

Tourism Services

Travel Agency and Tour Operators

1. What are the capital and annual turnover requirements for Hong Kong travel agencies to set up business in the Mainland under CEPA?

According to the CEPA Supplement X, with effect from 1 January 2014, no restriction with regard to annual business turnover is imposed on travel agencies in the Mainland which are set up and invested by Hong Kong service suppliers. The requirements with respect to business premises, business facilities and minimum capital requirement for registration of travel agencies in the Mainland set up by Hong Kong service suppliers will be the same as those for Mainland enterprises, amongst which the minimum capital requirement for registration is RMB¥ 300,000.

2. What kind of businesses can Hong Kong travel agents operate in the Mainland under CEPA? Are there any specific restrictions?

Under CEPA, Hong Kong travel agents can now operate inbound tours, domestic tours and apply for the operation of group tours to Hong Kong and Macao for residents registered with permanent residence of the original provinces, autonomous regions or municipalities in the Mainland. As regards outbound group tours, the Agreement on Trade in Services (the Agreement) signed on 27 November 2015 further lifted the relevant restrictions. According to the Agreement, with effect from 1 June 2016, the restriction on the number of Mainland-Hong Kong joint venture travel agents operating outbound group tours for Mainland residents will be lifted. Furthermore, up to five Hong Kong travel agents established on a wholly-owned basis will be allowed to operate outbound group tours for Mainland residents on a pilot basis, and the place of establishment of the five travel agents will no longer be confined to the Guangdong Province. These two liberalisation measures further open up the tourism market of the Mainland, facilitating further development of the Hong Kong travel trade in the Mainland market.