

Chapter 3 Tourism Activity



3.1 International Tourism

3.1.1 International Tourism Arrivals

- 37 Mainland China is now the number one source market for the Hong Kong SAR. Asian markets contribute more than three quarters of all tourists and their share is expected to increase. Research in these markets conducted elsewhere (notably Singapore) suggests that tourists from these countries are less interested in nature-based tourism than North American, Australian and European markets. HTM studies also suggest that they are less interested in cultural tourism in Hong Kong than North American, Australian and European markets.

3.1.2 Risk of Phantom Demand for Nature-based and Cultural tourism

- 38 HKTB surveys suggest that Hong Kong has potential to develop ecotourism and heritage tourism in Hong Kong, as shown in the table below. Overall about one-quarter to one-third of tourists surveyed expressed an interest in these activities.

Table 1 Special Activities Interest (%)

| Year | All Countries | | The Americas | | Europe, Africa & ME | | Aust., N.Z. & S. Pacific | | North Asia | | South & S.E. Asia | | Taiwan | | Mainland China | |
|------------|---------------|------|--------------|------|---------------------|------|--------------------------|------|------------|------|-------------------|------|--------|------|----------------|------|
| | 2000 | 2001 | 2000 | 2001 | 2000 | 2001 | 2000 | 2001 | 2000 | 2001 | 2000 | 2001 | 2000 | 2001 | 2000 | 2001 |
| Ecotourism | 11 | 24 | 11 | 18 | 9 | 19 | 11 | 20 | 7 | 10 | 6 | 19 | 13 | 32 | 16 | 31 |
| Heritage | 17 | 27 | 21 | 32 | 21 | 32 | 25 | 36 | 19 | 25 | 13 | 18 | 17 | 32 | 16 | 25 |

Source: Visitor Profile Report – 2001 (Hong Kong Tourism Board)

- 39 But, these figures should be treated with caution. These studies typically report “Phantom Demand”, where ‘interest’ never equates to actual behaviour. Nature-based and cultural attractions in urban areas represent secondary or tertiary attractions where participation is driven either by curiosity or convenience. Out of the way or hard to access tourism products will not be purchased. This also means that these activities are highly substitutable. If more attractive alternatives are available during the short stay of many tourists, they will not participate in cultural or ecotourism.
- 40 Hong Kong's destination image is opposite that of most nature-based destinations (as shown in Table 6). As a result, few international tourists would consider Hong Kong as a top of mind nature-based tourism destination. The fact that Hong Kong has large tracts of undeveloped land is also unknown to international tourists.

Table 6 Impressions of Hong Kong (%)

| | <i>All Countries</i> | <i>The Americas</i> | <i>Europe Africa ME</i> | <i>Australia NZ S Pacific</i> | <i>North Asia</i> | <i>South & Southeast Asia</i> | <i>Taiwan</i> | <i>Mainland China</i> |
|---------------------------------|----------------------|---------------------|-------------------------|-------------------------------|-------------------|-----------------------------------|---------------|-----------------------|
| Good shopping place | 17 | 14 | 14 | 16 | 12 | 26 | 15 | 17 |
| Easy to get around | 14 | 11 | 11 | 14 | 6 | 10 | 29 | 12 |
| Beautiful harbour view | 10 | 13 | 16 | 13 | 12 | 8 | 7 | 10 |
| Delicious food | 10 | 9 | 8 | 8 | 24 | 13 | 13 | 3 |
| Beautiful night scenery | 9 | 4 | 6 | 4 | 24 | 5 | 8 | 8 |
| Clean environment | 8 | 6 | 6 | 6 | 2 | 7 | 3 | 15 |
| Well organized / Efficient City | 6 | 5 | 6 | 4 | 3 | 5 | 5 | 8 |
| Friendly people | 5 | 11 | 9 | 11 | 2 | 5 | 1 | 6 |
| Beautiful / Modern architecture | 4 | 5 | 5 | 4 | 4 | 3 | 2 | 5 |
| Good service in general | 3 | 3 | 2 | 3 | 1 | 2 | 3 | 5 |

Source: Visitor Profile Report – 2001 (Hong Kong Tourism Board)

3.1.3 Tourism and Nature-based Tourism in the Northern New Territories

- 41 Overall, tourism visitation levels to the New Territories are low. A study conducted by HTM showed that fewer than 5 percent of the visitors surveyed visited the New Territories, with the vast majority of those who did restricting their activities to Sha Tin and Sai Kung. Other HTM surveys reveal that international visitation levels to nature-based attractions is minimal at:
- 0.5% to Mai Po Marshes
 - 0.5% to Kadoorie Farm
 - 0.3% to both Kadoorie Farm and Mai Po Marshes

3.1.4 Little Commercial Nature-based Tourism

- 42 The combination of low market interest and incompatible destination image limit the potential to develop commercial nature based tourism in Hong Kong. Estimates, based on conversations with commercial tour operators and attraction managers, suggest that fewer than 30,000 international tourists participate annually in commercial nature-based activities, with the majority of them joining dolphin-watching tours. Management of Mai Po Nature Reserve estimate that some 2,000 international tourists visit the reserve each year.
- 43 In addition, only a small proportion of Country Park visitors are tourists (estimated at fewer than 5% or less than 100,000 annually). Most confine their activities to Country Parks on Hong Kong Island in areas such as the Peak.

3.1.5 Modest Cultural Tourism Potential in the Northern New Territories

- 44 One in three tourists will participate in some type of cultural tourism activity during their stay in Hong Kong, including making visits to museums, art galleries, temples, historic buildings, British colonial heritage, pre-colonial Chinese heritage and festivals. Most of these activities are confined to Kowloon, Hong Kong Island and Lantau Island.
- 45 Interest in Hong Kong's cultural heritage is strongest among Western tourists who wish to visit areas that are culturally dissimilar to their own. International tourists who are interested predominantly in Chinese pre-colonial culture and intangible heritage came from Western Europe, followed by the United Kingdom and North America. Few Asian tourists were interested in these types of cultural attractions offered.
- 46 Cultural tourism (both tangible and intangible/lifestyles) has received much more attention from the HKTB recently.
- 47 A negligible number of tourists visit the Northern New Territories for cultural tourism activities, with the majority joining commercial tour groups, such as the HKTB Heritage Tour or the Land Between Tour. A HTM study of more than 1100 cultural tourists revealed that fewer than 1% visited the Northern New Territories.



Abandoned but largely intact village house at Sha Lo Tung

3.1.6 Nature-based and Cultural Tourism Promotional Materials and Commercial Tourism Products Available

- 48 Most of the attractions and locations promoted by the Hong Kong Tourism Board focus on urban areas or major icon attractions. Very little information is provided on the Northern New Territories.
- 49 Attractions promoted in the North District include:
- Fung Ying Seen Koon
 - The North District Flower, Bird, Insect and Fish Show
 - Lung Yeuk Tau Heritage Trail
 - Liu Man Shek Tong
 - Kui Shek Hau Ancestral Hall
 - Pang Ancestral Hall
- 50 The following nature- and cultural-based tourism products are promoted by the Hong Kong Tourism Board. Those highlighted in bold pertain to the study area.

'Green City'

- 1. Bird-watching**
2. Dolphin-watching
3. Guided Nature Walks: Tai Long Wan, Sai Kung – Enchanting Escape Hike
4. Guided Nature Walks: Dragon's Back – Coastal Vista
5. Guided Nature Walks: Lantau Island – Trails and Temples
6. Ocean Park Behind-the-scenes Tours



Pat Sin Leng

'City by Heritage'

1. Heritage Tour

2. Echoes of Hong Kong Tour
3. Heritage and Architecture Walks: Hong Kong Island
4. Heritage and Architecture Walks: Kowloon
5. Heritage and Architecture Walks: New Territories

'City of Islands'

1. Hong Kong Back Garden Tour – Sai Kung
2. Islands Hopping Pass
3. Lantau Explorer Bus
4. Lantau Island Tour
5. Outlying Island Escapade
- 6. Tap Mun (Grass) Island Walk**
7. The New Lantau Bus Company Day Pass



Tin Hau Temple on Tap Mun

'City by Foot' (Do-it-yourself walks)

1. Back Streets of Central via the Mid-levels Escalator
2. Cheung Chau: Island Retreat
3. Lamma Island: Wild and Wonderful
4. Sha Tin Walk
5. Surprising Stanley
6. Tai Tam Reservoirs: In the City's Shadow
7. The Peak to Pokfulam: Picture Perfect
8. Yau Ma Tei and Mong Kok: Memorable Markets

3.1.7 Access and Information Availability

- 51 Access to the Northern New Territories is mainly by KCR train. Transport within the Northern New Territories is poor. Ferries to outlying islands operate only on weekends, and even then on infrequent schedules. Many tourism and hospitality businesses in the study area open only on weekends and public holidays.
- 52 There are few organized tours that international tourists can join comfortably. Many of the existing tours are targeted at the local market, with no promotion to international tourists. Information is unavailable at tourist information centres, hotel lobbies and telephone hotlines. And where information does exist it requires knowledge of the Chinese language.

3.1.8 Challenges for International Tourism

- 53 A number of challenges must be overcome before nature-based and cultural tourism can thrive in the Northern New Territories. These obstacles include:
 - Lack of product knowledge and awareness. Most tourists are unaware of the attractions of the Northern New Territories since little promotional material is available. With the exception of Mai Po Nature Reserve, which appeals to a limited niche market, few tourists see a compelling reason to visit the Northern New Territories.
 - Other, higher profile nature-based and cultural products elsewhere in Hong Kong (such as on Lantau Island, Cheung Chau and Lamma Island) These capture most of the market.
 - Tourists have very limited time in Hong Kong and they seek the greatest benefits from what time they have available. A trip to the Northern New Territories can take one full day, which means other activities must be missed. Few visitors appear to be willing to make this trade off.
 - Hong Kong's destination image as the “City Of Life” contrasts with that of the Northern New Territories.
 - Access to the most scenic areas is difficult and hence spontaneous visits are almost impossible to most places of potential interest to tourists.

3.2 Domestic Tourism Activity and Issues

3.2.1 Structure of Tourism Industry in the Study Area

- 54 The southern part of the study area, along Ting Kok Road offers a wide range of low cost, reasonable quality dining facilities, especially in and around Tai Mei Tuk. Likewise, dai pai dongs are available in other villages, such as Luk Keng, and on some outer islands. These appear popular with local residents.
- 55 The tourism and hospitality sector in the more remote eastern section of the study area is typified by small, often part-time operators who provide low cost services and facilities. Many businesses operate only on weekends and public holidays. Further, many operators have little interest in becoming full time operators as they have jobs during the week.
- 56 Much of the industry appears to be informal, unlicensed and unregulated. Accommodation can be found by word of mouth on outer islands for a as little as \$20 per night. Charter boats can be hired, again by word of mouth. Some food services are provided on outer islands and in remote areas that do not appear to be licensed. There is little variety in the products offered. They tend to be low end, “me-too” businesses with much duplication. Questions also arise about the safety, hygiene and compliance with health standards of the accommodation and in some food service outlets.
- 57 Access to these products and services is primarily by word of mouth and they are offered exclusively in Cantonese. While some operators do provide commercial tours, the public profile of these tours is low.
- 58 Prices are low in these places and the quality, especially of accommodation is poor. They survive by catering to the high volume / low margin market. As a result, large numbers of visitors overwhelm outer island communities during their short stay and probably overwhelm the existing, minimal infrastructure. It is suspected that returns on investment are too low to warrant further investment by the present operators to improve facilities and services.
- 59 It is impossible to determine the volume of domestic tourists, as no figures are kept. However, outer islands will attract over 1000 people on busy weekend days, with 6-10 charter boats stopping at the islands.

3.2.2 Lack of Professionalism - an Obstacle to Product Improvement

- 60 The presence of a well-established informal local tourism network represents a significant obstacle to planned tourism development in the region. Maintaining the status quo will ensure that the Northern New Territories continues to cater for the low end, recreational domestic market only.
- a) The products do not reflect the quality and uniqueness of the natural and cultural assets available or the significant competitive challenges caused by their remoteness from Hong Kong.
 - b) The informal, likely unlicensed and unregulated nature of the industry means that existing operators would probably resist initiatives to formalize and regulate this sector. New developments would probably have to be funded by outside investors.
 - c) Accommodation, in particular, is well below the standards of even the most basic expectations of international tourists, including budget travellers and backpackers who are used to basic facilities.
 - d) The low standards mitigate against potential new operators wishing to build more up-market facilities as they would be incompatible with the existing tourism infrastructure.

3.2.3 Low Permanent Resident Population

- 61 Remote parts of the study area have low permanent resident populations. Many of the villages visited had no permanent residents, while others had a small number of mostly very senior aged residents. The lack of a viable permanent population means that these villages lack the most basic services such as food stores, retail shops and permanent restaurants. Some have stores and restaurants that are open on weekends and public holidays while other villages with significant tourism potential have no services whatsoever. In some cases, there is a lack of interest amongst the older villagers for opening up their village and homes to tourism because of the inconvenience it causes, such as more people, noise etc.

3.3 Legislative and Policy Context

- 62 The type of tourism that can be developed in the study area will largely be determined by the existing legislation and by administrative rules. In particular, legislation concerning the FCA, Marine Parks and Country Parks as well as regulations governing the use of fresh water resources such as Plover Cove Reservoir are most relevant. The following section summaries the relevant legislation and regulations.

3.3.1 Access to Frontier Closed Area

- 63 Under the Public Order Ordinance (Cap.245), only persons within the following classes or categories are permitted to enter or leave the Frontier Closed Area under specified conditions:
- Through passengers on trains to or from China (Passengers shall not leave railway premises as defined for the purposes of the Kowloon-Canton Railway Corporation Ordinance (Cap.372))
 - The drivers of and through passengers on road vehicles to or from China, entering or leaving via Man Kam To Border Crossing Point OR Sha Tau Kok Border Crossing Point (The driver shall drive his vehicle directly from the road block to the Border Crossing Point or vice-versa and no person shall leave the immediate vicinity of the vehicle)
 - Residents of the closed area under the age of 18 years
 - Employees of the Kowloon Motor Bus Company Limited in uniform and operating company buses on authorized routes within the closed area
 - Employees of the Kowloon-Canton Railway Corporation on duty on board trains or otherwise in the course of their duties within the closed area
 - Employees of the Guangzhou Railway Administration or the Motor Transport Company of Guangdong and Hong Kong Limited operating trains or company road transport to or from China
 - The Commissioner of Police may, by publication of gazette notice, grant general permission to enter the FCA to certain other categories of persons, who have a genuine need for entering the FCA.



3.3.2 Country and Marine Parks Regulations

- 64 According to the Country Parks and Special Area Regulations (Cap.208), the following activities are prohibited in country parks and special areas:
- Bringing or driving vehicles or bicycles outside designated car park
 - Carrying lantern, cooking stove or other similar apparatus which uses flame outside designated barbecue or camping site
 - Playing competitive team game and operating power-driven model boat or aeroplane or vehicle outside area approved for such purpose
- 65 Permit is required for the following activities in country parks and special areas:
- Bringing vehicles or bicycles in country parks and special areas
 - Bringing into cattle, sheep, goats, etc. within country parks
 - Carrying hunting or trapping appliances or arms
 - Carrying on an activity for business or hawking
 - Displaying sign, notice, poster, banner or advertisement
 - Holding public meeting, sporting competition or an event for raising funds
 - Camping or erecting a tent or temporary shelter other than designated camping site
- 66 According to the Marine Parks and Marine Reserves Regulations (Cap.476), the following activities are prohibited in marine parks:
- Unauthorized fishing
 - Hunting and collecting animals and plants
 - Possessing fishing or hunting devices
 - Establishing or having control of fish culture
 - Polluting water body or littering
 - Operating vessels exceeding the speed of 10 knots
 - Water skiing and water scootering
 - Mooring and anchoring outside the designated anchoring area
- 67 Permit is required for the following activities in marine parks:
- Displaying sign, notice, poster, banner or advertisement
 - Holding public meeting, boating, sporting competition or an event for raising funds
 - Barbecuing and camping
 - Carrying on an activity for business or hawking
 - Specimen collection
 - Operating power-driven model boat or aeroplane
- 68 According to the Wild Animals Protection Ordinance (Cap.170), permit is required for entry in the following areas:
- Egretty at Yim Tso Ha, Starling Inlet, New Territories
 - The Mai Po Marshes, all the mangrove swamps adjoining the Marshes, and the intertidal mud flats and shallow waters of Inner Deep Bay

3.3.3 Fishing in Freshwater Reservoir

69 The Water Supplies Department (WSD) is responsible for public water supply in Hong Kong. The Department has powers under the Waterworks Ordinance (Cap.102) to control activities at reservoirs. Currently there are 17 reservoirs in Hong Kong, which are open to the public for fishing out of the breeding season every year. A fishing license has to be obtained from the Office of the Water Supplies Department for fishing in Hong Kong reservoirs. There is no restriction on the number of fishing licenses to be issued each year. Anglers, however, are requested to observe the followings:

- The license is for the use of one rod and line only. The use of nets or other fishing appliances is not allowed.
- The use of explosive or toxic substances or catch or destroy fish is strictly prohibited.
- The use of boats, dinghies or rafts, etc. in the reservoir is not permitted.



3.3.4 Licensing of Commercial Accommodation

3.3.4.1 Bedspace Apartments

- 70 Under the Bedspace Apartments Ordinance (Cap.447), “bedspace” means any floor space, bed, bunk or sleeping facility used or intended to be used as sleeping accommodation for an individual while “bedspace apartment” means any flat; or where the partitioning wall or walls between two or more adjoining flats which has or have been demolished, in which there are 12 or more bedspaces occupied or intended to be occupied under rental agreements, and for the purpose of determining whether any flat constitutes a bedspace apartment, the existence of partitions in the flats shall be disregarded. Bedspace apartments will not be permitted in industrial buildings or in basements.

3.3.4.2 Hotels and Guesthouses

- 71 Under the Hotel and Guesthouse Accommodation Ordinance (Cap.349), any person who intends to operate, keep or manage- or otherwise has control of- the following premises should apply for and hold a valid license before commencing operation:
- Hotels- establishments located in purpose-built premises
 - Guesthouses- establishments located in general purpose high-rise buildings. Their major clientele are budget tourists or local people.
 - Motel
 - Holiday camps- establishments located in camp sites which provide sports/recreational facilities and sleeping accommodation. They are usually run by voluntary agencies or government departments.
 - Youth hostel
 - Holiday flats- establishments located in village type houses in the New Territories and outlying islands.
- 72 A premise should meet the following requirements in order to apply for a license:
- Buildings Department’s Codes of Practice for building safety, health and sanitation requirements
 - Fire Services Department’s Codes of Practice, Building (Ventilation System) Regulations, Electricity (Wiring) Regulations and Gas Safety Ordinance (Chapter 51) for fire safety requirements
 - Location that allows operation of a guesthouse or a hotel
 - Buildings Ordinance (Application to the New Territories) for village type houses in the New Territories