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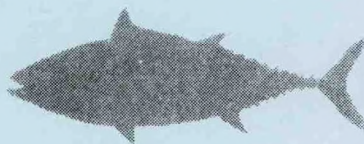
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THE HONG KONG MARKET FOR SEAFOOD by

Dan B. Strombom



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by

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SUMMARY

Hong Kong's annual demand for seafood is approximately 220,000 metric tons, of which 40 percent is imported. Demand is expected to grow and because domestic production apparently has stagnated, most of the growth in demand will be met by imports.

The United States is a major supplier of frozen fish fillets to Hong Kong. China, Japan and other Asian countries dominate most other seafood categories.

Opportunities for expanding U.S. seafood exports to Hong Kong are found in hotels and restaurants catering to foreign visitors and in a growing market for frozen fish. The products with highest potential are salmon, high quality lox-style smoked salmon, frozen fillets and portions, king crab, and scallops. Sablefish recently has been introduced to Hong Kong.

Success in exporting U.S. seafood to Hong Kong generally will depend largely on three factors: the health of the Hong Kong economy, finding a reputable agent, and keeping costs as low as possible.

I. Market Size

With a population numbering 6 million (in 1984) and annual per capita fish and shellfish consumption of approximately 37 kilograms, total demand for seafood in Hong Kong is estimated to be 222 thousand metric tons (mt) per year (Infofish, 1985). Domestic fisheries supply around 60 percent of the market and imports 40 percent (U.S. Consulate General, 1983).

Seafood has been a mainstay in the Hong Kong diet because of limited land area available for agriculture. Meat and poultry are being imported in increasing quantities, but this has not made significant inroads yet on traditional consumption patterns. Thus, total demand for fisheries products should increase in line with growing population size and increasing affluence.

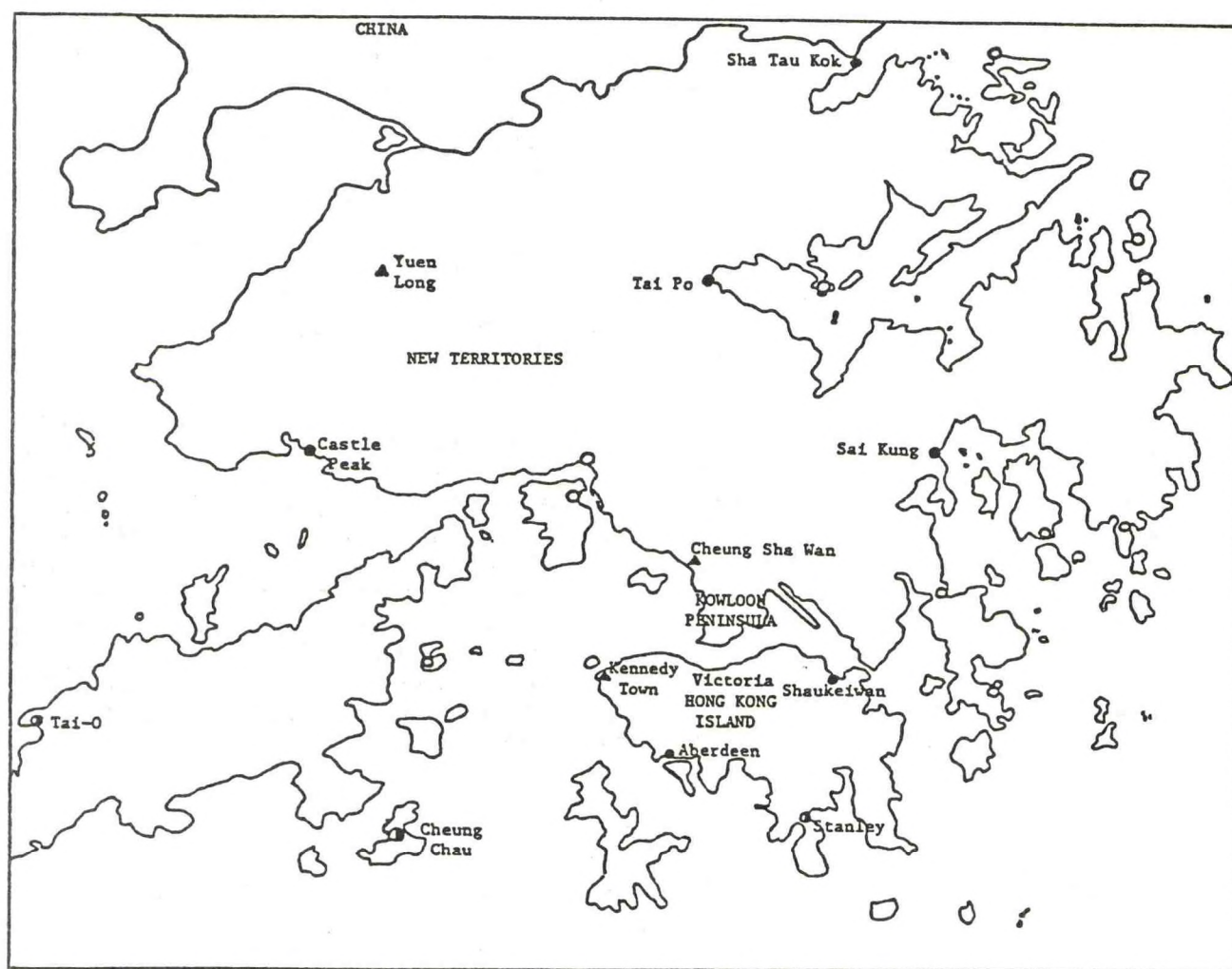
The population of Hong Kong has been growing at annual rates of 3 to 6 percent over the past decade (U.S. Dept. of State, 1985). As a result of this relatively high growth rate, one-half of Hong Kong's population is under 25 years of age.

Growth of the economy has been highly dependent upon Hong Kong's success in exporting such products as clothing, electronics and toys. From 1977 to 1980, Hong Kong's Gross Domestic Product (GDP) grew at annual rates averaging 10 percent based on current prices, but dipped to five percent in 1981 and only 2.4 percent in 1982 as the worldwide recession shrank the country's export markets. However, a surge in exports of manufactured goods to the United States in 1983 brought economic growth rates of about 5.7 percent and in 1984 GDP rose by eight percent (U.S. Dept. of State, 1985). Currently, Hong Kong has the third highest per capita income in Asia, behind Japan and Singapore (U.S. Consulate General, 1984).

II. Market Segments

The Hong Kong market for seafood is split fairly distinctly into the resident Chinese market and the expatriate and foreign visitor market. Each of these two major markets are distinguished by differences in the types of products demanded and the means of distribution.

Ethnic Chinese make up 98 percent of Hong Kong's population, and nearly half are first-generation residents who have immigrated from China and, more recently, from Vietnam (U.S. Dept. of State, 1983). Two-thirds of the population live in the congested commercial centers of Victoria on Hong Kong Island and Kowloon (Figure 1). Outside these areas, in the New Territories, are found most manufacturing facilities, small fishing towns, and limited farming sites.



KEY: ○ Fishing Port ▲ Market Only
 ● Port & Market ● Port & Fish Marketing Organization Depot

Figure 1. Hong Kong's Major Ports and Markets

Source: Gaiger and Richards, 1980

The most significant characteristic of the ethnic Chinese market is the preference for fresh seafood. The idea of holding food for later consumption is not widely accepted as households have only recently acquired home freezers. Hong Kong consumers are becoming more familiar with frozen food in general, however, and the convenience of such product forms will eventually increase the demand for frozen seafood. Fresh fish contributed eight percent to Hong Kong's total seafood consumption in 1980 (Kitson and Maynard, 1983).

Also popular among the Hong Kong Chinese when dining at home is salted, dried seafood. Among the most popular of these products are shark fin, abalone, squid, shrimp, and sea cucumber. In 1980, salted, dried seafood contributed 13 percent to total consumption (Maynard, 1983).

Restaurant dining is extremely popular among the Chinese. Of the approximately 5,000 restaurants in Hong Kong, about half are Chinese restaurants. These are the heaviest users of seafood, demanding quality fresh fish and many feature live fish. Tanks of live fish often line the entrance of restaurants to attract customers. Prominently displayed are live, imported geoducks which appeal to many male customers because of their supposed beneficial effects on sexual potency. Of the 45,000 mt of live fish consumed in Hong Kong in 1980 (29 percent of total consumption), 38,000 tons were freshwater species, mainly carp, and the remainder were marine fish, mainly of the snapper family (Lutjanidae) (Kitson and Maynard, 1983). Live fish are generally too expensive for home consumption, and are served typically in restaurants for celebrations or business related entertaining in the restaurants.

Fast food restaurants have been successfully introduced in Hong Kong and are very popular among the young Chinese. The seafood used in these restaurants is limited to frozen fish fillets.

Restaurants catering to foreign visitors and the small non-Chinese resident population tend to follow international standards in the seafood they offer. Most are first-class establishments demanding high-valued finfish and shellfish. These products are commonly imported to serve the particular tastes of the foreign customer. In 1984, Japanese visitors made up 19.7 percent of this market, Americans made up 17 percent and were the fastest growing group, and Australians made up 9 percent (Anon., 1984).

These restaurants account for about 10 percent of the total seafood consumption in Hong Kong (U.S. Consulate General, 1983). Most are found in Victoria and Kowloon, but a number are found in resort areas in outlying areas.

For the non-Chinese resident, modern supermarkets are the principle outlets to buy food for home consumption. Frozen fish sticks and fillets are the main seafood products available. This market is a very small part of total consumption as there are only about 120,000 non-Chinese residents. Chinese housewives very rarely buy seafood at the supermarkets (U.S. Consulate General, 1983).

III. Sources of Supply

A. Domestic Production

Hong Kong is located in the South China Sea at the mouth of the Pearl River whose outflow enriches the area, leading to productive fisheries. Hong Kong's fishing fleet, mainly composed of trawlers, range out over a broad continental shelf, traveling north to Taiwan and as far south as the Gulf of Tonkin.

Total production from Hong Kong's fisheries appears to have peaked in the last few years and may be experiencing a downward trend (see Figure 2). In the 1970s, production increased steadily, but by 1979 it became clear that many coastal fish stocks were overexploited. In that year China imposed a ban on fishing by Hong Kong fishermen in traditional nearshore areas regulated under a reciprocal fishing agreement (U.S. Consulate General, 1983). Production did rise to a peak of 194,600 mt in 1980, but has fallen slightly each year since.

Table 1 shows that Hong Kong's catches of almost all species are in decline. Only Indian driftfish, butterfly and shark catches have remained relatively stable. The most important species landed in 1982 were threadfin-breems, shrimp, scads, lizardfish, croakers, squid and conger pike eels.

Of the 180,000 mt produced, about 110,000 mt actually go to local markets. The difference is made up of exports, consumption by fishermen, industrial use, and fish landed in China (U.S. Consulate General, 1983).

Aside from the capture fisheries, Hong Kong has marine and freshwater culture enterprises scattered around the New Territories. These combined contribute four percent to total production. Grey mullet and several carp species are the most important fish produced in freshwater ponds. Cage culture of marine fish centers on groupers, snappers and breems (U.S. Consulate General, 1983).

Landings of fresh and dried catches pass through the government's Fish Marketing Organization's wholesale auctions (Lai, 1985). The Organization now operates seven markets, though nearly all fresh fish are auctioned at the market in Aberdeen (Figure 1). Government personnel supervise the auctions and act

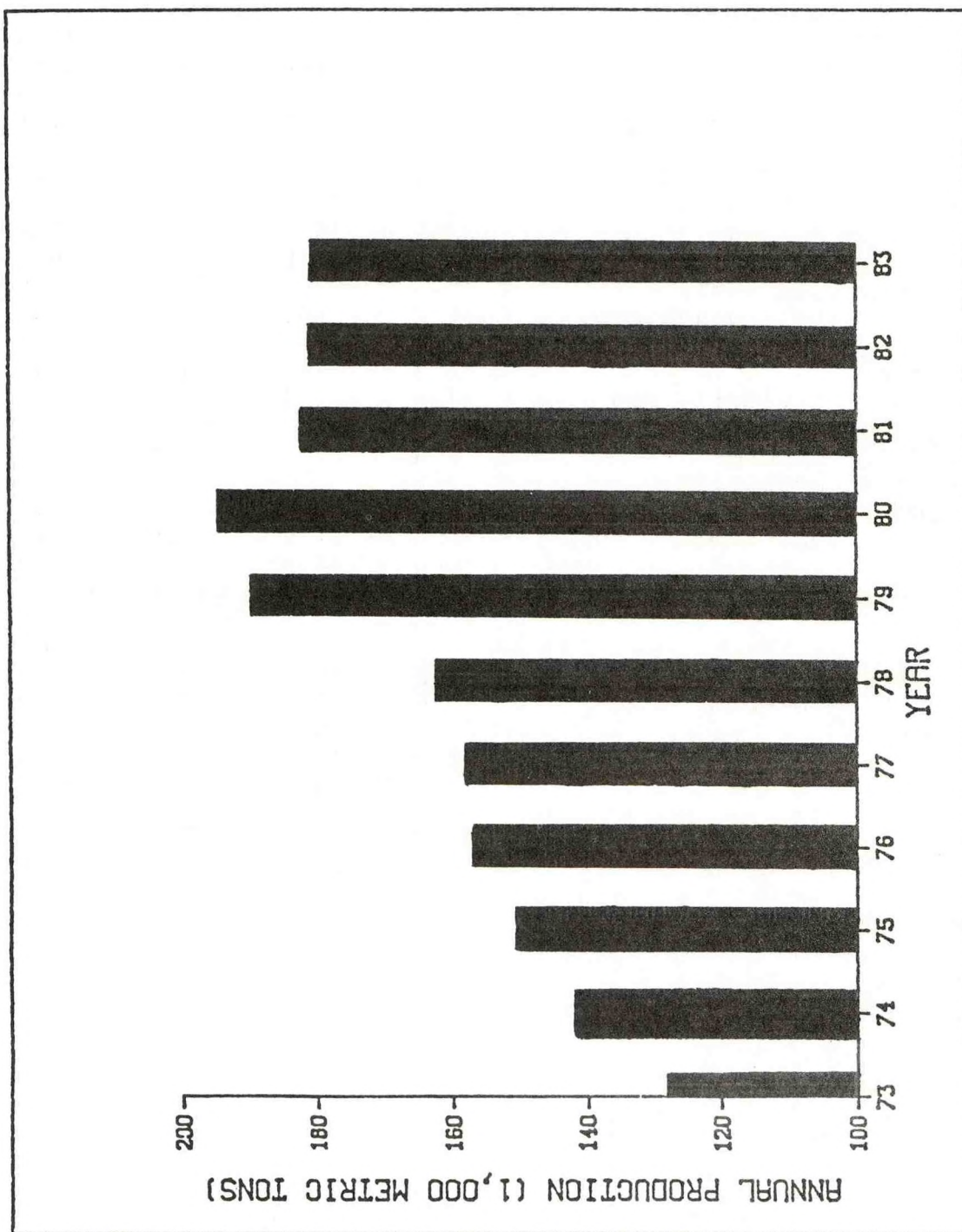


Figure 2. Hong Kong's Domestic Fisheries Production, 1973-83

Sources: FAO, 1984; Lao, 1985

Table 1. Hong Kong's Nominal Catches by Species, 1979-1983.
(unit = mt)

	1979	1980	1981	1982
Tonguefish (Cynoglossidae)	681	496	307	311
Lizardfish (Synodontidae)	8603	7592	7869	7189
Conger pike (<u>Muraenosox</u> spp)	4903	4291	4695	4127
Groupers (Serranidae)	3207	3051	3082	2914
Tilefish (Branchiostegidae)	2926	2104	1631	1460
Snappers (Lutianidae)	2133	2236	2081	1824
Threadfin-breems (<u>Nemipterus</u> spp)	18713	16785	14883	13136
Croakers (Sciaenidae)	6280	5923	5726	5662
Large eye bream (<u>Gymnocranius</u> spp)	1532	1204	1017	946
Porgies, seabreams (Sparidae)	2841	1840	1445	1637
Goatfish (<u>Upeneus</u> spp.)	2863	1686	2043	1858
Indian Driftfish (<u>Psenis indica</u>)	1555	2016	1926	1942
Scads (<u>Decapterus</u> spp.)	8246	9168	7660	7255
Jacks, crevalles (<u>Caranx</u> spp.)	1164	1161	1107	991
Butterfish, Harvest fish (Stromateidae)	3623	3315	3089	3362
Sardinellas (<u>Sardinella</u> spp.)	2449	1664	1452	703
Rainbow sardine (<u>Dussumieria acuta</u>)	373	560	426	187
"Stolepherus" Anchovies (<u>Stolepherus</u> spp.)	82	89	97	69
Seerfishes (<u>Scomberomerus</u> spp.)	3058	2136	2525	2693
Shark	1649	1459	1777	1697
Miscellaneous Marine Fish	60087	74924	65106	69855
Shrimps Prawns	16628	13594	11980	11131
Misc. Crustareams	3379	2177	2078	1872
Cuttlefish	1711	1814	1601	1414
Squid	6139	4104	5407	5164
Misc. Molluses	3265	4108	5735	4405
Freshwater	6562	7030	6780	7780

Source: FAO, 1984

as cashiers. Surplus fees from these services are recirculated to the fishing industry in the form of low-interest loans and community improvements. Live fish are handled by wholesalers operating from barges and do not pass through the Organization auctions. Most of these wholesalers are located near the Aberdeen fish markets (Kitson and Maynard, 1983).

Distribution of seafood is direct. From the auction or live fish wholesaler, products go to institutional buyers or to distributors who supply retail shops. There is very little credit in the Hong Kong market system. At most, payment is made within a few days (Kitson and Maynard, 1983). Large inventories are not held at any level because of the high cost of storage space in Hong Kong. To cope with any shortages or surplus product, wholesalers freely trade among themselves (Maynard, 1983).

B. Imports

Total imports by Hong Kong have increased almost every year over the past decade (see Table 2). From 1974 to 1983 there was a 59 percent increase in imports, from 79,069 mt to 125,526 mt. Imports declined by 5,000 mt in 1984 compared to the previous year.

Table 2. Disposition of Hong Kong's Imports, 1974-1984.
(unit = mt)

<u>Year</u>	<u>Imports</u>	<u>Re-exports</u>	<u>Retained Imports</u>
1974	79,069	8,888	70,181
1975	83,384	11,008	72,376
1976	86,725	11,457	75,268
1977	84,377	9,940	74,437
1978	89,438	12,244	77,194
1979	101,438	16,173	85,265
1980	108,718	18,309	90,409
1981	98,721	18,031	80,690
1982	117,196	21,617	95,579
1983	125,526	24,959	100,567
1984	120,273	33,533	86,740

Sources: The Match Institution, 1982; Infofish, 1985

Significant portions of these imports have been re-exported, so the quantities of imports actually consumed in Hong Kong have been considerably less than total imports. Shrimp and prawns contribute almost half of the quantities re-exported, originating in other Asian countries and ultimately sold mainly in Japan and the United States. Re-exports have increased at a faster rate than total imports, from 8,888 mt in 1974 to 33,533 mt in 1984 (Table 2). Thus, imports retained in Hong Kong have risen, but at a slower rate than total imports.

From 1974 to 1983, retained imports rose from 70,181 mt to 100,567 mt, an increase of 43 percent.

No single fishery commodity accounted for this increase in imports, rather there has been a general upward trend across most products as Hong Kong's economy strengthened. Of particular interest, however, was the sudden appearance of frozen fish products in 1978. Whereas before 1978 frozen fish imports were practically nonexistent, almost 6,600 mt of frozen marine fish and 776 mt of frozen fillets appeared on the market in that year (The Match Institution, 1982). Since then, frozen fish have remained at this level, while frozen fillet imports increased to 2,184 mt in 1984 with 1,843 mt being retained in Hong Kong (Infofish, 1985). Mention should also be made of the expanded market in Hong Kong for dried squid. From 1975 to 1978 only an average of 255 mt of imported dried squid was consumed in Hong Kong. In 1979, retained imports of this product jumped to 1,475 mt and, in 1983, 2,052 mt were imported (The Match Institution, 1982; Census & Statistics Department, Hong Kong, 1984).

The major imported seafood commodities and their principal countries of origin are shown in Table 3. Fresh or chilled freshwater fish and fresh or frozen shrimp contributed half of the total quantity of seafood imported by Hong Kong in 1983, but about a third of the latter commodity was re-exported (Infofish, 1985). The demand for imported frozen marine fish is just one-fifth of that for fresh freshwater fish.

For most seafood, imports are dominated by China, Japan and other countries in the Far East. Advantages in the types of species available and shipping costs from these countries account for this pattern. Very few countries outside the region play a dominant role in exporting seafood to Hong Kong. New Zealand is the second largest supplier of frozen marine fish in terms of quantity and holds the same position for fresh or frozen oysters and frozen squid. Australia is the leading supplier of canned and fresh or frozen abalone to Hong Kong and dominates imports of rock lobster. The U.K. and Denmark supply over half of the smoked fish, although the market for such products is limited.

The United States is an important supplier of only two products to Hong Kong: frozen fish fillets and canned abalone. Thirty-two percent and 14 percent of the products respectively came from the U.S. in 1983. However, a majority of the canned abalone ascribed to the U.S. in Hong Kong's trade statistics are re-exports originating in Mexico (Tables 4 and 5).

Combining exports and re-exports, the U.S. supplied 1,327 mt valued at US \$9,801,000 to Hong Kong in 1984. This was only 1 percent of the total volume of Hong Kong's seafood imports in that year. This level of trade has been maintained at least since 1978 (Johnson, 1979).

Table 3. Major Seafood Commodity Imports by Country of Origin, 1983
(Q = Quantity in mt, V = Value in US\$1000)

Commodity	Country of Origin	Q	V	% US Share	
				Q	V
Marine fish					
Fresh or chilled	China	1,907	5,968		
	Japan	145	1,499		
	Taiwan	911	1,116		
	Netherlands	45	408		
	Others	808	1,522	0.6	0.5
	Total	3,816	10,513		
Freshwater fish					
Fresh or chilled	China	40,518	70,077		
	Taiwan	3,848	4,583		
	Others	135	223	0.0	0.0
	Total	44,501	74,883		
Marine fish					
Frozen	China	3,143	4,289		
	Japan	418	1,919		
	New Zealand	1,203	1,598		
	U.S.	258	979	2.8	7.0
	Others	4,040	5,146		
	Total	9,062	13,931		
Fish fillets					
Frozen	U.S.	592	1,732	32.4	37.5
	U.K.	222	856		
	New Zealand	267	741		
	India	282	466		
	Others	464	826		
	Total	1,827	4,622		
Marine fish					
Salted or dried	China	1,244	4,001		
	Singapore	413	1,828		
	N. Korea	2,205	1,759		
	Bangladesh	322	1,553		
	Others	1,875	7,312	0.7	1.0
	Total	6,059	16,453		
Sea cucumbers					
Salted or dried	Indonesia	787	1,478		
	Philippines	868	1,471		
	Japan	42	1,407		
	N. Korea	33	394		
	Others	268	1,186	0.05	0.2
	Total	1,998	5,937		

Table 3 (cont'd)

Commodity	Country of Origin	Q	V	% US Share	
				Q	V
Sharks fins					
Salted or dried	Japan	861	11,083		
	Vietnam	111	3,815		
	Mexico	111	3,753		
	Singapore	284	3,009		
	Others	<u>1,185</u>	<u>15,647</u>	1.3	2.0
	Total	2,552	37,304		
Prawns & shrimp					
Fresh or frozen	Macau	5,531	36,143		
	China	3,512	23,067		
	Vietnam	4,959	21,744		
	Indonesia	3,221	15,828		
	Others	<u>4,921</u>	<u>15,919</u>	1.3	1.6
	Total	22,144	112,701		
Abalone					
Fresh or frozen	Australia	528	6,717		
	Chile	209	843		
	S. Africa	10	176		
	Others	<u>31</u>	<u>147</u>	0.0	0.0
	Total	778	7,883		
Abalone					
Canned	Australia	660	7,246		
	U.S.	205	4,391	14.1	22.7
	S. Africa	195	3,016		
	New Zealand	283	2,253		
	Others	<u>114</u>	<u>1,708</u>		
	Total	1,457	19,328		

Note: Values based on US\$ = HK\$7.273 (U. S. Dept. of State, 1985)

*Grand Total includes other commodities.

Source: Census & Statistics Department, Hong Kong, 1984

Table 4. U.S. Seafood Exports to Hong Kong, 1981-85.
(Q = Quantity in mt, V = Value in U.S.\$1,000)

Product	1981		1982		1983		1984		1985	
	Q	V	Q	V	Q	V	Q	V	Q	V
Salmon										
Chum, frozen	15	64	107	426	38	130	162	596	157	528
Sockeye, frozen	--	--	2	10	20	77	6	34	1	3
Other, frozen	37	120	6	20	53	198	12	49	22	99
Fillets & steaks	--	--	1	6	40	102	74	277	--	--
Pink, canned	1	4	0	3	1	6	2	8	1	2
Sockeye, canned	2	11	0	1	1	8	1	3	--	--
Other, canned	5	39	2	14	4	27	0	3	--	--
Live eels	--	--	--	--	6	15	--	--	--	--
Herring, frozen	20	17	18	12	20	16	--	--	--	--
Mackerel, frozen	--	--	0	1	--	--	--	--	--	--
Pollock, frozen	--	--	--	--	--	--	--	--	17	67
Other Fish										
Frozen	112	205	36	62	41	102	75	277	87	266
Fillets & steaks	301	778	79	213	96	423	56	173	7	34
Sardines in tomato sauce	10	16	2	3	--	--	1	1	--	--
Other, canned	24	101	34	120	29	96	25	91	43	75
Fish in airtight containers	1	2	--	--	26	24	2	3	4	19
Fish sticks & portions breaded	22	58	435	1,098	370	947	312	870	329	819
King crab, frozen	16	159	11	160	6	123	3	56	3	35
Shrimp										
Frozen	21	131	37	188	11	91	10	74	10	40
Canned	--	--	2	18	4	41	6	37	1	9
Snow crab, frozen	--	--	3	38	13	130	--	--	5	43
Squid, frozen	11	74	2	23	1	1	188	277	--	--
Other shellfish										
Frozen	27	316	25	209	38	294	42	328	6	53
Canned	58	796	2	33	22	321	35	744	40	661
Cured, etc.	6	30	2	28	--	--	15	33	15	100
TOTAL	717	3,169	849	2,957	821	3,193	973	3,752	797	2,963

Source: U.S. Dept. of Commerce, Bureau of Census

Table 5. U.S. Seafood Re-exports to Hong Kong, 1981-85
(Q = Quantity in mt, V = Value in U. S. \$1,000.)

Products	1981		1982		1983		1984		1985	
	Q	V	Q	V	Q	V	Q	V	Q	V
Pollock, frozen	--	--	1	3	--	--	--	--	--	--
Sablefish, frozen	--	--	--	--	<1	<1	--	--	--	--
Other fish, frozen	<1	2	<1	9	3	7	--	--	4	11
Other fish, fillets, steaks, portions	17	50	--	--	--	--	--	--	<1	5
Fish, dried, salted, smoked	<1	2	9	44	11	141	11	39	2	13
Sardines in tomato sauce	--	--	--	--	--	--	<1	1	3	4
Other canned fish	12	321	--	--	--	--	1	4	<1	2
Other fish roe	<1	16	<1	4	--	--	--	--	--	--
Fish in airtight containers	--	--	--	--	1	3	2	6	--	--
Fish balls, etc.	3	5	1	9	<1	2	2	4	--	10
King crab, frozen	--	--	--	--	<1	15	--	--	<1	3
Shrimp, frozen	3	31	104	553	47	332	78	376	31	196
Snow crab, frozen	--	--	--	--	--	--	<1	3	<1	11
Squid, frozen	1	2	<1	2	--	--	--	--	--	--
Other shellfish frozen	34	40	--	--	1	6	2	25	--	--
Abalone, canned	--	--	--	--	--	--	--	--	39	652
Other shellfish, canned	341	7,463	235	5,454	241	5,404	251	5,579	215	5,060
Other shellfish, cured, etc.	<u>45</u>	<u>1,117</u>	<u>10</u>	<u>63</u>	<u>--</u>	<u>--</u>	<u>5</u>	<u>20</u>	<u>2</u>	<u>10</u>
TOTAL	426	9,047	360	6,142	304	5,911	354	6,058	290	5,770

Source: U.S. Dept. of Commerce, Bureau of Census

Breaded fish sticks and portions lead the list of U.S. origin exports to Hong Kong, contributing about one-half to one-third of the volume of this trade from 1982 to 1984 (Table 4). The leading single species of fish has been chum salmon, with exports of 157 mt valued at US \$596,000 in 1985. The total size of the market for salmon in Hong Kong is not known. However, Canada is reported to be a larger exporter than the U.S. (U.S. Consulate General, Hong Kong, 1983).

The U.S. once had a considerable share of the Hong Kong market for scallops, but has lost this position to Australia. Although U.S. scallops were competitive in price, they acquired a poor reputation for quality because they contained sand (U.S. Consulate General, Hong Kong, 1983).

Marketing of frozen imported seafood requires a minimum of levels. Only the largest hotels and supermarkets import directly, but the typical distribution system includes an importer, possibly a distributor, and the retailers. Small inventories are the rule because of storage costs. Few firms will undertake even limited processing.

IV. Practical Considerations for Exporters

From the standpoint of regulations and procedures, Hong Kong imposes a minimum of constraints on imports. There are no tariff or non-tariff barriers on seafood imports although a "Trade Declaration Charge" is assessed for use in financing trade promotion activities. The charge is HK\$2 (U.S. \$.028) for shipments valued up to HK\$4,000 (U.S. \$560.90), and an additional HK\$0.50 (U.S. \$.007) for each additional H.K. \$1,000 (U.S. \$140.20). (International Trade Administration, 1980).

Standard airway bills or bills of lading and a commercial invoice should be used, and a packing list is usually supplied as a service to the customer if a shipment consists of a variety of products. A simple health certificate to be completed by the U.S. Department of Agriculture is necessary for seafood products (see sample in Appendix 1). Any seafoods containing preservatives or antioxidants should be accompanied by documentation attesting to the quantity of additives.

English is perfectly acceptable in all business communications. However, handling instructions on the outside of packaging should be expressed in self-explanatory symbols or Chinese characters. Extra care should be taken in packaging to minimize damage, particularly due to Hong Kong's tropical climate.

Sales quotes are usually given as c.i.f. or c & f. If an agent is employed, expect to be charged a fee of about 15 percent. Fees range from five to thirty percent depending on competition.

Banking facilities are excellent and a number of U.S. banks have full service offices in Hong Kong. These include Bank of America, Rainier International, and Citibank*. All U.S. banks with international departments have direct correspondent relations with Hong Kong banks.

Currency exchange rates between the U.S. and Hong Kong dollar have fluctuated substantially in the past, but since 1983 the Hong Kong government has pegged their currency at US\$=HK \$7.80. Still, for cash-to-cash transactions, exchange rates will vary around this amount.

Because Hong Kong businessmen value close business relationships, any American exporter should consider meeting face-to-face with buyers. The U.S. Department of Agriculture, Foreign Agriculture Service sponsors an American food exhibit in Hong Kong every other year. The last one occurred in spring 1986. These are probably the least expensive and trouble-free means of contacting a large number of potential buyers. For further information, contact:

Export Programs Division
Foreign Agriculture Service
U.S. Department of Agriculture
Room 4945 - South Building
Washington, D.C. 20250

Telephone: (202) 447-6343

For those preferring to go independently, the American Chamber of Commerce in Hong Kong maintains the "Amcham Executive Office Center", where visiting businessmen can establish temporary executive offices. For information and reservations, contact:

American Chamber of Commerce
1030 Swire House
Hong Kong

Telephone: 5-260165
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Assistance in the form of information and trade leads may be obtained from:

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26 Garden Road
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Telephone: 5-239011 ext. 350
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*The mention of trade names or companies does not imply endorsement by the National Marine Fishery Service.

Also, the Hong Kong government maintains a trade inquiry office at:

Hong Kong Trade Development Council
Los Angeles World Trade Center
350 S. Figueroa St., Suite 520
Los Angeles, CA 90071

Telephone: (213) 622-3194

V. Conclusions

In spring 1984, Sunee C. Sonu of the National Marine Fisheries Service, Southwest Regional Office and the author participated in the U.S.D.A. - sponsored U.S. Food Exhibit in Hong Kong to promote exports of seafood from the West Coast. Species displayed included: salmon (chum and silver), smoked king salmon, sablefish, canned and whole Pacific mackerel, several species of rockfish, Dover sole, jack mackerel, white croaker, shortbelly rockfish, Dungeness crab, Pacific whiting, and Hawaiian Heterocarpus shrimp. Trade leads obtained at the show are given in Appendix 1.

Salmon, crab and shrimp attracted the most interest at the show, confirming initial impressions that the major market for west coast exports are the hotels and restaurants catering to foreign visitors. Silver and chum salmon, 6-9 lbs., were specifically requested. Quality lox-style smoked salmon was widely sought, although Canada and European countries appeared to be well established in this market. Considerable interest was shown for the Dungeness crab, both for whole product and picked meat, until the price was discussed. The Hawaiian shrimp was attractive to those buyers supplying establishments with Japanese visitor clientele. In general, Hong Kong's demand for shrimp is for headed or peeled and deveined shrimp and the market is well supplied by other Asian countries.

A species that holds some promise for export to Hong Kong is sablefish. Buyers in this country were just becoming aware of sablefish according to several visitors at the show. While unable to meet the prices offered by the Japanese at the time, Hong Kong buyers could provide a market for a limited quantity of sablefish if Japanese demand drops significantly.

Whole rockfish and flounders evoked scant interest at the show. Fillets and portions would find a more welcome market if competitive in price with product from New Zealand and other countries. Also, there reportedly is a limited demand for fish heads from the larger rockfish species.

The remaining products displayed did not command any significant attention.

In addition to the species exhibited, inquiries for clams, scallops, rock lobster, squid, geoducks, and king crab were made. Except for the latter, these species face strong competition from New Zealand, Australia, and others.

For market expansion into Hong Kong, several impediments must be confronted.~ First, individual buyers may not demand sufficient quantities of any one product to fill shipping containers because Hong Kong seafood companies make it a practice not to carry large inventories. Alternative strategies that allow mixed shipments must be explored in such cases, perhaps including seafood products in shipments of agricultural commodities. Second, U.S. exporters must search for the lowest cost shipping rates available as competitive imports typically come from regions that have less distance to travel than from the west coast, and price appears to be the primary concern of Hong Kong buyers.

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Appendix 1. Sample Health Certificate for Exporting to Hong Kong

Source: Urban Council and Urban Services Department,
Hong Kong

Health Certification of Food in General

- (A) Health certification to be made by the competent authority of country of origin.
- (B) Health certification:
- (i) Theis processed
(name of imported food product)
and packed under hygienic conditions.
 - (ii) Thedoes not
(name of imported food product)
contain any substance or substances in such amount as
to be poisonous, harmful or injurious to health.
 - (iii) Theis fit for
(name of imported food product)
human consumption and is permitted to be sold as food
for human consumption in
(name of country of origin)

Figure 3. Sample Health Certificate for Exporting to Hong Kong

Source: Urban Council and Urban Services Department, 1981

Trade Leads - U.S. Food Exhibit, Hong Kong, May 1-2, 1984

DUNGENESS CRAB

Fung Ping Fan Food Service Ltd.
9th Floor, Sun House
181 Des Voeux Road, Central
G.P.O. Box 724
Hong Kong
Telex: 63820 HX
John W.Y. Wong, Controller

Maxim's Caterers Ltd.
218 Prince's Bldg.
Hong Kong
Frank Y.M. Yuen, Asst. Manager

Sherman International Trading Co.
RM A, 22/FL
Tak Lee Commercial Bldg.
113-117 Wanchai Road
Hong Kong
Telex: 67401 SMCO HX
Lawrence N.H. Ng, General Manager

U.S. & China Trade Development Co.
International Building, 2nd. FL.
141 Des Voeux Road, Central
Hong Kong
Telex: USCTC HX
Tom C.C. Chow, General Manager

Leung Yick Company
131 Thomson Road
Wanchai, Hong Kong
Telex: 76429 LYICS HX
Steve S.C. So

Cafe De Coral International Ltd.
Rm. 1209, Park-In Commercial Center
56 Dundas Street
Kowloon, Hong Kong
Louis Chow Chee Ming, Director

SMOKED SALMON

The Shui Hing Company Ltd.
Shui Hing House, 23-25 Nathan Rd.
Kowloon, Hong Kong
G.P.O. Box 228 Hong Kong
Telex: 45549 KOWLIN HX

Man Ming Trading Co.
Room 605, Stag Bldg.
148-150 Queen's Road
P.O. Box 33980
Sheung Wan Post Office
Hong Kong
Lawrence N.H. Ng. Seafood Manager

Mitsubishi Corp. (Hong Kong) Ltd.
15th Fl., Tower 1, Admiralty Centre
18 Harcourt Road
Hong Kong
T. Ujita, Managing Director
Telex: 73213 MCHKG HX

Ramlee Enterprises
27-53 Nathan Rd. 6/H
Kowloon, Hong Kong
Rudolph A. Miniaci, Director

Hoover Food Supplier Ltd.
G/F., Delightful Mansion
54-60, Fort Street, North Point
Hong Kong
Telex: 62654 FOHO
Willy Chan, Marketing Manager

Johnny & Cheng Trading Co. Ltd.
1004 Tak Fung Comm. Bldg., 10/F1.
79-81, Connaught Road, West
Hong Kong
Cable: JCLTD
Telex: 61168 JOHCH HX
Johnny Yip Yiu-Kwong, Director

SALMON

The Dairy Farm Group
G.P.O. Box 286
Hong Kong
Telex: 50224 DFACC HX
Betty Chu, Purchasing Officer,
Aircraft Catering

Vanney & Company
Room 1523, Central Building
Pedder Street, Hong Kong
Telex: 63311 Vaney HX
Leung Kwun

Fung Ping Fan Food Services Ltd.
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191 Des Voeux Road, Central
G.P.O. Box 724, Hong Kong
Telex: 63820 HX
Cable: Mayfield
John W.L. Wong., Controller

Sherman International Trading Co.
Room A, 22/F1
Tak Lee Commercial Bldg.
113-117 Wanchai Rd.
Hong Kong
Telex: 67401 SMCO HX
Lawrence N.H. Ng., General Manager

Pennell & Company Ltd
2/F1., Amoy Plaza,
77 Ngau Tau Kok Rd.
Kowloon, Hong Kong, G.P.O.
Box 2828
Telex: 35403 Amoy HX
Simon S.Y. Ho, Sales Manager

Aji-No-Chinmi Co. Ltd
A3 6/F1 Tsing Yi Ind. Centre
Phase 1 Lot 65 Tsing Yi Island
N.T. Kowloon, Hong Kong
Telex: 50005 AJIMI HX
Cable: AJICHINMI
Tadashi Fujiwara, Sales Manager

Deep Win Company Ltd.
Rm. 1201, The Centre Mark
287-299 Queen's Road, C.
Hong Kong
Rayman Lee, Managing Director

ETAK International Ltd.
111 Hutchinson House
Hong Kong
William C. Evans

The American Club
St. George's Bldg., 12th Floor
2 Ice House Street
Hong Kong Street
Philippe, Leiler, Executive Chef

Steven International Limited
70 Wellington Street, 6/F1
Hong Kong
Telex: 62883 SIL HX
Cable: "STEVNINTLD" HONGKONG
Steven K.M. Cheng, Managing Dir.

Quantum International Ltd.
4/F Chartered Bank Bldg.
4 Des Voeux Road C,
Hong Kong
Telex: 62160 HX
Don Ferguson, Director

Hock Bee Frozen Food Enterprise Pte Ltd.
Rm. 906, Wing Tuck Commercial Centre
177-183, Wing Lok St.
Hong Kong
Cable: HOCKBEET
Telex: 65280 HBEHK HX

SABLEFISH
&
OTHER GROUND FISH

Pennell & Company Ltd.
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Kowloon, Hong Kong
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Simon S.Y. Ho, Sales Manager

The Dairy Farm Group
G.P.O. Box 286
Hong Kong
Telex: 50224 DFACC HX
Betty Chu, Purchasing Officer

Ben Union Co.
31 South Wall Rd., 4/F1
Kowloon, Hong Kong

SHRIMP

Comfort Trading Co.
Rm. 33 Wing Shing Bldg.
253 Queen's Road, Central
Hong Kong
Cable: ZOOLOCO HX
Gary Chu

New Asia Trading Co.
Rm. 1406 Yau Yue Bldg.
127-131 Des Voeux Road Central
Hong Kong
Telex: 83631 PRAWN HX
C.H. Chan

Pennell & Company Ltd.
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21F Amoy Plaza
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Simon S.Y. Ho, Sales Manager

Carson Co. Ltd.
44-46 Des Voex Road, C.
Yat Fat Building, 6/F
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Telex: 74503 CARFA HX
S.Y. Chow, Managing Director

Tarisco Group
8th Fl., On Lee Commercial Bldg.
37, Cameron Road
Tsimshatsui
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Telex: 72292 TARIS HX
Joseph Lam, Manager

Pioneer Corporation
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Sanda Lo (Miss)

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Paul B.U. Wong

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Galom Chan