

FOR IMMEDIATE RELEASE

**HKSAR government urged to provide immediate assistance to help
Hong Kong convention and exhibition industry struggling to survive on
zero international trade event**

(Hong Kong, 6 September 2021) The Hong Kong Exhibition & Convention Industry Association (“HKECIA” and “the Association”) presented the results of the latest member survey “Impact of Covid-19 to Hong Kong Exhibition & Convention Industry 2021” (“Survey”) to Commerce and Economic Development Bureau (“CEDB”), Hong Kong Special Administrative Region, and urged the authority to repurpose the fund of the Convention and Exhibition Industry Subsidy Scheme (“Subsidy Scheme”) and to provide a roadmap of relaxing compulsory quarantine requirements for qualified business travellers; otherwise, 45% of industry players may close down in 12 months. It is an urgent call for the government’s immediate financial assistance from the local convention and exhibition industry players struggling to survive over the COVID-19 storm.

HK\$620 million out of the HK\$1,020 million Subsidy Scheme under the HKSAR Anti-epidemic Fund subsidises private organisers of exhibitions and international conventions held at the Hong Kong Convention and Exhibition Centre and AsiaWorld-Expo 100% of the venue rental till June 2022. However, organisers of international trade fairs and conferences were unable to recruit overseas exhibitors and buyers to participate in their events due to the travel restrictions and compulsory quarantine requirements. Subsequently, these event organisers cancelled their events, or postponed the events to 2022, and therefore have not benefited from the Subsidy Scheme. As of June 30, 2021, the Subsidy Scheme provided a total subsidy of only around \$97.38 million to 42 exhibitions.

Apart from immediate financial assistance, the Association asks the government to develop a road map of relaxing travel restrictions for business travellers so that organisers of international trade fairs can plan ahead the recruitment of exhibitors and buyers. The delay of such policy will result in losing Hong Kong’s advantages and major international events to other countries.

The HKECIA member Survey was conducted from 2 to 13 August 2021 among 101 HKECIA members. 60 members have responded and completed the Survey, with 36% being event organisers and 64% non-organisers (including contractors, freight forwarders, travel agents, AV equipment suppliers, and design houses etc). Here are some of the key findings:

Business loss:

- from the organiser respondents, 136 exhibitions and conferences have been cancelled or postponed since February 2020 and these events expected to draw over 99,000 exhibiting companies and over 4.8 million of visitors;
- 93% of respondents claim that the impact of COVID-19 on their business is severe or extremely severe; and
- all respondents project a loss of revenue in the year 2021, with 37% of event organisers and 29% of non-event organisers projecting a loss of over HK\$50 million in 2021.

Severe impact of compulsory quarantine requirements:

- 100% of organiser respondents claim that quarantine-free travel for overseas participants is important for them to run and materialise their events;
- 75% of organisers respondents which organise international events in Hong Kong say that they will move their international events from Hong Kong to other countries if the travel restrictions in Hong Kong are not removed by the end of 2021; and
- 45% out of all respondents can only survive for 12 months or less, if the current travel restrictions remain till the end of 2021, or if no further financial assistance is received by the end of 2021.

Respondents claim government's assistance is insufficient:

- 55% of event organiser respondents claim that they did not benefit from the Subsidy Scheme as they were not able to run international trade fairs or conferences; and
- 66% of non-event organisers claim that the two rounds of the government's Anti-Epidemic Fund in 2020 did not provide sufficient assistance as there was no direct funding for contractors, logistics and service providers. The operating cost and warehouse rental are high and were not covered by the Anti-Epidemic Fund.

HKECIA Chairman Mr Stuart Bailey stated, “The convention and exhibition industry, which contributed over HK\$58 billion to Hong Kong’s economy in 2018, has been in deep water since February 2020 as no international event was able to be held in Hong Kong due to travel restrictions and preventive measures. Only small-scale consumer exhibitions resumed. The Subsidy Scheme, however, is only able to assist the convention and exhibition sector once it is practicable for events to resume, a point which trade fair organisers have yet to reach. We urge the government to repurpose the Subsidy Scheme and provide immediate and additional financial assistance for event-related service providers. Our industry also needs a roadmap to prepare for a strong revival.”

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About the Hong Kong Exhibition and Convention Industry Association

The Hong Kong Exhibition and Convention Industry Association (HKECIA) was established in 1990 to promote Hong Kong as a world-class exhibition and conference destination and the trade fair capital of Asia Pacific. It works to represent the interests of all members involved in the exhibition and convention industries, and provides a unified voice in dealing with the government, legislative and statutory bodies, the media and public organisations, on all matters associate with the role of the exhibition and convention industry in Hong Kong’s economy. In addition, it offers training and educational programmes, and collects, analyses and distributes information and statistics relating to the industry. Currently, HKECIA has over 100 members including exhibition organisers, venue managers and operators, contractors, hotels, travel agents, freight forwarders, logistic companies, equipment and furniture rental companies, event management companies, registration companies, and other service providers.

HKECIA is a member of UFI – The Global Association of the Exhibition Industry, and AFECA – The Asian Federation of Exhibition and Convention Associations.

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