

# China and Hong Kong

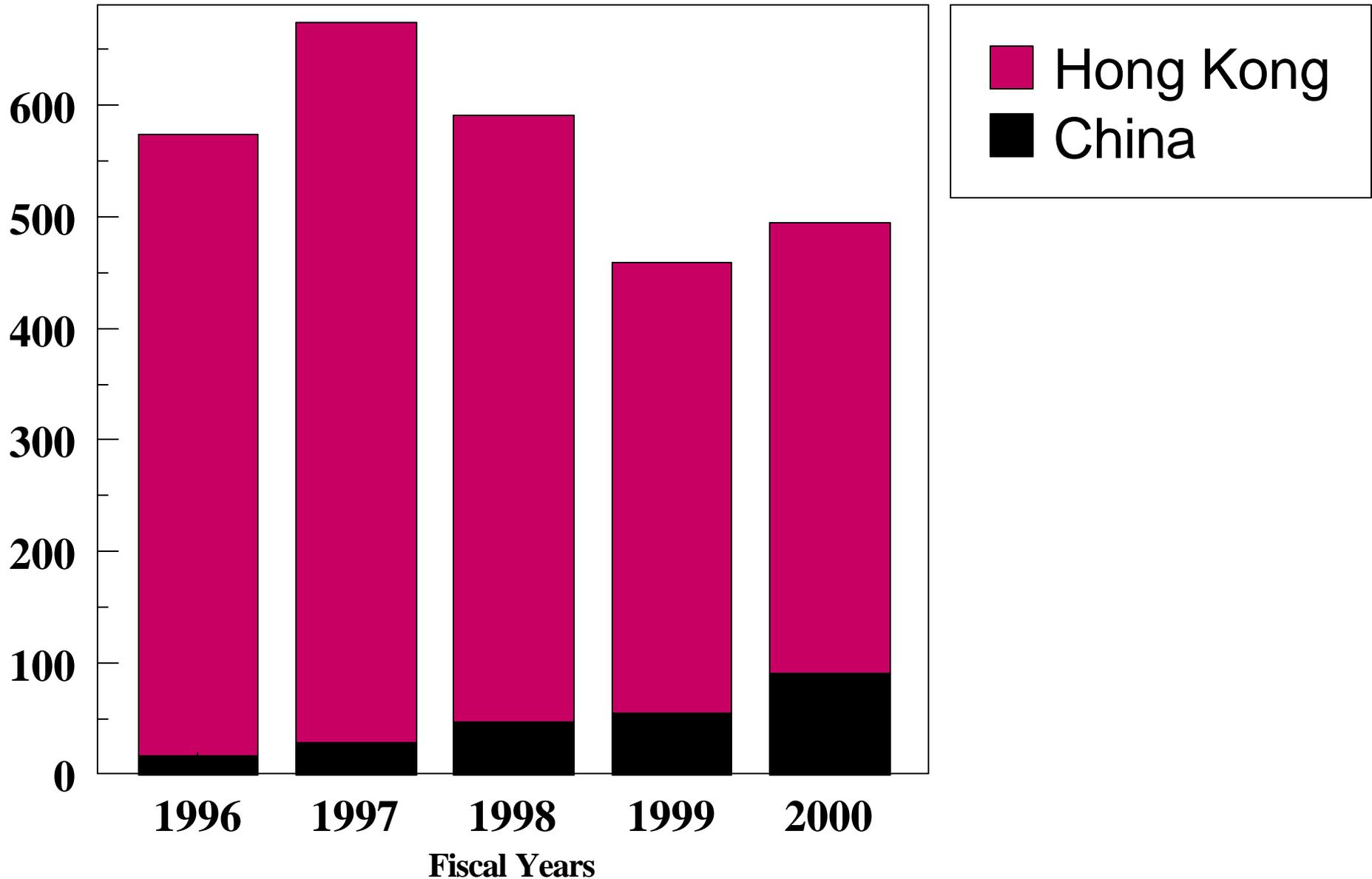
## Opportunities and Challenges for U.S. Horticultural Products

Foreign Agricultural Service  
Horticultural & Tropical Products  
Division  
October 2001



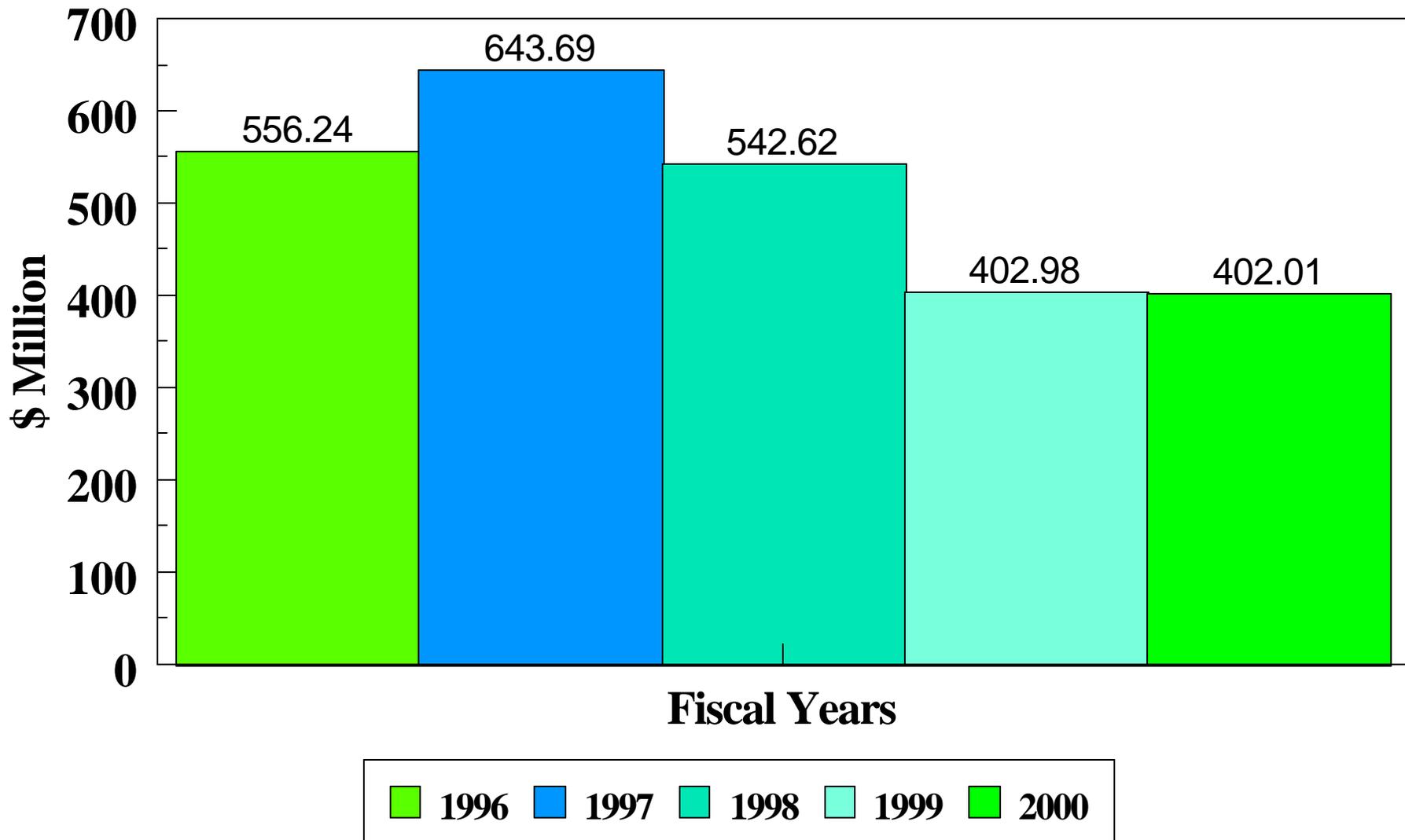
# U.S. Horticultural Exports to China & Hong Kong

\$ Millions



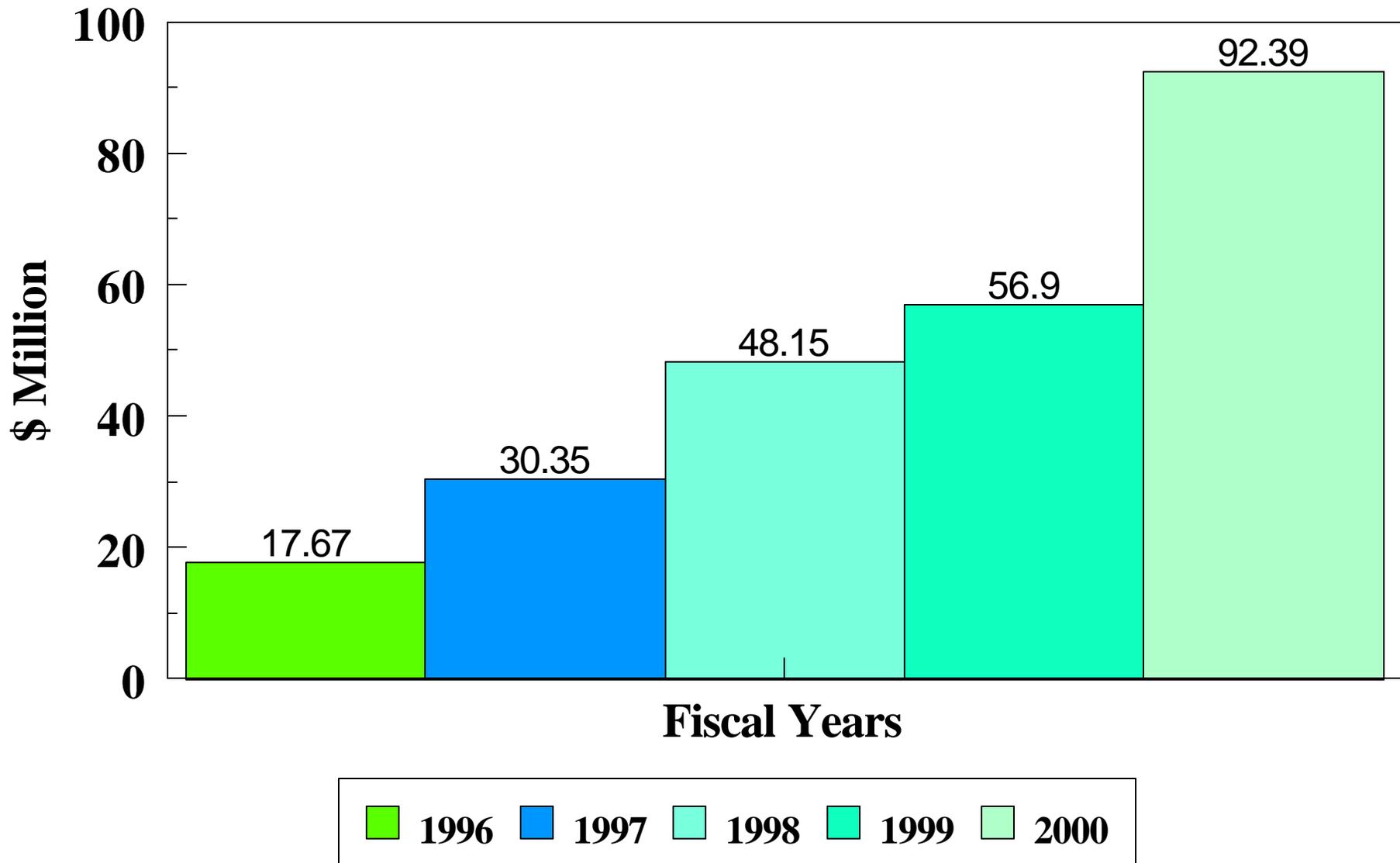
Source: U.S. Bureau of the Census

# U.S. Horticultural Exports to Hong Kong



Source: U.S. Department of Commerce, Bureau of the Census

# U.S. Horticultural Exports to China



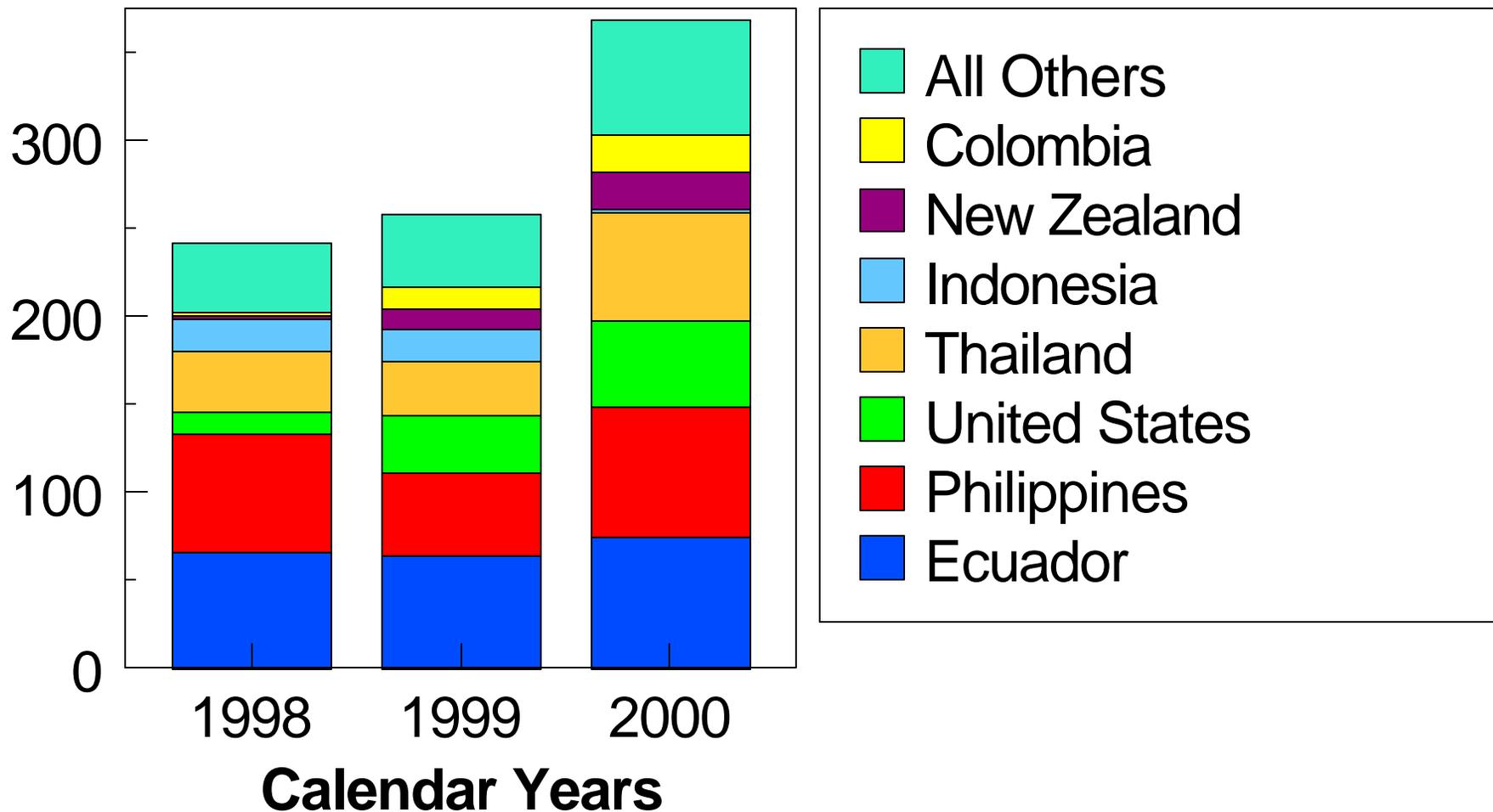
Source: U.S. Department of Commerce, Bureau of the Census

# Tariffs: Anticipated reductions with WTO will facilitate imports

<b>Priority Products</b>	<b>Pre-WTO Tariffs (Percent Ad Valorem Duty)</b>	<b>WTO Tariffs after Phase-In Period (Percent Ad Valorem Duty)</b>
<b>Table Grapes</b>	<b>40</b>	<b>13</b>
<b>Frozen Potato Fries</b>	<b>25</b>	<b>13</b>
<b>Wine</b>	<b>65</b>	<b>20</b>
<b>Shelled Almonds</b>	<b>30</b>	<b>10</b>
<b>Pistachio Nuts</b>	<b>35</b>	<b>10</b>
<b>Oranges</b>	<b>40</b>	<b>12</b>
<b>Apples</b>	<b>30</b>	<b>10</b>

# China's Imports of Fruits and Nuts by Country of Origin

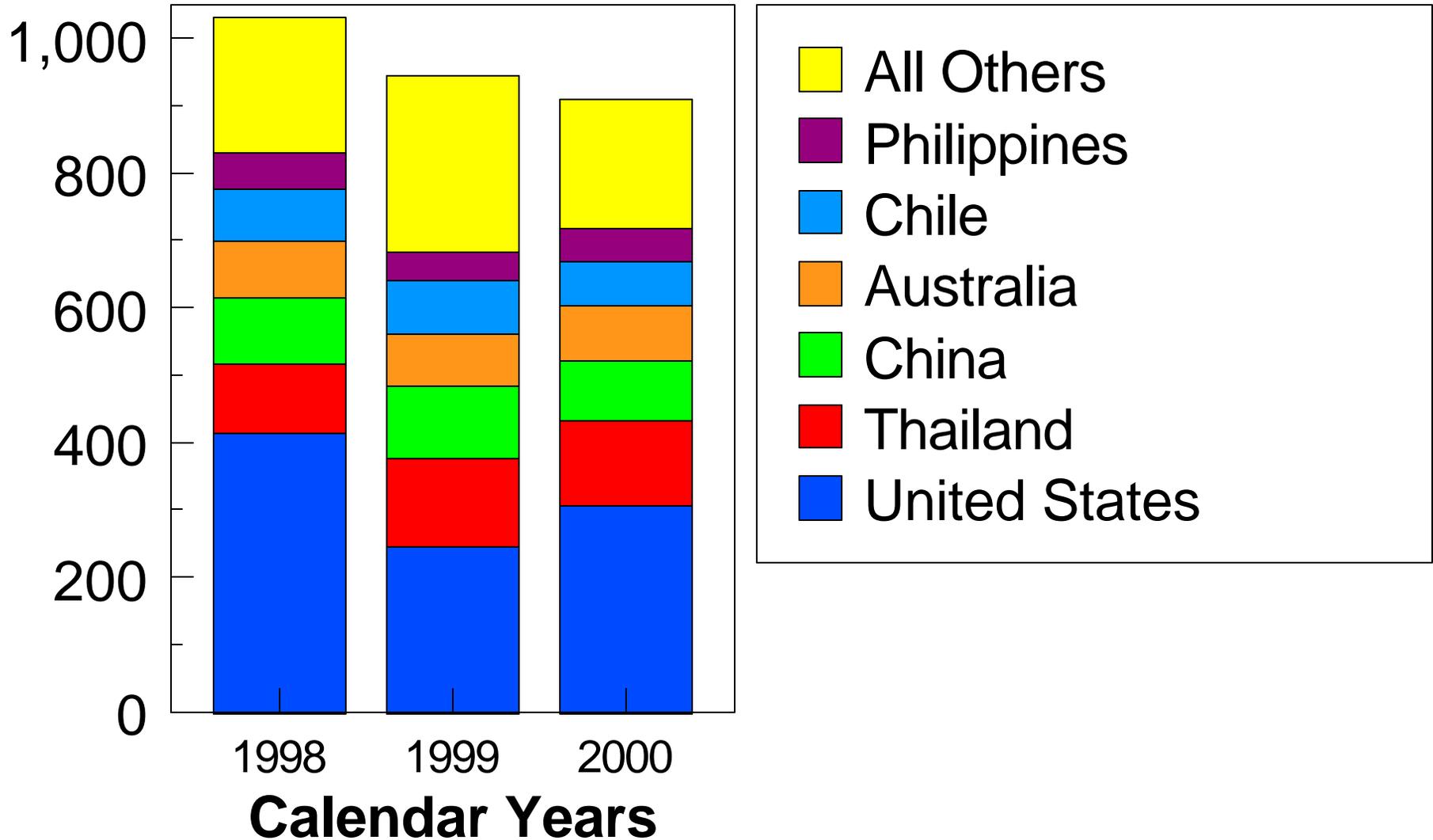
\$ Millions



Source: World Trade Atlas

# Hong Kong's Imports of Fruits and Nuts by Country of Origin

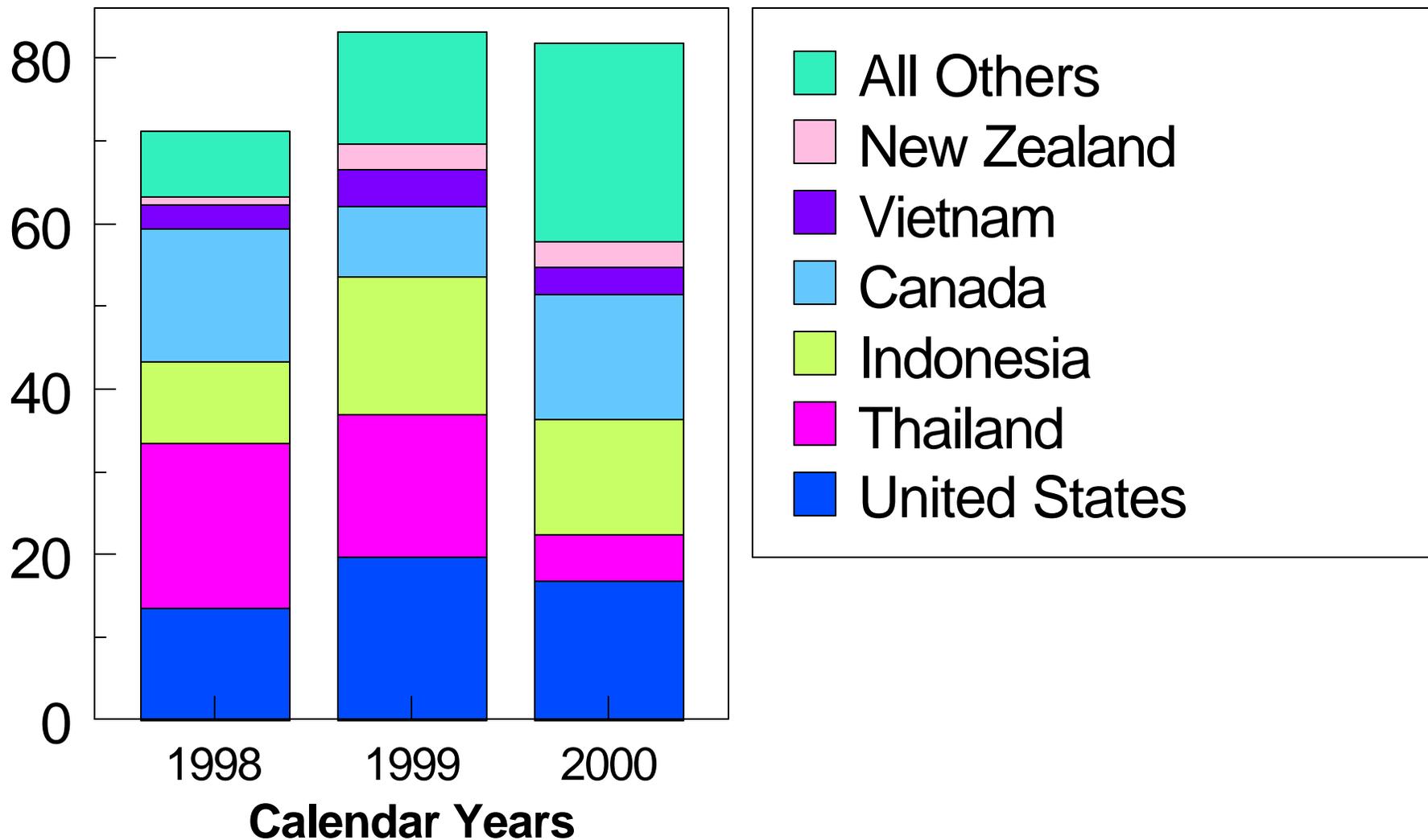
\$ Millions



Source: World Trade Atlas

# China's Imports of Vegetables by Country of Origin

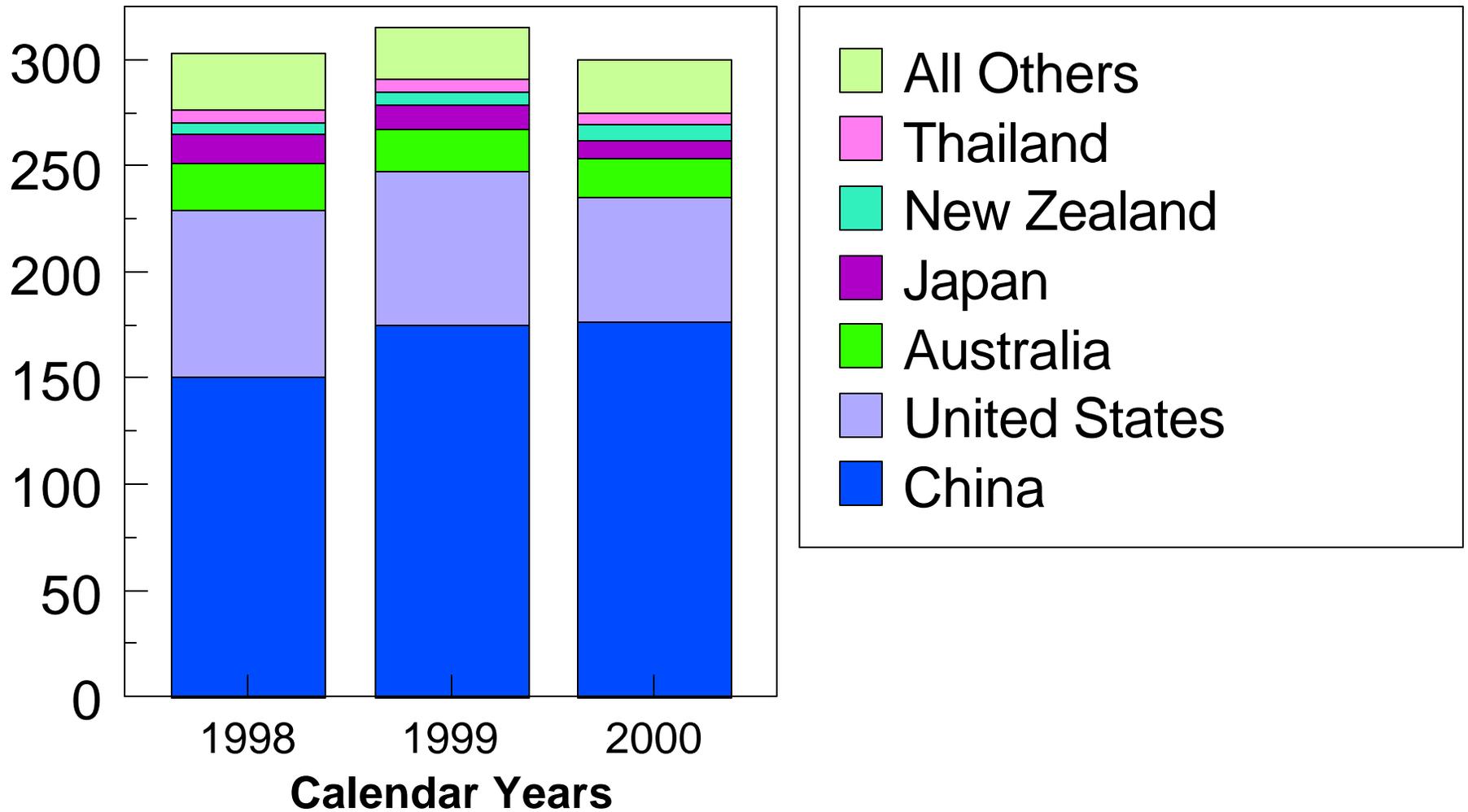
\$ Millions



Source: World Trade Atlas

# Hong Kong's Imports of Vegetables by Country of Origin

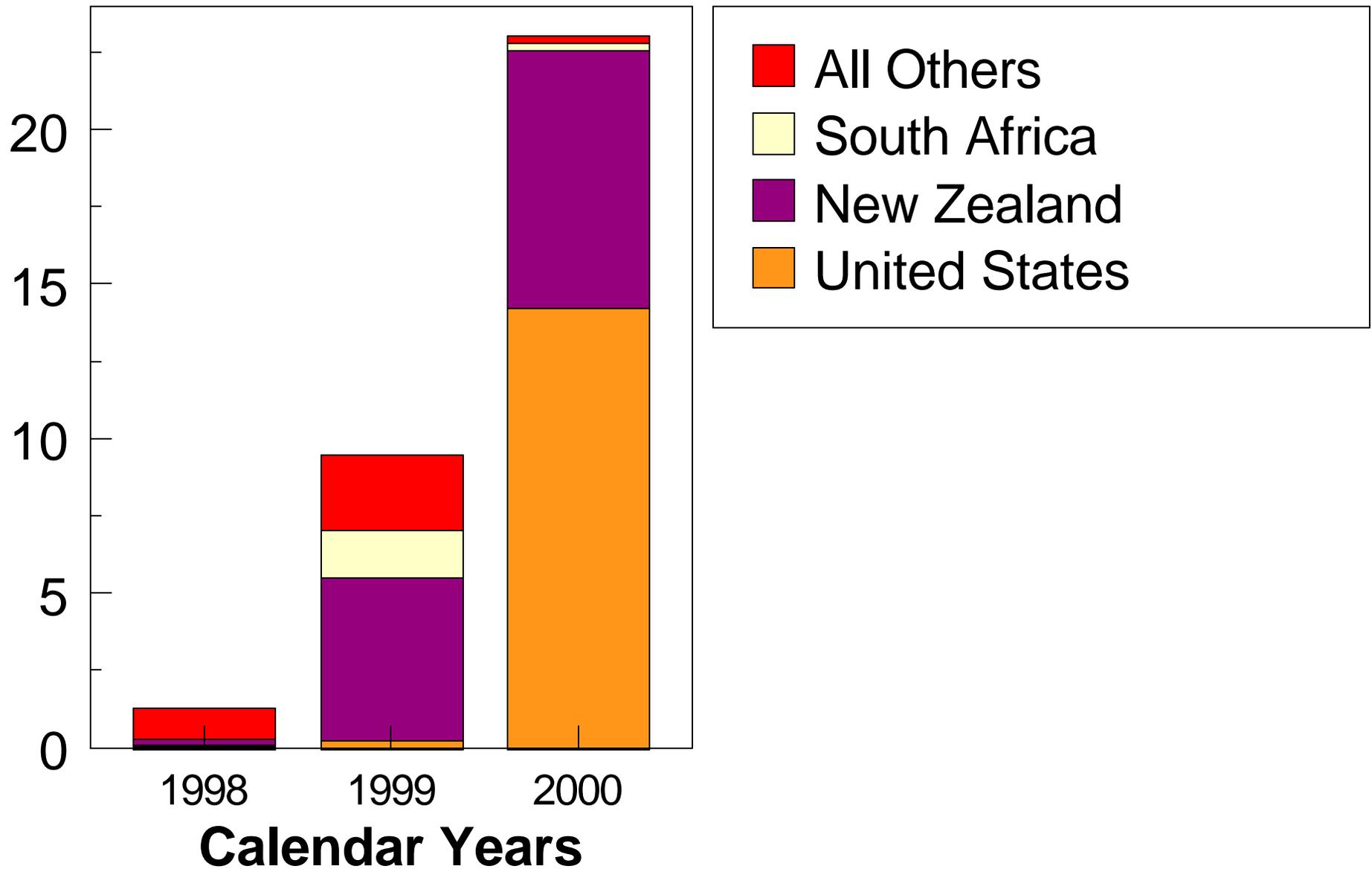
\$ Millions



Source: World Trade Atlas

# China's Orange Imports Starting to Take Off

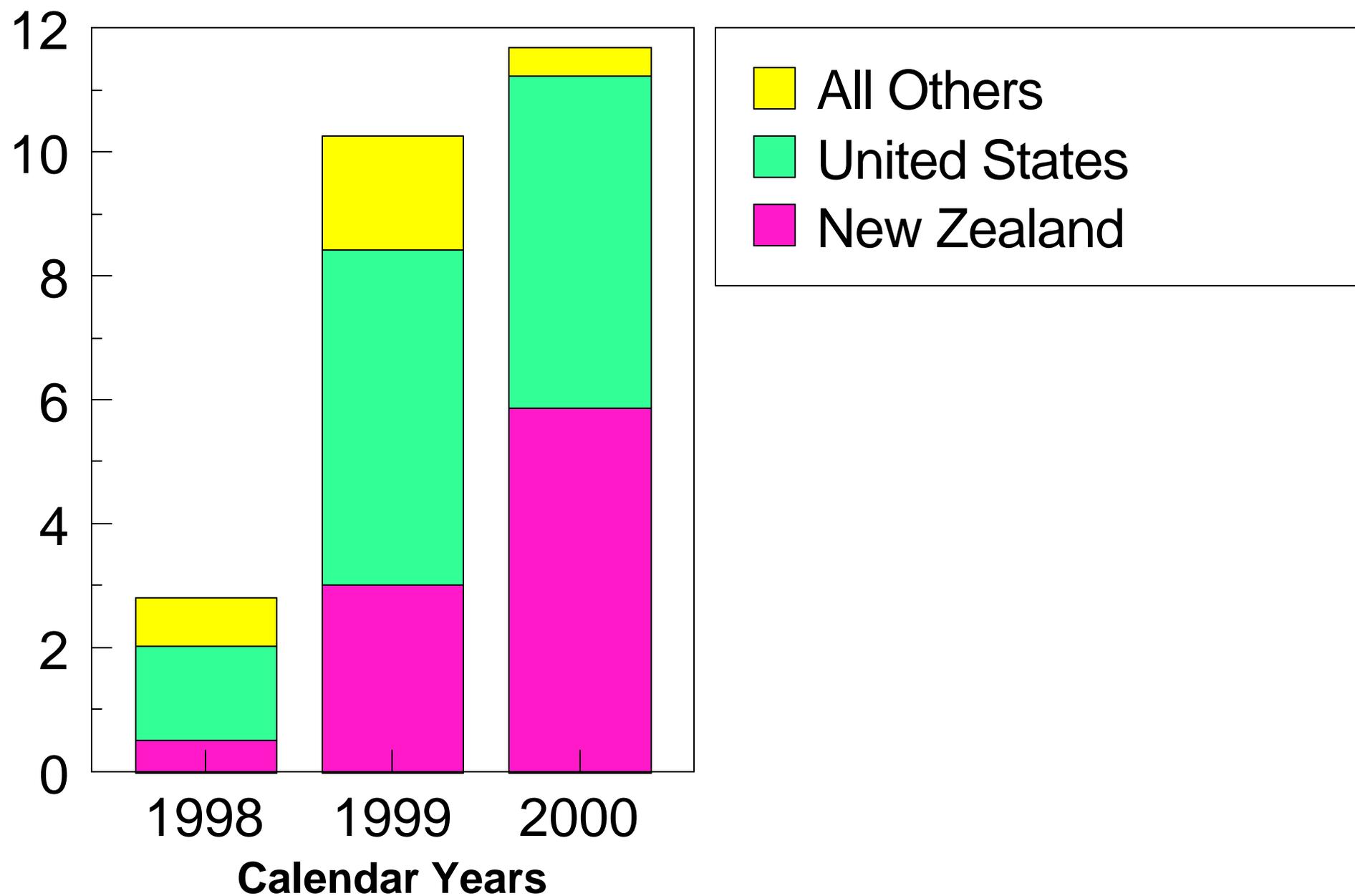
\$ Million



Source: World Trade Atlas

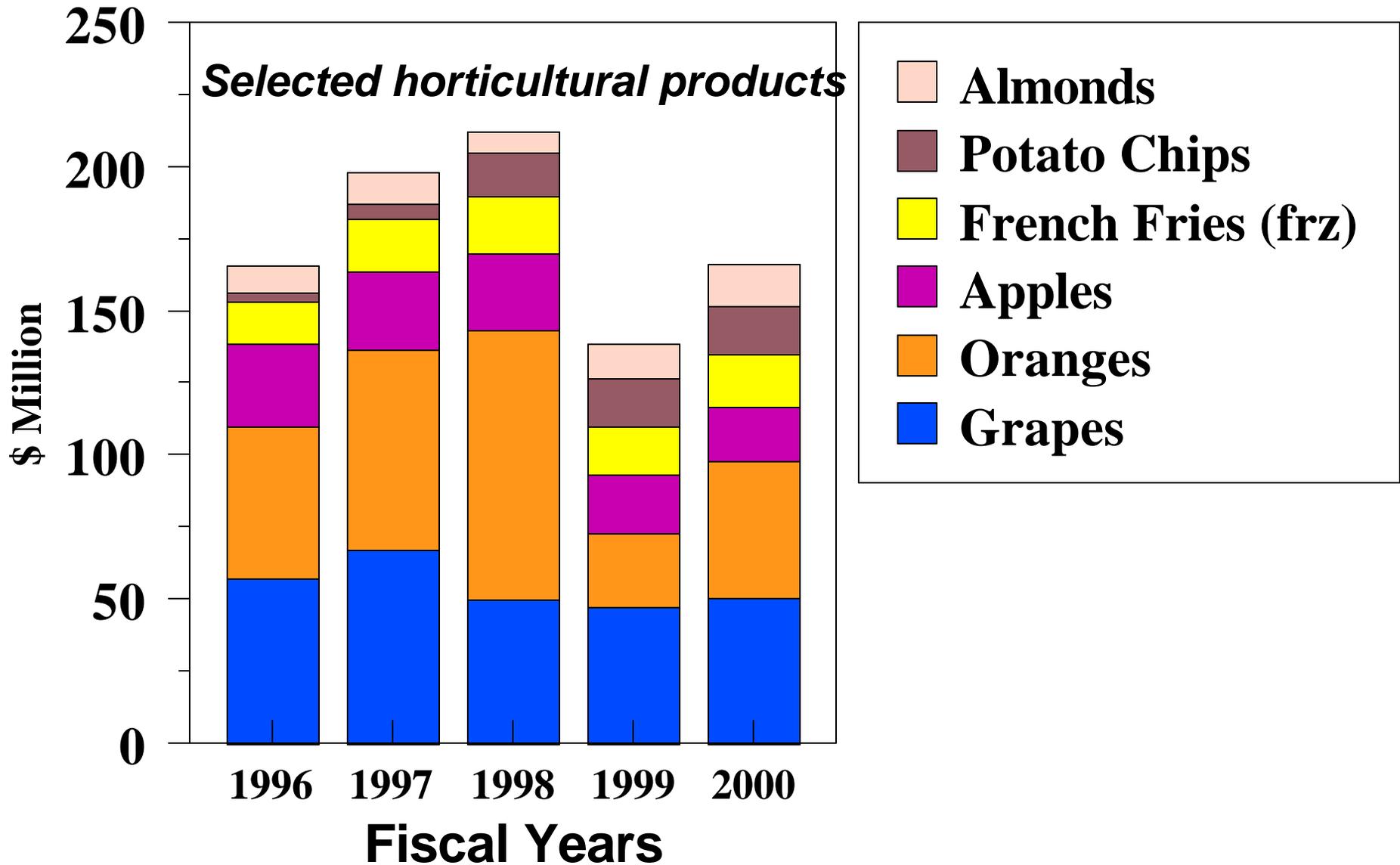
# New Zealand is Competitive in China's Apple Import Market

\$ Million



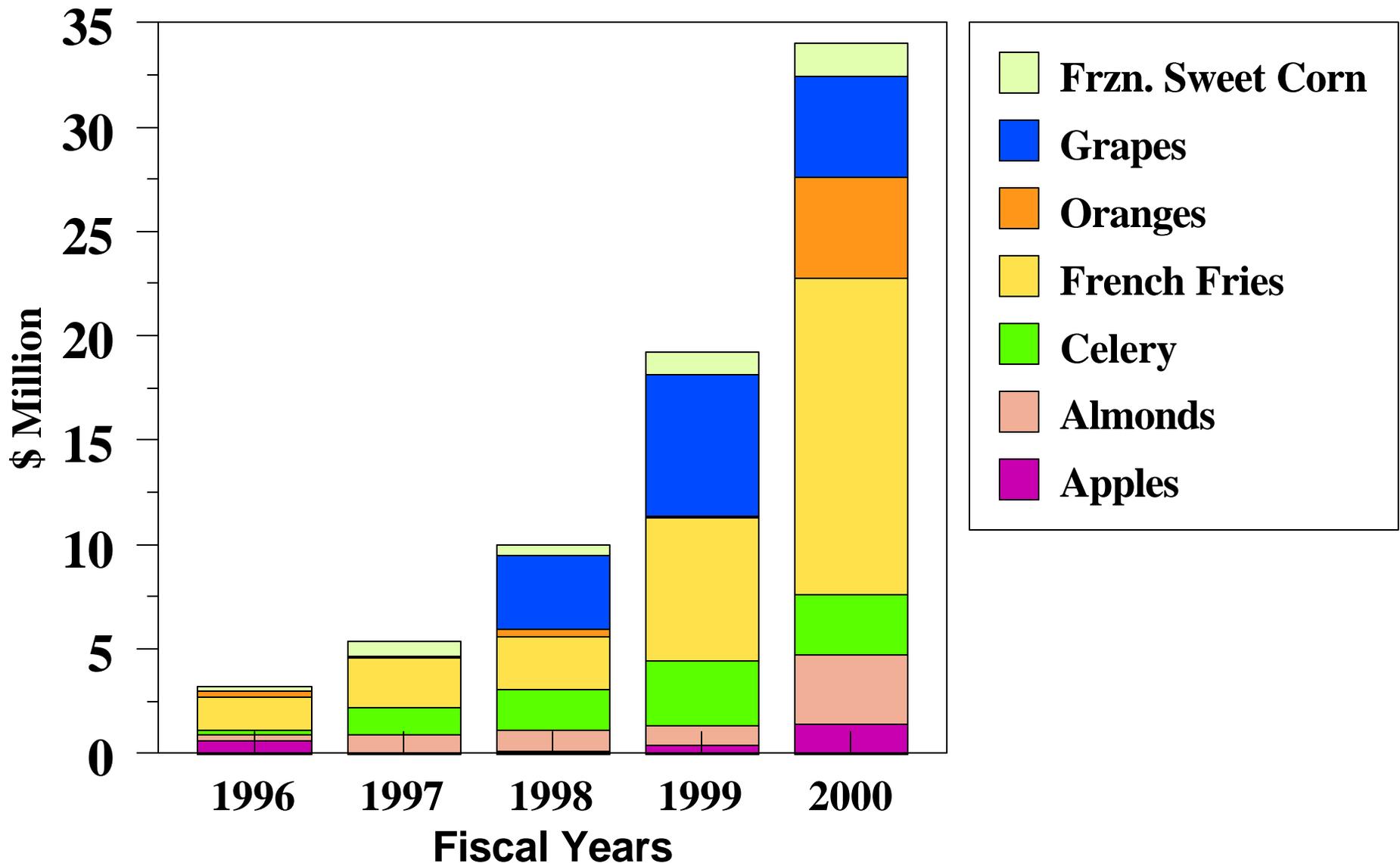
Source: World Trade Atlas

# Hong Kong: U.S. Exports of Horticultural Products



Source: U.S. Department of Commerce, Bureau of the Census

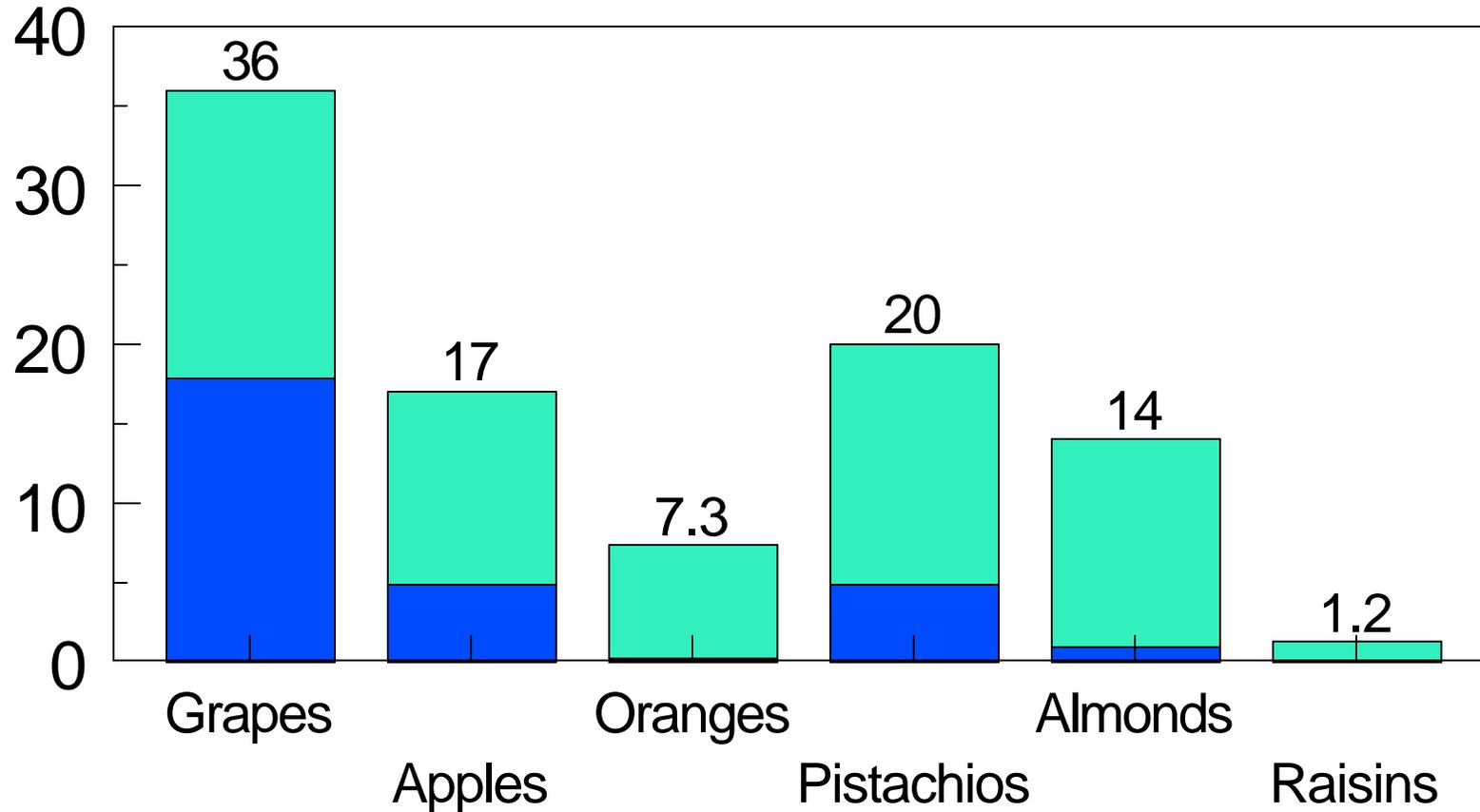
# China: U.S. Horticultural Exports Continue to Expand



Source: U.S. Department of Commerce, Bureau of the Census

# China's Imports Through Hong Kong and Rest of World

\$ Million

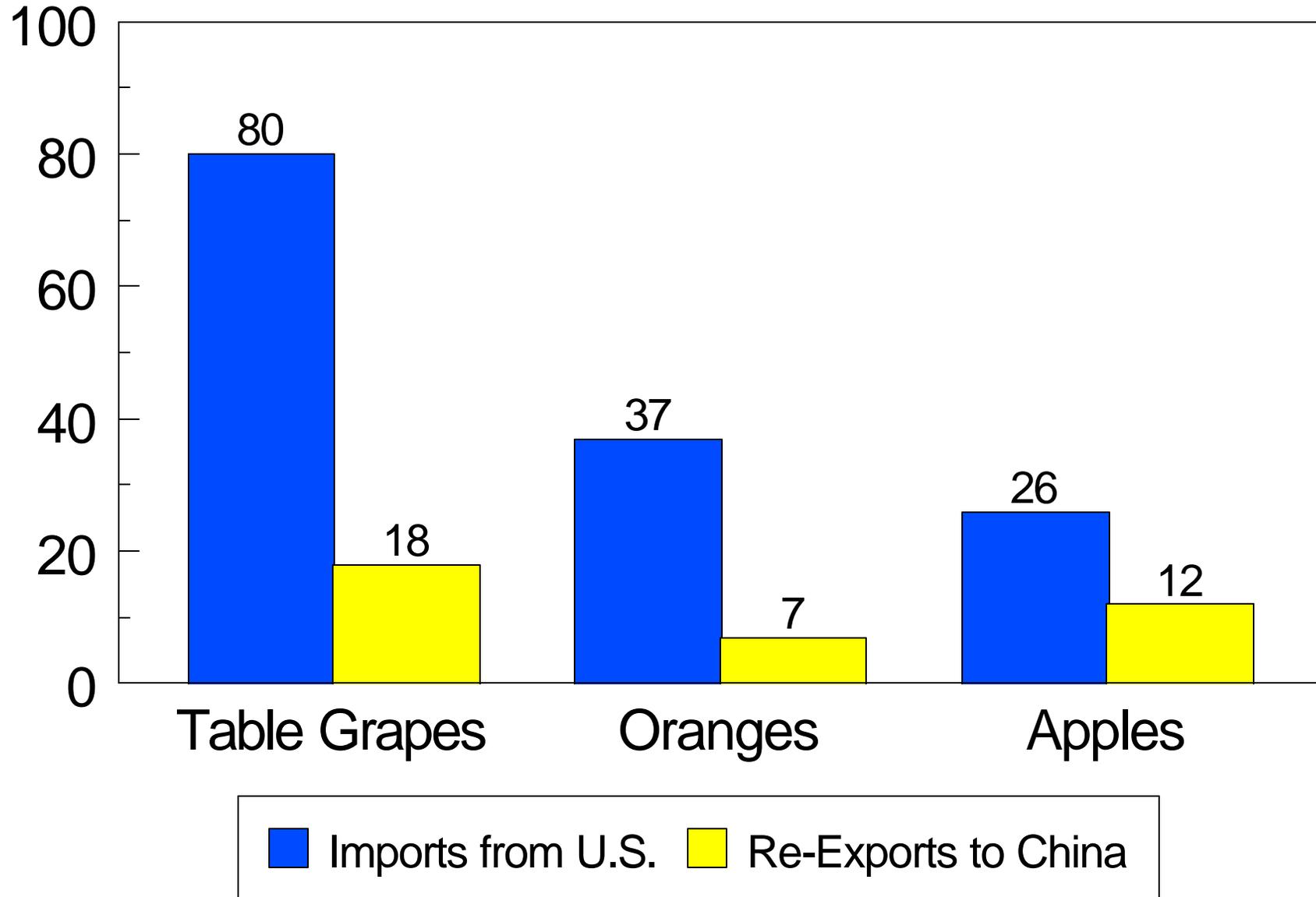


■ China's Direct Imports ■ Hong Kong Re-exports to China

Source: Hong Kong Census & Statistics, and Chinese Customs Service

# Hong Kong Re-Exports to China , 1999

\$ Million



Source: ATO Hong Kong

# **WTO will change Hong Kong's role as Transshipment point**

- **In 1999, 44% of Hong Kong's agricultural imports from the U.S. were re-exported to Mainland China.**
- **Transport will shift, with boats going to Shanghai, Dalian, Tianjin, at first, by existing players.**
- **New trade relationships will develop.**
- **Financing, connections, marketing skills, communications - Hong Kong's strength, but China will evolve.**
- **Mainland China's continuing restrictions on issuance of foreign exchange will help Hong Kong retain a middleman's role**
- **Time period for shift toward direct sales?**