

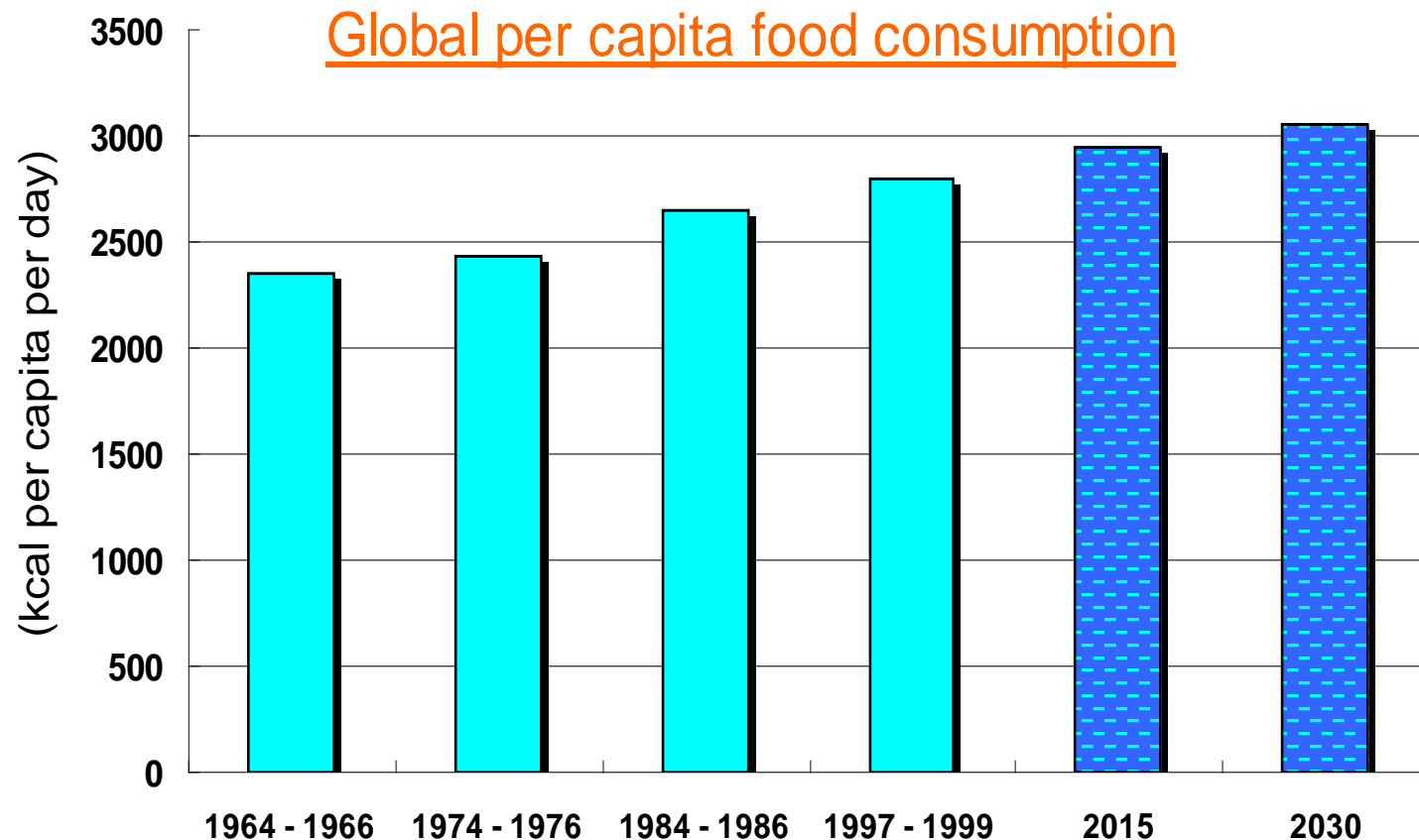
# Think Asia, Think Hong Kong: Booming Opportunities in the Food & Wine Trading Hub of Asia

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6 May 2013

# World's Food Consumption on the Rise

Global per capita food consumption will increase by 4.9% from 1999 to 2015

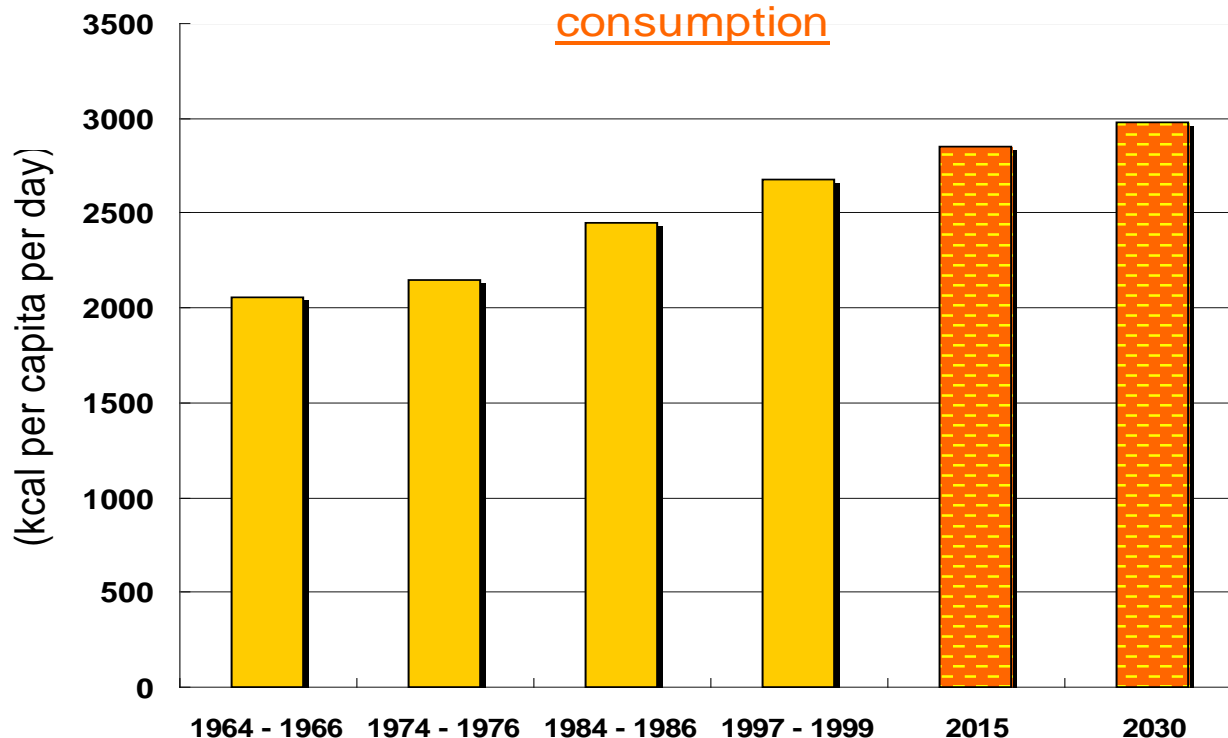


Source: Food and Agriculture Organisation (FAO) of the United Nations

# World's Food Consumption on the Rise – Developing countries

- Developing Countries' per capita food consumption will increase by 6.3% from 1999 to 2015
- Per capita food consumption will expand most rapidly in **Eastern Europe, Asia and Latin America** where incomes are rising

Developing Countries' per capita food consumption



# Hong Kong : Food Trading Hub of Asia

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- **7 million+** population, **>95%** of food supply relies on imports
- **48.6 million** tourists in 2012, of which **34.9 million (~72%)** are from China
- **13,900+** restaurants serving a wide range of world cuisines (37% Chinese, 55% non-Chinese restaurants, and 8% fast food outlets)
- **1,000+** bars, pubs and other eating and drinking establishments
- Restaurant receipts and food retail sales reaching **US\$21 billion** in 2011.
- Overtaken the U.S. as the largest food exporting region for Japan.

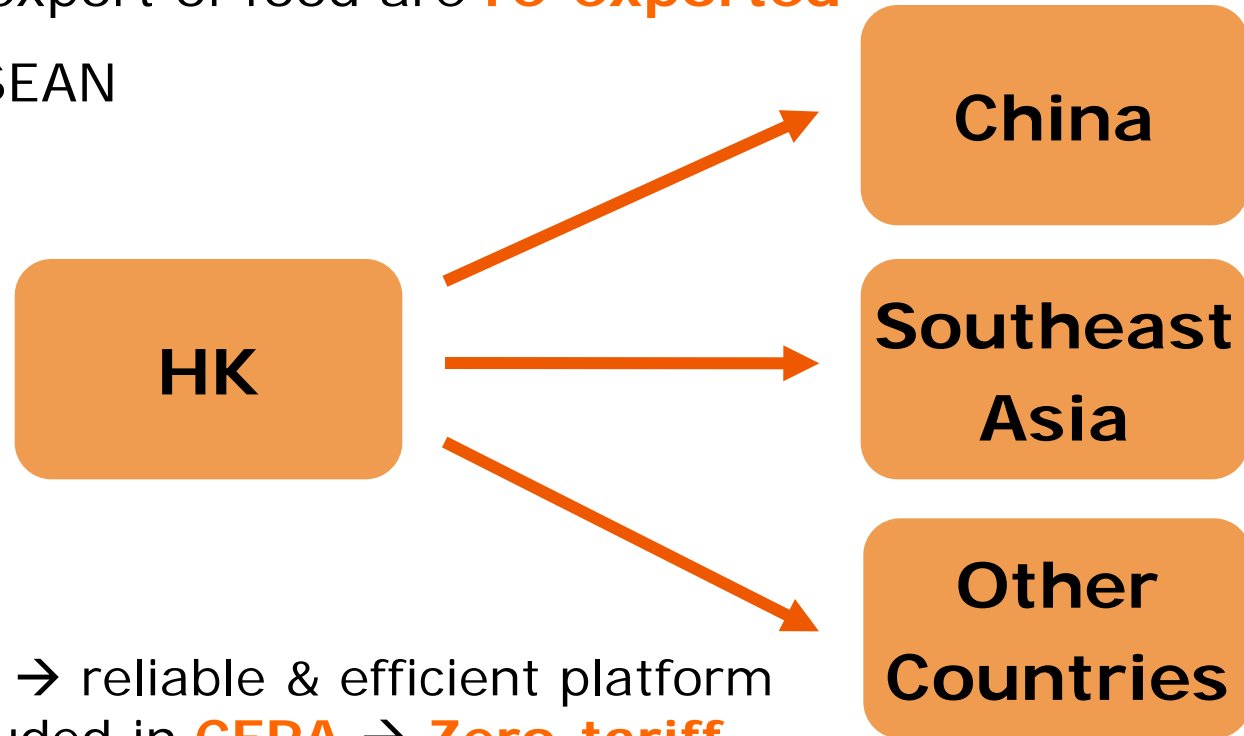
# Hong Kong : Food Trading Hub of Asia

- HK's Imports of Processed Food and Beverages 2012

Rank	Country	Value (USD million)
1	China	3,894
2	USA	3,069
3	Brazil	1,635
4	Netherlands	938
5	Japan	875
21	Italy	220
Total:		18,122 (+1.5% from 2011)

# Hong Kong : Food Trading Hub of Asia

- > **90%** of HK's total export of food are **re-exported**
- ~ **70%** → China & ASEAN



## HK's Advantages:

- Prime **logistics hub** → reliable & efficient platform
- More food items included in **CEPA** → **Zero-tariff**  
(Eg. bird's nest and mixed edible oil)

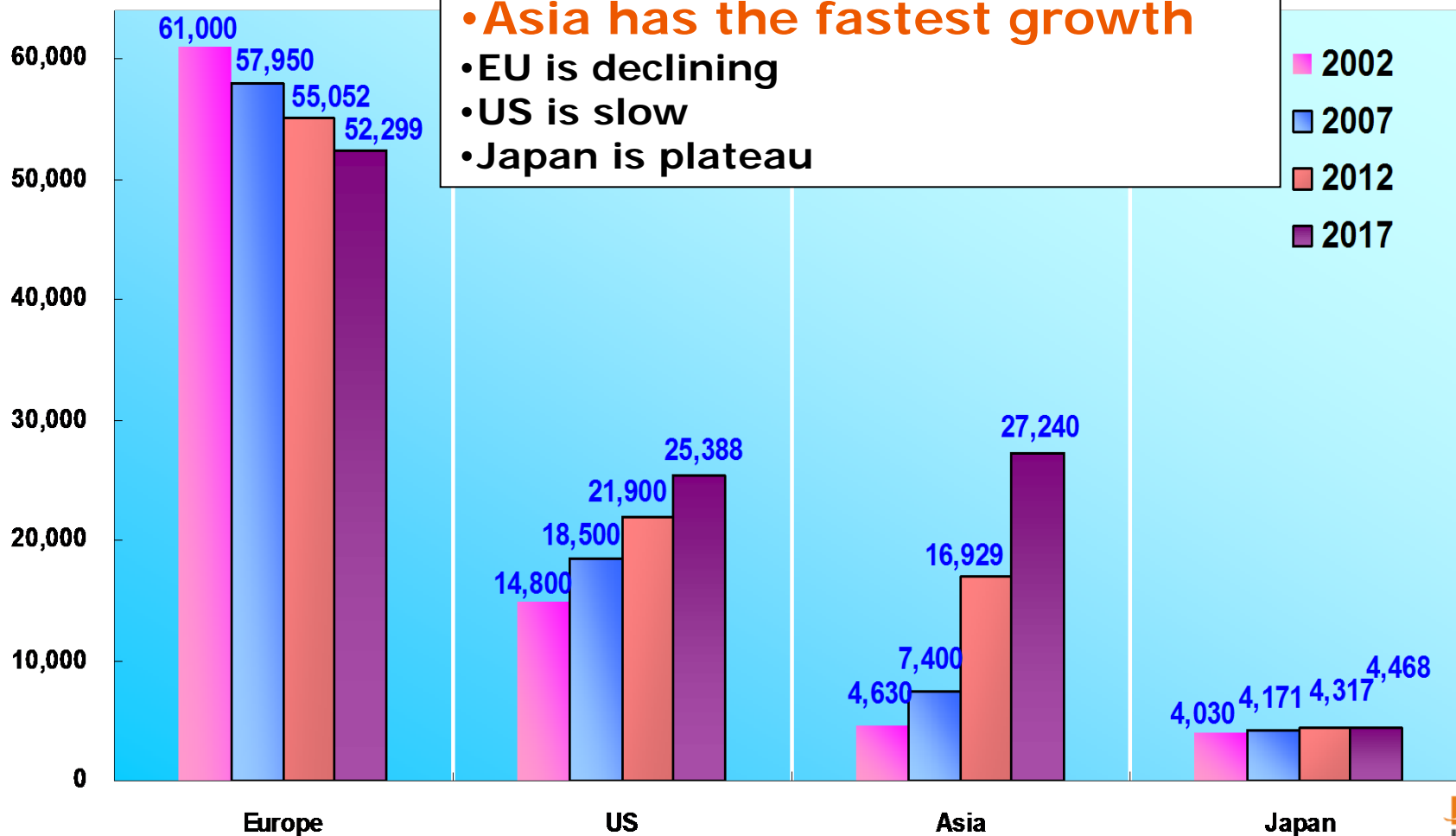
[http://www.tid.gov.hk/english/cepa/tradegoods/files/mainland\\_2012.pdf](http://www.tid.gov.hk/english/cepa/tradegoods/files/mainland_2012.pdf)

# All eyes on Asia, the Chinese mainland in particular

## Worldwide Wine Consumption

- Asia has the fastest growth
- EU is declining
- US is slow
- Japan is plateau

Millions of USD



Source: Actrium Solutions

# All eyes on Asia, the Chinese mainland in particular

Asia (exc. Jap) Wine Import Projection (by import value)

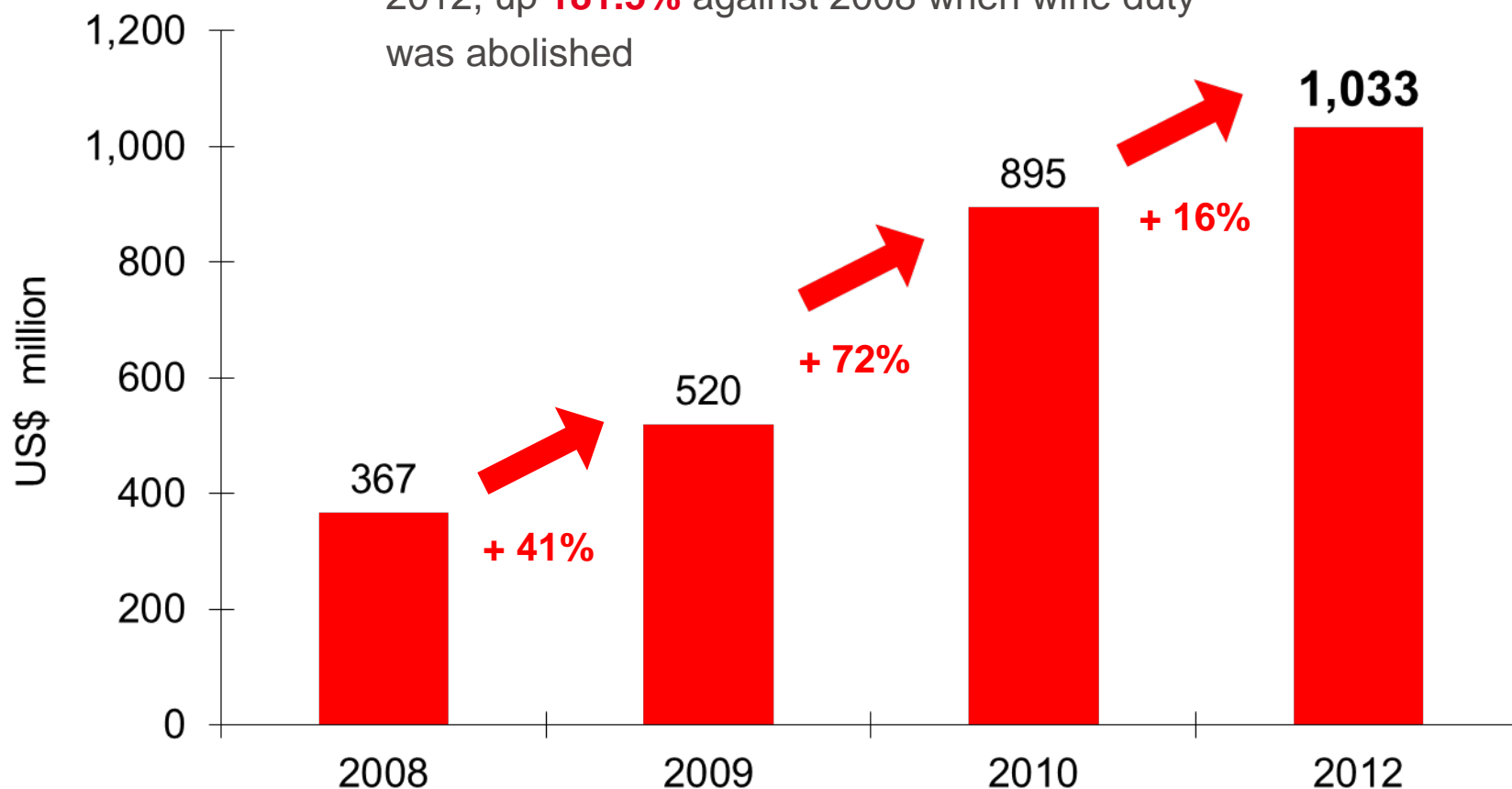


Source: Actrium Solutions



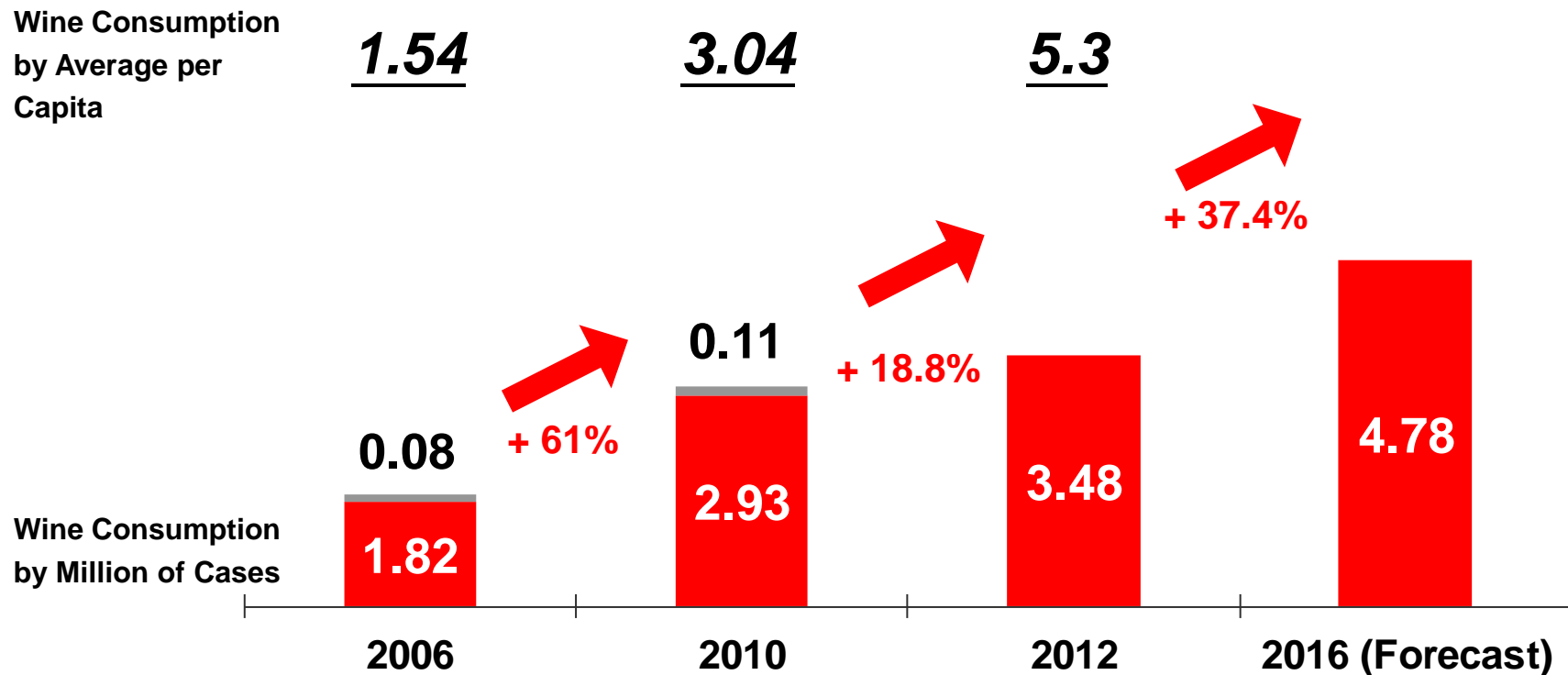
## 2.2 Hong Kong as a wine trading hub

Total wine imports amounted to **US\$1.03 billion** in 2012, up **181.5%** against 2008 when wine duty was abolished



# Hong Kong Wine Consumption

- **Highest average per capita consumption in Asia** (litres/year)

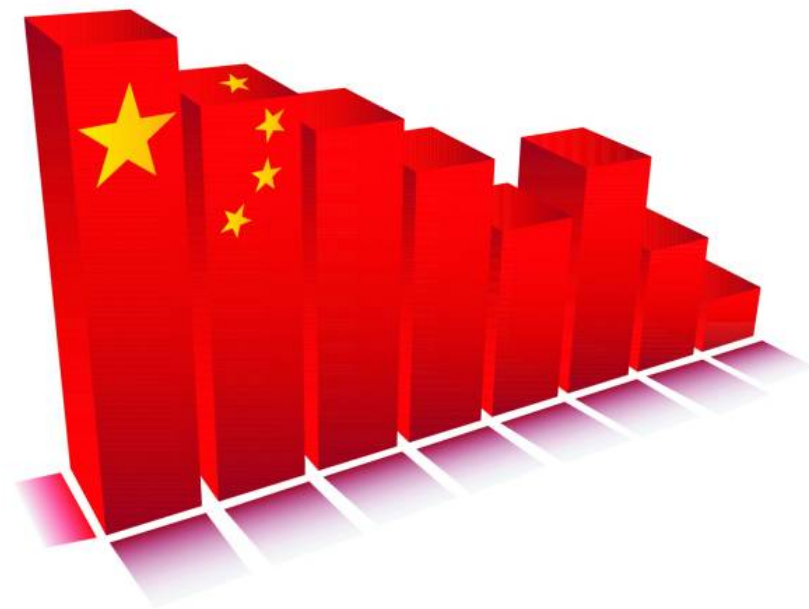


# All eyes on Asia, the Chinese mainland in particular

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- 54% of the Hong Kong exported wine goes to China in 2012
- The Chinese mainland is Hong Kong's largest export market of wine

Source:  
HONG KONG TRADE STATISTICS,  
CENSUS & STATISTICS DEPT.



# Wine business booming in Hong Kong

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- **No wine duty** for liquor with less than 30% alcohol strength by volume at 20°C
- **Quality storage** – certification schemes for quality wine storage & retail facilities increasing customers' confidence
- **Customs Facilitation** – customs clearance facilitation for wine exported from HK to Mainland China
- **Largest wine auction centre in the world** – Hong Kong had held 21 major events, raising a combined US\$130.3 million in 2012; out-performed New York (US\$56.1 million) & London (US\$29.3 million).

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- **Demand for catering services on the Chinese mainland**
- **Tips for working distribution agents (3)  
Jumping on the mainland food bandwagon**
- **Tips for working distribution agents (4)  
Novelty, healthiness & freshness: ingredients of success for prepared food**
- **The art of agency: China's processed food and distribution**
- **From cradle to school: opportunities for babies' and children's food**

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## Providing information



The screenshot shows the homepage of the Hong Kong Trader International Edition website. At the top, it features the HKTDC logo, the text "INTERNATIONAL EDITION", the date "06 Jan 2009", and the website URL "hktdc.com". The main title is "Hong Kong Trader". Below the title, there are several sections: "Hong Kong Spotlight" with the sub-heading "Where the Consumers Are" and a text snippet about Hong Kong exports; "Six Questions" featuring a profile of David Eldon with the headline "David Eldon: End of the World?"; "HKTDC Showcase" with a section for the "Asian Financial Forum 2009"; and "My News Americas" with a headline about the Treasury. An advertisement for Visa Business is also visible, with the text "Managing business has never been easier."

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