立法會 Legislative Council

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Panel on Food Safety and Environmental Hygiene

Updated background brief prepared by the Legislative Council Secretariat for the meeting on 11 May 2021

Issues relating to the proposed establishment of the Agricultural Park

Purpose

This paper provides background information on the proposed establishment of the Agricultural Park ("Agri-Park") which is one of the key initiatives underpinning the New Agriculture Policy ("NAP")¹, and summarizes majors views and concerns of members of the Panel on Food Safety and Environmental Hygiene ("the Panel") on the subject.

Background

2. The Government announced in the 2016 Policy Address the implementation of NAP to promote the modernization and sustainable development of the local agricultural industry. Through the proposed establishment of the Agri-Park, the Administration aims to help nurture agro-technology and agro-business management, as well as to facilitate knowledge transfer with a view to enhancing productivity. The Agri-Park seeks to accommodate the following groups of the farming sector:

(a) establishing a \$500 million Sustainable Agricultural Development Fund to provide financial support for the modernization and sustainable development of local agriculture;

Other measures underpinning NAP include:

⁽b) commissioning a consultancy study to explore the feasibility and merits of identifying and designating Agricultural Priority Areas to incentivize their use for long-term agricultural purposes;

⁽c) facilitating development of hydroponics and agro-technology;

⁽d) facilitating leisure farming ancillary to agricultural production; and

⁽e) enhancing food safety and the marketing of local fresh produce.

- (a) existing farmers operating within the area of the Agri-Park prior to its establishment;
- (b) farmers displaced by government development projects implemented within the same timeframe of the Agri-Park and who accept the Agri-Park's tenancy terms and conditions; and
- (c) farmers that could meet the Agri-Park's admission criteria.
- 3. According to the progress updates provided by the Administration on the implementation progress of the major initiatives under NAP in July 2018 and January 2019, a cluster of about 80 hectares of farmland in Kwu Tung South, New Territories has been identified as the potential site for the Agri-Park. Upon completion of the relevant engineering feasibility study, the Administration decided to develop the Agri-Park in two phases. Phase 1 will be developed in a relatively small scale (with an area of about 11 hectares), with a view to enabling its partial commissioning for use by farmers as early as possible.
- 4. Phase 1 development of the Agri-Park comprises formation works for about 7.5 hectares of land, related infrastructures (including drainage, sewerage, irrigation, water supply, utilities and street lighting), associated park facilities (including basic lodging and storage units) and construction of a 7.3 metres wide single two-lane carriageway connecting the Agri-Park with Tsiu Keng Road and Fan Kam Road.
- 5. According to information provided by the Administration in April 2021, the construction works of the Agri-Park Phase 1 have commenced and are expected to be completed in stages from late 2021 to 2023. The Agri-Park will be managed by the Agriculture, Fisheries and Conservation Department ("AFCD") on the advice of the Agricultural Park Advisory Committee. The timetable for commencing the development of the Agri-Park Phase 2 will be subject to the progress of and the operating experience gained in Phase 1. The layout plan of the Agri-Park Phase 1 and the tentative boundary of the whole Agri-Park (covering both phases) are in **Appendices I and II**.

Members' concerns

6. Members' major views and concerns over the proposed establishment of the Agri-Park are summarized below.

Accommodation arrangements

- 7. Information was sought on the estimated numbers of farmers to be relocated to the Agri-Park who were (a) existing farmers operating within the area of the Agri-Park prior to its establishment or (b) farmers displaced by government development projects implemented within the same timeframe of the Agri-Park and who accepted the Agri-Park's tenancy terms and conditions. Members were concerned whether the Agri-Park, in its proposed scale, had sufficient capacity to accommodate farmers displaced by the North East New Territories New Development Areas ("NDAs") Planning, which covered development projects in Kwu Tung North and Fanling North NDAs. Since the Agri-Park would be implemented in phases over a long period of time, in case there was a time gap between the displacement of farmers and the commissioning of the Agri-Park, the affected farmers might not be able to be relocated to the Agri-Park in a timely manner.
- 8. The Administration advised that for the development of the Agri-Park Phase 1, three households (about 12 people) and about 13 farms operating within the area would be affected by the proposed road works. To minimize the impact on these farmers, the Administration would endeavour to relocate the affected farmers to other farmland in the Agri-Park prior to commencing the proposed road and other construction works on their farmland, and to ensure a seamless relocation. Farmland in the Agri-Park would also be leased to farmers who were affected at the same time by government land development projects and who intended to resume farming. The rest of the farmland would be put up for application and leased to farmers who intended to grow crops for To meet the overall objectives of the Agri-Park and commercial production. ensure reasonable production output, applicants would be required to submit an annual production plan to AFCD for assessment of the farming modes and overall productivity.

Proposed road works for the Agri-Park Phase 1

- 9. Concern was expressed about the impact of the proposed road works for the Agri-Park Phase 1 on existing farmland and the environment. Some members queried the need of constructing a 7.3 metres wide single two-lane carriageway connecting the Agri-Park with Tsiu Keng Road and Fan Kam Road.
- 10. According to the Administration, in working out the current road alignment proposal, it had taken into account the overall objectives and long-term operational needs of the Agri-Park. To fulfill the need of traffic demand and safety requirement, the proposed road would be designed to a "Rural Road" type standard of 7.3 metres wide single two-lane carriageway in accordance with the Transport Planning and Design Manual issued by the

Transport Department. Under the current design, the proposed carriageway would connect the main parts of the Agri-Park, allowing access of large vehicles to facilitate the transportation of farming machinery, equipment and agricultural produce. Upon commissioning of Phase 2 at a later stage, this new road would form part of the road network within the Agri-Park. The road would service tenants in both phases, and open to the public and visitors for participating in farming-related educational activities, sharing sessions and experiential activities.

Design of the Agri-Park

- 11. Some members expressed concern on how the farmland within the Agri-Park would be demarcated to accommodate various types of farming operations (e.g. conventional, organic, floriculture and modern technological farming). The Administration advised that its preliminary plan was to allocate farmland in the northern part of the Agri-Park for organic farming. The other parts of the Agri-park would be set aside for conventional, floriculture and modern technological farming, taking into account factors such as soil texture and water supply.
- 12. Information was also sought on the number of permanent lodging units to be constructed in the Agri-Park. Some members were concerned that the basic lodging units in the Agri-Park Phase 1 only aimed to provide a resting place for farmers to carry out duties of managing the farm and produce, but were According to the Administration, basic not meant for residential purpose. lodging and farming storage facilities would be provided in the Agri-Park so that tenants could stay close to their farms to take care of their crops as necessary. People who stayed in those facilities had to participate in farming activities. dovetail with the commissioning of the Agri-Park Phase 1, about 40 temporary lodging units of about 15 square metres in size would be provided in Phase 1. AFCD would consult the farming sector in determining the sites for providing the facilities. The structures of the lodging units would be compatible with the environment and would be scattered in clusters around the Agri-Park. completion of the permanent lodging units in Phase 2, the temporary lodging units in Phase 1 would be removed. The Administration would later work out the number of permanent lodging units to be built in Phase 2.

Operation and management of the Agri-Park

13. Some members expressed concern that the proposed five-year term standard tenancy agreements for prospective tenants in the Agri-Park could not give certainty to tenants (particularly new entrants) to make long-term investment in their farm production. Enquiry was raised as to whether the Administration would consider extending the tenancy (e.g. seven to 10 years)

such that the tenants would be able to make longer-term investment. Information was sought on the criteria for determining rent and renewal of tenancy agreements. There was a suggestion that the Administration should adopt a flexible approach in handling tenancy renewal applications in the Agri-Park and keep the relevant procedures as simple as possible.

- 14. The Administration advised that rent for the farmland would be set to attain the objectives of the Agri-Park rather than for profit-making. When setting the rent, the Administration would aim at providing a level-playing field for farmers (whether operating inside or outside the Agri-Park) at an affordable level to help genuine farmers while the land resource could be fully utilized. The standard tenancy period would be five years. All tenants who had fulfilled the agreed tenancy conditions would be considered for tenancy renewal. Considering the difficulties experienced by existing farmers in finding farmland for cultivation and securing stable tenancy agreements with landowners, the five-year term tenancy agreement with the prospect of renewal could give tenants sufficient certainty for making investment in their farms.
- 15. Some members were concerned that the Agri-Park would focus only on the development of high-tech farming which was capital intensive and beyond the affordability of farmers in general. Enquiries were raised on how the establishment of the Agri-Park would support existing farmers in converting to more modernized farming operations; and whether the Administration would engage farmers to try out new agricultural practices in the Agri-Park.
- 16. According to the Administration, the Agri-Park would serve as a base for experimenting new agricultural practices for commercial production, thereby encouraging farms to develop and adopt modern production methods. By accommodating various types of farming operations (including conventional, organic, floriculture and modern technological farming), the Agri-Park could provide a platform for cross fertilization of farming techniques and facilitate knowledge transfer (such as agro-technology and knowledge of modern farm management). AFCD would provide technical support to farmers operating in the Agri-Park as well as advice on the production plan, marketing and consumer trends and associated technological advancement. It would also consider organizing seminars or conferences to promote the development of the agricultural industry in collaboration with local tertiary institutions.
- 17. An enquiry was also raised as to whether, after the establishment of the Agri-Park, a target would be set on the output of local agricultural production or the share of fresh produce to be supplied locally. There was a view that a self-sufficiency target should be set for local agricultural production under NAP. The Administration advised that it would not set any self-sufficiency target for local agricultural production given the relatively

modest scale of the Agri-Park. That said, the Administration envisaged that the objectives of sustaining local agriculture to provide high quality and fresh agricultural produce to meet local demand could be achieved through the adoption of various initiatives under NAP and in time, the overall production capacity of the local agriculture could be scaled up. The Administration would review the effectiveness of NAP, before setting any specific targets for local agricultural production.

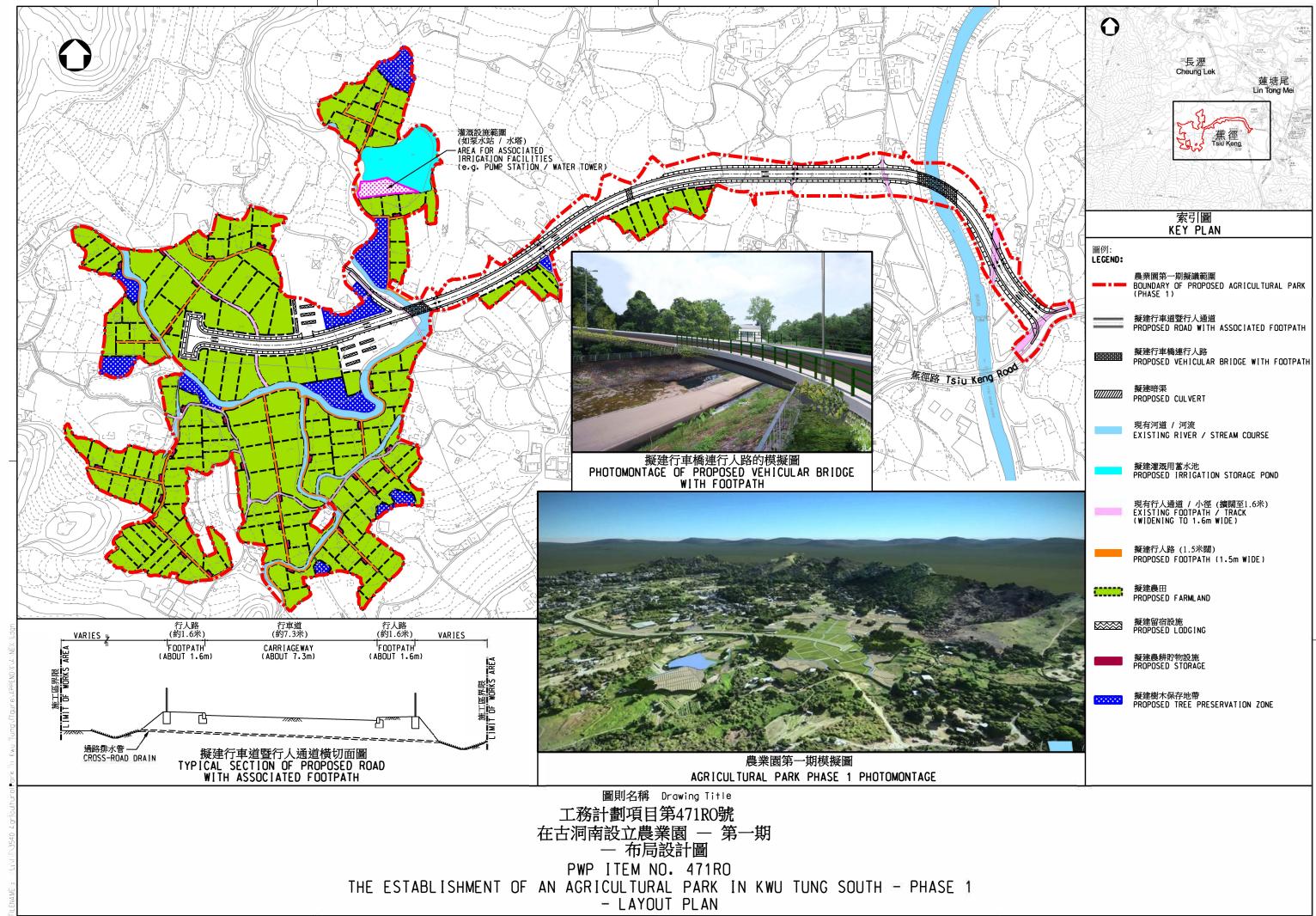
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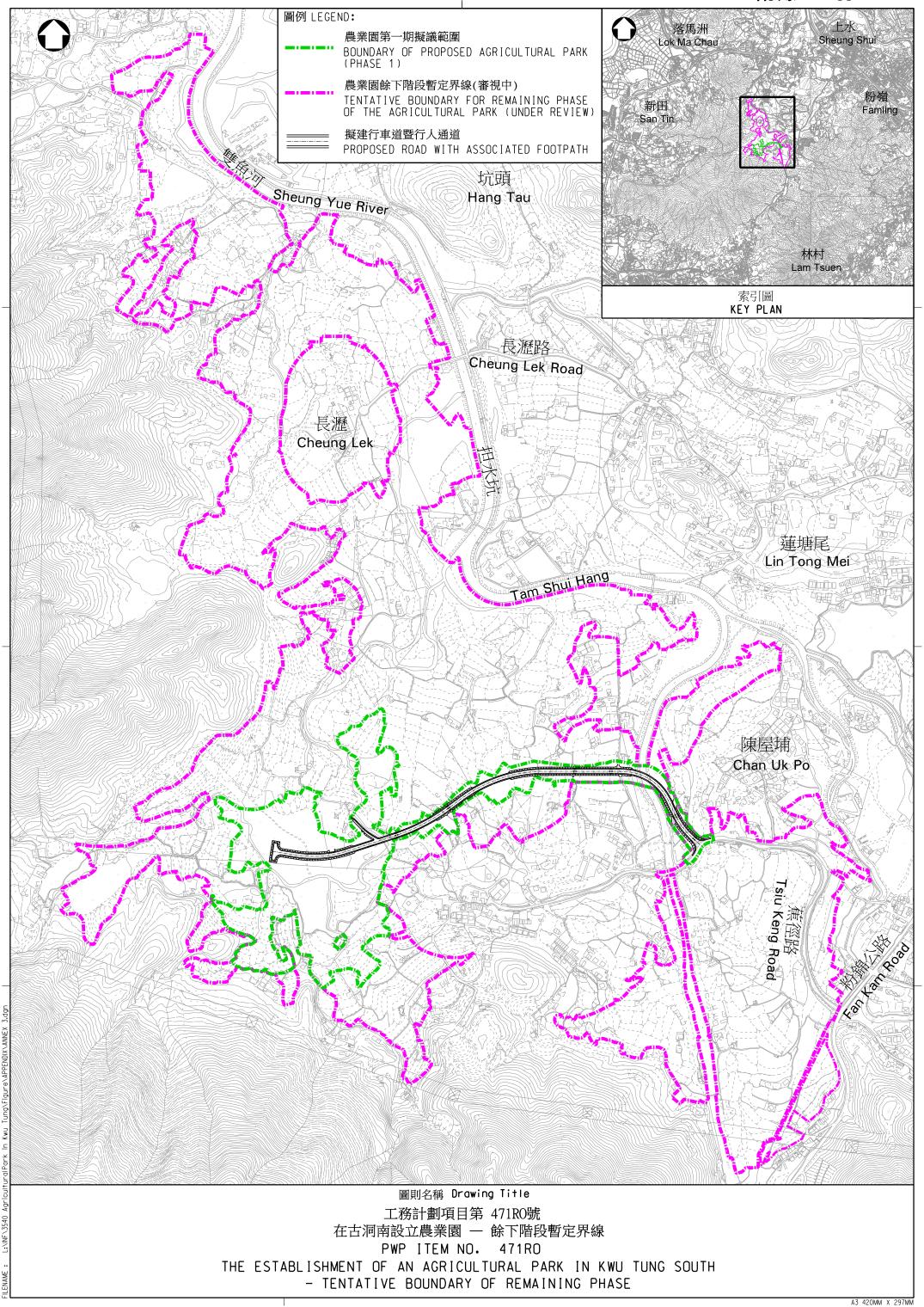
18. The Administration will brief members on the latest implementation progress of various initiatives under NAP (including the progress of establishing the Agri-Park, the promotion of application of technology in agricultural production among farmers and the provision of training to farmers facilitating transfer of knowledge) at the meeting on 11 May 2021.

Relevant papers

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

Council Business Division 2
<u>Legislative Council Secretariat</u>
5 May 2021





Relevant papers on the proposed establishment of the Agricultural Park

Committee	Date of meeting	Paper
Panel on Food Safety and Environmental Hygiene	16.1.2018*	Administration's paper on the implementation progress of the major initiatives under the New Agriculture Policy (LC Paper No. CB(2)721/17-18(01))
	10.7.2018 (Item III)	Agenda Minutes
	5.10.2018 (Item I)	Agenda
	13.11.2018*	Administration's supplementary information on Issues relating to the proposed establishment of the Agricultural Park (LC Paper No. CB(2)255/18-19(01))
	8.1.2019 (Item V)	Agenda Minutes
	4.3.2019*	Administration's supplementary information on Issues relating to the proposed establishment of the Agricultural Park (LC Paper No. CB(2)915/18-19(01))
Finance Committee	15.4.2021*	Speaking note of the Secretary for Food and Health at the Special meeting of the Finance Committee

^{*} Issue Date

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