

# HONG KONG : THE FACTS

## Tourism

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The tourism industry is a major pillar of the economy of Hong Kong. Total expenditure associated with inbound tourism amounted to HK\$140 billion in 2007.

The number of visitor arrivals in the first half of 2008 reached 14.19 million, an increase of 8.9% compared with the same period in 2007. The Mainland continued to be the largest source market with arrivals of 7.9 million in the first half of 2008, representing an increase of 11.2% over the same period in 2007 and accounting for 56% of the total visitor arrivals. Major tourist attractions completed in recent years included Hong Kong Disneyland, "A Symphony of Lights" Phase II, Hong Kong Wetland Park and Ngong Ping 360. Together with the worldwide promotional initiatives and events staged by the Hong Kong Tourism Board (HKTB), the outlook of the tourism industry of Hong Kong continues to be positive.

**Accommodation and Length of Stay:** By end of June 2008, Hong Kong had 145 hotels, with 52 569 rooms. Total room supply increased by 827 rooms or 1.5 per cent than in June 2007, whilst the average occupancy rate remains the same at 83 per cent as compared with the same period last year. The average length of stay of overnight visitors in 2007 was 3.3 nights. To enhance the competitiveness of our hotel industry and lengthen the stay of visitors, we have waived the Hotel Accommodation Tax with effect from July 1, 2008.

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

The Commission's objective is to establish and promote Hong Kong as Asia's premier international city, a world-class destination for leisure and business visitors.

To fulfill this mission, the Commission ensures that tourism receives proper recognition as one of the major sectors of the economy, with the industry, the HKTB and the Government working in harmony, and bringing in the community at large.

It is essential for the trade and the Government to work closely together. A Tourism Strategy Group, comprising representatives from the Government, the HKTB and various sectors of the tourism industry, has been established to advise the Government on tourism development from a strategic perspective.

**International Convention, Exhibition and Tourism Capital:** The Government strives to enhance the appeal of Hong Kong as an international convention, exhibition and tourism capital, by seeking to host more mega international conventions and exhibitions. To this end, the HKTB is stepping up efforts to promote Hong Kong as a leading destination for meetings, incentives, conventions and

exhibitions (MICE), targeting event organisers, international organisations and potential visitors. Additional fund is earmarked for the HKTB to raise Hong Kong's MICE profile and provide one-stop professional support for MICE events to be hosted in Hong Kong.

As an Olympic co-host city for the Equestrian Events of the 2008 Games, Hong Kong is a focus of world attention. We make use of this opportunity to brand Hong Kong as a vibrant city and an events capital.

**Tourist Attractions and Facilities:** The Government has plans to develop a wide-range of diversified tourist attractions in Hong Kong with a view to enhancing our overall attractiveness as a premier tourist destination.

The Ocean Park, a public recreational and educational park with a history of more than 30 years, continues to be an attractive tourist destination for family visitors. In 2007-08, the Ocean Park achieved a record attendance of over 5 million. The Ocean Park is implementing its redevelopment plans. Upon completion of this eight-phase project in 2012-13, the Ocean Park will become a world-class marine-themed park featuring more than 70 attractions. New attractions will be introduced in each phase and the first was opened in February 2007. To complement the redevelopment plans, the Ocean Park is planning to build three hotels within the park.

Hong Kong Disneyland is an important part of our tourism infrastructure and has been well received by local and overseas visitors. Since its opening in 2005, Hong Kong Disneyland has continuously been launching new attractions and entertainment initiatives to enhance park experience. Its two hotels also offer unique venues for meetings and weddings.

The Hong Kong Wetland Park, which was opened in May 2006, is a world-class conservation, education and tourism facility. It consists of a 60-hectare outdoor wetland reserve and a 10 000 square metre visitor centre with three exhibition galleries. It is a major green tourism facility in Hong Kong. It was planned meticulously to ensure that it blended well with the surrounding area and that the wildlife there was not disturbed.

Opened in September 2006, Ngong Ping 360 comprises a 5.7km cableway which takes about 25 minutes per direction, and a traditional Chinese and Buddhist themed village. The cable car ride of Ngong Ping 360 offers a spectacular panoramic view of the beautiful landscape of Lantau Island and provides convenient access for visitors to explore other intriguing parts of Lantau, including the Big Buddha, Po Lin Monastery, Wisdom Path, Tai O fish villages and beautiful beaches on Southern Lantau.

The Government is committed to developing Hong Kong into a leading regional cruise hub. A site has been identified at the southern end of the former runway at Kai Tak for the development of a new cruise terminal, which

will have two alongside berths allowing berthing of different types and sizes of cruise vessels, including mega cruise vessels up to 110 000 displacement tonnes. The first berth is expected to commence operation in 2013. Upon completion of the new cruise terminal, together with the existing cruise terminal in Tsim Sha Tsui, Hong Kong will have four berths in total for cruise vessels.

"*A Symphony of Lights*", launched by the Commission in January 2004, is very well received by both visitors and locals. It was awarded the world's "Largest Permanent Light and Sound Show" by Guinness World Records in November 2005, accredited on the basis of the 20 buildings on Hong Kong Island jointly performing in a fully synchronized light and sound show every night. The Show was extended to the Kowloon side covering a total of 33 buildings on both sides of the Victoria Harbour in December 2005. The number of participating buildings further increased to 44 in October 2007 and the Show achieved a new world record.

Enhancement projects are implemented to give a facelift to the existing popular tourist areas. Completed projects include enhancement of the Sai Kung waterfront, minor improvements to Lei Yue Mun, enhancement of the Central and Western District including Dr Sun Yat-sen Historical Trail, Visitor Signage Improvement Scheme Phase I, the Transport Link in Tsim Sha Tsui East, the Stanley Waterfront Improvement Project and the Avenue of Stars, which is a joint venture with the private sector. The Tsim Sha Tsui Beautification Project has largely been completed, whereas improvement works at the Peak are expected to be completed by end 2008. Projects in the pipeline include the Aberdeen Tourism Project to complement the redevelopment plans of the Ocean Park and enhance the tourism appeal of Aberdeen, further enhancement of the facilities along Lei Yue Mun waterfront, development of a piazza at Tsim Sha Tsui, and the Visitor Signage Improvement Scheme Phase II.

Promotion of tourism is not simply about construction of new facilities. The Government has not lost sight of the fact that Hong Kong's traditional relics and assets, some of which date back six thousand years, offer visitors a fascinating insight into the region's history. Looking ahead, the heritage tourism development, which features a heritage hotel at the former Marine Police Headquarters Compound is expected to be completed by 2008. The Project is the first attempt to engage the private sector to preserve and develop buildings of historic significance into a heritage tourism facility. To better explore heritage tourism, the HKTB has enhanced its Cultural Kaleidoscope cultural experience programme with guided tours of Dr Sun Yat-sen Museum. It published a guidebook "Discover Hong Kong by Rail" to promote the attractions, including heritage sites along the MTR East and West Rails. In addition, the HKTB continues to work 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, the Cheung Chau Bun Festival and the Birthday of Lord Buddha celebrations at Po Lin Monastery.

The ecological richness and diversity of Hong Kong is another aspect which has not hitherto been fully recognised. The Commission is also promoting green tourism in Northeast New Territories under the principles of nature conservation and sustainable development. The project in the Plover Cove and Tolo Channel area and Tung Ping Chau includes minor enhancement of basic facilities, promotion of an island-hopping sea tour, and complementary conservation and educational initiatives. The HKTB has published "Discover Hong Kong Nature" to promote green tourism, which features 16 green attractions and hiking routes. The HKTB also launched the Nature Kaleidoscope in April 2007 for the participation of overseas visitors. The programme includes guided visit to Kadoorie Farm and Botanic Garden; Eco-tour at Tai O on Lantau

Island; guided walk at Wong Nai Chung Gap Trail; Hong Kong Wetland Park tour; Ngong Ping Fun Walk; Dolphin watching tour and many other hiking tours.

The HKTB also promotes cultural and arts activities, such as the Hong Kong Arts Festival, Hong Kong International Film Festival and large-scale arts exhibitions in various local museums, so as to enrich visitors' nightlife and travel experience with a view to attracting more tourists, especially business travellers to Hong Kong. The Commission has been working in close collaboration with major arts groups and the tourism sector to establish an effective platform to enhance the development and promotion of cultural tourism.

**Standards and Performance:** Apart from making available a wide range of attractions to enrich the experience of tourists, it is equally important to enhance the standard of service offered. The Travel Agents Ordinance puts in place a licensing scheme to regulate travel agents which carry on the business of providing inbound and outbound travel services. Parallel with this, to ensure the quality of service to visitors, the training programme for serving tourist guides with subsidy from the Government has trained some 9 400 tourist guides by end June 2008 since its commencement in July 2002. Any serving tourist guide who has completed the prescribed training course and passed the required examination will be issued with a "Tourist Guide Pass". They are required to observe the "Code of Conduct for Tourist Guides" issued by the Travel Industry Council of Hong Kong (TIC). With effect from July 1, 2004, all travel agents are required to arrange tourist guides with a valid "Tourist Guide Pass" to receive visitors to Hong Kong. As part of the efforts to help members of the travel agents trade to continuously upgrade their professional knowledge and skills and the quality of their service, since mid-2006, the Government has subsidized the launching of a series of new specialized courses for members of the travel agents trade. By end June 2008, some 1 420 members of the travel agents trade have enrolled in the new courses. To further encourage tourist guides to continuously better equip themselves for meeting new market challenges, the TIC introduced in July 2007 a Continuous Professional Development Programme (CPD Programme) for tourist guides. Tourist guides are required to fulfill the training requirements of the CPD Programme for the renewal of their Tourist Guide Pass. This aims to ensure the continuous enhancement of the quality of tourist guide service.

The HKTB continues to implement the Quality Tourism Services (QTS) Scheme, which aims to enhance the overall service standards among retailers and restaurants. The Scheme was strengthened in 2007 to provide visitors with better quality assurance and a more comprehensive and effective complaint handling mechanism. As of June 30, 2008, 6 594 outlets had received QTS accreditation, representing an increase of nearly 0.9% in 12 months, reflecting growing trade and visitor recognition of the scheme's value. The China National Tourism Administration has also expressed its support for QTS.

The promotion of a community-wide hospitality culture is essential to the sustainable development of the tourism industry. The Tourism Commission launched the "A Hospitable Hong Kong" campaign in 2001 to promote the hospitality culture. This campaign comprises programmes and activities including the Hong Kong Young Ambassador Scheme, general publicity, service quality study, service seminars and related activities.

**Accessing Hong Kong:** The Government continues to enhance Hong Kong's accessibility. Nationals from some 170 countries can visit Hong Kong visa free for periods ranging from seven to 180 days.

As for Mainland visitors, the quota of the Hong Kong Tour Group Scheme of Mainland visitors was abolished in January 2002. The number of Mainland travel agents authorised to organise such tours has also increased significantly. The Individual Visit Scheme, introduced in July 2003, has been gradually extended and now covers 49 Mainland cities including all the 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 nine cities in Fujian (Fuzhou, Xiamen, Quanzhou), Jiangsu (Nanjing, Suzhou, Wuxi) and Zhejiang (Hangzhou, Ningbo, Taizhou). As at June 2008, there were 30.1 million visitor arrivals from the Mainland under the Individual Visit Scheme.

**Promoting Hong Kong:** The HKTB is a statutory body set up to promote Hong Kong globally as a business and leisure destination and take initiatives to enhance the experience of visitors. In addition to the head office in Hong Kong, HKTB has 15 other offices and five representative offices around the world.

HKTB commissions extensive market studies to gauge industry trends and shares information with the Government and travel trade partners. Also, the HKTB keeps a diversified portfolio of visitors to Hong Kong. Its campaigns in 2007 focused on 19 major source markets (which together accounted for about 93% of the total visitor

arrivals). The Board adopts a flexible and integrated approach to reach different markets and meet their needs, such as marketing Hong Kong's unique living culture to long-haul markets while promoting shopping and dining attractions to short-haul markets.

To promote Hong Kong, HKTB leverages the "Hong Kong – Live it, Love it!" marketing platform, adopting a diversified approach in advertising, through internet, consumer promotions and public relations activities. In 2007, the [www.discoverhongkong.com](http://www.discoverhongkong.com) consumer website has recorded about 300 million page views.

HKTB strives to develop appealing and creative destination products. For example, HKTB develops education-cum-entertainment products which cater to family visitors. At the same time, it also organises mega events to enrich the travel experience of our visitors.

Riding on the 2008 Olympics Equestrian Events staged in Hong Kong in August, HKTB has launched vigorous overseas promotional campaigns since September 2007. HKTB leverages this opportunity to cooperate and promote multi-destination itineraries with Pearl River Delta cities.

HKTB has been working closely with partners from the travel trade. In 2007, it organised familiarisation trips for over 2 400 travel trade representatives to Hong Kong. In the year ahead, HKTB will continue to facilitate cross-selling of tourism products by cooperating with the trade.