

Hong Kong links up New Zealand to offer multiple business opportunities



Auckland, Aug 19, 2010: The signing of Hong Kong, China – New Zealand Closer Economic Partnership Agreement in March this year encourages bilateral trade and economic relations to a higher level. With its mandate to facilitate global trade, Hong Kong Trade Development Council (HKTDC) supports this through its world-class exhibition portfolio, assisting foreign companies interested in expanding their business or in consolidating their position in the Asia Pacific region.

Mr Benjamin Chau, Deputy Executive Director of HKTDC, is visiting New Zealand and Australia 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 New Zealand and Hong Kong.

Hong Kong's unrivalled advantages

Hong Kong and New Zealand have forged even closer bonds this year. Hong Kong, China – New Zealand Closer Economic Partnership Agreement provides a total elimination of tariffs on all Hong Kong's exports to New Zealand in the coming six years, whilst Hong Kong offers tariff free treatment to all New Zealand originating products when the agreement comes into force in late 2010.

The total trade value between Hong Kong and New Zealand increased 14% to US\$454 million (NZ\$626 million) in the first half of 2010. 'We believe the agreement opens up new business opportunities and will further boost bilateral trade volume in the years ahead. It also enables New Zealand companies to use Hong Kong as a stepping stone to explore market opportunities in the Chinese mainland'. Mr Chau told at a media briefing.

Hong Kong has unparalleled geographical, economic and political advantages for doing business, making 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.

Hong Kong is the most important entrepot of the Chinese mainland. Under the agreement, the free flow of goods between Hong Kong and New Zealand enables New Zealand businesses to capitalise on market opportunities in the Chinese mainland. In the first half of 2010, the Gross Domestic Product (GDP) of

the Chinese mainland grew to 11.1%.

Hong Kong's advantages make it extremely attractive to New Zealand companies. The number of New Zealand exhibitors to HKTDC fairs increased 150% in the past 3 years.

Ideal trading platforms to illustrate the best part of New Zealand

Agriculture is the main export industry of New Zealand and main export items to Hong Kong includes meat, fruits and dairy products, in addition to its booming wine exports. In the first half of 2010, New Zealand exported wine worth of US\$3 million (NZ\$4 million) to Hong Kong, up 51% from same period last year. 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 New Zealand wines and spirits.

"Hong Kong, the only region in the world with no VAT and no wine tax, poses huge benefits to New Zealand wines. 40 New Zealand winemakers joined the Wine Fair in 2009, with a 4-fold increase from 2008, reflecting their strong interest in our Wine Fair," Mr Chau said.

New Zealand also has a long history of sheep farming. It is the second largest producer of wool after Australia and the largest producer of strong wool. **HKTDC Hong Kong Fashion Week for Fall/Winter** (17-20 January 2011) and **HKTDC Hong Kong International Home Textiles Fair** (20-23 April 2011) are ideal platforms for New Zealand wool companies as the fairs' scale and international buyer profile give worldwide marketing, branding and trading opportunities.

The medical device market is booming as the world's population ages. In New Zealand, the medical technology sector is emerging strongly with around 100 enterprises in this sector. **HKTDC Hong Kong International Medical Devices and Supplies Fair** (3-5 November) is a recognised trade platform dedicated to this niche market, allowing New Zealand to promote products and innovations to an international audience.

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, eyewear and eco products.

"Supported by quality international exhibitors and buyers, our fairs present golden opportunities for New Zealand 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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