

(Translation)

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**Suggestions relating to the Major Initiatives under the  
New Agriculture Policy  
by Dr Hon CHIANG Lai-wan  
at the Panel on Food Safety and Environmental Hygiene  
on 10 July 2018**

Thank you for your letter of 11 July 2018. I write to provide the Government's response to the above suggestions.

- (1) The Government announced in the 2016 Policy Address implementation of the New Agriculture Policy (NAP) to promote the modernisation and sustainable development of local agriculture. Since the announcement, we have reported the measures under the NAP to the Panel on Food Safety and Environmental Hygiene (the Panel) several times, including the progress of establishing an Agricultural Park (Agri-Park) and conducting a consultancy study on Agricultural Priority Areas (APAs) (the latest developments on the Agri-Park and the consultancy study were set out in LC Paper No. CB(2)1745/17-18(01)). Progress of the Agri-Park Phase 1 was explained in detail in the said paper. As for Phase 2, the

consultant of the Agri-Park is conducting detailed design and site investigation work on the infrastructure support, and will give detailed recommendations later. In addition, tendering of the consultancy study on APAs is currently underway and the study is expected to commence in the second half of 2018. We will continue to report the work progress to the Panel in due course.

To assist those who wish to rent private land for farming, the Agriculture, Fisheries and Conservation Department (AFCD) implements the Agricultural Land Rehabilitation Scheme (ALRS), under which AFCD serves as a middleman to match landowners with prospective tenants and help them reach tenancy agreements. Over the past five years (2013-2017), there were 105 successful cases under ALRS, involving approximately 20 hectares (ha) of land. AFCD will continue to encourage landowners to lease their land for farming in order to rehabilitate fallow farmland. Ultimately, however, it is the landowners' decision on whether to lease out their land for agricultural use. Some landowners, having considered the rental return, would rather leave their farmland fallow than lease out for farming. As the agricultural land available for leasing is rather limited and outnumbered by applications, applicants therefore need to wait for a certain period of time before successfully leasing the farmland. The Agri-Park will contribute to agricultural rehabilitation through rehabilitating some 50 ha of currently fallow farmland for use by tenants when the Agri-Park is fully commissioned. On the other hand, the Government will launch the Special Agricultural Land Rehabilitation Scheme (SALRS) as an enhanced arrangement to assist farmers to be affected by the Kwu Tung North/Fanling North New Development Areas (NDAs), and Hung Shui Kiu NDA and Yuen Long South development projects in rehabilitation. It will proactively identify suitable government land and landowners who are willing to sell or lease their land for agricultural rehabilitation, and carry out matching on a priority basis. To help affected farmers continue their operations, the Government will continue to identify land suitable for agriculture rehabilitation purpose under SALRS and promulgate details of the implementation arrangements in tandem with the development schedules of the projects.

- (2) & (4) The \$500 million Sustainable Agricultural Development Fund (SADF), one of the key measures under the NAP, is designed to support practical, application-oriented projects, schemes or research work that would help farmers enhance their productivity and output, as well as contribute to fostering the sustainable development and enhancing the overall competitiveness of the agricultural sector. Projects that facilitate the development of local agriculture along this direction are eligible for application. Eligible projects may also contain commercial elements. There are initiatives that aim at demonstrating the technical feasibility and commercial viability of new agricultural practices and the deliverables may subsequently be imparted to other stakeholders within the agricultural sector. These projects involving commercial elements will be funded on a dollar-for-dollar matching basis to encourage agricultural innovation. AFCD will also provide technical advice for the proposed projects.

At present, AFCD provides free lending services for 12 types of common farm machinery and equipment (e.g. cultivator / tiller, brush cutter) to help farmers cultivate and level farmland for crop growing. The SADF Advisory Committee will also positively consider applications for purchasing large farm machinery for share use among farmers through lending arrangements so as to promote mechanised operations in the sector.

The Farm Improvement Scheme (FIS) set up under SADF provides direct grants to assist individual farmers in acquiring small equipment and materials to improve farming productivity and efficiency through adopting mechanised and modernised equipment and materials. The grant is to be issued on a reimbursement basis up to 80% of the cost of each piece of equipment and materials concerned. Each eligible farmer may receive a maximum grant of \$30,000 under FIS. AFCD has been taking heed of the views of farmers for proactively optimising the list of eligible farm equipment and materials under FIS to meet the needs of different farms as far as possible. A total of more than 180 applications have been approved so far, involving a funding commitment of over \$5 million. According to the package approved by the LegCo Finance Committee, the grant ceiling is determined

with reference to the market price of the farm equipment or materials. AFCD, in consultation with the SADF Advisory Committee, may review from time to time the maximum level of the grant as well as the ceilings for individual equipment / materials eligible for support under FIS, having regard to factors such as inflation, adjustments to the price of eligible equipment and materials, etc.

- (3) & (5) Through liaison and experience sharing, the Government has been actively engaging local and overseas scientific research institutes in the development and application of new technology and equipment in soilless production of various forms, with a view to enhancing productivity. For example, the Controlled Environment Hydroponic Research and Development Centre (Hydroponic Centre), jointly set up by AFCD and the Vegetable Marketing Organisation, has recently tested the Nanofibre Mat and Nano Bubble Technology in improving hydroponic productivity, in collaboration with the Nano and Advanced Materials Institute Limited (NAMI). In addition, the Hydroponic Centre is planning to work with the Hong Kong Productivity Council to test another lighting device for indoor cultivation. It also plans to collaborate with a New Zealand research institute in adopting a microclimate monitoring and data analytics platform to enhance plant growth, raise productivity and improve product quality. To promote local development of hydroponic technology, AFCD and the Hydroponic Centre will provide advice and technical support to those interested in setting up hydroponic farms, organise seminars to share with farmers the experience and research results of the Hydroponic Centre, and introduce new vegetable varieties and modern production technology in hydroponics, etc.

To facilitate farmers in the development of multi-layer or vertical farming for increasing the production area and output, the Town Planning Board amended the definition of terms used in statutory plans to allow the use of crop and aquaculture production in industrial buildings. With the above-mentioned support measures, the number of hydroponic farms has been increasing in recent years. The Government will continue to watch out for the development of agricultural technology worldwide, introduce and test additional modern new technology for local adaptation, and

recommend them to farm operators as appropriate.

At present, there is no generally applied international system for hydroponic certification. Hydroponic farms may join AFCD's Accredited Farm Scheme (AFS). Launched in 1994, AFS successfully promotes the adoption of good horticultural practice and environmental friendly productions. It encourages the adoption of integrated pest management and proper use of pesticides with a view to ensuring production of quality vegetables that are safe for consumption, and enhancing consumer confidence in locally produced vegetables. Currently, more than 280 local farms participate in AFS.

Yours sincerely,

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for Secretary for Food and Health

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