

**For information  
on 15 July 2002**

**LegCo Panel on Food Safety and Environmental Hygiene**

**Information on the Local Live Chicken Trade**

**Introduction**

Members requested for additional information relating to the Report of the Investigation Team for the 2002 Avian Influenza Incident. The following paragraphs provide the information requested.

**A. Estimated loss of the live chicken trade (wholesalers/retailers/transporters) if an additional “rest day” is introduced**

2. The live chicken wholesale sector has four rest days per month. These four rest days fall on 5<sup>th</sup>, 15<sup>th</sup>, 24<sup>th</sup> and 25<sup>th</sup> of each month. The rest day of retail markets normally falls on 25<sup>th</sup> of each month.

3. The Investigation Team points out that retail stalls have to stock up for 5<sup>th</sup> and 15<sup>th</sup> of each month when only the wholesale market rests to ensure that they have sufficient stock to sell. The Team recommends introducing an additional rest day in retail markets to further reduce the virus load **and** to adjust the rest days so that both wholesale and retail markets have two synchronized rest days each month.

4. If this recommendation is implemented, the wholesale market will have two sets of rest day per month and each set consists of two consecutive days. The total number of rest days will still be four. Since there is no change to the total number of rest days, trade practices of wholesalers will not be affected.

5. For live chicken retailers and transporters, a comparison of the total number of live chickens sold in a month before and after the introduction of the monthly rest day reveals that the net profit loss in the introduction of one rest day is –

For each FEHD market stall	About \$500
For each fresh provision shop in Housing Authority/ Housing Society market and in private premises	About \$1000
For each transporter	About \$800

The same figures are applicable in the case of introducing a second rest day.

**B. Estimated financial implications for chicken farmers to implement the biosecurity measures recommended by the Investigation Team**

6. The capital input in implementing the biosecurity measures differ from farm to farm and is affected by the following factors –

- how much biosecurity measures are already in place in the farm;
- the physical configuration of the farm;
- the size of the farm;
- the conditions of existing structures in the farm; and
- whether the farmer lives on farm.

It is estimated that the capital input may range from \$100,000 to \$900,000.

**C. Impact of the importation of Mainland chilled chickens on the local live chicken trade**

7. The impact of the importation of Mainland chilled chickens on the local live chicken trade will be determined by the following factors –

- the quality of the chilled chickens, including whether there is any palatable difference between chilled chickens and freshly slaughtered chickens, their shelf life, whether their sizes and breed meet the demand of consumers etc;
- the retail price of the chilled chickens;
- whether there will be targetted promotional efforts by importers, distributors and retailers and the success of these efforts;
- the quantity that will be imported;
- the number and the location of retail outlets selling this product.

As all these factors are unknown, it is not possible to assess the impact of the importation of Mainland chilled chickens at this stage.

**D. Improvement measures that are being implemented/have been implemented in chicken farms, the wholesale market and retail markets for reducing the risk of recurrence of avian influenza outbreak**

8. The Administration has implemented a number of measures to reduce the risk of avian influenza outbreak. Please see details at Annex.

## **E. Local chicken farms occupying Government land illegally**

9. Some farms are situated on Government land but the farmer had not obtained the Government's approval for use of land or erection of structures for the purpose of poultry farming initially. Some of these farms/structures were subsequently recorded and tolerated or regularized by Government –

- Structures built before 1982 and covered by the 1982 squatter control survey of Housing Department are tolerated;
- Post-1982 structures with a height within the limit of exemption for agricultural structure under the Buildings Ordinance (Application to the New Territories) Ordinance, Cap. 121 and covered by a survey conducted in 1987 in connection with the introduction of the Livestock Waste Control Scheme were granted short term tenancies.

However, there exist some structures with a height exceeding the limit of exemption for agricultural structure under the Buildings Ordinance (Application to the New Territories) Ordinance, Cap. 121 being used for poultry farming. These structures have not been regularized. There are also structures built after 1987 without any proper tenure. The Government departments concerned have been considering how best to tackle the problem to facilitate the improvement of farm biosecurity.

Health, Welfare and Food Bureau

July 2002

**Improvement measures taken  
to reduce the risk of recurrence of avian influenza outbreaks**

Date	Measures
<b>I. At farm level</b>	
May 2001 and ongoing	<u>Publicity and training</u> We produced and issued a handbook to all poultry farmers containing information on disease control and biosecurity. We are conducting on-going training for farmers on biosecurity including seminars and one-on-one training.
October 2001	<u>Ban on movement of poultry from markets to farms</u> Livestock keeping licence conditions were amended to prohibit movement of poultry from markets back to farms. This is backed up by enhanced inspections especially around market rest days.
November 2001 to January 2002	<u>Checks on cage hygiene</u> Special checks were conducted on farms for evidence of dirty transport cages. Arrangements were made with wholesalers to collect excess cages from local farms.
January 2002	<u>Formal limits on numbers of animals or birds allowed on farms</u> Livestock keeping licence conditions were amended to stipulate the maximum number of animals that could be kept on farms.
February 2002	<u>Prohibition of sale of birds direct to retail</u> Livestock keeping licence conditions were amended to ban direct sales of chickens to retail markets. Only chickens accompanied by a valid health certificate issued by AFCD and carried in cages certified to have been cleaned at Cheung Sha Wan Temporary Wholesale Poultry Market (CSWTWPM) can be sold. Birds can only be transported in a vehicle that has not collected poultry from other farms on the same day and can only be sold to retailers via the CSWTWPM.
April 2002	<u>Introduction of a vaccination programme in Pak Sha</u> An H5N1 vaccine was introduced as a supplementary control measure for avian influenza on all chicken farms in the Pak Sha area. All of these farms are being closely monitored for evidence of disease and every batch of birds is being tested to assess the response to vaccination. Chickens from every batch of vaccinated birds are tested before they go to market to ensure they are not infected. The vaccination programme will last for one year and will be reviewed before the role of vaccine in the control of H5N1 avian influenza virus in Hong Kong is established.
April 2002	<u>Improved biosecurity</u> We introduced new livestock keeping licence conditions to improve

Date	Measures
	farm biosecurity. Farmers were given 3 months to comply with these new measures and monthly checks were conducted to all farms to monitor progress. In June 2002, warning letters were sent to those farmers who had not made adequate progress.
On-going	<p><b><u>Farm inspections and monitoring</u></b>  The testing and inspections being done includes pre-marketing health checks and collection of specimens for testing, controls on day old bird imports to ensure licence capacity is not exceeded, regular head counts, monitoring for dead birds, etc.</p>
<b>II. At wholesale level</b>	
June 2001 and on-going	<p><b><u>Cage cleaning</u></b>  Since June 2001 we have implemented a new cage inspection system to ensure wholesalers and poultry transporters only use clean transport cages. Audit checks are performed on cleaned cages at CSWTWPM to ensure they meet the required high level of hygiene. Cages cannot leave the wholesale market unless they are accompanied by a form indicating that the cages are clean.</p>
July 2001	<p><b><u>Additional market rest day in wholesale market</u></b>  An additional rest day has been introduced to tie in with the rest day in retail markets. The wholesale market now has 4 rest days per month and we use these to conduct additional cleaning and disinfection of the wholesale market.</p>
On-going	<p><b><u>Wholesale market surveillance</u></b>  Daily dead bird testing is continuing in wholesale markets.</p>
<b>III. At retail level</b>	
June 2001	<p><b><u>Licensing conditions and hygiene codes</u></b></p> <p>New licensing conditions and hygiene codes were imposed for observance by operators of fresh provision shops (FPSs) and market stalls selling live poultry. Major requirements include requiring stall operators to -</p> <ul style="list-style-type: none"> <li>● keep chickens in each cage in accordance with the density recommended by veterinary surgeons;</li> <li>● avoid stacking up too many cages;</li> <li>● use handcarts with bottom plates in moving poultry and cages to keep market passageways clean;</li> <li>● arrange cages for chickens to be sent back to the</li> </ul>

<b>Date</b>	<b>Measures</b>
	<p>wholesale market for cleansing soon after the chickens are unloaded; and</p> <ul style="list-style-type: none"> <li>● daily cleansing and disinfection of walls, floor and cages.</li> </ul>
July 2001	<p><b><u>Publicity</u></b></p> <p>Publicity materials, including booklets and posters, were distributed to disseminate the messages of the above licensing requirements and conditions and hygiene codes.</p>
July 2001	<p><b><u>Reporting of abnormal death</u></b></p> <p>The trade was advised to report abnormal death (5% of the population in the shop/stall) of live poultry within 24 hour to the department.</p>
July 2001	<p><b><u>Rest Day</u></b></p> <p>A Rest Day has been implemented in retail markets each month. Live poultry retailers are required to suspend one day business each month for thorough cleaning and sterilization of stall and equipment. Operators must slaughter all live poultry in the shops/stalls before zero hour of the Rest Day. Failure to comply with this requirement may lead to immediate termination of market stall tenancy or cancellation of FPS licence.</p>
June 2002	<p><b><u>Proposed additional licensing conditions</u></b></p> <p>The following new licensing conditions were added –</p> <ul style="list-style-type: none"> <li>● operators should report abnormal death of poultry (more than 5% of poultry population in the shop/stall) in the past 24 hour; and</li> <li>● operators should only source live poultry from AFCD Wholesale Market or a place approved by DFEH.</li> </ul>

<b>Date</b>	<b>Measures</b>
On-going	<p data-bbox="459 259 619 293"><b><u>Inspections</u></b></p> <p data-bbox="459 342 1342 663">Additional inspections have been carried out to check compliance of Rest Day at the night before Rest Day and on Rest Day since July 2001. FEHD market stalls are subject to two inspections per day, one in the morning and the other in the afternoon, and the frequency of inspection of FPSs is increased from one inspection fortnightly to once weekly for checking of hygiene condition and compliance of licensing requirements/conditions.</p>
On-going	<p data-bbox="459 790 831 824"><b><u>Sampling of dead chickens</u></b></p> <p data-bbox="459 869 1342 999">Samples of dead chickens or cloacal swabs from dead chickens continue to be taken from retail markets to AFCD laboratory for testing of avian flu virus.</p>
<b>IV. New Legislation</b>	
December 2001 and February 2002	<p data-bbox="459 1115 671 1149"><b><u>New legislation</u></b></p> <p data-bbox="483 1193 1086 1227">New laws were brought into effect to require –</p> <ul data-bbox="547 1272 1321 1574" style="list-style-type: none"> <li data-bbox="547 1272 1321 1402">● complete segregation of live quails and live chickens at all levels to prevent the emergence of the avian flu virus which affected humans in 1997; and</li> <li data-bbox="547 1447 1321 1574">● separate packing of carcasses and viscera of water birds to further prevent chickens from being cross-contaminated by ducks and geese.</li> </ul>