

Speech by SCED at opening ceremony of 32nd International Travel Expo and 13th MICE Travel Expo (English only)

Following is the speech by the Secretary for Commerce and Economic Development, Mr Edward Yau, at the opening ceremony of the 32nd International Travel Expo and the 13th MICE (meetings, incentive travels, conventions and exhibitions) Travel Expo today (June 14):

K S (Managing Director of TKS Exhibition Services Limited, Mr K S Tong), distinguished guests, Consuls General, ladies and gentlemen,

What a spectacular lion dance and a reflection of the Hong Kong spirit! I am happy to welcome you all on this very important occasion marking the 32nd International Travel Expo and the 13th MICE Travel Expo, which is a very important event for the tourism and MICE industry in Hong Kong, in the region and perhaps globally.

I am happy to share with the audience today that Hong Kong is one of the world's most favourite tourist destinations, and the figures speak for themselves. With only a slightly over 7 million Hong Kong people population, every year, we receive more than 58 million travellers from all over the world, mainly from our proximity. Increasingly, there are more people from afar travelling to Hong Kong. The travel and tourism industry accounts for 5 per cent of our GDP (Gross Domestic Product), and also creates more than a quarter of million jobs for the Hong Kong community.

Last year, 2017, has been a very rewarding year in terms of visiting travellers. In the first four months of this year, we are seeing a clear rebound of travellers coming to Hong Kong, marking a double-digit figure, and for overnight visitors, we have seen a 6.9 per cent increase compared with last year this time, and the hotel occupancy is back to the usual 90 per cent occupancy rate.

So, Hong Kong has a happy problem. Happy in the sense that everybody is happy to see the tourism industry boosting, but in addition to opportunities, there are also new challenges. How can a tiny place like Hong Kong embrace a travelling community around the world?

I think the audience would know better that our travelling industry, together with the convention and tourism industry, is facing a lot of challenges globally. What

do these challenges include? Our travellers are increasingly global, and they are also having increasingly strong expectations that are different from travellers in the old days. We have more FITs, free independent travellers, who are high-end customers and frequent travellers. A typical example of FITs is that they would start their journey well before they step out from their homes. Particularly in this time and age, people have a lot of access to all the information through the Internet, and a lot of preparations are being done by the travellers well before they step out from their home doors. That has changed the landscape of our industry.

In addition to having a larger proportion of FITs, we are also seeing our travellers increasingly smart and theme-based. Smart in the sense that they know what they want. They are not just joining tourist groups, but they have done a huge amount of research. This research stretches beyond traditional information provided by our providers, but also peer information. People who have visited the place, they can easily share their experience on the web to a much wider audience. So these travellers are having a high expectation not just on official websites, but also from people who had similar experiences before. That also puts a very big challenge to people in this industry.

For Hong Kong, I think our strategy is very clear. As a major global destination for tourists, we need to constantly reinvent ourselves to cater for this day-to-day demand. Last year, we rolled out a tourism blueprint (Development Blueprint for Tourism Industry) that lists out four major directions. Allow me to capture a few of the salient points. First, I think our strategy is to maximise Hong Kong's interests and advantages as a global city where we are well connected to the world. In a few months' time we will be seeing major investment on infrastructure bearing fruit as evidenced by the Hong Kong-Zhuhai-Macao Bridge connecting Hong Kong, Macao and Zhuhai in the Pearl River Delta. So that will open up a new gateway to the west and in fact further down to the southwestern part of Mainland China, and then further to the borders with the ASEAN (Association of Southeast Asian Nations) countries.

In addition, we will be opening up our high-speed railway, the Guangzhou-Shenzhen-Hong Kong Express Rail Link, which connects to the 22 000-kilometre high-speed railway in the Mainland. So travelling either by the new bridge or the high-speed railway will bring us much closer together, and make day return between provinces and cities in our vicinity very easy and possible.

But our investment in the tourism industry does not stop at the infrastructure.

We are investing in Hong Kong's major attractions including the theme parks. The second strategy is we try to strengthen the content of our tourism. As I mentioned, travellers nowadays are looking for not just sightseeing, taking pictures or going to destinations, but they are looking for total experience, however short the journeys may be and wherever they go. This themed travel should be embraced by all efforts in making sure that travellers coming to your place will have a feeling that they are travelling as locals.

In enriching the content of our tourism industry, we are identifying new areas - areas that may have been overlooked in the past, areas which may not initially catch the eyeballs of visitors but are essentially very unique to a place like Hong Kong. To cite just a few examples, the heritage trail in Central, what we called the Old Town Central, is now connected together by all the efforts we made over the years. The Central heritage trail not only includes the traditional shopping places along Hollywood Road, like antique and art shops, but also connects some of the historical buildings we built and renovated, including PMQ, which features art and designers, and also the cluster of buildings around the Central Police Station, the Central Magistracy and the old Victoria Prison. This connects the entire Central through history, heritage and the new element of design and art.

We are also looking into local district areas like Sham Shui Po and Wan Chai, where we are seeing thematic contents coming into place, including how we blend fashion, garments and a whole range of accessories supporting fashion in a very localised district. But Hong Kong is more than just people, old town or heritage. We are in fact very much blessed by the natural landscape that nature has given us.

I am so happy to have had a glimpse of the Hong Kong UNESCO Global Geopark counter just now, and that reminds me that not long ago, Hong Kong has in fact secured the UNESCO recognition of the Global Geopark, which captures very unique volcanic rock formations, which are uncommon round the world, and where we are seeing nature's craftsmanship in a tiny place like Hong Kong. In Hong Kong, while on the one hand we see the skyline of a modern metropolitan city, we are in fact right next to a very unique landscape where we have preserved the nature and the greenery, where we are also home to butterflies, birds and natural habitats.

I would say that the four corners of Hong Kong are in fact having this unique combination of towns and greenery. I mentioned the Geopark on the northeastern side. We have also a Ramsar Site which is visited by millions of migrant birds all the way

from Siberia crossing Hong Kong in winter time down to the Southern Hemisphere to Australia and New Zealand. And Hong Kong Island itself, where many of you would have a chance to stay, is in fact a combination of world city and a green backyard. In the time to come, when we develop our Lantau Island where the airport is located and where the Hong Kong-Zhuhai-Macao Bridge is connected, we are also preserving the southern part of Lantau Island as our reserve. So that is Hong Kong. While we showcase the height of buildings and the complexity of our city, we are also doing our little part in preserving nature. And I believe these are the thematic topics that many people in the trade would talk about in this conference and exhibition.

Any strategy would not be successful without enriching the content, investing for the future, and also maintaining a quality trade where all the players in the industry would contribute their part. We are in a process of enacting a new legislation to protect the consumers in Hong Kong and also visitors from all over the world. When they are in Hong Kong, they will be protected by the stronger regulation and also practices of the trade.

Last but not least, other than what each city and each country is doing to promote tourism, I think the best strategy to embrace all the challenges ahead is to hold a forum like this where international experiences are being shared. I understand this year we are having a record of over 670 exhibitors from all over the world in 55 countries and also 180 MICE trade participants. I believe this marks the success of the efforts by all the people in the trade and among cities and countries which have taken part in this Expo in making the world a much better place for all our visitors including ourselves. Once again, thank you for coming and I wish this Expo a great success starting from today.

Thank you and see you more in the years to come.

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