

The tourism industry is one of the major pillars of the economy of Hong Kong. In 2017, it contributed to around 4% of Hong Kong's GDP and employed around 257 100 persons, accounting for about 7% of total employment.

In 2018, total visitor arrivals rose by 11.4% over 2017 to 65.15 million. In the first eight months of 2019, total number of visitors rose by 4.0%.

Accommodation for visitors: By end August 2019, there were 299 hotels in Hong Kong, providing about 83 100 rooms. In 2018, the average hotel room occupancy rate increased by 2 percentage points to 91%. In the first eight months of 2019, the occupancy rate was 86%, five percentage points lower compared with the same period in 2018. The Government has undertaken a number of initiatives to encourage the development of different types of hotels to meet the diversified needs of visitors. For example, the 2019-20 Land Sale Programme comprises four Kai Tak sites that can be used for hotel development, providing a maximum of about 2 900 hotel rooms.

Accessing Hong Kong: The Government continues to enhance Hong Kong's accessibility by visitors. Nationals from some 170 countries and territories may visit Hong Kong visa free for periods ranging from seven to 180 days.

As for Mainland visitors to Hong Kong, the Individual Visit Scheme (IVS), allowing residents of designated Mainland cities to visit Hong Kong as independent travellers without joining group tours, has been gradually extended since its introduction in July 2003. It now covers 49 Mainland cities, namely all 21 cities in Guangdong Province, Shanghai, Beijing, Chongqing, Tianjin, Chengdu, Dalian, Shenyang, Jinan, Nanchang, Changsha, Nanning, Haikou, Guiyang, Kunming, Shijiazhuang, Zhengzhou, Changchun, Hefei, Wuhan and a total of nine cities in Fujian (Fuzhou, Xiamen, Quanzhou), Jiangsu (Nanjing, Suzhou, Wuxi) and Zhejiang (Hangzhou, Ningbo, Taizhou). The share of IVS arrivals increased from 35% of all Mainland arrivals in 2004 to 61% in 2018. As at end-December 2018, there were over 269.33 million visitor arrivals from the Mainland through the IVS since its implementation.

Tourism Commission (TC): The TC was established in May 1999 to co-ordinate within the government various tourism development efforts and to provide policy support and leadership on the development of tourism in Hong Kong.

The Government works hand in hand with the trade. The Tourism Strategy Group, comprising representatives from the Government, the Hong Kong Tourism Board (HKTB) and various sectors of the tourism industry, advises the Government on tourism development from a strategic perspective.

Tourism Development Blueprint: In October 2017, the Government released the "Development Blueprint for Hong Kong's Tourism Industry". The blueprint sets out not only a clear vision and mission to develop Hong Kong into a world-class premier tourism destination and ensure the balanced, healthy and sustainable development of the industry, but also four development strategies based on which to formulate different tourism initiatives and measures.

Strategy 1: To develop a diversified portfolio of visitor source markets for Hong Kong, with a focus on attracting high value-added overnight visitors

Seizing opportunities arising from Belt and Road Initiative and Guangdong-Hong Kong-Macao Greater Bay Area (Greater Bay Area) development: In August 2017, the Government and the then China National Tourism Administration (which merged with the national Ministry of Culture to form the national Ministry of Culture and Tourism in March 2018) signed the "Agreement on Further Enhancement of Tourism Co-operation between the Mainland and Hong Kong" to further strengthen mutual collaboration. Both sides are progressively taking forward the agreement, efforts including promoting Belt and Road countries/regions and Greater Bay Area cities to jointly develop "multi-destination" tourism products and itineraries with Hong Kong.

The Outline Development Plan for the Greater Bay Area was promulgated in February 2019, giving a fresh impetus to the development of the tourism industry within the Area. The TC is now actively leveraging the platform of the Tourism Federation of Cities in the Greater Bay Area established in December 2017 to deepen co-operation with the tourism departments of the Macao Special Administrative Region and the nine Mainland cities in the Greater Bay Area, including holding the Federation's second Annual Meeting in Hong Kong on 12 June 2019 to discuss pursuing more facilitating measures for overseas tourists travelling within the Greater Bay Area, strengthening co-operation in market regulation and publicity and promotion, and supporting the trade in developing more "multi-destination" tourism products, etc.

Promoting Hong Kong: The HKTB is a statutory body set up to promote Hong Kong globally as a world-class tourist destination. In addition to its head office in Hong Kong, the HKTB has 21 offices and representatives in six regions around the world.

The HKTB commissions market studies to gauge industry trends, and shares the information with its travel trade partners. Its marketing campaigns focus on 20 major source markets, which account for about 96% of total visitor arrivals to Hong Kong.

In allocating its marketing resources to different markets, the HKTB adopts a flexible approach so that it can swiftly respond to unforeseen circumstances in the macro environment and minimise risks. In addition to driving visitor arrivals from key markets, such as Taiwan, Southeast Asian countries and South Korea, the HKTB also strives to step up promotional efforts in new markets, including India, Russia, countries in the Gulf Co-operation Council, etc., capitalising on the economic growth and increased flight capacity of these markets.

In 2016, the HKTB launched the “Best of all, it’s in Hong Kong” global brand campaign to promote the unique and diverse travel experiences of Hong Kong through various channels including digital platforms, public relations initiatives, consumer travel fairs, etc.

To promote Hong Kong’s tourist attractions to visitors worldwide, the HKTB has adopted an integrated approach that combines digital marketing, consumer promotions and public relations activities. The HKTB’s website (www.discoverhongkong.com) is now available in 15 languages and 22 market versions. In 2018, over 100 million visits to the website were recorded. To facilitate visitors’ pre-trip planning, from time to time, the HKTB improves the website to enhance browsing experience and updates its contents to better showcase Hong Kong’s core tourism strengths and happenings as “Asia’s World City”. Features added in recent years include a dedicated “Hong Kong Neighbourhoods” page and functionalities such as “My Hong Kong Guide” and “Nearby Points of Interest”. Meanwhile, the HKTB leverages social media and mobile platforms to promote Hong Kong, and collaborates with media and popular on-line celebrities to promote Hong Kong’s diverse tourism appeals through unique contents and videos.

The HKTB works very closely with its partners from the travel and related sectors. In 2018, it organised about 30 familiarisation trips to Hong Kong, involving more than 500 trade representatives. It also works closely with different culture and tourism departments in the Mainland to promote “multi-destination” itineraries in various overseas markets to the trade and media thereof through different means, including organising roadshows, travel missions and familiarisation trips, staging joint participation in major international travel trade shows, putting up advertisements, etc.

Strategy 2: To nurture and develop tourism products and initiatives with local and international characteristics, including cultural tourism, heritage tourism, green tourism and creative tourism; and to consolidate and enhance Hong Kong’s status as a travel destination for Meetings, Incentive travels, Conventions and Exhibitions (MICE) tourism, regional cruise hub, and Events Capital of Asia

Wide variety of tourism genres: The Government has been spearheading the development of themed tourism in different districts to enrich tourists’ experience. For instance, in the Central and Western District, the revitalisation project of Dr Sun Yat-sen Historical Trail was completed in April 2018. The revitalised trail, together with PMQ and “Tai Kwun” (a new centre for heritage and arts situated at the restored Central

Police Station Compound), further showcase a mix of historical and artistic elements in the Central and Western District. In the meantime, the HKTB has launched the “Old Town Central” and “Hong Kong Neighbourhoods - Sham Shui Po” district promotion campaigns to repackage these districts as must-visit areas in Hong Kong with contrasting elements of the historic architecture, arts and culture, authentic lifestyles, food and wine, and entertainment.

In promoting cultural tourism, the HKTB has rolled out various walking routes to help visitors explore Hong Kong’s fascinating culture, culinary delights and unique heritage in different districts, such as the walled village in Fanling, as well as the open-air markets in Yau Ma Tei and Mong Kok. The HKTB also works with the trade to promote traditional Chinese customs and festivals, such as the Tin Hau Festival parade in Yuen Long and Cha Kwo Ling, Tam Kung Festival in Shaueiwan, Cheung Chau Bun Festival, Birthday of Lord Buddha celebrations at Po Lin Monastery, as well as the traditional fire dragon dance during the Mid-Autumn Festival.

Leveraging Hong Kong’s ecological richness and diversity, the TC has been promoting green tourism in Northeast New Territories and outlying islands, having regard to the principles of nature conservation and sustainable development. The HKTB has been promoting the Hong Kong UNESCO Global Geopark, the natural scenery of various outlying islands, popular hiking trails and those with tourism appeal potential, and other green attractions through the “Great Outdoors Hong Kong” marketing platform. In particular, the Hong Kong Wetland Park is a world-class conservation, education and tourism facility. It consists of a 60-hectare outdoor wetland reserve, as well as a visitor centre of 10 000 square metres with three exhibition galleries therein. In the fourth quarter of 2019, the TC will also organise a new pilot arts cum historical, cultural and green tourism project at Yim Tin Tsai, Sai Kung.

“A Symphony of Lights” (SoL), a nightly show on both sides of the Victoria Harbour launched by the TC in early 2004, attracts about 1.5 million visitors per year. The show was updated in December 2017 and November 2018 respectively with participation of 41 buildings and two attractions, to uplift the night vista of Victoria Harbour and provide visitors with new experience.

Theme parks and other attractions: The Government has been developing and enhancing various tourist attractions, including the two theme parks, to enhance Hong Kong’s overall attractiveness as a premier tourist destination.

Ocean Park is a premier marine theme park featuring more than 80 attractions. The Hong Kong Ocean Park Marriott Hotel opened in February 2019 has transformed Ocean Park into a world-class resort destination. To further enhance its overall attractiveness and receiving capacity, Ocean Park is developing an all-weather indoor cum outdoor waterpark at Tai Shue Wan and the Fullerton Ocean Park Hotel Hong Kong.

The Hong Kong Disneyland Resort (HKDL) is taking forward its multi-year expansion and development plan, rolling out new attractions progressively, which include the “Moana: A Homecoming Celebration” stage show in May 2018 and the “Ant-Man and The Wasp: Nano Battle!” attraction in March

2019. Other items coming on stream in the next few years include the expanded castle with entirely new daytime and night time shows, as well as new themed areas based on “Frozen” and “Marvel” superheroes respectively.

Apart from the HKDL, Lantau Island is home to other attractions. Opened in September 2006, Ngong Ping 360 comprises a 5.7 km cableway ride lasting about 25 minutes, and a culturally themed village. The crystal cabin cable car ride, launched in 2009, offers a spectacular panoramic view of the beautiful landscape of Lantau Island. Having visited the Ngong Ping Village, visitors can proceed to visit the Pai Lau, Bodhi Path, Di Tan and the Chinese landscaped garden in the 1.5-hectare Ngong Ping Piazza, which was opened in August 2010, as well as the tourist attractions nearby, such as Po Lin Monastery, Giant Buddha and Wisdom Path. In addition, visitors can explore other intriguing parts of Lantau, including Tai O fish village and beautiful beaches on Southern Lantau.

MICE tourism: The Government is committed to enhancing the appeal of Hong Kong as an ideal MICE destination in Asia. The HKTB set up a dedicated office, entitled Meetings and Exhibitions Hong Kong (MEHK), in November 2008. Additional fund is earmarked for the MEHK to raise Hong Kong’s MICE profile and strengthen support to MICE events to be hosted in Hong Kong. Overnight MICE arrivals recorded a 2% growth in 2018 to 1.97 million. In the first half of 2019, there were about 936 300 overnight MICE visitor arrivals to Hong Kong, representing a year-on-year increase of about 4%.

Hong Kong’s main venues for MICE events are the AsiaWorld-Expo (AWE) near the airport, the Hong Kong Convention and Exhibition Centre (HKCEC) in the heart of the city, and the Kowloonbay International Trade and Exhibition Centre. In 2018, the HKCEC and AWE are listed in the top three “Best Convention and Exhibition Centre in Asia-Pacific” in the CEI Readers’ Choice Awards conducted by CEI Asia magazine.

Cruise tourism: Located at the former Kai Tak runway, the Kai Tak Cruise Terminal has come into operation since June 2013 and can handle two largest cruise ships in the world simultaneously. It, together with the Ocean Terminal in Tsim Sha Tsui, provides the necessary infrastructure to reinforce Hong Kong’s position as a leading regional cruise hub. The HKTB will continue to strengthen its promotion efforts and attract more cruise ships to Hong Kong.

New strategy to support staging events and activities: Since 2017, the Government has been adopting a new strategy to support the staging of events and activities of different scales and nature in Hong Kong, which covers: providing “one-stop” support for large-scale commercial events with significant tourism merits; enhancing home-grown events with a view to marketing them as signature events in Asia; supporting the marketing and publicity of international events with significant branding impact to be held continuously in Hong Kong; and supporting the HKTB to implement the Pilot Scheme for Characteristic Local Tourism Events for providing funding support for arts, cultural, festivals, dining or sports

events with Hong Kong’s local characteristics and unique attributes.

The HKTB strives to offer a year-round programme of mega events to offer visitors indelible travel experience during their stay in Hong Kong. Major campaigns are “International Chinese New Year Parade”, “Hong Kong Dragon Boat Carnival”, “Hong Kong Cyclothon”, “Hong Kong Wine and Dine Festival”, “Great Outdoors Hong Kong” and “Hong Kong New Year Countdown Celebrations”. Last year, the HKTB staged the “Hong Kong Pulse Light Festival” in line with its mega events in winter. The festival, which showcased a total of 25 art installations from Hong Kong and around the world, was the largest outdoor light festival in the city. These events are promoted along with traditional festivals and cultural celebrations, as well as major events launched by other organisations, with the objectives of enriching visitors’ experience and reinforcing Hong Kong’s image as the Events Capital of Asia. Working closely with its trade partners, the HKTB develops new tourism products, events and offers to cater for the needs and interests of different visitor segments.

Strategy 3: To develop smart tourism

Smart tourism: The Government will make use of smart technology to enhance visitors’ travel experience, provide better tourist services, and encourage the industry to make good use of innovative technology to enhance their competitiveness.

The TC joins hands with the Government’s relevant departments to explore providing more free Wi-Fi hotspots in various tourist attractions in Hong Kong as well as enhancing the connection speed, and stability of the services to facilitate visitors’ use of free public Wi-Fi services. On travel facilitation service, we launched the first official landing page “Visit Hong Kong” in September 2018. Through the use of free public “Wi-Fi” services incorporated with the landing page, visitors arriving the Hong Kong International Airport, West Kowloon Station of Guangzhou-Shenzhen-Hong Kong Express Rail Link, and Passenger Clearance Building of Hong Kong-Zhuhai-Macao Bridge Hong Kong Port can obtain useful tourist information including terminal facilities at venue, transport on to/from tourist attractions, shopping, dining, hotels and promotional offers, to facilitate their itinerary planning and ease of travelling in the city. We will progressively extend the landing page to other boundary ports. Other initiatives include providing funding for the industry to make good use of information technology to enhance their competitiveness, making use of smart technology at tourist attractions, etc. The TC also plans to commission a consultancy study in 2019-20 on strategies and initiatives to promote smart tourism in Hong Kong to better grasp our visitors’ travel habits and enhance their travel experience through the use of technology.

Strategy 4: To upgrade the service quality of the tourism industry and encourage the trade in adopting good trade practices

Trade regulation: At present, the travel industry adopts a two-tier regulatory regime. On the one hand, the Travel Industry Council of Hong Kong (TIC) is responsible for trade self-regulation. Through promulgating codes of conduct and directives and putting in place a disciplinary mechanism, it regulates travel agents, tourist guides and tour escorts. On the other hand, the Travel Agents Registry (TAR) under the TC is responsible for issuing travel agents' licences and the related work, including monitoring the financial position of travel agents, under the Travel Agents Ordinance. By end August 2019, there were about 1 740 travel agents licensed by the TAR, as well as about 6 060 tourist guides and 16 950 tour escorts accredited by the TIC.

As regards the future regulatory regime, the Government introduced into the Legislative Council the Travel Industry Bill in March 2017, which provides for setting up the statutory body Travel Industry Authority (TIA) to regulate travel agents, tourist guides and tour escorts in a holistic manner. The bill

was passed by the Legislative Council in November 2018. The Government is making preparations for establishing the TIA full steam ahead.

Improving service quality: The HKTB has been promoting the Quality Tourism Services (QTS) Scheme, which aims to encourage retailers, restaurants and visitor accommodations to elevate their service standards, thereby giving quality assurance to visitors. As at end 2018, about 1 246 local businesses with over 8 200 outlets and 570 rooms had earned QTS accreditation.

The TC launched the Hong Kong Young Ambassador Scheme in 2001 to inspire young people with a sense of courtesy and helpfulness to visitors, as well as to promote a hospitality culture in schools and the community. The TC also maintains liaison and co-operation with the travel and related trades, as well as culture and tourism authorities in the Mainland, to encourage exchange among frontline practitioners and further enhance service quality.