

Chapter 15

Travel and Tourism

Hong Kong's tourism industry continued to develop in 2009. Construction work started on two major projects — the new cruise terminal at Kai Tak and the Hong Kong Disneyland expansion. A Noah's Ark attraction and the '1881 Heritage' (the former Marine Police Headquarters in Tsim Sha Tsui) were opened, while Ocean Park and the Ngong Ping 360 cableway introduced new attractions. A Mega Events Fund was established to support the staging of large-scale arts, cultural and sports events to further add to Hong Kong's attraction as a tourist destination.

For Hong Kong tourism, 2009 was a challenging year. Owing to the global economic downturn and the impact of human swine influenza, visitor arrivals registered a decline of 3.4 per cent in the first half of 2009 compared with the same period in the previous year. Yet the tourism industry remained resilient and the tide began to turn in the second half of the year following signs of economic recovery and receding concerns about influenza. Visitor arrivals started to rebound in August and brought total visitor arrivals for the year to 29.59 million, a slight increase of 0.3 per cent over 2008.

The Mainland continued to be the largest source of tourists. A total of 17.96 million Mainland visitors came to Hong Kong in 2009, an increase of 6.5 per cent. Despite a reduction in visitor arrivals from long-haul markets such as the Americas (-6.9 per cent), Europe (-5.9 per cent), Africa (-13.2 per cent) and Australasia (-7.2 per cent), emerging markets such as Russia (+15.7 per cent), India (+4.6 per cent) and the Middle East (+2.0 per cent) performed well. In particular, visitor arrivals from Russia surged by 54.2 per cent after the implementation of visa-free entry on July 1, 2009.

Major Tourism Developments

While work on family and business travel was sustained, special effort was made in four other areas — meetings, incentive travel, conventions and exhibitions (MICE), cruise tourism, mega events and green tourism.

MICE

Hong Kong is an international finance centre, an Asia-Pacific aviation hub and the gateway to the mainland of China. Coupled with world-class convention and

exhibition facilities and diversified tourism offerings, Hong Kong is a preferred venue for MICE events. In April 2009, the atrium link expansion of the Hong Kong Convention and Exhibition Centre was completed, providing 42 per cent additional exhibition space.

In 2009, MICE events brought about 1.16 million overnight visitors to the city. Major MICE events held in 2009 included Asian Aerospace International Expo and Congress 2009, CineAsia 2009, Sino-International Freight Forwarders Conference, Swift International Banking Operations Seminar and World Health Organisation Western Pacific Regional Committee Meeting. Many of them were held in Asia for the first time.

In his 2008-09 Budget, the Financial Secretary earmarked \$150 million over five years to promote MICE tourism. A dedicated office 'Meetings and Exhibitions Hong Kong' (MEHK) was established under the Hong Kong Tourism Board (HKTB) to provide one-stop services for organisers of MICE events and strengthen promotion in order to attract more MICE events to Hong Kong. Since its establishment, the MEHK office provided support for 1 090 MICE events.

Cruise Tourism

Work is pressing ahead on a new cruise terminal at Kai Tak. Construction began in December, and the first berth will commence operation in mid-2013. The Government is also working with the Advisory Committee on Cruise Industry on issues such as itinerary development, promotion and manpower training to develop Hong Kong as a leading regional cruise hub. To strengthen connections with neighbouring coastal provinces and provide an information exchange platform for development of cruise itineraries, the HKTB launched a dedicated website, 'Cruise South China' in early 2009. The website features information on berthing facilities as well as tourist attractions in Hong Kong and neighbouring provinces, including Fujian, Guangdong, Guangxi and Hainan. It also facilitates the development by cruise operators of itineraries and associated land excursions.

In April, the Central Government announced a new initiative allowing Mainland tour groups to travel to Taiwan on cruise vessels home-porting in Hong Kong. The first such sailing was launched on August 2. New cruise products capitalising on this measure are being launched to further Hong Kong's position as a leading regional cruise hub.

Mega Events

Mega events enrich visitors' experience of Hong Kong. Every year, a number of popular events such as the Rugby Sevens and Hong Kong Marathon are held in the city. In 2009, Hong Kong hosted the East Asian Games during which total visitor arrivals amounted to over 1.1 million, representing a 5.7 per cent increase compared to the same period in 2008. To further promote Hong Kong as an events capital of Asia, the Government set up a \$100 million 'Mega Events Fund' in May 2009 to sponsor non-profit organisations in the staging of large-scale arts, cultural and sports events over a period of three years. Six events were approved for funding support in the first-round of applications. The first event, 'Symphony Under the

Stars', was successfully held on November 13 and attracted 18 000 participants. Some visitors made special trips to Hong Kong to take part in this event.

In addition, the HKTB organised a number of mega events to attract visitors. These included the annual Chinese New Year Parade, a 'Summer Pop – Live in Hong Kong' concert of special appeal to young travellers, and a 'Wine and Dine Festival' from October 30 to November 8. The Wine and Dine Festival was rated one of the 'Top 10 International Food and Wine Festivals' by Forbes Traveller.

Green Tourism

In October, the HKTB launched a brand new promotion 'Great Outdoors Hong Kong!', which took visitors on hikes along different sections of the MacLehose Trail — the longest of its kind in Hong Kong — under a complimentary guided tour scheme that also provided a specially designed guidebook.

On November 3, the Hong Kong National Geopark was opened. This reveals some of Hong Kong's most spectacular geological and topographical features and aims to foster the development of green tourism.

Tourism Infrastructure, Facilities and Products

Hong Kong offers a wide range of attractions to its visitors. There is something for everyone — the sightseer, the food lover, the shopper, the family, the businessman, the leisurely traveller, the young and the old.

The most popular spot for sightseers is the Peak, which provides a panoramic view of Hong Kong Island, the Kowloon Peninsula and the magnificent Victoria Harbour. The nearby Peak Tram, with a history of 121 years is also a Hong Kong icon.

Other popular sites are the theme parks, temples, heritage sites, natural landscapes, and the numerous shops that have earned the city's reputation as a 'shoppers' paradise'.

Ocean Park

The redevelopment project of Ocean Park is in full swing. Upon completion in 2012, it will further boost the park's reputation as a world-class marine-themed park featuring more than 70 attractions. New attractions are being introduced in phases. In April 2009, the park unveiled the world's first integrated indoor and outdoor multi-Asian-species exhibit — Amazing Asian Animals — and welcomed four rare red pandas from the Mainland. The new funicular system connecting the Summit and the Waterfront — Ocean Express — was opened in September 2009.

A Symphony of Lights

Another attraction that has captivated visitors is the nightly spectacle 'A Symphony of Lights', which the Guinness World Records describes as the world's 'largest permanent light and sound show'. It features interactive lights beamed from 44 buildings on both sides of the harbour, revealing a vibrant, stunning Victoria Harbour at night. The display is accompanied by music.

Hong Kong Disneyland

Hong Kong Disneyland has received over 19 million visitors since it opened in September 2005. More rides and attractions were added to the park in 2008, including the iconic 'it's a small world'. Since its opening, Hong Kong Disneyland has received 79 awards in recognition of its world-class assets, design and technical achievements, distinctive guest services, and appeal to families.

In 2009, the Government and The Walt Disney Company reached agreement on an expansion for Hong Kong Disneyland, to be completed in phases by mid-2014. Three new themed areas will be added to the park, providing more than 30 new attractions and entertainment elements and bringing the total number of attractions in the park to over 100.

Wetland Park

The Hong Kong Wetland Park is a world-class eco-tourism facility, and is home to a wide assortment of wildlife, including birds, dragonflies, amphibians, mammals, reptiles, butterflies and fish. The park comprises 60 hectares of re-created wetland, exhibition galleries, a visitor centre, a theatre and other facilities all of which underline the importance of wetlands to biodiversity, civilisation and conservation. More than 440 000 people visited the park during the year.

In October, a painting entitled 'Birds and Wetlands' created by 2 041 students and citizens during the park's bird watching festival was recognised by the Guinness World Records as the longest painting.

Ngong Ping 360

The Ngong Ping 360 cableway takes visitors on a scenic 25-minute ride above sea and land between Tung Chung and a Lantau Island mountaintop where a Buddhist-themed village is located. It also provides a link to other famous tourist attractions such as the Tian Tan Buddha, commonly known as the 'Big Buddha', the Po Lin Monastery, the Wisdom Path, the traditional fishing village of Tai O and enticing beaches on the southern part of the island. New 'crystal cabins' fitted with full-width transparent glass bottom were introduced in 2009. Adding fun and a thrilling new experience to the journey, they proved hugely popular.

Projects in the Pipeline

The Government is working on making tourist spots across Hong Kong more attractive. Work on a piazza and garden in Ngong Ping is expected to be completed in mid-2010, and will link Ngong Ping Village to Po Lin Monastery and the site of the Tian Tan Buddha.

Plans are also in hand for a promenade to be built on the waterfront at Lei Yue Mun with landing steps for people disembarking there from sight-seeing vessels. Lei Yue Mun is a former fishing village famous for its seafood restaurants, well patronised by local and overseas visitors.

Another project being planned is a piazza to be built at the waterfront site adjacent to the Tsim Sha Tsui Star Ferry Pier. It will link the various attractions,

cultural facilities and other activities in the vicinity. Fronting Victoria Harbour, the piazza is expected to become a prime attraction and landmark. An open design competition is under way and the winning design will be adopted for the piazza.

In addition, the Government plans to conduct improvement works along the promenade on both sides of Aberdeen Harbour and Ap Lei Chau Main Street. The aim is to enhance Aberdeen's tourism appeal by preserving the characteristics of a traditional fisherman's village and adding tourists facilities.

Hong Kong Tourism Board

The HKTB is a statutory Government subvented organisation, responsible for marketing and promoting Hong Kong around the world as a preferred travel destination. The board consists of 20 members comprising representatives of various tourism-related sectors and community leaders. It works from a head office in Hong Kong and has 15 branch offices and five representative offices around the world.

Information Network

The HKTB has two visitor centres in Hong Kong, on the Peak and in Tsim Sha Tsui, as well as information counters at Hong Kong International Airport and the Lo Wu boundary crossing. To promote in-depth exploration of Hong Kong to visitors, the HKTB appointed the first team of 30 'Hong Kong Pals' in October. Stationed at the visitor centres, these volunteers introduce Hong Kong's way of life and culture, and make travel recommendations to visitors.

The board's website, www.discoverhongkong.com receives more than 30 million page views per month and offers 20 versions in different languages. On top of regular enhancements to the website, the HKTB also promotes Hong Kong through different digital communication channels, including social media discussion forums and by mobile phone. An example of these is an innovative iPhone application named 'HK720' launched in May that includes a virtual tour with 720-degree panoramas of Hong Kong's top attractions.

Marketing

The HKTB spearheads promotion programmes in major tourist source markets. It adopted 'Hong Kong Food and Wine Year' as the marketing theme for 2009. In addition to organising spotlight events surrounding this theme, the HKTB also produced a series of new dining guides to help visitors experience Hong Kong's multi-faceted dining experience. As a marketing platform for the Hong Kong Food and Wine Year, a dedicated mini-site with interactive tools was created with comprehensive content, including Chinese cuisine and wine pairing and attractive dining offers.

Service Quality

Quality Tourism Services

The HKTB's Quality Tourism Services (QTS) Scheme for promoting quality service at shops, restaurants and tourist lodgings, is widely supported by the industry and has encouraged many in the industry to improve their services. At the end of 2009,

more than 1 300 retail, catering, and tourist lodgings, with over 7 100 outlets, had earned QTS accreditation.

Honest and Quality Tourism

The Government works closely with the tourism industry and related organisations to promote honest tourism. With the amendment of the Trade Descriptions Ordinance in 2008 to combat false description of goods and other deceptive trade measures, Police and Customs have stepped up inspection and actions against offenders to protect consumers' rights. The Travel Industry Council of Hong Kong (TIC) operates a 'Refund Protection Scheme (Registered Shops)', under which Mainland visitors travelling in tour groups may return goods bought from registered shops and seek a refund within 180 days of purchase, provided the goods are in good conditions.

The HKTB also introduced in 2006 the 'Quality & Honest Hong Kong Tour' product in the Mainland. This is guaranteed free from compulsory self-paid activities, guided shopping and the imposition of surcharges. At year's end, the product was available at 32 counters in 18 Mainland cities plus two online travel portals.

Hospitality Initiatives

Hospitality is essential to sustaining tourism. The Government runs a 'Hospitable Hong Kong' campaign to develop a strong hospitality culture. A 'Hong Kong Young Ambassador Scheme' trains young people to be polite and helpful to visitors. More than 1 700 young people have joined it so far and rendered over 130 000 hours of service.

As part of the campaign, the Tourism Commission joined forces with travel agencies, restaurants, and the retail sector in carrying out a series of activities to improve service quality and customer care.

Easier Entry for Visitors

Hong Kong is one of the world's most immigration-friendly cities. Travellers from some 170 countries and territories enjoy visa-free access to the city for stays of between seven and 180 days.

The Individual Visit Scheme, introduced by the Mainland in 2003, permitting citizens of 49 Mainland cities to visit Hong Kong on their own instead of in groups, is becoming increasingly popular. More than 10.59 million Mainlanders visited Hong Kong under the scheme in 2009, representing about 60 per cent of all Mainland arrivals.

Three new arrangements to facilitate Shenzhen residents visiting Hong Kong were expanded and implemented during the year. The arrangement to allow eligible Shenzhen non-permanent residents to visit Hong Kong in group tours was expanded in February to cover their close relatives. A one-year multiple-entry Individual Visit Scheme (IVS) endorsement for Shenzhen permanent residents to visit Hong Kong was implemented on April 1. The other measure that permits non-Guangdong

residents living in Shenzhen to apply for IVS endorsements in Shenzhen to visit Hong Kong (without returning to their cities of origin) was implemented on December 15.

Measures to facilitate the entry of Macao and Taiwan residents were also introduced. From February 16, the limit of stay for Macao permanent residents as visitors was extended from 14 to 180 days. From January 1, the restriction on the number of applications made by Taiwan visitors for iPermits was lifted, and the period of stay in Hong Kong for holders of iPermits and Multiple Entry Permits was extended from 14 to 30 days. From April 27, Taiwan residents holding a valid 'Mainland Travel Permit for Taiwan Residents' (commonly known as 'Tai Bao Zheng') were allowed to enter Hong Kong and stay for up to seven days without an entry endorsement for the Mainland.

Protection of Travellers

Travel agents must obtain a licence from the Government to carry on business as prescribed by the Travel Agents Ordinance. They are required to be a member of the TIC and observe the codes of conduct promulgated by it. TIC investigates complaints against travel agents and disciplines those who break the rules. There were 1 493 licensed travel agents at year's end.

The Travel Industry Compensation Fund (TICF) provides ex gratia payments of up to 90 per cent of the loss of tour fares to outbound travellers in the event of a default by a travel agent. There was one such case during the year which affected two travellers to whom ex gratia payments amounting to about \$16,000 were paid.

The TICF also provides emergency financial assistance to outbound travellers injured, or killed, in accidents in the course of an activity arranged by a travel agent. No such cases were recorded in 2009.

Travel agents must assign accredited tourist guides to receive inbound visitors. At year's end, there were 6 770 accredited tourist guides in Hong Kong.

Tourism Co-operation

Mainland

The Tourism Commission maintains close liaison with the Mainland tourism authorities. A number of tourism co-operation accords were signed during the year between the tourism authorities and organisations in Hong Kong and their counterparts in the Pan Pearl River Delta region.

Macao

In February, Hong Kong and Macao held their second annual meeting to discuss tourism matters such as joint promotions of 'multi-destination' travel, communication in the event of travel incidents involving both cities, and promotion of quality tourism.

CEPA

In May, further liberalisation measures under CEPA (Mainland and Hong Kong Closer Economic Partnership Arrangement) were announced. These include allowing

Hong Kong permanent residents with Chinese citizenship to obtain Mainland outbound tour escort credentials, and Mainland group tour visitors to Taiwan to stop over in Hong Kong for up to seven days, a measure that facilitates the development of 'multi-destination' itineraries covering Hong Kong and Taiwan.

Co-operation with other countries and international tourism organisations

2009 was the 'Hong Kong-Japan Tourism Exchange Year'. Both sides strengthened promotions to boost two-way tourism and enhance cultural exchanges. In 2009, Hong Kong also concluded agreements with Australia, Hungary, Italy and New Zealand to promote wine-related trading and tourism.

Websites

Tourism Commission: www.tourism.gov.hk

Hong Kong Tourism Board: www.discoverhongkong.com

Meetings and Exhibitions Hong Kong: www.mehongkong.com