

Travel and Tourism

Amidst global economic uncertainty and increased regional competition, 2016 was a challenging year for the tourism sector.

Additional government funding of \$240 million, aimed at increasing the competitiveness of the city as a premier destination, has narrowed the decline in total visitor arrivals, with signs of rebound in some short-haul markets.

Hong Kong welcomed 56.7 million visitors in 2016, lower than the 59.3 million the year before. The slowdown in inbound tourism since 2015 was mainly due to an unfavourable currency factor and intensified competition in the region. The 'one trip per week' policy, in force since April 2015 in response to the public's views, also contributed to a decline in Mainland visitor arrivals. The government has adjusted the city's strategy in moving steadfastly towards promoting a balanced, healthy and long-term development of the tourism industry, with an objective to attract more diversified and high-value-added services. Tourism performance has improved since the second quarter of the year.

Major Tourism Developments

The city makes special efforts to promote MICE (Meetings, Incentives, Conventions and Exhibitions), cruise tourism, mega events and green tourism, as work on boosting family and business travels continues.

MICE

Hong Kong is a premier MICE destination, offering world-class convention and exhibition facilities and a wide range of tourist attractions. It has a dedicated office, the Meetings and Exhibitions Hong Kong, under the Hong Kong Tourism Board to promote MICE tourism. The city hosts some of the world's largest trade fairs, such as the Hong Kong Electronics Fair, Hong Kong Jewellery and Gem Fair, Hong Kong Gifts and Premium Fair, and Hong Kong Watch and Clock Fair. In 2016, the city received 1.89 million overnight MICE visitors, an increase of 9.9 per cent over 2015.

Major conventions and exhibitions included Art Basel, IFX Expo Asia 2016, the 16th World Congress of Anaesthesiologists, Million Dollar Round Table Experience and Global Conference 2016, 26th International Congress of the Transplantation Society 2016, 55th Orient and

Southeast Asian Lions Forum, 38th Asia Pacific Dental Congress 2016, 2016 International Royal Australian and New Zealand College of Psychiatrists (RANZCP) Congress of Psychiatry and 9th International Council of Nurses (ICN) International Nurse Practitioner/Advanced Practice Nursing Network Conference 2016. Major events coming up next year include the 25th Asian and Oceanic Congress of Obstetrics and Gynaecology 2017, CardioRhythm 2017, Rhinology World Congress – Hong Kong 2017, 23rd International Conference on Oral and Maxillofacial Surgery, Critical Communications World 2017, 2017 World Recycling Convention & Exhibition, 13th World Harp Congress, Cloud Expo Asia 2017, 15th Urological Association of Asia Congress 2017, 46th International Congress and Exposition on Noise Control Engineering and 15th Intelligent Transport System Asia Pacific Forum and Exhibition.

Cruise Tourism

The Kai Tak Cruise Terminal can accommodate two mega cruise ships with a gross tonnage of up to 220,000 tons each. In 2016, the terminal handled 95 ship calls involving 105 calendar days. Total passenger throughput exceeded 420,000. The number of ship calls is expected to continue increasing in the coming years.

The board will continue to promote regional cooperation of the cruise industry through the Asia Cruise Cooperation launched in March 2016 to leverage the synergy among the partnering ports via an incentive scheme named Asia Cruise Fund, joint promotion events and participation in large-scale industry events, so as to drive ship deployment to Hong Kong and foster the city's position as a regional cruise hub.

Mega Events

Hong Kong recognises large-scale events enrich visitors' travel experience and add colour and vibrancy to the city. The government's Mega Events Fund has supported 30 events since being established in 2009 to encourage the staging of such events. In April 2012, the Legislative Council's Finance Committee approved \$150 million to extend the fund's operation for a further five years to attract more mega events. The government will review the way forward for the fund in 2016-17.

Mega events organised by the board in 2016 included the International Chinese New Year Parade, Hong Kong Dragon Boat Carnival, Hong Kong Pulse 3D Light Show, Hong Kong Cyclothon, Hong Kong Wine and Dine Festival, Hong Kong WinterFest and New Year countdown celebrations.

Green Tourism

The board's Great Outdoors Hong Kong campaign promotes the Hong Kong Global Geopark of China, the natural scenery of outlying islands, hiking trails, cycling routes and other green attractions. These attractions are showcased via the board's website, guidebooks, mobile applications, social media platforms, visitor centres and a hotline.

Tourism Infrastructure, Facilities and Products

Hong Kong has something for everyone – the sightseer, the food lover, the shopper, the family, the businessman, the leisure traveller, the young and the old. Topping the popularity list of

sightseeing spots is The Peak, which provides a panoramic view of Hong Kong Island, the Kowloon Peninsula and Victoria Harbour. Other attractions include the theme parks, temples, heritage sites, natural landscape, and the many shops that have earned Hong Kong the reputation as a shoppers' paradise. Accommodation options are also aplenty, ranging from licensed guesthouses and youth hostels to luxury hotels. As at end-2016, 263 hotels and 1,464 licensed guesthouses were providing more than 74,800 and 12,400 rooms, respectively.

Ocean Park

Ocean Park is a world-class marine theme park featuring more than 80 attractions. Development projects under way include an all-weather indoor cum outdoor waterpark at Tai Shue Wan and its two hotels, namely Hong Kong Ocean Park Marriott Hotel and Fullerton Hotel @ Ocean Park, which are expected for completion in phases from 2018 to 2020.

A Symphony of Lights

Another attraction that captivates visitors is the nightly spectacle 'A Symphony of Lights'. Interactive lights are beamed with music from 47 buildings on both sides of the harbour, revealing a spectacular view of Victoria Harbour at night.

Hong Kong Disneyland Resort

Hong Kong Disneyland Resort has received more than 64 million visitors since its opening in 2005, and has won over 540 awards as one of the most popular and best themed resorts in Asia. The theme park introduced a series of new Star Wars-themed offerings in June and planned to launch a new area based on Marvel's Iron Man franchise in January 2017. Disney Explorers Lodge, a resort-style hotel with an exploration theme, will also open in the first half of 2017.

Food Truck Pilot Scheme

The Food Truck Pilot Scheme aims to add fun and vibrancy to tourist attractions by providing diverse, creative and quality food options to tourists and locals while showcasing good hygiene and food safety. Sixteen competitors out of a field of 51 shortlisted from 192 applications won a Cook-Off Challenge in July and are equipping their food trucks and applying for the relevant licences. The food trucks are expected to debut in early 2017.

Wetland Park

The Hong Kong Wetland Park, a world-class eco-tourism facility, is home to a wide assortment of wildlife, including birds, dragonflies, amphibians, mammals, reptiles, butterflies and fish. The park comprises 60 hectares of recreated 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 Cable Car offers a spectacular 25-minute journey with views of the flora and fauna of North Lantau Country Park, Tung Chung Bay and Hong Kong International Airport. It takes guests to Ngong Ping Village, which is designed in a Chinese architectural style with themed attractions including Stage 360, Motion 360 and Walking with Buddha. The Tian Tan Buddha, Po Lin Monastery, Ngong Ping Piazza and Wisdom Path are other attractions.

Ngong Ping 360 was named in '10 of the world's most amazing cable car experiences' by CNN.com in the United States in 2015.

Peak Tram

The Peak Tram is a 1.4km cable-hauled funicular railway that began running from Garden Road in Central to The Peak in 1888. It is one of the most popular attractions among visitors for offering a unique view of the ridgeline and skyscrapers of the city.

Hong Kong Tourism Board

The board is a statutory government-subsidised 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. In addition to its Hong Kong head office, the board has 15 offices worldwide and representatives in six source markets.

Information Network

There are six visitor centres locally, at The Peak Piazza, Tsim Sha Tsui Star Ferry Concourse, airport (two centres), Lo Wu boundary crossing terminal building and Kai Tak Cruise Terminal, whose visitor centre operates during ship calls.

Visitors can check out travel recommendations from locals through the Hong Kong Pals programme. Travel information is also available from the board through its website, presented in 22 versions using 15 languages, and via its mobile apps and online campaigns on social networking sites. In 2016, a mobile site with 11 versions was rolled out to cater for an increased number of clicks via mobile devices.

Marketing

The board spearheads the promotion of Hong Kong in major tourist source markets and strives to offer the best experiences for visitors. It adopts 'Best of all, it's in Hong Kong' as a destination brand to highlight that, from world-class attractions to the East-meets-West culture, Hong Kong warmly welcomes the world to experience the best it has to offer.

Service Quality

Honest and Quality Tourist Services

The government works closely with the tourism industry and related organisations to promote honest and quality services for tourists. It cooperates with the Travel Industry Council of Hong Kong to enhance consumer protection and ensure the healthy development and operation of the tourism market. Laws such as the Trade Descriptions Ordinance are in place to prohibit unfair trade practices and protect the legitimate interests of consumers.

The council inspects tour operations and registered shops regularly. It also operates a Refund Protection Scheme for Registered Shops, which allows Mainland tour group members who are not satisfied with their purchases to return the goods and seek refunds within 180 days of purchase, provided the goods are in proper condition.

The board's Quality Tourism Services (QTS) Scheme encourages shops, restaurants and visitor accommodation facilities to offer good services. It enjoys broad support; by the end of 2016, some 1,250 local establishments with about 8,200 outlets had earned QTS accreditation.

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 the community. More than 3,400 young people have joined the programme so far, rendering more than 310,000 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 for stays of seven to 180 days.

The Mainland's Individual Visit Scheme permits residents of 49 designated Mainland cities to visit Hong Kong on their own instead of in tour groups. About 24 million Mainlanders visited Hong Kong under the scheme in 2016, representing about 57 per cent of all Mainland arrivals. Upon the Hong Kong government's request, the central government on 13 April 2015 announced replacing multiple-entry Individual Visit Endorsements for permanent residents of Shenzhen with 'one trip per week' Individual Visit Endorsements with immediate effect.

Protection of Travellers

Travel agents must obtain a government licence and be Travel Industry Council members to carry out travel business under the Travel Agents Ordinance. The council requires in its directive that only tourist guides it accredits can be assigned to receive inbound visitors. The council investigates complaints and takes disciplinary action against travel agents who do not observe its rules. Hong Kong had 1,740 licensed travel agents and 6,391 accredited tourist guides at the end of 2016.

The statutory Travel Industry Compensation Fund provides ex gratia payments of up to 90 per cent of the loss of outbound fares to outbound travellers in the event of a travel agent default. Ex gratia payments close to \$2,441,000 were paid to 1,931 travellers affected by three default cases in 2016. The fund also offers aid in cases of outbound travellers injured or killed in accidents in the course of an activity arranged by a travel agent. It made an ex gratia payment of \$23,000 for an accident that happened in 2016. Travellers must submit their applications within 24 months from the date of loss arising from a travel agent default or an outbound accident, and the review starts once all necessary documents are produced.

New Regulatory Framework

Following a review of the regulatory framework, the government will introduce a bill into the Legislative Council in the first half of 2017 to set up an independent statutory body, the Travel Industry Authority, to regulate travel agents, tourist guides and tour escorts.

Tourism Cooperation

Mainland

The government maintains close liaison with Mainland tourism authorities and holds meetings to discuss matters of mutual interest, such as the regulation of the trade, joint promotions and development of the industry.

Macao

Hong Kong and Macao maintain close cooperation in developing and promoting multi-destination itineraries which include both places as well as other neighbouring cities.

Other countries and international tourism organisations

Hong Kong is a member of the Asia-Pacific Economic Cooperation Tourism Working Group and the Pacific Asia Travel Association, and an associate member of the United Nations World Tourism Organisation.

Websites

Hong Kong Tourism Board: www.discoverhongkong.com

Meetings and Exhibitions Hong Kong: www.mehongkong.com

Tourism Commission: www.tourism.gov.hk