



中華人民共和國香港特別行政區政府總部食物及衛生局
Food and Health Bureau, Government Secretariat
The Government of the Hong Kong Special Administrative Region
The People's Republic of China

本函檔號 Our ref.: FHB/F/6/21/13/1

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來函檔號 Your ref.: CB2/PL/FE

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7 August 2013

Legislative Council Secretariat
(Attn : Ms Elyssa WONG)
Legislative Council Complex
1 Legislative Council Road
Central
Hong Kong

Dear Ms WONG,

**Panel on Food Safety and Environmental Hygiene
Agricultural Development in Hong Kong**

I refer to your letter of 29 July 2013 to the Secretary for Food and Health. I am authorized to reply as follows:

It is the Government's existing policy to facilitate agricultural development through the provision of basic infrastructure, technical support and low-interest loans to farmers. At the same time, we make full use of the Agricultural Development Fund under the Vegetable Marketing Organisation (VMO) to facilitate the further development of local agriculture, enhance the productivity and business viability of the industry, and develop modern and environment-friendly farming technologies with emphasis on preservation of natural resources and the agricultural ecology. This will help farmers produce good quality and high-value agricultural products that are safe for consumption and contribute to the sustainable development of the industry.

Under this policy, the Agriculture, Fisheries and Conservation Department (AFCD) actively encourages local farmers to develop organic farming and gives them the necessary support. Through the Organic Farming Support Service, AFCD provides advice and technical support for those farmers who wish to switch to organic farming from traditional farming. In addition, AFCD promotes the production and sale of local organic agricultural products jointly with VMO and the Federation of Vegetable Marketing Co-operative Societies, Ltd. As at the end of July 2013, 219 farms are participating in the Organic Farming Support Service, producing about five tonnes of organic agricultural products each day for the local market. At present, there are more than 37 retail outlets for organic vegetables under the VMO marketing network. Besides, AFCD supports the Hong Kong Organic Resource Centre in its endeavours to educate the public on organic farming and promote the certification of organic products.

AFCD organises from time to time talks and on-farm demonstrations for farmers, briefing them on improved varieties of agricultural products and new farming techniques. Quality produce developed in recent years includes red flesh rock melon, seedless water melon, yellow flesh water melon, long horn pepper, round eggplant, potato and organic strawberry, etc.

AFCD has also actively assisted the industry in developing quality brand names. At present, 265 vegetable farms in the territory have participated in the Accredited Farm Scheme. The Scheme aims at promoting good horticultural practice and environment-friendly production, and encouraging integrated pest management and the proper and safe use of pesticides. Farm inspections are conducted to ensure steady production of quality vegetables that are safe for consumption. AFCD also helps the industry set up weekend farmers' markets and organises large-scale carnivals, such as the annual FarmFest which attracts over 100 participating local farmers and fishermen and more than 100 000 visitors every year. These events have helped showcase local agricultural and fishery products and promote local brand names.

Moreover, VMO set up in 1988-89 the Agricultural Development Fund with funding derived from its operating profits. The Fund enables AFCD and the farming industry to launch various agricultural development programmes. Apart from the above-mentioned programmes and activities, examples include the "Controlled Environment Agriculture and Hydroponic" technology which has recently been introduced and is being promoted for use in local farming. Between 2008 and 2012, the Fund provided about \$140 million for various projects. About \$170 million is currently available under the Fund.

AFCD is also administering three loan funds (including the Kadoorie Agriculture Aid Loan Fund, the J. E. Joseph Trust Fund and the VMO Loan Fund) which provide loans to farmers for farm development and operation. The total accumulated deposit under the three funds now amounts to over \$47 million. These funds are noted for their user-friendly application procedures, low interest rates, the availability of unsecured loans up to \$130,000 and their flexible repayment period. Between 2008 and 2012, loans of over \$42 million were offered to 411 farmers under the three funds.

In recent years, the pursuit of a healthy lifestyle has been such a rising trend that more and more farms are now open to public visits. These farms have evolved from traditional ones solely engaged in agricultural production to leisure farms serving multiple purposes of production, recreation and education. In keeping with such developments, AFCD has published and distributed, on a yearly basis since 2010, “A Guide to Hong Kong Leisure Farms” which provides information on about 120 leisure farms. An interactive webpage (http://fedvmcs.org/farm_index.php) has also been launched for use by members of the public who are interested in visiting the diverse range of leisure farms in Hong Kong. By facilitating diversification, we hope to further promote sustainable development of the local farming industry.

To assist farmers who wish to engage in farming, AFCD serves as a facilitator by matching prospective tenants with landowners who intend to rent out their agricultural land. The farmers and landowners may enter into tenancy agreements themselves after negotiations. Ultimately it is for the landowners to decide whether or not to rent out their land for agricultural use. Over the past five years (from 2008 to 2012), AFCD assisted 74 farmers in identifying land for agricultural rehabilitation, involving a total area of about 14 hectares.

In keeping with the free-market principle, the Government does not set any targets for agricultural land area or local agricultural production. Nor does the Government provide any direct financial subsidy to the sector or protect the price level of local agricultural products. Nevertheless, the Government will carry on with its efforts on the above fronts to support the sustainable development of the local farming industry.

The Government notes that the North East New Territories New Development Areas (NENT NDAs) Project would have impact on farmers in the areas concerned. The Government will implement a special agricultural land rehabilitation scheme to facilitate relocation of genuine farmers being affected within the new development areas. AFCD will actively contact the land owners within the “Agriculture” zones in the two new town extensions and the adjoining areas (Kwu Tung South in particular). Farmers currently farming in the NENT NDAs being affected will be given priority to matching

with land owners who are willing to sell or rent out their land. The Government will also consider leasing out the adjoining vacant Government land to the affected farmer by way of short term tenancy. The Development Bureau and the Food and Health Bureau are now finding further ways to assist those affected farmers.

We thank Dr Hon Fernando Cheung Chiu-hung for his views on the policy on local agricultural development. We welcome any further suggestions from him.

Yours faithfully,

A handwritten signature in black ink, consisting of several overlapping, fluid strokes that form a stylized representation of the name 'MA Yuen-hung'.

(MA Yuen-hung)
for Secretary for Food and Health

c.c.

Director of Agriculture, Fisheries and Conservation
(Attn : Mr. K. K. LIU) (Fax No. 2311 3731)