Government calls on Burgundy to exploit wine market potential of Mainland and beyond through HK
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Hong Kong, the duty-free wine hub in Asia, is best placed to help Burgundy and other wine-producing regions to tap the market of Mainland China and beyond, said the Commissioner for Tourism, Mr Philip Yung, who spoke on behalf of the Hong Kong Special Administrative Region (HKSAR) Government at a business seminar in Burgundy on November 29 (Burgundy time).

Delivering his keynote speech at the Hong Kong Week in Burgundy - Business Seminar on "Hong Kong - Wine trading and distribution hub in Asia", Mr Yung said, "We did away with wine duty in 2008. The HKSAR Government has also pulled together a series of supportive measures."

Mr Yung referred to the world's first accreditation scheme for wine storage facilities of the Hong Kong Quality Assurance Agency; the Customs and Excise Department's vigilance against counterfeits; the department's scheme with Mainland counterparts to facilitate wine re-export to Shenzhen and Guangzhou; and Hong Kong's co-operation with international partners, including Burgundy, on promoting wine trading and investment and more.

Wine-related businesses have been flourishing in Hong Kong since the removal of wine duty in 2008. In addition to seeing remarkable growth in wine trading, Hong Kong has become the largest wine auction centre in the world for the last two years according to the industry. These achievements are attributable to Hong Kong's proximity to the growing market of Mainland China, on top of the other fundamental strengths of Hong Kong as an international financial and business centre.

Mr Yung pointed to the observations on the market potential in the plan for Mainland China's wine industry for the five-year period up to 2015, commonly known as the "Wine 12-5 Plan", published by the Ministry of Industry and Information Technology and the Ministry of Agriculture earlier this year.

"First, China has the world's largest potential market. The 'Wine 12-5 Plan' quoted the per capita wine consumption for the Mainland at less than half a litre in 2010, compared with the world average of 7 litres. The plan sees that the Mainland would have a growing appetite for wines as income and the craving for wines are rising.

"Second, imported wines have become more and more popular on the Mainland in the last five-year period. Compared with 2006, the volume of wines imported by the Mainland rose by 2.5 times to over 28 million litres in 2010. The proportion of imports to the Mainland's production grew to about 1 to 4. The plan believes that, generally, imported wines enjoy competitive advantages over the Mainland's domestic produce," he said.

Representatives from the Commerce and Economic Development Bureau, Invest Hong Kong, the Hong Kong Quality Assurance Agency, the Hong Kong Trade Development Council and Hong Kong's wine industry attended the business seminar as panellists.

On November 29, Mr Yung also met heads of the Burgundy Wine Board and the Regional Chamber of Commerce and Industry of Burgundy, as well as the President of the Regional Council of Burgundy, Mr François Patriat.

Mr Yung was glad to know that the Burgundy Regional Council is actively planning to move its regional representative office from Singapore to Hong Kong. The move would not only facilitate the staging of more Burgundy events in Hong Kong in future, but also mark a milestone since Hong Kong and Burgundy signed a wine co-operation agreement in 2010.

Mr Patriat also revealed to Mr Yung Burgundy's plan to have a more prominent presence in Le French May 2013. That would present the culinary, cultural and other facets of Burgundy more clearly to Hong Kong to enhance mutual understanding.

Mr Yung will deliver a speech at the Hong Kong Week in Burgundy - Gala Dinner on November 30 (Burgundy time). He will leave Burgundy on December 1 for Hong Kong.

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