## 立法會 Legislative Council

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#### Panel on Food Safety and Environmental Hygiene

# Background Brief prepared by the Legislative Council Secretariat for the meeting on 12 November 2013

#### **Sustainable Fisheries Development Fund**

#### **Purpose**

This paper provides background information on the Sustainable Fisheries Development Fund and summarizes the main concerns and views expressed by members when the subject was discussed by the Panel on Food Safety and Environmental Hygiene ("the Panel").

#### **Background**

- 2. In view of the declining fisheries resources, the rising operating costs of local fishermen and the increasing competition from non-local fishing vessels, the Government set up the Committee on Sustainable Fisheries in late 2006 to study the long-term direction and goals for the development of the fisheries industry in Hong Kong. In its report submitted to the Government in April 2010, the Committee recommended strategies on three fronts to promote the sustainable development of the local fisheries industry, namely promotion of modernized and sustainable practices; control of fishing effort; and conservation and enhancement of fisheries resources.
- 3. To promote the modernization and development of sustainable fisheries, the Committee recommended, among others, the establishment of a "Sustainable Fisheries Funding Scheme" to provide financial assistance to fishermen, fishermen organizations, academic institutes or non-profit-making organizations for carrying out research and development programmes which would help

improve the operating environment and competitiveness of the entire industry or restore marine and fisheries resources.

4. In his 2013 Policy Address, the Chief Executive announced the setting up of a \$500 million Sustainable Fisheries Development Fund ("the Development Fund") to help fishermen adopt a sustainable and high value-added operation mode, and subsidize relevant programmes and research, so as to enhance the overall competitiveness of the industry. Following the announcement, the Administration has sought views from the major fishermen groups and representatives of the trade as well as some other stakeholders on the setting up of the Development Fund.

#### **Deliberations of the Panel**

5. At the Panel meeting on 11 June 2013, members were briefed on the feedback received from the Administration's consultation with stakeholders on the setting up of the Development Fund and the parameters of the Fund, including, among others, the scope of projects that might benefit from the Fund and eligibility of applicants.

#### Sustainable development of the fisheries industry

- 6. Some members cast doubt on the effectiveness of the Development Fund to promote the sustainable development of the fisheries industry, having regard to the lack of a policy on the general direction and long-term goals for the industry. They stressed the need to formulate a comprehensive policy for the sustainable development of the fisheries industry.
- In response to an enquiry about the Administration's direction and goals 7. for the development of local fisheries industry, the Administration advised that the Committee on Sustainable Fisheries had recommended various fisheries management measures with a view to controlling the fishing effort in Hong Kong waters. The Administration had been implementing a series of fisheries management measures as recommended by the Committee. These included the statutory ban on trawling activities in Hong Kong waters, which could enable the marine ecosystem to rehabilitate faster, and the introduction of a registration system for local fishing vessels under the Fisheries Protection (Amendment) Ordinance 2012 (Cap. 171), which aimed to limit the entry of new fishing vessels and control the fishing effort in Hong Kong waters. Administration also took note of the Committee's suggestion to designate certain areas in Hong Kong waters as Fisheries Protection Areas to restore local fisheries resources. In addition, the Administration had also reviewed the

mechanism and terms of the Fisheries Development Loan Fund ("the Loan Fund"). With the establishment of the Development Fund which aimed to provide financial assistance for projects and researches conducive to the sustainable development of the fisheries industry, most of the measures recommended by the Committee had been implemented.

8. Some members held the view that offshore fishing was the only way for the sustainable development of the fisheries industry and the Administration should consider providing financial assistance to the owners of offshore trawlers. There was also a view that the Administration should consider adopting more objective criteria for the sustainable development of the fisheries industry such as a targeted market share of local fisheries products in Hong Kong.

#### The proposed Development Fund

- 9. While supporting the Administration's measures to promote sustainable development of the fisheries industry in Hong Kong, some members expressed concern that a \$500 million fund was insufficient to support the sustainable development of the fisheries industry. Given the similar nature of the Development Fund and the Loan Fund, concern was raised about the positioning of the Development Fund. According to the Administration, the Development Fund sought to promote the development of new technologies to enhance the overall competitiveness of the industry by subsidizing research and development programme, while the Loan Fund was aimed to provide loans for improving the operating environment of fishermen.
- 10. Members asked about the Administration's detailed plan for the use of the Development Fund. The Administration advised that the Development Fund would support projects on sustainable fisheries, capture fisheries and aquaculture. Proposals for studies on the enhancement of the technology or the business environment for the fisheries industry would also be considered. Some members considered that to avoid conflicts of interest, commercial projects should not be supported under the Development Fund. There was also a query on why overseas academic and research institutions were eligible for applying for the Development Fund.

#### Latest development

11. The Administration will consult the Panel on the detailed proposals of the Development Fund at the meeting on 12 November 2013.

### **Relevant papers**

12. A list of the relevant papers on the Legislative Council website is in the **Appendix**.

Council Business Division 2
<u>Legislative Council Secretariat</u>
6 November 2013

## Appendix

## Relevant papers on the Sustainable Fisheries Development Fund

Committee	Date of meeting	Paper
Legislative Council	30.1.2013	Official Record of Proceedings Pages 5538-5545 (Question No. 18)
Panel on Food Safety and Environmental Hygiene	11.6.2013	<u>Agenda</u>
	(Item III)	<u>CB(2)1284/12-13(03)</u>
		<u>CB(2)1284/12-13(04)</u>

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