2 September 2014 Tuen Mun District Council Meeting <u>Commerce and Economic Development Bureau's response to</u> <u>"multiple-entry Individual Visit Endorsements" and other tourism policies</u>

The HKSAR Government understands the community's concern about the impact of the continuous growth in visitor arrivals on people's livelihood. In fact, the Chief Executive announced in September 2012 that the relevant Mainland authorities would liaise and work closely with the HKSAR Government to ascertain the receiving capacity of Hong Kong before considering implementing multiple-entry Individual Visit Endorsements for non-permanent residents of Shenzhen, and arranging the orderly issuance of exit endorsements for non-permanent residents in six cities. After that, the HKSAR Government also conducted a comprehensive assessment on Hong Kong's capacity to receive tourists. Following the completion of the Assessment Report on Hong Kong's Capacity to Receive Tourists (Assessment Report) at the end of last year, the HKSAR Government is making great efforts to enhance Hong Kong's capacity to receive tourists along the recommendations in the Assessment Report, including the expansion of the two theme parks, the commissioning of the second berth of the Kai Tak Cruise Terminal, etc. We will also continue to adopt a multi-pronged approach to increase the supply of hotel rooms, with a view to fostering the long-term and steady development of our tourism industry.

2. Taking into account the community's continued concerns about Hong Kong's capacity to receive tourists, the Chief Executive indicated on 4 April this year that the HKSAR Government is looking into means to adjust the growth in visitor arrivals and the composition of visitors. The study is in progress. We will announce the outcome as soon as possible upon liaison with the Central Government and relevant Mainland authorities.

3. As regards tourism promotion, the Hong Kong Tourism Board (HKTB) has been actively encouraging our tourists to visit and spend in different districts. In recent years, the HKTB has made use of different channels, including the Internet, social media, smartphone applications with augmented reality technology, pamphlets, etc., to promote a number of themed routes bundling various attractions in different districts. To better utilise the tourism resources of each district and to encourage visitors to gain an in-depth and comprehensive understanding of the specialties and local living culture of

various districts, the HKTB will strengthen the promotion of attractions in different districts in 2014-15, including setting up a dedicated webpage in a progressive manner to showcase various tourism offerings in the 18 districts. The webpage will feature unique historical attractions and buildings, living culture, dining delights, themed shopping streets and specialty markets, etc., so as to offer more choices to visitors.

4. As regards the means to mitigate the impact of visitors who mainly come for shopping on the daily lives of members of the public, we notice that there has been a suggestion of developing a shopping centre at the border area. We consider such suggestion worth considering. If the proposal could be materialised, it might help divert visitors in the short term and provide job opportunities to residents of the existing and planned new towns in the New Territories in the long run. We have earlier received a proposal on the development of a shopping centre at the Lok Ma Chau border area. Since the area involved in the proposal is primarily private land, it may not meet the statutory requirement of resuming land for a public purpose should the Government take forward the private business development by way of land resumption. Land resumption would also involve a substantial amount of public funds and a prolonged period of time. We believe that it will be more efficient if the land owners could co-ordinate with other market stakeholders in pursuing the future development of the area concerned having regard to the commercial potential of the area. We will be glad to co-ordinate with the Government departments concerned to provide necessary information and assistance to the project proponent.

5. In the long run, in order to attract high value-adding tourists to Hong Kong, we will develop "Kai Tak Fantasy" and Lantau Island into two unique tourism complex, where unique attractions and facilities will be available, including hotels, restaurants and shopping centres.

Commerce and Economic Development Bureau August 2014