

Hong Kong Supply Chain Guide





About Seafood Industry Australia

Seafood Industry Australia (SIA) is the national peak-body representing the Australian seafood industry as a whole. With members from the wildcatch, aquaculture and post-harvest sectors of the Australian seafood industry, we are the voice of Australian seafood.

SIA provides consumers, Government and other stakeholders with confident and united representation. Our unity indicates that we love what we do, we stand by our products and that those products are the best in the world.

SIA provides services identified through a process involving member input to fill a critical gap that currently exists, to have more influence on Government decisions, to act as a national industry voice, to be a marketing and communications hub, and to remove obstacles to growth standing in the way of the Australian seafood industry.

Our vision is for the Australian seafood industry to be United, Effective and Respected.

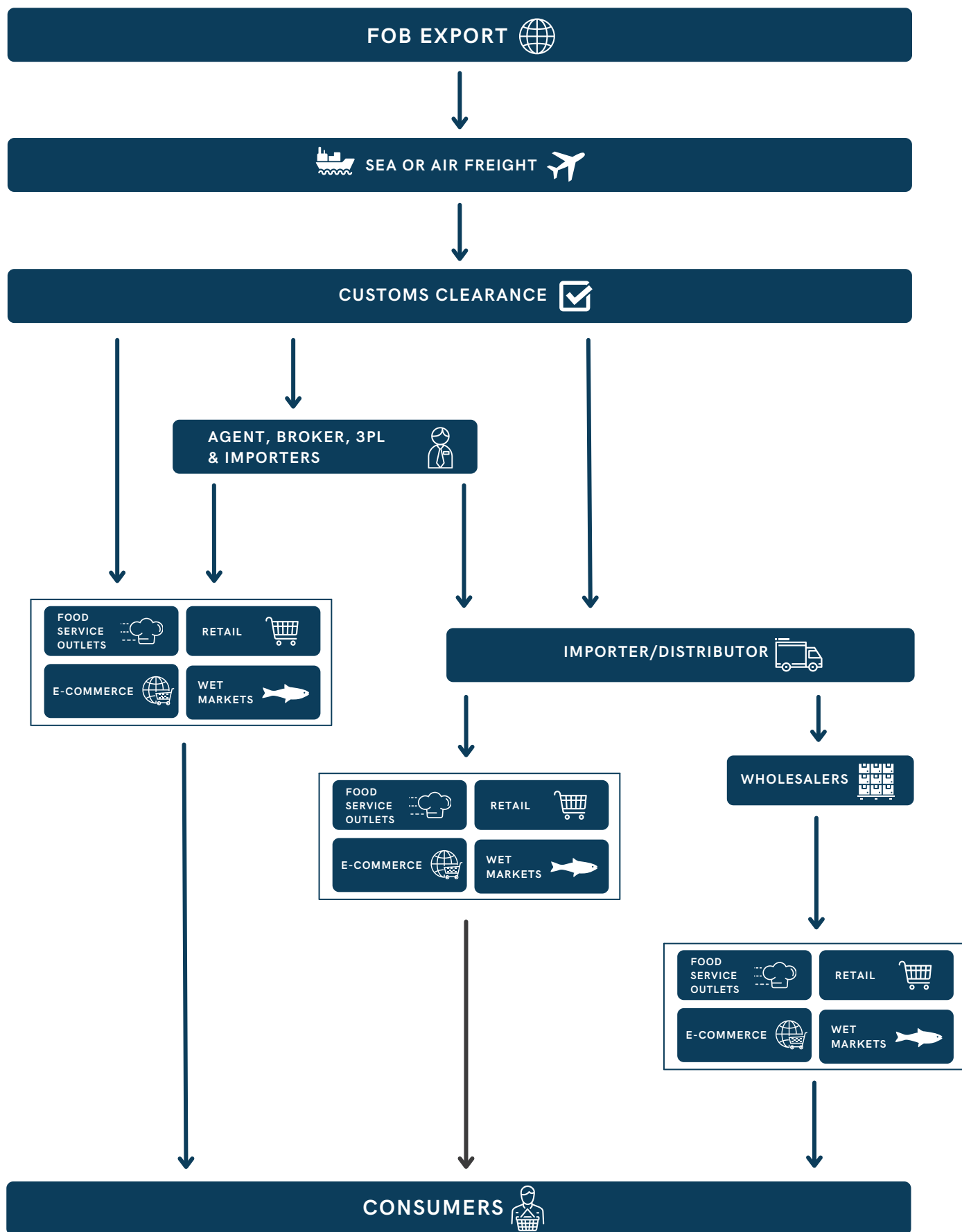
Our mission is to Promote, Protect and Develop the Australian seafood industry on the national and international level.

Agricultural Trade and Market Access Cooperation (ATMAC) Program

The ATMAC program is an Australian Government initiative, expanding trade in Australian agricultural, forestry and fisheries sectors into emerging export markets and/or export markets with high-growth potential. This will be achieved through support for diversification efforts that align with industry priorities.

Seafood Industry Australia's 'marketing, market access and export development for the Australian seafood industry' was funded under the ATMAC Program.

Supply Chain Overview



AUSTRALIA-HONG KONG FREE TRADE AGREEMENT (A-HKFTA) AND ASSOCIATED INVESTMENT AGREEMENT (IA)

The Australia-Hong Kong FTA and IA strengthen Australia's relations with one of its most significant trade and investment partners. The A-HKFTA and IA will provide increased certainty for Australian service providers and investors. They will lock in continued access to the Hong Kong Market for Australian exporters of education, financial and professional services, as well as guarantee that Hong Kong will not apply tariffs to Australian goods in the future.

The FTA Portal is a user-friendly Australian Government website that provides easy access to information for exporters, importers, and other stakeholders seeking to access the benefits from all of Australia's free trade agreements (FTA). The FTA Portal is the easiest way to determine the preferential FTA tariff rate on your product.

USEFUL LINKS

- [Australia-Hong Kong Free Trade Agreement and associated Investment Agreement](#)
- [Austrade Industry Directories](#)
- [Fisheries Research and Development Corporation \(FRDC\)](#)
- [Micor - Manual of Importing Country Requirements](#)
- [Step-by-step guide to exporting fish and fish products](#)

OBTAINING PREFERENTIAL TARIFF TREATMENT WHEN EXPORTING OR IMPORTING GOODS USING THE A-HKFTA

1

IDENTIFY THE TARIFF CLASSIFICATION OF YOUR GOODS

The first step to determining whether a good receives preferential tariff treatment under A-HKFTA is to correctly identify that good. In A-HKFTA, goods are identified by reference to an internationally recognised system known as the Harmonized Commodity Description and Coding System, commonly referred to as the Harmonized System (HS). The HS is a common goods classification system of more than 5200 six-digit product categories. It is arranged into 97 chapters covering all tradeable products. Each Chapter is divided into Headings, which can be divided into Subheadings.

2

DETERMINE WHETHER YOUR GOODS MEET RULES OF ORIGIN (ROO) REQUIREMENTS

Under A-HKFTA, Australia and Hong Kong have agreed to eliminate all customs duties on originating goods of the other Party. These goods are free of any customs duty from the date of entry into force of the agreement. A-HKFTA ROO are agreed criteria used to ensure that only the goods intended to be covered by A-HKFTA receive preferential treatment.

EXPORTS FROM AUSTRALIA

Australian exporters and producers may seek such advice or information from the [Hong Kong Customs and Excise Department](#). Your importer in Hong Kong or your customs broker may be able to assist you with this process.

Imports into Australia or Hong Kong that do not comply with the ROO as set out in Chapter 3 (Rules of Origin and Origin Procedures) and Annex 3-B (Product-Specific Rules of Origin) may be subject to the applied most favoured nation (MFN) rate of duty. For Australian goods imported into Hong Kong, the applied MFN rate of duty is currently zero. Accordingly, A-HKFTA ROO will generally only be relevant for imports from Hong Kong to Australia that would, but for A-HKFTA, be subject to Australian tariffs. Further information on the Rules of Origin chapter can be found at [Chapter 3: Rules of Origin and Origin Procedures](#).

A-HKFTA Rules of Origin (ROO) are agreed criteria used to determine the originating status of a good and its eligibility for preferential treatment under the agreement. Only goods that meet the A-HKFTA origin criteria receive A-HKFTA preferential rates of customs duty set out in the importing Party's Tariff Schedule. This prevents countries other than Australia and Hong Kong from gaining preferential benefits under A-HKFTA.

3

PREPARE A CERTIFICATE OF ORIGIN FOR YOUR GOODS

Once you have gone through the first three steps and determined that your good will qualify for preferential tariff treatment under A-HKFTA, you will need to complete the appropriate documentation to demonstrate this to the importing customs administration. This is done by completing a Declaration of Origin ([click here for more info](#)).

Under the A-HKFTA, an importer may make a claim for preferential tariff treatment based on a Declaration of Origin completed by:

- the importer;
- the producer; or
- the exporter;
- an authorised representative (of the importer, exporter or producer)

Record Keeping

Under A-HKFTA, an importer, exporter or producer who completes a Declaration of Origin must maintain all records necessary to demonstrate that the good is originating, for a period of no less than five years from the date of importation of the good. Importers claiming preferential tariff treatment must also maintain for 5 years documentation related to the importation, including the Declaration of Origin. Records can be retained in any format, provided they can be promptly retrieved if required. A-HKFTA [Chapter 3, Article 3.22](#) provides details on record keeping requirements.

Waiver of Declaration of Origin

A Declaration of Origin is not required when the customs value of the importation does not exceed AU\$1000 (or Hong Kong equivalent) or any higher amount as the importing Party may establish. A party can also unilaterally waive the requirement for a Certificate of Origin

Verification

The Customs administration of the importing Party may need to verify the information contained in a Declaration of Origin. The approach they follow for such verification is outlined in A-HKFTA [Chapter 3, Article 3.23](#). Verification activities may involve:

- written requests for information from the importer of the good;
- written requests for information from the exporter or producer of the exporting Party;
- requests that the customs administration of the exporting Party assist in verifying the origin of the good;
- verification visits to the premises of the exporter or producer of the good.

Refunds and claims for preferential tariff treatment after importation

Under A-HKFTA, importers may apply for preferential tariff treatment after the import has taken place. In that case, importers can seek a refund of any excess duties already paid, provided the good would have qualified for preferential tariff treatment at the time of importation. Importers have at least one year to apply for a refund.

As a condition for claiming preferential tariff treatment after import, the importing Party may require that the importer:

- has paid the non-preferential rate of duty on the good;
- make a claim for preferential tariff treatment;
- provide a statement that the good was originating at the time of importation;
- provide a copy of the declaration of origin; and
- provide such other documentation relating to the importation of the good as the importing Party may require.

[**CLICK HERE TO ACCESS THE GUIDE TO USING THE AUSTRALIA-HONG KONG FREE TRADE AGREEMENT \(A-HKFTA\) TO EXPORT AND IMPORT GOODS**](#)

INCOTERMS®

International Commercial Terms or 'Incoterms®' are a set of 11 individual international rules for interpreting trade terms issued by the International Chamber of Commerce (ICC), which help traders in different countries understand one another. Incoterms clarify the obligations of buyers and sellers in trading internationally to avoid any confusion. These terms are updated periodically to adapt to changing trade practices. Some common examples of Incoterms for any mode of transportation include:

- EXW - Ex-Works OR Ex-Warehouse
- FCA - Free Carrier
- FOB - Free on Board
- CFR - Cost and Freight
- CIF - Cost, Insurance and Freight

See Appendix A for Incoterms Chart

Logistics

Having efficient and reliable logistics for export can give exporters a competitive advantage through better order handling and shortened product cycles. Export logistics is a crucial yet considerably complicated piece of the export puzzle that includes order handling, transportation, inventory management and handling, storage, packaging, and clearing of the export goods. Most new exporters and experienced exporters use a freight forwarder to navigate the various steps needed to get their products into international markets.

SEA FREIGHT

Ongoing sea freight disruption has caused massive problems to global logistics.

The closure of some of the world's largest ports, congestion and shortages of storage space has resulted in ships rerouting and changing their schedules at short notice. The flow-on effects have been:

- Difficulty in getting containers
- Difficulty in securing freight capacity
- The escalating cost of freight
- Longer shipping journeys due to changing schedules
- Bottlenecks at ports
- Delays in transit

Sea Freight, Full Container Load (FCL)

A container (20-foot or 40-foot) is exclusively used for a single shipment. The container is not shared with other cargo shipments, and the costs are borne by one party. It is generally used for heavy cargo (over 15 tons).

Sea Freight, Less than Container Load (LCL)

A container is shared by various cargo shipments. LCL is the preferred option when there aren't enough goods to fill up the entire container. This option allows the exporters to lower their shipping costs.

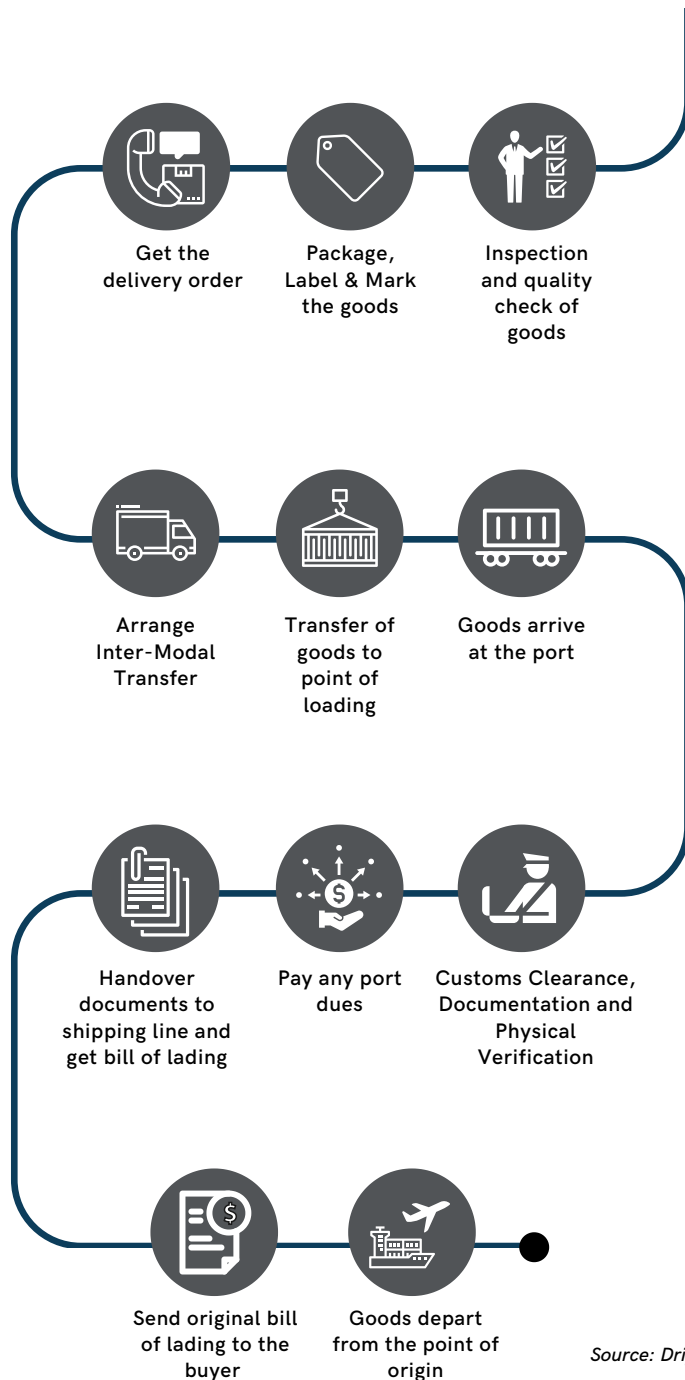
AIR FREIGHT

Air freight has been even more disrupted than sea freight at the onset of the pandemic and now appears to be settling into a new normal.

Most air freight is carried on passenger aircraft and with the closed border policy for international arrivals, freight has become problematic to many destinations and costs have escalated.

USEFUL LINKS

- [The International Federation of Freight Forwarders Associations \(FIATA\)](#)
- Search for a customs broker or freight forwarder on the IFCBAA site:
 - [International Forwarders & Customs Brokers Association of Australia \(IFCBAA\)](#)



Source: Drip Capital

Legislative & Regulatory Information

TARIFFS

According to [Austrade](#), Hong Kong is a free port with no general tariff on imported goods. Excise duties are charged on four commodities - alcoholic liquors, tobacco, hydrocarbon oil and methyl alcohol - irrespective of whether they are imported or locally manufactured.

REGULATIONS

According to the [Maine International Trade Centre](#), there are no official standards body or entity producing official domestic standards in Hong Kong. Standards are established in Hong Kong for purposes of safety, security, health, and the environment, and they are primarily based on existing international standards.

FOOD AND ENVIRONMENTAL HYGIENE DEPARTMENT

[The Food and Environmental Hygiene Department](#) strongly advises importers to obtain health certificates issued by health authorities of countries of origin to accompany their imports, certifying that the marine products are fit for human consumption. This is because marine products are high-risk food items because they are susceptible to bacterial or chemical contamination in the harvesting zone or handling process.

EXPORT HEALTH CERTIFICATES

Export health certificates are required for live animals, meat, poultry and dairy products. The following is a list of selected food items that have special legal requirements or administrative arrangements due to their perishable or high-risk nature:

- Game, meat, poultry and poultry products
- Milk and milk beverages
- Frozen confections
- Marine products

LABELLING

Food labelling regulations are set out in Part V of the Public Health and Municipal Services Ordinance (Cap. 132). Import of food and drink products, whether packaged for retail or catering sectors, must comply with local labelling regulations. Labelling can be in English, Chinese or both languages. In most cases, it is acceptable to leave the original English label unchanged, but the expiry date and any important information should be printed in English and Chinese. Should a product's label not meet local requirements, HKSAR Government allows stick-on labels on products, which can be arranged by Hong Kong importers.

USEFUL LINKS

- [Hong Kong Import Control and Food Safety Guidelines](#)

Unless otherwise stated, the [Centre for Food Safety](#) stipulates that the following information should be provided on the label:

- Name of the food
- Ingredients, including any additives
- Durability period
- Statement of special conditions for storage or instructions for use
- Quantity
- Name and address of manufacturer/packer

Customs Clearance

Hong Kong's Customs and Excise Department (C&ED) controls importation measures and administers duties and excise under the Import and Export Ordinance (Cap. 60), Customs and Excise Service Ordinance (Cap. 342) and Dutiable Commodities Ordinance (Cap. 109).

C&ED is notified of entrance at the airport or cargo seaport where the majority of international traffic into Hong Kong arrives.

Prior to the arrival of air shipments, the carrier electronically transmits cargo information to C&ED using the ACCS (Air Cargo Clearing System) to begin the customs clearance process for air shipments. The inbound cargo information will be reviewed by C&ED employees, who will then apply constraint codes to shipments that are restricted, prohibited from entry, or subject to excise duty (Tobacco, Liquors, Methyl Alcohol, Hydrocarbon Oil).

USEFUL LINKS

- [Hong Kong's Customs and Excise Department](#)
- The [Manual of Importing Country Requirements \(Micor\)](#) is a resource for exporters of Australian agricultural products. When exporting agricultural products from Australia, exporters must comply with the **Export Control Act 2020** and associated legislation and the importing countries' requirements.

Market Entry

According to The Seafish Export Guide (2020), identifying and working with a Hong Kong-based importer/distributor is the most common approach. Local importers tend to have a network of contacts in retail and food service.

Retailers in Hong Kong also work with local importers; although they do prefer to work with a consolidator in order to increase their margins; it also affords them the flexibility of bringing in a bigger variety of products at smaller volumes. Retailers also have a habit of asking for exclusivity of certain products/brands.

It is important that you take the time to research potential business partners before entering an agreement.

Hong Kong is a competitive market - be prepared to spend the time and resources to build and establish brand recognition. Importers and retailers often look for marketing support, for example, that might mean point of sale materials or product for promotional activities when launching a brand.

KEY DISTRIBUTORS

Note these distributors may not specialise in seafood

1

Angliss Hong Kong Food Service Limited

Sales network in Hong Kong, Macao, China and Singapore. They stock over 2,000 SKUs ranging from deep frozen, chilled, air-conditioned to dry.



IMPORTER/DISTRIBUTOR ROLES & RESPONSIBILITIES

- Purchases product from exporter
- May organise ocean transportation & insurance
- Clears customs and pays any duties applicable
- Warehouses, stores and dispatches stock
- Getting paid: payment terms & deductions
- Sales and marketing services
- Can specialise in foodservice or retail

It is advisable to bear the following questions in mind before engaging in any trade conversation:

- Your potential partner's reach/coverage - i.e. does the importer only focus on retail or food service, or do they work with both? Which outlets do they work with?
- What order sizes are you looking for?
- Does the importer share your values? Are they committed to building your brand in a way you're happy with?

2

Classic Fine Foods

Sales network in Hong Kong, Macau, China, Singapore, Japan, Malaysia, Indonesia, Korea, the Philippines, Thailand, Vietnam, United Arab Emirates, UK and France. Their product ranges from premium and niche dairy, meat, pastry, gastronomies, seafood, high quality perishables, condiments, pasta and dry products, fully HACCP certified.



3

Dah Chong Hong Limited

A trading company covering various sectors. Its food-trading arm covers Hong Kong, Macao and China. Product portfolio includes frozen and chilled meat, seafood, poultry, fresh produce, frozen vegetables and potatoes, canned products, beverages, nuts, dairy and grocery products, dried seafood, edible oil, rice and cooking ingredients sourced globally. They also provide well-established logistic infrastructure and HACCP certified processing facilities.



4

Delicia Hong Kong Limited

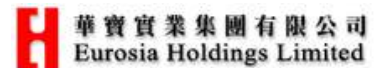
The company distributes imported meat, fish, and seafood to mostly food services. The company has lately expanded its footprint to Macao.



5

Euroasia Holdings Limited

Mainly handle import and export of frozen seafood, frozen poultry and frozen meat. The company also operated a joint venture processing plant with China Fishery in manufacturing, food processing and fish operation.



6

ETAK International Limited

A full-service food distributor with complete inventory, multi-temperature storage facilities and logistics services. They concentrate primarily on fresh and frozen food products including seafood, working with major supermarkets and food service operators in Hong Kong. They are also working on developing new markets in Macao and mainland China.



7

Wilson International Frozen Foods (HK) Limited

A importer-distributor with distribution network in both Hong Kong and China, specialises in frozen and chilled wagyu, beef, veal, lamb, pork, poultry, seafood, smoked fish, cured ham, truffles, potato products, pasta, seasonings, dairy, confectionery, coffee and beverages.



MARGIN STRUCTURE



It is important that exporters take the adjacent indicative margins as a guide only. There are many conditions attached to trading terms and because they can be a crucial element of success, they need to be strategically negotiated.

The Retail Channel

OVERVIEW

- Hong Kong also has an appetite for 'Hoi-mei' - a selection of dried seafood that are used in deluxe Chinese dishes. Typical 'Hoi-mei' are fish maw, shark fin, sea cucumber, abalone. Dried scallop etc.
- While Hong Kong has a relatively unstable political and economic environment, this has not considerably affected the food retail industry. In the first 7 months of 2020, supermarkets were able to report a 14% year-on-year growth. This increase in sales is anticipated to remain steady.
- In 2020-21, supermarkets maintaining a strict social distancing routine with an increased sanitation regimen seemed to attract consumers, with 59% of stores implementing strict hygiene standards. About half of the existing supermarkets tried implementing discount programs as a strategy to attract consumers, while 48% began offering free delivery and collection as a means to retain customers.
- Restrictions on movement and travel have resulted in a hike in the popularity of international products. Japanese and Korean supermarkets have especially benefited from this trend. With YATA, SOGO and AEON already offering a range of lifestyle products, there is a race to expand their individual presence. For example, YATA is soon launching "Konbin by YATA", a new convenience store format, following its 16% year-on-year growth in grocery sales in 2020.
- Consumers are increasingly focusing on the availability of food products during Hong Kong's political unrest. Due to this, convenience stores have witnessed positive growth rates. Circle K's parent company, Convenience Retail Asia was able to report a 5.9% increase in sales in 2019.
- Supermarkets that focus exclusively on premium and high-end brand products, such as gourmet food or Western imported products, are increasing in popularity. The two chains that dominate the supermarket category - AS Watson Group and Dairy Farm Intl. Holdings Ltd. is reportedly launching new formats to attract wealthy consumers. AS Watson, in particular, has opened Food Le Parc, Gourmet Food Hall, and Great Food Hall to target consumers with high disposable incomes.
- In response to the pandemic, more grocery retailers are teaming up with on-demand delivery services to offer increased convenience to consumers. For example, both 7-Eleven and Marks & Spencer have begun a collaboration with Deliveroo.

RETAIL MARGIN STRUCTURE



The margin structure of the various supply chain partners is highly dependent on many factors including, but not limited to, the level of service offered and if freight is included.

Margins also vary based on some of the following:

- Chilled and frozen carry bigger margins, chilled the highest
- The value and uniqueness of the product (the margin % is less for higher-value products)
- The size of the order
- The size of the customer
- The retailer trading terms
- The level of marketing support

KEY PLAYERS



FISH & SEAFOOD CATEGORY TRENDS

- Consumers in Hong Kong are often eager and open to new and diverse seafood products. Preferences usually include dried, fresh and live fish and seafood products- these include products that many international consumers may not be keen to try. Hong Kong's seafood market is considered to be one of the world's most competitive. This is primarily due to the country's culture, where seafood has always been traditionally consumed in high quantities. There are also several seafood importers and traders who are known to be able to source a wide range of premium quality seafood products.
- Traditionally, seafood has always been consumed in Hong Kong on a consistent weekly basis. The primary drivers of this trend include the following:
 - Seafood product sales are highly affected by food safety standards, freshness, and the price point of the product.
 - It has been observed that older consumers as well as those with higher incomes traditionally consume more seafood, as compared to younger consumers or those with lower incomes.
 - Shellfish and live fish are amongst the top categories in terms of consumer preferences, These include shrimp, prawns, and scallops.
 - Compared to premium seafood products such as lobster and crab that are usually consumed in restaurants, cheaper products like squid are consumed more frequently at home.
 - Of the consumers who buy seafood to cook and consume at home, 47% of the surveyed consumers said that they buy their seafood from wet markets, while 30% buy these products from fish shops. Only 23% said they would make seafood purchases at supermarkets.
 - Consumers are usually attracted to new seafood products due to the prices, promotions and deals, and product recommendations.
- Buyers are now more likely to purchase seafood products from regulated suppliers who are more trustworthy. This is especially due to the numerous food safety-related incidents in China, Hong Kong, and Macao.
- Consumers are increasingly paying attention to factors like the traceability of seafood production, handling of the products, and whether the product has been sourced from sustainably managed fisheries. Paying heed to such factors will increase customer confidence in the product.

- Food safety remains a crucial factor that influences seafood consumption. According to data released by FAS/Hong Kong, consumers are more likely to trust US food products, when it comes to food safety issues. Consumers in Hong Kong are frequently looking for industry-recognised and certified markers of sustainability and safety while purchasing seafood. This has led to more opportunities for sustainably sourced seafood, where standards have been independently verified by a third party and are labelled accordingly.
- It has been noted that, within the HRI sector, the highest demand is for seafood such as lobster, crab, clams, conch (whelk), scallops, and sea urchins. Reliable suppliers, especially for raw seafood (such as chilled oysters) are increasingly being preferred by caterers. This is especially important since a single food contamination incident could potentially ruin a premium establishment's reputation.
- Chefs in Hong Kong are becoming more creative in their usage of fish and seafood, including using wastes, byproducts, and species that are not traditionally consumed as food in other countries globally. For example, products such as fish heads, gas bladders, roe, and internal organs, that are of zero commercial value in the United States of America, will fetch good prices in Hong Kong, if properly processed. US companies may take good advantage of such opportunities in the Hong Kong market by simply adapting to consumer preferences.
- Supermarkets have noted strong sales of finfish. Common fish sold in supermarkets include mackerel, halibut, salmon, and black cod. These are usually sold in the form of fish steaks and fillets and are popular products in the frozen food section in supermarkets and retail outlets. However, consumers still prefer to buy fresh or live fish from wet markets. The competition levels between wet markets and supermarkets have steadily increased over the last few years. To tip the scales in their favour, some wet markets have begun to offer air-conditioned venues, as well as provide complimentary shuttles from the market to nearby residential areas.

The E-Commerce Channel

E-COMMERCE TRENDS

- Hong Kong consumers have always been partial to shopping online for Food & Beverage products. 73% of consumers shop on online grocery retailers. Hong Kong is one of the top 4 international markets with the highest net consumer increases in the use of online grocery services.
- During the pandemic, e-commerce marketplaces such as HKTVMall have seen unprecedented rises in growth, with HKTVMall reporting a 20,300 increase in the number of its sales.
- Traditional brick-and-mortar stores have begun focusing on enhancing their online grocery services as consumer preferences for online shopping rose during 2020. Established brands like Wellcome, ParknShop, and AEON now offer click and collect facilities and home delivery services.
- Many physical stores have now collaborated with on-demand delivery services like Foodpanda to offer more convenience. Foodpanda witnessed high week-on-week growth during 2020.
- Retailers that focus on selling alcohol have also switched to online stores, with many bars such as Caprice Bar and Club Rangoon launching their cocktail range through online stores or on-demand delivery.
- Many consumers prefer click and collect services as this option offers increased time flexibility that isn't available with home deliveries.
- While most consumers usually use credit cards to pay online, it is anticipated that alternative newer forms of payments such as bank transfers and digital wallets will be introduced and will become popular forms of paying online.

KEY PLAYERS



The Foodservice Channel

OVERVIEW

Food & beverage services comprise establishments engaged in the sale of prepared food and drinks for immediate consumption. The various types of food and beverage services in Hong Kong are:

- Restaurants
- Fast food restaurants
- Food caterers
- Ship chandlers
- Airport catering
- Armed forces
- Others
- Cafes, coffee houses and snack bars

FOODSERVICE TRENDS

- 2020 was a tough year for the Hong Kong foodservice industry, especially with multiple waves of restrictions on dine-in services. With many businesses shutting down, other outlets have tried to adapt by offering food delivery services. These outlets either operate from a cloud kitchen to decrease overheads or are collaborating with third-party delivery platforms, such as Foodpanda and Deliveroo. Many restaurants have also launched their own delivery services. However, the industry is expected to recover, as dining out is a major part of a citizens' social life.
- The limited-service sector is dominated by burger chains, with McDonald's and KFC being the most popular. Both brands are upping their focus on innovative products and marketing to increase their individual shares of the market. KFC has recently launched a concept store where it trials distinctive products like a Chizza (pizza with chicken as the base) and a spicy chicken-and-nuts mooncake before officially launching them.
- Adapting to the increase in demand for environmentally friendly, ethical, and sustainable practices, both limited-service and full-service restaurants are focusing on embracing more eco-friendly operations. For example, restaurants such as Amber only use sustainable ingredients, while reducing their plastic waste. Fairwood has launched its "Care for Seniors" program where senior customers are eligible for discounts.
- More restaurants are making vegan, vegetarian, gluten-free, and dairy-free menu options available to consumers, especially targeting the more health-conscious consumer. Many traditional outlets are adopting the fake meat trend, with both Happy Paradise and Little Bao launching "Impossible burgers".

- Restaurants are constantly trying to innovate to retain customers and distinguish themselves from other competitors. As such, there has been an increase in digital loyalty programs. For example, Burger Circus offers customers a free burger after 6 orders, while customers of Le Petit Saigon get a free Banh Mi after 10 orders.
- Another trend that is increasingly seen in limited-service restaurants is the “tap and eat” technology, where customers can opt to order via self-service kiosks or on their phones. This saves them the hassle of waiting in long queues. This technology has been dominated by Aigens Technology, a top Hong Kong firm that aspires to bring this tech to 5000 outlets by 2022.
- The use of social media and digital platforms to influence the choice of dining locations has been increasingly prominent. This is especially true in the case of younger consumers who often prioritise the restaurant’s food or decor aesthetic over the quality or the location of the outlet. Consumers are using such digital channels to give immediate feedback and to even choose restaurants based on their political views.

Appendix

APPENDIX A - INCOTERMS CHART

| Incoterms® 2020 | | | | | | | | | | | |
|---|-----------------------|----------------------|-----------------------------------|----------------------|-------------------------|---------------------------------|--------------------------|--|----------------------------|-------------------------------------|-----------------------------|
| Transportation | Any mode of transport | | Sea and inland waterway transport | | | | Any mode of transport | | | | |
| Incoterm | EXW | FCA | FAS | FOB | CFR | CIF | CPT | CIP | DAP | DPU | DDP |
| | Ex Works (Place) | Free Carrier (Place) | Free Alongside Ship (Port) | Free On Board (Port) | Cost and Freight (Port) | Cost Insurance & Freight (Port) | Carriage Paid To (Place) | Carriage and Insurance Paid to (Place) | Delivered at Place (Place) | Delivered at Place Unloaded (Place) | Delivered Duty Paid (Place) |
| Export packaging | Seller | Seller | Seller | Seller | Seller | Seller | Seller | Seller | Seller | Seller | Seller |
| Loading charges | Buyer | Seller | Seller | Seller | Seller | Seller | Seller | Seller | Seller | Seller | Seller |
| Delivery to port/place | Buyer | Seller | Seller | Seller | Seller | Seller | Seller | Seller | Seller | Seller | Seller |
| Export duty, taxes and customs clearance | Buyer | Seller | Seller | Seller | Seller | Seller | Seller | Seller | Seller | Seller | Seller |
| Origin terminal charges | Buyer | Buyer | Seller | Seller | Seller | Seller | Seller | Seller | Seller | Seller | Seller |
| Loading on carriage | Buyer | Buyer | Buyer | Seller | Seller | Seller | Seller | Seller | Seller | Seller | Seller |
| Carriage charges | Buyer | Buyer | Buyer | Buyer | Seller | Seller | Seller | Seller | Seller | Seller | Seller |
| Insurance | Negotiable | Negotiable | Negotiable | Negotiable | Negotiable | *Seller | Negotiable | **Seller | Negotiable | Negotiable | Negotiable |
| Destination terminal charges | Buyer | Buyer | Buyer | Buyer | Buyer | Buyer | Seller | Seller | Seller | Seller | Seller |
| Delivery to destination | Buyer | Buyer | Buyer | Buyer | Buyer | Buyer | Buyer | Buyer | Seller | Seller | Seller |
| Unloading at destination | Buyer | Buyer | Buyer | Buyer | Buyer | Buyer | Buyer | Buyer | Buyer | Seller | Buyer |
| Import duty, taxes, and customs clearance | Buyer | Buyer | Buyer | Buyer | Buyer | Buyer | Buyer | Buyer | Buyer | Buyer | Seller |

Contact Us

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