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Fresh Fruit

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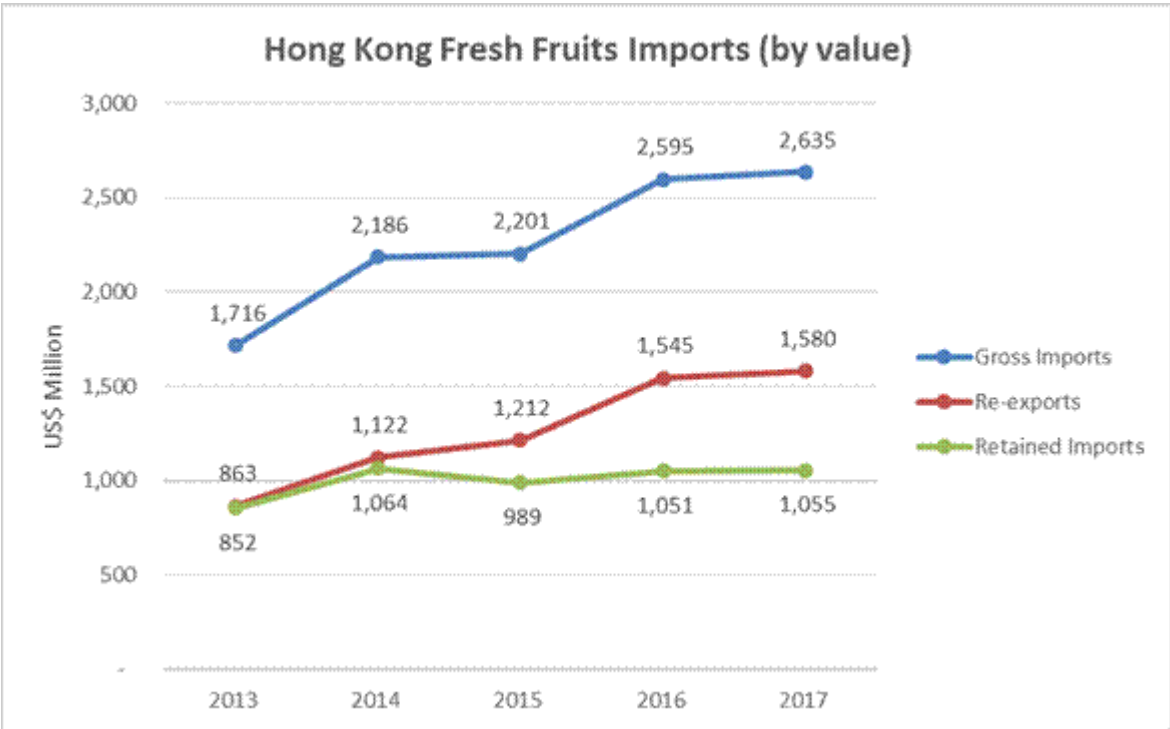
Report Highlights:

Hong Kong is a dynamic market and an effective re-export platform of fresh fruits encompassing US\$2.6 billion of gross imports and US\$1.6 billion of re-exports in 2017. With zero tariffs on fruits and most agricultural products, efficient customs procedures, and transparent food regulations, market access is easy and new varieties and suppliers are always present in the market. As the third-largest supplier of fruits to Hong Kong by value, the United States needs to stay competitive and expand market share by offering innovative products, maintaining superiority in quality, and educating the market on how U.S. products stand out from their competitors'.

SECTION I. MARKET OVERVIEW

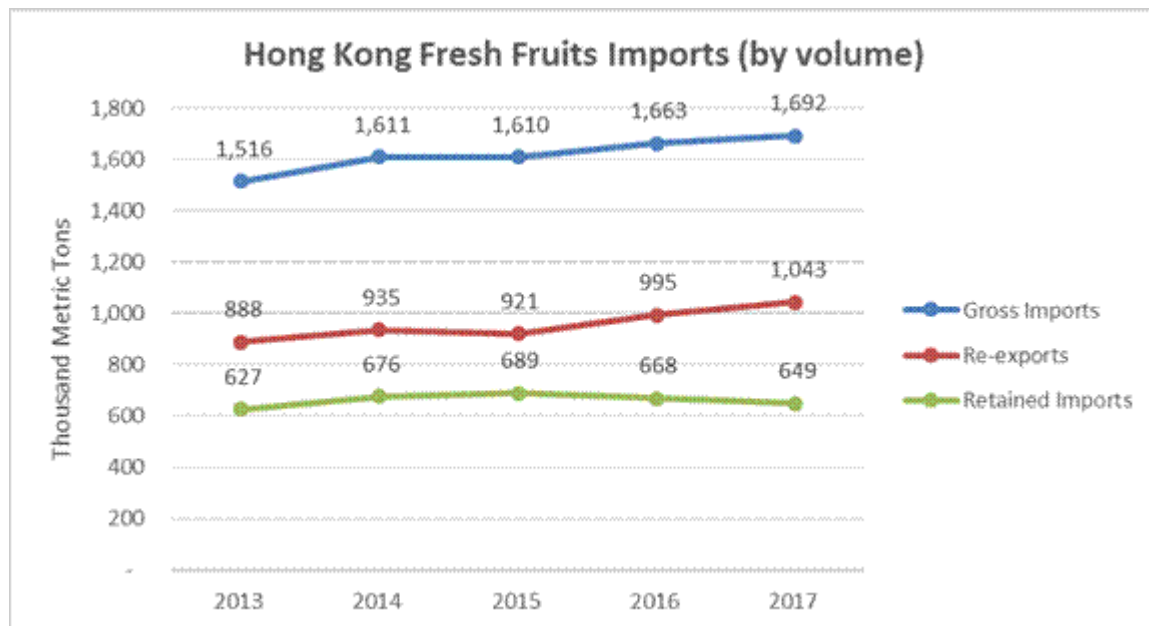
Hong Kong is ranked as the fifth-largest U.S. fresh fruits export market by value. Fruits from the United States generally enjoy a good reputation among Hong Kong consumers. Besides fruits from the United States, Hong Kong people consume a variety of fruits from around the world. Alongside changes in consumers’ lifestyle and an increase in health awareness, Hong Kong people demand new varieties and expanded options in addition to established items like apples, oranges, and bananas. Seasonality, nutritional values, and innovative aspects matter more as access to information is easier via mobile phones and social media. From over US\$350 Japanese watermelons to the all-time favorite navel oranges, Hong Kong imported over 1.69 million metric tons of fresh fruits with a value over US\$2.6 billion in 2017. Imports have been on the rise in the last five years.

Chart 1 – Hong Kong Fresh Fruits Imports by Value in US\$ Million



Source of data: Global Trade Atlas based on Hong Kong Census and Statistics Department

Chart 2 – Hong Kong Fresh Fruits Imports by Volume in Thousand Metric Tons



Source of data: Global Trade Atlas based on Hong Kong Census and Statistics Department

Due to its geographical proximity, expertise in sourcing, and efficiency in logistics, Hong Kong, in addition to being a dynamic market, is also a re-export platform to Mainland China. In 2017, around 60 percent of fruits coming into Hong Kong went to China and to the region. For imports from the United States, 45 percent, by value, were re-exported. This means that Hong Kong consumers' demand for U.S. fresh fruits is strong enough to keep more shipments here. As fresh fruit prices and quantities available in the market fluctuate, importers choose to bring products into Hong Kong and then decide to sell in the Hong Kong market or re-export to China depending on the market situation at the time of arrival in Hong Kong.

Hong Kong has trivial fruits cultivation for commercial purposes due to its small land size and high population density, and relies on the world for year-round supplies of fresh fruits.

Table 1 – Hong Kong Fresh Fruits Import Values by Country

Country		2013	2014	2015	2016	2017	Gross Imports	
		US\$ Million					Share in 2017	CAGR 2013-17
World Total	Gross Imports	1,716	2,186	2,201	2,595	2,635	100%	11.3%
	Re-exports	50%	51%	55%	60%	60%		
1. Chile	Gross Imports	341	406	448	759	640	24.3%	17.0%
	Re-exports	79%	69%	78%	78%	81%		
2. Thailand	Gross Imports	321	432	444	495	442	16.8%	8.3%
	Re-exports	91%	88%	93%	93%	96%		
3. United States	Gross Imports	416	484	393	393	406	15.4%	-0.6%
	Re-exports	32%	34%	32%	34%	45%		
4. Australia	Gross Imports	144	164	180	197	231	8.8%	12.5%
	Re-exports	12%	26%	28%	64%	56%		
5. South Africa	Gross Imports	85	161	149	155	220	8.3%	26.7%

	Re-exports	46%	56%	56%	53%	61%		
6. China	Gross Imports	88	94	110	131	144	5.5%	13.2%
	Re-exports	16%	11%	13%	5%	10%		
7. Peru	Gross Imports	47	97	111	83	98	3.7%	20.0%
	Re-exports	80%	88%	97%	89%	84%		
8. Japan	Gross Imports	27	38	58	68	84	3.2%	33.4%
	Re-exports	8%	3%	4%	3%	1%		
9. Philippines	Gross Imports	65	75	74	70	72	2.7%	2.5%
	Re-exports	3%	16%	10%	3%	3%		
10. New Zealand	Gross Imports	41	49	47	46	50	1.9%	4.8%
	Re-exports	12%	14%	15%	13%	22%		
Rest of World	Gross Imports	141	185	187	199	250	9.5%	15.4%
	Re-exports	35%	25%	28%	27%	34%		

Source of data: Global Trade Atlas based on Hong Kong Census and Statistics Department

Table 2 – Hong Kong Fresh Fruits Import Volumes by Country

Country		2013	2014	2015	2016	2017	Gross Imports	
		Thousand Metric Tons					Share in 2017	CAGR 2013-17
World Total	Gross Imports	1,516	1,611	1,610	1,663	1,692	100%	2.8%
	Re-exports	59%	58%	57%	60%	62%		
1. Thailand	Gross Imports	584	562	492	431	406	24.0%	-8.7%
	Re-exports	94%	91%	93%	94%	94%		
2. Chile	Gross Imports	138	136	163	257	223	13.2%	12.9%
	Re-exports	88%	85%	91%	90%	93%		
3. China	Gross Imports	183	188	204	220	217	12.8%	4.3%
	Re-exports	5%	4%	5%	4%	7%		
4. United States	Gross Imports	225	231	200	218	205	12.1%	-2.2%
	Re-exports	39%	44%	42%	47%	55%		
5. South Africa	Gross Imports	61	115	126	132	185	10.9%	31.7%
	Re-exports	47%	59%	62%	62%	70%		
6. Australia	Gross Imports	73	75	100	103	119	7.0%	12.9%
	Re-exports	14%	29%	32%	70%	60%		
7. Philippines	Gross Imports	86	91	87	77	79	4.7%	-1.9%
	Re-exports	3%	13%	8%	3%	2%		
8. Egypt	Gross Imports	3	12	23	22	52	3.1%	96.4%
	Re-exports	8%	14%	31%	38%	69%		
9. Peru	Gross Imports	18	44	54	45	47	2.8%	26.4%
	Re-exports	88%	90%	94%	95%	96%		
10. New Zealand	Gross Imports	21	20	21	19	22	1.3%	1.4%
	Re-exports	23%	22%	24%	18%	31%		
Rest of World	Gross Imports	123	138	140	138	137	8.1%	2.7%
	Re-exports	46%	36%	30%	28%	27%		

Source of data: Global Trade Atlas based on Hong Kong Census and Statistics Department

The United States was the third and fourth-largest supplier of fresh fruits to Hong Kong by value and by volume, respectively in 2017. During the four-year span 2013-2017, Hong Kong fruit import values grew at an 11.3 percent compound annual growth rate (CAGR). In 2013, the United States was the leading supplier by value. In 2017, though the United States still

maintained an influential position, was the only country among the top ten that did not record a positive CAGR by value in the last five years.

In 2017, Chile topped the supplier list by value, and Thailand climbed up the ladder to have become the second-largest supplier. Many countries in the top ten positions have continued to strengthen their product offerings and have built buyers' confidence in quality and consistency over the years.

The distribution of top fruit items to Hong Kong shows that Chile, Australia, South Africa, and China are capturing market shares in areas where the United States is a strong producer.

Table 3 – Hong Kong Fresh Fruits Import Values by Types and Major Suppliers

Items		2013	2014	2015	2016	2017	Gross Imports Share in 2017	Major Suppliers of Gross Imports in 2017
		US\$ Million						
Total Imports	Gross Imports	1,716	2,186	2,201	2,595	2,635	100%	1. Chile 24.3% 2. Thailand 16.8% 3. United States 15.4% 4. Australia 8.8%
	Re-exports	50%	51%	55%	60%	60%		
1. Grapes, Fresh	Gross Imports	405	456	439	460	494	18.7%	1. Chile 30.4% 2. Australia 23.2% 3. Peru 15.5% 4. United States 13.9% 5. South Africa 10.1%
	Re-exports	69%	70%	78%	77%	74%		
2. Cherries, Fresh, Nesoi	Gross Imports	200	339	334	534	446	16.9%	1. Chile 75.7% 2. United States 16.2%
	Re-exports	39%	38%	54%	65%	68%		
3. Oranges, Fresh	Gross Imports	197	229	235	272	334	12.7%	1. United States 34.7% 2. South Africa 27.9% 3. Australia 13.6% 4. Egypt 10.4%
	Re-exports	22%	24%	29%	34%	47%		
4. Durians, Fresh	Gross Imports	169	278	325	403	298	11.3%	Thailand 98.3%
	Re-exports	93%	90%	95%	94%	99%		
5. Apples, Fresh	Gross Imports	132	148	178	175	182	6.9%	1. China 33.8% 2. United States 26.7% 3. Japan 13.4% 4. New Zealand 12.8%
	Re-exports	36%	39%	29%	25%	32%		
6.*Fruit Nesoi, Fresh	Gross Imports	148	154	142	134	171	6.5%	1. Thailand 70.4% 2. Vietnam 7.1% 3. Ecuador 5.1%
	Re-exports	82%	77%	76%	67%	72%		
7. Plums, Prune Plums And Sloes, Fresh	Gross Imports	57	40	56	73	97	3.7%	1. Chile 48.5% 2. United States 38.8% 3. Australia 9.1%
	Re-exports	75%	67%	59%	71%	71%		

8. Lemons And Limes, Fresh Or Dried	Gross Imports	38	111	64	57	66	2.5%	1. South Africa 52.0% 2. United States 27.5%
	Re-exports	22%	39%	24%	50%	42%		
9. Strawberries, Fresh	Gross Imports	42	48	50	50	62	2.4%	1. United States 35.1% 2. South Korea 28.5% 3. Japan 23.7%
	Re-exports	2%	2%	3%	2%	1%		
10. Guavas, Mangoes And Mangosteens, Fresh Or Dried	Gross Imports	76	74	67	56	58	2.2%	1. Thailand 34.4% 2. Philippines 32.8% 3. Australia 20.6%
	Re-exports	49%	52%	27%	42%	43%		
Other Items	Gross Imports	252	309	312	381	426	16.2%	
	Re-exports	17%	27%	27%	35%	37%		

* Fruit Nesoi, Fresh includes fruits such as longans, dragon fruits, sugar apples, lychees, etc.

Table 4 – Hong Kong Fresh Fruits Import Volumes by Types and Major Suppliers

Items		2013	2014	2015	2016	2017	Gross Imports Share in 2017	Major Suppliers of Gross Imports in 2017
		Thousand Metric Tons						
Total Imports	Gross Imports	1,516	1,611	1,610	1,663	1,692	100%	1. Thailand 24.0% 2. Chile 13.2% 3. China 12.8% 4. United States 12.1%
	Re-exports	59%	58%	57%	60%	62%		
1. Oranges, Fresh	Gross Imports	222	234	257	277	320	18.9%	1. South Africa 30.5% 2. United States 30.2% 3. Egypt 14.1% 4. Australia 13.0%
	Re-exports	20%	22%	29%	39%	55%		
2. Grapes, Fresh	Gross Imports	167	196	206	236	237	14.0%	1. Chile 35.1% 2. Australia 21.8% 3. Peru 17.3% 4. United States 12.1%
	Re-exports	76%	78%	81%	87%	85%		
3. Durians, Fresh	Gross Imports	294	358	330	319	222	13.1%	Thailand 99.7%
	Re-exports	95%	93%	96%	95%	96%		
4. *Fruit Nesoi, Fresh	Gross Imports	281	222	197	151	216	12.8%	1. Thailand 73.6% 2. China 11.0% 3. Vietnam 8.6%
	Re-exports	84%	79%	78%	72%	74%		
5. Apples, Fresh	Gross Imports	114	127	165	168	165	9.8%	1. China 51.8% 2. United States 24.2% 3. New Zealand 8.9%
	Re-exports	35%	29%	25%	21%	29%		

6. Cherries, Fresh, Nesoi	Gross Imports	32	58	63	99	81	4.8%	1. Chile 77.2% 2. United States 16.2%
	Re-exports	63%	63%	82%	82%	86%		
7. Bananas, Fresh Or Dried, Nesoi	Gross Imports	65	70	68	66	71	4.2%	1. Philippines 79.1% 2. Ecuador 15.9%
	Re-exports	11%	18%	10%	4%	3%		
8. Pears, Fresh	Gross Imports	63	68	72	77	68	4.0%	1. China 80.4% 2. South Africa 8.2%
	Re-exports	11%	19%	7%	11%	6%		
9. Lemons And Limes, Fresh Or Dried	Gross Imports	31	70	42	38	47	2.8%	1. South Africa 60.6% 2. United States 16.5% 3. China 4.6% 4. Egypt 4.5%
	Re-exports	24%	52%	35%	50%	42%		
10. Plums, Prune Plums And Sloes, Fresh	Gross Imports	29	18	30	37	42	2.5%	1. Chile 66.6% 2. United States 22.5% 3. Australia 7.5%
	Re-exports	79%	76%	74%	80%	81%		
Other Items	Gross Imports	217	191	179	194	224	13.2%	
	Re-exports	44%	38%	38%	48%	50%		

* Fruit Nesoi, Fresh includes fruits such as longans, dragon fruits, sugar apples, lychees, etc.

Analyses by Country

Chile

Chile has been the leading fruits supplier to Hong Kong by value. As Chilean fruit supplies lie in the alternate season of the United States, they pose limited direct competition with U.S. fruits in Hong Kong. Imports of their hero product, cherries, which are in full supply during an important gifting festival, Chinese New Year, around January or February, have grown from US\$119 million in 2013 to US\$337 million in 2017. Chile has been launching promotional activities for cherries in China, which boosted gross imports to Hong Kong as 80 percent of values of Chilean cherries import were re-exported to China in 2017, as opposed to 32 percent of U.S. cherries re-exported. Buyers are also increasingly receptive to other Chilean products as reputation and confidence were established over years. Gross imports of other Chilean fruits to Hong Kong such as plums and avocados have also increased, strengthening the country's position as a leading fruit supplier.

Thailand

Thailand dominates durians supplies to Hong Kong. In 2017, around 66 percent, by value, of Thailand fruit imports to Hong Kong were durians, followed by other tropical fruits such as longans and mangoes. Even though over 95 percent of Thai durians were re-exported, durians were prominently displayed at Hong Kong retail outlets and used in desserts during the durians season. As Malaysian durians are selling at premium prices and quantities are limited, it is likely that Thailand will dominate supplies of tropical fruits and continue to be a major supplier of fruits to Hong Kong.

Australia

Australia has positioned itself as a premium fruits supplier in Hong Kong. Tasmania cherries and new varieties of grapes have attracted media attention in 2017. Tasmania cherries, though imported in smaller quantities compared to Chile's and the United States', are perceived as a prestigious gift item for Chinese New Year. Australian oranges are available in some fruits shops and healthy food stores as options to the dominating U.S. and South African oranges. Some shops tout Australian fruits as high-quality choices targeting middle-class consumers.

China

In terms of retained import volume, China is the biggest supplier to Hong Kong and its leading position is expected to carry on. Over the years, China has improved fruits cultivation skills and technology, enabling them to supply fruits with prices and taste profiles that are opportune for daily consumptions of many Hong Kong households. Particularly, apples, oranges, and pears are available all year round and have posted direct competition with the United States. Seasonal items such as watermelons and lychees have the advantage of proximity that translates into abundant supplies and attractive prices.

South Africa

South Africa is the largest citrus fruits* supplier to Hong Kong, by value and by volume. South Africa offers citrus fruits in the counter-season of the United States giving Hong Kong consumers continuous supplies of oranges throughout the year. Lemons are very popular at the food service sector, and South African lemons have become more widely used by restaurants at the time when U.S. lemons are in short supply that prices were driven high. During 2013-17, South African lemon and lime imports volume has grown at CAGR of 30 percent while the United States' recorded a negative 11 percent CAGR.

*oranges, lemons and limes, and grapefruits

Others

Small in terms of volume, Japan has become a leader in providing innovative and specialty fruit products in the market. Some consumers choose to pay extra for trends, excitements, and the extraordinary tastes, such as white peaches, Muscat grapes, white strawberries, and square-shaped watermelons. Egypt recorded the highest volume growth rate during 2013-17 among major suppliers, contributed by its growth in citrus fruits. The volume of Egyptian oranges grew from 2,996 metric tons in 2013 to 45,040 metric tons in 2017, and exceeded Australia's orange supplies by volume in 2017.

Table 5 – Advantages and Challenges of U.S. Fresh Fruits in Hong Kong

Advantages	Challenges
Advertising campaigns (Sunkist, Washington Apples and California grapes) launched mainly in the 80s and 90s have established a strong image of U.S. fruits. The residual effects are still influencing the market.	Other major fruit exporting countries are launching promotional programs in recent years in different media vehicles and have successfully established images and gained consumers' confidence.

U.S. fruits are perceived as high quality and reliable among importers, wholesalers and retailers.	Prices of U.S. fruits are less competitive in the market compared to direct competition from China and South Africa, and some European countries. These countries also have raised standard of tastes and quality that are attractive to buyers.
Hong Kong imposes zero tariffs for fruits	China imposes tariffs on U.S. fruits, while some other fruit exporting countries are exempted. This affects opportunities of re-export of U.S. fruits from Hong Kong to China.

SECTION II. MARKET SECTOR OPPORTUNITIES AND THREATS

Increase of Fruit Consumption Associated with Healthy Lifestyle

Euromonitor reported a growth of the Hong Kong fruit market size from 631.7 thousand metric tons in 2013 to 735.3 in 2017, and volume is forecasted to grow beyond 800 thousand metric tons in 2020.

The growth is consistent with the consumer lifestyle of increased health awareness. This trend has driven demand for natural and healthy foods. While the aging population is concerned about health risks associated with meat-heavy diets, young adults and children are also involved in making choices of consuming adequate fruits. The Hong Kong government launched the “EatSmart@school.hk” program commencing in 2006-07 in schools to tackle the rising trend of childhood obesity. The program until today educates children the importance of healthy eating, provides guidelines to school food suppliers, and organizes programs including “Joyful Fruit Month” that involves over 1,300 schools to promote a joyful ambience for youngsters to nurture a habit of eating fruit daily.

Hong Kong people are spending more on joining gyms and taking part in fitness activities¹, which are often associated with healthy and balanced eating habits. The wide usage of mobile phones and social media helps spread food knowledge that makes vegan diet more of a common concept among the younger generation². The fast-paced spread of information on social media also enables easy access of time-sensitive information such as seasonality and availability of innovate items. More consumers are pre-ordering seasonal fruits online such as Taiwanese mangoes, Japanese peaches, and Muscat grapes. Many would use home delivery services provided by online shops.

¹ Euromonitor International: Consumer Lifestyles in Hong Kong, China, May 2018

² Same as footnote 1

Market Sectors

Retail

The retail market is an active competition ground for supermarkets versus other outlets, among wholesalers, and between choices of types and varieties.

Traditional Shops vs. Supermarkets

Traditionally, consumers perceive that fruits at wet market are fresh and better deals, and this is still a belief to some consumers today. In fact, in order to compete with supermarkets, wet market fruit stalls sell fruits that are often of bigger counts, better handled in small batches to minimize defects, and offered with flexible and personalized pricing options. Fruit hampers and discount bulk orders are other value-added services that traditional fruit stalls offer. According to the statistics of the Food and Environmental Hygiene Department, number of wet markets has been stagnant during 2014-2017³. While growth in the number of supermarkets has also been negative over the same period, supermarkets have expanded the offerings of fresh food including specialty fruit items such as Japanese greenhouse fruits and organic items⁴. Shopping in supermarkets fits into the busy and modern lifestyle of the younger generation with smaller households as they can do one shopping trip for fresh, ambient and personal care products as opposed to the traditional shopping pattern of multiple trips for different categories. As a result, supermarket fruits sales are gaining significance in fresh fruit sales, and some supermarket buyers who used to buy from local importers now go direct to overseas exporters.

Specialty Fruit Shops

In recent years, there are specialty fruit shops selling premium fruits and offer services such as cut fruits and freshly squeezed juices. These shops are not necessarily in wet markets, in fact, many of them are located in areas with high traffic and even in business districts. They differentiate themselves by setting up a clean and neat shopping environment, and providing shoppers with information about origins, taste notes, and nutrition facts. Many of these shops are specialized in delicate fruits that require careful handling, that are risky to stock in big quantities, and that could fluctuate much in prices related to short and less predictable harvest.

Food Service Sector

Though supermarkets and retailers drive quantities, particular usages of fruits in special food service menus are trendsetting and would create media buzz.

Restaurants and Hotels

While Chinese cuisines use a limited variety and quantity of fresh fruits, a fruit platter is a typical last dish of a full course dinner. Most Chinese restaurants use fruit of low to middle-range prices. Apples, oranges, watermelons, and pineapples are most commonly seen on plates. Hotel buffets usually offer a variety of middle price range fresh fruits at the dessert and salad bars. For special promotions, hotel chefs would incorporate high-value fruits into menu such as desserts using berries, mangoes, and durians. For example, ATO Hong Kong

³ Food and Environmental Hygiene Department, Hong Kong
https://www.fehd.gov.hk/english/statistics/pleasant_environment/statistienh_2014_2017.html

⁴ Euromonitor International: Supermarkets in Hong Kong, China, Jan 2018

facilitated a promotion two years ago at a five-star hotel featuring U.S. berries used in desserts and cocktails. These types of special menus often attract media attention as diners and bloggers love to share pictures of beautifully presented dishes on social media.

Dessert Bars

There are chained and independent dessert cafes in Hong Kong serving a combination of Chinese, Western, and local style desserts. According to Euromonitor, brand share of the two major dessert chains, Hui Lau Shan and Honeymoon Dessert, all together totaled around two percent of chained-fast food sales values in 2017⁵. Despite the small share in the market, they are often in prominent shopping areas, and both of them are well known, even among tourists, for their tropical fruit desserts.

Bakery

There are several bakery chains in Hong Kong covering the city with around 450 shops, in addition to the numerous smaller chains, independent cafes, and pastries shops. Bakeries offer a range of bread, cakes, and tarts using fruit ingredients including canned fruits, dried fruits, and fresh fruits. As consumers are more familiar with seasonality and are attracted to innovative products, bakery shops offer seasonal cakes with premium fresh ingredients besides the basic range. Some of the popular seasonal ingredients include U.S. strawberries and blueberries, Philippines mangoes, Japanese honeydew melons, peaches, and grapes.

Entry Strategy

Fruits to Hong Kong are brought in by importers or directly by retailers, and upon arrival, importers will bring in fruits to a wholesale market for distribution or re-export. The fruit wholesale market, namely "Yau Ma Tei Fruit Market", is a historical landmark built in the 1910s and still operating. The market used to centralize distribution of all imported fruits, and today still handle a significant portion. Though supermarkets choose to buy direct from suppliers for certain items, usually for best-sellers and ones that have fewer shipment issues, the buyers still purchase part of their products from importers to minimize risks.

New-to-market exporters that wish to enter the Hong Kong market can connect with importers or supermarkets to explore the market through the following ways:

- **Meetings with potential importers and supermarkets:** Most local importers are interested in meeting new-to-market exporters in a private environment. Exporters may reach out to the Agricultural Trade Office in Hong Kong for lists of contacts.
- **Exhibiting in a trade show:** Hong Kong trade shows help U.S. exporters showcase their high-quality fruits to buyers from Hong Kong, Macau, China, and the region. The Asia Fruit Logistica held annually in September is a specific trade show for fruits, and there are other shows for a wide range of food and beverage products including fruits. For information, please refer to [GAIN Report # HK1755 Major Food and Beverage Trade Shows in Hong Kong 2018](#), or contact the Agricultural Trade Office in Hong Kong for more information.
- **Participating in promotional activities:** The Agricultural Trade Office in Hong Kong and other U.S. commodity associations organize promotional activities such as

⁵ Euromonitor International: Fast Food in Hong Kong, China, April 2018

seminars, tastings, receptions, and consumer events to promote U.S. agricultural products. Participation in some of these events requires collaboration with a local importer or representative.

SECTION III. COSTS AND PRICES

Hong Kong is tariff and duty free for most imports, including fruit. Generally, importers and wholesalers earn profits or commissions, and retailers and fruit shops price fruits by profits or mark up. Some common factors affecting fruit prices in Hong Kong include stages of seasonality, stock level, ripeness of the particular lot, and demand in re-export markets, mainly China. Frequent advertisements of supermarkets featuring special prices on fruits also set a benchmark for the overall fruit market prices in Hong Kong. The below table shows the average prices of commonly found fruits items in supermarkets in mid-summer:

Table 6 – Retail Prices of Fresh Fruits in Hong Kong

<u>Item</u>	<u>Brand</u>	<u>Origin</u>	<u>US\$ Price Per Unit</u>	<u>Unit</u>
Banana	Del Monte	Philippines	0.50	Pound
Lemon (bundle of 3 units)		South Africa	0.51	Piece
Extra Large Orange (bundle of 3 units)	Sunkist	South Africa	0.66	Piece
Plastic Mesh Pack Orange (8 pcs per bag)	Sunkist	South Africa	0.45	Piece
Plastic Mesh Pack Orange (8 pcs per bag)		Australia	0.27	Piece
Plastic Mesh Pack Orange (5 pcs per bag)	Sunkist	USA	0.64	Piece
Plastic Mesh Pack Orange (4 pcs per bag)	Sunkist	South Africa	0.96	Piece
Plastic Mesh Pack Orange (5 pcs per bag)		Australia	0.66	Piece
Orange (bundle of 4 units)		Australia	0.64	Piece
Mandarin (bundle of 4 units)		South Africa	0.32	Piece
Mandarin (bundle of 5 units)		Australia	0.28	Piece
Extra Large Grapefruit (bundle of 3 units)			0.51	Piece
Extra Large Fuji Apple		China	1.14	Piece
Fuji Apple (bundle of 3 units)		China	0.85	Piece
Fuji Apple (small) (bundle of 4 units)		China	0.40	Piece
Small Gala (bundle of 4 units)		New Zealand	0.30	Piece
Royal Gala (bundle of 2 pounds)		New Zealand	1.21	Pound
Large Gala (bundle of 3 units)		New Zealand	0.68	Piece
Organic Gala Apples (bundle of 4 units)		New Zealand	1.31	Piece
Organic Gala Apples (bundle of 2 pounds)		USA	3.84	Pound
Organic Juliet Apples (bundle of 4 units)		France	1.47	Piece
Jumbo Red Delicious (bundle of 3 units)		USA	0.49	Piece
Red Delicious (bundle of 4 units)		USA	0.35	Piece

Envy Apples (bundle of 2units)		New Zealand	1.21	Piece
Envy Apples (small) (bundle of 3 units)		New Zealand	0.85	Piece
Large Envy Apples (bundle of 2 units)		New Zealand	1.92	Piece
Pink Lady Apples (bundle of 1 kg)		Australia	4.86	Kilogram
Au Modi Apple (bundle of 1 kg)		Australia	2.81	Kilogram
Granny Smith Apples (bundle of 2 units)		USA and New Zealand	0.83	Piece
Green Kiwi (bundle of 3 units)	Zespri	New Zealand	0.38	Piece
Green Kiwi (bundle of 6 units)	Zespri	New Zealand	0.31	Piece
Gold Kiwi	Zespri	New Zealand	0.83	Piece
Gold Kiwi (bundle of 3 units)	Zespri	New Zealand	0.53	Piece
Avocado		USA	1.27	Piece
Avocado (bundle of 6 units)		Mexico	0.70	Piece
Avocado (bundle of 3 units)		Mexico	1.06	Piece
Avocado (bundle of 3 units)		USA	1.06	Piece
Organic Avocado (bundle of 2 units)		Mexico	2.56	Piece
Extra Large Avocado		Australia	3.45	Piece
Jumbo Blueberries		Peru	4.22	125g Pack
Organic Blueberries	Driscoll's	USA	7.68	125g Pack
Organic Strawberries	Driscoll's	USA / Mexico	8.19	250g Pack
Strawberries	Driscoll's	USA	4.09	1 Pound Pack
Strawberries		Australia	3.06	250g Pack
Strawberries	Driscoll's	USA / Mexico	4.22	250g Pack
Raspberries	Driscoll's	USA	3.83	125g Pack
Blackberries	Driscoll's	USA	3.83	125g Pack
Organic Blackberries	Driscoll's	USA	6.27	170g Pack
Golden Pineapple		Philippines	3.19	Piece
Dragon Fruit (bundle of 3 units)		Vietnam	0.55	Piece
Packham Pear (bundle of 4 units)			0.35	Piece
Gong Pear (bundle of 3 units)		China	0.59	Piece
Century Pear (bundle of 3 units)		China	0.59	Piece
Blush Pear		South Africa	3.00	800g Pack
Jumbo Green Kiwi (bundle of 4 units)		New Zealand	1.15	Piece
Hami Melon		China	2.55	Piece
Figs		Turkey	12.56	700g Pack
Cotton Candy Grape (bundle of 2 packs)		Spain	3.20	250g Pack

Green Seedless Grapes		Egypt	2.55	Pound
Red Grapes		Chile / Australia	2.17	Pound
Red Seedless Grapes		South Africa	2.29	Pound
Black Seedless Grapes		USA	3.83	Pound

Remarks:

- Exchange rate: 1 US\$ = 7.8 HK\$
- Prices were taken on August 8-9, 2018.
- Prices were taken from the two major supermarket chains, Wellcome and ParknShop; if there are same items in the two chains, average prices are shown above.
- Prices and product range could have been different in different shops. The above table is for reference only.

SECTION IV. MARKET ACCESS

Hong Kong has been ranked the world's freest economy for 24 consecutive years ⁶, and only levies tariffs on tobacco and spirits.

All food intended for sale in Hong Kong must be fit for human consumption as defined under the legal framework for food safety control in Part V of the [Public Health and Municipal Services Ordinance, Cap.132](#) and subsidiary legislation.

The Hong Kong government's Centre of Food Safety conducts food surveillance program to control and prevent food hazards. Inspectors take samples at import, wholesale, and retail levels for microbiological, chemical and radiation testing. From time to time, the inspections identify issues in fresh fruits such as fruit samples detected with pesticide residues exceeding the legal limits. For guidelines on Hong Kong food regulations, please refer to [GAIN Report HK1751 - Food and Agricultural Import Regulations and Standards – Narrative](#).

SECTION V. KEY CONTACTS AND FURTHER INFORMATION

U.S. fruit suppliers, traders, and exporters seeking marketing information pertaining to food and beverage import regulations, promotional opportunities, trade inquiries and marketing assistance are welcome to contact ATO Hong Kong at:

U.S. Agricultural Trade Office, Hong Kong

18th Floor, St. John's Building
33 Garden Road, Central
Hong Kong
Tel: (852) 2841-2350
Fax: (852) 2845-0943
E-mail: ATOHongKong@usda.gov
Website: <https://www.usfoods-hongkong.net>

⁶ “Hong Kong ranked world's freest economy for 24 consecutive years (with photo)”
<https://www.info.gov.hk/gia/general/201802/02/P2018020200484.htm>

The **Foreign Agricultural Service (FAS)** of the U.S. Department of Agriculture provides assistance and information to U.S. agricultural exporters. There are a number of reports available on the website on agricultural commodities and products prepared by FAS staff around the world. <https://www.fas.usda.gov>

These USDA Cooperators have representative offices who assist their members in promoting fruits in Hong Kong and Macau:

USDA Cooperators	Contacts of the Hong Kong and Macau markets
Northwest Cherry Growers Pear Bureau Northwest Washington Apple Commission	Marketing Plus Mr. Philander Fan, Director 7B, 4 Whitfield Road, Causeway Bay Hong Kong Tel: (852) 2554-1600 / Fax: (852) 3676-7960 E-mail: pfmk@netvigator.com Website: https://bestapples.com http://www.nwcherries.com
Sunkist Growers, Inc.	Sunkist (Far East) Promotion Limited Ms. Maria Kwok, Managing Director Room 1303 Bank of America Tower 12 Harcourt Road, Central Hong Kong Tel: (852) 2524-9219 / Fax: (852) 2845-3454 E-mail: sunfe@netvigator.com Website: https://www.sunkist.com
California Table Grape Commission	PR Consultants Limited Ms. Sylvaine Siu / Mr. Daniel Chan Hong Kong/Macau Representative Tel (852) 2833-5977 / Fax: (852) 2893-7538 E-mail: hkg@prcon.com Website: http://www.ginsengboard.com http://www.potatoesusa.com http://www.raisins.org http://www.usdec.org https://www.usarice.com
California Strawberry Commission	SMH International Limited Mr. Robin Wang, HK/Macau Representatives Ms. Valerie Yeung Room 1805, Emperor Group Centre 288 Hennessy Road, Wan Chai Hong Kong Tel: (852) 3568-9681 / Fax: (852) 3568-9680 E-mail: smh-shanghai@163.com valerie.yeung@smh-intl.com Website: https://www.smh-int.com

Source of information in this report:

- *Global Trade Atlas based on Hong Kong Census and Statistics Department*
- *Global Trade Atlas based on U.S. Census Bureau, U.S. Department of Commerce*
- *Euromonitor International*

- *Research by ATO Hong Kong through market visits and meetings with traders*