

## Chapter 15

# Travel and Tourism

*Hong Kong's tourism industry performed impressively in 2010. A record high of over 36 million tourists visited the city during the year, enjoying its many attractive offerings. Works on expanding Hong Kong Disneyland and Ocean Park, two popular tourist spots, are under way as is the construction of a cruise terminal at the former Kai Tak Airport. The Government is also reviewing different aspects of the tourism industry to enhance further Hong Kong's appeal as Asia's world city.*

Hong Kong's tourism industry bounded in 2010, thanks to the recovering global economy which boosted visitor arrivals in 2010 by 21.8 per cent over 2009, to a historic high of 36.03 million surpassing the 30 million mark for the first time.

The Mainland continued to be the largest source of visitors. A total of 22.68 million Mainland visitors came to Hong Kong in 2010, representing an increase of 26.3 per cent. Elsewhere, both long-haul (+10.5 per cent) and short-haul (+17.1 per cent) markets registered remarkable growth. Emerging markets such as Russia (+102 per cent), India (+44.8 per cent) and the Middle East (+20.7 per cent) continue to show excellent performance.

### Major Tourism Developments

While work on boosting family and business travels continued, special effort was made to promote MICE (Meetings, Incentive travels, Conventions and Exhibitions), cruise tourism, mega events and green tourism.

#### MICE

Hong Kong is an international financial centre, an aviation hub in Asia-Pacific and a gateway to the Mainland. Coupled with world-class convention and exhibition facilities and diversified tourism offerings, Hong Kong is a premier MICE destination. The Government has earmarked \$150 million for promoting MICE tourism over five years. A dedicated office 'Meetings and Exhibitions Hong Kong' (MEHK) has been established under the Hong Kong Tourism Board (HKTb) to provide one-stop professional services for organisers of MICE events and strengthen promotion, thereby attracting more MICE events to Hong Kong.

Thanks to the concerted efforts of the Government, MEHK and the MICE trade, there were 1.43 million overnight MICE visitor arrivals to Hong Kong in 2010, a rise of 22.8 per cent over 2009. Hong Kong was once again selected in 2010 as the 'Best Business City in the World' by a leading MICE journal. Major MICE events held in Hong Kong during the year included Asia Fruit Logistica, Asia Funeral Expo, Asian Seafood Exposition, CARTES in Asia, CineAsia, InfoComm Asia, Mobile Asia Congress and XXVII Collegium Internationale Neuro-Psychopharmacologicum World Congress. Also in 2010, Hong Kong won the hosting rights for a number of large-scale MICE events, including SIGGRAPH Asia 2011, Vitafoods Asia 2011, 2012 Junior Chamber International Asia Pacific Conference and 2012 FDI Annual World Dental Congress.

### *Cruise Tourism*

Work on the new cruise terminal project at Kai Tak is progressing at full swing. Construction of the terminal began in November 2009, and the first berth and the terminal building are expected to commence operation in mid-2013. The Government is also working with the Advisory Committee on Cruise Industry on matters such as itinerary development, promotion and manpower training, to develop Hong Kong as a leading regional cruise hub.

The HKTB continues to promote Hong Kong as a 'must' cruise destination, and participate in various cruise industry conferences to drive home this message.

### *Mega Events*

Mega events enrich the travel experience of visitors and add colour and vibrancy to the city. Every year, a number of popular and established events are held in Hong Kong, such as the Rugby Sevens and Hong Kong Marathon. To further promote Hong Kong as an events capital of Asia, the Government set up a \$100 million 'Mega Events Fund' in 2009 to sponsor non-profit-making organisations to stage large-scale arts, cultural and sports events in the following three years. So far, 13 events have been approved for funding amounting to \$45 million. These large-scale events, including international dragon boat races-cum-carnival, multimedia art exhibition and international tennis tournament, are expected to draw some 580 000 participants. By the end of 2010, seven of them had taken place, attracting 340 000 participants, including 78 000 visitors.

In addition, the HKTB organised a number of mega events to attract visitors to the city. These include the annual International Chinese New Year Parade in February, the Cultural Celebrations featuring four traditional Chinese festivals in May, the Hong Kong Summer Spectacular in July and August, the Halloween Treats in October, the Hong Kong Wine and Dine Festival from October 28 to 31, and the Hong Kong WinterFest and the New Year Countdown Celebrations in December.

### *Green Tourism*

In November, the HKTB organised the 'Great Outdoors Hong Kong!' for the second consecutive year. The programme takes visitors on walks along different sections of Hong Kong's longest hiking track, the MacLehose Trail. Guided tours are provided free of charge and participants are given a guidebook containing pictures of the trail's scenic spots.

## Tourism Infrastructure, Facilities and Products

Hong Kong offers a wide range of attractions to 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.

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

### *Ocean Park*

Redevelopment of Ocean Park is in full swing. Upon completion in 2012, it will become a world-class marine-themed park featuring more than 70 attractions, one of which is 'Aqua City' comprising one of Asia's largest aquariums and an aquarium restaurant, due for completion in early 2011.

The famous Chinese Sturgeon, believed to have lived at the time of dinosaurs, and other rare fish from the Yangtze River are displayed in the new 'Chinese Sturgeon Aquarium - Yangtze Exploration' opened in June 2010.

### *A Symphony of Lights*

Another attraction that captivates 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'. The show features interactive lights beamed with music from 44 buildings on both sides of the harbour, revealing a vibrant, stunning Victoria Harbour at night.

### *Hong Kong Disneyland*

Hong Kong Disneyland has received over 25 million visitors since it opened in September 2005. Since then, it has won close to 130 awards for being one of the most popular and the best themed resorts in Asia.

Hong Kong Disneyland's expansion is expected to be completed in phases by 2013. Three new themed areas will be added to the park, 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 wetland to biodiversity, civilisation and conservation.

### *Ngong Ping 360*

The Ngong Ping 360 cable car takes visitors on a scenic 25-minute ride above sea and land between Tung Chung and the top of Lantau Island, where a Buddhist-

themed village is located. It also links up other famous tourist attractions such as the Tian Tan Buddha, commonly known as the 'Big Buddha', the Po Lin Monastery, the Ngong Ping Piazza, the Wisdom Path, the quaint fishing village of Tai O and enticing beaches on the southern part of the island.

In September, Ngong Ping 360 won the prestigious Gold Award 2010 for Corporate Environmental Programme presented by the Pacific Asia Travel Association.

### *Ngong Ping Piazza*

The Ngong Ping Piazza, covering an area of about 1.5 hectares, opened in August. It has four components, namely:

- the new Pai Lau (an iconic feature set at the entrance of the piazza which was built in the Northern architectural style of the Qing Dynasty),
- the Di Tan (an open space facing the Po Lin Monastery and the Giant Buddha where religious ceremonies are held occasionally),
- the Bodhi Path (a central walkway stretching from the new Pai Lau to Di Tan, lined on both sides with religious stone statues and lotus-shaped lanterns) and
- a Chinese landscaped garden.

The piazza has strong Buddhist characteristics. It blends in with the religious ambience of Ngong Ping and links up the various tourist attractions there, including Po Lin Monastery, the Giant Buddha, Ngong Ping 360 cable car, Ngong Ping Village and Wisdom Path. The piazza enables visitors to better explore Ngong Ping, a popular tourist spot characterised by its religious setting and beautiful natural scenery, in a coherent manner.

### *Projects in the Pipeline*

A plan is being drawn up to rejuvenate traditional tourist spots across Hong Kong. It includes a promenade to be built on the Lei Yue Mun waterfront and 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.

The Government plans also to improve the promenades on both sides of Aberdeen Harbour as well as Ap Lei Chau Main Street and adjacent streets. The aim is to enhance Aberdeen's tourism appeal by bringing out the unique features of the traditional fishermen's village of Aberdeen and enhancing its overall appearance as well as the area's tourist facilities.

Also being planned is a piazza to be built behind the Tsim Sha Tsui Star Ferry Pier to link up the area's attractions, cultural facilities and the activities.

## **Hong Kong Tourism Board**

The Hong Kong Tourism Board (HKTB) is a statutory Government subvented organisation, responsible for marketing and promoting Hong Kong around the world

as a preferred travel destination. It comprises 20 members from various tourism-related sectors and community leaders. It works from a head office in Hong Kong and has 15 branch offices and seven representative offices around the world.

### *Information Network*

The HKTB has two visitor centres in Hong Kong, on the Peak and in Tsim Sha Tsui respectively, as well as information counters at the Hong Kong International Airport and the Lo Wu boundary crossing.

A 'Hong Kong Pals Programme' launched in 2009 to promote in-depth exploration of Hong Kong for visitors is enjoying success. The programme is run by volunteers, called 'Hong Kong Pals' stationed at the visitor centres to assist tourists.

The HKTB website [www.discoverhongkong.com](http://www.discoverhongkong.com) receives more than 4.5 million visits per month and offers information in 20 languages. It is updated and enhanced regularly. The HKTB also launched a number of sites online for discussion and social networking, as well as videos, blogs and micro-blogs. Taking advantage of the popularity of smart phones, the HKTB has developed functional guides and applications for the mobile phones to promote Hong Kong to visitors. These include the 'Local Delicacies Guide', the Simplified Chinese version of 'HK720' which showcases Hong Kong's attractions in virtual tours with 720-degree panoramas, as well as fun games to promote traditional festivals. The HKTB also collaborates with PCCW, the largest WiFi operator in Hong Kong, to provide visitors with free WiFi access to surf the HKTB website and download mobile applications.

### *Marketing*

The HKTB spearheads promotion programmes in major tourist source markets. It adopted 'Festive Hong Kong 2010' as the marketing theme for the year and staged a series of events to highlight different festivities in Hong Kong. As a marketing platform for the Festive Hong Kong Year, a dedicated mini-site with interactive tools was created to promote Hong Kong during special occasions.

## **Service Quality**

### *Quality Tourism Services*

The HKTB's Quality Tourism Services (QTS) Scheme for promoting quality service at shops, restaurants, visitor accommodation facilities and hair salons is widely supported by the industry and has encouraged many in the industry to improve their services. At the end of 2010, more than 1 330 local establishments with over 7 400 outlets, had earned QTS accreditation.

### *Honest and Quality Tourism*

The Government works closely with the tourism industry and related organisations to promote honest and quality 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) inspects tour operations and registered shops regularly. It also

operates a 'Refund Protection Scheme for Registered Shops'. Under the scheme, Mainland tour group visitors unhappy with their purchases may return the goods and seek refund within 180 days of purchase, provided the goods are in proper condition.

The TIC established a 'Task Force on the Review of the Operation and Regulation of Mainland Inbound Group Tours' to examine the arrangement for receiving Mainland tour groups and to propose improvements to existing regulations. The task force published its report in October 2010 which contains 10 proposals for strengthening the TIC's existing regulatory system; enhancing its penalty system's transparency; clarifying the respective responsibilities and rights of the parties involved in receiving tours; and raising tourists' awareness of consumer rights. The measures will go into effect on February 1, 2011.

The HKTB also introduced in 2006 the 'Quality & Honest Hong Kong Tour' in the Mainland that is guaranteed free of compulsory self-paid activities, guided shopping and imposition of surcharges.

The HKTB strengthened promotion of its tours in 2010 and at year's end the quality and honest tours were offered at 32 counters and 52 online travel portals, covering 27 Mainland cities.

### *Hospitality initiatives*

Hospitality is essential to sustaining tourism. The Government runs a 'Hong Kong Young Ambassador Scheme' to train young people to be polite and helpful to visitors and to develop a strong hospitality culture in schools and in the community. More than 2 000 young people have joined the programme and have rendered about 160 000 hours of ambassadorial service.

### **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 (IVS), introduced by the Mainland, permits citizens of 49 designated Mainland cities to visit Hong Kong on their own instead of in tour groups. It is becoming increasingly popular. More than 14.24 million Mainlanders visited Hong Kong under the scheme in 2010, representing about 63 per cent of all Mainland arrivals.

New arrangements such as the one-year multiple-entry IVS endorsement for Shenzhen residents with household registrations to visit Hong Kong are being well received. The criterion for non-Guangdong residents living in Shenzhen to apply for IVS endorsements in Shenzhen to visit Hong Kong (without having to return to their cities of origin for such endorsements) was further expanded in December to cover most of such residents employed in Shenzhen.

## Protection of Travellers

Travel agents have to obtain a licence from the Government for conducting outbound and inbound travel business as prescribed by the Travel Agents Ordinance. They are required to be a member of the TIC and to observe its codes of conduct. The TIC investigates complaints against travel agents and takes disciplinary actions against non-compliance. There were 1 555 licensed travel agents at year's end.

A 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 travel agent default. One such case occurred during the year and ex gratia payments amounting to \$117,000 were paid to 177 affected travellers.

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.

Travel agents have to assign accredited tourist guides to receive inbound visitors. Hong Kong had 6 226 accredited tourist guides at year's end.

## Tourism Co-operation

### *Mainland*

The Tourism Commission maintains close liaison with the Mainland tourism authorities, and meetings are held regularly to discuss matters of mutual interest, such as regulating the trade, joint promotions and healthy development of the tourism industry.

### *Macao*

In May, Hong Kong and Macao held their third annual meeting to discuss tourism matters such as joint efforts in developing and promoting 'multidestination' itineraries.

### *CEPA*

In May, a further tourism liberalisation measure was introduced under Supplement VII to the Mainland and Hong Kong Closer Economic Partnership Arrangement (CEPA). It allows Hong Kong travel agents established on a wholly owned or joint venture basis in the Beijing and Shanghai municipalities to apply to operate, on a trial basis, group tours to Hong Kong and Macao for residents with household registrations in the two municipalities.

### *Co-operation with other countries and international tourism organisations*

In February 2010, the Secretary-General of the United Nations World Tourism Organisation (UNWTO), Dr Taleb Rifai, visited Hong Kong. During his stay, Dr Rifai visited major tourist attractions and met the Chief Executive. The visit gave a boost to Hong Kong's image as an international tourist destination and promoted exchange between Hong Kong and the UNWTO.

In 2010, Hong Kong also concluded agreements with a number of countries and regions to promote wine-related tourism, including Portugal, Chile, Bordeaux and Burgundy in France, Oregon and Washington states in the United States and Veneto in Italy.

*Websites*

Tourism Commission: [www.tourism.gov.hk](http://www.tourism.gov.hk)

Hong Kong Tourism Board: [www.discoverhongkong.com](http://www.discoverhongkong.com)

Meetings and Exhibitions Hong Kong: [www.mehongkong.com](http://www.mehongkong.com)