

these hospitals provide treatment to patients flown into Hong Kong from neighbouring regions (including China) for specialized treatment.

Private clinics provide most prescription drugs, on an outpatient basis, whereas drugstores sell mainly over-the-counter drugs. The Hong Kong Hospital Authority has established contacts with major international suppliers. Good relations with hospital administrators and other senior health care officials are key.

Canadian firms may find it initially easier to sell to smaller and more price-sensitive customers, such as private clinics and research laboratories. More and more local medical professionals now receive their training in North America rather than the United Kingdom, making them more receptive to Canadian equipment, technologies, drugs and medical and dental practices.

Market Opportunities

With demand for health products rising rapidly, Canada faces stiff competition in China and Hong Kong. With a few exceptions, the Canadian health industry has not developed a presence in these markets.

Health Canada and the Chinese Ministry of Public Health have signed a memorandum of co-operation.

Private hospitals and clinics in Hong Kong seek competitively priced, sophisticated, innovative products that offer unique or niche characteristics for the treatment of disabilities of the elderly and illnesses that are public health priorities, such as cancer,

heart disease and cerebrovascular ailments. Demand is growing for imported biotech products and for training and administration services in Hong Kong's public and private medical and food research and development labs and in teaching faculties and hospitals.

Constraints

Exporters to China face an import management regime, tariffs and taxation measures that do not apply in Hong Kong. Intellectual property issues affecting patent rights are a constant concern. Chinese imports are closely related to joint-venture operations, import licences and/or quotas, and local or international financial institution funding.

Action Plan

The objectives of the Action Plan in this sector are to:

- approach key local health care decision makers and import facilitators, identified by the existing medical market survey of Hong Kong and South China, to gather market intelligence on changing regulations, risks and competitor activity. Market intelligence would be conveyed to those multinational firms whose Canadian subsidiaries hold world product mandates and to Canadian suppliers, such as generic drug or medical imaging software firms, whose products fit some or all of the local markets;
- encourage and support participation in technical demonstrations,