

Australia eyes Hong Kong fairs for business expansion



Melbourne, Aug 20, 2010: Hong Kong, with its open trade policy and tremendous infrastructure, offers an ideal base for Australian companies of all sizes. Hong Kong Trade Development Council organises over 30 fairs a year, many of which reflects the potential for Australian companies interested in expanding or consolidating their business in the Asia Pacific region.

Mr Benjamin Chau, Deputy Executive Director of HKTDC, is visiting Australia and New Zealand to highlight Hong Kong's advantages and the importance of HKTDC services. He will meet with government and trade sector entities to discuss areas of business co-operation to maximise trade potential and establish closer trade ties between Australia and Hong Kong.

Hong Kong's unrivalled advantages

Hong Kong and Australia has long established a mutually beneficial trade and economic link. At the end of 2007, the stock of inward direct investment (IDI) from Australia into Hong Kong was US\$1.7 billion (AU\$1.9 billion). The total bilateral trade value reached US\$3,132 million (AU\$3,438 million) in the first half of 2010.

Hong Kong has unparalleled geographical, economic and political advantages for doing business which makes it the world's freest economy for 16 consecutive years and the second largest foreign direct investment (FDI) recipient in Asia and the 4th largest FDI recipient in the world.

Being a gateway to the Chinese Mainland, Hong Kong offers rich expertise and experience for supporting Australian companies to tap into the booming Chinese market. The Chinese mainland is the world's second largest economy after the US. In the first half of 2010, Gross Domestic Product (GDP) of the Chinese mainland grew to 11.1%.

Hong Kong's advantages attract Australian companies to do business there. In the past 3 years, some 250 Australian companies exhibited at HKTDC fairs every year to explore export market opportunities in Asia, with strong exhibitor growth in Hong Kong Wines and Spirits Fair and International ICT Expo.

Ideal trading platforms to illustrate the best part of Australia

Australia has a large wine industry and is the 4th largest wine exporting country after France, Italy and Spain. In 2009, Australia exported wine worth of US\$42 million (AU\$47 million) to Hong Kong, up 30% from 2008. After the wine tax was abolished in 2008, Hong Kong emerged as a major wine trading hub and **HKTDC**

Hong Kong International Wine & Spirits Fair (4-6 November) is the ideal trading platform for Australian wines and spirits.

The signing of Hong Kong-Australia Memorandum of Understanding on Co-operation in Wine in April 2009 boosted Australian wine exports to Asia and enhanced wine-related services promotion in both regions. In 2009, Hong Kong was Australia's 13th largest market for wine by volume.

“Hong Kong’s position as a free wine port makes it an ideal place for Australian companies to expand their business. In 2009, 65 Australian winemakers exhibited at the fair to establish network in the mainland and Asia, up 51% from 2008. For this year’s event, Australia is the partner country, winemakers from major wine-producing regions of New South Wales and Tasmania, South Australia have already confirmed to organise pavilions” Mr Chau said.

To foster ICT co-operation with Australia, **HKTDC International ICT Expo** (13 – 16 April 2011) is the best information technology and telecommunication platform in Asia. Hong Kong, ranked second in Asia and 8th in the world in the World Economic Forum’s Global Information Technology Report 2009-10, highlighting Hong Kong’s advanced position in telecommunication infrastructure and business environment for information technology development.

Australia is also the world's largest wool producing and exporting country. In particular, merino wool is a principal export item. **HKTDC Hong Kong Fashion Week for Fall/Winter, World Boutique** (17-20 January 2011) and **HKTDC Hong Kong International Home Textiles Fair** (20-23 April 2011) are ideal platforms for Australian businesses to market their fine wool for knitwear and home use.

Australia devotes many resources in developing renewable energy, such as solar energy plants and wind farms. **Eco Expo Asia (3 – 6 November)** is a recognised platform for Australian clean energy companies to explore overseas market and globalise their operation.

To encourage trade development in a wide range of sectors, HKTDC trade fairs cover industries which are well-established or which have growth potential, including toys, jewellery, houseware, gifts and eyewear.

“Supported by quality international exhibitors and buyers, our fairs present golden opportunities for Australian traders to gain the latest market intelligence and, most important of all, make alliances and develop business in Asia and beyond,” Mr Chau concluded.

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