wrapped by ATO Hong Kong

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#### **FEATURED PHOTO:**



# ATO Hong Kong Facilitates Agrobiotechnology Talk with the University of Maryland and the Chinese University of Hong Kong

Apart from trade promotion, ATO Hong Kong also engages in advancing bilateral dialogue on food technologies by connecting U.S. researchers with the local academia. On September 14, 2022, ATO cosponsored a virtual agrobiotechnology talk with the Chinese University of Hong Kong. In collaboration with FAS Washington, ATO invited Dr. Yiping Qi from the University of Maryland at College Park to give a presentation on CRISPR — Cas and genome editing technologies in Agricultural Production. The virtual event drew over 90 participants from various parts of the world including China, Pakistan, the Philippines, Vietnam, Singapore, and South Africa. While the majority of participants were academics, there were also participants from farmers/agricultural groups, governments, and businesses. You can catch the video recording of the talk on the following link. Please feel free to share it with any interested parties.

# ATTENTION U.S. EXPORTERS! HONG KONG BUYERS ARE LOOKING FOR:

ATO maintains close contacts with buyers from Hong Kong and Macau. Currently Hong Kong buyers are seeking U.S. suppliers of the following products:

- Chilled and frozen turkeys
- Distilled spirits
- Apples, cherries, oranges, and grapes
- Organic products

If you are interested in supplying these products, please contact <a href="mailto:ATOHongKong@usda.gov">ATOHongKong@usda.gov</a> provide your company information, contact person, and email address. We will connect you with interested buyers.

**OVERALL ECONOMY** 

## Government Announces Lifting of Quarantine Requirements on Inbound Travelers [HKG Press Release, September 24, 2022]

On September 24, the Hong Kong government announced the lifting of mandatory quarantine requirements for inbound overseas travelers (including Taiwan) effective September 26. In addition, a negative nucleic acid testing report prior to boarding is no longer needed. Instead, a declaration of a negative result of rapid antigen test (RAT) conducted within 24 hours prior to the scheduled time of departure should be made via the online Health & Quarantine Information Declaration of the Department of Health. Arrivals may leave the airport after undergoing specimen collection for the nucleic acid test (but travelers are not required to wait for the result), and can take public or self-arranged transport to return to their home or their hotel of choice. There will be three days of medical surveillance during which inbound travelers are free to go out but are obliged to comply with Amber Code restrictions under the Vaccine Pass. That is, travelers can visit work premises, schools and trade shows, but cannot enter some listed premises such as restaurants and beauty parlors. This three-day period is followed by a four-day self-monitoring period, totaling a 7-day observation period. Arrivals will need to undergo nucleic acid tests at recognized centers or stations on Day 2, Day 4 and Day 6 (the day of arrival is Day 0) and will also need to conduct daily RATs from Day 1 to Day 7. Inbound travelers

who test positive by nucleic acid tests or RATs, their Vaccine Pass will be converted to a Red Code and their isolation arrangements will be aligned with local cases. **ATO Notes:** As the announcement was made, locals were checking flights and passport renewal information, indicating increased interest in outbound travel. While many residents and businesses welcome this long-waited lift for inbound arrivals, analysts, including the President of the American Chamber of Commerce (<u>The Standard</u>), believe that Hong Kong can only maintain its competitiveness by removing all arrival requirements. U.S. travelers should note that as of August 30, the U.S. Department State's <u>Travel Advisory is Level 3</u>: Reconsider Travel due to arbitrary enforcement of local laws and COVID-19 related restrictions.

## Macau Workers Struggled under Summer COVID-19 Outbreak [The Macau News, September 14, 2022]

Most workers in Macau were left idle when their companies shut down during this summer's massive COVID-19 outbreak, many were required to take a pay cut or half-paid leave, a survey has found. The Macau Federation of Trade Unions (FAOM) discovered that 78 percent of 3,462 respondents said that their companies had suspended operations, 40 percent said that they had been required to take half-paid leave and 37 percent unpaid leave. Workers in gaming and entertainment, as well as other service sectors accounted for the majority. The findings noted that 57 percent of the respondents said they believed that the main condition for improving the local employment situation was to resume "normal" cross-border travel conditions between mainland China and Macau by lifting the COVID-19-induced travel curbs as soon as possible. **ATO Notes:** Macau's adherence to China's "zero-COVID-19" policy posed strict travel restrictions, hindering the return of visitors. As Macau is gradually opening up, it is expected that more visitors will return to boost the city's beleaguered gaming and hospitality industries.

#### Macau-Shekou Ferry Services Resumed [The Macau News, September 14, 2022]

Ferries started running the two ferry routes between Macau and Shekou in neighboring Shenzhen on September 14. The Marine and Water Bureau (DSAMA) said that ferries departing from the Macau Outer Harbor Ferry Terminal or Taipa Ferry Terminal to Shekou restarted their service on September 14, adding that passengers can contact the ferry companies for specific ticketing information. The bureau underlined that passengers should heed the latest COVID-19 prevention and control measures in Guangdong province and Macau before boarding. The bureau said it has urged ferry operators, cleaning companies and the government's outsourced security companies to deep-clean and disinfect their public facilities at the terminals and on the ferries. **ATO Notes:** The resumption of ferry services between Macau and Shekou will facilitate travels between Shenzhen and Macau. This is a first step in Macau reopening for travelers from mainland China.

Seven Companies Vie for Six Gaming Concessions in Macau [The Macau News, September 15, 2022] Macau is poised to take a major step into the future after prospective concessionaires submitted their tenders to be a part of the city's lucrative gaming industry next year. In the running for the new concessions are Macau's original casino player SJM Resorts Limited, as well as five others: Wynn Resorts (Macau), Venetian Macau Limited, Melco Resorts (Macau) Limited, MGM Grand Paradise Limited and Galaxy Casino Company Limited. All currently have a substantial presence in the city. A

seventh company, GMM Limited, part of the Genting Group which has substantial experience in the gaming industry in Malaysia, submitted its tender on September 14. In addition to running casinos, which supply the government with a hefty proportion of its annual revenue – nearly \$4.2 billion in 2021 – gaming operators will also be required to attract overseas visitors, develop investments which are not related to gaming and demonstrate their commitment to corporate social responsibility. **ATO Notes:** Macau's gaming industry, which at one stage was outpacing Las Vegas, has suffered from the COVID-19 pandemic which led to travel restrictions on travelers, the casinos' main source of customers. The tender is seen as a chance for Macau's gaming industry to reinvent itself and contribute to the government's vision of bringing a greater element of diversification to the city's industries.

#### Visitor Arrivals in Macau Hit New High Since June [The Macau News, September 19, 2022]

Visitor arrivals in Macau hit 23,362 on September 16, indicating the highest single-day record since the recent COVID-19 outbreak began on June 18. According to the Macau Government Tourism Office (MGTO), from September 9-15, Macau recorded a total of 121,657 arrivals, with a daily average of 17,380, up 6.6 percent from the average daily of 16,299 on September 2-9 and 62.6 percent from the daily average of 10,690 in August. However, the figures pale in comparison with pre-pandemic times: in August 2019 Macau received 3,623,116 visitors. The MGTO noted that the average occupancy rate of Macau's 121 hotels grew 2.7 percentage points from 33 percent week on week to 35.7 percent between September 9-15, up 1.3 percentage points from 34.4 percent in August. **ATO Notes:** The surge in COVID-19 cases in Macau caused the city to lock down during the summer, and interrupted most hotel operations. The recent recovery in visitor figures is a positive sign that Macau is gradually reopening to welcome back more visitors.

HOTELS, RESTAURANTS AND INSTITUTIONS



## The Catering Trade Representative Foresees More Hong Kong Restaurants Closures [RTHK, September 15, 2022]

One of the largest bakery and cafe chain in Hong Kong, Crostini, suddenly closed all 15 retail stores this week. The retail head attributed the cause of the closure to the severe pandemic situation during the past two years, high rent, and tight borders which limits overseas travelers. In addition, he stressed that high unemployment rate would hinder retail industry from sustaining its revenue. Many retail stores have therefore struggled to pay their employees and rents on time. More than 2,000 restaurants were still negotiating with their landlords over rental payment, if no consensus is reached these restaurants may be forced to shut down. **ATO notes:** Given that local consumption remains

stagnant, it is expected that local demand for imported food & beverages products would take some time to recover to pre-pandemic levels.

RETAIL



#### Sales Dropped at Shopping Festival [The Standard, September 13, 2022]

Some vendors at the "Hong Kong Brands and Products Shopping Festival" have said sales fell by half from last year because of a weak economy and people having already used up their \$256 consumption vouchers. More than 60,000 people visited the four-day festival that ended September 12 at AsiaWorld-Expo and recorded total sales revenue of about \$7.7 million, similar to last year. The festival organizer, the Chinese Manufacturers' Association of Hong Kong, said sales figures "met expectations." However, some exhibitors disagreed. Many of them offered more price promotions to boost sales while some gave away cooking ingredients to buyers. A frozen-meat vendor said sales volume and revenue were at most half of last year while others said it was about 20 to 30 percent less. **ATO Notes:** As the pandemic is still lingering and dining restrictions are still in place, Hong Kong consumers are becoming more cautious in their spending, especially when the stimulation effect of the consumption vouchers is fading.

#### Sands Shopping Carnival in Macau Hailed a Success [The Macao News, September 15, 2022]

Scores of junior chefs, dance enthusiasts and karaoke singers joined in the fun at the 2022 "Sands Shopping Carnival" at The Venetian's Cotai Expo in Macau, which drew over 100,000 visitors. The annual event attracted more than 310,000 visits since debuting in 2020. The three-day carnival, which coincided with the Mid-Autumn Festival (September 9-12), ended on September 12, and featured over 530 booths spread across eight different zones. It also provided a free business platform for small-to-medium enterprises (SMEs) and Sands retailers impacted by the pandemic. Many exhibitors said they were grateful for the event's swift rescheduling following the COVID-19 outbreak in June. The exhibitors attributed the event's popularity to the carnival's arrangements and supporting facilities, "which have helped boost their revenues." The carnival's highlights included Karaoke King Singing Competition, Street Dance Competition, and Little Master Chef Workshop. **ATO Notes:** Macau businesses and residents have stayed resilient under the pandemic. The Carnival not only boosted shopping confidence, it also provided an opportunity for Macau businesses and residents to "keepgoing" to prepare for the return of visitors to the city.

#### 7-Eleven Launched Charity Food Program [The Standard, September 15, 2022]

A charity program that aims to provide free meals and supplies to the underprivileged was launched by 7-Eleven and social enterprise "Pei Ho Counterparts." The 'Sik Tak Fan La' Charity Program, which

means "the meal is ready to serve" in Cantonese, will last for a year. Starting September 15, \$6.4 cents will be donated to Pei Ho Counterparts for each designated 7-SELECT meal box sold. 7-Eleven is aiming to raise \$256,000. That will be equivalent to providing over 80,000 meal boxes and supporting five months of food assistance to the elderly, homeless, and grassroots families in need. An official website will also be launched to show the number of meal boxes sold and the real-time number of donations so that donors can keep track of the program's progress. **ATO Notes:** Food retailers and restaurants have offered discounts to customers to alleviate their burden under the pandemic. 7-Eleven's charity food program is another example of Hong Kong business taking up social responsibility to help families in need.

**T**RADE



## Legibility Issues Found on Most Hong Kong Food Labeling Surveyed [<u>The Standard</u>, September 15, 2022]

The Consumer Council's recent survey on 55 samples of prepackaged food sold in Hong Kong found that only seven samples had font size that complied with the recommended height listed in the government's guideline. Separately, the Council had set up a focus group of 15 citizens to assess the legibility of the labeling information of the 55 samples. The results revealed that majority of samples had room for improvements. The Consumer Council stressed that it is a fundamental consumer right to receive accurate product information, while traders have the responsibility to provide clear food label information to allow consumers to make informed choices. The Council urges the food industry to review the labels and be mindful of the legibility especially for senior citizens and people concerned about health-related information. **ATO Notes:** Packaged food products, except for the exempted products, in Hong Kong are required to bear food labels that show relevant information including nutrition information. If imported products do not comply with the local laws, the manufacturers or importers need to revise the labels by putting stickers or use packages tailored for the Hong Kong market. Many traders choose to put stickers on products. For detail of the local labeling regulations, please review this <u>GAIN Report</u>.

Hungry for more information about the Hong Kong and Macau markets?

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