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## Hong Kong

### Market Development Reports

## Hong Kong Officials Seize Smuggled Meat

2009

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**Report Highlights:**

Hong Kong customs and marine police seized over 160MT of unmanifested frozen meat, including chicken wings and offal, worth approximately HK\$18 million (US\$2.3 million) on February 5, 2009. This high profile seizure in Hong Kong waters was reportedly the biggest on record. Based on their preliminary investigation, the Hong Kong government (HKG) announced in a press release that the frozen meat was imported from South America and repacked in a container yard in Hong Kong before being loaded onto the cargo vessels, which were then heading towards mainland China when seized by the Hong Kong authorities. Press reports quoted an official who stressed food safety concerns about the poor hygienic conditions of the smuggled meat. Reports added that the custom fees and value-added tax for the shipment would be HK\$5 million (US\$642,670).

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Includes PSD Changes: No  
Includes Trade Matrix: No  
Trade Report  
Hong Kong [HK1]  
[HK]

Hong Kong customs and marine police made the record seizure of over 160MT of unmanifested frozen meat, including chicken wings and offal, worth about HK\$18 million (US\$2.3 million) on February 5, 2009. Police spotted cartons of frozen meat being transferred from ten 40-foot containers into the cargo holds of two Hong Kong cargo vessels. The two vessels were intercepted when they were attempting to leave the Hong Kong waters and heading for mainland China. This high profile seizure in Hong Kong waters was reportedly the biggest on record.

The Hong Kong government (HKG) announced that, based on initial investigations, the frozen meat, believed to be from South America, had been repacked in a container yard in the Hong Kong before being loaded onto the cargo vessels. Press reports quoted an official who indicated that the syndicate stood to double its money if it had successfully smuggled the unmanifested frozen meat to the mainland. The official explained that the main reasons for such smuggling activity are to avoid tax and to circumvent China's stringent importation requirements of meat products. The official added that the custom fees and value-added tax for the shipment would be HK\$5 million (US\$642,670).

Press reports also quoted an official who stressed food safety concerns about the poor hygienic conditions of the smuggled meat. Reportedly, the cargo holds were not refrigerated and hygiene conditions of the vessels were poor.

Under Hong Kong's Import and Export Ordinance, the maximum penalty for smuggling offense is a fine up to HK\$2 million (US\$257,000) and an imprisonment for seven years.

## Trade Statistics

### Hong Kong's Poultry and Offal Imports, US\$ million

Country				% Share			% Change
	2006	2007	2008	2006	2007	2008	- 08/07 -
--The World	703	953	1,209	100	100	100	27
Brazil	306	485	649	43	51	54	34
China	187	226	254	27	24	21	13
United States	82	82	138	12	9	11	68
France	14	32	31	2	3	3	-3
Canada	7	14	18	1	1	2	30
Chile	14	13	18	2	1	2	41
Argentina	16	21	18	2	2	1	-14
Thailand	13	11	14	2	1	1	25

### Hong Kong's Poultry and Offal Re-exports, US\$ million

Country				% Share			% Change
	2006	2007	2008	2006	2007	2008	- 08/07 -
--The World--	272	437	531	100	100	100	21
China	175	329	322	64	75	61	-2
Taiwan	89	54	157	33	12	30	191
Vietnam	0	40	35	0	9	7	-14
Macau	8	11	17	3	3	3	50

## Hong Kong's Pork and Offal Imports, US\$ million

Country	2006	2007	2008	% Share			% Change - 08/07 -
				2006	2007	2008	
--The World--	610	916	1,827	100	100	100	99
United States	60	99	368	10	11	20	270
Brazil	110	174	264	18	19	14	52
China	212	227	249	35	25	14	10
Germany	44	101	242	7	11	13	139
Netherlands	41	65	132	7	7	7	103

## Hong Kong's Pork and Offal Re-exports, US\$ million

Country	2006	2007	2008	% Share			% Change - 08/07 -
				2006	2007	2008	
--The World--	141	352	922	100	100	100	162
China	58	252	705	41	72	76	180
Taiwan	72	59	167	51	17	18	184
Vietnam	0	20	25	0	6	3	26
Macau	10	17	24	7	5	3	40

## Hong Kong's Beef and Offal Imports, US\$ million

Country	2006	2007	2008	% Share			% Change - 08/07 -
				2006	2007	2008	
--The World--	384	528	814	100	100	100	54
Brazil	189	284	465	49	54	57	64
Argentina	33	50	82	9	9	10	64
Australia	40	50	57	10	9	7	14
United States	16	37	55	4	7	7	50
China	31	33	43	8	6	5	29

## Hong Kong's Beef and Offal Re-exports, US\$ million

Country	2006	2007	2008	% Share			% Change - 08/07 -
				2006	2007	2008	
--The World--	96	164	256	100	100	100	56
Taiwan	83	63	205	87	38	80	228
Vietnam	0	82	31	0	50	12	-62
China	8	10	10	9	6	4	-8
Macau	4	7	9	4	4	4	38

Source : World Trade Atlas – Hong Kong Census &amp; Statistics Department