent years have risen significantly as new demands from unscrupulous traders marketing it as edible oil pose a new threat to public health.

Remedial Action

This cooking oil scandal has critics urging the government to strengthen regulation of cooking oil in the interest of public health. Currently, Hong Kong does not require any licensing control for the collection of cooking oil waste.

In response, the Hong Kong Center for Food Safety has pledged to consider action in three areas:

- First, to ensure the safety of edible oil, the Hong Kong authorities will consider establishing a food standard for edible oil by referencing Codex and prohibiting the reuse of cooking oil.
- Second, the HKG will review requiring mandatory certification for cooking oil imports and exports. Wholesalers, retailers and restaurants would have to obtain health certificates from suppliers to verify the origin as a legitimate source. The certificates could be issued by either government authorities or accredited testing organizations.
- Third, a licensing system may be established to regulate the recycling of used cooking oil. This measure would stipulate that food factories as well as restaurants be required to deposit used

cooking oil to recyclers or collectors recognized by the Environmental Protection Department. Trade records would be required for traceability.

Officials at the Center for Food Safety indicated that these are preliminary ideas and will be thoroughly reviewed in light of their practicality. For instance, they will liaise with various countries to see if the food safety authority of edible oil supplying countries can issue health certificates.

The public responded to the proposed measures has been mixed. While some welcomed the proposed measures, others reacted with reservations, predicting that certification requirements for edible oil would likely raise production costs and retail prices for consumers.