

政制及內地事務局
政府總部



CONSTITUTIONAL AND MAINLAND AFFAIRS BUREAU
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3 June 2008

Clerk to Public Works Subcommittee
Legislative Council Secretariat
Legislative Council Building
8 Jackson Road
Central
(Attn: Ms Angel SHEK)

Dear Ms SHEK,

Public Works Subcommittee
Follow-up to meeting on 21 May 2008
Re: 6GA – HKSAR's Participation in the
World Exposition 2010 Shanghai China – Hong Kong Pavilion

At the meeting of the Public Works Subcommittee of Finance Committee on 21 May 2008, at the request of Hon Emily LAU, the Administration agreed to provide, before the relevant Finance Committee meeting, information on the calculation of the additional income of \$288 million (main scenario) to \$432 million (high scenario) to be brought about by inbound tourists, as a result of the World Exposition 2010 Shanghai China (Shanghai Expo). The requested information is set out below.

The above estimate is based on a preliminary assessment by the Government Economist, taking into account a number of factors including the projected number of induced overseas visitors, the previous visit pattern of these visitors to the Mainland via Hong Kong, and the incoming visitors' spending pattern.

In the World Expo 2005 Aichi Japan, close to 5% of the visitors were overseas visitors. Applying this percentage to the organiser's targeted number of 70 million visitors to the Shanghai Expo, the number of overseas visitors is roughly around 3.4 million. Having regard to the fact that a large proportion of these overseas visitors would be visiting Shanghai in any case,

the number of induced overseas visitors (i.e. visitors who are visiting Shanghai specifically for the Shanghai Expo) is assumed to be about one million.

Based on the prevailing pattern of overseas visitors visiting the Mainland via Hong Kong, it is assumed that about 10% (main scenario) to 15% (high scenario) of these induced visitors would come to Hong Kong due to the Shanghai Expo event. Following the prevailing spending pattern of incoming visitors to Hong Kong, the estimated additional economic benefit generated is roughly about \$288 million (main scenario) to \$432 million (high scenario).

Yours sincerely,



(Ivan K B Lee)

for Secretary for Constitutional and Mainland Affairs

c.c. Secretary for Commerce and Economic Development
(Attn: Mr Alan SIU)

Secretary for Financial Services and the Treasury
(Attn: Miss Sandra LAM)

Financial Secretary's Office
Economic Analysis and Business Facilitation Unit
(Attn: Mr CHEUNG Hok-ying)