



## **Ties with Italy Set to Grow Stronger** **MOU on wine fairs signals increased cooperation**

(10 April 2010) Business ties between Hong Kong and Italy are strong – and are set to become even more robust in the near future. Two-way trade is vibrant, and covers a wide variety of products, while Italy plays a role in the economic life of Hong Kong.

Mr Benjamin Chau, Deputy Executive Director of the Hong Kong Trade Development Council (HKTDC), is visiting Italy for a programme of meetings and functions with key government officials, trade associations and multipliers in Milan and Verona. As well as promoting relevant HKTDC fairs, Mr Chau signed a Memorandum of Understanding with VeronaFiere regarding the HKTDC Hong Kong International Wine & Spirits Fair.

In 2009, exports from Hong Kong to Italy were valued at EUR2.6 billion (US\$3.5 billion). Major categories included apparel & textile fabrics, taking a 10% share; travel goods & handbags (9%); telecommunication equipment & parts (9%); toys, games & sporting goods (8%); and optical goods (8%). In the other direction, goods worth EUR2.7 billion (US\$3.6 billion) were imported into Hong Kong from Italy; leading items included leather, with a share of 12%; jewellery (11%); travel goods & handbags (6%); textile yarn (6%); and footwear (5%).

Italy has strong involvement in the Hong Kong economy, with approximately 300 Italian companies based in the SAR. They include those engaged in banking, insurance, telecommunications, logistics, trading and other services sectors. Over 80 Italian companies have their regional offices in Hong Kong. It is also worth noting that Italian fashion, food and wine are popular among Hong Kong people of all ages and lifestyles. For many in the city, Italy is synonymous with style and quality design.

Mr Chau said: “The economic relationship between Hong Kong and Italy has been growing steadily over the years, and covers a wide range of activities. It is important that, in order for the relationship to blossom ever further, that we do everything we can to understand more about the requirements of our two markets and ensure we fully promote our prospective strengths.”

One of Italy’s strengths is the production of wine. In 2009, Italy exported wine worth EUR9 million (US\$12 million) into Hong Kong, a growth of almost 20% over the previous year. “Not only is there growing appreciation of wine among the Hong Kong population, but, very crucially, Hong Kong is well placed to act as a gateway between the wine-producing world, including a key producer such as Italy, and the Chinese mainland, which offers a potentially huge market,” said Mr Chau.

### **Hong Kong’s top wine event**

Following the Hong Kong government’s decision to abolish duty on wine and beer in 2008, the territory has emerged as a vital wine hub in Asia, and particularly for the mainland. HKTDC was quick to react to the government’s move by creating the HKTDC Hong Kong International Wine & Spirits Fair, which debuted in 2008 to industry acclaim. The 2009 edition was even more successful.

In 2009, exhibitor numbers at the November show more than doubled to 525, representing 34 countries and regions, including 25 from Italy. Among those participating was Vinitaly, the world’s

leading wine exhibition. Buyer numbers in 2009 increased by 36%, with almost 12,000 buyers from 62 countries & regions.

Among the highlights of the second edition was the inaugural Cathay Pacific Hong Kong International Wine & Spirit Competition with some 1,300 wines from around the world, judged by a pan-Asian panel. It was organised in conjunction with London's renowned International Wine & Spirit Competition, and was the world's first authentically Asian wine competition, and its largest. The Asia Top Sommelier Summit chose the fair as its platform and brought in luminaries from both Europe and the USA to share their experience with Asian sommeliers. The fair also featured the prestigious Wine Industry Conference.

### **Italy as the partner country for 2011 Wine Fair**

Mr Chau's trip was timed to coincide with Vinitaly 2010, staged from 8-12 April in Verona. During the fair, on behalf of HKTDC, Mr Chau signed a Memorandum of Understanding on wine fairs with its organiser, VeronaFiere, the leading show organiser in Italy. The MOU facilitates a strategic alliance between HKTDC and VeronaFiere. As well as sharing know-how and setting out the scope of ongoing and future collaboration, VeronaFiere will engender a good showing of Italian exhibitors and buyers of wines, wine accessories, wine-making technology and equipment at the annual Hong Kong International Wine & Spirits Fair. It will also promote and recruit Italian wine and wine-related exhibitors for the fair, as well as coordinate the Italian Pavilion. In return, HKTDC will explore taking a Hong Kong delegation to take part in Vinitaly 2011.

In addition, HKTDC will name Italy as the partner country of the fourth edition of the fair, which takes place in November 2011.

This MOU follows on from the signing of an MOU on Co-operation in Wine-Related Businesses between Hong Kong and Italy in 2009. Hong Kong's Secretary for Commerce and Economic Development, Mrs Rita Lau, signed the MOU with Mr Luca Zaia, now being the President of Veneto Region. The agreement was designed to forge closer cooperation between the two parties in a range of areas including the promotion of wine trading, investment, wine-related tourism, as well as wine education and appreciation.

"Hong Kong is rapidly gaining the distinction as Asia's wine trading and distribution hub, especially because of its unrivalled access to the Chinese mainland market," said Mr Chau. "The HKTDC Hong Kong International Wine & Spirits Fair has already become the city's keystone event in just two years. It attracts market leaders in wine and spirits distribution in the region, as well as winemakers and purveyors of wine, spirits, beer and other beverages from around the world."

### **One-stop platform**

It is not only the wine fair that attracts interest from Italy. Between 2007 and 2009, a total of 727 Italian exhibitors joined various HKTDC trade fairs, while 16,009 buyers visited the fairs. Events in the HKTDC portfolio that attract much interest from Italian exhibitors and buyers include HKTDC Hong Kong Electronics Fair, Hong Kong Gifts & Premium Fair, Hong Kong Houseware Fair, Hong Kong Optical Fair, Hong Kong Toys & Games Fair, World Boutique Hong Kong and Hong Kong International Jewellery Show.

Mr Chau said: "By staging more than 30 trade fairs every year, covering a wide range of industries, HKTDC offers the best one-stop platform for buyers to source new and innovative products, as well as a great channel for exhibitors to expand their business by presenting their latest items as well as brand image. We look forward to welcoming more and more Italian exhibitors and buyers in the future at our fairs."



On behalf of HKTDC, Mr Chau (right) signed a Memorandum of Understanding on wine fairs with VeronaFiere, the leading show organiser in Italy

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