

## HONG KONG

### SUPPLY AND CONSUMPTION

Hong Kong residents have an affection for seafood in their daily diets. Approximately 460 tonnes of seafood is consumed each day by the Hong Kong population, compared to only 300 tonnes of poultry. About 40 percent of seafood consumption is supplied from local waters while the balance comes from foreign suppliers. Local Hong Kong production and processing generally complements rather than competes with imported products, and helps to satisfy the local demand for live/fresh fish. Demand is increasing for seafood in Hong Kong as total imports rose in 1990 by 12 percent.

Virtually all salmon consumed in Hong Kong is imported, primarily from Scotland and Norway. Demand for salmon products has been growing by approximately 5 percent per year. Total salmon consumption is approximately 1,000-1,500 metric tonnes per year in Hong Kong with Canada supplying approximately 10 percent of the market. Canadian salmon products had a reputation with Hong Kong importers as being of a higher, consistent quality, however, consumers are not informed about salmon as a species.

The main species imported from Canada are coho and chum in sizes of 7-9 pounds, head-off and gutted. Primary outlets for salmon products in Hong Kong are hotels, Western style restaurants, caterers and, to a smaller extent, high-end supermarkets and delicatessens. Approximately 40 percent of frozen salmon imports go to the hotels and 60 percent of frozen goes to Western style restaurants; while 80 percent of fresh salmon goes to hotels, 18 percent to Western style restaurants, and 2 percent to Chinese restaurants. Salmon is less popular in Chinese restaurants largely because it is not considered to blend well with Chinese ingredients or lend itself to Chinese cooking methods. Salmon heads are gaining favourable reaction from Chinese chefs as well as Hong Kong households due to the price and good taste.

Salmon products are usually handled by importers who bring in shipments on their own accounts and then distribute the product either directly, or through wholesalers to hotels, restaurants and retail stores. Distribution may be channelled through either importers-endusers or retailers, or importers-wholesalers-endusers or retailers. Hotels, restaurants and other foodservices establishments do not usually purchase directly from the overseas suppliers, but rather from the importers or wholesalers on a contractual basis for a period of 3-6 months on prices agreed upon by both parties, with prices controlled by the Hong Kong importers. Canadian salmon is not as competitive as Norwegian and Scottish salmon largely because of price. Although Norwegian salmon is accepted by the trade as offering superior quality, prices are lower than Canadian salmon due to considerable government assistance as well as focused and extensive promotional activities.