

**Motion on
“Development of the Convention and Exhibition Industry”
at the meeting of the Legislative Council on 24 October 2007**

Progress Report

Purpose

At the Legislative Council meeting of 24 October 2007, the motion moved by Hon Andrew Leung Kwan-yuen, as amended by Hon Wong Ting-kwong, on “Development of the Convention and Exhibition Industry” was carried. This paper seeks to brief Members on the progress made by the Government in furthering the development of the convention and exhibition industry.

Steering Committee on MICE

2. The Steering Committee on MICE (Meetings, Incentives, Conventions and Exhibitions), led by the Financial Secretary and the Secretary for Commerce and Economic Development and comprising representatives from the Government, the trade and relevant organizations, held its second meeting on 29 November 2007. At the meeting, the Government reported progress on a number of issues related to the exhibition and hotel facilities, marketing efforts, new events to be held in Hong Kong and the retention and nurturing of talents, the details of which are set out in the ensuing paragraphs.

Coordinated Marketing Strategy for MICE

3. The Government will enhance marketing strategies for our MICE sectors with the following objectives -

- (a) to attract prestigious conventions, exhibitions and other MICE events to be hosted in Hong Kong;
- (b) to generate incremental attendance and attract high-yield, high profile MICE participants to Hong Kong; and
- (c) to cross-sell tourism products to MICE participants, enhance their visit experience, and prolong their length of stay in Hong Kong.

The Government is working out a comprehensive strategic model in respect of pre-/during/post-event marketing efforts for MICE events with members of the MICE Steering Committee and the trade.

Infrastructure

(a) Additional convention, exhibition and related facilities

4. The Atrium Link extension project of the Hong Kong Convention and Exhibition Centre (HKCEC) will be completed in early 2009. Upon completion, it will add 19 400 square metres of exhibition space, boosting HKCEC's total dedicated exhibition space by 42%, equivalent to 1 000 more booths. This will benefit many Hong Kong's small and medium enterprises on waiting lists to exhibit at HKCEC shows that are presently over-subscribed.

5. Moreover, the Government is examining the feasibility of the HKCEC Phase 3 expansion project proposed by the Hong Kong Trade Development Council (TDC). Relevant bureaux/departments are working closely with TDC to address key issues including traffic impacts, town planning issues and the reprovisioning of public facilities. These are difficult issues yet to be resolved. Intense efforts are continuing.

6. We are also continuing our discussion with the AsiaWorld-Expo (AWE) of the latter's Phase 2 expansion project. Meanwhile, the Government has assisted AWE to apply for a site under a short-term tenancy to relocate its marshalling activities. The relocation will free up the future site of Phase 2 so that construction can start once a decision to take forward Phase 2 has been reached.

7. In parallel, the Government is identifying other appropriate sites in Hong Kong for additional convention and exhibition facilities. The Government is also exploring ways to facilitate hotel development not only to promote tourism but also to attract more MICE activities to Hong Kong.

(b) Transportation services for AWE

8. With a view to improving public transportation services for AWE, the Government has facilitated discussion between the AWE and the MTR Corporation Ltd. (MTRCL) to examine possible types of promotion package so as to better suit requirements of AWE's clients. Discussions are underway.

9. The Transport Department also stands ready to assist AWE and

consider proposals that will enhance the bus service provision to AWE.

(c) Temporary exhibition sites

10. With a view to identifying appropriate temporary sites for exhibitions as a short-term measure to mitigate the shortage of exhibition facilities in Hong Kong, the Government is consulting the trade and will explore if there are sites that could be used for temporary exhibition purpose. The Government will also consider that “Exhibition” be included as one of the allowed land uses in future short term tenancies as appropriate.

(d) Conversion of vacant industrial buildings for expos

11. Some Members proposed that the Government should simplify the application procedures for using vacant industrial buildings for trade expos for Mainland products and expedite the processing of these applications.

12. The Lands Department has already introduced measures to facilitate applications for relaxing restrictions on the use of industrial buildings and has simplified the processing procedure for approving short-term waivers to facilitate industrial building owners to apply for converting their buildings for other uses. The Government is exploring the feasibility of additional measures and support, including enhanced coordination of the work of relevant departments, to facilitate the conversion of industrial buildings for other uses.

(e) Trade Expo at the boarder

13. We are studying the applicability of the proposed model of the Yiwu (義烏) Commodities Market for Hong Kong and have conducted a study trip to Yiwu in November 2007 and are considering whether we can borrow some of Yiwu’s successful experiences.

Bringing More Events to Hong Kong

14. On the convention/exhibition front, the Government and relevant organisers are actively seeking to bring more major international events to Hong Kong, and we have obtained support from the Central People’s Government for Hong Kong to host a number of international conventions in the coming few years. Hong Kong will host, among others, the World Ophthalmology Congress and the Orient and the Southeast Asian Lions Forum in 2008. Moreover, the Government and relevant parties are actively following up on the Asian Aerospace International Expo and Congress in 2009, the Diplomatic

Conference for the Adoption of the International Convention for the Safe and Environmentally Sound Recycling of Ships of the International Maritime Organization in 2009, and the hosting of the 2011 International Olympic Committee Session in Hong Kong.

Retaining and Nurturing Talent

15. The Tourism Commission organized a MICEMan workshop on 22 November 2007 to provide a platform for leading players from the MICE and related tourism sectors, representatives of tertiary and training institutes and the Hong Kong Tourism Board to exchange views on issues relating to the development of Hong Kong's MICE market. Items discussed included major challenges in human resources development faced by MICE and related tourism sectors; provision of training courses at various levels to meet the evolving needs of these sectors; and strategies in recruiting and retaining local and overseas talent to support the development of these sectors in the long-term.

16. More than 60 participants joined the workshop, including conference and exhibition organizers, travel agents, hotel managers, tourist guides, professors and lecturers from universities and training institutes, and representatives from the Immigration Department and the University Grants Committee. The workshop provided useful insights for formulation of relevant policies.

Cooperation with Neighbouring Cities

17. Hong Kong will embrace competition as an opportunity to upgrade and progress and see how we can work together with our neighbouring cities to complement or leverage our respective strengths and attractions. Moreover, the Hong Kong Tourism Board had agreed with the Tourist Office of the Macao Government to strengthen their ties and cooperation in tourism marketing, in particular the promotion of multi-destination itineraries. We will continue to fortify links with our neighbouring cities.