

MESSAGE

Fresh food produce in Hong Kong is supplied by the private sector, largely through import and partly through local production. The focus of our work is on facilitating the development of agriculture and fisheries and the provision of wholesale markets for fresh food produce.

We help farmers and fishermen to improve productivity and upgrade the quality of their produce through technical assistance, training and providing loans for upgrading production facilities. We also promote environmentally friendly farming and fishing practices. We also carry out studies to identify ways to promote sustainable development of agriculture and fisheries. We have completed public consultation on the consultancy studies on the development of agriculture in Hong Kong, on fisheries resources and fishing operations in Hong Kong waters and on deployment of artificial reefs outside marine park areas. We would take into account views of the industries in the formulation of strategies. We have also completed the consultancy study on monitoring and management of red tides in Hong Kong and started putting in place improvement measures to minimise the impacts of red tides on mariculture. In the coming year, we would commission a consultancy study to examine the feasibility of developing off-shore fishing.

We shall continue to improve the management of government wholesale markets and upgrade the facilities to ensure the availability of efficient and orderly wholesale outlets for fresh food produce. We shall also continue to examine ways to put the operation of these markets on more commercial lines.



(Stephen Ip)

Secretary for Economic Services

PROVISION OF FRESH FOOD PRODUCE

Our Policy Objective is to ensure the provision of fresh food produce to meet the needs of Hong Kong.

Our target this year in pursuing this Policy Objective is to ensure generally a stable supply of fresh food produce.

Progress Made

In the past year, except for the imports and local production of live chickens and live geese and ducks which only resumed in February and May 1998 respectively and the killing of cultured fish by red tides in March and April 1998, there was generally a stable supply of fresh food produce. On the agricultural front, a new variety of sweet pepper was introduced and enrolment of vegetable farms in the Accredited Vegetable Farm Scheme was satisfactory. On the fisheries front, the Mainland Fishermen Deckhands Scheme was expanded to help alleviate labour problems of the fishing industry. Programme for deployment of artificial reefs in marine parks was successfully completed. An enhanced red tide action plan and legislation to enhance fisheries protection were implemented.

KEY RESULT AREAS (KRAs)

To ensure that this Policy Objective can be achieved, we must deliver results in a number of key areas, that is, we must –

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1

Identify the need for the development of agriculture and fisheries

We aim to facilitate the development of the agriculture and fisheries industries by providing technical support services; administering loan funds; implementing development schemes and resources conservation programmes; and providing wholesale markets. The demand for Government support for the development of the industries is kept under regular review to make sure that appropriate measures are put in place to achieve the stated policy.

Progress Made

The indicator used to measure progress in this key result area was the number of studies and reviews conducted against plan. Performance in this area was satisfactory. Three studies/reviews relating to the development of agriculture in Hong Kong, the manpower requirements of the fisheries industry and monitoring of red tides have been completed. These studies are important to the development of local agriculture and fisheries industries. The study on agriculture has attracted considerable discussion amongst the industry during the consultation process. Following the review on manpower requirements for the fisheries industry, measures welcomed by the fishing industry have been taken to meet their needs. The study on red tides recommends ways for Government to, among other things, minimise impacts of red tides on mariculture and a number of these measures have already been implemented.

To achieve results in this area, various initiatives have been undertaken in the past years. Details are set out below –

Initiative *	Target #	Present Position +
To conduct a consultancy study on arrangements for supporting the development of agriculture in Hong Kong <i>(Agriculture and Fisheries Department (A&FD))</i>	To complete the study in October 1998 and then decide the way forward <i>(1998)</i>	The study was completed in late 1998. The industry has been consulted on the recommendations of the study. The Government is considering the way forward taking into account the outcome of the consultation. <i>(Action in Progress: On Schedule)</i>

* the bracketed information denotes the agency with lead responsibility for the initiative

the bracketed information denotes the year in which the target was set

+ the bracketed information denotes the status of the target

Initiative	Target	Present Position
To conduct a review on the manpower requirements of the fisheries industry (A&FD)	To complete the review in early 1999 (1998)	The review was completed in March 1999. The ambit of the Mainland Fishermen Deckhands Scheme has been expanded to cover fishing vessels and fish transportation vessels of not less than 10 metres in length. Manpower requirements of the fish culture industry is dealt with under the Supplementary Labour Scheme. (Action Completed)
To conduct a study on red tides monitoring in Hong Kong with a view to improving early warning of red tide outbreaks in Hong Kong waters and minimising the likely impact of red tides on mariculture (A&FD)	To complete the study and decide the way forward in 1999 (1998)	The study was completed in May 1999. The Government has decided to implement enhanced measures to minimise impact of red tides on mariculture. These include the phytoplankton monitoring programme to improve early warning and improved devices to facilitate raft relocation during red tide outbreaks. These and other measures will be refined and further strengthened as appropriate from time to time. (Action Completed)

Looking Forward

In the next 12 months, we will assess our performance in respect of this KRA against the following indicator –

Indicator	1999 Target
Number of studies conducted against plan	To complete a study relating to the development of an off-shore fishing industry and another relating to foot and mouth disease in food animals, both in 2000-2001

We will undertake the following initiatives to deliver results in this area –

Initiative	1999 Target
To conduct a study on the feasibility of developing an off-shore fishing industry for Hong Kong <i>(AGFD)</i>	To complete the study in 2000-2001
To study the epidemiology of foot and mouth disease in food animals with a view to identifying control measures where appropriate <i>(AGFD)</i>	To complete the study and take follow-up actions in 2000-2001

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Establish and maintain policies and a regulatory framework to facilitate the development of agriculture and fisheries

We facilitate the development of the agriculture and fisheries industries through implementation of policies of providing basic infrastructure, technical support and loan facilities, and enforcement of relevant legislation such as Public Health (Animals and Birds) Ordinance, Fisheries Protection Ordinance, Plant (Importation and Pest Control) Ordinance.

Progress Made

The indicators used to measure progress in this key result area were the percentage of cases inspected which complied with relevant statutory requirements; the degree to which we introduced legislation against plan; and the implementation of new policies against plan.

Performance in this area was satisfactory. Over 97% of the cases inspected were found to comply with the relevant statutory requirements. The amendments to the Fisheries Protection Ordinance have been enacted and implemented as planned. They have strengthened the deterrent effect against the use of destructive fishing practices, thereby enhancing protection for fisheries resources and marine ecology. We have completed public consultation on the fisheries management measures, which aim to restore fisheries resources in Hong Kong waters and to facilitate sustainable development of the fishing industry. A working group comprising representatives from the relevant sectors has been set up to further consider the fisheries management measures and to address concerns raised before implementation.

To achieve results in this area, various initiatives have been undertaken in the past years. Details are set out below –

Initiative	Target	Present Position
To formulate and implement a management strategy for fisheries resources and fishing operations, having regard to the recommendations of the Consultancy Study on Fisheries Resources and Fishing Operations in Hong Kong Waters and public opinion <i>(Agriculture and Fisheries Department (A&FD))</i>	To start public consultation on the consultants' recommendations in 1998 and to start formulating the management measures in 1999 <i>(1998 and 1996)</i>	The Government completed the public consultation in late 1998. A Working Group on Fisheries Management comprising representatives from the fishing industry, the green groups and academics has been formed to advise the Government on appropriate fisheries management measures. Three meetings have been held to discuss proposals. <i>(Action Completed)</i>

Initiative	Target	Present Position
<p>To introduce the Fisheries Protection (Amendment) Bill 1998 and related regulations to increase the maximum level of fine to deter destructive fishing and to extend the legal controls on such activity</p> <p><i>(Economic Services Bureau (ESB)/A&FD)</i></p>	<p>To pursue passage of the Bill in 1998 and to implement the new controls in 1999</p> <p><i>(1998 and 1996)</i></p>	<p>The Fisheries Protection (Amendment) Ordinance was passed by the Legislative Council and came into effect in October and December 1998 respectively. The Fisheries Protection (Amendment) Regulation came into operation in February 1999. The maximum level of fine for destructive fishing has been increased. We are preparing a legal notice to extend the legal control to other destructive fishing methods.</p> <p><i>(Action in Progress: On Schedule)</i></p>

Looking Forward

In the next 12 months, we will assess our performance in respect of this KRA against the following indicators –

Indicator	1999 Target
Conduct of inspections and enforcement actions	To minimise non-compliance with statutory requirements
Timely preparation of necessary legislation	To start preparation of the amendment of the Marine Fish Culture Ordinance and the Public Health (Animals and Birds) Ordinance in 2000-2001

We will undertake the following initiatives to deliver results in this area –

Initiative	1999 Target
<p>To formulate and implement a management strategy for fisheries resources and fishing operations having regard to the recommendations of the Consultancy Study on Fisheries Resources and Fishing Operations in Hong Kong Waters, the results of public consultation and the views of the Working Group on Fisheries Management (A&FD)</p>	<p>To start implementing one or more management measures agreed by the Working Group on Fisheries Management in 2000</p>
<p>To review the Marine Fish Culture Ordinance to facilitate the development of the mariculture industry (A&FD)</p>	<p>To complete the review and take necessary follow-up actions in 2000</p>
<p>To amend the Public Health (Animals and Birds) Ordinance and its subsidiary legislation to extend import control to animal products and feeds to prevent animal diseases (A&FD)</p>	<p>To start preparing the Amendment Bill in 2000-2001</p>

3

Facilitate productivity improvements in agriculture and fisheries

Local farmers and fishermen need to improve productivity and upgrade produce quality to compete effectively with imports. We help the agriculture and fisheries industries to improve productivity through introduction of high-yield, high-value produce varieties, support of pest and disease control, transfer of modern technology and provision of credit facilities to farmers and fishermen for upgrading their production facilities.

Progress Made

The indicators used to measure progress in this key result area were the rate of increase in the composite productivity index which was based on the value of local agricultural production per farmer at constant price; the number of farms growing premium vegetables; the number of vocational training courses and seminars held; and the number of participants in training functions.

Performance in this area was satisfactory. Gain in agricultural productivity was achieved in 1998. There were 180 farms growing premium vegetables. We also organised over 430 vocational training courses/seminars which were attended by over 3 300 farmers and fishermen.

To achieve results in this area, various initiatives have been undertaken in the past years. Details are set out below –

Initiative	Target	Present Position
To screen and introduce varieties of premium vegetables suitable for cultivation in Hong Kong <i>(Agriculture and Fisheries Department (A&FD))</i>	Two new varieties of vegetable to be identified and introduced in 1999-2000 <i>(1998)</i>	A new variety of coloured sweet pepper was introduced in June 1999. Screening work is being conducted on zucchini. <i>(Action in Progress: On Schedule)</i>

Initiative	Target	Present Position
To implement the Accredited Vegetable Farm Scheme, through which the A&FD endorses vegetable farms which adopt approved standards of production, in particular on the safe use of pesticides (A&FD)	To have a total of 180 farms on the Scheme in 1999-2000 (1998)	So far, over 180 farms have enrolled in the Scheme. (Action Completed)

Looking Forward

In the next 12 months, we will assess our performance in respect of this KRA against the following indicators –

Indicator	1999 Target
Number of vocational training sessions and seminars organised against plan	To organise around 500 training sessions and seminars
Number of new varieties of premium vegetables introduced locally against plan	To introduce two new varieties of premium vegetables in 2000-2001
Number of new technology/good practices introduced against plan	To introduce four new technology/good practices in 2000

We will undertake the following initiatives to deliver results in this area –

Initiative	1999 Target
To strengthen our efforts in aquaculture research and related service to fish farmers by establishing a specialised division to look after research-related activities and services and by expanding the fish health management service to minimise losses due to fish diseases <i>(AGFD)</i>	To provide more research-related services in 2000
To introduce rapid diagnostic tests for major animal and bird diseases to reduce losses <i>(AGFD)</i>	To introduce one or more of these tests in 2000

4

Ensure adequate provision and efficient operation of government wholesale marketing facilities for fresh food produce

Provision of fresh food produce relies on the availability of efficient and orderly outlets for wholesale buyers and sellers. Accordingly we –

- design, plan and develop wholesale markets
- re-provision outdated and dilapidated wholesale market structures
- manage existing wholesale markets

Progress Made

The indicators used to measure progress in this key result area were the percentage of rentable market stall space occupied; the annual throughput; and the number of capital projects completed against plan.

Performance in this area was satisfactory and consultations with the trades concerned on the Cheung Sha Wan Wholesale Market Complex Phase II project and the Yuen Long temporary wholesale market project were progressing. On the former project, the Agriculture and Fisheries Department and the Architectural Services Department have revised the market design and arranged for an Traffic Impact Assessment study to address the concerns of the market traders and users. The Departments would continue dialogue with the trade before finalising the project. On the latter project, the local community would like to see the project completed as soon as possible, which would facilitate efficient market operation and remove environmental nuisance caused to local residents. The percentage of rentable market stall space occupied was maintained at 98%. The annual throughput of Government wholesale markets remained at a stable level. The re-provisioning of a wholesale vegetable market at North District was re-assessed and the conclusion was that re-provisioning was no longer necessary.

To achieve results in this area, various initiatives have been undertaken in the past years. Details are set out below –

Initiative	Target	Present Position
<p>To implement the Cheung Sha Wan Wholesale Market Complex Phase 2 project which aims at maintaining efficient operation of wholesale markets by placing all fresh food produce wholesale activities in Kowloon under one roof, including the reprovisioning of the Yau Ma Tei Fruit Market, the Cheung Sha Wan Temporary Wholesale Poultry Market and the Wholesale Vegetable Market of the Vegetable Marketing Organisation</p> <p><i>(Agriculture and Fisheries Department (A&FD))</i></p>	<p>To complete the project in or before 2004</p> <p><i>(1998)</i></p>	<p>Consultation with market traders and related users is continuing. Views received so far have been fed into the Traffic Impact Assessment and the Environmental Impact Assessment studies. Revised draft final reports of the studies are expected in the latter part of 1999.</p> <p><i>(Action in Progress: On Schedule)</i></p>
<p>To consider how best to redevelop the Fish Marketing Organisation Aberdeen Wholesale Fish Market into a modern integrated fish market complex to benefit the fishing and tourism industries having regard to outcomes of a planning study</p> <p><i>(A&FD/Planning Department)</i></p>	<p>To complete the study by early 1999 and to decide the best way forward in 1999</p> <p><i>(1998)</i></p>	<ul style="list-style-type: none"> ● The scope of study was reviewed and revised in view of the need to address environmental and financial viability issues in substantially greater depth. The study commenced in March 1999. Consultation with the relevant sectors will be conducted during the course of the planning study. ● The Government will decide the way forward in 2000 having regard to the recommendations of the study and views received during consultation with the relevant sectors. <p><i>(Action in Progress: Behind Schedule)</i></p>

Initiative	Target	Present Position
To re-provision the Tuen Mun Wholesale Fish Market (A&FD)	To provide a new market by 2002 (1998)	The market is planned to be re-provisioned in a Government joint-user building. There is some local objection. Government is considering ways to address local residents' concerns. The scope of the project is being reviewed. (Action in Progress: Under Review)
To ensure improvements in the way market users keep their stalls, equipment, cages and fixtures clean to maintain general market cleanliness (A&FD)	<ul style="list-style-type: none"> ● In 1998 and 1999, to include in new market tenancy agreements the requirement for users to maintain high hygiene and cleanliness standards ● To inspect all market stalls in 1999 to ensure compliance of high hygiene and cleanliness standards (1998) 	<ul style="list-style-type: none"> ● Additional hygiene and cleanliness requirements have been included in new market tenancy agreements as planned. ● Daily inspections have been conducted to ensure compliance of high hygiene and cleanliness standards. (Action Completed)

Looking Forward

In the next 12 months, we will assess our performance in respect of this KRA against the following indicators –

Indicator	1999 Target
Provision of facilities to meet demand	To provide sufficient facilities
Number of capital projects undertaken against plan	To undertake the project of re-provisioning a temporary wholesale market in Yuen Long in 2000

5

Promote sustainable development of agriculture and fisheries in the long term

Local agricultural and fisheries produce make a considerable contribution to meeting the demand for fresh food in Hong Kong. It is therefore in Hong Kong’s interest to facilitate, where possible, the sustainable development of the farming and fishing industries. This can be achieved through the provision of technical assistance, special development projects and vocational training to local producers to help them adopt better and more environmentally friendly farming and fishing practices.

Progress Made

The indicators used to measure progress in this key result area were the number of resource enhancement projects completed against plan and the number of programmes completed against plan to promote environmentally friendly practices.

Performance in this area was satisfactory. We have successfully completed the project of deployment of artificial reefs in marine parks to enhance fisheries resources. The project has provided shelter and protection for fish and thereby enriching the fisheries resources there. We have been consulting the public including the fishing industry on deployment of artificial reefs outside marine park areas. We have also implemented a programme to promote environmentally friendly practices and a pilot dredging project to improve the marine environment at two fish culture zones and to reduce the risk of fish kills due to anoxic condition.

To achieve results in this area, various initiatives have been undertaken in the past years. Details are set out below –

Initiative	Target	Present Position
To dredge sediment underneath fish culture zones <i>(Agriculture and Fisheries Department (A&FD))</i>	To complete a pilot scheme by early 1999 <i>(1998)</i>	The pilot scheme, covering two fish culture zones, was completed in May 1999. <i>(Action Completed)</i>

Initiative	Target	Present Position
To encourage more fish farms to adopt environmentally friendly practices (A&FD)	500 farms to adopt better practices by 2000 (1998)	About 430 farms have adopted better practices. It is expected that 70 more farms will do so by 2000. (Action in Progress: On Schedule)
Deploy artificial reefs in a five-year programme between 1996 and 2001 at a total cost of \$106 million to conserve fisheries resources and marine ecosystems (A&FD)	<ul style="list-style-type: none"> To complete artificial reef deployment in marine parks by 1999 To complete a study on deployment of artificial reefs outside marine parks in 1998 and to prepare for such deployment in 1999 (1995)	<ul style="list-style-type: none"> Deployment of artificial reefs in marine parks was completed in September 1999. (Action Completed) The study on deployment of artificial reefs outside marine parks was completed in 1998. Sites outside marine parks suitable for artificial reef deployment have been identified and public consultation on the proposed deployment commenced in July 1999, for completion in the latter part of 1999. (Action in Progress: On Schedule)

Looking Forward

In the next 12 months, we will assess our performance in respect of this KRA against the following indicators –

Indicator	1999 Target
Number of fisheries resource enhancement projects initiated against plan	To initiate one fisheries resource enhancement project (i.e. commence deployment of more artificial reefs in 2000-2001 in consultation with the industry)
Number of fish farms adopting environmentally friendly practices	To have around 500 fish farms adopt such practices by 2000
Number of training sessions organised for farmers on the proper use of pesticides	To conduct around ten training sessions in 2000