

For discussion
on 28 January 2002

Legislative Council Panel on Economic Services

Tourism Development Projects

Introduction

This paper provides an overview of the development of tourism projects and describes the role of the Government departments and other parties concerned in the process.

Policy and the Law

2. Tourism is one of Hong Kong's key economic drivers. The Government is firmly committed to maintain and enhance the existing tourist facilities, while at the same time develop new tourist attractions in a proactive manner with a view to attract more tourists and to enhance the status of Hong Kong as an international city.

The Planning Process

3. Land use planning is the process of formulating development plans to achieve the optimum use of land. Due to the scarcity of land in Hong Kong, pressure from economic development and growing population, it is important that land use planning is efficient but, at the same time, balances the social, economic and environmental pressures that exist. To achieve this, Hong Kong has a three-tier system of land use planning. At the highest level, the long-term territorial development strategies are intended to produce overall planning frameworks for the development of Hong Kong over a thirty-year timeframe. The second tier, the sub-regional development strategies, are intended to look at planning issues in broad areas such as the metropolitan area or south-east New Territories. The third tier studies look at planning issues in specific districts or sectors. A number of departments are involved in these efforts.

Planning Department

4. Planning Department takes the leading role in the tourism development process through the preparation of planning studies at various levels: from the strategic and territorial development studies, to the preparation of sub-regional and district plans for land and infrastructure developments. An example of the former type of work is the Hong Kong 2030: Planning Vision and Strategy Study, one of seven planning objectives of which is to promote tourism to ensure Hong Kong will continue to be a world-class destination.

5. Planning Department also formulates sub-regional level development strategies and undertakes more detailed planning and development feasibility studies, and the consideration of tourism development potential and opportunities is very much part and parcel of the process for these strategies and studies. For example, the South East New Territories Development Strategy identifies clusters of tourism opportunities in the Sai Kung area.

6. At the district level, planning studies like the Focus Study on Aberdeen Harbour are prepared. The Focus Study on Aberdeen Harbour is specifically looking at the tourism and recreation development opportunities in the Aberdeen Harbour and its environs. The first phase of this Study has been completed and a public consultation exercise has been conducted on the development options. The comments received from this exercise will be studied before recommended options are narrowed down and actionable programmes are drawn up. Also, outline development plans and statutory outline zoning plans showing the intended land use for each and every site within specific area are prepared, including land set aside for tourism and tourism-related developments.

7. Key stakeholders and members of the public are consulted during various stages of the planning process. The process also involves statutory procedures like gazetting of statutory land use plans under the Town Planning Ordinance, under which all public comments are considered in accordance with specified procedures.

Territory Development Department

8. Another important contributor to the development process is the Territory Development Department. The Department conducts studies dealing with the actual development of specific areas, and in the process also works closely with the Planning Department. A recent example is the

study on developments at South East Kowloon, which included in its recommendations the development of a tourism node at the tip of the former Kai Tak runway, and the introduction of other tourism related facilities.

The Tourism Commission

9. Prior to the establishment of the Tourism Commission (the TC) in May 1999, there was no focal point within the Government system to act as an advocate for tourism developments within the planning process. The TC has been given the specific remit to formulate policies, action plans and strategies for tourism developments. It is also given the responsibility to steer efforts, co-ordinate public resources and act as a facilitator in planning and implementing major projects, events and coordinating the provision of the infrastructure and facilities conducive to tourism.

10. The TC not only provides input into Government's land use and other development plans to maximize opportunities for tourism developments, it also initiates and helps steer focussed studies to examine tourism development opportunities in selected areas and is responsible for steering and monitoring major tourism projects. An example of this is the TC's involvement in the Focus Study on Aberdeen Harbour described above. The TC has been heavily involved throughout the planning process through commenting on the initial studies and by arranging for key players such as Ocean Park and the Tourism Board to be briefed on the study at an early stage.

11. Since its establishment, the TC has pro-actively taken up responsibility for the tourism input to planning and other studies. In addition, the TC has assumed responsibility for one of the functions previously carried out by the former Hong Kong Tourist Association: the initiation of tourism specific projects and studies in popular tourist districts.

12. One of the most important roles played by the TC is to act as coordinator between government and non-governmental bodies in the planning and implementation process. By facilitating the collection of views on tourism issues through organizing events such as the recent Tourism Symposium, the TC is able to ensure that the views of a wide cross-section of the community are taken into account. To help in this process the Commissioner for Tourism has established the Tourism Strategy Group (TSG). The TSG is consulted on all major tourism

proposals. In parallel, discussions on specific projects may be held with the Hong Kong Tourism Board, the relevant sectors of the industry, the District Councils and other interested parties.

Development of Major Tourism Clusters

13. The Government announced in August 2001 the decision to create five major clusters of major tourism attractions, which reflects the importance given to tourism in the planning process. These will be located in Lantau, Sai Kung, Kowloon, Central and Hong Kong Island South. They will comprise a range of public and private sector projects that complement each other and will provide a range of attractions to visitors and residents alike.

14. The TC's role does not end with the planning process, since the objective is always to identify actionable recommendations and then take them forward in a focused manner with support from the relevant departments. The following paragraphs describe the different types of projects and how they may be undertaken.

Implementation of Tourism Development Projects

15. In implementing tourism developments projects, we try to be as flexible as possible and will use a range of different approaches to suit the circumstances and nature of each project.

Major Projects

16. The Government may implement some projects that are considered to be in the public interest through the usual Public Works Programme. An example of this is the development of the Hong Kong Wetland Park in Tin Shui Wai. The first phase has already been completed and work is now at an advanced stage on the plan for the construction of the second phase. The project is being overseen by the TC with a number of Government Departments involved: design for the Park has been undertaken by the Architectural Services Department and management has been taken up by the Agriculture, Fisheries and Conservation Department.

17. Another approach to project implementation is being used for the Tung Chung Cable Car project on Lantau. This will be

implemented through the grant of a franchise on the basis of a Build-Operate-Transfer arrangement. Three proposals have been received and negotiations with short-listed proponents to enable a decision to be made on the successful proponent are expected to start very soon. Under this arrangement, the successful proponent will be responsible for taking forward the detailed design for the system, undertaking all the necessary statutory procedures, building the Cable Car system to agreed standards, operating it for an agreed period, and at the end of the agreed period returning it to Government. Subject to negotiation, there may also be an opportunity to extend the arrangement at the end of the franchise period.

18. For some mega projects, such as Hong Kong Disneyland, development may be taken forward through a Private/Public sector Partnership arrangement. In the case of Disneyland, the infrastructure will be provided through the normal Public Works Programme, with transport and other utilities provided by the public transport operators and utility companies. The Park itself will be a joint venture between the Disney Company and the Government with Disney being responsible for the design and management of the Park itself. In this case, as this is a tourist initiative, the TC is the main client agency in Government and is represented on the Board of Directors of the Hongkong International Theme Parks Limited (HKITP), the joint venture company. This allows the TC to act as coordinator between the various government departments and the Walt Disney Company, HKITP and other interested parties.

District Level Development Projects

19. Major projects need to be supported by complementary upgrading and enhancement of tourist attractions at the district level. In this regard, the TC has taken proactive steps to introduce measures to revitalize popular tourist areas such as Central and Western District and Tsim Sha Tsui.

20. These projects can range from simple projects such as improvements to signage; projects which require changes in established policy, such as the introduction of outdoor dining facilities in Sai Kung and other areas; to the major enhancement works planned for the Tsim Sha Tsui Promenade. In all cases, the TC works closely with the District Councils, local businesses and the community. Our staff now attend District Council meetings as and when necessary and liaise closely with the District Offices.

21. We are very keen to see the direct involvement of the local community in the improvement of their environment. It is important that such improvements are not only seen to be of benefit to our visitors but also to Hong Kong people, especially those in the relevant districts.

Private Sector Initiatives

22. We have mentioned above the important role of the private sector in tourism developments. This can take many different forms from wholly private sector initiated, owned and managed projects such as the such as the Madame Tussauds exhibition in the Peak Tower to joint venture projects with the Government. In all cases the TC provides a convenient point of contact within government for the major proponents. We can also facilitate projects by helping proponents to navigate through the often complex and extensive licensing and permit process. We act as facilitator to liaise between private sector proponents and government departments.

23. TC's liaison with the private sector takes on a special significance when it comes to tourism specific issues such as coach parking. By working closely with the HKTB and members of the trade, the TC can ensure that such issues are drawn to the attention of the relevant authorities and pressure is maintained to ensure a positive response. Recently such liaison has resulted in agreements on Pedestrianisation projects and on new systems to allow restaurants in suitable locations to apply for permits to establish outdoor sitting areas. Indeed, as a pilot, the TC is acting as coordinator for a joint application under the new system for a group of restaurants in Stanley.

24. As part of the process of liaison with those in the trade, the TC and the HKTB recently organized a Tourism Symposium. This brought together a wide cross-section of interested parties from the trade, Government and the private sector. Such major events cannot be held too frequently so less formal liaison meetings are held from time to time to discuss sector-specific issues such as those affecting the Hotels or the transport operators. Here again the TSG provides a regular forum for discussion of general issues affecting the tourism industry as a whole.

25. One of our most important roles is to ensure full inter-departmental coordination on tourism projects. This is achieved in a number of ways. The Financial Secretary chairs a Tourism Task Force (TTF), on which all key Bureaux and Departments are represented. The TTF is intended to provide the strategic overview on all tourism issues,

including development projects. In addition to this, working level meetings between departments are held on a regular basis to monitor the progress of the various tourism initiatives. For example, the TC holds regular bi-lateral meetings with the Planning Department and the Architectural Services Department and chairs or participates in project steering committees for individual projects.

Events

26. Another aspect of tourism development relates to the events organized to promote interest in Hong Kong among potential visitors. Working closely with the HKTB, local event organizers and venue management, we are constantly working to add to the calendar of events planned throughout the year. Recently, the TC has been actively involved in programmes such as 'Hong Kong Salutes the World' and the 'CLP Lights Up Hong Kong' events.

Conclusion

27. In addition to the interdepartmental mechanism applicable to most projects and issues, a system has gradually emerged for tourism development projects so that they can be taken forward in a timely and positive manner balancing the diverse interests of the local community, tourists and the industry alike. The establishment of the TC has already resulted in considerably more attention being given to Tourism issues within the planning system. In addition, the TC is now in a position to act as both facilitator and one-stop-shop for tourism development projects - be they major infrastructural schemes or local enhancement works.

Tourism Commission
Economic Services Bureau
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