



Foreign Agricultural Service

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## **Hong Kong**

## **Agricultural Situation**

## **This Week in Hong Kong**

## **2003**

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### **Report Highlights:**

- SARS outbreak tipped to trim growth by small margin**
- Hong Kong has relief package for SARS**
- Update on GM food labeling**

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Includes PSD changes: No  
Includes Trade Matrix: No  
Unscheduled Report  
Hong Kong [HK1], HK

## *This Week in Hong Kong*

*An update of major news and events from the fourth largest consumer oriented food product export market for the U.S. (Issue No. 24)*



### **SARS outbreak tipped to trim growth by small margin**

The 41 economies covered in the annual report of the Asian Development Bank (ADB) are expected to see gross domestic product growth of 5.3 per cent this year compared with 5.7 per cent in 2002. Hong Kong will take the biggest blow from Sars, which is expected to cut 0.6 percentage points from its forecast growth of 2 per cent. For 2004, Asian economic growth is forecast at 5.9 per cent, with Hong Kong's growth at 4 per cent. The bank said its forecasts were based on the assumption the Sars outbreak could be brought under control by mid-May. According to the ADB, Asia would still perform better than the rest of the world this year, including the US, Japan and Europe.  
(Source: South China Morning Post)

### **Hong Kong has relief package for SARS**

On April 23 the Hong Kong government proposed a package of relief measures to help adjust to the outbreak of the Severe Acute Respiratory Syndrome (SARS) and revive the economy. The relief package consists of: (1) Waiver of Rates Payments (2) Reduction of Water and Sewage Charges (3) Reduction of Trade Effluent Surcharges (4) Waiver of Licensing Fees (5) Salaries Tax Rebate (6) Commercial Rent Concession by Housing Authority and on Tenants Managed by Government Departments (7) Creation of New Jobs and Training Programs (8) Relief Loan Guarantee Scheme, and (9) Measures to Further Control the Disease and Revive the Economy. The total maximum cost of the proposed package is HK\$11.8 billion (US\$1.5 billion).  
(Source: Hong Kong Government)

### **Update on GM food labeling**

The Hong Kong government recently proposed a voluntary labeling scheme for GM food supplemented by mandatory pre-market safety assessment requirements. It has delivered its proposal to the Legislative Council for discussion and will be running a public consultation on the proposal in the latter half of 2003. At a Legislative Council panel meeting on April 29th, the Consumer Council, a GM food testing laboratory, and organic and green organizations pressed for mandatory labeling on GM foods and criticized the government's support of voluntary labeling on GM foods. The Hong Kong Food Science & Technology Association Ltd, Hong Kong Retail Management Association, and Hong Kong Food Council however voiced support for the government's position.  
(Source: Legislative Council)