

Outbound Growth & Border Reopening continue in Hong Kong after “0+3” Covid-19 Policy ITE Hong Kong 2023 in June well-timed for recovery

Since waiving mandatory quarantine for all international arrivals including residents from Sep 26, Hong Kong’s new “0 + 3” policy immediately and substantially boosted its outbound ⁽¹⁾! Inbound participants of events in early Nov and members of inbound tour group offered flexibilities⁽²⁾. Growth continues but dampened in remaining months this year by limited flights, and resumptions will mainly occur in next year⁽²⁾. Thus, ITE Hong Kong 2023 in June well-timed for recovery ^(4,5,6). Significantly, mainland China in November eases quarantine for inbound, stop suspension mechanisms for international flight and inter-provincial tourism, which boost recovery ⁽³⁾.

(1) Strong Outbound Burst reflect Pent-up Demand

Comparing the 30 days before and after new policy effective from Sep 26, Hong Kong outbound via the airport grew 50% to over 180,000! In September when the new policy almost had no impact departures by residents still went up 133% over January the same year, or 82% over same month last year! In fact, Hong Kong outbound been increasing in 2022.

Travel trade, for lack of flights, revised down forecast in late October that outbound in remaining months this year will grow by around 15% instead of a maximum 50% made earlier!

In October, various airlines announced to resume flights. In particular, Cathay which by the end of September had passenger carrying capacity at only 16% of pre-pandemic level, will bring up capacity to around one-third by the end of this year, to 70% by the end of 2023 and to 100% by the end of 2024.

“Thus, bulk of recovery likely happen next year when more flights become available. ITE2023, which will be held in June before the peak summer season, is well timed for recovery”, commented Mr K S Tong, Managing Director of TKS, the organizer of ITE Hong Kong.

(2) “0 + 3” or / to “0 + 0”

For the time being the “0+3” policy arrangement, inbound travellers no longer required compulsory hotel quarantine but are given an amber health code for 3 days but restrictions are easing, thus narrowing differences between “0+0” and “0+3”.

In early November, Hong Kong held a number of major international events, which include the “Hong Kong Global Financial Leaders’ Investment Summit”, “Ruby 7 Tournament”, and the “Hong Kong Legal Week” etc. Some overseas participants of the above were given exemption or temporary blue health code enabling them enter sport stadium or dine in private room inside the conference venue etc.

On November 7, Hong Kong government announced members of inbound tour groups, even when they still in amber health code, can dine in partitioned areas in designated restaurants, and enter theme parks and museums etc.

(3) China eases Covid-19 Quarantine for Inbound

On November 11, China National Health Commission issued a statement which: (a) stop flight suspension mechanism; (b) require only 1 PCR test within 48 hours before departure; (c) adopt “5+3” instead of “7+3”, which cut mandatory hotel quarantine for all inbound travelers to 5 days then follow by 3 days confining home stay; and (d) inbound traveler not subject to further mandatory quarantine at final destination inside China after completion at landing port.

China's media, quoting travel trade's interpretation of the announcement on November 15 by the Ministry of Culture & Tourism, report it mean suspension mechanism of inter-provincial tourism will be stopped, so promotion and selling of travel products to high risk areas can be continued.

(4) Effective platform covering major Markets

Recent easing in mainland China highly positive to ITE Hong Kong which regularly draw from there the largest official pavilion and also thousands of buyer and trade visitor!

By its own outbound spending, say, of US\$26.9 billion in 2019, Hong Kong often rank Asia's 3rd or 4th largest market. Together with China's major cities of Shenzhen and Guangzhou etc., they constitute the **Greater Bay Area (the Bay)** which had a combined GDP in 2020 of US\$1, 669 billion or equivalent to world's 11st/12th largest economy.

The annual ITE Hong Kong, which the city's only travel fair, is also the earliest travel fair in **the Bay**. Pre-pandemic, ITE in each year had 2000 buyers/trade visitors from the Bay's cities in Guangdong. Thus ITE well positioned capturing these major outbound markets.

(5) Reconnect in ITE for Recovery

ITE Hong Kong 2023, which comprises of the 37th ITE (Leisure) & the 18th ITE MICE, will be held in Halls 1 of the Hong Kong Convention & Exhibition Centre from June 15 to 16 for trade and MICE visitors and 17 to 18 for quality FIT. In the first 1.5 days only registered trade and MICE visitors will be admitted, while in remaining days and sessions, visitors can pay relevant fee for admission.

In addition to renting booth or raw space, exhibitors can order photo booth or ad panel, be a sponsor, and book seminar room inside exhibition halls to hold own trade seminar or function etc.

Organizer sharing government subsidy, all exhibitors can enjoy: (a) 20% discount on rental with full rental payment made on or before Jan 15, 2023; or (b) 10% discount if payment on or before March 15. In addition, Hong Kong exhibitors, if eligible can apply for HKSAR government's SME Export Marketing Fund (EMF) for maximum 50% of the total approved expenditure (including space/booth rental and other related costs) incurred by the applicant enterprise or HK\$100,000, whichever is the less.

(6) ITE Proven Platform

In pandemic 2021 and 2022, ITE in each year reconnected onsite over 100 multi-national exhibitors from Europe, North Americas and Asia with 30000 quality trade and FIT visitors in addition to those attended online. More importantly, these visitors largely filled up the 60 trade and FIT seminars held onsite, and their active participation certainly reflect strong desire to travel again.

Pre-pandemic, each edition of ITE drew 11000 trade and MICE visitors with nearly 40% from abroad, and 80000 quality FIT, who respectively attended 20 to 30 trade and MICE seminars and 80 to 100 travel seminars.

Organized by TKS Exhibition Services Ltd., the annual ITE is strongly supported by the Ministry of Culture and Tourism of the People's Republic of China, with Hong Kong Tourism Board, Macau Government Tourism Office and the Travel Industry Council of Hong Kong etc. as Supporters. For further details, please visit www.itehk.com. For enquiries, please contact TKS via Email: travel@tkshk.com | WhatsApp: +852 69361271 Wechat: [itehongkong](#) | Facebook: [itehk](#)