

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT POLICY

Voluntary - Public

Date: 7/6/2018

GAIN Report Number: HK1818

Hong Kong

Post: Hong Kong

Macau Food and Agricultural Import Regulations and Standards Report

Report Categories:

FAIRS Annual Country Report

Approved By: Alicia Hernandez

Prepared By: Caroline Yuen

Report Highlights:

This report provides general background information on Macau's Food Import Regulations.

This report was prepared by the Agricultural Trade Office of the USDA/Foreign Agricultural Service in Hong Kong for U.S. exporters of domestic food and agricultural products. While every possible care was taken in the preparation of this report, information provided may not be completely accurate either because policies have changed since its preparation, or because clear and consistent information about these policies was not available. It is highly recommended that U.S. exporters verify the full set of import requirements with their foreign customers, who are normally best equipped to research such matters with local authorities, before any goods are shipped. FINAL IMPORT APPROVAL OF ANY PRODUCT IS SUBJECT TO THE IMPORTING COUNTRY'S RULES AND REGULATIONS AS INTERPRETED BY BORDER OFFICIALS AT THE TIME OF PRODUCT ENTRY.

Section I: General Food Laws

Macau is located at the entrance of the Pearl River Delta, about 89 miles southeast of Guangzhou and 40 miles southwest of Hong Kong. It covers a total area of 30.8 square kilometers with a population of 653,100. Relying on gambling industry, Macau has a high gross domestic product per capita, which stood at USD 77,099 (MOP 622,803) in 2017, higher than in the United States (USD53,129). The small city also attracted a record of 33 million tourists in 2017.

Formerly a Chinese territory under Portuguese administration, Macau became a Special Administrative Region (SAR) of the People's Republic of China on December 20, 1999. The Macau SAR (MSAR) maintains a high degree of autonomy in all matters except foreign, defense, and security affairs, as promised by China for 50 years.

Under the "one country, two systems" principle, Macau enjoys autonomy in setting its own trade policies. According to its "Basic Law", Macau maintains a free-port status and adheres to a free trade policy. It remains a separate customs territory from Mainland China and has its own import and food safety regulations. Macau may develop bilateral relations with other countries or regions, and participate in international organizations and multinational treaties on its own under the name 'Macau, China' in the areas of commerce, trade, finance, aviation, communication, tourism, culture, technology, and sport. Macau is a member of the World Trade Organization (WTO).

Macau has an insignificant level of farming, if any. It relies exclusively on food imports. Virtually all food products in Macau are imported. The majority of Macau's imports from foreign countries, other than those from China, are transshipped via Hong Kong, because the small population does not support orders large enough for overseas suppliers to sell directly to Macau. On the other hand, local buyers feel comfortable and convenient to buy small volume just-in-time from Hong Kong traders.

If food products are sold to Macau entering Hong Kong initially instead of having a "through-bill" to Macau, they are not considered as "products in transit" but imports to Hong Kong, thereby, they are required to meet Hong Kong's food import regulations as well. The Hong Kong government may take samples at import, wholesale, or retail levels for testing. (For information regarding Hong Kong's import regulations, please see report.)

However, some food regulations provide exceptions for re-exports. For example, the labeling requirements apply on "Prepackaged foods", which is defined as ".....the food is ready for presentation to the ultimate consumer or a catering establishment....". The Preservatives Regulation states that "these regulations shall not apply in the case of any article which has been imported into Hong Kong for the purpose of re-export......".

In general, food products complying with Hong Kong's food regulations can have access to the Macau market.

Macau's currency, the Pataca (MOP), is pegged at 1.03 to the Hong Kong dollar, which is also freely accepted in the territory. As the Hong Kong dollar is linked to the United States dollar (USD), the pataca is indirectly pegged to the United States dollar at an exchange rate of about USD1:MOP8.

Regulatory Set-up

Macau's food labeling regulations fall under the portfolio of the Macau Economic Services via <u>Law</u> No.50/92/M.

The Civic and Municipal Affairs Bureau (IACM) is the principal food safety authority, among its many other oversight responsibilities for sewerage, environmental hygiene, and parks. While all policy direction rests with the Bureau's Administration Committee, which is composed of a Chairman, two vice chairmen, and five members, the executive arm of food related policy lies with the Department of Food and Animal Inspection and Control and the Food Safety Center. The Bureau's umbrella also covers a government laboratory which supports all testing associated with food safety regulation. (IACM is in the process of reorganization by transferring its oversight on cultural and sports affairs to other bureaus. The reorganization also includes the establishment of Municipal Institution, details of which have not been announced.)

Presently, the Department of Food and Animal Inspection and Control under IACM is responsible for enforcing food import and export and food safety regulations on products that require mandatory inspection including meat, produce, dairy products, eggs, and seafood.

Under IACM is the Macau Food Safety Center, which was established in 2013, coinciding with the commencement of the Food Safety Law. The Center is tasked with implementing the Food Safety Law which covers food safety surveillance, risk assessment, and standards development.

The Center has set up the following standards since its establishment in 2013. According to the Food Safety Center, the food standards are established by making reference to Codex, major food supplying partners, and local dietary habits. The implementation of these standards has not impacted U.S. exports to Macau.

Law No. 5/2013 Food Safety Law

Administrative Regulation No. Regulation on Veterinary Drug Residue in Food

13/2013

Administrative Regulation No. List of Prohibited Substances for Use in Food

6/2014

Administrative Regulation No. Maximum Limits of Radionuclides in Food stuffs

16/2014

Administrative Regulation No. Limits of Pathogenic Microorganisms in Powdered Infant Formulae

16/2015

Administrative Regulation No. Amendment to Administrative Regulation No. 6/2014 (List of Prohibited

3/2016 Substances for Use in Food)

Administrative Regulation No. Limits of Pathogenic Microorganisms in Milk Products

2/2016

Administrative Regulation No. Maximum Limits of Mycotoxins in Food

13/2016

Administrativa Regulación No. Nutritional Requirements for Infant Formula

28/2016

Administrative Regulation No. Standard for Uses of Food Coloring in Foodstuffs

30/2017

Administrative Regulation No. Standard for Uses of Sweeteners in Foodstuffs

12/2018

The Law and Administrative Regulations are available in Portuguese and Chinese at Government Printing Bureau.

Section II: Food Additive Regulations

Administrative Regulation No. 13/2013 stipulates the maximum residue level (MRL) of veterinary drugs in animal products. The regulation is not based on a positive list approach. Macau government officials explained that the regulation included the MRL of 18 veterinary drugs only and is by no means comprehensive to include all the veterinary drugs currently in use. Therefore, enforcement will be supplemented with risk assessments if necessary. If meat products are found with drug residues not listed on the regulation, the Food Safety Center will conduct risk assessments to determine whether the drugs and residue levels are acceptable. The products are allowed to be circulated in the market before the Center has reached any conclusion of the ad hoc risk assessment on any veterinary drugs not listed on the regulation. Officials indicated that their risk assessments will make reference to international standards.

Administrative Regulations No. 6/2014 and No. 3/2016 prohibit the use of seven chemicals/hormones/antibiotics in all foods, namely, malachite green, nitrofuran, diethylstilbestrol, chloramphenicol, melamine sudan dyes, and boric acid.

Administrative Regulation No. 30/2017 imposes regulatory control on the use of coloring matter in foods which should be based on Good Manufacturing Practices to minimize the use of chemicals. The Regulation prohibits the use of coloring matter in meats, seafood products, produce, and baby formula products.

The Regulation contains a positive list of coloring matter. Foods are not allowed to use any coloring matter not listed in the Regulation.

Administrative Regulation No. 12/2018 regulates the use of sweeteners by food producers and traders by means of a positive list, which allows a total of 19 types of sweeteners in food. "Sweeteners" refer to food additives that are used to replace sugar and do not include monosaccharides and disaccharides. The use of sweeteners have to be based on Good Manufacturing Practices.

Section III: Pesticide and Other Contaminants

Not available

Section IV: Packaging and Container Requirements

Not applicable

Section V: Labeling Requirements

A) General Requirements

Macau's prepackaged food and beverages are subject to labeling requirements. Exemptions are provided for beverages with an alcoholic content over five percent. The following items are required to be labeled on the packaging:

- Product name
- Ingredient list, which includes additives' name and functions (List is contained in Administrative Regulation No 556/2009.)

The following products are exempted from being labeled with ingredient list: single ingredient products, fresh fruit and vegetables, carbonated water, and fermented dairy products with no other ingredients other than bacteria and salt.

• Expiration date:

Product durability of less than three months has to indicate the expiration date in terms of date and month. Product durability between 3 to 18 months has to show the expiration date in terms of month and year. Product durability exceeding 18 months needs to show the expiration date in terms of year only.

Exemptions are provided to produce, bread and pastries consumed within 24 hours, vinegar, salt, sugar, candies, and chewing gum.

- Importer's contact information including name (importer/company) and address
- Weight
- Lot number

Under certain conditions, the country of origin, storage method, and usage method need to be stated on the label of prepackaged food as well.

The labeling requirements for non-prepackaged foods are limited to the product name, lot number, and expiration date. The country of origin is required when its absence might mislead consumers from which countries that the products are made.

The labeling of foods can be in Portuguese, Chinese, or English.

B) Requirements for Other Specific Labeling Requirements

Currently, Macau does not have any other specific labeling regulations for nutrition, GMO, organic, claims, etc.

Section VI: Other Specific Standards

Macau has specific regulations for the following:

Administrative Regulation No. 16/2014: Maximum Limits of Radionuclides in Foodstuffs

This regulation establishes maximum permitted levels of radionuclides detected in food. Radionuclides refer to unstable chemical elements, whose atoms disintegrate spontaneously and emit ionizing radiation.

<u>Administrative Regulation No. 16/2015</u>: Limits of Pathogenic Microorganisms in Powdered Infant Formulae

This regulation does not allow the detection of Enterobacter Sakazakii and Salmonella in powdered infant formulae for babies under 12 months of age.

Administrative Regulation No. 2/2016: Limits of Pathogenic Microorganisms in Milk Products.

This regulation does not allow the detection of salmonella, Staphylococcus aureus and other coagulase-positive staphylococci, and Listeria monocytogenes in the following dairy products: Ultra High Temperature milk, pasteurized milk, modified milk, and fermented milk.

Administrative Regulation No. 13/2016: Maximum Limits of Mycotoxins in Food

This regulation establishes the maximum levels of mycotoxins (aflatoxin B1, aflatoxin M1, ochratoxin A and patulin) in various foodstuffs.

Administrative Regulation No. 28/2016: Nutritional Requirements for Infant Formula

This regulation establishes the nutritional requirements for infant formula for babies under 12 months of age. The requirements are not applied on baby formulas having special medical purposes.

Currently, Macau does not have any regulations specific for organic products.

Section VII: Facility and Product Registration

Macau does not have any facility and product registration requirements for U.S. food exports to the territory.

Section VIII: Other Certification and Testing Requirements

The Department of Food and Animal Inspection and Control under the Civic and Municipal Affairs Bureau is the regulatory department for food import and export in general to Macau. Mandatory inspection is required for certain high risk food products. Health certificates are required during inspection exercises. For the importation of live poultry and birds, the accompanying veterinary health certificates have to state that the birds are free from Aviana Influenza. The Macau government will keep the original certificates after inspection.

Schedule 3 of <u>Administrative Regulation No 487/2016</u> listed the food products which require mandatory inspection at designated places upon entry to Macau^{*}.

* Products which are subject to mandatory inspection include: live animals, meats and offals, seafood, crustaceans and mollusks, dairy products, eggs, honey, vegetables, fruits, plants, cut flowers, seeds, infant and young children formula, ice cream, and pet food.

Wine

With the elimination of consumption tax on wine and beer, alcoholic drinks with less than 30 percent alcoholic content have become an "uncontrolled item" for their importation to Macau and the regulatory control has been diverted from the Economic Services Bureau to Macau Customs Service. As an uncontrolled item, a U.S. exporter is not required to provide his Macau importer with any documents for wine/beer exports to Macau. (A Macau importer could be a company or an individual.) For commercial or sample shipments, a Macau importer is required to fill in and submit an "Import Declaration" to the Macau Customs Service. The bringing in of wine/beer less than 1 liter weight as a personal luggage is exempted with the submission of a declaration form.

Alcoholic Drinks with Alcoholic Content over 30 Percent

For liquor importation to Macau, only Macau companies which have registered with the Macau Economic Services Bureau are allowed to import liquor. The principle is that the Macau government needs to have a local importer to be responsible for the imported alcoholic beverages. Macau importers have to apply for an "Import License" from the Economic Services Bureau for each shipment. U.S. exporters do not have to apply for any permits.

Beverages exceeding 30 percent alcohol content are subject to consumption tax of 10 percent Cost, Insurance, and Freight Import Value (CIF) plus 20 Macau Patacas (about \$2.58) per liter. Importers have to pay the consumption tax before shipments arrive in Macau. The Economic Services Bureau is tasked with collecting the consumption tax.

Consumption Tax

Apart from liquor, the consumption tax is applied on cigars (MOP1442 or USD180.25/Kg), cigarettes (MOP 0.50 or USD0.06/unit) and other tobacco-containing products (MOP200 or USD25/KG). No other products are subject to consumption tax.

Food imports are not subject to tariffs or import quotas either.

Section IX: Import Procedures

The import requirements apply to all commercial shipments including samples and products for trade show alike. However, exemptions are provided to products being brought into Macau for self-consumption within a specified level listed in Schedule 1 of <u>Administrative Regulation No 487/2016</u>

Applying for Import Declaration / Import License

The Foreign Trade Law requires all food imports to Macau to submit either an 'Import Declaration" or apply for an "Import License" as appropriate from the Department of Food and Animal Inspection and Control of the Civic and Municipal Affairs Bureau in advance for the importation of food shipments to Macau. Macau importers who are bringing in certain high risk food products are required to apply for an import license at least three working days in advance before any of these products are imported. Administrative Regulation No 487/2016 – Table B of Schedule 2 listed all the food products which are subject to import licensing regime*.

* The importation of the following products are required to apply for an import license: live animals, fresh, chilled, frozen and processed meats; seafood products; crustaceans, mollusks, dairy products, cheese and egg products, ice cream, formula (for young children over 12 months of age), beverages with alcoholic content over 30 percent, and cigarettes and tobacco.

(Note: Import licenses for liquors and tobacco are issued by Economic Services Bureau.)

Many of the food products which are subject to import license control are also required to be inspected upon entry to Macau.

For food products which are not subject to license control, importers simply need to file an "Import Declaration".

Scheduling Inspection with the Government Department as Necessary

If the imported products are listed in <u>Administrative Regulation No 487/2016</u> as required for inspection, importers then need to book a time with the Department of Food and Animal Inspection and Control for inspection.

While the application for an import license does not incur any fee, per Administrative Regulation No 109/2005, the Civic and Municipal Affairs Bureau imposes a nominal fee for food inspection, which varies from product to product.

Food imports are allowed entry and released for sale when they conform to the specifications contained in shipping documents and health certificates.

Obtaining Prior Approval from Health Bureau for Infant Formula

While the Department of Food and Animal Inspection and control exercises regulatory oversight for formula for young children over the age 12, infant formula products for babies under 12 months of age are regulated by the Macau Health Bureau instead.

Importers have to apply for an import permit from the Health Bureau to import infant formulas. Only local importers are eligible to apply for import permits. Importers are required to submit health certificates or certificates of free sale issued by the competent authority of country of origin along with the actual package or container for assessment. An import permit is valid for each individual shipment.

Obtaining Prior Approval from Economic Services Bureau for CITES listed products

Importers have to obtain prior approval from the Economic Services Bureau for the importation of any animals and plants listed on the Convention on International Trade in Endangered Species of World Flora and Fauna.

Section X: Copyright and/or Trademark Laws

The Industrial Property Code under Decree Law No 97/99M renders trademark protection in Macau.

An unregistered trademark can be protected in Macau under the Macau <u>Commercial Code</u>, but the owner is responsible for providing proof that his/her trademark has goodwill and that another person's use of his/her trademark would damage this goodwill.

Relatively, registration offers better protection for trademarks because the ownership is easily established.

The Macau Economic Services Bureau is responsible for trademark registration under the "Industrial Property Code" by which an owner has the rights to prevent third parties from using his mark, or a deceptively similar mark. Trademark registration has to be made by Macau citizens or locally registered companies. There is no requirement that the trademark has to be in use when an application is made. The applicant is allowed to submit an application either when he/she is using or proposes to use the trademark. However, anyone using an unregistered trademark not exceeding six months will have the priority to register and lodge a complaint against an application filed by another party during these six months. Each registration is valid for seven years.

The Bureau provides online search for registered trademarks.

Further information on Macau's trademark registration is available at the Economic Services Bureau webpage.

Appendix I. Government Regulatory Agency Contacts

(Trademark Registration, Labeling, Importation of CITES listed products) Economic Services Bureau Macau Special Administrative Region

Tel: 853-28882088

Email: info@economia.gov.mo

(License Application and Consumption Tax for Liquors)

Economic Services Bureau

Macau Special Administrative Region

Tel: 853-85972612 Fax: 853-28715954

Email: dlic@economia.gov.mo

(Infant Formula Importation)

Health Bureau

Department of Pharmaceutical Affairs

Division of Pharmacovigilance and Pharmacoeconomics

Macau Special Administrative Region

Tel: 853-28313731 Fax: 853-28713105

Email: info@ssm.gov.mo

(Food Importation & Surveillance) Civic and Municipal Affairs Bureau

Tel: 853-28337676 Fax: 853-28336477

Email: webmaster@iacm.gov.mo