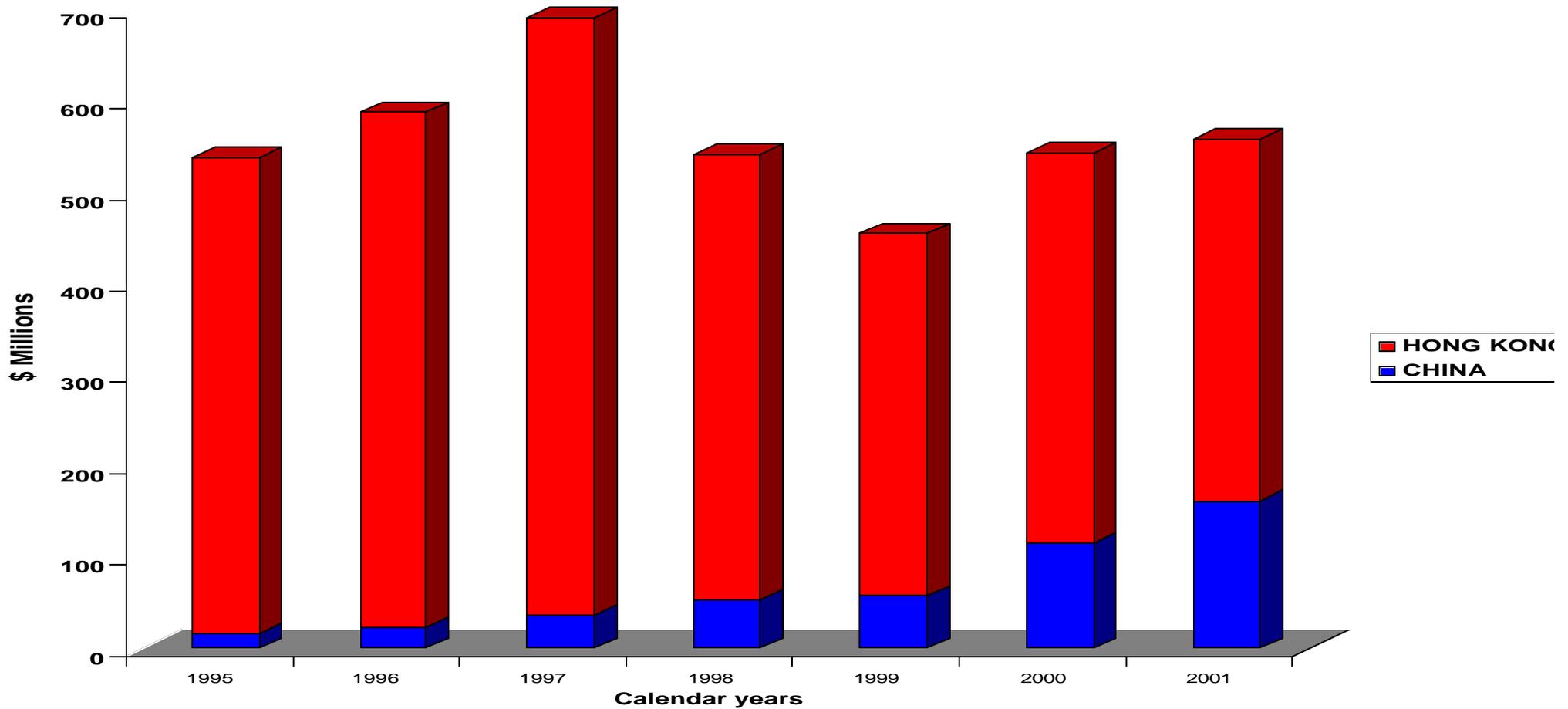


# China and Hong Kong

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

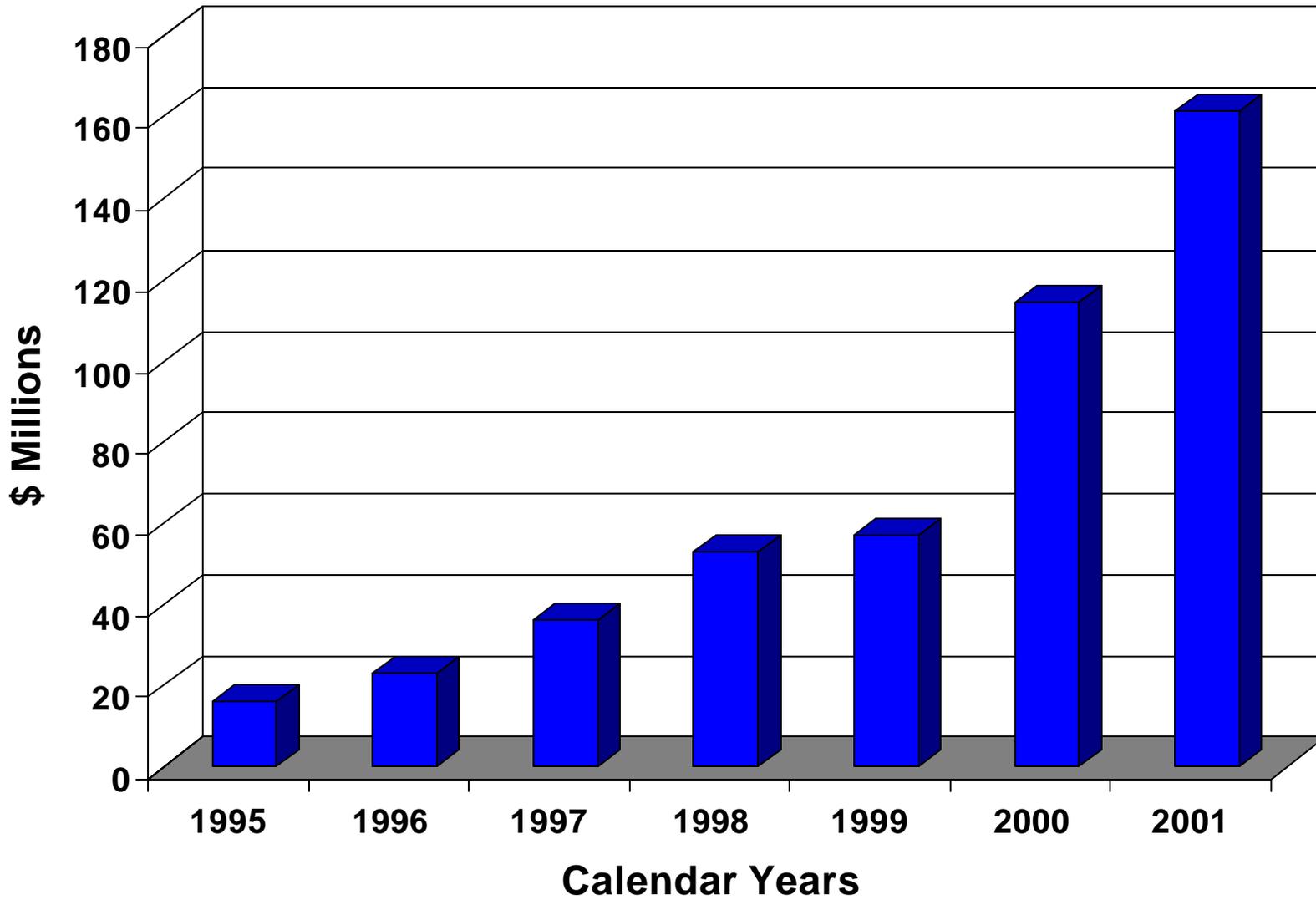
Foreign Agricultural Service  
Horticultural & Tropical Products Division  
April 2002

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



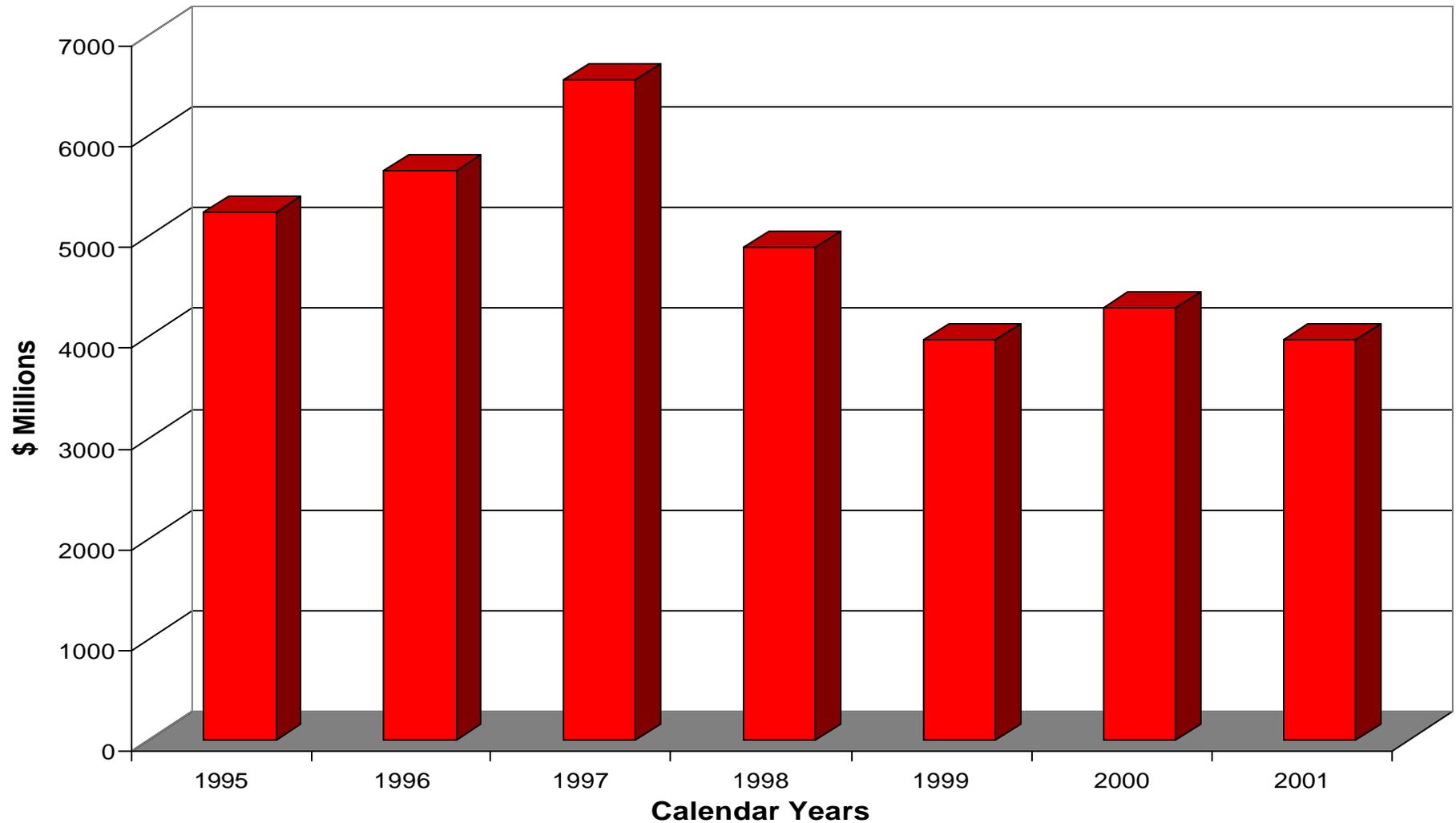
Source: U.S. Department of Commerce, Bureau of the Census

# U.S. Horticultural Exports to China



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

# U.S. Horticultural Exports to Hong Kong



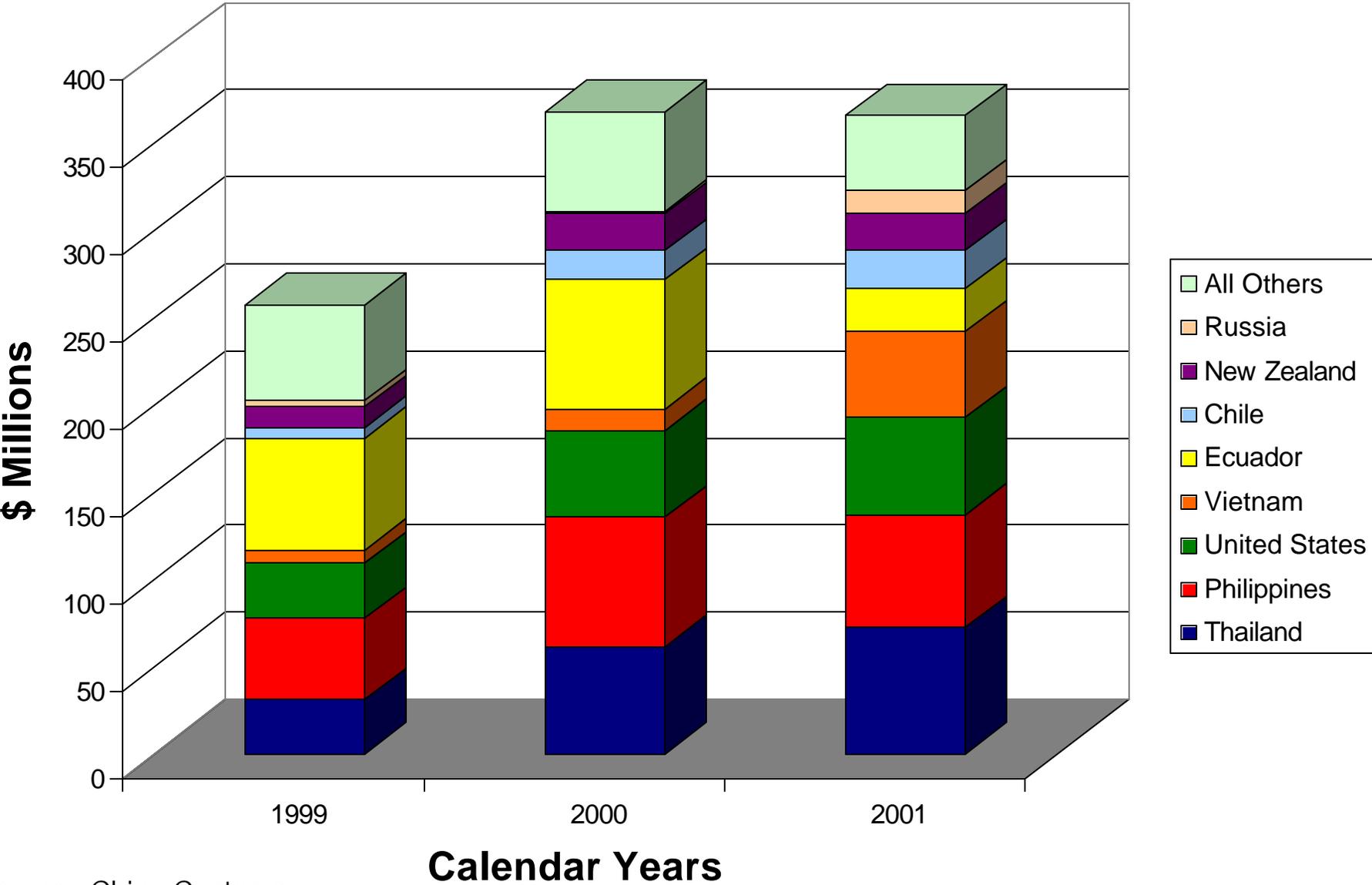
Source: U.S. Department of Commerce, Bureau of the Census

# Tariffs: Anticipated Reductions With WTO Will Facilitate Imports

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

# China's Imports of Fruits and Nuts

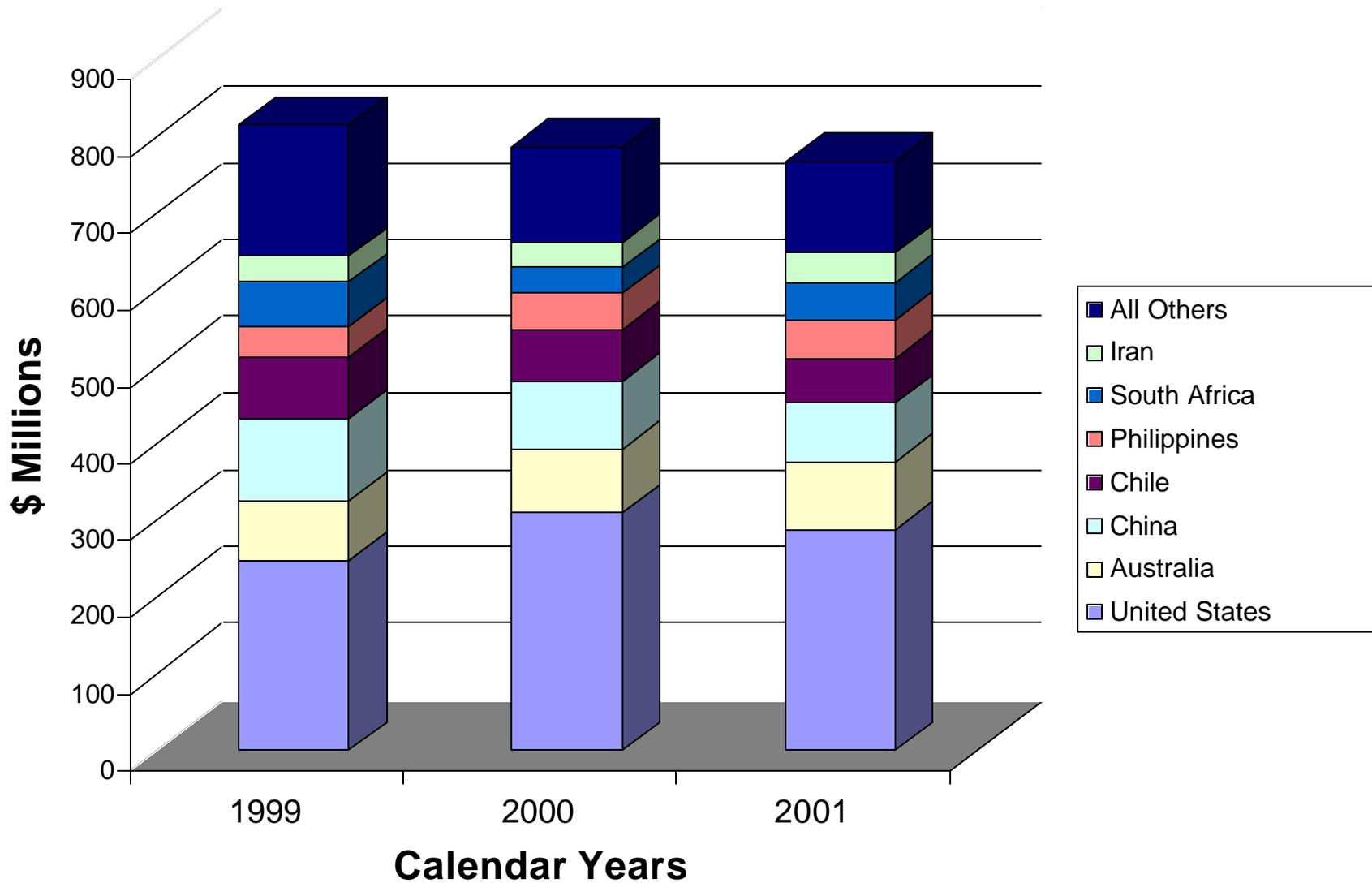
## (Chapter 8)



Source: China Customs

# Hong Kong's Imports of Fruits and Nuts

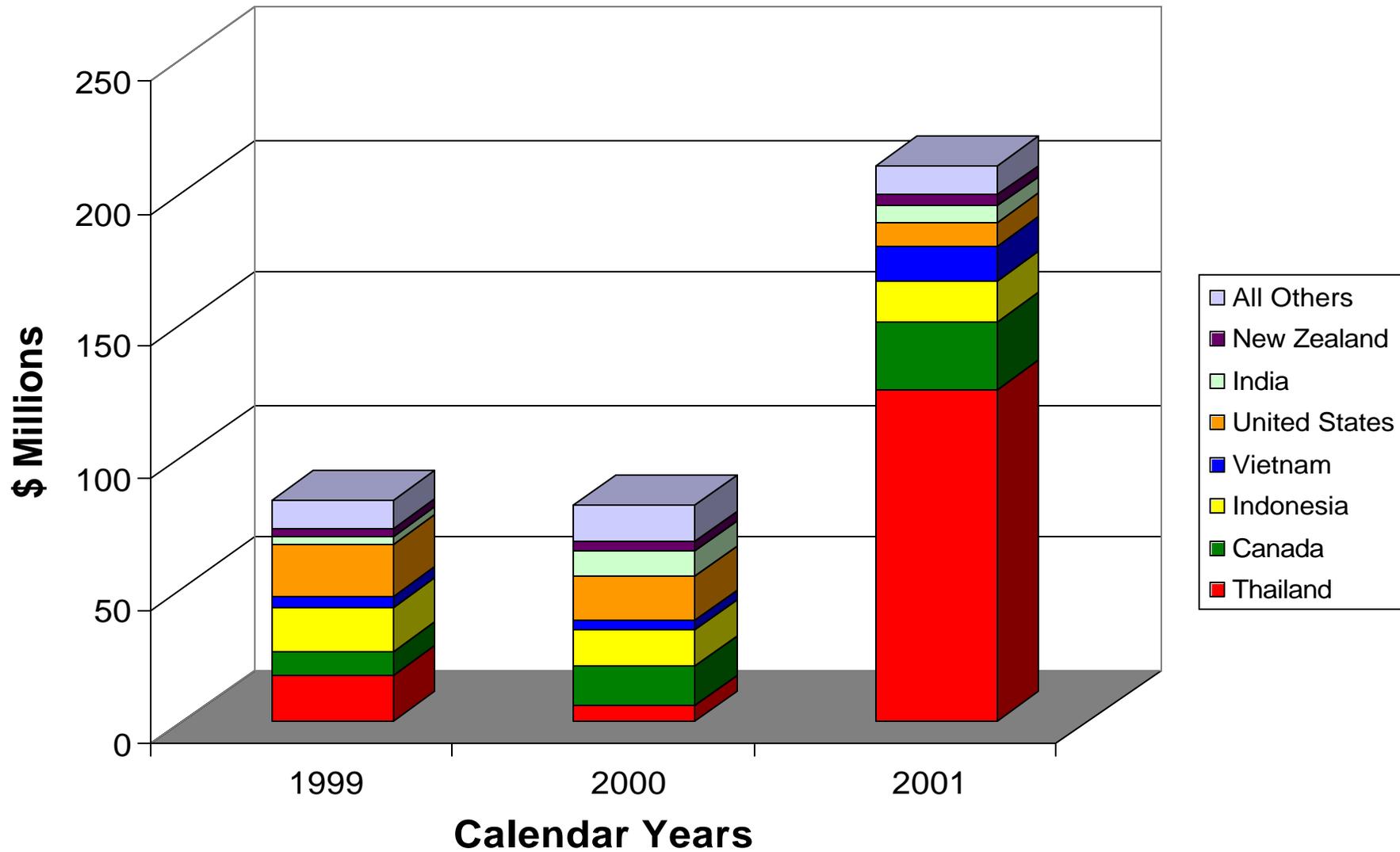
## (Chapter 8)



Source: Hong Kong Census and Statistics Department

# China's Imports of Vegetables

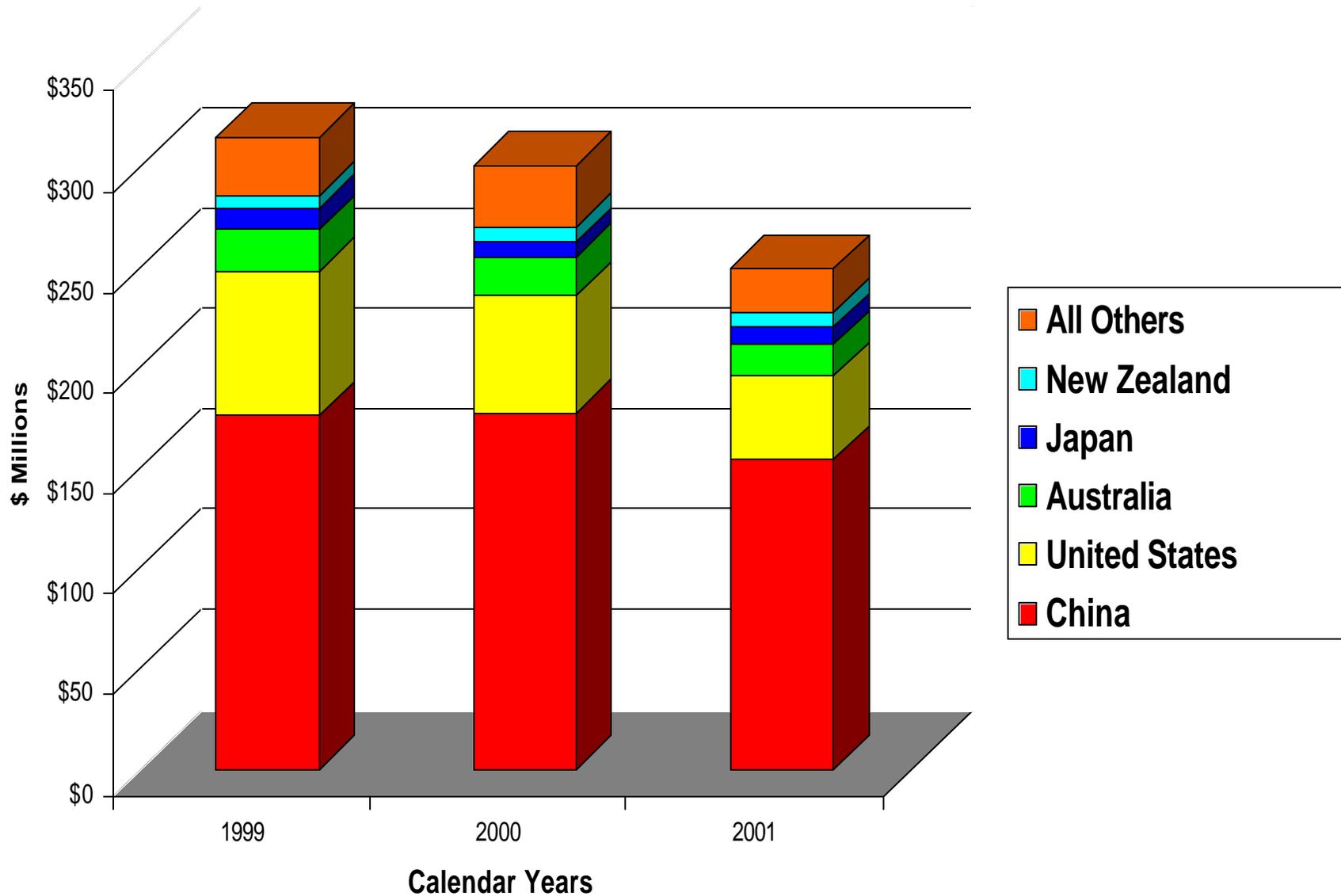
## (Chapter 7)



Source: China Customs

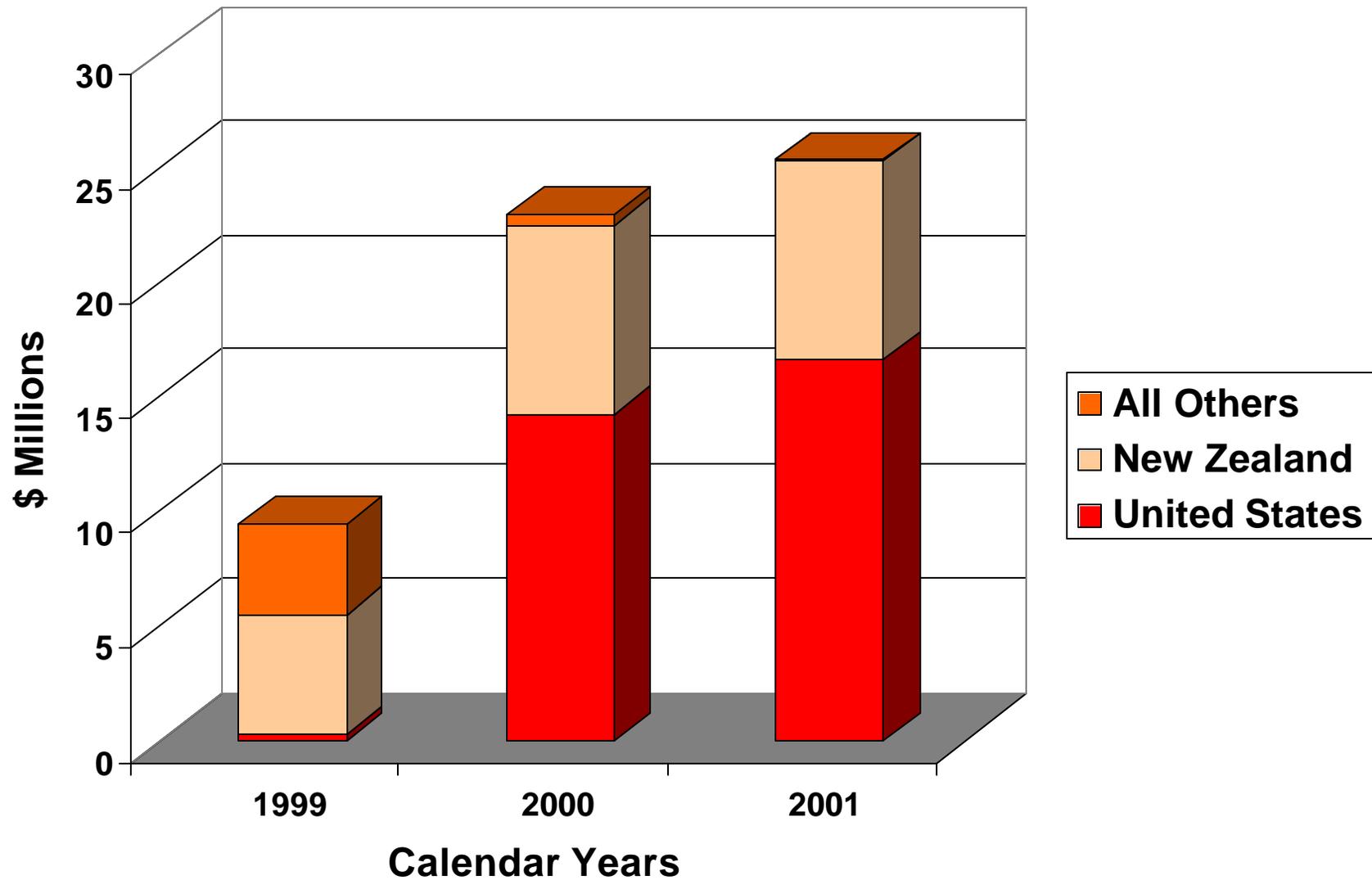
# Hong Kong's Imports of Vegetables

## (Chapter 7)



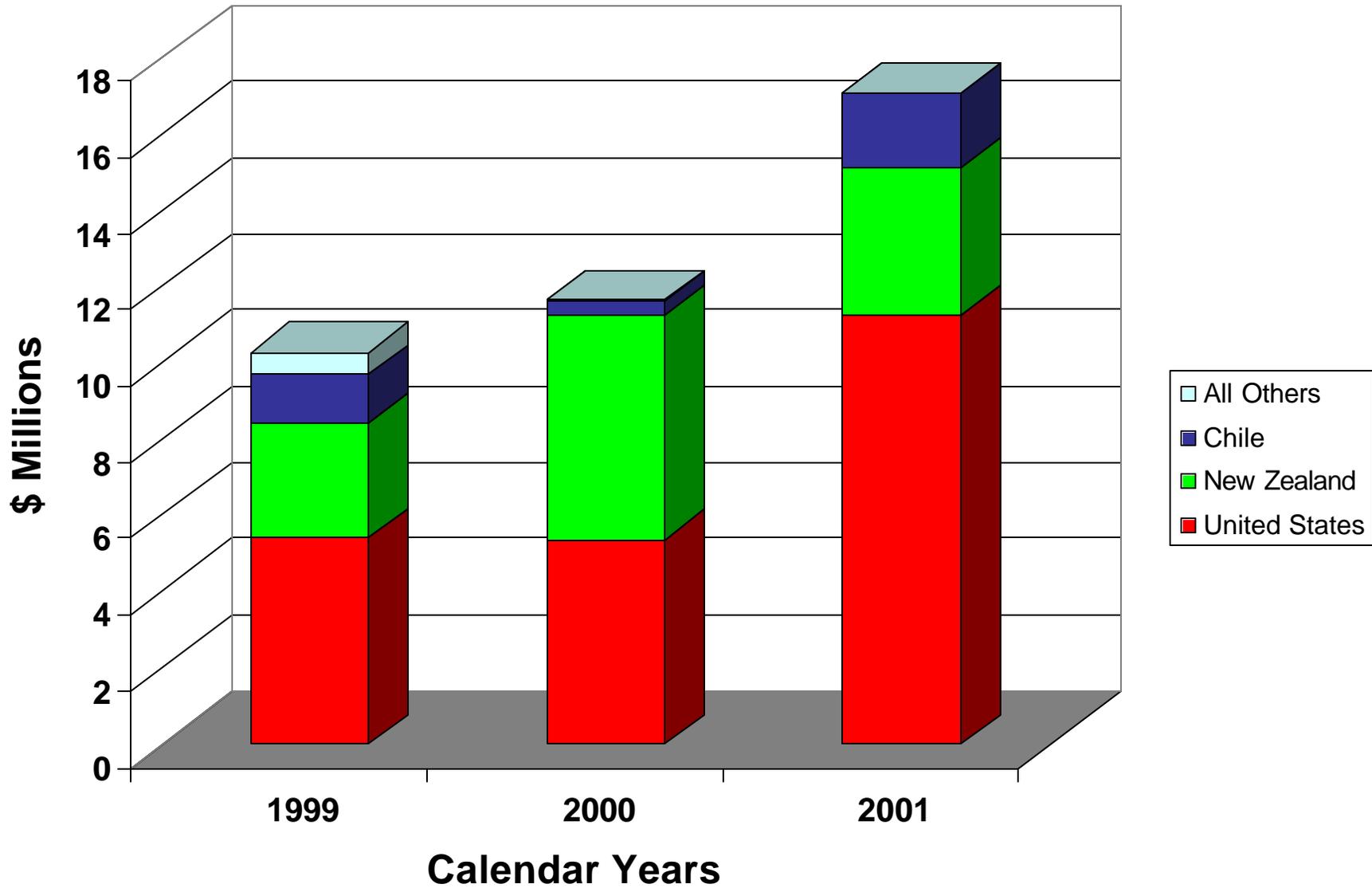
Source: Hong Kong Census and Statistics Department

# China's Imports of Oranges



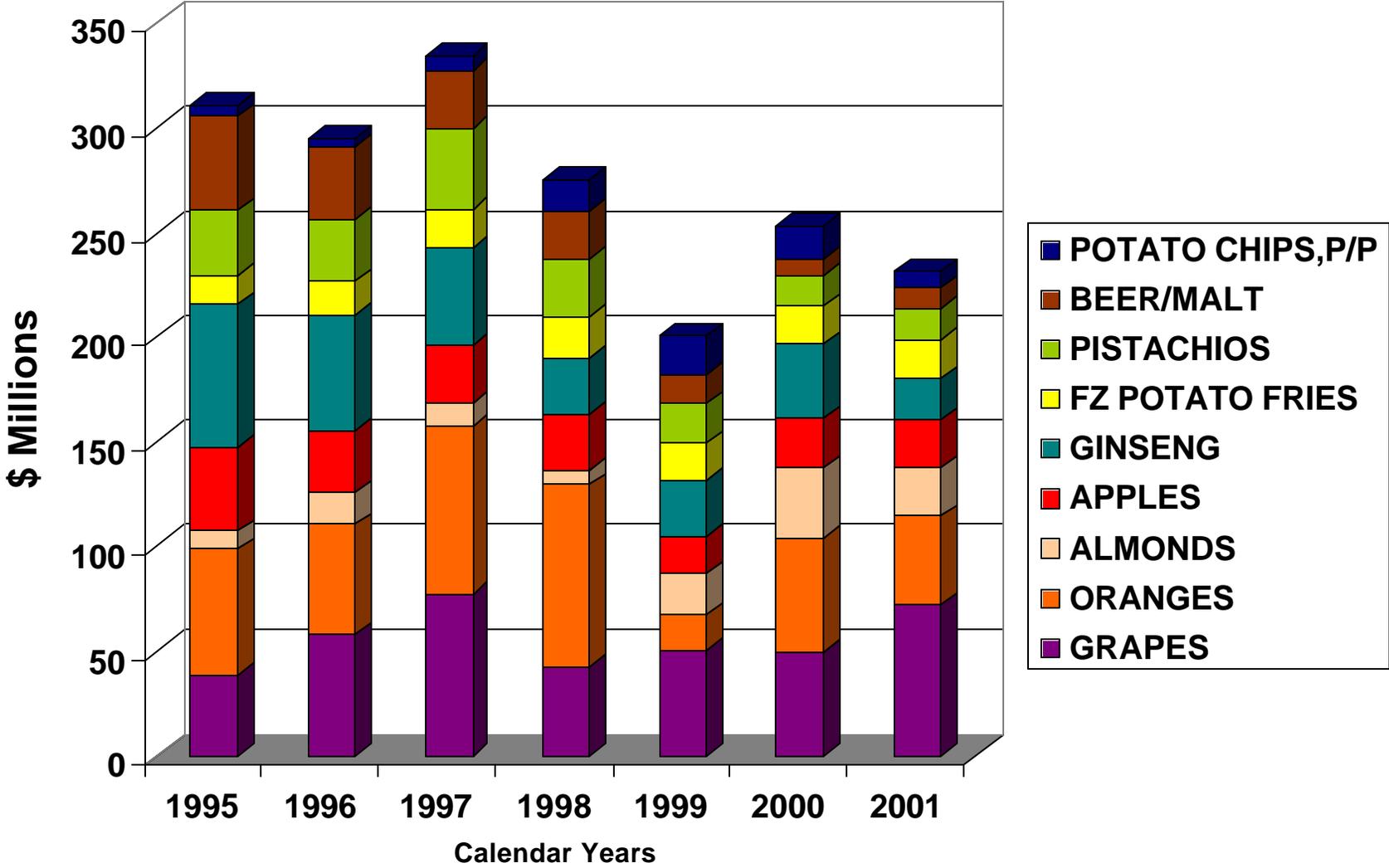
Source: China Customs

# China's Imports of Apples



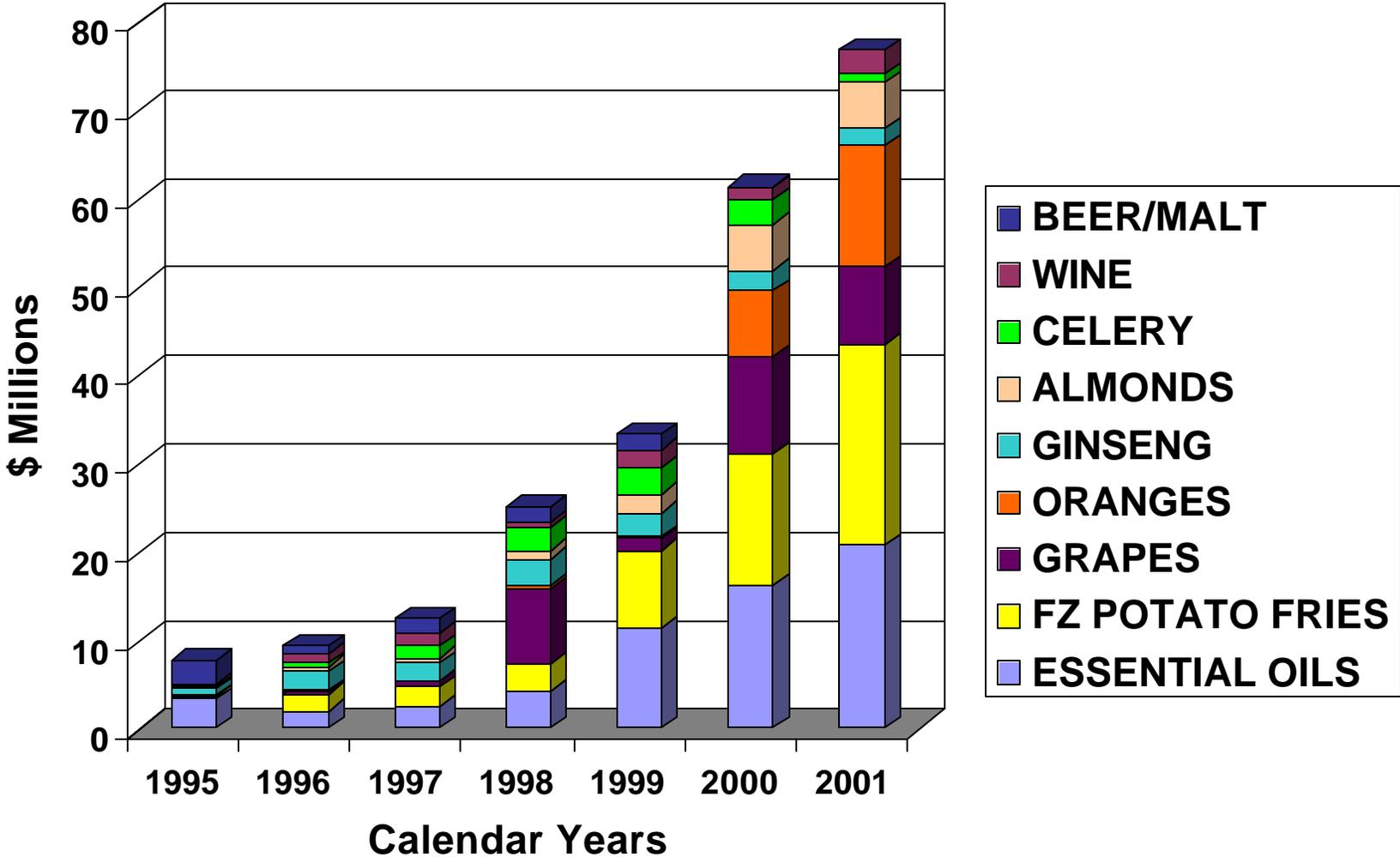
Source: China Customs

# U.S. Exports of Selected Horticultural Products to Hong Kong



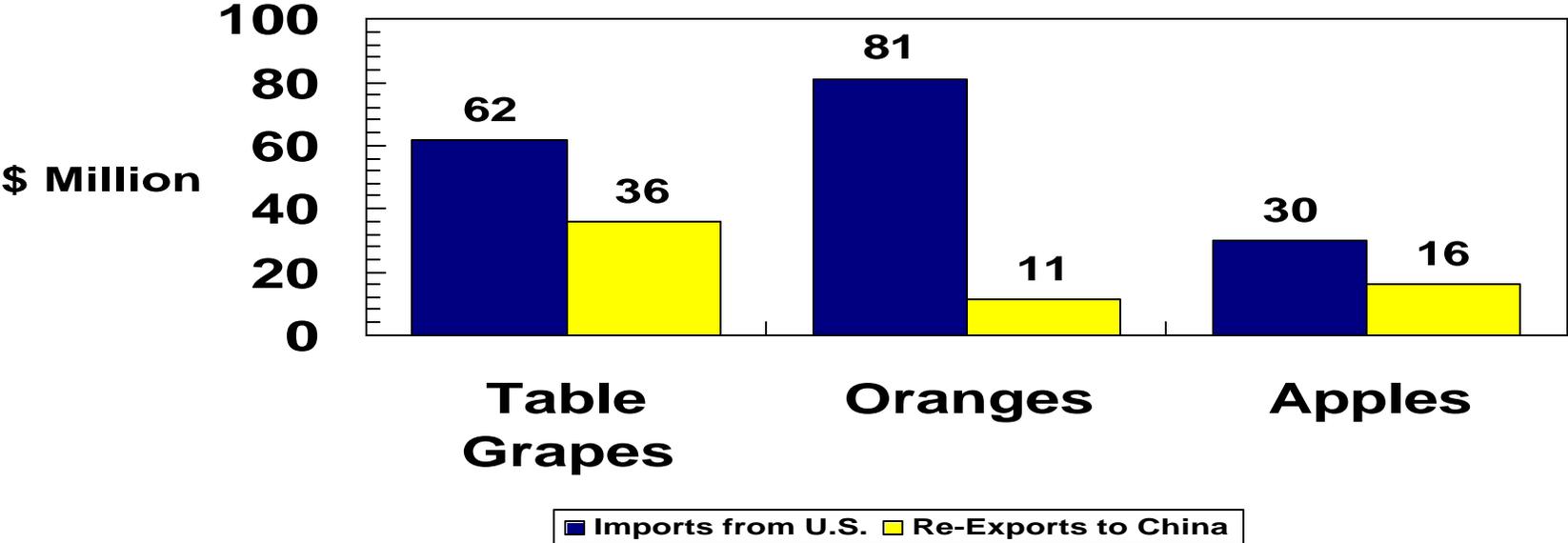
Source: U.S. Department of Commerce, Bureau of the Census

# U.S. Exports of Selected Horticultural Products to China



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

# Hong Kong Re-exports to China, 2001



Source: ATO Hong Kong

# WTO Will Change Hong Kong's Role As Transshipment Point

- n In 2001, 50% of Hong Kong's agricultural imports from the U.S. were re-exported to Mainland China.**
- n Transport will shift, with boats going to Shanghai, Dalian, Tianjin, at first, by existing players.**
- n New trade relationships will develop.**
- n Financing, connections, marketing skills, communications - Hong Kong's strength, but China will evolve.**
- n Mainland China's continuing restrictions on issuance of foreign exchange will help Hong Kong retain a middleman's role**
- n Time period for shift toward direct sales?**