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Report Highlights:

Farmland in Hong Kong is limited. In 2022, local agricultural production (livestock and crops) yielded about \$173 million worth of fresh food. Hence, Hong Kong relies on imports of fresh produce to feed its 7.3 million residents. The openness of the Hong Kong food import regime and its well-traveled consumers who demand a wide range of fruit offerings, make this city a great and competitive export destination for fresh fruit. Hong Kong consumers are health conscious and fruits are an integral part of their daily diets. In 2022, U.S. fresh fruit exports to Hong Kong decreased 27 percent to \$105 million compared to the previous year. High prices and disruptions in shipping logistics as a result of the pandemic contributed to the drop in 2022. That said, U.S. fresh fruit exports began to recover in 2023, growing 20 percent in the first ten months of 2023. Among all U.S. fruit exports, the top selling items in Hong Kong are oranges, cherries, apples, strawberries, and grapes.

SECTION I. MARKET OVERVIEW

Hong Kong's domestic fruit production is minimal. According to the data provided by the Hong Kong Agriculture, Fisheries and Conservation Department (AFCD), there are only a few locally produced fresh fruit varieties – including papayas, watermelons, red dragon fruits, plantains, lychee, and longan.

In 2022, U.S. fresh fruit exports to Hong Kong decreased 27 percent to \$105 million compared to 2021. High prices and disruptions in shipping logistics as a result of the COVID-19 pandemic contributed to the drop in 2022. That said, U.S. fresh fruit exports began to recover in 2023, growing 20 percent in the first ten months of 2023. Hong Kong consumers prefer various fruits from the United States, such as oranges, apples, cherries, grapes, and strawberries. Among all fruit imports from the United States, citrus products are the most popular – Hong Kong imported \$71 million in 2022. Other major fruit suppliers include Chile (cherries), Thailand (durians), Peru (grapes and cranberries), and Japan (strawberries and apples). In 2022, the United States was the second largest orange supplier to Hong Kong after South Africa. The Hong Kong market widely prefers U.S. oranges for their quality. Hong Kong re-exports 70 percent of its fruit imports and its main destination is mainland China (98 percent) totalling \$2.6 billion. This pattern of re-exports has been consistent throughout the years. Hong Kong retains about \$1 billion worth of fruit for local consumption.

SECTION II. HONG KONG FRESH FOOD TRADE

(A) Hong Kong Imports

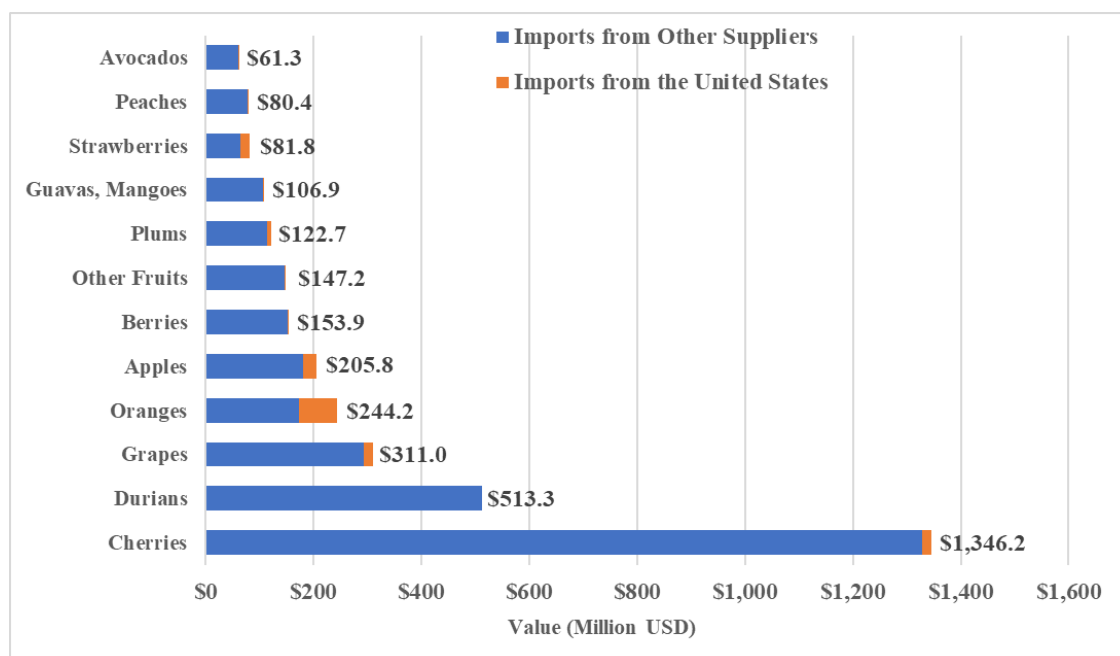
In 2022, Hong Kong's global fresh fruit imports decreased 18 percent to \$3.7 billion compared to 2021. This overall downward trend continued during the first ten months of 2023 with imports dropping 27 percent year-on-year. The United States was the fifth leading supplier, supplying five percent of the city's overall fruit imports. Since 2018, Hong Kong's fruit market has been dominated by Chile and Thailand. Imports of Chilean cherries have taken up to 82 percent of Chile's total fruit sales to Hong Kong. Although the United States also supplies cherries, Chilean cherries have a different seasonality than U.S. cherries. U.S. cherries ripen between April to July, while Chilean cherries ripen during the winter season. As Hong Kong families usually have a couple of celebrations in the winter (namely, Christmas, New Year, and Lunar New Year), fruits are popularly used in family gatherings or as gifts. Therefore, there is a huge demand for premium and quality fruits during this period. On the other hand, Thai durians comprise 76 percent of Thailand's fruit sales to the city. Hongkongers have a special preference for this tropical fruit for its authentic taste, soft texture, and sweet flavor. As not many global suppliers grow durians, Thailand has dominated this market, and its share of overall fruit sales continues to grow. While U.S. oranges almost dominate the Hong Kong market, U.S. fruit sales are distributed evenly among other fruits like apples, cherries, grapes, and strawberries.

Table 1 – Hong Kong’ Global Imports of Fresh Fruit (by Suppliers)

Partner Country	Million USD				
	2018	2019	2020	2021	2022
World	3,161	3,650	3,680	4,492	3,687
(5) United States	347	272	250	214	168
<i>U.S. Share</i>	<i>11%</i>	<i>7%</i>	<i>7%</i>	<i>5%</i>	<i>5%</i>
(1) Chile	1,142	1,385	1,255	1,870	1,579
(2) Thailand	462	570	817	916	600
(3) China	160	147	174	209	202
(4) Australia	240	276	260	244	152

Source: Trade Data Monitor

Chart 1 – Hong Kong’s Top Global Imports of Fresh Fruit in 2022 (Million USD)

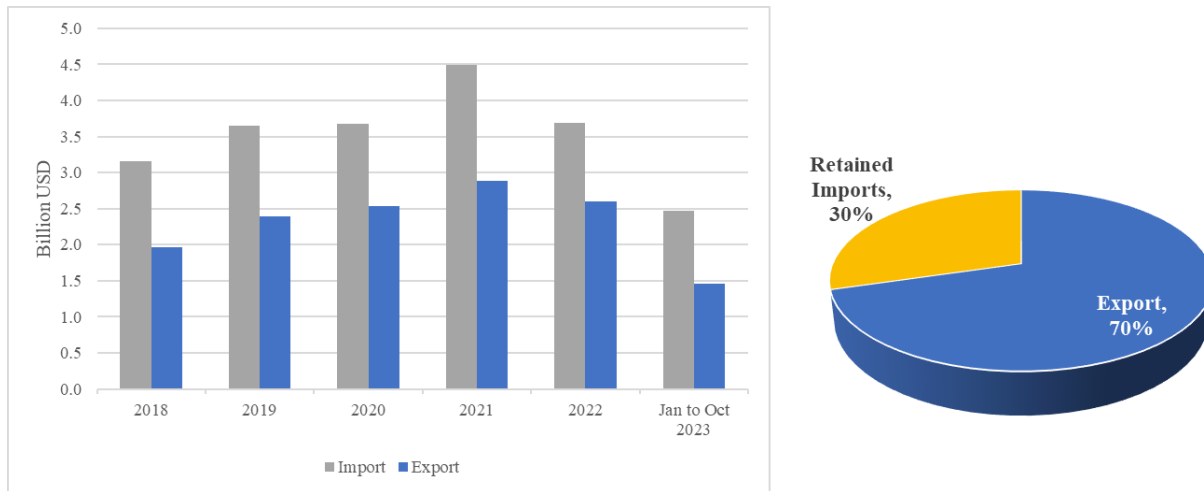


Source: Trade Data Monitor

(B) Hong Kong Exports

Hong Kong has always been a trade hub that facilitates trade to neighboring economies like China and Macau. In 2022, Hong Kong exported \$2.6 billion fruits (or 70 percent of total fruit imports) to other markets and retained \$1 billion (or 30 percent of total fruit imports) for local consumption.

Chart 2 – Hong Kong – Total Fruits Imports and Exports (Billion USD)



Source: Trade Data Monitor

In 2022, around 69 percent of imported fruits were re-exported to China and 1 percent to Macau. The most exchanged fruit items were durians, as well as cherries. Given the large re-export amount, the market demand is driven by demand coming from mainland China, Hong Kong’s prime re-export destination.

Table 3 – Hong Kong Fresh Fruit Trade – Major Export Destinations

Export Destination	Million USD					Share 2022
	2018	2019	2020	2022	2022	
World	1,971	2,395	2,533	2,891	2,598	100%
China	1,920	2,360	2,496	2,853	2,557	98%
Macau	25	23	24	28	32	1%

Source: Trade Data Monitor

SECTION III. OUTLOOK AND OPPORTUNITIES

Although Hong Kong re-exports a large amount of their fruit imports to China, it is worth noting that the city still represents a \$1 billion market for local consumption. Hong Kong consumers are discerning in their food choices, and they tend to select fruits by seasonality (where crops are sweet and tender) and origin (for safety and quality). Consumers in Hong Kong tend not to be as price sensitive about fruit especially for seasonal or specialty goods. A good example of this trend is the popularity that Japanese fruits enjoy in Hong Kong despite their price. In this regard, fresh fruit from the United States is uniquely positioned to make its mark in this market as it enjoys a good reputation for safety and quality. U.S. growers have great stories to tell about their products and their sustainable practices and offer organic products. These are themes that truly resonate with Hong Kong consumers. In addition, Hong Kong recognizes the USDA organic logo, and Hong Kong consumers will seek these product distinctions at retail.

Following the full reopening of Hong Kong's borders in early 2023, Hong Kong's economy has been recovering and is projected to grow 3.2 percent in 2023. While both food retail sales and restaurant receipts slowed in the later half of 2023 as Hongkongers flocked to mainland to shop and dine, seasonal fresh produce and specialty goods remain popular items. For more details on the outlook of the Hong Kong economy please see our latest [Exporter Guide](#) report.

Opportunities to Showcase your product in Hong Kong:

- **In-Store Retail Promotions (Summer):** ATO holds roughly about six in-store retail promotions a year, partnering with local retailers.
- **Asia Fruit Logistica 2024 (September):** This is Hong Kong's regional trade show held annually in September. This is a USDA-endorsed trade show and the ATO hosts a USA Pavilion.

SECTION V. KEY CONTACT AND FURTHER INFORMATION

Post Contact

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Attachments:

No Attachments.