

For discussion
on 26 February 2001

LegCo Panel on Food Safety and Environmental Hygiene

SUSTAINABLE DEVELOPMENT OF THE AGRICULTURE AND FISHERIES INDUSTRIES

INTRODUCTION

This paper briefs Members on Government's policy on the development of the agriculture and fisheries industries.

POLICY ON AGRICULTURE AND FISHERIES

2. Government recognizes that the farming and fisheries industries in Hong Kong have a role to play in satisfying local demand for fresh food produce. In 2000, their production accounted for 7% of fresh vegetables, 20% of chickens, 23% of pigs and 59% of marine fish consumed in Hong Kong.

3. It is Government's policy to facilitate the sustainable development of the industries through providing the basic infrastructure, technical support and loan facilities, implementing development schemes and resources conservation programmes, providing training for local producers, providing wholesale markets and enforcing relevant legislation. It is not our policy to provide direct subsidies to the industries or protect them from the free operation of market forces.

4. An Advisory Committee on Agriculture and Fisheries, comprising fishermen's and farmers' representatives, rural representatives, scientific experts and Government officials, has been established since 1988. Its major function is to advise Government on the development of agriculture and fisheries production in Hong Kong and other relevant matters. This ensures that programmes undertaken by Government meet the needs of the industries. Since 2000, the Advisory Committee has been chaired by a non-Government official to enhance public participation in the committee's works.

INITIATIVES TO PROMOTE AGRICULTURE AND FISHERIES

5. Recent initiatives to promote the sustainable development of the industries undertaken by Agriculture, Fisheries and Conservation Department are outlined below.

Fisheries

(a) Artificial reef programme

6. We are implementing a five-year artificial reef programme in two phases to enhance fisheries resources and to promote conservation of the marine environment. The first phase, which involved placing of a total of 375 units of artificial reefs at Hoi Ha Wan and Yan Chau Tong Marine Parks, was completed in 1999. The monitoring results are encouraging. Over 135 species of fish, including many high valued species such as Coral Trout and Green Wrasse, have been found using the reefs for feeding, shelter and as nursery areas. The second phase will involve placing of artificial reefs at suitable locations outside marine parks. Following extensive consultations, two areas have been identified at Porter Shelter and Long Harbour. The placing works are scheduled to commence later this year.

(b) Fisheries management strategy

7. To promote sustainable development of the fishing industry and to conserve fisheries resources in Hong Kong waters, we are working out the implementation details of high priority fisheries management measures in consultation with the Working Group on Fisheries Management and representatives of the industry. The fisheries management measures under planning include the introduction of a fishing licensing scheme and the designation of fisheries protection areas in waters of Tolo and Port Shelter. We have also released fish fry on a trial basis in artificial reef areas to enhance fish stock in local waters.

(c) Study on feasibility of developing an offshore fishing industry

8. To cope with the decline of fisheries resources in the traditional fishing grounds and to assist Hong Kong fishermen to venture further afield, we commissioned a consultancy study in 2000 to look into the feasibility of developing an offshore fishing industry for Hong Kong. The study will be completed in mid 2001 and the recommendations may provide insights into alternative development opportunities for local fishermen.

(d) Measures to support aquaculture development

9. We conduct aquaculture studies and provide technical services related to the development of more efficient fish culture methods and improved husbandry technique. Continuous effort is being made in promoting suitable feed formulations to replace trash fish, traditional feed for aquaculture. To assist them in making informed choices of pellet feeds available in the market, we conduct analyses of the ingredients of feed products and make available the results to mariculturists.

10. Moreover, to provide a greater variety of choice of fish species for culture, we identify suitable new species with good market potential and introduce these to fish farmers. A recent example is the trial involving Humpback grouper, which is considered to be a delicacy with high market potential. Preliminary results have indicated a satisfactory growth rate of humpback groupers fed with dry feed. We have also started a trial on fish fry production from fertilized fish eggs.

11. Furthermore, we have strengthened our red tide monitoring and management measures with a view to minimizing the impact of red tides on mariculture. The monitoring capability has been upgraded from visible red tide monitoring to proactive phytoplankton monitoring before a red tide is formed. Red tide warnings are disseminated to mariculturists through the red tide support groups set up in different fish culture zones.

Agriculture

(a) Preservation of agricultural land

12. Statutory zoning is used to safeguard arable land. At present there are about 3,000 hectares of land (including fish ponds) zoned 'Agriculture' on the existing Outline Zoning Plans, dispersed throughout the New Territories.

13. Under the Agricultural Land Rehabilitation Scheme, we offer assistance in making improvements to irrigation, drainage, farm road access and tenure arrangements to help farmers to turn fallow agricultural land to productive use.

(b) Promotion of organic farming

14. Organic crop production, although only a small industry, is becoming increasingly important in the agricultural sector of a number of countries as consumers' demand for "safe" and environmentally friendly food increases. We support the local development of organic crop production as it plays an important role in the sustainable development of agriculture and opens up a new niche market for local farmers. We have provided a production protocol outlining the basic standards and requirements for organic production to the industry and interested parties and put it on our website (www.afcd.gov.hk). In addition, we are soliciting views from the industry and interested parties on a working paper on ways to establish voluntary accreditation, inspection and labelling systems for Hong Kong organic produce.

(c) Recycling agricultural wastes

15. We are working closely with farmers and Environmental Protection Department to promote recycling and reuse of agricultural wastes. We are encouraging farmers using organic techniques to utilize compost produced at the Sha

Ling livestock waste composting plant. A demonstration composting unit has also been established at the Tai Lung farm.

(d) Health and hygiene status of livestock and livestock products

16. We provide a comprehensive monitoring and testing programme for H5 avian influenza on local farms and imported birds. The objective is to prevent H5 avian influenza virus in local poultry farms and markets. We are also preparing a new regulation to control chemical residues in food animals.

17. On prevention of livestock diseases, we currently control the import of live animals and birds under the Public Health (Animals and Birds) Ordinance (Cap 139). We are working on amendments to this law to provide for controls over meat and animal fodder, with a view to enhancing protection of the local industry against imported livestock diseases.

Addressing the manpower problems of the industries

18. To meet the manpower shortage of the agriculture industry, farmers may apply for imported workers through the Supplementary Labour Scheme. Since 1996, over 1,250 applications for farm workers have been approved.

19. To help alleviate the manpower shortage problem of the fishing industry, we have implemented the Mainland Fishermen Deckhands Scheme and up to a maximum quota of 7,200 Mainland deckhands may be permitted to enter Hong Kong to help fishermen to unload their catches at wholesale fish markets. The manpower shortage problem of the aquaculture industry is dealt with under the Supplementary Labour Scheme.

Research and development

20. We recognize the importance of research to the long-term development of the industries. Basic and applied research directly relevant to local farmers and fishermen is being undertaken in Government research stations, tertiary institutes and some private companies.

21. The Applied Research Fund and the Innovation and Technology Fund, both overseen by Trade and Industry Department, provide funding for agricultural and fisheries research. Funds are granted to projects likely to provide economic returns to Hong Kong. Agricultural and fisheries researchers have successfully secured financial support from these funds.

22. We also undertake agricultural research which includes adaptation of organic farming methods to Hong Kong and testing of new vegetable varieties under

local conditions. Additional studies are also being conducted on prevention of the foot-and-mouth disease. Recommendations on appropriate vaccination schedules have been provided to farmers.

Technical assistance

23. We have strengthened our diagnostic capabilities for livestock diseases, introducing a wider range of rapid diagnostic tests. A new veterinary laboratory is being constructed to further enhance our capacity in this area. Farmers facing disease outbreaks in their livestock can make use of these diagnostic services to find out the cause of disease in their animals. This information can then be used to implement appropriate disease control measures on farm.

24. To improve the productivity and competitiveness of the aquaculture industry, we have strengthened our effort in aquaculture research in fry production, promoting the use of pellet feed and trial culture of new species.

25. We are implementing a fish health management programme to help fish farmers to minimize losses due to fish diseases. Under the programme, our staff carry out regular visits to fish culture zones and fishponds to facilitate early detection of disease outbreaks, to train fish farmers on disease prevention measures and to provide fish disease diagnosis service in case of disease outbreak.

Financial support

26. Credit facilities are provided for fishermen and farmers to improve the competitiveness and efficiency of the agricultural and fisheries industries. Government already operates seven loan funds to assist farmers and fishermen, namely the JE Joseph Trust, the Kadoorie Agricultural Aid Loan Fund, the Vegetable Marketing Organization Loan Fund, the Fish Marketing Organization Loan Fund, the Fisheries Development Loan Fund, the World Refugee Year Loan Fund and the Co-operative for American Relief Everywhere Loan Fund. During 1999 – 2000, loans totalling \$16.026 million were issued to farmers and \$26.057 million were issued to fishermen.

27. Government monitors the demand for loans from the industries and injects additional funding into these funds when genuine needs arise. In 1998, an amount of \$80 million was provided by Government to assist farmers affected by the avian influenza outbreak. In 1997, the loan capital of the Fisheries Development Loan Fund was increased from \$7 million to \$100 million to meet the growing demand for loans for construction of steel-hulled fishing vessels. In 1998, Government made available \$200 million to help mariculturists affected by the red-tide incident to re-establish their business. In 1999, Government made available \$65 million to help fishermen to resume fishing operations after the fishing

moratorium implemented in the South China Sea. To help them to tide over the fishing moratorium in 2000, Government allowed the borrowers to extend the loan repayment period for up to six months at a low interest rate. In addition, \$6.34 million were issued under the Fish Marketing Organization Loan Fund to 212 newly affected fishermen.

Training programmes

28. We liaise closely with farmers and fishermen to establish their training needs and to develop suitable training material. This includes vocational and topic-specific training courses, seminars, field demonstrations, pamphlets and handbooks. Government also provides facilities to retrain workers for the two industries via the Employees Retraining Board. We provide input with respect to courses designed for farm and fisheries workers.

29. We administer the Agricultural Products Scholarship Fund and the Marine Fish Scholarship Fund to assist secondary and tertiary students who are interested in developing careers in agriculture and fisheries. In 1999-2000, \$657,000 was issued from these two funds to suitable applicants.

Marketing of produce

30. Government assists poultry and crop farmers and fishermen to market their produce or catches efficiently through wholesale markets operated by our department, Vegetable Marketing Organization and Fish Marketing Organization. We also help farmers to market vegetables produced using good horticultural practice through the Accredited Farm Scheme. At present, we are working together with District Office (Yau Tsim Mong) and other departments to address the request of local flower farmers for a place to conduct wholesale/retail business.

Developing leisure agriculture and fishery

31. Leisure fishing and agriculture have already existed in Hong Kong. Leisure fishing activities are found in various parts of Hong Kong and 17 local farms are now practising "leisure agriculture" in the rural part of the New Territories.

32. The Study on South East New Territories Development Strategy Review conducted by Planning Department has proposed that a number of areas, such as Sai Kung, are suitable for the provision of recreation and tourist facilities. A public consultation exercise on the recommendations of the Study is now underway. The Study is expected to be completed in mid 2001. Some of the locations and the coastal waters are potential areas for leisure agriculture and fishing activities. For example, the proposed establishment of a fisheries protection area in Port Shelter could help conserve the fisheries resources in the natural environment

and enhance the attraction of the area for leisure fishing activities. We will further consider the proposed development of leisure agriculture and fishing having regard to the views of fishermen's and farmers' groups and the implications on the ecology, land use planning, infrastructural support, marine traffic and passenger safety etc. The completion of the Study will provide the planning framework for further consideration of these leisure activities in these areas.

Strengthening the co-operation with the Mainland

33. We maintain close liaison with the Mainland authorities. Amongst others things, the Marine Resources and Conservation Special Panel has been established under the Hong Kong-Guangdong Joint Working Group on Sustainable Development and Environmental Protection to strengthen liaison with the Mainland authorities on fisheries resources management, aquaculture and red tides.

34. Close contact is maintained with Mainland quarantine authorities on matters relating to livestock disease and chemical residue control. Farms in the mainland supplying fresh vegetables to the Hong Kong market have already joined the Accredited Farm Scheme.

Ex-gratia allowance for fishermen affected by development projects

35. We completed the review of ex-gratia allowance (EGA) for fishermen and mariculturists affected by marine works projects, including reclamations, and consulted their representatives in the process. A new EGA package with substantial improvements was approved by the Finance Committee on 1 December 2000. The improvements include, amongst others, an increase in the calculation basis from three years' fish catch in the affected area to seven years' fish catch for fishermen affected by reclamations and other marine works projects causing a permanent loss of fishing grounds.

Agriculture, Fisheries and Conservation Department
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