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Report Highlights:

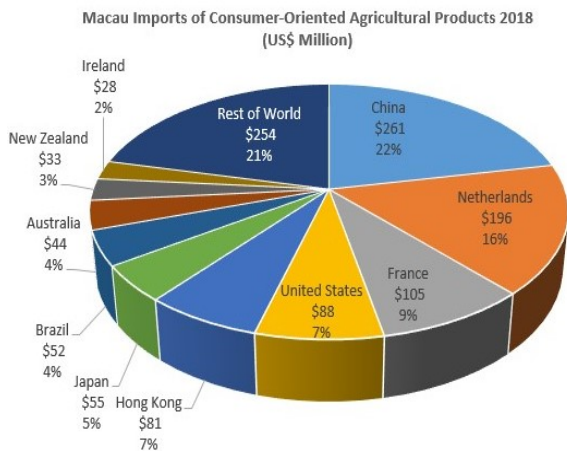
Macau is a budding culinary destination in Asia receiving nearly 36 million tourists in 2018. The fast growing market registered food retail sales over US\$570 million and restaurant receipts close to US\$1.4 billion. Macau offers strong prospects for U.S. products such as fresh fruit, poultry, food preparations, condiment and sauces, beef, fish, chocolate, tree nuts, processed fruit, and snack foods.

Executive Summary

Macau is located at the entrance of the Pearl River Delta, about 90 miles southeast of Guangzhou, China and 37 miles southwest of Hong Kong. It covers 18.3 square miles, around one-sixth the size of Washington, D.C., and has a population of 667,000. Macau’s per capita GDP was over US\$82,600 in 2018, one of the highest in the world. Macau is a major tourist destination in Asia, and received nearly 36 million visitors in 2018. Due to limited arable land, essentially all food in Macau is imported. In 2018, imports of agricultural and related products reached US\$1.62 billion.

Imports of Consumer-Oriented Products

Macau imports of Consumer-Oriented Agricultural Products reached US\$1.2 billion in 2018, or 74 percent of overall agricultural imports. The most popular imported products were dairy products, food preparations, fish, wine and beer, pork, poultry, snack foods, fresh fruit, beef, and chocolates. China, the Netherlands, France, the United States, and Hong Kong were the top five suppliers.



Food Processing Industry

Land is limited and expensive in Macau. Therefore, the local food-processing sector is small. Imports of bulk and intermediate agricultural commodities in 2018 were US\$35 million and US\$101 million, respectively, together representing only 8.4 percent of agricultural imports.

Food Retailing Industry

In 2018, Macau’s retail food sector rose 3.3 percent to US\$571 million. The Macau food retail market is made up of supermarkets, convenience stores, and traditional markets.

Food Service Industry

According to the latest figures (2017), Macau’s food service sector sales reached US\$1.4 billion, 5.5 percent more than 2016. The Macau food service sector is made up of Chinese restaurants, local-style cafes, western restaurants, Japanese and Korean restaurants, other Asian restaurants, fast food restaurants, coffee shops, bars and lounges, and cooked food stalls. Many of these food service outlets are located in hotels and casinos.

Quick Facts CY 2018

Imports of Consumer-Oriented Ag. Products
US\$1.2 billion

Top 10 Consumer-Oriented Ag. Imports

Dairy products, food preparations, fish, wine and beer, pork, poultry, snack foods, fresh fruit, beef, and chocolates

Top Growth of Consumer-Oriented Ag. Imports

Dog and cat food, fresh fruit, poultry, food preparations, condiment and sauces, beef, fish, chocolate, tree nuts and processed fruit

Food Industry by Channels

Consumer-Oriented Ag. Products:

- Gross imports US\$1.2 billion
- Re-exports US\$76 million
- Retained Imports US\$1.1 billion
- Retail food sales US\$571 million
- Restaurant receipts US\$1.4 billion (2017)

Top Retailers (by no. of stores)

Royal, San Miu, ParknShop, Cheang Chong Kei, Vang Kei Hong, New Yaohan

Major Five-Star Hotels

Altira; Grande Lisboa; Lisboa; Grand Lapa; MGM Macau; Royal; Sands; StarWorld; Hotel Sofitel Macau de Ponte 16; The Venetian Macau; Resort Grand Coloane; Wynn; Hotel L’Arc Macau; Nüwa; Conrad Macau, Cotai Central; Regency Art Hotel; Wynn Palace; Grand Hyatt Macau; Legend Palace; MGM Cotai; and Mandarin Oriental.

Tourism/Gaming

- No. of hotels: 48
- No. of casinos: 41
- No. of tourists: 35.8 million
- Gaming revenue: US\$37.5 billion

GDP/Population

- Population: 667,000
- GDP: US\$54.5 billion
- GDP per capita: US\$82,609

Strengths/Weaknesses/Opportunities/Challenges

Strengths	Weaknesses
<ul style="list-style-type: none"> - Free and fast-growing market with affluent customers - U.S. products are perceived as high-quality 	<ul style="list-style-type: none"> - Cost of shipment from the U.S. is high - Order size of importers is small
Opportunities	Challenges
<ul style="list-style-type: none"> - Hong Kong customers are open to new products - Macau is major trading tourist destination in Asia 	<ul style="list-style-type: none"> - Keen competition from other food supplying countries - Strengthening U.S. dollar will make U.S. products less price competitive

Data and Information Sources: U.S. Census Bureau Trade Data, Global Trade Atlas, Euromonitor International, Government of Macao Special Administrative Region Statistics and Census Service

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SECTION I. MARKET SUMMAR

Macau is located at the entrance of the Pearl River Delta, about 90 miles southeast of Guangzhou, China and 37 miles southwest of Hong Kong. It covers 18.3 square miles, around one-sixth the size of Washington, D.C. and has a population of 667,000¹. 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. Pursuant to a 50-year transition period, the Macau SAR (MSAR) maintains a high degree of autonomy in all matters except foreign, defense, and security affairs.

With its unique blend of European and Chinese cultures, Macau's economy is growing steadily with a per capita GDP that reached US\$82,609² in 2018. Macau has enjoyed an influx of international investment over the last decade to develop its casino resorts as it is the only legal gambling site in China. The pace of its economic growth has far surpassed expectations. The gaming industry's gross revenue in 2018 amounted to US\$37.5 billion³, more than three times the total gaming revenue of Nevada. Gaming by itself is the largest source of direct tax in Macau. The tax revenue from gaming represented around 69 percent⁴ of Macau's total revenue.

The Macau government intends to expand Macau's attraction as a tourist and leisure hub including the growth of hotels, family-friendly mega resorts, and accompanying food service outlets. Macau also looks to diversify into a multi-platform entertainment destination. Meetings, Incentives, Conferences, and Exhibitions (MICE) is another area that the Macau government is targeting for development.

U.S. Food and Beverage Exports to Macau⁵

Due to production limitations, virtually all of Macau's food requirements are imported. In 2018, Macau's total global imports of agricultural, food, and fisheries reached US\$1.62 billion. Among them, US\$1.2 billion, or 74 percent, were consumer-oriented agricultural products. The vast majority of Macau's imports were transshipped via Hong Kong as Macau lacks a deep-water port. In 2018, Hong Kong exported US\$915 million in consumer-oriented agricultural products to Macau, US\$98 million of which were U.S. origin.

In late 2018, the Hong Kong-Zhuhai-Macau Bridge project, consisting of a series of bridges and tunnels crossing the Lingdingyang channel, opened and now connects southern China, Macau, and Hong Kong for vehicular and freight movement. Once details for freight and cargo transportation on the bridge are determined, this new transport option will substantially cut the shipping time compared to current water transport arrangements. Spanning 34 miles, the bridge is the longest sea-crossing bridge ever built.

Macau's food market is expected to stabilize in 2019. For the first five months of 2019, Macau gross imports of consumer-oriented agricultural products reached US\$411 million, a drop of 3.6 percent over the same period in 2018.

¹ Government of Macao SAR Statistics and Census Service

² -ditto-

³ -ditto-

⁴ -ditto-

⁵ Global Trade Atlas

Table 1 – Major Advantages and Challenges in the Macau Markets

Advantages	Challenges
Macau’s per capita GDP was over US\$82,600 in 2018, one of the highest in the world.	Order size of importers is small.
Macau is a major tourist destination in Asia. In 2018, Macau received nearly 36 million tourists.	Strengthening U.S. dollar will make U.S. products less price competitive.
U.S. food products enjoy an excellent reputation among Macau consumers and visitors, as they are renowned for high-quality and food safety standards.	Transportation time, costs, and product seasonality for U.S. food and beverage products to Macau can make them less competitive than products available from regional suppliers such as China, Australia, and New Zealand.
Macau is a quality and trend driven market so price is not always the most important factor for food and beverage purchases.	The importance of Hong Kong as a transshipment point and buying center for Macau is not widely known to U.S. exporters.

SECTION II. EXPORTER BUSINESS TIPS

Importer Lists

ATO Hong Kong can provide a list of Macau importers to U.S. exporters. Please contact us at Atohongkong@fas.usda.gov for further information.

Language

Chinese and Portuguese are the official languages, Cantonese (the prominent Chinese dialect in South China) being most widely spoken. The official languages are used in government departments in all official documents and communications. English is generally used in trade, tourism, and commerce.

Travel Visa

Macau is a Special Administrative Region of Mainland China with a distinct customs and immigration border with three land border crossings to mainland China. U.S. passport holders do not need a visa to enter Macau, but do need a visa to enter Mainland China.

Legal System

Under the principle of “One country, two systems”, Macau’s legal system of the Macau Special Administrative Region (MSAR) remains unchanged, belonging to the Romano-Germanic family of law.

Payment

Macau importers accept letters of credit, but after a trading relationship is established, may seek to obtain payment by open account to reduce transaction costs.

General Consumer Tastes and Preferences

Macau consumers are increasingly interested in healthy lifestyle products. Innovative products that offer sustainable production and nutritional value at a reasonable cost with convenient preparation are in demand. Consumers are also interested in food's origin provenance and production background, both at retail and restaurant levels, and consider these aspects when making purchasing decisions.

SECTION III. IMPORT FOOD STANDARDS & REGULATIONS and IMPORT PROCEDURES

Being a Special Administrative Region of China, Macau maintains its food and agricultural import regulations that are separate from those of Mainland China (until 2049). For details, please refer to [GAIN Report #HK1921](#).

SECTION IV. MARKET SECTOR STRUCTURE AND TRENDS

The retail and hotel, restaurant and institutional (HRI) sectors present the best opportunity for U.S. exporters. The food processing sector in Macau is insignificant and presents minimal opportunity for market development.

Food Retail Sector

In 2018, retail sales⁶ in Macau reached US\$9.5 billion, among them US\$571 million, or six percent were goods in supermarkets. That represented a 3.3 percent growth compared with 2017.

“Supermarket/Department Stores” includes sales of supermarkets, convenience stores, and food and beverage sections at department stores. They are the modern grocery outlets that provide consumers with convenient and high-quality options. In addition to groceries, these stores are offering a more comprehensive shopping experience with increased items of fresh food, bread and pastry, organic options, and hot takeout meals.

A. Supermarkets and Convenience Stores

Royal, San Miu and ParknShop are the three largest supermarket chains in Macau. The largest convenience store chains are 7-Eleven and Circle K.

B. Traditional Markets – Wet Markets and Independent Grocery Stores

Traditional markets include wet markets and mom-and-pop shops. They are widespread throughout Macau. They are favored for daily, neighborhood shopping primarily especially amongst an older consumer base. Due to size restrictions, many of these stores work with

⁶ Government of Macao SAR Statistics and Census Service

importers to buy smaller batches.

For more information on the Macau food retail sector, please refer to [GAIN Report #1819](#).

Hotel, Restaurant, and Institutional (HRI) Sector

Supported by inbound tourism and gaming resorts, Macau's HRI sector has developed rapidly over the past two decades. With an average of nearly three million visitors each month, Macau's world-class gaming resorts have pushed the demand for high-quality food ingredients to serve their guests and provide staff meals.

According to the latest statistics⁷, a total of 2,309 restaurant and foodservice facilities were in operation in 2017, an increase of 44 facilities over 2016. The presence of 19 Michelin-starred restaurants in Macau for 2018 bodes well for the HRI sector. Macanese food, which is a fusion of Portuguese, African, Southeast Asian, and Chinese cooking, is gaining international recognition, as is Macau as a culinary destination following an influx of internationally renowned restaurant brands and celebrity chefs. In late 2017, Macau was named a UNESCO City of Creative Gastronomy for its unique culinary heritage and significant investment in high-quality dining. In early 2019, Top Chef's season finale, which was filmed in Macau, aired and promoted Macau's gastronomic diversity.

Restaurant receipts amounted to US\$1.39 billion (MOP11.2 billion) in 2017, up by 5.5 percent year-on-year, attributable to an increase in the number of food service outlets and steadily growing economy. Restaurant expenditures totaled US\$1.36 billion (MOP 11 billion) and \$510 million (MOP 4.1 billion) of which, or 37 percent, was spent on purchases of goods.

Table 2: Receipts and Expenditures of Various Types of Restaurants in Macau in 2017 (US\$ million)

	Number	Receipts	Expenditure
Chinese Restaurants	621	602	587
Local-style Cafes and Congee & Noodle Shops	840	300	292
Western Restaurants	208	160	162
Japanese and Korean Restaurants	129	98	97
Other Asian Restaurants	115	39	42
Fast-food Restaurants	42	94	86
Coffee Shops	123	36	34
Bars & Lounges	41	10	14
Cooked Food Stalls	72	6	3
Others	118	45	47
Total	2,309	1,389	1,364

(Source: Government of Macau, Statistics and Census Service)

⁷ Government of Macao SAR Statistics and Census Service

For more information on the Macau food service sector, please refer to [GAIN Report #1916](#).

Trends in Promotional/Marketing Strategies and Tactics

- Identification of key players - ATO Hong Kong can provide lists of importers, distributors, USDA commodity cooperators, and state/regional trade groups.
- Establishment of a presence in the market – test marketing and stakeholder education may be required prior to entry.
- Participate in or visit trade shows – Hong Kong has an excellent reputation for hosting a dozen international food and beverage trade shows per year. In cooperation with cooperators and regional groups, the shows demonstrate the versatility of U.S. food products.
- Invitation to buyers to seminars and/or to the United States - ATO Hong Kong/ USDA cooperators organize seminars and trade missions to the United States to introduce U.S. products and U.S. exporters to Macau buyers.

SECTION V. AGRICULTURAL and FOOD IMPORTS

Due to land constraints, Macau produces a minimal amount of its food requirements, depending on global sources to meet most of its needs. Macau imports of Consumer-Oriented Agricultural Products reached US\$1.2 billion in 2018. Major suppliers included China (22%), the Netherlands (16%), France (8%), and the United States (7%).

Table 3 – Macau Imports of Consumer-Oriented Ag. Products (2014-2018)⁸
(Value in US\$ million)

Category	2014	2015	2016	2017	2018	Percentage of Gross Imports	Growth 18 v 17
Gross Imports	1,050	1,135	1,034	1,080	1,197	100%	11%
Re-exports	27	24	44	91	76	6%	-16%
Retained Imports	1,023	1,111	990	989	1,121	94%	13%

As seen at Table 3, Macau retained most of its food and beverage imports, partly for food retail consumption and more for their stronger food service sector, which includes their nearly 36 million tourists each year.

⁸ Global Trade Atlas

Table 4 – Top 10 Macau Imports of Consumer-Oriented Agricultural Products and Competition⁹

Product Category	Gross Import 2018		1st Supplier*	2nd Supplier*	U.S. Ranking*
	US\$ million	Quantity			
Dairy Products	288	23,770 Tons	Netherlands (61%)	Ireland (9%)	11 (0.47%)
Food Preps. & Misc. Bev	192	36,891 Tons	China (23%)	Hong Kong (16%)	4 (8%)
Fish Products	177	28,451 Tons	China (30%)	Japan (12%)	9 (4%)
Wine & Beer	148	24 million Liters	France (58%)	China (8%)	6 (3%)
Pork & Pork Products	69	25,811 Tons	China (36%)	Brazil (34%)	6 (3%)
Poultry Meat & Prods. (ex. eggs)	68	28,638 Tons	China (68%)	Brazil (16%)	3 (7%)
Snack Foods NESOI	51	9,759 Tons	China (23%)	Japan (19%)	6 (6%)
Fresh Fruit	51	41,654 Tons	U.S. (28%)	China (20%)	1 (28%)
Beef & Beef Products	50	9,245 Tons	Brazil (30%)	U.S. (29%)	2 (29%)
Chocolate & Cocoa Products	43	3,403 Tons	Italy (38%)	Switzerland (8%)	8 (4%)

(* based on import value)

Table 5 – Best Growths of Macau’s Imports of Consumer-Oriented Agricultural Products¹⁰

Category	2014 (US\$ million)	2018 (US\$ million)	Average Annual Growth
Dog and Cat Food	0.59	3	50%
Fresh Fruit	31	51	13%
Poultry Meat & Prods. (ex. eggs)	44	68	12%
Food Preps. & Misc. Bev	124	192	11%
Condiments & Sauces	22	33	11%
Beef & Beef Products	35	50	10%
Fish Products	123	177	9%
Chocolate & Cocoa Products	32	43	8%
Tree Nuts	9	12	7%
Processed Fruit	14	18	7%

⁹ Global Trade Atlas

¹⁰ Global Trade Atlas

SECTION VI. KEY CONTACTS AND FURTHER INFORMATION

Post Contact

Agricultural Trade Office, Consulate General of the United States, Hong Kong and Macau
18th Floor, St. John's Building
33 Garden Road, Central, Hong Kong
Tel: (852) 2841-2350
Fax: (852) 2845-0943
Email: Atohongkong@fas.usda.gov
Website: <http://www.usconsulate.org.hk>
<http://www.usfoods-hongkong.net>

Other Macau Government / Semi-Government Contacts

Macao Government Tourism Office

Alameda Dr. Carlos d'Assumpção, n.os 335-341
Edifício "Hot Line", 12º andar, Macau
Tel: (853) 2831-5566
Fax: (853) 2851-0104
Email: mgto@macaotourism.gov.mo
Website: <http://www.macaotourism.gov.mo>

Macau Hotel Association

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Email: mhacmo@macau.ctm.net
Website: <http://www.macaohotel.org/>

The American Chamber of Commerce in Macau

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