

For discussion  
17 January 2014

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

**Policy Address 2014**  
**Policy Initiatives of Food and Health Bureau**

**Our Vision**

The Food and Health Bureau (FHB) is committed to building a healthy society and accountable for formulating related policies under its ambit. On the food safety and environmental hygiene fronts, we will continue to ensure food safety and provide a clean and hygienic environment to promote public health and raise the living standard of our citizens.

**New Initiatives**

*(a) Promoting Agricultural Development*

2. 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 to promote the further development of local agriculture, and enhance the productivity, competitiveness and business viability of the industry. With economic development, Hong Kong's agricultural sector has been diminishing over time. Without a reappraisal of the agricultural policy by the Government, the farming industry may diminish further or even vanish, thus eliminating the positive impact that local agriculture may bring to society at large, other than as an industry.

3. We will review our policy on Hong Kong' agricultural development with a view to upgrading the local agricultural industry and promoting the sustainable development of agriculture, including introducing more modernised and environmental-friendly farming technologies with emphasis on preservation of natural resources and the agricultural ecology.

This will provide good quality agricultural products to the community while enhancing the diverse development of the rural areas, thus allowing better utilisation of the positive value of agriculture to society. We will, within this year, consult the public on how best to spruce up our agricultural policy.

*(b) Preparing Legislation to Regulate Nutrition Labelling of Formula Products and Foods for Infants and Young Children under the Age of 36 Months*

4. The Government is committed to protecting the health of infants and young children in Hong Kong. In light of the finding of iodine deficiency in certain infant formula products by the Centre for Food Safety (CFS) in August 2012, we have expedited our work in formulating legislative proposals relating to formula products and foods for infants and young children.

5. We propose to impose nutritional composition and nutrition labelling requirements for infant formula. Such infant formula is used before complementary feeding is introduced. This will ensure that infant formulae for sale in Hong Kong have the appropriate composition and are nutritionally adequate, and that consumers are correctly informed about this in respect of each product through the label. We also propose to impose nutrition labelling requirements for follow-up formula and foods intended for infants and young children under the age of 36 months, so as to help their parents and caretakers make informed food choices. When formulating the legislative proposals, we will adopt the principles set by the Codex Alimentarius Commission (Codex), taking into account the international practices. This will ensure that our legislative proposals are on par with the standards of other countries/regions in the world.

6. We have completed the public consultation on the regulation and received strong support for our legislative proposals from the respondents. Some respondents urged that the proposals should be enacted as soon as possible to protect the health of infants and young children. We have also reported to this Panel on the findings of the consultation exercise. We are proceeding with the drafting of the legislation for tabling at the Legislative Council (LegCo) this year. A suitable grace period will be introduced before commencement of the legislation.

*(c) Tighten Up the Regulatory Framework for Pet Trading to Enhance Animal Welfare*

7. To better regulate pet trading in the interest of enhancing animal health and welfare, the Administration reviewed the operation of the pet trade and related enforcement action and legislation, and started a two-month public consultation in October 2012. The key proposals included introducing a new system of licence/permit to tighten the regulation of dog breeders and traders, increasing penalties under the Public Health (Animals and Birds) (Animal Traders) Regulations) (Cap. 139B) and providing the Director of Agriculture, Fisheries and Conservation with the power to revoke animal trader licences under specific circumstances. Subsequently in April 2013, we reported to this Panel on the outcome of the consultation.

8. At the meeting, the comments that Members made on the proposed new licensing system varied. Some animal groups and the pet trading and breeding trade also expressed new views about the proposed new licensing system after the public consultation. To follow up on these views and comments, the Administration met again with the LegCo Members concerned and representatives of animal groups and the trade in the past few months to discuss the approach and details of regulation. We are considering their views carefully with a view to ensuring that a practicable and effective regulatory system is in place while protecting the welfare of animals. Our current target is to introduce the amendment regulation into the LegCo within this year.

*(d) Amendment of the Veterinary Surgeons Registration Ordinance (Cap. 529)*

9. The Veterinary Surgeons Registration Ordinance (Cap. 529) (VSRO) provides for the regulation of the practice, registration and disciplinary control of veterinary surgeons so as to ensure a high standard of veterinary care in Hong Kong. The Veterinary Surgeons Board of Hong Kong (VSB) is established under section 3 of the VSRO. Since enactment of the VSRO in 1997, there have been significant changes in circumstances. The number of registered veterinary surgeons has grown from around 150 to nearly 650. With the passage of time, there has been growing awareness of the importance of animal welfare and higher community expectations about the

standard of veterinary service in Hong Kong. As a result, the number and complexity of complaints received by the VSB in recent years have grown markedly.

10. To cope with the changes, there is a need to enhance the capacity of the VSB and to streamline its mechanism for handling complaints. Between October and November 2012, the Government launched a public consultation on the proposed changes to the membership and complaint-handling procedures of the VSB. The summary of views received has been uploaded to the website of the Agriculture, Fisheries and Conservation Department (AFCD). The Administration is proceeding with the drafting of the legislation and expects to introduce the Amendment Bill into the LegCo in the second quarter of 2014.

### **On-going Initiatives**

*(a) Following Up on the Enforcement of the Import and Export (General) (Amendment) Regulation 2013 and Measures to Improve the Powdered Formula Supply Chain with Suppliers and Retailers*

11. To combat the problem of parallel traders diverting large quantities of powdered formula away from the supply chain in Hong Kong, the Government has regulated the export of powdered formula from Hong Kong since 1 March 2013 through the enactment of the Import and Export (General) (Amendment) Regulation 2013 (the Amendment Regulation).

12. As reported to this Panel in December 2013, having regard to the assessment of the Consultant commissioned by the Government on the supply chain improvement measures proposed by the trade as well as the views of the Committee on Supply Chain of Powdered Formula (the Committee), we consider it premature to repeal the provisions introduced by the Amendment Regulation at this stage.

13. The Government has requested the trade to continue to improve their supply chain management and to keep the Committee informed of the progress. To ensure sufficient supply of powdered formula for local infants and young children in the run-up to the Lunar New Year, we have met with representatives of seven major powdered formula suppliers, the Hong Kong

General Chamber of Pharmacy Limited and major chain stores, and urged the suppliers to get fully-prepared to ensure sufficient supply of powdered formula, in particular, to accord priority in meeting the demand of local infants and young children.

14. Looking ahead, we will listen to the views of both the Committee and this Panel, and decide on the Government's position in respect of the Amendment Regulation having regard to the progress on the improvements of powdered formula supply chain.

*(b) Implementing a Multi-pronged Strategy to Minimise the Risk of Avian Influenza (AI) Outbreaks and Enhance Food Safety*

15. The Government has been adopting and will continue to adopt a comprehensive preventive and surveillance programme to reduce the risk of AI outbreaks in Hong Kong. The measures include maintaining the scale of the poultry trade at a manageable level; surveillance at the farm, wholesale, retail and import levels; tight biosecurity measures at local farms; AI vaccination of local and imported poultry; stringent hygiene requirements on wholesale and retail markets; prohibition of overnight stocking of live poultry at the retail level; and enhanced import control, etc.

16. Since the outbreak of H7N9 AI in the Mainland, we have been maintaining close liaison with the General Administration of Quality Supervision, Inspection and Quarantine (AQSIQ) and the relevant entry-exit inspection and quarantine authorities (CIQs) in the Mainland to keep developments related to the outbreak under assessment and discuss the response measures required to ensure the safety of live poultry and poultry products supplied to Hong Kong, for the purpose of safeguarding public health. With the support of AQSIQ, the relevant CIQs have enhanced H7 AI surveillance on live poultry and poultry products bound for Hong Kong by increasing the sample size and the frequency of farm inspections. All testing results obtained so far are negative. Locally, CFS under the Food and Environmental Hygiene Department (FEHD) has also since April 2013 conducted PCR rapid test against H7 AI on imported live poultry upon their entry at the boundary control point. So far, all samples tested negative for both H5 and H7 viruses.

17. AFCD, FEHD and CFS have also enhanced preventive and control measures against H7N9 at all levels of the live poultry supply chain, such as stepping up environmental surveillance at local poultry farms, the poultry wholesale market and live poultry retail outlets, strengthening inspection of live poultry from the Mainland at the Man Kam To Animal Inspection Station, and constructing new facilities at the poultry wholesale market for holding leftover local chickens, imported chickens and minor poultry.

18. On 2 and 6 December 2013 and 8 January 2014, Hong Kong confirmed three human cases of avian influenza A (H7N9). Immediately after the confirmation of the first case, the Government escalated the response level under the Preparedness Plan for Influenza Pandemic from “Alert” to “Serious”. Upon investigation, it was noted that the patients in these confirmed human cases of H7N9 AI had reportedly come into contact with live chickens, consumed chicken or got near wet markets in Shenzhen, but the source of infection in the three cases remained undetermined for the time being. As a precautionary and contingency measure, we have suspended the import of live poultry from the registered farms in Shenzhen since 3 December 2013. In order to strengthen background surveillance and early warning in registered poultry farms in the Mainland, we are in active discussion with AQSIQ on the introduction of serological testing for H7 AI. We will closely monitor developments and update our risk assessment, as well as maintain liaison with the relevant health, inspection and quarantine authorities.

19. According to the World Health Organization, it is possible that eggs from infected poultry could be contaminated with the avian influenza virus. The World Organization for Animal Health has recommended that the import of poultry eggs for human consumption for control of avian influenza should be accompanied with an international veterinary certificate. We have therefore proposed to extend the import control regime for meat and poultry under the Imported Game, Meat and Poultry Regulations to cover poultry eggs. We have secured the support of this Panel for our proposals and intend to table the relevant legislative amendments in 2014.

(c) *Safe Use of Pesticides*

20. To protect human health and the environment, we amended the Pesticides Ordinance (Cap. 133) in 2013 to fully comply with the requirements

of the Stockholm Convention on Persistent Organic Pollutants and the Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade. The Pesticides (Amendment) Ordinance 2013 will come into operation on 27 January 2014.

21. To ensure the proper use of pesticides in food, we enacted the Pesticide Residues in Food Regulation in June 2012. The Regulation will come into operation on 1 August 2014. CFS has provided briefings, training and guidelines for different sectors to prepare them for the commencement of the Regulation.

*(d) Safe Use of Veterinary Drugs*

22. There has been public concern about the increased use of veterinary drug in food animals and its residues in food. To protect the public against unacceptable levels of veterinary drug residues in food, we will consider the regulatory proposal by making reference to the implementation of the Pesticide Residues in Food Regulation.

*(e) Assistance to Hawkers*

23. To further improve and enhance the appearance, design and fire resistance capability of hawker stalls, as well as to help improve the functionality of hawker stalls and the operating environment of hawker areas, we launched in June 2013 a five-year assistance scheme covering about 4 300 on-street hawkers in the 43 fixed-pitch hawker areas in the territory. A sum of \$200 million has been earmarked for this. Under the scheme, a one-off grant/ex-gratia payment will be granted to hawkers who reconstruct their stalls at the same locations, relocate their stalls to other pitch spaces or choose to surrender their hawker licences. Since the launching of the scheme, FEHD has held over 100 meetings with representatives and stallholders from various hawker areas to carefully listen to their views on the stall relocation proposal and jointly explore pragmatic and feasible options for relocating their stalls on the same street or even at the same section. As at December 2013, over 150 hawkers from different hawker areas who need to have their stalls relocated have reached consensus with FEHD on the relocation arrangements. We will continue to actively take forward the assistance scheme in 2014.

(f) *Improving the Operating Environment of Public Markets*

24. At present, FEHD is managing over 70 public markets that sell wet and dry goods. For the purpose of developing proposals to improve the operating environment of public markets thereby enabling them to fulfil the functions expected of them, the Government has commissioned a consultancy study. Specifically, the scope of the study covers four areas: tendering views on the functions and positioning of public markets; surveying the public markets and coming up with specific improvement proposals for five or six representative ones; providing some general suggestions for the routine improvement works for public markets; and suggesting ways and concrete measures to preserve market stalls that are selling traditional commodities or involving traditional specialty.

25. Since each market may have its own unique circumstances (in terms of the physical facilities required, the operational problems encountered, the competition that it is facing from similar retail outlets in the vicinity, etc.), the consultant will categorise the problems and analyse them accordingly with a view to tackling the problems on their own merits. The consultant is expected to comprehensively analyse all relevant factors affecting the operating environment of public markets such as consumer profile (e.g. income and age), their shopping preferences, the mode of market operation, as well as the state of transport network in the vicinity etc. and formulate recommendations. The study commenced in December 2013 and if it progresses smoothly, we expect the consultant to submit the preliminary findings of the study in mid-2014.

(g) *Formulating the Legislative Proposal on a Licensing Scheme to Enhance Regulation of Private Columbaria*

26. Between November 2011 and March 2012, FHB launched a second round of public consultation on the proposed licensing scheme for private columbaria. It is necessary to ensure that the regulatory scheme is reasonable with its details formulated properly. In this connection, we have engaged a consultant to assess the impact of the proposed licensing scheme on the trade. Besides, departments concerned have conducted reality checks to most of the private columbaria on the List of “Information on Private Columbaria” published by the Development Bureau. FHB/FEHD have also conducted outreaching visits to columbaria on the List to gain a deeper



understanding of their operation.

27. In November 2013, we reported to the Panel on the progress made in formulating the statutory licensing scheme for private columbaria. Based on our updated deliberations and the further information gathered, we are finalising the detailed provisions of the draft legislation and aim to introduce the Private Columbaria Bill into the LegCo in the second quarter of 2014.

*(h) Reviewing the Provision of Cemeteries, Columbaria and Crematoria Facilities and Striving to Provide more Facilities to Meet Future Demand*

28. In December 2009, the Finance Committee (FC) of the LegCo approved the upgrading of the reprovisioning project of the Cape Collinson Crematorium to Category A for completion by the end of 2014. The project is in progress. Upon its completion, the total annual capacity of all public cremators will be increased from 38 000 to 53 000 sessions. This will sufficiently meet the cremation demand up to the early 2020s.

29. To enhance the supply of public niches, the Government is promoting the district-based columbarium development scheme, under which 24 potential sites in 18 districts have been identified. The Government has initiated traffic impact assessment, engineering feasibility study and technical feasibility studies. The feasibility studies are by and large either completed or at an advanced stage by now, and we have been consulting the respective District Councils since the second quarter of 2012. The Diamond Hill columbarium extension (1 540 new niches) and the Cheung Chau Cemetery extension (about 1 000 new niches) projects have been completed. For the largest site at Sandy Ridge, funding application for undertaking the detailed design and site investigation works was approved by the FC in February 2013. The target is to make available a crematorium, a funeral parlour and a visitor service centre by 2022, and to provide 200 000 niches by phases starting from 2022.

30. Subject to the outcome of the traffic impact assessments, engineering feasibility studies and technical feasibility studies as well as support of the District Councils and the LegCo for columbarium developments in the pipeline, and taking into account the supply of the Chinese Permanent Cemeteries, we estimate that the supply of new niches will cumulatively

increase to hundreds of thousands by 2031.

31. Rising to the challenges posed by the scarcity of land resources, we see a case for encouraging public deliberations over the question of whether we should bring in new and unconventional measures to sustain the supply of niches and meet the demand in a manner that gives due regard to local traditions. The Government is actively exploring various options to increase the supply of niches and considering the implementation of new systems to alleviate the shortage in niche supply. These include setting limits on worship periods during the Ching Ming and Chung Yeung Festivals, and introducing time-limited (but renewable) terms for occupation of newly allocated niches, with a view to reducing the constraints in transport and traffic capacity, easing the process of gaining local support, and utilizing the potential of the sites identified to the full. The Government is keeping an open mind on the above proposals and will listen to the views of the public before finalising the details and reaching any decisions.

32. In the interest of sustainability, the Government is taking active steps to promote “green burial”. With the support of the Panel and relevant DCs, the alternatives of scattering cremated human ashes in gardens of remembrance (GoRs) and in designated Hong Kong waters have been gaining momentum. To encourage wider use of GoRs for the scattering of cremains and allow more choices, new and bigger GoRs have been constructed in recent years. As the free ferry service for the scattering of ashes is well received by the public, FEHD has further increased the number of sails to four per month starting from January 2013. To facilitate the public in paying tribute to the deceased at any time and from anywhere, FEHD introduced the Internet Memorial Service website in June 2010 and launched the mobile version of the website in September 2012. We will continue to promote these services to the public, and encourage more sustainable means of handling cremains and paying tribute to the deceased.

(i) *Comprehensive Review of the Fees and Charges of Municipal Facilities and Services Provided by FEHD*

33. With the support of the LegCo, we have in 2013 aligned the levels of fees and charges in the urban and the New Territories regions for municipal facilities and services provided by FEHD. We will as the next step conduct a comprehensive review of the charging policy and rates of these facilities and

services. FEHD has proceeded to take forward the review. Given the large number of fees and charges involved, and the need to do an overall costing exercise, FEHD would review the fee items by phases and put forward recommendations to the Financial Secretary.

(j) *Promoting the Development of Fisheries Industry*

34. In accordance with the policy blueprint proposed by the Committee on Sustainable Fisheries, we have banned trawling activities in Hong Kong waters since December 2012, with a view to bringing the local fishing industry back to a sustainable path and to protect fisheries resources. We are pursuing the registration of local fishing vessels to control the fishing effort and to prohibit non-local fishing vessels from engaging in fishing activities in Hong Kong waters. We are also processing the applications for the issue of new licences in three Fish Culture Zones. Looking ahead, we are making preparation for designating fisheries protection areas to protect important fish nursery and spawning grounds in Hong Kong waters.

35. Since the subsidiary legislation to ban trawling activities came into operation, the Interdepartmental Working Group (IWG) set up by the Government for the trawl ban has disbursed, by way of ex-gratia allowance (EGA), a total amount of \$940 million to affected trawler owners. The processing of appeal cases is underway. In 2014, the IWG will continue to implement other measures in the assistance package, including continuing with the voluntary buy-out scheme for inshore trawlers and providing assistance to fish collector owners affected by the trawl ban.

36. Currently, fishermen may apply to the Fisheries Development Loan Fund (FDLF) for low interest loans for switching to sustainable fisheries operations using selective fishing methods and other fisheries related operations. In 2013, the FDLF granted loans of about \$160 million.

37. In recent years, fisheries resources in the South China Sea have been declining. This, coupled with the rise in operating costs, in particular soaring fuel costs, and competition from non-local fishing vessels, has presented local fishermen with enormous challenges. Instead of leaving the fisheries resources to unfettered exploitation until they are completely depleted, the Administration considers it appropriate to pursue a policy that assists the fisheries industry in switching to sustainable operations. The FC has

approved the setting up of a \$500 million Sustainable Fisheries Development Fund to help fishermen adopt a sustainable and high value-added operation mode, and provide financial support to programmes and research so as to enhance the overall competitiveness of the industry. The scope of the Fund may cover the provision of technical assistance and training in fishing operations, financial support for fishermen to switch to other fisheries or sea related areas, and assistance for local aquaculturists to modernise their operations. We will appoint the Advisory Committee in the first quarter of 2014, with a view to inviting applications in the first half of 2014. We plan to disburse the first batch of funding within 2014-15.

*(k) Formulating Legislative Proposal on Genetically Modified Food*

38. The Government is considering regulating genetically modified (GM) food by introducing a mandatory pre-market safety assessment scheme (PMSAS) in Hong Kong. Under the proposed scheme, a GM food developer who intends to place a GM food on the local market would be required to submit an application together with the necessary supporting documentation to CFS for evaluation. CFS will determine whether the GM food developer has adequately addressed the safety issues based on Codex principles and guidelines. Food which consists of, or is derived from, GM microorganisms, plants and animals, must pass the safety assessment before it may be sold in Hong Kong. We briefed this Panel on 12 March 2013 on the proposed scheme. We are preparing the consultation document and plan to launch the public consultation in mid-2014.

*(k) Maintaining Stable Food Supply*

39. The policy objective of the Government is to maintain stable supply of various foodstuffs and to ensure food safety. Food prices have always been determined by the free market. The Government is responsible for enhancing market transparency and market efficiency. We will also continue to liaise with economies importing food into Hong Kong, in particular the relevant Mainland authorities, to ensure a stable supply of food that meets the demand of Hong Kong people.

40. In view of the concerns articulated in the community about the supply and price of fresh beef, we commissioned a consultant to conduct a market survey last year. We have also relayed to the Ministry of Commerce

the request of the general public on opening up the market of live cattle supply agents. To this end, the Ministry of Commerce convened a research seminar in November 2013 to listen to the views of the industry in Hong Kong and the Mainland on the existing system for the supply of live cattle to Hong Kong, in order to facilitate further studies on whether there is a need to reform the current system. We will continue to maintain contact and communication with the Ministry of Commerce, and inform the public as and when there is further development.

*(m) Review of Liquor Licensing*

41. We launched a public consultation on the review of liquor licensing in 2011 and briefed this Panel in January 2012 on the results of the consultation and the proposed way forward. By and large, the trade was supportive of the proposed trade facilitation measures but against the tightening of the regulation over liquor-licensed premises including upstairs bars. In contrast, representatives and residents of districts with the largest number of bars urged the Government to impose more stringent control on liquor-licensed premises and enhance enforcement against premises causing nuisances.

42. In June 2013, we consulted this Panel on the “Guidelines on Assessing Liquor Licence Applications” (the Guidelines) produced by the Liquor Licensing Board (LLB), which include imposing more stringent licensing conditions in respect of the capacity limit and noise abatement measures. Having considered the views of various stakeholders, the LLB has revised the Guidelines accordingly and granted a suitable grace period to the trade. The LLB published the Guidelines on the LLB website on 1 December 2013 for the easy reference of the trade and the public.

43. The LLB is also progressively implementing the trade facilitation measures stemming from the aforesaid consultation. Such measures include allowing liquor licence applications to be advertised on the Internet, extension of the maximum duration of liquor licences from one year to two years, and measures to address cases of the sudden departure of licensee from business, etc. Change of the maximum duration of liquor licences would necessitate amendments to the Dutiable Commodities (Liquor) Regulations (Cap. 109B). We expect to report to this Panel on the legislative amendments in the first half of 2014.

## **Advice Sought**

44. Members are invited to note and comment on the contents of this paper.

**Food and Health Bureau  
January 2014**