

Speech by Commissioner for Tourism at 2010 Hong Kong Tourism Overview (English only)

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Following is a speech by the Commissioner for Tourism, Mr Philip Yung, at the 2010 Hong Kong Tourism Overview organised by the Hong Kong Tourism Board today (March 1):

Chairman (Mr James Tien), Anthony, Paul, friends from the travel trade, ladies and gentlemen,

Good morning to you all. It is my great pleasure this morning to see so many of our tourism industry partners.

I am always amazed and impressed by the resilience and vibrancy of this industry. 2009 was an exceptionally challenging year for all of you. The financial crisis took its toll on the global economy, while the outbreak of human swine influenza further discouraged travelling. Against such a trying business environment, it is remarkable that Hong Kong still managed to attract more visitors last year, with a historical high arrival number of 29.6 million. This is no small achievement and it is only made possible by the trade, the Hong Kong Tourism Board and the Government working together. Indeed our tourism industry reached several milestones last year. All these were important ones. I would like to recount some of them here.

First, on travel facilitation. One of the key missions of the Tourism Commission is to make it more convenient for tourists to come to Hong Kong. We have been in constant liaison with Mainland authorities on facilitating the entry of Mainland tourists into Hong Kong. The Mainland implemented two measures last year for Shenzhen residents to travel to Hong Kong under the Individual Visit Scheme. By the end of last December, about 1.5 million Shenzhen permanent residents had taken advantage of the one-year multiple-entry endorsement to come here.

The measure to allow eligible non-Guangdong residents living in Shenzhen to apply for Individual Visit endorsements without going back to their hometown has also been put in place. These measures, together with the entry facilitation we provided to Macao residents and the extension of their period of stay, make it much easier for people to move between these three places, ultimately enlarging the travelling base within our catchment. We are aware of the strong aspirations of the industry for the extension of these measures to other parts of Guangdong province. We shall continue to explore this with our Mainland counterparts.

As for emerging markets, the visa-free arrangement between Hong Kong and Russia came into effect in July last year. We became one of the very few advanced economies that grant visa-free access to Russian visitors. Such travel convenience made it attractive for us to develop "city and beach" multi-destination itineraries with Hainan for the Russian market. I also know that a number of airlines also see the potential and have plans to launch new flight services between Hong Kong and Russia later this year.

Second, on the Mega Events Fund. To further promote Hong Kong as an events capital of Asia, the Government has launched the \$100 million Mega Events Fund. Six mega events involving a total funding of \$25 million have so far been approved, including world-class tennis and racing yacht events which will bring along worldwide media coverage. These events are welcome additions to our product portfolio and I encourage you to make good use of these events in promoting inbound tour packages.

Third, on infrastructure development. Continuing investment in tourism infrastructure is essential to our position as a premier destination. The redevelopment project of Ocean Park is progressing at full steam. The expansion of Hong Kong Disneyland has also got off the ground. On the part of the Government, we attach great importance to co-ordinate

the inputs of various departments to help the smooth implementation of these projects. The Government is also pursuing in earnest the new cruise terminal project in Kai Tak. Its site formation works started at the end of last year. The first berth, which can accommodate the biggest cruise vessel in the world, is expected to commence operation in mid-2013.

On this strong foundation, tourism will continue to flourish. As the Chairman said, we have begun 2010 on a positive note. Arrivals continued to grow in the first two months. The Year of the Tiger also kicked off with energy and vigour. During the Chinese New Year Golden Week, we broke the record of single-day Mainland and total arrivals. Our traditional curtain raiser, the New Year Day Parade, was as popular as ever, with the Hong Kong Tourism Board performing magic by making the rain stop before the parade started. Last weekend, we hosted about one thousand women visitors from Guangdong who were here to celebrate Women's Day. The gathering was hugely successful and enjoyable, followed by, I am sure, very active shopping activities by our visitors. This is a good example of how the Hong Kong Tourism Board works to deepen our source markets. Overall, tourism arrivals this year are well set to break the 30 million mark. Let's all work hard to make this happen.

As visitors look for genuine travel experiences, it is most fitting for the Hong Kong Tourism Board to adopt "Festive Hong Kong 2010" as this year's promotion theme to showcase our living culture and traditional festive celebrations. Together with the mega events supported by the Government I just mentioned, we shall be able to provide a year-round calendar of activities that will do justice to Hong Kong's position as the events capital in Asia.

Looking beyond Hong Kong, ladies and gentlemen, developments in the region are also favourable. The attention of the world will once again be on China in 2010. Leveraging

on the World Expo to be held in Shanghai, the Asian Games in Guangzhou and our enviable status as an international aviation hub, we will continue to promote multi-destination itineraries with Hong Kong as a natural gateway to Mainland cities. We will also explore further co-operation with selected regional destinations to develop more multi-destination itineraries.

All our promotion efforts and investment will be futile without support from the trade. Colleagues in the Hong Kong Tourism Board will share with you shortly their work plan for this year. I count on all of you to work together with the Government and the Hong Kong Tourism Board in getting our tourism industry onto new heights. I look forward to a close, enterprising partnership among us all.

Thank you very much.

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