

漁農自然護理署  
九龍長沙灣道二零三號  
長沙灣政府合署五樓



AGRICULTURE, FISHERIES AND  
CONSERVATION DEPARTMENT

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27 May 2021

The Public Accounts Committee  
Legislative Council Complex  
1 Legislative Council Road  
Central, Hong Kong  
(Attn: Ms. Wendy JAN)

Dear Ms. JAN,

**Public Accounts Committee**  
**Consideration of Chapter 3 of the Director of Audit's Report No. 76**  
**Control of trade in endangered species by the Agriculture, Fisheries and Conservation**  
**Department**

Thank you for your letter of 18 May 2021 to this department concerning Chapter 3 of Director of Audit's Report No. 76. We are pleased to provide our reply in the Appendix.

For any further questions, please contact the undersigned or our Senior Endangered Species Protection Officer, Mr. KWAN Sai-ping, Boris (Tel. 2150 6980).

Yours sincerely,

(LAI Kin-ming)

for Director of Agriculture, Fisheries and Conservation

Encl.

c.c. Secretary for the Environment (Fax: 2537 7278)  
Secretary for Financial Services and the Treasury (Fax: 2147 5239)  
Director of Audit (Fax: 2583 9063)

覆函請寄交「漁農自然護理署署長」  
Please address all replies to Director of Agriculture, Fisheries and Conservation

**Response to questions asked and information requested by  
the Public Accounts Committee of the Legislative Council  
in relation to the control of trade in endangered species  
by the Agriculture, Fisheries and Conservation Department  
in Chapter 3 of the Director of Audit's Report No. 76**

**Part 2: Licensing and inspections**

**Q1: With regard to paragraph 2.6(a)(iii) of the Director of Audit's Report No. 76 (Audit Report), it is mentioned that "in 40% of those Endangered Species Protection Division (ESPD) inspections without inspection ratios recorded in the Endangered Species Licensing and Enforcement System (ESLES), enforcement actions were subsequently taken and hence all the specimens were inspected before seizure (i.e. inspection ratio was 100%)". Would the Agriculture, Fisheries and Conservation Department (AFCD) please explain why enforcement actions taken against 40% of those inspections imply that the inspection ratio equals to 100%?**

**A1: Among the consignment inspections conducted by the Endangered Species Protection Division (ESPD) of the Agriculture, Fisheries and Conservation Department (AFCD), there were totally 473 inspections without records of the inspection ratios. About 40% (i.e. 185 cases) of those involved suspected irregularities and enforcement actions by the AFCD were thus required. In those 185 cases, all specimens had to be inspected for further investigation. Therefore, the actual consignment inspection ratio for those cases was 100 %.**

**Q2: With regard to paragraphs 2.4(a) and 2.6 of the Audit Report, would the AFCD please provide the following information regarding the ESPD in the past three years:**

- (a) the establishment of inspection officers and supervisors responsible for consignment inspections and give an account of their daily routine respectively;**
- (b) the number of consignment inspections handled per month and per capita each month; and**
- (c) the average time taken to prepare each inspection report, among which the shortest and longest time taken; as well as the number of inspection reports**

**which were completed within 10 days, 20 days, 30 days and more than 30 days.**

A2(a): The establishment of inspection officers and supervisors responsible for consignment inspections in the ESPD is as follows:

	2018	2019	2020
Inspection officer	5 (including 2 Field Officer II (FOII) and 3 contract staff of the same rank)	4 (including 2 FOII and 2 contract staff of the same rank)*	4 (including 3 FOII and 1 contract staff of the same rank)*
Supervisor	2 (including 1 Senior Field Officer (SFO) and 1 Field Officer I (FOI))	2 (including 1 SFO and 1 FOI)	2 (including 1 SFO and 1 FOI)

\* There were fewer inspection officers in 2019 and 2020, due to natural wastage and internal deployment of manpower to meet other more imminent operation needs.

The duties of an inspection officer mainly include:

- (1) Checking the shipping documents submitted by consignors or agents;
- (2) Conducting inspection of licensed consignments of scheduled species;
- (3) Updating records of the Endangered Species Licensing and Enforcement System (ESLES) for consignment inspections, and preparing inspection reports; and
- (4) Handling enquires about control of trade in endangered species.

The duties of a supervisor mainly include:

- (1) Supervising inspection officers in enforcing *The Protection of Endangered Species of Animals and Plants Ordinance (PESAPO)*;
- (2) Handling enquires about control of trade in endangered species;
- (3) Examining the shipping documents submitted before consignment inspections and assigning work;
- (4) Arranging inspection officers to conduct consignment and shop inspections;
- (5) Conducting supervisory inspections of consignment and shop inspections completed by inspection officers;
- (6) Examining the inspection reports prepared by inspection officers;
- (7) Ensuring proper storage and handling of confiscated specimens; and
- (8) Assisting in the training of inspection officers.

A2(b): Inspection officers responsible for consignment inspections in the ESPD handled an average of 297 consignment inspections per month in the past three years, with about 80 consignment inspections conducted per capita each month.

A2(c): After a report is prepared, the AFCD staff may supplement with secondary information or provide updates, etc. At present, the ESLES will show the date of last update as the “report date”, as such the time elapsed between the inspection date and the report date as indicated in the ESLES may be longer than the actual duration. According to current ESLES records, the time elapsed between the date of inspection and the date of last update of the report is tabulated as follows:

Time elapsed (days)	Number of reports	Percentage
0-10	6 075	57%
11-20	1 336	12%
21-30	712	7%
Above 30	2 559	24%

In order to enhance the supervision of the staff concerned and ensure timely submission of reports, the AFCD is arranging enhancements to the ESLES to record the actual submission date of inspection reports.

**Q3: With regard to paragraph 2.6(d) of the Audit Report, the supervisor of the ESPD re-inspected consignment inspections conducted by the inspection officer each year (supervisory inspections). However, supervisory inspections were only conducted for 0.1% to 1.4% of consignment inspections in each year from 2016 to 2020, which is far behind the target set out in the guidelines on consignment inspections stipulated in the operation manual of the ESPD (that is, supervisory inspections should be randomly conducted for 5% of consignment inspections). Would the AFCD please provide the following information:**

- (a) the ranks and establishment of officers conducting supervisory inspections;**
- (b) reason for the inadequate supervisory inspections; and**
- (c) measures taken to ensure that supervisory inspections meet the target as set out in the guidelines.**

A3(a): A SFO and a FOI are responsible for conducting supervisory inspections.

A3(b): The AFCD’s management work on endangered species has always focused on arranging inspection and enforcement in accordance with the risk assessment with a

view to preventing illegal trade in endangered species. The main purpose of supervisory inspections, which are considered supplementary in nature, is to check inspection reports prepared by inspection officers and the accuracy of ESLES records for assessment of the inspection officers' work. The AFCD has enhanced supervisory inspections in accordance with the inspection ratios as set out in the operation manual since December 2020.

A3(c): To ensure that supervisory inspections meet the ratios as set out in the guidelines and to enhance supervision of inspection officers, the AFCD has arranged to enhance the ESLES by adding a function to calculate the number of supervisory inspections by each supervisor and inspection ratios of consignments automatically. This will help the management of professional grade to evaluate the progress of supervisory inspections and remind staff concerned to conduct adequate supervisory inspections.

**Q4: With regard to paragraph 2.8 of the Audit Report, 13 394 licences had expired as at 31 December 2020 but the relevant licensees had not responded to the reminder letters issued by the AFCD as at 31 January 2021. Would the AFCD please advise this Committee:**

- (a) of the current procedure and manpower involved in issuing reminder letters and the contents of the reminder letters in general;**
- (b) of the numbers of days taken by licensees to respond to the reminder letters issued by the AFCD or to return unused licences from 2016 to 2020;**
- (c) of the taxa and number of licences involved in relation to the above expired licences that have not been returned;**
- (d) whether the Department knew the reasons for the licensees' non-compliance with the licence conditions to return expired licences that have not been used for cancellation in accordance with the licence conditions; and**
- (e) the follow-up measures taken by the Department in respect of licensees not responding to reminder letters, e.g. temporarily suspension of issue of licences to licensees concerned etc.**

A4(a): The AFCD issues reminder letters on expired import and export licences to licensees on a half-yearly basis. Licensees are requested to, as soon as possible, report on the use of the licences or return expired licences that have not been used. This arrangement is to facilitate the Department to update the record and use it as reference for vetting the licensee's next application. A field officer is responsible for issuing reminder letters. Upon receipt of a licensee's reply that the licence had been used in importing or exporting the consignment concerned, the AFCD will record the relevant

information in the ESLES. If an unused licence is returned by a licensee, AFCD staff will cancel the licence and update the stock record of the licensee by reinstating the stock balance.

A4(b): As the ESLES does not capture the dates of reply from licensees, the relevant statistics are not available.

A4(c): The number of expired licences that have not been returned from 2016 to 2020 and the taxa involved are tabulated as follows:

<b>Taxa</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Mammals	57	57	53	38	39
Birds	10	3	3	5	3
Reptiles	2 545	2 682	2 480	2 451	1 062
Amphibians	0	0	0	1	0
Fish	11	12	25	48	14
Molluscs	2	3	4	6	3
Cnidarians	15	18	22	24	14
Plants	264	234	257	252	82

A4(d): According to the AFCD's operational experience, some licensees did not return the unused import and export licences because they did not intend to re-apply for an import and export licence for the consignment (e.g. the consignment had already been sold in the local market).

A4(e): Reminder letters are sent to licensees by the AFCD in order to record the imported and exported quantity of consignments and the stock balance, which will facilitate the vetting of future licence application for the same consignment, if any. If a licensee fails to respond to the reminder letters or return the expired licence that has not been used, the AFCD will not issue any licence for the same consignment again for its import and export trading.

**Q5: With regard to paragraph 2.9 of the Audit Report, failure to return an expired licence that had not been used to the AFCD for cancellation is a breach of licence conditions. Would the AFCD please advise this Committee:**

**(a) of the reasons for requesting licensees to return unused licences to the Department for cancellation as one of the licence conditions for issuing licences (paragraph 2.7 of the Audit Report);**

- (b) of the follow-up measures taken by the Department against persons violating licence conditions and whether their applications for relevant licences would be affected in the future; and**
- (c) how the Department handle the specimens or shipments involved?**

A5(a) - (c):

The requirement for a licensee to return any unused licence is to facilitate the AFCD to update the record and use it as reference for vetting the licensee's next application on the same consignment. If a licensee fails to respond to the letter or return the expired licence that has not been used, the AFCD will not issue a licence for the same consignment again for its import and export trading. The consignors still have to comply with the relevant requirements under PESAPO if the consignments are to be sold locally.

**Q6: With regard to paragraph 2.11 of the Audit Report, in response to the fact that inspection ratios of consignment inspections not recorded in the ESLES accounted for 86% as mentioned in paragraph 2.6(a) of the Report, the AFCD has already started to record the relevant inspection ratios conducted by the Import and Export Division. Would the AFCD please advise this Committee:**

- (a) of how it ensures that the inspection ratios are recorded in the ESLES;**
- (b) of whether it would include the practice of mandatory recording of inspection ratios in the operation guidelines of the Import and Export Division and the ESPD; if not, the reasons for that; and**
- (c) of other measures in place to evaluate the adequacy of consignment inspections?**

A6(a) - (c):

The AFCD has arranged to enhance the ESLES to set the inspection ratio as a mandatory field to save or submit an inspection report in the ESLES, so as to ensure that the inspection ratios will be recorded in the system. The Department has also added this requirement in the guidelines on consignment inspections of the Import and Export Division and the ESPD to facilitate monitoring and review by the management. Supervisors will remind frontline officers to record inspection ratios in the ESLES and enhance their supervisory checking.

Each import or export shipment of scheduled species should be inspected. The inspection ratio is determined by the degree of risk and type of scheduled species in a consignment. A lower inspection ratio is set for low-risk homogeneous

consignments (e.g. 5% inspection ratio for consignments of American ginsengs, cosmetics and caviar under normal circumstances) and a 100% inspection ratio for other consignments such as ivory, valuable timber and live animals. Detailed guidelines on inspection sampling have been laid down for the AFCD frontline officers to ensure proper inspection of shipments.

**Q7: With regard to paragraph 2.13 of the Audit Report, the AFCD conducted 148 inspections on average to keeping premises in each year from 2016 to 2020. Would the AFCD please advise this Committee:**

- (a) of the number of cases of new application for, renewal of or variation of possession licences (PL) in each year between 2016 and 2020;**
- (b) of the number of cases found to be failing to comply with the PL licensing requirements between 2016 and 2020; and**
- (c) of whether it has set a target on the number of inspections each year.**

A7(a): The number of possession licence (PL) applications between 2016 and 2020 are as follows:

<b>Year</b>	<b>New</b>	<b>Renewal</b>	<b>Variation</b>
2016	52	82	23
2017	54	116	17
2018	41	83	5
2019	24	67	3
2020	25	85	10

A7(b): The AFCD conducted a total of 742 inspections at specimen keeping premises between 2016 and 2020, of which 14 cases did not comply with the licensing requirements of the PL. The species involved included Asian arowana, humphead wrasse, ivory and bear gall bladder. The AFCD has investigated the cases and taken follow up actions by issuing warning letters or initiating prosecutions.

A7(c): The Department will conduct inspection on the premises for all new and renewal applications. As the number of inspections is subject to the number of new applications, renewals or variations of PL, it is thus difficult to set a target with a definite number. On the other hand, the Department will formulate an annual shop inspection plan on the basis of risk assessment each year, and the plan will cover some of the premises with PL.



**Q8: With regard to paragraph 2.14 of the Audit Report, would the AFCD please inform this Committee of the workflow of processing various PL applications as well as the sections and the ranks of officers involved in the approval of such applications.**

A8: Upon receipt of a PL application, the FOII responsible for processing PL application in the Licensing Unit of the ESPD will check the supporting documents of the application, including the proof of identity or business registration certificate of the applicant, as well as proof of legal origin for the endangered species under application for possession, such as relevant certifying documents from the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) and invoices. If the necessary information and documents are fully furnished, an FOII of the Inspection Unit will inspect the keeping facilities and check the quantity of specimens at the keeping premises against the application as well as take photographs for recording purposes, so as to ensure their consistency with the application and that the keeping facilities are suitable for keeping the specimens concerned. Upon receipt of the inspection report from the Inspection Unit, the field officer of the Licensing Unit will draft a PL for the Forestry Officer or Senior Forestry Officer's approval and issuance if no irregularities, inconsistency or other problems are identified.

**Q9: With regard to paragraph 2.15(a) of the Audit Report, in 4 new applications for possession of live specimens (e.g. humphead wrasse and birds), there was no record of measurement of the keeping facilities. Would the AFCD please inform this Committee of whether the application concerned was approved eventually, and if it was, the reasons for approval.**

A9: With regard to the 4 PL applications mentioned in paragraph 2.15(a) of the Audit Report, field officers of the Inspection Unit inspected the keeping facilities at the keeping premises, including bird cages and fish tanks, and took photographs for record purposes. Although the measurement of the bird cages and fish tanks had not been recorded, the field officers confirmed that the keeping facilities were suitable for keeping the specimens concerned (live birds and fishes), the AFCD thus approved the application. The Department has reminded the staff concerned that the measurement of the keeping facilities must be recorded.

**Q10: With regard to paragraph 2.15(b) of the Audit Report, in 1 renewal application, the AFCD approved the application despite that not every transaction was recorded on the prescribed form, contrary to the PL condition. Would the AFCD please inform this Committee of the reasons for approval.**

A(10): With regard to the PL renewal application mentioned in paragraph 2.15(b) of the Audit Report, the applicant did not specify the exact date of sale of the 22 ornamental fish on the prescribed form. Taking into account that the irregularity concerned was minor, the AFCD approved the renewal application after confirming that there were no other irregularities. The licensee was reminded to record every transaction in detail on the prescribed form when renewing the licence and the AFCD would issue warning letter or take enforcement action in case of any non-compliance.

**Q11: With regard to paragraph 2.17(a) of the Audit Report, the AFCD replied that the inspection officers were no longer required to generate a list of commercial premises with expired and un-renewed PLs for routine shop inspections as such inspections were conducted on a risk-based approach. Would the AFCD please inform this Committee of the number of commercial premises with expired PLs, the number of premises that have been inspected by the Department, as well as whether there were cases in which the Department has detected irregularities and initiated prosecutions between 2016 and 2020.**

A11: The AFCD adopts a risk-based approach in conducting inspections. Relevant considerations include any recent reports of irregularities or complaints against the shops, any rising trend of illegal trade of the species involved etc. A shop might be selected in routine shop inspections irrespective of whether it holds a PL or whether the PL held has expired. As a matter of fact, there are various reasons for licensees not to renew their PL (e.g. closing of business or ceased sale of scheduled species). The AFCD conducted inspections at 3 942 different premises between 2016 and 2020, during which 7 cases were identified to have irregularities and were prosecuted. These cases of irregularities included possession without licence, specimens of scheduled species exceeded the licenced quantity or failure to provide proof of legal source of the scheduled specimens. There were no cases of illegal possession of scheduled species due to expired licences.

The number of PLs which expired between 2016 and 2020 is as follows:

Year	Number
2016	135
2017	302
2018	152
2019	92
2020	279

**Q12: With regard to paragraph 2.18 of the Audit Report, under the current licensing regime, except for elephant ivory (other than antique ivory), there is no mandatory requirement imposed by the AFCD on unique markings on specimens subject to or exempt from the licensing requirement. From time to time, there are concerns from the public and some Members of the Legislative Council on the identification of scheduled species and possible laundering. In this connection, would the AFCD please advise this Committee:**

- (a) of whether it has found any laundering cases over the past 10 years; if yes, the number of cases by species in each year;**
- (b) of the reasons for not imposing any requirement on unique markings on specimens other than elephant ivory; and**
- (c) regarding the reasons mentioned in (b), of whether it has explored ways of preventing difficulties in identification of scheduled species and possible laundering when there are no unique markings on specimens; if yes, the details; if not, the reasons for that.**

A12(a) - (c):

There are difficulties in adopting unique markings for effective identification for the majority of specimens of endangered species, for instance, Chinese medicines such as American ginseng and dried seahorses which are small in size but large in quantity, extracts of endangered species which can be in powder or liquid form, as well as flowers and small decorations. It is not feasible to attach unique markings on these commodities.

In the last 10 years, the AFCD has not detected cases of laundering involving species other than ivory. Through the controlled buy operation, the AFCD has found a total of 4 cases involving sale of ivory not covered by PL (1 case in 2016, 2 cases in 2017 and 1 case in 2018 respectively).

Currently, apart from ivory, captive-bred Asian arowana are required to be inserted with microchips and number tags are attached to raw material of crocodilian skin in accordance with the requirements under CITES. The AFCD is exploring the feasibility of identifying individuals of some scheduled species by applying biometric identification technology. For instance, as each humphead wrasse has unique facial markings, the AFCD is pursuing a facial-recognition programme for identifying individual humphead wrasse jointly with a local university. The AFCD will continue to explore the adoption of appropriate approaches and keep in view any new technologies to strengthen the control on endangered species.

**Q13: With regard to paragraph 2.26 of the Audit Report, shop inspections are conducted on a risk-based approach by the AFCD, with a target number of about 1 500 inspections annually. However, Audit analysed the number of shop inspections conducted by the AFCD from 2016 to 2020 and found that there was a decrease in the number of shop inspections from 2 558 in 2019 to 1 502 in 2020. Would the AFCD please advise this Committee:**

- (a) of how it set the annual target of 1 500 inspections and whether it would consider adjusting the inspection target according to the nature of retail outlets (such as wet market, aquarium, pet shop, flower shop, craft shop, and Chinese medicine shop); and**
- (b) apart from the need to take into account the anti-epidemic measures and related requirements, other main reasons leading to the decrease in the number of inspections amid the COVID-19 epidemic.**

A13(a): The annual target number of 1 500 inspections has been in place since 2013. The setting of target was mainly based on the overall market situation of the sale of endangered species regulated by PESAPO and the allocation of work of AFCD staff. For instance, apart from conducting shop inspections, inspection officers are also responsible for conducting inspections related to licence applications and disposal of specimens, etc. The AFCD would make reference to the target number of 1 500 inspections when formulating the annual shop inspection plan in accordance with a risk-based approach. The AFCD has accepted the Audit recommendation and will adjust the annual target number of inspections to be conducted at retail outlets of different nature (such as wet market, aquarium, pet shop, flower shop, craft shop and Chinese medicine shop) on the basis of the actual market situation and the strategies for regulating trade in endangered species.

A13(b): The decrease in the number of inspections in 2020 was due to anti-epidemic measures and related requirements.

**Q14: With regard to paragraph 2.27 of the Audit Report, Audit found from the shop inspection reports in 2017 that 24 shops inspected were no longer in operation. However, 16 of the 24 shops were not yet removed from the shop list in the ESLES as of December 2020. Would the AFCD please advise this Committee:**

- (a) of the reasons the ESLES was still not updated as of December 2020 with the result that those 16 shops were not yet removed from the shop list;**
- (b) whether it knew how those shops which were no longer in operation disposed of the scheduled species and specimens (if any) originally possessed**

by them?

- (c) of the current procedure for recording, reporting and updating the information in the ESLES when shops are found to be no longer in operation; and
- (d) of the measures to be taken by the Department to ensure that the information in the ESLES is properly updated, for example, whether it would re-examine the shop list to avoid the recurrence of similar situation?

A14(a): The AFCD found that in the past some entries were omitted when frontline staff updated the shop list. The latest status of these 16 shops has now been updated in the ESLES as ceased operation. However, the records of such shops will not be removed from the shop list in order to keep their previous trading and inspection records. Future inspections will also check whether the shops concerned have resumed operation.

A14(b): Shops which have ceased operation may handle their specimens of scheduled species in possession in different ways. If the specimens are possessed for commercial purposes at another location, it is necessary to apply for another PL for the new premises. If the specimens are possessed for non-commercial purposes only, the licensing requirement can be exempted.

A14(c) - (d):

In the past, the shop list maintained in the ESLES was updated by frontline inspection officers. The AFCD has reviewed the overall approach adopted for shop inspections and amended the related guidelines. Under the updated guidelines, supervisors will be responsible for the examination of information in the ESLES and supervisory site inspections to ensure that the information in the ESLES have been updated properly.

**Q15: With regard to paragraph 2.30 of the Audit Report, the inspection officer should submit to the supervisor the inspection report for premises with irregularities detected and requiring follow-up actions on or before the next working day of the inspection according to the ESPD operation manual. Would the AFCD please advise this Committee:**

- (a) of the reasons for requiring the inspection officer to submit the inspection report on or before the next working day of the inspection; and
- (b) of the inspection workflow and job description for an inspection officer at present, such as whether an arrangement may be made for the officer to carry out inspections on two consecutive working days.

A15(a): According to the operation manual, inspection officers are required to submit an inspection report on or before the next working day following the detection of irregularities on the premises. The original intention is to enable the supervisor to follow up on the case and commence investigation as soon as possible. In daily operations, inspection officers will normally report verbally to their supervisor immediately to ask for instructions on further actions if they find any irregularity.

A15(b): Currently, an inspection officer is required to make reference to past inspection records or other trading information in order to prepare a shop list for their supervisor's approval before conducting an inspection. After obtaining the approval, the inspection officer should examine the information about the shops on the list, including the scheduled species and quantity as approved to be possessed under the PL held by the shops and their markings. During the inspection, the inspection officer should examine whether there is any specimen of scheduled species suspected to be illegally possessed inside the shop or any breach of licence conditions. In case of any irregularity, the inspection officer will seize the specimen(s) concerned in accordance with their supervisor's instruction and hand it/them to the Operation Unit for further investigation. After the inspection, the inspection officer is required to prepare an inspection report (containing photographs of the premises and the specimen(s), reply slip on stock level, proof of legal origin(s) of the specimen(s), an account of whether any irregularity was detected and details of the irregularity detected at that time, etc.) and update the inspection records in the ESLES. Given that an inspection officer needs time to carry out paper work before and after the inspection, it is the normal practice not to arrange staff to conduct inspections on two consecutive working days.

### **Part 3: Investigation and Prosecution**

**Q16: With regard to paragraphs 3.3 and 3.4(b) of the Audit Report, as of 30 November 2020, 327 cases from those opened between 2010 and November 2020 for suspected contravention of the Protection of Endangered Species of Animals and Plants Ordinance (Cap. 586) (PESAPO), were remarked as being under investigation and prosecution in the ESLES of the AFCD. Nearly 70% of the cases have the time elapsed from the date of offence for more than 1 year. Among the selected 20 cases for further examination, no prosecution had been instigated and no necessary follow-up actions had been taken and records in the ESLES was yet to be updated by the AFCD. Please account for:**

- (a) the lengthy period required by the Department to investigate the cases and instigate prosecution as well as the ways to expedite the processing of these**

- cases;**
- (b) the reasons for not taking follow-up actions/updating the records in the ESLES regarding the 20 cases abovementioned;**
  - (c) whether the Department would consider adding a reminder function in the ESLES to remind its staff to follow up with the cases that have not been properly dealt with after a certain period has elapsed; and**
  - (d) whether the Department has re-examined the ESLES to ascertain if there were cases with no prosecution instigated 6 months from the date of offence; and if yes, the relevant figure.**

A16(a): Investigation had been completed for the 327 cases mentioned in the Report and no prosecution was instigated due to insufficient evidence. They were remarked as under investigation and prosecution in the ESLES because the AFCD was still conducting relevant follow-up actions such as issuing a warning letter to the person concerned, confirming receipt of a signed reply slip from the person, as well as disposing of the seized specimens in accordance with the established procedures, etc. Only when these work are completed will the ESLES be updated to indicate that the case concerned is completed. For the 327 cases mentioned in the Report, some follow-up actions were being taken and the Department is expediting the processing of these cases. At present, 132 of the cases have been completed. We have formulated a work target to process the remaining cases which are expected to be completed within 6 months.

A16(b): Due to the large number of cases opened for investigation annually and the fact that follow-up actions have to be taken to complete a case where no prosecution is to be initiated after investigation, and there is no alert function in the ESLES, the 20 cases selected by the Audit Commission had not been followed up properly and hence the subsequent follow up actions of some cases had not been completed promptly. The 20 cases can be categorised into three groups:

- (i) for 2 cases, investigation and/or prosecution had been completed and no further action was required but the ESLES records had not been updated. The AFCD has now updated these records in the ESLES;
- (ii) for 15 cases, investigation had been completed, however, subsequent follow-up steps as mentioned in paragraph 16(a) had not been taken in a timely manner. The AFCD is now handling the seized specimens of the cases; and
- (iii) for 3 cases, the case files had not been submitted. According to information records, they involved minor irregularities and investigation had been completed. As no consignee could be identified, no prosecutions had been instigated for

these cases. The records of these cases on the ESLES have been updated and the AFCD is now handling the seized specimens.

A16(c): Having reviewed the existing functions of the ESLES, the AFCD is arranging to add new functions to alert subject officers and their supervisors of outstanding cases automatically, so that the case progress can be monitored in a more effective manner. In the meantime, all cases under investigation are recorded on an excel file and the file is updated regularly. The file concerned will be submitted to the head of the responsible unit for review on a regular basis.

A16(d): Among the 6 126 cases opened for investigation, the prosecution work of 5 799 cases had been completed, and the investigation for the remaining 327 cases had also been completed and confirmed that no prosecution would be instigated. As mentioned in paragraph 16(a) above, the AFCD has completed processing 132 cases and is taking follow-up actions for the remaining cases.

**Q17: With regard to Table 5 in paragraph 3.6 of the Audit Report, although the time elapsed from the date of offence was more than 1 year for 566 (94%) cases and, among them, even more than 5 years for 212 (35%) cases as of 30 November 2020, the AFCD has not applied for court orders for such cases yet. Please account for:**

- (a) the issues involved in such cases, the reasons for not applying for court orders for such cases by the Department and the ways to expedite the processing of these cases; and**
- (b) the circumstances in which the animals or plants, whether live or dead, seized and forfeited to the Government, will be sold or disposed of in any other way, by the Director of Agriculture, Fisheries and Conservation in such manner as he thinks fit, as mentioned in paragraph 1.15 of the Audit Report, as well as the conditions for determining the manner of disposing of animals or plants that are seized or forfeited.**

A17(a): The AFCD has been giving priority to cases requiring prosecution to ensure that prosecution would be initiated within the statutory bar date (i.e. within 6 months from the date of offence). All of the cases set out in Table 5 in paragraph 3.6 of the Audit Report did not involve prosecution. However, as mentioned in paragraph 16(a) above, we have to take other subsequent follow-up actions for these cases. To expedite the processing of cases that do not involve prosecution but require a court order to dispose of the seized specimens, the AFCD has formulated work targets and



deployed manpower suitably. The work is expected to be completed within 6 months.

A17(b): The Director of Agriculture, Fisheries and Conservation considers the appropriate method to dispose of seized and confiscated specimens of endangered animals and plants in accordance with the guidelines set out by CITES Resolution for the disposal of illegally traded and confiscated specimens of CITES-listed species. As mentioned in the guidelines, the disposal of confiscated and accumulated dead specimens of Appendix I species is restricted to scientific, educational, enforcement or identification purposes. Any confiscated dead specimens of Appendix II and Appendix III species should also be disposed of in the best manner possible to achieve the purposes of CITES. For example, specimens can be donated to schools or non-profit-making organisations for education or other non-commercial purposes.

The disposal of live specimens should maximise conservation value of the specimens without endangering the health, behaviour, or conservation status of wild or captive populations of the species. Besides, it is required to ensure that the person responsible for the offence does not receive financial or other gain from the disposal, and that such disposal does not stimulate further illegal trade. Destruction of dead specimens or euthanasia of live specimens should be considered as a last resort when all other options of disposal have been exhausted.

**Q18: With regard to paragraphs 3.9(c) and 3.10(b) of the Audit Report, the Audit Commission has recommended enhancing the ESLES to record cases under investigation and those under prosecution separately while the AFCD is exploring the possibility of enhancing the relevant computer systems to assist the monitoring and updating of the progress of the cases. When does the AFCD expect to finish updating the ESLES? Will the AFCD consider regularly reviewing the progress of all cases under investigation and those under prosecution as well as setting a deadline for the investigation period?**

A18: In general, the time limit for investigation is 6 months. As mentioned in paragraph 16(c) above, the AFCD is adding new functions in the ESLES to send alerts to remind subject officers and their supervisors of their outstanding cases automatically so that they can monitor the case progress in a more effective manner. Besides, another computer system enhancement project is underway to allow data exchange between the Prosecution Management System of the Prosecutions Unit and the ESLES of the ESPD, as well as to track the progress of cases under prosecution and application for a court forfeiture order. The system enhancement is expected to be completed within the first quarter of 2022.

**Q19: With regard to paragraphs 3.18 to 3.22 of the Audit Report, would the AFCD please advise this Committee of :**

- (a) the Department's publicity work on encouraging the general public and informers to make intelligence reports on suspected contraventions of the PESAPO over the past 3 years and the publicity measures to encourage members of the public to register as informers and make intelligence reports;**
- (b) the details of the reward levels, including the ways to determine the levels and whether such information is disclosed to the public;**
- (c) the number of persons who have registered as informers and received the reward each year since the establishment of the scheme; and**
- (d) the reasons for not revising the reward levels for years by the Department and the estimated completion time of the review on the reward scheme (paragraph 3.25 of the Audit Report).**

A19(a): Public awareness of the PESAPO lays the foundation for the AFCD's intelligence collection. As such, the AFCD has conducted various publicity and education activities over the past 3 years to enhance public awareness of the PESAPO, as well as to encourage members of the public to make enquiries and report any suspected cases to the AFCD. These activities included 927 visits to the Endangered Species Resource Centre, 158 talks, 54 exhibitions and the publishing of 19 posts on Facebook, etc. Besides, the AFCD has broadcasted TV Announcements of Public Interest on cross-boundary coaches as well as TV advertisements on the control of endangered species in Hong Kong at six land boundary control points (Shenzhen Bay Port, Lo Wu Control Point, Huanggang Control Point, Man Kam To Control Point, Sha Tau Kok Control Point and Futian Control Point). Moreover, promotional materials such as posters and pamphlets have been placed at various control points. The AFCD also recruits members of the public who have provided significant and accurate intelligence as registered informers where appropriate. Information on the reward scheme is set out on webpage of the AFCD.

A19(b): The prescribed reward levels were approved by the then Treasury Bureau and determined by the estimated value of the seized specimens or the sentence imposed, details of which are set out in the operation manual of the AFCD Intelligence Unit. The AFCD will explain in detail to all newly-registered informers the calculation method for the reward.

A19(c): The numbers of newly-registered informers and reward recipients each year since the establishment of the reward scheme are set out as follows:

<b>Year</b>	<b>Number of new registrants</b>	<b>Number of reward recipients</b>
1999	4	0
2000	26	3
2001	6	6
2002	6	8
2003	4	7
2004	6	7
2005	4	8
2006	1	4
2007	3	3
2008	3	5
2009	0	4
2010	0	4
2011	0	3
2012	0	3
2013	0	2
2014	0	1
2015	2	1
2016	0	1
2017	1	1
2018	0	2
2019	0	2
2020	0	2
2021 (as of 20 May 2021)	0	1

A19(d): The AFCD has been examining the operation of the reward scheme since its establishment in 1999 and is conducting a comprehensive review to evaluate its effectiveness and put forward proposals to improve its operation. The AFCD also commenced a survey on the market prices of endangered species in 2019 to review the reward levels and the attractiveness of the reward scheme. The progress of the survey is, however, hindered by the pandemic. The AFCD will complete the comprehensive review within this year.

#### **Part 4: Other Relevant Matters**

**Q20: With regard to paragraph 4.7 of the Audit Report, the last stocktaking exercise on dead specimens was conducted by the AFCD in 2013. The annual stocktaking as required in the ESPD operation manual was subsequently suspended due to manpower deployment. Would the AFCD please inform this Committee of :**

- (a) the manpower issue faced by the Department;**
- (b) the reasons for the Department's decision to suspend stocktaking due to the manpower issue instead of striving for or deploying manpower resources; and**
- (c) the significance of specimen stocktaking in the AFCD's view.**

A20(a): Between 2014 and 2020, the AFCD strengthened its control of trade in ivory with existing resources, including conducting comprehensive stocktaking of pre-ban ivory, putting on tamper-proof holograms, regulating pre-Convention ivory kept for commercial purposes, disposing of confiscated ivory by incineration, etc. Besides, since 2015, the Department has to make special redeployment of manpower temporarily to deal with the stockpiling of large quantities of confiscated timber and its donation matters, hence it was necessary to suspend the annual stocktaking temporarily.

A20 (b) and (c):

The AFCD has adopted various measures to oversee the storage of confiscated specimens, which include:

- (i) equipping each specimen storeroom with double locks, of which the keys and combination settings are kept separately by the Inspection Unit and the Operation Unit;
- (ii) installing a closed-circuit television system in each specimen storeroom;
- (iii) assigning more than one officer to enter the specimen storeroom each time when such entry is deemed necessary for operational purposes and record each entry in the register; and
- (iv) recording all deposits and movements of specimens in the ESLES.

Taking into account that a series of measures had already been put in place to ensure proper storage of the confiscated specimens, the AFCD did not redeploy manpower resource immediately to continue the stocktaking work.

The latest stocktaking was smoothly completed in April this year. The confiscated specimens were confirmed to be properly stored and in good condition.

**Q21: With regard to paragraphs 4.12 to 4.14 of the Audit Report, the AFCD collaborated with two non-governmental organisations (NGOs) in 2011 to conduct a placement scheme of pet animals of scheduled species, to arrange adoption by suitable private individuals of pet animals of certain scheduled species donated by the AFCD. However, the AFCD had not reported the number and species of live animals donated to each of the two NGOs under the placement scheme in the summary progress reports submitted to the Endangered Species Advisory Committee since January 2015. Please account for the failure to report such information.**

A21: The AFCD submits a summary progress report on the implementation of CITES at each Endangered Species Advisory Committee (ESAC) meeting, which contains a consolidated report on the disposal of seized specimens during the reporting period. However, the quantities and species of live specimens donated to the non-governmental organisations were not separately presented in the report. The AFCD has accepted the Audit recommendation and will report individually the species and quantities of animals donated through the placement scheme of pet animals of scheduled species (the placement scheme) in future summary progress reports on the implementation of CITES with a view to facilitating ESAC members' understanding of the effectiveness of the placement scheme. In addition, a review on the placement scheme will be conducted at the ESAC meeting to be held this June.

**Q22: It is mentioned in paragraph 4.25 of the Audit Report that various publicity and education programmes are conducted to raise awareness of the general public, students and traders about scheduled species protection and the importance of compliance with the relevant legislation. Has the AFCD evaluated the effectiveness of such programmes, such as collecting views from the participants or implementing other measures? If yes, what are the details; if not, what are the reasons?**

A22: The AFCD has collected views from groups visiting the Endangered Species Resource Centre through questionnaires to evaluate the effectiveness of these activities. According to the questionnaires collected in the past, the interviewees were satisfied with the Endangered Species Resource Centre and its services. They considered the education theme and exhibits were unique, and the visit was conducive to enhancing their understanding on endangered species. Regarding the publicity and education

activities conducted in other venues, depending on the nature of the activities, the AFCD will evaluate the effectiveness of the activities through interaction with participants, observation of participants' reactions and exchange of views with activity organisers etc.