

## HK and Australia bolster wine business co-operation

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The Secretary for Commerce and Economic Development, Mrs Rita Lau, representing the Hong Kong Special Administrative Region Government, today (April 16) signed a Memorandum of Understanding on Co-operation in Wine-Related Businesses (MOU) with the Australian Minister for Agriculture, Fisheries and Forestry, Mr Tony Burke.

Addressing the signing ceremony, Mrs Lau said this was the first MOU that Hong Kong had signed with a wine-producing country of the New World. It represented another key step in Hong Kong's development into a regional wine trading and distribution hub.

"The MOU is an extensive one, covering some common areas of co-operation that also feature in our MOUs with other countries, including promotion of wine trading, investment, wine-related tourism, wine education and appreciation, and the fight against counterfeit goods.

"It also embraces new areas such as promoting commercial co-operation on wine auctions and storage, certification as well as sharing of experience for the possible setting up of a wine centre in Hong Kong," Mrs Lau said.

The wine centre in Adelaide, Australia, is an example. The wine centre there serves multiple wine-related purposes, including exhibitions, café and dining, wine appreciation and education, conferences and functions.

"The Australian side has kindly agreed to share its experience and information with parties interested in setting up a similar facility in Hong Kong," Mrs Lau said.

On certification, Mrs Lau said that Hong Kong had a very simple and basic requirement on wine certification, which is normally only required when there are health and safety concerns. The two sides agreed to keep these requirements to the minimum to reduce trade barriers. This facilitated wine trading between the two places.

"This year will be an exciting one for the wine industry in Hong Kong. In late October to early November, we will stage our first Wine and Dine Festival which will feature wines from around the world, most probably including Australian wines," Mrs Lau said.

"In November, the Trade Development Council will hold its second 'home-grown' international wine exhibition. We look forward to a strong showing of Australian wine products.

"I believe that the MOU signed today will give a strong impetus to Hong Kong's aspiration to be a regional wine hub and be conducive to its economic development, including creating jobs," she said.

Mrs Lau also pointed out that Australian companies had a long history of doing business in Hong Kong. Low taxes, the rule of law, high-quality services and global connectivity were among Hong Kong's business-friendly credentials.

The Financial Secretary exempted wine duties in his Budget last year. Wine imports in 2008 grew to \$2.9 billion - an increase of 80% compared to 2007.

Note to editors

The gist of the MOU is attached to the press release.

Ends/Thursday, April 16, 2009

**Gist of the HK-Australia  
Memorandum of Understanding (MOU) on  
Co-operation in Wine-related Businesses**

- The MOU is an extensive one, covering some **common areas** of co-operation that also feature in our MOUs with other countries, including promotion of wine trading, investment, wine-related tourism, wine education and appreciation, and the fight against counterfeits.
- It also embraces **new areas** such as promoting commercial co-operation on wine auctions and storage, greater information-sharing on wine regulatory regime, certification as well as sharing of experience for the possible setting up of a wine centre in Hong Kong.
- The **new elements** are :
  - (a) **promotion of commercial co-operation on wine-related services such as auctioning and storage** – Invest Hong Kong stands ready to assist Australian companies to take advantage of the new opportunities here by staging auctions or providing wine storage facilities in Hong Kong;
  - (b) **facilitation of sharing of information and experience on possible setting up of any wine centre(s) in Hong Kong** – Australia has a government-run National Wine Centre in Adelaide for various wine-related activities including exhibition, café and dining, wine appreciation and education, conference and functions. If any industry players are interested in setting up a similar facility in Hong Kong, the Australians stand ready to share their experience and information;
  - (c) **information-sharing on regulatory regime for wine** – Hong Kong maintains a simple regulatory regime for wine. Both sides agree to support greater information sharing between Hong Kong and Australia on this, providing a more open and certain environment for traders; and
  - (d) **reduction of trade barriers through minimum routine certification requirements** – Hong Kong has a very simple and basic requirement on wine certification, which is normally only required when there are health and safety concerns. Australia has agreed with Hong Kong to keep these requirements to the minimum to reduce trade barriers. This facilitates wine trading between the two places.
- The **common elements** are :
  - (a) **facilitation of business visits, training, seminars, and wine-related trade fairs** – to strengthen wine-related trading activities, both sides will facilitate business visits and encourage each other's participation in wine fairs organised in Hong Kong or Australia;
  - (b) **investment promotion activities** – the investment promotion agencies of the two sides will facilitate exchange of information on wine-related investment activities and services;

- (c) **education and training** – the two governments will encourage the training institutions in Hong Kong and Australia to enhance partnership so as to strengthen education on wine appreciation/culture;
- (d) **wine-related tourism and wine culture** – we will encourage enhanced partnership on promoting wine-related tourism and wine culture through for example co-ordinated activities between Australia and Hong Kong where appropriate; and
- (e) **customs co-operation against wine counterfeiting and smuggling** – the customs administrations of Hong Kong and Australia will co-operate with each other, including through the exchange of information, to address and prevent counterfeiting and smuggling of wine products. Hong Kong has a clean record on this. We will upkeep our vigilance through such enhanced co-operation.

Government of the Hong Kong Special Administrative Region  
April 2009