



## Summary

In 2019, the trade level between U.S. and Hong Kong decreased significantly with an over 15 percentage point.

In 2019, U.S. exports to Hong Kong totaled \$30.8 billion, a 17.4% (\$6.5 billion) decrease from 2018; U.S. imports from Hong Kong totaled \$4.7 billion, a 25.0% (\$1.5 billion) decrease; and the trade surplus was \$26.1 billion, a 15.9% (\$4.9 billion) decrease. The U.S. maintains a trade surplus with Hong Kong with a five year average of \$31.3 billion.

In 2019, of \$30.8 billion in U.S. exports to Hong Kong, the top commodity sectors were Machinery and Mechanical Appliances (39.9%), Stone, Glass, & Semiprecious Metals (19.5%) and Agriculture products (10.4%).

In 2019, of \$4.7 billion in U.S. imports from Hong Kong, the top commodity sectors were Special Classification Items, such as items under Temporary Legislation; Temporary Modifications proclaimed pursuant to Trade Agreements Legislation; Additional Import Restrictions Proclaimed Pursuant to Section 22 of the Agricultural Adjustment Act (47.3%), Stone, Glass, & Semiprecious Metals (20.4%), and Machinery and Mechanical Appliances (12.8%).

In 2019, BIS reviewed 279 export/re-export applications (not including deemed export applications) valued at \$2.0 billion for Hong Kong, out of a total of 32,993 applications worldwide for tangible items, software and technology valued at \$512.6 billion. Approved applications for Hong Kong totaled 192 (68.8% of the total applications) for \$1.9 billion, compared to the 28,223 (85.8%) approved applications for all destinations that totaled \$476.7 billion.

In 2019, BIS did not review any deemed export application from Hong Kong.

In 2019, BIS approved a license value of \$1,889.6 million for Hong Kong, much higher than the approval value of two millions to five millions in the previous years. The top ECCN by value is 5A991 for Telecommunication Equipment not controlled by 5A001. BIS also approved \$15.7 million for 5x515 items of Space Craft and Satellite.

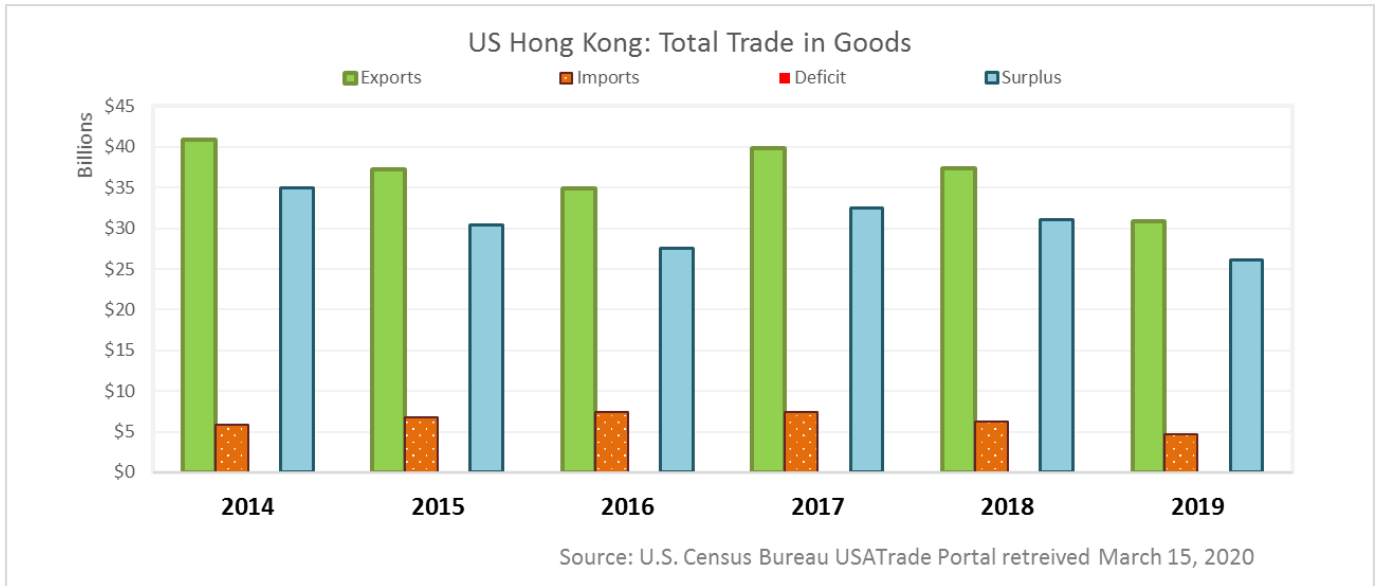
In 2019, BIS denied a total of 31 licenses applications, much higher than the denials of 3 to 8 in the previous years. Of these, most of denials are for items used by police and items of firearms, such as 1A984 for Tear Gas (7 denials), 0A982 (5 denial) for Handcuffs, Leg Iron and Shackles, 0A979 for Police Helmets, Shields and Parts), and 0A985 for Discharge Type Arms and Devices to Administer Electric Shock (one denial with a high value of \$4.6 million).

In 2019, the average processing time for Hong Kong is 34 days.



## I. Total U.S. Trade in goods with Hong Kong

In 2019, U.S. exports to Hong Kong totaled \$30.8 billion, a 17.4% (\$6.5 billion) decrease from 2018; U.S. imports from Hong Kong totaled \$4.7 billion, a 25.0% (\$1.5 billion) decrease; and the trade surplus was \$26.1 billion, a 15.9% (\$4.9 billion) decrease.



In 2019, 1.9% of total U.S. exports were shipped to Hong Kong while 0.2% of total U.S. Imports were delivered from Hong Kong during the same period. In 2019, the level of U.S. exports to Hong Kong and imports from Hong Kong are currently below the five year average level by value not adjusted for inflation. The U.S. maintains a trade surplus with Hong Kong with a five year average of \$31.3 billion.

	2014	2015	2016	2017	2018	2019	2014-2018 Average
EXPORTS	\$40,913.4	\$37,182.7	\$34,895.4	\$39,854.8	\$37,310.1	\$30,800.0	\$38,031.3
Δvalue	--	-\$3,730.7	-\$2,287.4	\$4,959.5	-\$2,544.7	-\$6,510.1	
Δpct	--	-9.1%	-6.2%	14.2%	-6.4%	-17.4%	
IMPORTS	\$5,897.2	\$6,801.6	\$7,406.8	\$7,372.3	\$6,285.9	\$4,713.2	\$6,752.8
Δvalue	--	\$904.4	\$605.2	-\$34.5	-\$1,086.5	-\$1,572.7	
Δpct	--	15.3%	8.9%	-0.5%	-14.7%	-25.0%	
BALANCE	\$35,016.2	\$30,381.1	\$27,488.5	\$32,482.5	\$31,024.2	\$26,086.8	\$31,278.5
Δvalue	--	(\$4,635.0)	(\$2,892.6)	\$4,994.0	(\$1,458.3)	(\$4,937.4)	
Δpct	--	-13.2%	-9.5%	18.2%	-4.5%	-15.9%	

Values in Millions of U.S. Dollars. Source: U.S. Census Bureau USA Trade Portal March 15, 2020



In 2019, of the \$30.8 billion in U.S. exports to Hong Kong, the top commodity sectors were Machinery and Mechanical Appliances (39.9%), Stone, Glass, & Semiprecious Metals (19.5%) and Agriculture products (10.4%).

In 2019, of the \$4.7 billion in U.S. imports from Hong Kong, the top commodity sectors were Special Classification Items, such as items under Temporary Legislation; Temporary Modifications proclaimed pursuant to Trade Agreements Legislation; Additional Import Restrictions Proclaimed Pursuant to Section 22 of the Agricultural Adjustment Act (47.3%), Stone, Glass, & Semiprecious Metals (20.4%), and Machinery and Mechanical Appliances (12.8%).

Imports from Hong Kong by Sector	Hong Kong Commodity Trade 2019	US exports to Hong Kong by Sector
<b>\$4,713,229,910</b>	<b>Total Value All Commodities</b>	<b>\$30,800,047,888</b>
2.7%	Agriculture (Chapters 01-24)	10.4%
0.1%	Minerals (Chapters 25-27)	0.2%
3.6%	Chemicals, Plastics, Leather (Chapters 28-43)	7.3%
1.3%	Wood Products (Chapters 44-49)	0.6%
3.2%	Textiles and Footwear (Chapters 50-67)	1.0%
20.4%	Stone, Glass, & Semiprecious Metals (Chapters 68-71)	19.5%
1.9%	Base metals (Chapters 72-83)	2.2%
12.8%	Machinery (Chapters 84-85)	39.9%
0.3%	Transportation (Chapters 86-89)	5.3%
2.1%	Optical, Measuring, Medical or Other Instruments (Chapters 90-92)	6.6%
0.1%	Arms & Ammunition (Chapter 93)	0.0%
3.1%	Miscellaneous Manufactured Items (Chapters 94 -96)	0.6%
1.1%	Art & Antiques (Chapter 97)	4.6%
47.3%	Special Items (Chapters 98-99** Imports only 99)	1.6%

Source: U.S. Census Bureau USA Trade Portal retrieved April 8, 2020



## II. U.S. Exports to Hong Kong subject to U.S. Government Filing Requirements

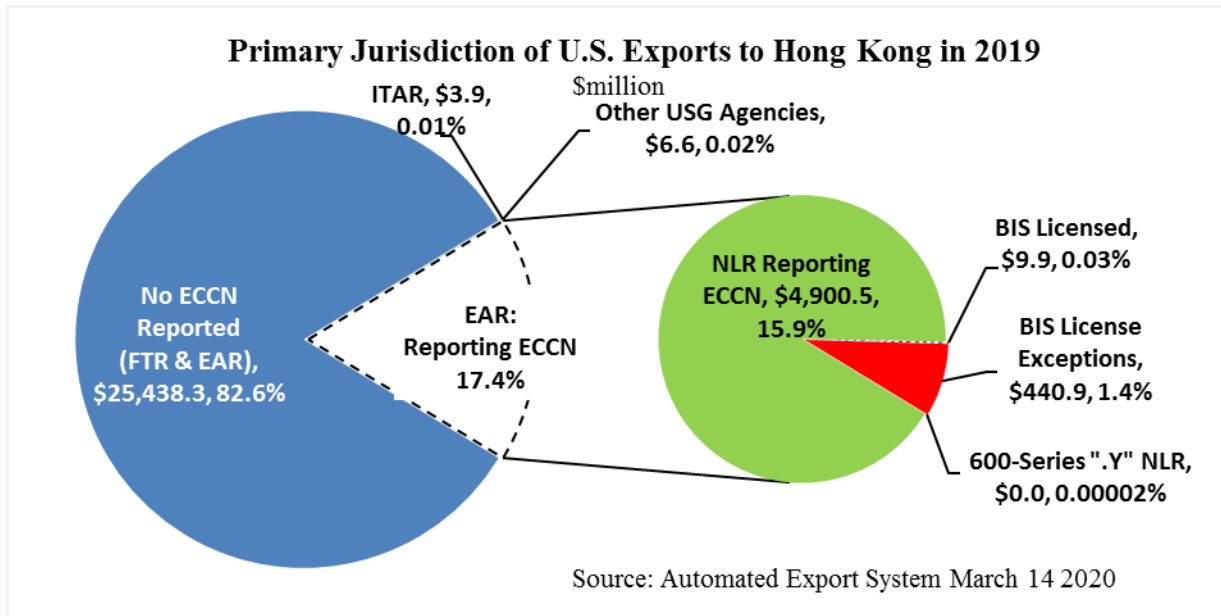
- In 2019, of the \$30.8 billion in U.S. exports to Hong Kong:
  - \$450.8 million (1.5% of the total exports) were subject to a BIS license requirement:
    - 0.03% were exported under a BIS license; Worldwide, 0.4% were exported under a BIS license.
    - 1.4% were exported under a BIS license exception; Worldwide, 1.0% were exported under a BIS license exception.
  - 15.9% were exported under No License Required with an ECCN and 600 series .y Subparagraph under No License Required (NLR); Worldwide, 12.1% were exported under NLR with an ECCN and 600 series .y Subparagraph under NLR.

		Hong Kong		
		2017	2018	2019
	<b>Department of State</b>	\$1.9	\$4.3	\$3.9
	<b>Other USG Agencies</b>	\$12.0	\$11.7	\$6.6
	<b>Department of Commerce</b>	\$39,840.9	\$37,294.1	\$30,789.6
	BIS Licensed	\$174.1	\$9.4	\$9.9
	BIS License Exceptions	\$500.1	\$432.7	\$440.9
	NLR reporting an ECCN	\$6,575.8	\$5,525.3	\$4,900.5
	NLR not reporting an ECCN	\$32,590.7	\$31,326.7	\$25,438.3
	600-Series ".Y" Paragraph NLR	\$0.3	\$0.01	\$0.01

Values in Millions of U.S. Dollars. Source: Automated Export System April 1, 2020

Reasons for Control	Chemical and Biological Weapons			Nuclear Nonproliferation		National Security		Missile Tech	Regional Stability		Firearms Convention	Crime Control			Anti-Terrorism	
	CB:1	CB:2	CB:3	NP:1	NP:2	NS:1	NS:2	MT:1	RS:1	RS:2	FC:1	CC:1	CC:2	CC:3	AT:1	AT:2
Hong Kong	X	X		X		X	X	X	X	X		X		X		

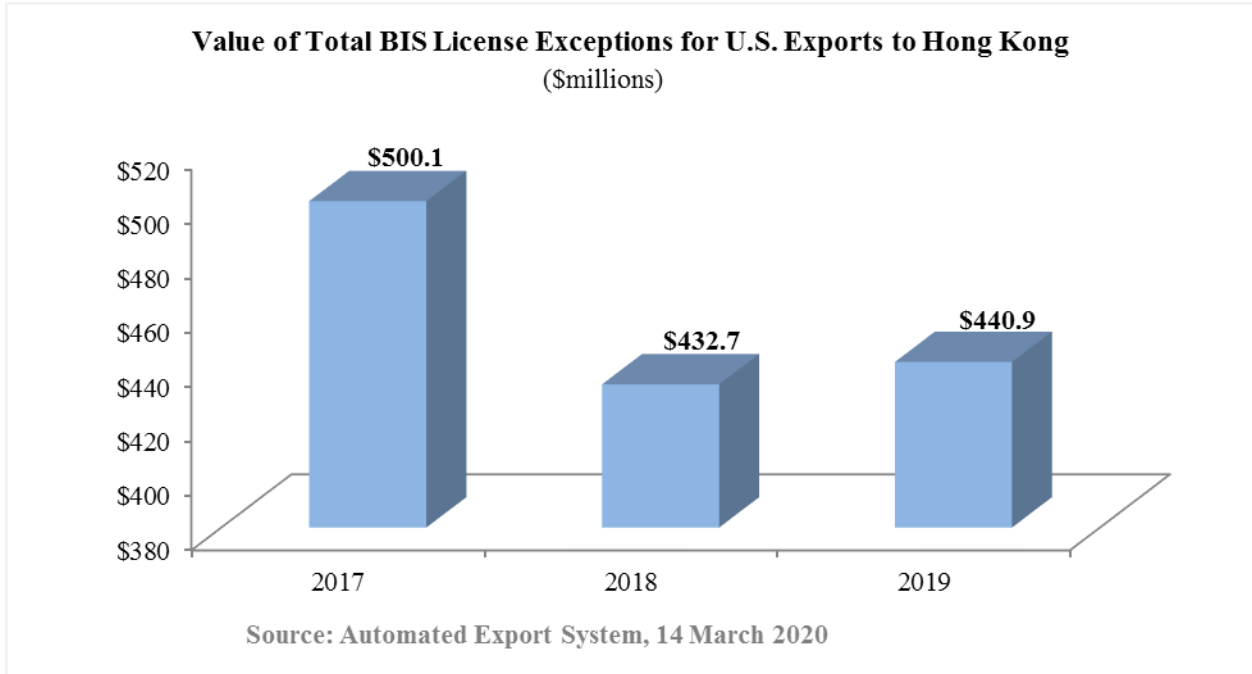
CFR 15 Part 738 Supplement 1



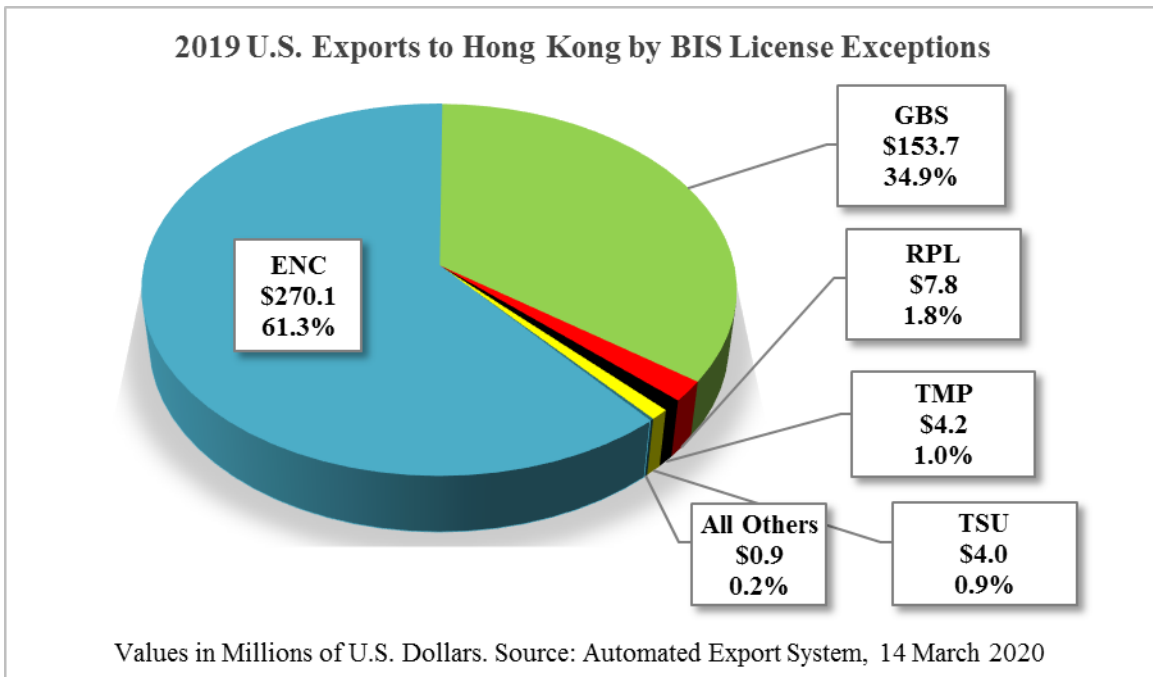


# U.S. Exports to Hong Kong

In 2019, U.S. exports to Hong Kong shipped under a BIS license exception totaled \$440.9 million, a 1.9% (\$8.2 million) increase from 2018.

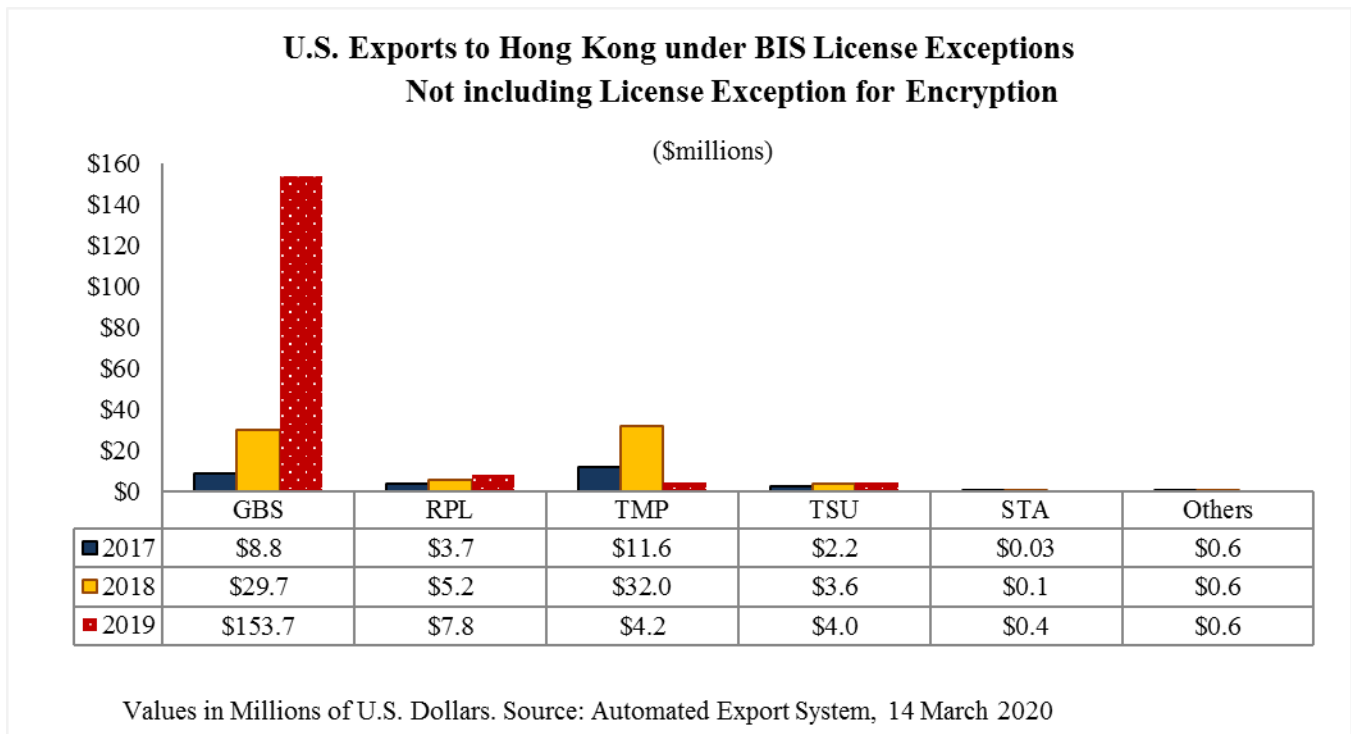
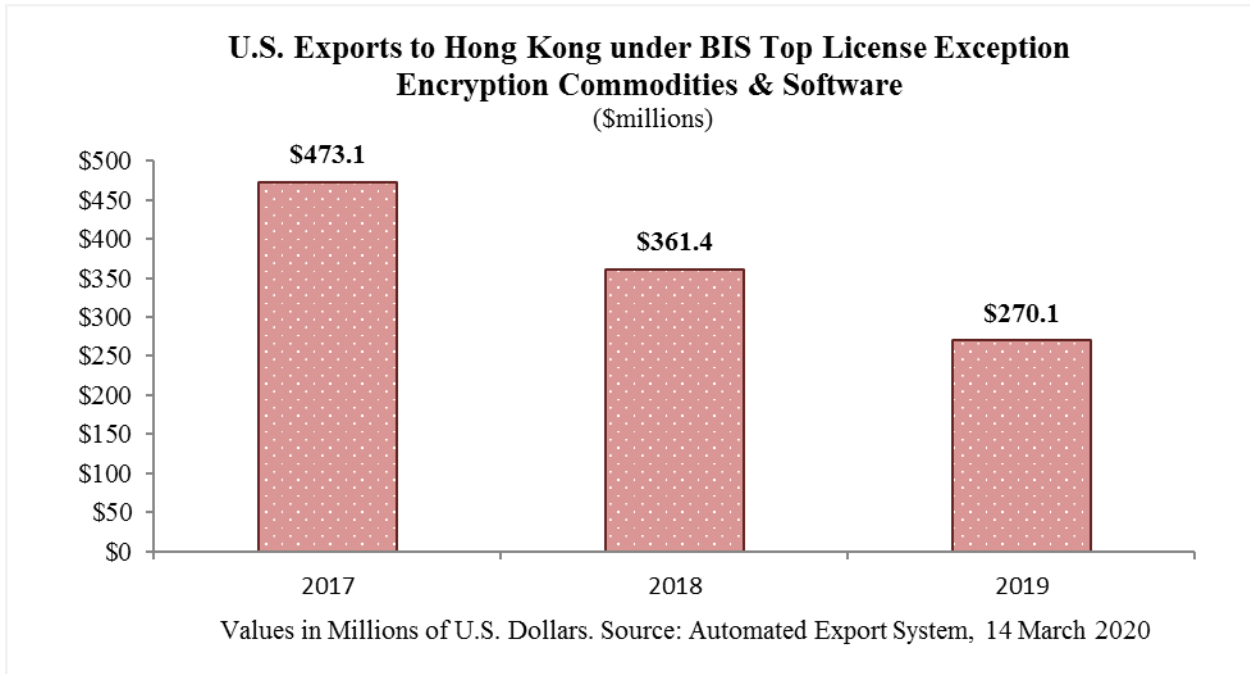


In 2019, the top license exception Encryption commodities, Software and Technology (ENC) totaled \$270.1 million (61.3% of all license exceptions).





# U.S. Exports to Hong Kong





Top Ten ECCNs by Value to Hong Kong (\$millions)	
<b>LICENSED</b>	#1 3A001 Electronic Components
	#2 2A983 Explosives Or Detonator Detection Equip.
	#3 0A987 Optical Sighting Devices for Firearms
	#4 1A004 Protective and Detection Equip.
	#5 5A002 Systems/Equip./Integrated Circuits for Info Sec
	#6 3A233 Mass Spectrometers
	#7 9A610 Military Aircraft and Related Commodities
	#8 1A984 Chemical Agents, Including Tear Gas
	#9 1A607 Military dissemination "equipment" for riot control agents
	#10 6A003 Cameras

Top Ten ECCNs by Value to Hong Kong (\$millions)	
<b>EXCEPTIONS</b>	#1 5A002 Systems/Equip./Integrated Circuits for Info Sec
	#2 3A001 Electronic Components
	#3 5B002 "Information Security" Test, Inspection and "Production" Equipment
	#4 9A991 Aircraft N.E.S. and Gas Turbine Engines not Controlled by 9A001 or 9A101...
	#5 EAR99 Items subject to the EAR that are not elsewhere controlled
	#6 5A992 Equipment not controlled by 5A002
	#7 blank No ECCN is required for License Exceptions TMP*
	#8 7A103 Instrumentation, Navigation Equip./Systems Not
	#9 5D002 "Software" as follows (see List of Items Controlled)
	#10 6A003 Cameras

Top Ten ECCNs by Value to Hong Kong (\$millions)	
<b>NLR with ECCN</b>	#1 EAR99 Items subject to the EAR that are not elsewhere controlled
	#2 5A991 Telecommunication Equip. Not Controlled by 5A001
	#3 9A991 Aircraft N.E.S. and Gas Turbine Engines not Controlled by 9A001 or 9A101...
	#4 5A992 Equipment not controlled by 5A002
	#5 3A991 Electronic Devices and "Components" not controlled by 3A001
	#6 7A994 Other Navigation Direction Finding Equip. ... Not Controlled under 7A003
	#7 4A994 Computers Not Controlled By 4A001 or 4A003
	#8 3A999 Specific Processing Equip., N.E.S.
	#9 3B991 Other Mfg/Test Equip. Not Controlled By 3B
	#10 3A992 General Purpose Electronic Equip. Note Controlled by 3A002

Source: U.S. Custom & Border Protection, Electronic Export Information Filings, April 8, 2020

Note: ECCN Descriptions have been truncated: please review Commerce Control List for Full Description



Top Ten ECCNs to Hong Kong by Shipment Count		
<b>LICENSED</b>	#1	3A001 Electronic Components
	#2	5A002 Systems/Equip./Integrated Circuits for Info Sec
	#3	0A987 Optical Sighting Devices for Firearms
	#4	1A004 Protective and Detection Equip.
	#5	1A984 Chemical Agents, Including Tear Gas
	#6	1A607 Military dissemination "equipment" for riot control agents
	#7	7A611 Navigation and Avionics equipment and systems, and "parts,"
	#8	1C351 Human and Animal Pathogens and toxins
	#9	1A613 Armored and Protective Equip., Constructions, and Components
	#10	6A003 Cameras

Top Ten ECCNs to Hong Kong by Shipment Count		
<b>EXCEPTIONS</b>	#1	5A002 Systems/Equip./Integrated Circuits for Info Sec
	#2	9A991 Aircraft N.E.S. and Gas Turbine Engines not Controlled by 9A001 or 9A101...
	#3	3A001 Electronic Components
	#4	5D002 "Software" as follows (see List of Items Controlled)
	#5	EAR99 Items subject to the EAR that are not elsewhere controlled
	#6	5A992 Equipment not controlled by 5A002
	#7	5B002 "Information Security" Test, Inspection and "Production" Equipment
	#8	7A103 Instrumentation, Navigation Equip./Systems Not
	#9	blank No ECCN is required for License Exceptions TMP*
	#10	5D992 "Information Security" "software" not controlled by 5D002

Top Ten ECCNs to Hong Kong by Shipment Count		
<b>NLR with ECCN</b>	#1	EAR99 Items subject to the EAR that are not elsewhere controlled
	#2	5A991 Telecommunication Equip. Not Controlled by 5A001
	#3	9A991 Aircraft N.E.S. and Gas Turbine Engines not Controlled by 9A001 or 9A101...
	#4	5A992 Equipment not controlled by 5A002
	#5	3A991 Electronic Devices and "Components" not controlled by 3A001
	#6	7A994 Other Navigation Direction Finding Equip. ... Not Controlled under 7A003
	#7	4A994 Computers Not Controlled By 4A001 or 4A003
	#8	2B999 Specific Processing Equip., N.E.S.
	#9	3A992 General Purpose Electronic Equip. Note Controlled by 3A002
	#10	3A999 Specific Processing Equip., N.E.S.

Source: U.S. Custom & Border Protection, Electronic Export Information Filings, April 8, 2020

Note: ECCN Descriptions have been truncated: please review Commerce Control List for Full Description





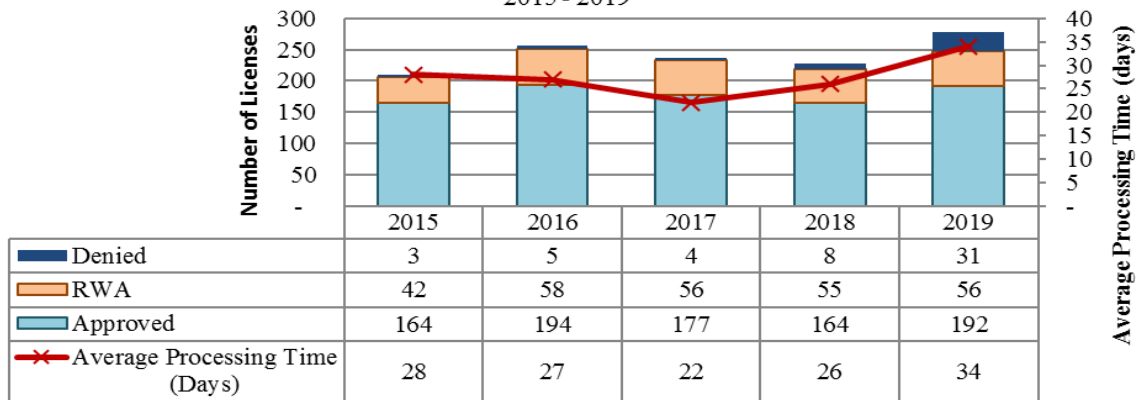
### III. BIS Licensing to Hong Kong

In 2019, BIS reviewed 279 export/re-export applications (not including deemed export applications) valued at \$2.0 billion for Hong Kong, out of a total of 32,993 applications worldwide for tangible items, software and technology valued at \$158.8 billion.

– Approved applications for Hong Kong totaled 192 (68.8% of the total applications) for \$1.9 billion, compared to the 28,223 (85.5%) approved applications for all destinations that totaled \$123.0 billion.

In 2019, BIS did not review any deemed export application from Hong Kong, out of 1,320 applications worldwide for deemed exports.

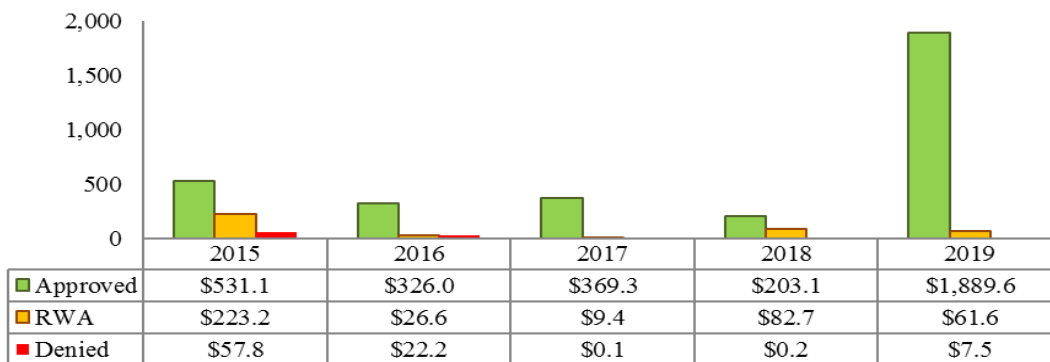
**Licenses for Tangible Items, Software and Technology for Hong Kong by Count (Excluding Deemed Export) 2015 - 2019**



Source: Commerce U.S. Exports Exporter's Support System: April 27, 2020

In 2019, BIS approved a license value of \$1,889.6 million for Hong Kong, much higher than the approval value of two millions to five millions in the previous years. The top ECCN by value is 5A991 for Telecommunication Equipment not controlled by 5A001. BIS also approved \$15.7 million for 5x515 items of Space Craft and Satellite.

**Licenses for Tangible Items, Software, & Technology to Hong Kong (\$millions)**



Source: Commerce U.S. Exports Exporter Support System April 27, 2020



Top Approved ECCNs to Hong Kong by Value			2019	2019 \$million
<b>Approved</b>	#1	5A991 Telecommunication Equip. Not Controlled by 5A001	2	\$571.5
	#2	3A991 Electronic Devices and "Components" not controlled by 3A001	1	\$333.6
	#3	5A992 Equipment not controlled by 5A002	3	\$24.2
	#4	7A103 Instrumentation, Navigation Equip./Systems Not	13	\$14.4
	#5	9A515 Spacecraft and Related Commodities	3	\$7.6
	#6	9E515 Technology Required for the Development, Production, Operation, Instal...	2	\$4.8
	#7	9D515 Software Specially Designed for the Development, Production Operation,...	2	\$3.3
	#8	3A233 Mass Spectrometers	10	\$2.3
	#9	2A983 Explosives Or Detonator Detection Equip.	3	\$1.3
	#10	5A002 Systems/Equip./Integrated Circuits for Info Sec	11	\$1.2

Source: Commerce U.S. Exports Exporter Support System, April 8, 2020

Top Five Approved (with deemed) ECCNs to Hong Kong by Count			2015	2016	2017	2018	2019	% of World Total 2019
<b>Approved</b>	#1	1A004 Protective and Detection Equip.	5	16	14	15	32	4.8%
	#2	6A003 Cameras	4	5	5	21	18	1.7%
	#3	7A103 Instrumentation, Navigation Equip./Systems Not	4	2	10	9	13	3.0%
	#4	0A987 Optical Sighting Devices for Firearms	19	13	22	16	11	0.9%
	#5	5A002 Systems/Equip./Integrated Circuits for Info Sec	7	14	10	12	11	2.6%

Source: Commerce U.S. Exports Exporter Support System May 8, 2020



In 2019, BIS denied a total of 31 licenses applications, significantly more than 3 to 8 denials in the previous years. Of these, most of denials are for items used by police and firearms, such as 1A984 for Tear Gas (7 denials), 0A982 (5 denial) for Handcuffs, Leg Iron and Shackles, 0A979 for Police Helmets, Shields and Parts), and 0A985 for Discharge Type Arms and Devices to Administer Electric Shock (one denial with a high value of \$4.6 million).

Top Ten Denied (with deemed) ECCNs to Hong Kong by Count		2019	% of World Total 2019
<b>Denied</b>	#1 <b>1A984</b> Chemical Agents, Including Tear Gas	7	26.9%
	#2 <b>0A982</b> Handcuffs, Leg Irons and Shackles	5	35.7%
	#3 <b>0A987</b> Optical Sighting Devices for Firearms	4	16.0%
	#4 <b>1A004</b> Protective and Detection Equip.	3	75.0%
	#5 <b>1A607</b> Military dissemination "equipment" for riot control agents	3	30.0%
	#6 <b>EAR99</b> Items subject to the EAR that are not elsewhere controlled	2	2.9%
	#7 <b>0A978</b> Law Enforcement Striking Weapons, Including Saps, Police Batons, Side ...	1	10.0%
	#8 <b>0A979</b> Police Helmets, Shields and Parts	1	50.0%
	#9 <b>0A984</b> Shotguns, Buckshot, Shotgun Shells	1	9.1%
	#10 <b>0A985</b> Discharge Type Arms and devices to administer electric shock	1	7.1%

Source: Commerce U.S. Exports Exporter Support System, April 8, 2020



# Summary of U.S. Exports to Hong Kong

Summary of U.S. Exports to Hong Kong Calendar Year 2019				
	CY2019	CY2018	% of Total Exports	Percentage Change from previous year
Total Exports	\$30,800,047,888	\$37,310,125,842		-17.4%
Subject to ITAR	\$3,854,427	\$4,308,318	0.01%	-10.5%
Subject to Other Gov. Agencies	\$6,588,969	\$11,731,834	0.02%	-43.8%
Detailed Summary of EAR-Controlled Exports				
AES License Type	Description	Value	Percentage of Total	Percentage Description
C30	Licenses	\$9,931,631	100.0%	
VDC	Voluntary Disclosure	\$0		
<b>Total of Licensed</b>		\$9,931,631	0.03%	total licensed/total exports
C35	LVS	\$94,204	0.02%	
C36	GBS	\$153,714,349	34.9%	
C40	TMP	\$4,245,652	1.0%	
C41	RPL	\$7,828,760	1.8%	
C42	GOV	\$955	0.0002%	
C43	GFT	\$16,982	0.004%	
C44	TSU	\$4,042,237	0.9%	
C45	BAG	\$33,632	0.01%	
C46	AVS	\$99,196	0.02%	
C50	ENC	\$270,132,409	61.3%	
C53	APP	\$307,088	0.1%	
C59	STA	\$382,936	0.1%	
<b>Total of License Exceptions</b>		\$440,898,400	1.4%	total license exceptions/ total exports
			97.8%	total license exceptions/ total subject to license requirement
<b>Total subject to license requirement (Licensed and License Exceptions)</b>		\$450,830,031	1.5%	total subject to license requirement/ total exports
C60	NLR for .y subparagraph 600 series	\$5,539	0.00002%	NLR for .y subparagraph 600 series/
C33	NLR with an ECCN	\$4,900,503,547	15.9%	NLR with an ECCN/ total exports
<b>Total of No License Required (NLR) with an ECCN &amp; .y 600 series</b>		\$4,900,509,086	15.9%	total NLR with an ECCN/ total export
<b>Exports not reporting an ECCN</b>		\$25,438,265,375	82.6%	

Source: U.S. Census Bureau, Foreign Trade Division and Automated Export System, April 8, 2020