Following is a speech by the Secretary for Commerce and Economic Development, Mr Frederick Ma, at SuperStar Virgo Arrival Welcoming Ceremony today (April 2):

Mr Smith (Alan), Mr Chua (David), Captain (Jan) Blomqvist, Anthony (ED of HKTB), distinguished guests and friends from the media,

I am delighted to welcome SuperStar Virgo to Hong Kong today.

SuperStar Virgo is a truly magnificent cruise liner. Her presence in Hong Kong demonstrates this city's growing importance as a leading cruise hub in the region. With the spectacular Victoria Harbour as its home-port, there can be no better backdrop for the largest and most luxurious liner in Star Cruises' Asian fleet.

Tourism is one of the pillar industries of Hong Kong. The Government and the hospitality trade have been working hard to enhance our tourism infrastructure and service quality. Our joint effort has resulted in more than 28 million visitors – or four times our population – came to Hong Kong last year. That was a year-on-year increase of 11.6%, well above the global tourism growth rate of 6.1%.

Looking ahead, we expect 2008 to be a year of both opportunities and challenges for our tourism industry. Some of the positive factors are favourable exchange rates, increased flight capacity, and continuous expansion of the Mainland's outbound travel market. On the flip side of the coin, a slowdown in the global economy, regional competition and the impact of new holiday arrangements for Mainland tourists represent challenges to the industry in Hong Kong.

To enrich our tourists' travel experience, we will continue to develop multi-destination itineraries. To this end, the Hong Kong Tourism Board is working hard to promote such itineraries with places including in the Pan Pearl River Delta, Macao and other Asian cities. Cruise tourism by its very nature fits well into this multi-destination strategy.

Now you may ask: is Hong Kong prepared for this trend? To highlight our work is this regard, let me give you a quick progress update on the development of our new cruise terminal. This world-class project at the site of the former Kai Tak airport is one of the government's top infrastructure priorities.

The tender for the project was closed last month. Our target is for the first berth to

commence operation in February, 2012. Every effort is being made to ensure we meet

these targets.

Apart from hardware, we are also working with our industry partners in

developing state-of-the-art software for Hong Kong, through the newly established

Advisory Committee on Cruise Industry (ACCI).

I am confident that the development of a new cruise terminal and the work of the

ACCI, will continue to strengthen Hong Kong's position as a leading player in the

cruise industry in Asia.

The presence of SuperStar Virgo will add to the diversity of cruise products

offered by Hong Kong as a leading cruise hub in the region, and contribute to the

continuous growth of our cruise market.

I wish SuperStar Virgo a successful stay in Hong Kong. I'm sure she will bring

more than a touch of adventure, novelty and unforgettable experience to all those who

sail in her.

We look forward to more magnificent vessels home-porting in Hong Kong.

Thank you.

Ends/Wednesday, April 2, 2008

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