

For information**Legislative Council Panel on Economic Development
Development of a New Cruise Terminal at Kai Tak****Purpose**

This paper updates the Panel on the latest progress of the new cruise terminal project and the initiatives to promote cruise tourism in Hong Kong.

Construction Works

2. Construction works of the new cruise terminal are going ahead smoothly. For the site formation works of the berths, the concrete platform of the first berth will be completed by end 2012. The preparatory works for the installation of passenger gangways at the first berth commenced in end September 2012. Reconstruction of the seawall and the apron construction for the second berth are in progress. For the terminal building, the main structure has been substantially completed and the erection of façade has commenced. Inside the building, the building services works and the construction for the internal walls are underway. An aerial photo showing the latest position at the site is at the Annex. The overall progress of construction of the new cruise terminal is satisfactory. It remains our objective to commission the terminal building and the first berth in mid-2013.

Promotion of Hong Kong as a Cruise Hub

3. To reinforce our position as a cruise hub in Asia, the Hong Kong Tourism Board (HKTb) has been stepping up the promotion of cruise tourism to drive further development of Hong Kong's cruise business. The HKTb has launched a co-op marketing fund to encourage cruise lines to increase the number of homeporting or turnaround itineraries from Hong Kong. By contributing to the funding for marketing and advertising activities on a 50:50 basis, the fund enables cruise operators

to strengthen its promotion to stimulate consumer demand.

4. Moreover, to encourage cruise companies to choose Hong Kong as one of the stops in their itineraries, the HKTB will organise a cruise forum focusing on itinerary development and regional cooperation in January 2013. Cruise line executives and strategic itinerary planners, representatives from neighbouring ports as well as the Hong Kong travel trade will be invited to attend the forum. Details will be announced by the HKTB shortly.

5. The Tourism Commission and the HKTB continued to participate in international fora to promote the new cruise terminal and Hong Kong as a “must-go” cruise destination. In early September this year, the HKTB participated in the 7th China Cruise Shipping in Tianjin. The Executive Director of the HKTB gave an update on the new cruise terminal development and the major attractions of Hong Kong to over 200 delegates from the industry.

6. In late September, the Tourism Commission, the HKTB and the representative from the operator of the new cruise terminal (Worldwide Cruise Terminals Consortium) attended the 3rd Seatrade All Asia Cruise Convention in Shanghai. The Convention was attended by industry representatives from over 30 countries and regions in the world. During the convention, we updated the participants on the development and the opportunities of the new cruise terminal. We also met with the senior management of a number of major cruise companies to discuss the potential of the cruise market in the region and ship deployment to Hong Kong.

The Central People’s Government’s New Measure to Support Cruise Tourism

7. As a measure to support the development of the cruise industry in Hong Kong, the Central People’s Government announced in late June this year that Mainland tour groups taking cruise from Hong Kong to Taiwan can visit Japan or Korea in the same cruise journey before returning to the Mainland. This can facilitate cruise operators in organising more attractive itineraries in the East Asia region. This is

also conducive to encouraging more cruise deployments to this region and promoting the development of the cruise industry in the Mainland and Hong Kong.

8. We are discussing with the relevant Mainland authorities the implementation details, including the development of cruise itineraries and the arrangements for travel documents and tour groups. We will announce the relevant arrangements to the local tourism industry once all the details have been finalised.

Official Name of the New Cruise Terminal

9. The new cruise terminal is located at the end of the runway of the former Kai Tak Airport. Its transformation into a cruise terminal will mean that the site will continue to be a transport hub for Hong Kong. To provide continuity to the identity of the area and in commemoration of the former airport, the new cruise terminal will be officially named “Kai Tak Cruise Terminal”.

10. Members are invited to note the information set out in this paper.

Tourism Commission

Commerce and Economic Development Bureau

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