

HONG KONG

Hong Kong Development as a regional cruise hub

Presentation by
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Hong Kong Special Administrative Region Government
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Visitors prefer starting cruise journeys from Hong Kong

- ◆ Visitor Surveys by the Hong Kong Tourism Board in 2007 show that –
 - ✓ >90% respondents had a high satisfaction with Hong Kong
 - ✓ 50% Mainland visitors interested in cruise vacations (2007:14 million)
 - ✓ 90% of them interested to join cruise vacations starting from Hong Kong

A preferred city destination

- ◆ Strategically located in the heart of the Asia-Pacific region, within 5 hours flying time of half the world's population
- ◆ Hong Kong and its neighbours offer a variety of tourist attractions
- ◆ Excellent connectivity and superior airlift capacity
- ◆ Magnificent harbour – deep and no air draft limit; unforgettable experience for cruise passengers sailing through Victoria Harbour



A regional cruise hub

- ◆ Total cruise vessel calls

<u>2007</u>	<u>2006</u>
1,100+	1,064

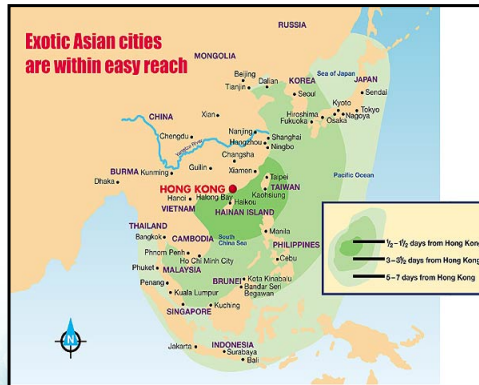
- ◆ Total passenger throughput

<u>2007</u>	<u>2006</u>
2.6 million	2.3 million

- ◆ Cruise vessels homeporting at Hong Kong in 2008 –
 - ✓ RCCL: Rhapsody of the Seas
 - ✓ Costa: Costa Allegra
 - ✓ Star Cruises: Star Pisces, Superstar Aquarius, Superstar Libra and Superstar Virgo

Cruise itineraries

- ◆ Located at a strategic geographic position in Asia Pacific
- ◆ Diverse choice for itineraries



Our source markets

- ◆ Major source markets for cruise tourists in 2007 –

Mainland China	73%
Americas	7%
Europe, Africa and Middle East	7%
Other regions	13%

- ◆ Huge growth potential for Mainland market



Development of a new cruise terminal

- ◆ Government announced in 9/2008 –
 - ✓ to fully fund and develop a new cruise terminal at Kai Tak Former Runway, right in the heart of Victoria Harbour
 - ✓ to lease the cruise terminal to a market operator starting from 2013



Development parameters

› Number of berths	2
› Berthing Length Overall	800 metres
› Gross Tonnage of cruise vessels	220,000 tonnes
› Draft	12 metres
› Ancillary commercial area	10,000m ²
› Air Draft restriction	Nil
› CIQ operation	to clear 3,000 pax/hour



Development timeframe

First berth	2013
Second berth and cruise terminal building	2014/15



Cruise Terminal Operator

- ◆ The cruise terminal lessee – operator would be required to –
 - ✓ lease the terminal for 7-10 years
 - ✓ operate the berths on a “shared-use” principle
 - ✓ fulfill certain performance pledges
 - ✓ bring innovation and flexibility to the operation and management of the cruise terminal



Cruise market engagement

- ◆ Continue to engage the cruise market
- ◆ Welcome the views and suggestions from the industry, including local and international users
- ◆ Aim to develop a cruise terminal that can provide world-class services and meet the future needs of the cruise industry



Press ahead with software development

- ◆ Established an Advisory Committee on Cruise Industry in January 2008
- ◆ Brings together Government, Hong Kong Tourism Board and major stakeholders in the trade including cruise lines, ground handling agents, shipping agents, travel agents, etc.
- ◆ Working on –
 - ✓ Joint marketing efforts with the cruise industry
 - ✓ Supply of Talent
 - ✓ Cooperation platform with coastal ports



Regional cooperation

- ◆ Liaising with neighbouring Mainland coastal provinces
 - ✓ Launch a website by end of this year to provide information on port facilities and tourism resources
 - ✓ To develop multi-destination itineraries



Welcome on board

- ◆ Opportunities of cruise tourism
 - ✓ Unprecedented level of interest
 - ✓ Emergence of China as a major source market
- ◆ New cruise terminal in Hong Kong will further drive the growth of cruise tourism
- ◆ Hong Kong well-positioned to capture the growth of cruise tourism
- ◆ Opportune for cruise industry to further expand business in Hong Kong



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Thank you

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