

香港添馬
添美道二號
政府總部西翼二十二樓



Government Secretariat
22/F, West Wing
Central Government Offices
2 Tim Mei Avenue
Tamar, Hong Kong

本函檔號 Our Ref. :
來函檔號 Your Ref. :

電話號碼 Tel. No.: 2810 2911
傳真號碼 Fax No.: 2121 8791

15 May 2020

Clerk to the Finance Committee
Legislative Council Secretariat
Legislative Council Complex
1 Legislative Council Road
Central
Hong Kong
(Attn: Ms Anita Sit)

Dear Ms Sit,

Thank you for your email of 13 May 2020 attaching a letter from Hon Wu Chi-wai with questions on the Finance Committee (“FC”) paper of FCR (2020-21)9. Please find our reply as follows -

Functions of the Ocean Park Corporation

The Ocean Park Corporation (“OPC”) has all along been managing Ocean Park as a public recreational and educational park pursuant to functions stipulated under section 17 of the Ocean Park Corporation Ordinance (Cap. 388) (“OPCO”). As a park open for public use, Ocean Park should be open to both the Hong Kong public and visitors from afar for recreational and educational use and such arrangement does not contravene the OPCO.

Rethink Exercise

As mentioned in the FC paper, the Coronavirus Disease 2019 (“COVID-19”) pandemic has brought about catastrophic impact on tourism, and affected human behaviour with greater emphasis on social distancing thereby affecting the future operation of Ocean Park and its attendance. We

must take into account the new set of constraints and economic reality, both locally and beyond, in rethinking the development of Ocean Park. We also should not be constrained by the status quo of the OPC or confined by the existing legal framework of the OPCO. To come up with a complete and comprehensive future plan for Ocean Park, we consider that various aspects of the Park, including its future positioning, financing sources, statutory functions, regulatory framework under the OPCO, and land lease arrangements, etc. should be examined concurrently in the rethink exercise. As the scope of the review would go beyond the functions of the OPC, we consider it necessary for the relevant Government departments to take part in the work of the Ocean Park Review Unit (“OPR Unit”). We envisage that in charting the rebirth of Ocean Park, the OPR Unit would liaise and work very closely with the OPC and other relevant stakeholders. Given that the OPC is a statutory body, the Commerce and Economic Development Bureau is responsible for the relevant legislation and overseeing OPC’s operation. It would be appropriate for the Government to chart the way forward together with Ocean Park.

To chart Ocean Park’s way forward as soon as possible, the OPR Unit will complete the rethink exercise at the earliest instance. External professional support will be engaged as necessary, the detailed scope of which would be determined by the OPR Unit. Currently, we are in no position to predict the outcome of these studies. Hence, we cannot ascertain whether the OPCO and the land leases of Ocean Park will have to be amended upon completion of the rethink process. Once the OPR Unit has come up with an initial plan, it will present the plan to the public and the Legislative Council (“LegCo”), as well as take forward the proposal with the appropriate authorities (e.g. seeking requisite funding approvals, etc.).

Financial Arrangement and Relevant Information

Regarding the two Government loans, as elaborated in the FC paper, we propose that the OPR Unit should review their arrangements in the context of the rethink exercise. Pursuant to the terms approved by the FC earlier (vide FCR(2005-06)35)), the loan for the Ocean Park Redevelopment Plans (“MRP Government loan”) shall be repaid by equal semi-annual instalments until final maturity with a repayment period of 10 years. As for the loan for the Ocean Park’s Tai Shue Wan Development Project (“TSW Government loan”), repayment shall be made pursuant to the fixed repayment schedule approved by the FC (vide FCR(2013-14)11)) with a repayment period of 12 years. As mentioned in our paper for the LegCo Panel on Economic Development (vide CB(4)254/19-20(01)), the loan balance (i.e. the sum of

principal and capitalised interest) of the MRP Government loan and TSW Government loan by 30 June 2021 is estimated to be \$2,749 million and \$2,685 million respectively.

The date of re-opening Ocean Park and the attendance by then would hinge on the how the COVID-19 pandemic evolves locally and globally which is subject to great uncertainties. It is therefore difficult to project accurately at this stage the revenue and overall financial condition of Ocean Park in future. The funding under our current proposal is estimated to be sufficient to sustain the scaled down operation of Ocean Park without any revenue until 30 June 2021 and complete the Tai Shue Wan Development Project. The financial arrangement for Ocean Park thereafter will be studied thoroughly by the OPR Unit in the rethink process.

The annual report of the OPC (covering an audited statement of accounts, an auditor's report, and a report of OPC's activities) has been tabled in LegCo each year and members of the public can also access the report via OPC's website (<https://www.oceanpark.com.hk/en/corporate-information/annual-report>). The public can also obtain land documents pertaining to Ocean Park through the Land Registry. Information on the Ocean Park Redevelopment Plans including its financial arrangement is provided in the relevant papers of the LegCo Panel on Economic Services and the FC (vide CB(1)1855/04-05(03), CB(1)339/05-06(03), and FCR(2005-06)35)) as well as the LegCo Brief (vide EDB CR 1/6/2091/02).

Yours sincerely,



(Anson Lai)
for Commissioner for Tourism