Speaking Note for Secretary for Food and Health at the Special Meeting of the Finance Committee on 12 April 2013

Food Safety and Environmental Hygiene

Chairman and Honourable Members,

The Food and Health Bureau is committed to ensuring food safety and environmental hygiene with a view to promoting public health and improving people's quality of life.

- 2. In the 2013-14 Estimates, about \$5.8 billion has been earmarked for recurrent expenditure in the policy portfolio of "Food Safety and Environmental Hygiene", representing an increase of \$230 million (4.2%) over the previous year and accounting for 2.0% of recurrent government expenditure.
- 3. New resources available in the next financial year are mainly used to provide
 - additional funding of about \$57 million to the Food and Environmental Hygiene Department (FEHD) to cope with the rise in outsourcing contract prices;
 - > an additional \$5.8 million to provide secretariat support and legal advisory service to the Fishermen Claims Appeal Board for handling claims related to the trawl ban and marine works projects;
 - > an additional \$4.8 million to administer an assistance scheme for improving the fire safety of fixed-pitch hawker areas; and

- > an additional \$4 million to step up patrol and regulatory work in enforcing the trawl ban.
- 4. I will now proceed to outline the policy priorities and work progress.

Food Safety

- 5. On efforts to safeguard food safety, the key components of our food safety regulatory measures include food surveillance, proper handling of food incidents, updating of food standards, effective enforcement of food safety laws and appropriate import control on food and food animals. We will continue to take forward the relevant work to ensure that food for sale in Hong Kong is fit for human consumption.
- 6. The Regulation which governs pesticide residues in food will come into operation in August 2014. The Centre for Food Safety will conduct briefings for food traders and local farmers and develop practical guidelines to help them prepare for the commencement of the Regulation.
- 7. Plans are also underway to strengthen regulation of genetically modified food. Based on the practice as advocated by the Codex Alimentarius Commission (Codex) and the World Health Organization, we have proposed to introduce a mandatory pre-market safety assessment scheme in Hong Kong, which has gained the support of the Panel on Food Safety and Environmental Hygiene (the Panel). The Administration will launch a public consultation on the subject in the second half of this year.

Labelling of Powdered Formula and Food Products for Infants and Young Children

8. The Government has been promoting the merits of breastfeeding to encourage its adoption. Nevertheless, we have also noted that for various reasons, many local parents have chosen not to breastfeed. For the infants and young children of these parents, powdered formula is their only or very essential foodstuff.

Hence the Government will, having regard to the Codex standards and international practices, enact legislation with the aim of regulating the nutritional composition of powdered formula products intended for consumption by infants under the age of 6 months to ensure that adequate nutrition is provided by these products. Meanwhile, to help parents make informed food choices, we will also introduce legislative control on the nutrition labelling of powdered formula and food products intended for infants and young children under the age of 36 months. Early this year, we have completed the public consultation on the legislative proposals, which are generally welcomed by the trade and the community at large. We have obtained the support of the Panel and plan to introduce the relevant legislation into the Legislative Council (LegCo) in 2013.

Supply of Powdered Formula

- 9. As I mentioned just now, for parents who have not opted for breastfeeding, powdered formula is the only or very essential foodstuff for their infants and young children. Thus, an adequate and stable supply of powdered formula is of utmost importance to these parents and their infants and young children. Consequently, when the Government noted a serious shortage of individual brands of powdered formula at the local retail level due to parallel trading activities at the beginning of this year, amendments were made to the Import and Export (General) Regulation ("the Amendment Regulation"). Since the Amendment Regulation came into effect on 1 March, parallel trading activities related to powdered formula has dropped substantially, while the supply of powdered formula at retail outlets has apparently become sufficient and stable compared with the previous situation.
- 10. We will continue to maintain close liaisons with major suppliers of powdered formula and retail representatives and urge them to step up efforts in improving the supply chain management to ensure an adequate and stable supply of powdered formula for local infants and young children. Among other things, they should ensure sufficient local supply, improve the stock replenishment mechanism, set up services for advance order at retail outlets and provide support to hotlines for taking purchase orders by ensuring that there is sufficient manpower to handle

purchase orders arising from a surge in demand. The Administration will review the effectiveness of these enhancement measures after the Amendment Regulation has been in force for one year.

Assistance for Hawkers

11. To further improve and enhance the fire resistance capability and electrical installations of hawker stalls, the FEHD will launch a five-year assistance scheme for about 4 300 hawkers in the 43 fixed-pitch hawker areas. The required funding of \$230 million has been approved by the Finance Committee (FC) in March 2013. The scheme will be rolled out this summer.

Columbarium Policy

- 12. On regulation of private columbaria, our aim is to introduce the relevant Bill into the LegCo in the fourth quarter of 2013 as scheduled. Prior to the introduction of the licensing scheme, we will strengthen public education to remind consumers of the issues that require attention when purchasing private columbarium niches.
- 13. Meanwhile, in the interest of encouraging wider use of environmentally-friendly and sustainable means of handling cremains, the Administration will continue with its efforts to foster the necessary mind-set change.
- 14. To promote the district-based columbarium development scheme, the Government has identified 24 potential sites across the 18 districts for columbarium development and is forging ahead with the technical feasibility studies related to these sites as well as the consultation with relevant District Councils. In February 2013, the FC approved funding of \$66.4 million for undertaking detailed design and site investigations of the site formation and associated infrastructural works for the construction of a columbarium and related facilities at Sandy Ridge Cemetery.

Fisheries Development

- 15. To help restore the fisheries resources and promote the sustainable development of the fisheries industry, the legislation which bans trawling activities in Hong Kong waters has taken effect. To facilitate the granting of ex-gratia allowances, a committee comprising non-official members is handling appeals filed by applicants.
- 16. Apart from the trawl ban, we are also processing applications for registration of local fishing vessels so as to control the fishing effort in Hong Kong waters.
- 17. In the 2013 Policy Address, the Chief Executive has proposed the setting up of a \$500 million Sustainable Fisheries Development Fund. We are consulting the trade and other stakeholders before finalising the details of the Fund. We plan to seek funding approval from the LegCo in the fourth quarter of 2013.

Agricultural Development

18. On supporting agricultural development, the Government has been making use of the Agricultural Development Fund under the Vegetable Marketing Organisation to facilitate the further development of local agriculture by developing modern and environmentally-friendly farming technologies with emphasis on preservation of natural resources and the agricultural ecology, and yielding quality and high-value agricultural produce safe for consumption, thereby assisting the industry in moving towards sustainable development. The Government will continue with its work in this area.

Alignment of Fees and Charges for Municipal Facilities and Services in the Urban and New Territories Regions

19. The Administration has earlier announced the arrangement for alignment of fees and charges for municipal facilities and services provided by the FEHD. The lower rate will prevail where the fee or charge for a certain facility or service

differs between the urban areas and the New Territories. The associated legislative amendment exercise is expected to be completed in mid-2013.

20. As the next step, the FEHD will conduct a comprehensive review of the charging policy and rates of these facilities and services. In the course of the review, we will have due regard to public affordability as well as the fiscal discipline pursued by the Government over the years, with a view to striking a reasonable balance between the two.

Public Markets

- 21. The FEHD is committed to enhancing the operating environment of the public markets under its management through the implementation of various measures. These include carrying out enhancement projects to upgrade facilities, maintaining and keeping the markets in good and hygienic conditions to provide customers with a pleasant environment, and holding promotional activities from time to time to attract patronage.
- 22. At the request of the Panel, the Administration is examining the policy, positioning and functions of public markets, including putting forward proposals regarding improvement of the operating environment of the public markets and other related matters. A preliminary report will be submitted in the second half of 2013.

Animal Welfare

23. The Agriculture, Fisheries and Conservation Department (AFCD), in conjunction with the Police and the Society for the Prevention of Cruelty to Animals (Hong Kong), provides a platform for relevant professional departments and Animal Welfare Organisations (AWO) to enhance mutual support, with a view to ensuring effective investigation of animal cruelty cases. The Administration will continue to enhance the work in this respect.

- 24. In the coming year, the AFCD will allocate about \$8 million to public education and publicity for promoting animal welfare. In addition, the AFCD will set aside \$1 million for AWOs to organise activities relating to animal welfare.
- 25. Last year, we conducted a public consultation on the proposals to better regulate pet trading, including tightening regulation of persons who breed and sell dogs and raising the penalties under the relevant legislation. We aim to introduce the Amendment Regulation into the LegCo within 2013.

Avian Influenza (AI) Prevention and Control Measures

- 26. The Government has been implementing a series of AI prevention and control measures at the poultry farm, wholesale, retail and import levels. Over the past three years, 18 000 dead wild birds and 15 000 specimens from poultry and the environment were tested. No H7 AI virus had been detected.
- 27. In response to the human infection cases of H7N9 AI in the eastern part of the Mainland, the Mainland authorities have immediately stepped up surveillance of live poultry and poultry products bound for Hong Kong. Since 11 April, Hong Kong has also started to conduct rapid tests against H7 AI on imported live poultry upon their arrival at the Man Kam To Control Point.
- 28. The Government will continue to liaise closely with the Mainland authorities and keep the public informed of developments on the H7 AI front. We will stay alert and monitor developments closely.
- 29. Chairman, my colleagues and I are happy to answer questions from Members.