

LCQ6: Resuming the issuance of the “multiple-entry” endorsements to Shenzhen residents

Following is a question by the Hon Michael Tien and a reply by the Acting Secretary for Culture, Sports and Tourism, Mr Raistlin Lau, in the Legislative Council today (January 10):

Question:

It is learnt that since the full resumption of normal travel between the Mainland and Hong Kong early last year, the number of Hong Kong travellers going north has increased significantly whereas the number of Mainland travellers coming south has decreased significantly, which has dealt quite a heavy blow to Hong Kong's consumption market. In this connection, will the Government inform this Council, given that the Individual Visit Endorsements for Shenzhen permanent residents visiting Hong Kong were changed a few years ago from "multiple-entry" endorsements to "one trip per week" endorsements in view of the problem of Hong Kong's capacity to receive visitors and in order to offer better experiences to visitors and reduce their impact on local residents, whether the Government has reviewed if Hong Kong's current capacity to receive visitors is sufficient to receive more Mainland visitor arrivals to Hong Kong; if it has not, of the reasons for that; if it has and the outcome is that Hong Kong has sufficient capacity to receive more Mainland visitor arrivals to Hong Kong without compromising the quality of their trips or creating too much impact on local residents, whether the Government will discuss with the Mainland authorities the resumption of the multiple-entry measure before the Lunar New Year next month; if it will not, of the reasons for that; if it will, whether the Government will consider, on the premise that Hong Kong has sufficient capacity to receive visitors, discussing with the Mainland authorities the further extension of the multiple-entry measure to other Mainland cities of the Guangdong-Hong Kong-Macao Greater Bay Area; if it will not, of the reasons for that?

Reply:

President,

Culture, Sports and Tourism Bureau (CSTB)'s reply to the question raised by the Hon Michael Tien is as follows:

The tourism industry is an important pillar of Hong Kong's economy, accounting for 4.5 per cent of our Gross Domestic Product in 2018 and provided over 250 000 employment opportunities. Therefore, the HKSAR Government has been supporting its healthy development.

As normal cross-boundary travel resumed in February last year, Hong

Kong's tourism industry began to recover at full speed with number of visitor arrivals gradually increasing. Based on preliminary statistics, the total number of visitor arrivals exceeded 34 million in 2023, which went far beyond the 25.8 million as estimated by the Hong Kong Tourism Board (HKTB) in early 2023, and the number of visitor arrivals in the second, third and fourth quarters accounted for 59 per cent, 68 per cent and 62 per cent of the average of the same period in 2017 and 2018 when compared with pre-pandemic level.

During the period of the previous New Year's Eve and New Year holidays (i.e. December 30, 2023 to January 1, 2024), we recorded a total of around 430 000 Mainland visitor arrivals and a daily average of 140 000, which exceeded the daily average achieved during Labour Day and National Day Golden Weeks last year by 16 per cent and 6 per cent respectively and reached about 73 per cent of the daily average of the same period in 2017 and 2018, before the pandemic.

The Individual Visit Scheme has been implemented since July 28, 2003 in accordance with the main document of the Mainland and Hong Kong Closer Economic Partnership Arrangement. Residents from a total of 49 designated Mainland cities can apply for the Individual Visit Scheme endorsements to visit Hong Kong in their individual capacity. At present, majority of Mainland visitors visit Hong Kong via the Individual Visit Scheme, accounting for 60 per cent of the overall Mainland visitor arrivals in 2023. The policy has broadened the source markets for the tourism industry of Hong Kong.

Since April 1, 2009, the Central Government allowed eligible Shenzhen residents to apply for "multiple-entry" Individual Visit Endorsements, the holders of which could enter and exit Hong Kong unlimitedly within the one-year validity period. In response to the concern of the community, the HKSAR Government comprehensively assessed the capacity of Hong Kong to receive visitors, covering the handling capacity of boundary control points, capacity of tourism attractions, receiving capacity of hotels, carrying capacity of public transport network, impact on the livelihood of the community, and economic impact, etc, and published the Assessment Report on Hong Kong's Capacity to Receive Tourists (the Report) in 2013. The Report does not recommend setting a limit on visitor arrivals. However, it acknowledges that with the continuous growth of visitor arrivals, Hong Kong should increase its capacity for receiving tourists on various fronts. After that, due to residents' continuous concern over Hong Kong's carrying capacity and the problem of parallel trading, the HKSAR Government proposed to the Central Government to replace the "multiple-entry" Individual Visit Endorsements with the "one trip per week" Individual Visit Endorsements, and implemented the relevant policy on April 13, 2015.

Subsequent to the publication of the above Report, various large-scale cross-boundary infrastructure, including the Hong Kong-Zhuhai-Macao Bridge, the Hong Kong Section of the Guangzhou-Shenzhen-Hong Kong Express Rail Link and the Liantang/Heung Yuen Wai boundary control point, were completed. Hong Kong's cross-boundary transportation capacity has been strengthened, offering more choices for Mainland visitors' trips to Hong Kong and therefore facilitating Mainland visitors to visit Hong Kong. Since the transportation

between the Mainland and Hong Kong becomes more convenient, the coverage of the "one-hour living circle" has been expanding continuously. It is anticipated that more Mainland visitors will visit Hong Kong in the form of same-day visit and their travel habits will be different from traditional visitors and will be more similar to local residents' activities and habits. For example, they may not stay in Hong Kong in the hope of covering more attractions or activities; instead, they would rather visit again. On the other hand, based on the findings of the HKTB, the average length of stay of Mainland overnight visitors has extended from 3.1 nights before the pandemic to 3.4 nights in the third quarter last year, which reflects that attractions and activities in Hong Kong are attractive enough for traditional visitors to extend their stay in Hong Kong. In fact, the HKTB's exit survey with visitors has proved this again.

On the receiving capacity of hotels, there were more than 100 000 rooms offered by hotels and guesthouses in total in late November 2023, representing a 31 per cent increase as compared with 2013. Regarding tourist attractions, the Hong Kong Disneyland Resort continued to implement its multi-year expansion and development plans including the opening of the world's first and largest "World of Frozen" in November 2023, the openings of the Ocean Park's all-weather indoor cum outdoor Water World and the Fullerton Ocean Park Hotel Hong Kong in recent years, the upgrading and re-opening of the Peak Tram in August 2022, and the launching of the Ngong Ping 360's "Crystal+" cabin in December 2022 which offers 360-degree panoramic view. Moreover, various cultural spots including Hong Kong Palace Museum, M+ museum and Hong Kong Museum of Art have been built or renovated, which helped to attract visitors. In addition, the Travel Industry Authority (TIA), the regulatory body of the travel industry, has come into operation in September 2022 which promotes the integrity, competence and professionalism of the travel agents, tourist guides and tour escorts through its licensing and regulation mechanism. The TIA also continues to monitor the operation and management of tour groups, with a view to minimising the impact of their activities on residents livelihood. On the whole, Hong Kong's visitor carrying capacity has improved over the past 10 years.

As the policy bureau responsible for formulating and coordinating the implementation of policies, strategies and plans to promote the development of the tourism industry, the CSTB will continue to actively lead and coordinate with other government bureaux and departments to implement policies and measures that contribute to the vibrant growth of the tourism industry, including developing more in-depth signature tourism products, providing continuous support for various international events, conferences, exhibitions, and incentive travel to be held in Hong Kong, developing cruise tourism products, promoting smart tourism, optimising and enhancing tourist facilities, and implementing comprehensive industry regulations, with a view to attracting more high value-added overnight visitors. On tourism promotion, the HKTB will continue to launch activities to promote Hong Kong's in-depth and diversified travel experiences to visitors through various channels, with a view to attracting visitors to Hong Kong. The CSTB is working on the updating of the "Development Blueprint for Hong Kong's Tourism Industry 2.0" to promote the concept of "tourism+" and "+tourism", in a bid to optimise

collaboration in various fields to enhance the quality of tourism activities and promote the development of other sectors through tourism at the same time, so as to strengthen the integration of culture, sports and tourism, further enhancing Hong Kong's attractiveness. The CSTB is preparing to establish the high-level Tourism Strategy Committee to further promote the long-term and sustainable development of the tourism industry and enhance collaboration among different stakeholders in the sector.

Regarding the recent suggestions of reinstating the measure of "multiple-entry" Individual Visit Endorsements for Shenzhen residents and extending the relevant policies to other cities in the Guangdong-Hong Kong-Macao Greater Bay Area (GBA), the Government has been maintaining close communication with relevant Mainland authorities on the implementation of the relevant arrangements and the way forward, and has nothing to supplement at this stage.

For the upcoming 2024 Chinese New Year Golden Week, the Chief Secretary for Administration will chair the Co-ordination Meeting on Cross-boundary Transport Arrangements for Large-scale Events to enhance co-ordination among relevant departments and the trade, and prepare in advance to ensure smooth cross-boundary transport arrangements for visitors. CSTB will continue to closely monitor the situation and the number of Mainland visitor arrivals, and maintain close communication with relevant Mainland authorities, as well as liaising with the travel trade to better prepare to receive visitors.

Lastly, the CSTB will continue to work with Mainland tourism-related units on initiatives including joint promotion and exchange of visitors, with a view to actively building a GBA tourism brand that caters to regional and international markets, jointly promoting "multi-destination" tourism to source markets and "shaping tourism with cultural activities and promoting culture through tourism", and unleashing Hong Kong's role as an international tourism hub and a core demonstration zone for multi-destination tourism.