

**立法會**  
***Legislative Council***

LC Paper No. CB(4)1053/20-21

(These minutes have been  
seen by the Administration)

Ref : CB4/PL/EDEV

**Panel on Economic Development**

**Minutes of meeting**  
**held on Monday, 22 February 2021, at 10:45 am**  
**in Conference Room 1 of the Legislative Council Complex**

**Members present :** Hon Christopher CHEUNG Wah-fung, SBS, JP  
(Chairman)  
Hon Starry LEE Wai-king, SBS, JP  
(Deputy Chairman)  
Hon Jeffrey LAM Kin-fung, GBS, JP  
Hon Mrs Regina IP LAU Suk-yee, GBS, JP  
Hon Paul TSE Wai-chun, JP  
Hon Steven HO Chun-yin, BBS  
Hon Frankie YICK Chi-ming, SBS, JP  
Hon YIU Si-wing, BBS  
Hon Elizabeth QUAT, BBS, JP  
Ir Dr Hon LO Wai-ki, SBS, MH, JP  
Hon CHUNG Kwok-pan  
Hon Jimmy NG Wing-ka, BBS, JP  
Hon Holden CHOW Ho-ding  
Hon SHIU Ka-fai, JP  
Hon LUK Chung-hung, JP  
Dr Hon CHENG Chung-tai  
Hon Tony TSE Wai-chuen, BBS, JP

**Members attending :** Hon Michael TIEN Puk-sun, BBS, JP  
Hon KWOK Wai-keung, JP

**Public Officers attending :** Agenda item III

Mr Edward YAU, GBS, JP  
Secretary for Commerce and Economic  
Development

Miss Eliza LEE, JP  
Permanent Secretary for Commerce and Economic  
Development (Commerce, Industry and Tourism)

Mr Joe WONG, JP  
Commissioner for Tourism

Mr Anson LAI  
Assistant Commissioner for Tourism 2

**Related organization :** Agenda item III

Ocean Park Corporation

Mr LAU Ming-wai, GBS, JP  
Chairman

Ms Ysanne CHAN  
Chief Executive

**Clerk in attendance :** Ms Shirley CHAN  
Chief Council Secretary (4)5

**Staff in attendance :** Ms Shirley TAM  
Senior Council Secretary (4)5

Ms Lauren LI  
Council Secretary (4)5

Ms Zoe TONG  
Legislative Assistant (4)5

Miss Mandy LUI  
Clerical Assistant (4)5

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**I. Information papers issued since the last regular meeting**

(LC Paper Nos. — Letter from Hon Steven  
CB(4)428/20-21(01) and HO Chun-yin dated 20  
CB(4)511/20-21(01) January 2021 concerning  
matters in relation to  
typhoon shelters and  
sheltered anchorages  
(Chinese version only) and  
the Administration's  
response

LC Paper No. CB(4)437/20-21(01) — Tables and graphs showing  
the import and retail prices  
of major oil products from  
January 2019 to December  
2020 provided by the  
Administration

LC Paper No. CB(4)509/20-21(01) — Information paper on the  
Information and  
Consultation Agreement  
with The Hong Kong and  
China Gas Company Ltd.  
provided by the  
Administration)

Members noted the above papers issued since the last regular meeting.

**II. Items for discussion at the next meeting**

(LC Paper No. CB(4)524/20-21(01) — List of outstanding items  
for discussion

LC Paper No. CB(4)524/20-21(02) — List of follow-up actions)

2. Members agreed to discuss the following items at the next regular meeting scheduled for Monday, 22 March 2021 at 10:45 am –

(a) Air Mail Centre redevelopment; and

(b) Hong Kong Tourism Board Work Plan for 2021-2022.

### III. Proposed way forward of Ocean Park

(LC Paper No. CB(4)387/20-21(01) — Paper provided by the Administration

LC Paper No. CB(4)388/20-21(04) — Updated background brief prepared by the Legislative Council Secretariat

LC Paper	Nos. —	Letter from Hon Tony TSE
CB(4)430/20-21(01)	and	Wai-chuen dated
CB(4)492/20-21(01)		25 January 2021
		(Chinese version only) and
		the Administration's
		response

LC Paper No. CB(4)438/20-21(01) — Administration's response to the follow-up actions arising from the meeting on 25 January 2021

LC Paper No. CB(4)508/20-21(01) — Supplementary information provided by the Administration

#### Other relevant papers

LC Paper	Nos. —	Submission from a
CB(4)397/20-21(01)	and	member of the public
CB(4)490/20-21(01)		(Chinese version only) and
		the Administration's
		response

#### Presentation by the Administration and the Ocean Park Corporation

3. At the invitation of the Chairman, Secretary for Commerce and Economic Development ("SCED") briefed members on the supplementary information provided to the Panel since the last discussion at the meeting on 25 January 2021 on the future strategy ("the Strategy") for Ocean Park ("the Park") as well as the related proposed financial arrangements ("the Proposals") for the Ocean Park Corporation ("OPC") and relevant legislative amendments. The Proposals comprised (a) provision of a non-recurrent funding of \$1,664 million for the Park's operations, (b) provision of an annual subvention of \$280 million on conservation and

education from OPC's Financial Year ("FY") 2022-2023 to FY 2025-2026, and (c) restructuring of the two Government loans to OPC by deferring the commencement date of repayment to 2028 as well as the final maturity date to 2059, and waiving interest. He highlighted that given the dire financial difficulties faced by OPC, the seeking of Finance Committee ("FC")'s funding approval would be time-critical. Mr LAU Ming-wai of OPC supplemented that a site visit to the Park had been arranged for Members to understand more about the Strategy and OPC would duly consider the views expressed by Members in implementing the Strategy. He added that the recent re-opening of the Park had been warmly welcomed by the public and OPC was endeavouring to deliver Water World's opening in 2021 summer, the prospect of which would hinge on whether FC's approval was secured in a timely manner. Details of the Proposals and the Strategy were set out in the Administration's papers (LC Paper Nos. CB(4)387/20-21(01), CB(4)438/20-21(01) and CB(4)508/20-21(01)).

## Discussion

### *The Proposals*

4. Mr KWOK Wai-keung was disappointed that OPC had failed to improve its finance after FC's approval of a funding at \$5.4 billion in 2020 to support the operation of the Park. He was also dissatisfied that the Administration had proposed another funding support for OPC while it had rejected the proposal from the Hong Kong Federation of Trade Unions to set up a \$15 billion unemployment assistance fund which could benefit a large number of unemployed workers. Pointing out the availability of local organizations carrying out education and conservation projects on self-financing basis as well as the loss of confidence in OPC's operation among the public, he suggested the Administration provide a loan to OPC instead of implementing the Proposals so that OPC would need to repay the money when it improved its financial health under the Strategy.

5. Dr CHENG Chung-tai said that while all walks of life in Hong Kong were suffering from the stagnant economy, the Administration seemed to provide more support to OPC than to other sectors as seen in the favourable offers in the Proposals. To ensure impartiality on public resource allocation, he considered that the Administration should either provide more financial support to other sectors in need, or provide only a loan to help OPC tide over the financial difficulties instead of the Proposals.

6. SCED replied that the \$5.4 billion funding support approved by FC in May 2020 was for helping OPC tide over its operation for one year up to June 2021 while the Government worked with OPC to embark upon a

rethink exercise to chart the way forward of the Park. As committed to FC, the Park would re-orient its development focus back to education and conservation in future. While OPC had been able to carry out such initiatives on a self-sustaining basis in the past, this was not possible during difficult times. With the Park closed for over 200 days in 2020 in light of the outbreak of the Coronavirus Disease 2019 ("COVID-19"), it was considered essential to provide OPC with a time-limited subvention in order to help it tide over the financial difficulties, take forward the education and conservation initiatives under the Strategy, and keep the jobs of some 2 000 OPC's full-time staff. In fact, should OPC discontinue with its conservation and education efforts, the Government would have to take them up using public money anyway. SCED and Mr LAU Ming-wai of OPC supplemented that provision of a new loan was considered undesirable as the repayment of the two outstanding Government loans including the related interest of some \$1.7 billion had already represented a heavy financial burden for OPC. The Proposals would not only benefit OPC but also the overall travel industry, which had suffered heavily from the COVID-19 pandemic.

7. Dr CHENG Chung-tai considered that the lack of revenue projection on OPC outsourcing its facilities seemed to imply that the Water World was the only income-earning project of OPC. He requested the Administration to provide more financial information of other developments under the Strategy, the timetables for developing the upper park area, the lower park area and the two piers, as well as the change in OPC's establishment in relation to the outsourcing arrangement, including the number of redundant staff.

8. Mr SHIU Ka-fai considered it inevitable for OPC outsourcing its facilities in return for stable income while continuing the provision of education and conservation services. He was of the view that apart from the Water World project, the retail, dining, and entertainment ("RDE") zone had a high potential to bring substantial income to OPC under the revenue sharing arrangement having regard to the business performances of other similar shopping malls. In this connection, he called on OPC to choose the RDE operators in an impartial manner and expedite the works for developing the zone by demolishing ageing attractions. This would help alleviate the financial burden of OPC.

9. SCED said that in addition to the Water World, under the Strategy OPC would also take forward other projects in the Park through a mixed mode of operation to generate income. While the non-ticketed RDE zone in the lower park area would attract more visitor traffic, outsourcing various facilities (e.g. wellness and adventure themed facilities/ zones in the upper park) would secure additional source of income, including

upfront payment and revenue sharing. Coupled with the opening of the Water World, the offerings of the Park would be diverse and appealing. It was envisaged that OPC would carry out and complete the tendering exercise for the RDE zone between FY 2021-2022 and FY 2022-2023 and receive the relevant upfront payment by FY 2022-2023 subject to the Strategy and Proposals were supported by the Legislative Council ("LegCo") in a timely manner. The information on OPC's establishment would be provided after the meeting.

*(Post-meeting note: The Administration's response was issued to members vide LC Paper No. CB(4)641/20-21(01) on 15 March 2021.)*

10. Ir Dr LO Wai-kwok said that the OPC's finance had been suffering internally from the delay and cost overrun of the Water World project and externally from the social events as well as the outbreak of COVID-19. He considered that in light of the lessons learnt, OPC should not only achieve breakeven but also accumulate sufficient surplus so as to counteract any unexpected impacts. Hoping that the rent and revenue share derived by the outsourcing operations could help OPC sustain a healthy financial position, Ir Dr LO asked about the duration of the outsourcing contract(s).

11. Commissioner for Tourism ("C for T") advised that OPC would reserve flexibility in setting the contract duration provided that it was sufficiently long to allow private operators to recover the investment made. To determine the optimal contract duration, OPC would gauge market views before making the decision. In response to Ir Dr LO Wai-kwok's further enquiry, SCED advised that the time-limited subvention on conservation and education would be reflected in the Budget of the coming years.

12. Mr LUK Chung-hung said that the Panel should examine the Proposals in great depth since they involved a hefty amount of public fund which should be managed in a prudent manner. In particular, he considered it necessary to set out in detail the schedule for OPC repaying the Government loans after restructuring of the loans. Worrying that the ticket prices of paid attractions in the Park might be high under the pay-as-you-go arrangement, he enquired about the expected range of charges for such attractions as well as the entrance fee for the upper park area under the Strategy.

13. Mr LAU Ming-wai of OPC replied that the Park would adopt a mid-to high-end positioning so as to attract visitors and drive in-park spending while avoiding overcrowding. Ticket prices for paid attractions would

vary depending on the facilities involved, on the premise that they would offer good value to visitors. The ultimate goal was to attract both the high-spending group as well as the general public, and pricing would reflect this accordingly. SCED added that under the proposed pay-as-you-go arrangement which was in line with suggestion by some LegCo Members last year, the public would no longer need to pay a prohibitive fee upfront for admission. With zero admission charge for the lower park area and a pay-as-you-go arrangement for the upper park area, the public could visit the Park more often whenever they preferred while having the flexibility to choose which parts of the Park and which attractions to enjoy. Such arrangement would significantly boost the Park's attendance and in-park spending. OPC would conduct market research and make reference to other similar amusement facilities in Hong Kong which adopted the pay-as-you-go arrangement before determining the ticket prices.

14. Mr Holden CHOW considered it suitable for the Park to focus on conservation and education to benefit the community as a whole. He opined that OPC should strive to identify suitable private operator(s) with capital injection as early as possible to boost public confidence in the Park's sustainability. Meanwhile, he was also of the view that given the benefits to be brought by the Strategy to the two hotels in proximity to the Park by boosting their patronages, the Administration/OPC should seek additional financial commitments from the relevant hotel operators to support the Park's revitalization.

15. Mr LUK Chung-hung suggested that instead of relying on public fund to sustain the Park's operation, the Administration/OPC might seek additional financial supports from or adopt a revenue sharing arrangement with the two hotel operators for implementing the Strategy.

16. Mr LAU Ming-wai of OPC said that OPC would endeavour to expedite the relevant tendering exercise for the outsourcing arrangement as far as practicable. He explained that whether or not to invest in the Park's new plan was purely a commercial decision of the two hotel operators. Instead of seeking financial support from the two hotel operators, he considered it more important for OPC to strengthen collaboration with them by leveraging their hotel networks and marketing resources which could help drive patronage to the Park. SCED elaborated that whether the tendering exercise could proceed as scheduled in FY 2021-2022 would hinge on whether the approval for the proposed financial arrangements could be obtained in a timely manner. He added that the two hotel operators had been required to pay a land premium to the Government and share part of annual receipts with OPC on hotel operations under the respective agreements. He said that apart from enjoying the upside



benefits of the Park, these hotel operators also had to bear relevant downside risks as the relationship between the Park and the two hotels was symbiotic. The hotels were partners to OPC and they could bring synergy by working with each other.

17. Mr CHUNG Kwok-pan stressed that notwithstanding the Park's potential after revitalization, this should be the last time for the Administration to provide funding support to OPC after providing several rounds of financial supports in the past. He said that both OPC and many sectors in Hong Kong were also suffering from financial problems due to the pandemic, while the Government did not give sufficient help to the latter. Noting from the Administration's response that some data of the projected revenue of OPC under the Proposals were not appropriate for disclosure as they were commercially sensitive, he called on the Administration to provide further statistical information to substantiate the Proposals and facilitate Members to assess the financial viability of the Strategy.

18. Ms Elizabeth QUAT pointed out the public concern on the financial viability of the Strategy and requested the Administration and OPC to assure Members that OPC could achieve self-sustainability without requiring further funding from the Government in future. She also expressed concern whether the private operators of the upper and lower park areas would compete with each other in driving business growth, affecting the overall operation and image of the Park.

19. SCED said that the Administration had no plan to seek on-going funding to support OPC, as the Proposals would seek to help OPC tide over the financial challenge in the short to medium term, strengthen its financial position to take forward its undertakings in conservation and education, provide it with the necessary financial buffer as it embarked on the Strategy while facing uncertainties brought by the pandemic and relieve its financial liability to the Government. It was considered that OPC would be able to achieve financial sustainability by taking forward the Strategy and the projections for the Strategy were made on a prudent and reasonable manner. Relevant information would be set out in a clearer manner to facilitate Members' consideration when the FC's approval was sought for the Proposals.

20. Mr LAU Ming-wai of OPC added that OPC would adopt different strategies to encourage visitors to visit both the upper and lower park areas. While the lower park area would feature RDE elements, the upper park area would be promoted for its new adventure and wellness-themed zones. He was confident that instead of competition, synergy would be created between the two areas.

21. Given that the Proposals and the Strategy would give rise to a long repayment period for OPC to repay the Government loans and various repositioning developments of the Park, Mr SHIU Ka-fai suggested that the Administration and OPC should report to the Panel on a regular basis as regards the development of the Park and OPC's financial situation. In response, SCED advised that the Administration had been reporting tourism-related matters to the Panel regularly and would be pleased to report on the latest developments of the Park and OPC's financial status at an appropriate time if considered necessary. Mr LAU Ming-wai of OPC added that on top of the annual report tabled at LegCo every year, OPC would enhance the communication with LegCo Members and stakeholders as far as possible.

22. Mr Paul TSE expressed support for the Park focusing on education and conversation instead of competing with neighbouring theme parks which might have stronger financial backgrounds. However, he considered that the composition of OPC Board should be reviewed to include more voices from relevant sectors for the Park's sustainable development. Citing the example of the Boy Scout's development in Hong Kong, he considered that OPC should be empowered to secure additional financial resources with the use of the Park site to sustain its long-term operation without relying on Government's support. He also suggested that the Ocean Park Corporation Ordinance (Cap. 388) might be amended to allow OPC to sell some areas of the Park when necessary.

23. SCED said that the composition of the Board of OPC was reviewed from time to time and new blood with diverse background and expertise was brought in as and when appropriate. It had strived to formulate the repositioning plan amid stiff challenges in the current difficult situation. In order to expand the functions of OPC for taking forward the Strategy, the Administration was working on the necessary legislative amendments and subject to the amendments required and the progress on drafting the legislative proposal, it was targeted to introduce the amendment bill into LegCo within the current legislative session following FC's approval of the Proposals. Mr LAU Ming-wai of OPC agreed that OPC would require a big turnaround in management thinking and corporate culture in order to strengthen its corporate governance.

24. Mr YIU Si-wing appreciated the arrangement of the site visit by the Administration and OPC on 20 February 2021. Considering the Park a gorgeous attraction in Hong Kong, he said that the Strategy had set out a suitable repositioning direction for the Park to leverage on its scenic and geographic location. Nevertheless, he had reservation in allowing free admission to the lower park area which might make it difficult for OPC

exercising crowd control, especially during public holidays and festivals. Instead, he suggested charging a low admission fee and offering consumption vouchers to visitors with a view to avoiding overcrowding and encouraging spending. To keep the appeal of the Park, Mr YIU also suggested that alternative activities and arrangements should be put in place when the outdated amusement rides were being demolished. Noting that the projection on Park's operating cost did not include the depreciation of assets in the papers provided by the Administration, Mr YIU requested the Administration to provide more information in its paper submitted to FC to facilitate FC's consideration.

25. Mr Jeffrey LAM pointed out that despite the provision of Government funding to OPC in 2020, the Park was unable to operate as normal since 2020 due to the outbreak of the COVID-19 pandemic. As the Government had provided financial support to help various business sectors during this period, it was understandable that another chance should be given to the Park to continue its operation under this difficult situation. Nevertheless, he urged the Administration/OPC to provide adequate and clear information to convince Members to support the Proposals. He suggested that OPC might consider providing consumption vouchers with a low admission fee to visitors entering the RDE zone to drive visitor spending. Meanwhile, he encouraged the public to receive COVID-19 vaccination so as to expedite the recovery of all business activities in Hong Kong including the Park.

26. Mr LAU Ming-wai of OPC advised that OPC noted Members' concerns about the proposed free admission to the RDE zone as well as the need to avoid overcrowding and that if it was not properly managed, there would be adverse impact on visitor experience and comfort. However, he believed that through tactful and careful crowd control management good conduct and behaviour could still be maintained, and that various approaches could be taken and OPC would consider Members' suggestions as they proceeded to formulate such measures. He also advised that the demolition of amusement rides in the Park would be carried out in a gradual manner and additional activities or performances would be put in place to keep the patronage before new attractions were introduced.

### *Water World*

27. Although expressing support to reposition the Park according to the Strategy, Mr Michael TIEN raised concern about the financial viability of the Water World which seemed to be critical to OPC's sustainability. Pointing out its high construction cost at about \$4 billion and large operating expenditure under all-weather operation, he requested the Administration to provide a detailed breakdown of the projected annual

operating expenditures of the Water World including staff remuneration, maintenance and electricity. Mr TIEN also cast doubt on whether local people would be willing to pay some \$300 for visiting an attraction solely featuring water activities on a repeated basis. To facilitate Members' consideration in this regard, he asked about the estimated annual attendance and admission fee of the Water World vis-à-vis the operation statistics of the previous one during its peak season.

28. Ms Elizabeth QUAT said that despite the high expectation on the opening of the Water World among the public, the self-sustainability of this attraction was still a matter of great concern. In particular, given its year-round and all-weather operation, the Water World's expenditure, particularly on electricity and maintenance, might be huge. She sought more information on whether and how this attraction could achieve breakeven in the long run.

29. C for T responded that in the initial years, the Water World was projected to achieve an annual total attendance of around 1.1 million with local attendance constituting around 1 million and non-local attendance some 100 000. It was projected that the total annual attendance might reach up to 1.3 million. Between FY 2021-2022 and FY 2030-2031, the operating cost for the Water World, which would mainly be staff cost, was projected to range from \$335 million to \$523 million. The maintenance cost was expected to be limited at the initial stage after completion. The Administration considered it unsuitable to disclose the information on ticket pricing at this stage as OPC would keep in view the latest market response before making a final decision.

30. SCED supplemented that OPC would announce the admission fee of the Water World as and when appropriate. He was confident that this brand new all-weather year-round facility with 27 state-of-the-art attractions offering a whole-day leisure experience would represent an attractive and competitive destination in the region. The operation of Water World could basically achieve financial sustainability in the long run. He also said that while the Administration would provide further information requested by Members, experience of the previous Water World was of limited reference value given the huge differences in the range of facilities provided, positioning and scale.

*(Post-meeting note: The Administration's response was issued to members vide LC Paper No. CB(4)641/20-21(01) on 15 March 2021.)*

31. Ir Dr LO Wai-kwok considered that the Park's financial health would be heavily reliant on the performance of the Water World.

Considering that the projection of the local attendance of the Water World at some 1 million was quite optimistic, he enquired about the basis for making such projection. C for T advised that the projection was made with reference to the attendance projection undertaken when the project was first proposed by OPC, as well as a market survey collecting public responses conducted in 2020 by a consultant. This projected annual attendance was not aggressive taking into account the scale of the Water World and its all-weather year-round operation.

32. Mr Tony TSE considered that if the Water World project could just achieve breakeven instead of making a surplus, it might be more conducive to outsourcing the attraction so as to lower the financial risk of OPC. To assure the public that an in-depth analysis had been carried out before determining the Proposals, he requested the Administration to provide further information on detailed financial analysis and comparison among the options of (i) wholesale outsourcing of OP to private operator(s), (ii) outsourcing of Water World to a private operator, and (iii) the suggested arrangements in the present proposal.

*(Post-meeting note: The Administration's response was issued to members vide LC Paper No. CB(4)641/20-21(01) on 15 March 2021.)*

33. Mr LAU Ming-wai of OPC advised that to reduce the investment and operation risks and tap into the expertise available in the market, OPC would tend to outsource the development and operation of as many facilities as possible except the Water World and those in relation to education and conservation. For the Water World, he pointed out that OPC had explored the option of outsourcing. As the Water World was about to be completed, it had well passed the phase which involved the largest amount of investment and thereby financial risk. Outsourcing the operation now would not have much impact on risk mitigation for OPC but would in fact incur additional management fee. Since OPC had already engaged a professional team to operate the Water World, it was considered not desirable to outsource its operation at this stage.

#### *Invigorating Island South Initiative*

34. Mr Jimmy NG hoped that the Park would be sustained and he enquired how the Strategy for the Park could form an integral part of the Invigorating Island South Initiative ("the Initiative") and bring benefits to the overall development of the Southern District. He also enquired about the details and progress of formulating the Initiative and how to ensure that the hotels in proximity to and outside the Park could achieve synergy with the development of the Southern District.

35. Mr Paul TSE was worried that the Initiative would become an empty slogan without concrete follow-up actions having regard to the slow progress of the Energizing Kowloon East Initiative. He urged the Administration to take follow-up actions to implement these projects.

36. SCED replied that the Park had potential to achieve synergy with the Southern District and drive development therein. With the MTR connection and the two proposed piers in place, the connectivity of the Park with other attractions in the Southern District would be enhanced further. The Strategy would enhance and leverage the Park's strengths in education and conservation, make use of its natural landscape and strategic seaside location, and explore new marine tourism routes with the Park as the core to link up with other attractions in the Southern District and beyond. Together with the opening of the Water World in 2021 summer as well as the enhanced transport connectivity, the Park would be transformed into a focal point of the district, and become a major resort and leisure destination in the Southern District. As the leading bureau for implementing the Initiative, the Development Bureau, together with other relevant bureaux/departments including the Tourism Commission, would formulate details of the Initiative, and consult district stakeholders, with a view to promoting the relevant initiatives together.

37. Mr LAU Ming-wai of OPC added that with the implementation of the Strategy as well as the Initiative, visitors would be attracted to visit the Park and the Southern District and they would likely stay longer to enjoy the facilities in the Park and around the neighbourhood, bringing benefits to the hotels within the Park and other attractions in its vicinity in the Southern District. OPC would work with the relevant hotel operators to explore collaboration opportunities and build synergy to provide better travel experience to visitors.

38. Mr Tony TSE considered it vital to ascertain the development of the two piers at Deep Water Bay and Tai Shue Wan so as to implement the Initiative. He sought information about the timetable and projected expenditures for developing the two piers, and whether the development programmes would dovetail with that of the Park and the Water World. In order to boost the public awareness of the development of the Southern District, he suggested holding a competition to invite conceptual plans for revitalizing the Jumbo Floating Restaurant.

39. Mr Jimmy NG enquired whether the ferry services to be provided at the two new piers would be operated under franchises or licences and the development plan of marine tourism routes in the long run.

40. C for T advised that to develop marine tourism, it was proposed to construct two new piers in the lower park area at Deep Water Bay and adjacent to the Water World in Tai Shue Wan respectively such that the public could access the new RDE zone by sea and the connectivity between the two areas would be enhanced. With the MTR connection and the two piers in place, the Park would be the connecting hub linking up various leisure facilities and other attractions in the Southern District. He added that the two piers would be open for public use and their construction would be undertaken as public works projects. In line with the approach under the Strategy, the Administration planned to leverage private sector interest to operate the ferry service. The development timetable and budget would be subject to further study.

41. Mr LAU Ming-wai of OPC said that since the plan to revitalize the Jumbo Floating Restaurant was announced in the Policy Address, OPC had received many suggestions on how it could be put to good use. OPC would pay due consideration on collecting views of various stakeholders via different channels as regards the revitalization of the Restaurant, which was expected to become a distinctive cultural heritage and tourist attraction in the Southern District.

#### Conclusion

42. The Chairman concluded that the Panel did not object to the Administration submitting the Proposals to FC. He requested the Administration to address Members' views and concerns raised at the meeting and provide the requested information in the relevant paper to be submitted to FC.

#### **IV. Any other business**

43. There being no other business, the meeting ended at 12:47 pm.