

The tourism industry is one of the major pillars of the economy of Hong Kong. In 2018, it contributed to around 4.5% of Hong Kong's GDP and employed around 257 000 persons, accounting for about 6.6% of total employment.

In 2019, total visitor arrivals declined by 14.2% over 2018 to 55.91 million, reflecting the impact of the local social incidents. Entering 2020, the Coronavirus Disease 2019 (COVID-19) has taken a heavy toll on the tourism industry of Hong Kong, with the total number of visitor arrivals dropped by 88.2% year-on-year to 3.50 million in the first five months of 2020.

Accommodation for visitors: By the end of May 2020, there were 306 hotels in Hong Kong, providing about 84 900 rooms. In 2019, the average hotel room occupancy rate decreased by 12 percentage points to 79%. In the first five months of 2020, the occupancy rate was 38%, 52 percentage points lower as compared with the same period in 2019 due to the COVID-19 outbreak. 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 2020-21 Land Sale Programme comprises six commercial or hotel sites.

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 57% in 2019. As at the end of December 2019, there were over 294.44 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 Government seeks views and works with the trade through various bodies such as the Hong Kong Tourism Board (HKTB), the Travel Industry Council of Hong Kong (TIC), the

Travel Industry Authority, as well as advisory bodies such as the Tourism Strategy Group and the Advisory Committee on Cruise Industry.

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.

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. To enhance visitors' consumer journey from pre-trip planning to in-town experiences, the HKTB has improved the website by providing more inspirational content and introducing the most up-to-date campaigns. The HKTB also creates and maintains dedicated content in response to the rapidly changing situations in Hong Kong. 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 and creates business opportunities for them, including organising trade missions to source markets and familiarisation trips to Hong Kong. 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, together with PMQ and "Tai Kwun" (a new centre for heritage and arts situated at the restored Central Police Station Compound), further showcases 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 Shaukeiwan, 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 across the territory, 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 five exhibition galleries therein. In the fourth quarter of 2019, the TC has also organised a new pilot arts cum historical, cultural and green tourism project at Yim Tin Tsai, Sai Kung.

"A Symphony of Lights", 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, November 2018 and December 2019 respectively with participation of 39 buildings and three 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. We expect that the future development of the Park will gear more towards its conservation and education functions.

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 include the expanded castle with entirely new daytime and night time shows from end-2020 onwards, as well as two new themed areas based on "Frozen" and "Marvel" superheroes respectively in the next few years.

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. Due to the local social incidents, overnight MICE arrivals decreased by 14.2% to 1.69 million in 2019.

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 2019, 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 develop promotion strategies with a view to attracting 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, such as "International Chinese New Year Night Parade", "Hong Kong Dragon Boat Carnival", "Hong Kong Cyclothon" and "Hong Kong Wine and Dine Festival" etc., to offer visitors indelible travel experience during their stay in

Hong Kong. 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 tourist attractions 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 the Guangzhou-Shenzhen-Hong Kong Express Rail Link, and Passenger Clearance Building of the Hong Kong-Zhuhai-Macao Bridge Hong Kong Port can obtain useful tourist information including terminal facilities at venue, transport to/from tourist attractions, shopping, dining, hotels and promotional offers, to facilitate their itinerary planning and travelling in the city. We will progressively extend the landing page to other boundary control points. 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 has commissioned a consultancy study on strategies and initiatives to promote smart tourism in Hong Kong.

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 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 the end of April 2020, there were about 1 720 travel agents licensed by the TAR, as well as about 5 670 tourist guides and 16 710 tour escorts accredited by the TIC.

As regards the future regulatory regime, following the Legislative Council's passage of the Travel Industry Ordinance (Commencement) Notice 2019, the Chief Executive has made appointments to the Travel Industry Authority, a new statutory body primarily responsible for the

licensing and regulation of travel agents, tourist guides and tour escorts. The Government is supporting the Authority to carry out all necessary preparation before taking over the licensing and trade regulatory functions from the TAR and TIC respectively for the full implementation of the new regulatory regime.

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-2019, 1 239 establishments with 8 179 outlets and 378 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.