### 立法會 Legislative Council

LC Paper No. CB(2)1603/12-13 (These minutes have been seen by the Administration)

Ref: CB2/PL/FE

#### Panel on Food Safety and Environmental Hygiene

#### **Minutes of meeting** held on Tuesday, 5 February 2013, from 4:30 pm to 7:30 pm in Conference Room 3 of the Legislative Council Complex

**Members** Hon Alan LEONG Kah-kit, SC (Chairman) present

Hon Steven HO Chun-yin (Deputy Chairman)

Hon James TO Kun-sun

Hon Tommy CHEUNG Yu-yan, SBS, JP

Hon Vincent FANG Kang, SBS, JP Hon WONG Kwok-hing, MH

Dr Hon Joseph LEE Kok-long, SBS, JP

Hon CHEUNG Kwok-che Hon WONG Yuk-man

Hon Claudia MO

Hon CHAN Chi-chuen

Dr Hon Kenneth CHAN Ka-lok Dr Hon Helena WONG Pik-wan

Members Hon Albert CHAN Wai-yip attending Hon SIN Chung-kai, SBS, JP

**Members** : Dr Hon LEUNG Ka-lau

absent Hon Christopher CHUNG Shu-kun, BBS, MH, JP **Public Officers**: Items III and IV attending

Dr KO Wing-man, BBS, JP Secretary for Food and Health

Item III

Mrs Marion LAI CHAN Chi-kuen, JP Permanent Secretary for Food and Health (Food)

Mr Clement LEUNG Cheuk-man, JP Director of Food & Environmental Hygiene

Ms Vivian SUM Fong-kwang, JP Deputy Director of Food & Environmental Hygiene (Environmental Hygiene)

Mr FAN Yung-kai Assistant Director (Operation)2 Food and Environmental Hygiene Department

Items III, IV, V and VI

Professor Sophia CHAN Siu-chee, JP Under Secretary for Food and Health

Items IV, V and VI

Mr Christopher WONG Kwok-bun, JP Deputy Secretary for Food and Health (Food)1

Item IV

Dr SO Ping-man Assistant Director (Fisheries) Agriculture, Fisheries and Conservation

Mr Mickey LAI Kin-ming Senior Fisheries Officer (Sustainable Fisheries) Agriculture, Fisheries and Conservation

#### Item V

Miss Alison LO Hau-wai

Assistant Secretary for Food and Health (Food)5

Dr LIU Kwei-kin

Assistant Director (Agriculture)

Agriculture, Fisheries and Conservation

#### Item VI

Dr LEE Siu-yuen, JP

Assistant Director (Food Surveillance & Control)

Centre for Food Safety

Food and Environmental Hygiene Department

Clerk in attendance

Ms Elyssa WONG

Chief Council Secretary (2) 5

Staff in attendance

Mr Jove CHAN

Senior Council Secretary 2 (6)

Ms Priscilla LAU

Council Secretary (2) 5

Ms Michelle LEE

Legislative Assistant (2) 5

**Action** 

#### I. Information paper(s) issued since the last meeting

Members noted that no information paper had been issued since the last meeting.

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

[LC Paper Nos. CB(2)572/12-13(01) and (02)]

2. <u>Members</u> agreed to discuss the following items at the next regular meeting scheduled for 12 March 2013 at 2:30 pm -

- (a) Legislative proposals relating to formula products and food intended for infants and young children under the age of 36 months in Hong Kong;
- (b) Safety of genetically modified food; and
- (c) Update on the Avian Influenza Vaccination Programme in local chicken farms.

# III. Assistance scheme for hawkers in fixed-pitch hawker areas [LC Paper Nos. CB(2)572/12-13(03) to (04), and CB(2)609/12-13(01) to (02)]

- 3. <u>Secretary for Food and Health</u> ("SFH") briefed members on the five-year assistance scheme for hawkers operating in 43 fixed-pitch hawker areas ("the Assistance Scheme") as detailed in the Administration's paper (LC Paper No. CB(2)572/12-13(03)).
- 4. Members also noted the following papers on the subject under discussion -
  - (a) background brief entitled "Management of fixed hawker pitches" (LC Paper No. CB(2)572/12-13(04)) prepared by the Legislative Council ("LegCo") Secretariat; and
  - (b) submission from Kowloon Kwun Tong Mut Wah Street Temporary Market Mutual Aid Committee (LC Paper No. CB(2)609/12-13(01)) and joint submission from Wanchai Street Market Concern, Justice and Peace Commission of the Hong Kong Catholic Diocese and Land Justice League (LC Paper No. CB(2)609/12-13(02)) which were tabled at the meeting.

#### The Assistance Scheme

5. <u>Ms Claudia MO</u> was gravely concerned about the real motive for introducing the Assistance Scheme. In her view, the Assistance Scheme was not entirely for enhancing fire safety. It might also aim at reducing the number of hawkers. She asked the Administration to undertake that the overall number of hawkers would remain unchanged after the implementation of the Assistance Scheme. <u>SFH</u> stressed that the Administration fully recognized the history of hawking and the contribution of hawkers to the economy of Hong Kong. It would also

endeavour to preserve the vitality of the hawking trade. That said, the aim of the voluntary licence surrender arrangement under the Assistance Scheme was to help expedite the release of vacant stalls for the relocation of stalls with higher fire risks, hence, the total number of hawkers would inevitably be reduced with the implementation of the voluntary licence surrender arrangement. Notwithstanding such end-results, it could not be said that the policy intent was to reduce the number of hawkers.

- 6. Referring to the joint submission tabled at the meeting, Dr Kenneth CHAN said that although the Assistance Scheme might be able to reduce the potential fire risks posed by on-street hawking activities, the deputations were still worried that the voluntary licence surrender arrangement would inevitably reduce the number of hawkers and might not be conducive to the vibrancy and revitalization of the trade. They asked the Administration to consider re-issuing new hawker licences, implementing measures for promoting the hawking trade and extending the consultation period to allow more people to give views on the subject. Dr CHAN sought the Administration's view on the requests made by the deputations.
- 7. <u>SFH</u> reiterated that the Assistance Scheme was not driven by an intention to reduce the number of hawkers. The aims of the Assistance Scheme were to improve the management as well as reduce fire risks in the hawker areas. Taking into account the need of hawkers for resources to meet the fire safety requirements, the Administration had made available financial assistance to eligible hawkers for stall reconstruction and relocation. <u>SFH</u> added that the Administration would continue to consider all possible options to preserve the vitality of the hawking trade.
- 8. Pointing out that some fixed-pitch hawkers had already carried out improvement works to their stalls at their own expense but the Assistance Scheme would not have retrospective effect, Dr Helena WONG enquired whether reimbursement of these expenses was possible. SFH replied in the negative. The Chairman commented that this non-retrospective arrangement would have the effect of penalizing the responsible hawkers. He enquired whether the Administration had information on the number of fixed-pitch hawkers who had carried out improvement works after the two fire incidents at Fa Yuen Street to enhance the fire resistance capability of Director of Food and Environmental Hygiene ("DFEH") advised that subsequent to the two fire incidents, most of the fixed-pitch hawkers at Fa Yuen Street and some hawkers in other hawker areas had rectified the irregularities of their stalls as required by the Food and Environmental Hygiene Department ("FEHD"). However, according to the established fiscal discipline, funding proposals should not have retrospective effect. In the light of this, the Assistance Scheme had been

designed to provide the hawkers with greater flexibility for seeking financial assistance under the Assistance Scheme. For example, eligible hawkers could apply for a one-off reconstruction grant to carry out partial or full reconstruction of their stalls, and improvement works could be carried out in phases within a five-year period.

#### Voluntary licence surrender arrangement

- 9. Mr Vincent FANG expressed support for the Assistance Scheme. He sought information about the measures to be taken if the response to the voluntary licence surrender arrangement was poor and there were not enough vacant stalls released for the relocation of all the 550 hawker stalls with higher fire risks. Mr CHEUNG Kwok-che raised a similar concern.
- 10. DFEH advised that a Steering Committee on Hawker Management, which comprised officials of the Fire Services Department, Buildings Department and Home Affairs Department, had reviewed all hawker stalls located in the 43 hawker areas and identified sufficient vacant stalls for the relocation of the 550 hawker stalls concerned. The vacant stalls to be released under the voluntary licence surrender arrangement would provide more choices for the affected hawkers.
- 11. Mr Vincent FANG cautioned that a lot of vacant stalls in an area might have a negative impact on the business environment of the area. He suggested that if there was an overwhelming response to the voluntary licence surrender arrangement, consideration should be given to re-issuing new hawker licences to fill the vacant stalls. The Deputy Chairman shared Mr FANG's view. He urged the Administration to implement measures to enhance the business environment of the 43 hawker areas, particularly those areas where a large number of hawkers had decided to surrender their hawker licences.
- 12. Mr CHEUNG Kwok-che was concerned that the registered assistants of hawker stalls ("registered assistants") might become unemployed if their employers surrendered their hawker licences to the Government. Dr Kenneth CHAN further suggested that consideration should be given to issuing new hawker licences to the registered assistants. SFH noted members' concern but advised that the suggestion of issuing new licences to the registered assistants so that they could continue operating the hawker stalls would defeat the purpose of the voluntary licence surrender arrangement which was to expedite the release of vacant stalls for the relocation of stalls with higher fire risks.

- 13. The Deputy Chairman sought information from the Administration on the time given to the hawkers to surrender their hawker licences and the allocation of vacant stalls to hawkers who were required to move their stalls for fire safety reasons. In particular, the Deputy Chairman asked if a hawker could request for another offer of vacant stall if he subsequently found the first offer unsatisfactory.
- 14. <u>SFH</u> explained that the Assistance Scheme would last for five years, during which hawkers operating in the 43 hawker areas could decide whether or not to opt for voluntary surrender of their licences to the Government. Nevertheless, the hawkers were requested to follow the work plan of FEHD, particularly the arrangements for relocation and in-situ reconstruction of stalls. <u>DFEH</u> added that subsequent to the two fires at the hawker stalls at Fa Yuen Street, FEHD had sought to improve its hawker management by establishing a partnership and collaborative relationship with hawkers and hawkers' associations. The Assistance Scheme had incorporated the views and suggestions of the hawkers and hawkers' associations and FEHD would continue to reach out to them to explain and work out the details of the Assistance Scheme.
- 15. Mr CHAN Chi-chuen was concerned about the eligibility for exgratia payment ("EGP") who opted for voluntary surrender of their hawker licences to the Government. He noted that the voluntary licence surrender arrangement would not be available to the 141 hawkers whose licences were issued after the hawker licensing policy review in 2008-2009. As the objective of granting EGP was to provide incentives for hawkers to vacate their hawker stalls for the relocation of hawker stalls with higher fire risks, Mr CHAN was of the view that the voluntary licence surrender arrangement should be made available to all hawkers. Mr WONG Kwokhing and Mr CHEUNG Kwok-che echoed Mr CHAN's view. In particular, Mr WONG referred to the submission from Kowloon Kwun Tong Mut Wah Street Temporary Market Mutual Aid Committee that consideration should also be given to itinerant hawkers as well as hawkers operating in the 18 hawker bazaars stated in the submission.
- 16. <u>DFEH</u> advised that following the hawker licensing policy review in 2008-2009, new hawker licences had been issued in 2010 and 2011 to hawkers who were interested in the hawking trade. As these hawkers had only recently chosen to enter the hawking trade, there was no strong case for allowing them to surrender their licences in order to apply for EGP. <u>DFEH</u> further advised that the offer of EGP was aimed to reduce fire risks posed by on-street hawking activities. Hawkers operating in the 18 offstreet hawker bazaars, which had better fire safety facilities, were not the candidates to be covered under the voluntary licence surrender arrangement.

17. Mr CHAN Chi-chuen maintained his view that the voluntary licence surrender arrangement should be made available to all hawkers. He also said that if there was concern that the number of hawkers surrendering their hawker licences exceeded the target number of surrendered licences, the Administration could accord different priorities to hawkers of different backgrounds when considering their applications under the voluntary licence surrender arrangement. Dr Kenneth CHAN shared a similar view. DFEH advised that the Administration had not set any target number of licences to be surrendered under the voluntary licence surrender arrangement. SFH further advised that the aim of the voluntary licence surrender arrangement was to facilitate the vacation of space for the relocation of hawker stalls with higher fire risks. That said, the Administration was open to views and suggestions on the details of the voluntary licence surrender arrangement.

#### Public consultation

- 18. <u>Ms Claudia MO</u> was of the view that more time should be given to the hawkers to express their views on the Assistance Scheme. She requested the Administration to defer the submission of the funding proposal to the Finance Committee and extend the consultation period to solicit views on the Assistance Scheme. <u>Mr CHEUNG Kwok-che</u> and <u>Dr Kenneth CHAN</u> made a similar request. While noting the Administration's plan to submit the funding proposal to the Finance Committee in March this year, <u>Mr CHEUNG</u> considered that the plan should not prevent the Administration from continuing to consult the trade about the Assistance Scheme.
- 19. <u>DFEH</u> advised that the Administration had conducted two public consultation exercises on proposals to reduce fire risks posed by on-street hawking activities subsequent to the two fires at the hawker stalls at Fa Yuen Street. The Assistance Scheme was developed by the Administration, having taken into account the views collected during the public consultation exercises and members' views on the proposals. In the light of this, it was considered not necessary to further extend the consultation period. <u>SFH</u> added that he noted members' concern. The Administration would continue to listen to the views of the stakeholders while not affecting the implementation of specific measures to improve management and reduce fire risks in each hawker area as scheduled.

#### Ex-gratia payment and reconstruction grant

20. <u>Mr Tommy CHEUNG</u> expressed support for the Assistance Scheme and the relating funding proposal. However, he was of the view that the

one-off EGP of \$120,000 might not be able to induce hawkers currently operating in hawker areas with high patronage to surrender their hawker licences. Mr WONG Kwok-hing also said that he had received a proposal from the Federation of Hong Kong Kowloon New Territories Hawker Association requesting the Administration to raise the amount of EGP to \$200,000 on the grounds that the hawkers would permanently lose their means of livelihood after surrendering their hawker licences. He asked the Administration to give consideration to the proposal.

- 21. <u>DFEH</u> advised that the Administration had sought the views of hawkers when determining the level of EGP. The current proposal of \$120,000 was higher than the amount of EGPs offered in previous voluntary surrender schemes for hawker licences, i.e. a respective one-off EGP of \$60,000 and \$30,000 to "Dai Pai Tong" licensees and itinerant hawkers when they surrendered their licences to the Government. As the current licence surrender arrangement was voluntary in nature, a hawker was free to choose whether or not to surrender his licence in exchange for the one-off EGP.
- 22. Dr Helena WONG sought information on the availability of a list of clear and updated written fire safety standards required for compliance of She also enquired whether the one-off the fixed-pitch hawkers. reconstruction grant for in-situ reconstruction of hawker stalls would cover expenses in relation to the installation of fire protection systems and firefighting facilities and equipment such as fire extinguishers. SFH advised that FEHD had developed a set of specifications in consultation with the Fire Services Department. To ensure a good understanding of fire safety measures, FEHD staff would also visit stalls and explain the regulatory requirements to hawkers. DFEH added that a set of specifications which enhanced fire safety features of stall and was required for compliance was given in Annex B to the Administration's paper. Expenses incurred for meeting the prescribed specifications of the reconstructed stalls would be covered by the one-off reconstruction grant. <u>DFEH</u> further advised that to enhance communication between FEHD staff and hawkers. Hawker Management Consultative Committees ("HMCCs") covering all hawker areas had been set up, and these would also provide a platform for FEHD staff and hawkers to discuss day-to-day management, regulatory and safety issues, as well as to encourage self-compliance and good practices among hawkers.

#### Review on hawker policy

23. Mr CHEUNG Kwok-che considered that the Administration's hawker policy was to "phase out" the hawking trade. In his view, the

hawking trade served important social functions by not only offering a cheap source of goods for the public at large, but also providing employment opportunities and a means of living for the grassroots. A notable example was Tin Sau Bazaar in Tin Shui Wai. He requested the Administration to review the hawker policy. SFH stressed that the Administration did not have any policy to "phase out" the hawking trade. The Tin Sau bazaar in Tin Shui Wai would serve as a good reference for the Administration to examine the social functions of an open-air bazaar.

- 24. <u>Dr Helena WONG</u> said that while the Democratic Party was supportive of enhancing the management of the hawker areas, the new regulatory requirements should not be made excessively harsh as to risk the livelihood of the hawkers. A balance had to be struck between sustaining the vibrancy of the hawking trade and reducing the environmental nuisance to neighbouring residents.
- 25. The Chairman said that the Civic Party considered it unfair for the fixed-pitch hawkers to bear the entire responsibility for the two fire incidents. The Civic Party considered that good town planning could reduce fire risks posed by the fixed hawker pitches. The Chairman asked the Administration when to conduct a comprehensive review on its hawker policy, in particular from a town planning perspective; whether suitable land would be identified for setting up open-air bazaars; and whether consideration could be given to issuing new hawker licences to the registered assistants.
- 26. <u>SFH</u> advised that the Administration would examine the suggestions made by members after the Assistance Scheme had been implemented for a period of time, taking into account the circumstances of each hawker area including the business environment, the location and number of vacant stalls and the number of licences surrendered under the voluntary licence surrender arrangement. <u>SFH</u> further advised that the Administration was, as per wish of the Panel, currently examining the positioning and functions of public markets and related improvements to them. Any review on hawker policy should be considered after such review and implementation work was completed or nearly completed.

#### Conclusion

27. In concluding the discussion, <u>the Chairman</u> said that the Panel raised no objection to the Administration's plan to submit the financial proposal to the Finance Committee in March 2013.

- IV. Ex-gratia allowance for trawler owners affected by the trawl ban [LC Paper Nos. CB(2)502/12-13(01), CB(2)572/12-13(05), CB(2)572/12-13 (06) and CB(2)593/12-13(01)]
- 28. <u>SFH</u> briefed members on the progress made in disbursing ex-gratia allowance ("EGA") to trawler owners affected by the trawl ban as well as some matters of concern to EGA applicants, including the procedures for processing applications, the criteria adopted in vetting applications, the apportionment of EGA among eligible inshore trawler owners, and the appeal arrangements, details of which were set out in the Administration's paper LC Paper No. CB(2)572/12-13(05).
- 29. Members also noted the background brief entitled "Ex-gratia allowance for trawler owners affected by the trawl ban" [LC Paper No. CB(2)572/12-13(06)] prepared by the LegCo Secretariat.

#### Vetting of applications for EGA

- 30. Mr WONG Kwok-hing urged the Administration to adopt a more lenient approach towards the applications for EGA from the fishermen taking into account their relatively disadvantaged background and the permanent impact on their livelihoods brought about by the trawl ban. SFH advised that under the principle of equity and the guiding principles underlying the assistance package as endorsed by the Finance Committee as set out in the FC Paper FCR(2011-12)22, the Fishermen Claims Appeal Board ("FCAB") for the trawl ban would consider all the information submitted by the appellants and avail opportunities for the appellants to be heard where necessary.
- 31. Noting that there were only 269 eligible inshore trawlers as compared with the original estimate of 400 eligible inshore trawlers, Ms Claudia MO expressed grave concern on the vetting process of the Since the amount of EGA payable to individual eligible inshore trawler owners would depend on the number of successful inshore trawler applications, the fewer the successful applicants, the larger the amount of EGA would be payable to each successful inshore trawler applicant. She cited the amount of EGA payable to owners of inshore pair trawlers as an example. The original estimate of EGA payment to inshore pair trawler owners in the Administration's paper to the Finance Committee was in the range of \$1.5 to \$2 million, whereas the actual EGA amount for each eligible inshore pair trawler owner was in the range of \$3.4 to \$4.8 million. In view of the substantial discrepancy between the estimated and actual amount of EGA payable to eligible trawler owners, some fishermen were suspicious of the impartiality of the Inter-departmental

Working Group ("IWG") which was tasked to handle EGA applications. Ms MO also expressed dissatisfaction with the Agriculture, Fisheries and Conservation Department ("AFCD") for failure to provide her with a detailed breakdown of the apportionment of EGA to eligible inshore trawler owners by vessels.

- 32. While also noting a variation between the estimated and actual amount of EGA payable to eligible inshore trawler owners, SFH stressed the impartiality and integrity of civil servants in processing EGA applications in a fair manner and dismissed any notion of giving favouritism or preferential treatment to individual fishermen. Fisheries (Fisheries) / Agriculture, and ("AD(F)/AFC") added that IWG had been following the advice given by the Independent Commission Against Corruption ("ICAC") in handling EGA applications and the vetting process was subject to the monitoring of ICAC. In response to Ms MO's enquiry about information on the detailed breakdown of the apportionment of EGA to eligible inshore trawler owners by vessels, AD(F)/AFC agreed to provide the information once it was available.
- Mr Albert CHAN criticized IWG for its lack of transparency in 33. handling EGA applications. He was dissatisfied that the Administration had not made public the vetting criteria of EGA applications as well as the findings of AFCD's fisheries surveys in relation to the assessment of the dependence of the various vessels on Hong Kong waters, the value of fish catch by trawlers of various types and lengths and other important factors affecting the eligibility and apportionment of EGA among the trawlers. He also questioned the accuracy of the decisions made by IWG and FCAB since the information submitted to them by AFCD might not be accurate, complete and current. In particular, he pointed out that the fishermen might not have kept records of their fish catch transactions or fuel costs to substantiate their claims. He urged IWG and FCAB to exercise flexibility with a view to accommodating the needs of the fishermen when reviewing their applications. The Deputy Chairman shared Mr CHAN's view and urged the Administration to make public its vetting criteria and all the other relevant information.
- 34. <u>SFH</u> assured members that all information considered and processed by IWG in relation to EGA applications would be submitted to FCAB for consideration. FCAB would also consider any new information, oral or written, submitted by the fishermen in support of their applications. <u>SFH</u> further assured members that flexibility would be exercised where such was consistent with the principles endorsed by the Finance Committee as set out in FC Paper FCR(2011-12)22.

35. The Deputy Chairman said that some trawlers might also be operating as fish collectors as well. He enquired whether this would also meet the eligibility requirement for EGA. <u>AD(F)/AFC</u> advised that one of the eligibility criteria was that the applicant must be the owner of a trawler vessel which was used for fishing only and not engaged in other commercial activities as at 13 October 2010. If a trawler was simultaneously operating as a fish collector, it would fail to meet the eligibility requirement.

#### Disbursement of EGA

- 36. Mr SIN Chung-kai considered that the disbursement of EGA should be made in accordance with the principles endorsed by the Finance Committee as set out in the FC Paper FCR(2011-12)22. As there were clear and objective criteria for assessing the eligibility for EGA as well as differentiating inshore trawlers from other vessels, he questioned the need for retaining about 30% of the total amount of EGA (i.e. about \$300 million) to cover appeal cases allowed by FCAB. He further asked about the use of any of the remaining fund of the \$300 million if such \$300 million was far in excess of the amount of EGA required to be payable to successful appeal cases. The Deputy Chairman added that the Finance Committee had already approved a contingency sum of \$90 million to cover appeal cases allowed by FCAB. He also enquired about the need to retain \$300 million as \$90 million had already been earmarked for the same purpose.
- SFH advised that while IWG exercised its due diligence in 37. evaluating each application, it could not be ruled out that new and critical information might become available to FCAB after IWG's decision had been made. It was therefore considered prudent and necessary to retain part of the fund to cover possible successful appeal cases. If there was any of the fund left for this purpose, it would be apportioned among all eligible inshore trawler owners in accordance with the principles set out in the FC AD(F)/AFC added that in view of the large Paper FCR(2011-12)22. amount of EGA payable in each successful application, it was estimated that the contingency sum of \$90 million might not be sufficient to cover all the possible successful appeal cases. It was therefore necessary to retain about \$300 million for the purpose. Ms Claudio MO, however, cast doubt on the adequacy of \$300 million to cover all possible successful appeal cases given that about \$900 million of EGA had already been used to pay to 269 eligible applications and there were 567 appeal cases pending before FCAB.

38. In response to an enquiry made by the Deputy Chairman about a document asked by the Administration to be signed by the fishermen when they collected the EGA payment, <u>AD(F)/AFC</u> explained that the document was an acknowledgment of the receipt of the EGA payment as well as a notice stating that the Government reserved the right to recover the EGA payment if the application was found to be fraudulent or unsuccessful later, for example the applicant was found to have submitted false information in the application. At the request of the Deputy Chairman, <u>AD(F)/AFC</u> agreed to provide after the meeting a copy of the document for the Panel's reference.

Admin.

39. Noting that the Administration had already granted EGA to eligible trawler owners who were also the Sha Chau marine park fishing permit holders, Mr Albert CHAN commented that it was inappropriate to compensate them again under the future package contemplated by the Environment Bureau/ the Environmental Protection Department.

#### Appeal arrangement

- 40. In view of the various concerns raised by members with respect to the vetting of applications for EGA, <u>Mr Albert CHAN</u> requested the Administration to arrange a meeting with the members of FCAB. <u>SFH</u> considered it inappropriate as FCAB members should be independent and impartial in considering all appeal cases.
- 41. <u>The Chairman</u> suggested that consideration could be given to making public the criteria adopted by FCAB in considering appeal cases. He enquired about the time when FCAB would complete its first appeal case.
- 42. <u>AD(F)/AFC</u> advised that it would be FCAB to decide how and when they would process the appeal cases. FCAB might study a bundle of cases first before making its first judgement in order to ensure consistency. <u>Ms Claudia MO</u> urged the setting of a time frame for hearing the appeal cases in order to reduce the impact of the trawl ban on the livelihoods of the fishermen. <u>SFH</u> noted the concern of members and advised that sufficient time should be given for FCAB to consider each appeal case.

## V. Report on consultancy study on organic food [LC Paper No. CB(2)572/12-13(07) and FS20/12-13]

43. With the aid of a Powerpoint slideshow, the Under Secretary for Food and Health ("USFH") briefed members on the findings of the Consultancy Study on Organic Food ("the Study") and the proposed policy

options, details of which were set out in the Administration's paper (LC Paper No. CB(2)572/12-13(07)).

- 44. Members also noted the fact sheet entitled "Overview of organic food in Hong Kong" [FS20/12-13] prepared by the Research Division of the LegCo Secretariat.
- 45. Mr WONG Kwok-hing considered Policy Option 2 (awareness raising) and Policy Option 3 (administrative measures) as proposed by the consultant feasible as they would enhance public education and public awareness of organic food and organic farming. He also considered a certification and labelling scheme essential to facilitate differentiation between authentic organic food from the counterfeit ones. In his view, regulating organic food by legislation should be the last resort when the administrative measures were proved to be ineffective. He urged the Administrative measures one year after their implementation in order to examine the need for legislation. He also urged the Administration to enhance its enforcement efforts under the Trade Descriptions Ordinance (Cap. 362) which stipulated that it was an offence for anyone to apply a false trade description to any goods.
- 46. USFH advised that the Hong Kong Organic Resource Centre ("HKORC") had developed an organic certification system for local farms and farm products meeting a set of organic production and processing certification standards. Organic certification labels granted by HKORC could also be displayed at the points of sales for consumers to identify certified organic products. HKORC also provided on its website information on organic certification labels issued by overseas authorities to promote public understanding on organic food labelling. Assistant Director (Agriculture) / Agriculture, Fisheries and Conservation ("AD(A)/AFC") supplemented that HKORC regularly conducted surveys to monitor the market situation. Where necessary, it would also assist the Customs and Excise Department in taking enforcement actions to combat counterfeit organic products. In addition, the Administration would strengthen efforts in educating consumers on how to verify the authenticity of organic certification labels and would pursue prosecution action against the offenders promptly.
- 47. Mr CHAN Chi-chuen expressed his view that the Administration should eventually introduce legislation to regulate the labelling of organic products to safeguard consumer interests. He said that some organic farmers were advocates of healthy living and they raised no objection to a more stringent regulatory approach as it would enhance the confidence of

the public in organic products and promote organic farming and organic food.

- 48. <u>USFH</u> advised that the Administration would not at this stage consider new legislation as the organic food sector constituted only a small part in the overall food market and the introduction of legislation might cast negative impacts on the industry. It would be more appropriate to employ administrative measures in the short and medium term and enhance enforcement actions under Cap. 362.
- 49. Dr Kenneth CHAN said that he was agreeable recommendation of the consultant that the Administration should consider stepping up efforts in raising awareness (Policy Option 2) administrative measures (Policy Option 3). In his view, both policy options were closely related and should be implemented simultaneously. He was also of the view that in developing the administrative measures, the Administration should think more from the perspective of consumers and not just from the trade as the aims of the measures should be for consumer protection and public health. USFH agreed that the two policy options of enhancing public education and public awareness as well as implementing administrative measures were closely connected and should not be considered separately. She added that apart from considering views from consumers, the Administration would consult the trade and relevant stakeholders in order to have a more comprehensive overview.
- 50. <u>Dr Kenneth CHAN</u> expressed concern about the definition of "organic food". Noting that there were multiple standards adopted by some overseas jurisdictions to define the term "organic", he queried why the Administration would propose to make reference to a set of "minimum requirements" to define the term "organic" in Hong Kong. <u>The Deputy Chairman</u> echoed Dr CHAN's view and said that the general public in Hong Kong would hardly accept a set of low-level standards for the definition of "organic food".
- 51. <u>USFH</u> said that the set of "minimum requirements" should be considered as the "basic requirements" or "core requirements" for meeting the organic production and certification standards. The Administration would further examine the consultancy report and take into account members' views when mapping out the strategies in governing the production and sales of organic food in Hong Kong.
- 52. In response to Dr Kenneth CHAN's enquiry on the resources required for implementing the recommendation of the consultant and promoting the certification of organic food, <u>AD(A)/AFC</u> advised that

HKORC was currently providing charged organic certification services to farmers and food processors. While it still required funding support from the Agricultural Development Fund of the Vegetable Marketing Organization, given the further development of the organic certification business, HKORC might eventually become a self-funded organization.

- 53. The Deputy Chairman, Dr Helena WONG and Mr CHAN Chi-chuen considered it important for the Administration to enhance public education and enforcement efforts in order to safeguard consumer interests. <u>USFH</u> advised that the consultancy report revealed that the general public had little knowledge about the certification of organic food and the Administration would therefore endeavour to enhance public understanding of what organic food and farming were and how to interpret the organic labels issued by various certification bodies.
- 54. <u>Dr Helena WONG</u> cast doubt on the viability of the certification schemes in Hong Kong as Hong Kong had no legal definition of the term "organic". <u>USFH</u> explained that organic farming was a holistic production management system under which the use of chemical herbicides, pesticides and fertilizers was avoided in growing crops. HKORC had a set of stringent standards to ensure that the processes adopted by an organic farm complied with the specific set of organic agriculture and production standards. <u>AD(A)/AFC</u> added that the HKORC standards were devised with reference to overseas experience and they were on par with the international standards.
- 55. Mr CHAN Chi-chuen was of the view that while it was difficult and costly to prove that a product was organic, it might be easier to prove the contrary, such as the presence of chemical pesticides. He enquired whether the Administration would conduct testing for this purpose. AD(A)/AFC advised that since there was currently no legal definition of the term "organic", it would be difficult to prove whether or not a product was organic through laboratory testing. It was considered more effective to raise consumer awareness of organic products through enhanced promotion and education, and provide consumers with clear information on how to identify organically grown produce. In addition, stepping up the policing efforts through conducting regular and surprise inspections to the organic farms would also help strengthen the protection of consumer interests.
- 56. The Deputy Chairman urged the Administration to adopt measures to promote the leisure agriculture and fishery trades including the promotion of organic farming, thereby fostering the sustainable development of the local agriculture and fishery industries. <u>AD(A)/AFC</u> advised that the Administration had all along been working on formulating suitable policies

and measures to promote the sustainable development of local agriculture and fishery industries, including the provision of technical assistance and advice as well as credit facilities for local farmers and fishermen.

#### VI. Food surveillance results 2012

[LC Paper Nos. CB(2)572/12-13(08) and (09)]

57. As there was insufficient time to discuss all items scheduled for discussion at the meeting on 5 February 2013, <u>members</u> agreed to defer the discussion of the item "Food surveillance results 2012" to the next regular meeting in March 2013 and extend the duration of the next meeting by one hour to end at 5:30 pm to allow sufficient time for discussion.

#### VII. Proposal for setting up a Subcommittee on Issues Relating to Public Markets

[LC Paper No. CB(2)572/12-13(10)]

- 58. The Chairman said that the Panel passed a motion moved by Mr WONG Kwok-hing at its meeting on 8 January 2013 that a subcommittee should be formed under the Panel to follow up on issues relating to the installation of air-conditioning systems, so as to bring early improvement to the operating environment of public markets. Members also agreed at the meeting that the scope of the study of the Subcommittee should also cover related issues such as the policy and business environment of public markets. He said that the proposed terms of reference and the proposed work plan were set out in LC Paper No. CB(2)572/12-13(10).
- 59. The Chairman advised members that as the number of subcommittees on policy issues in operation had reached the maximum number of eight, the Subcommittee would be placed on the waiting list, and would commence its work when a vacant slot arose upon the completion of work of any one of these eight subcommittees. The Chairman further advised that the Panel had already scheduled a discussion on the subject in April and July 2013.
- 60. Mr WONG Kwok-hing hoped that the House Committee would consider allocating more resources for the LegCo Secretariat to support early activation of the Subcommittee. The Chairman advised that at the House Committee meeting on 28 January 2012, Members generally agreed that the quota of subcommittees on policy issues in operation should be adhered to. They also urged the subcommittees currently in operation to

expedite their work so that slots could be vacated for the activation of the subcommittees on the waiting list. <u>Members</u> agreed that the Subcommittee would be placed on the waiting list, following the two subcommittees under the Panel on Welfare Services.

61. <u>Dr Helena WONG</u> expressed her support for the formation of the Subcommittee. She also requested that the study of the Subcommittee should also cover the district-based policy of the Administration on public markets and the need for constructing new public markets. <u>Members</u> agreed.

(*Post-meeting note*: With the concurrence of the Chairman, the terms of reference of the Subcommittee was revised as "To study and review issues relating to the district-based policy and business environment of public markets, examine the Administration's proposals for the rental adjustment mechanism and air-conditioning charging arrangement for public market stalls and make timely recommendations.")

#### VIII. Any other business

62. There being no other business, the meeting ended at 7:15 pm.

Council Business Division 2
<u>Legislative Council Secretariat</u>
11 July 2013