

Head 22 — AGRICULTURE, FISHERIES AND CONSERVATION DEPARTMENT

Controlling officer: the Director of Agriculture, Fisheries and Conservation will account for expenditure under this Head.

Estimate 2007–08 **\$1,439.4m**

Establishment ceiling 2007–08 (notional annual mid-point salary value) representing an estimated 1 823 non-directorate posts as at 31 March 2007 rising by 64 posts to 1 887 posts as at 31 March 2008..... **\$404.3m**

In addition, there will be an estimated seven directorate posts as at 31 March 2007 and as at 31 March 2008.

Commitment balance..... **\$905.7m**

Controlling Officer's Report

Programmes

Programme (1) Agriculture, Fisheries and Fresh Food Wholesale Markets	This programme contributes to Policy Area 2: Agriculture, Fisheries and Food Safety (Secretary for Health, Welfare and Food).
Programme (2) Nature Conservation and Country Parks	This programme contributes to Policy Area 5: Travel and Tourism (Secretary for Economic Development and Labour) and Policy Area 23: Environmental Protection and Conservation (Secretary for the Environment, Transport and Works).
Programme (3) Animal, Plant and Fisheries Regulation and Technical Services	This programme contributes to Policy Area 2: Agriculture, Fisheries and Food Safety (Secretary for Health, Welfare and Food), Policy Area 22: Buildings, Lands and Planning (Secretary for Housing, Planning and Lands) and Policy Area 32: Environmental Hygiene (Secretary for Health, Welfare and Food).

Detail

Programme (1): Agriculture, Fisheries and Fresh Food Wholesale Markets

	2005–06 (Actual)	2006–07 (Original)	2006–07 (Revised)	2007–08 (Estimate)
Financial provision (\$m)	183.3	376.1	238.1 (–36.7%)	358.3 (+50.5%)
				(or –4.7% on 2006–07 Original)

Aim

- 2 The aim is to facilitate agricultural and fisheries production and improve productivity.

Brief Description

- 3 The Department's work in pursuit of its aim involves:
- the provision of infrastructural support, technical assistance and advice, credit facilities and vocational training to local farmers and fishermen;
 - the conduct of adaptive and technical studies and introduction of modern technology and practices to facilitate efficient production and improve the quality of agricultural and fisheries products;
 - the planning and implementation of effective management activities and services for promoting sustainable development of the agriculture and fisheries industries;
 - the provision of administrative and technical support to the operation of the Vegetable Marketing Organization and the Fish Marketing Organization; and
 - the management of government fresh food wholesale markets and overseeing the reprovisioning of outdated fresh food wholesale markets.
- 4 In 2006, the overall agricultural production and fisheries production remained steady in general.

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5 The key performance measures in respect of agriculture, fisheries and fresh food wholesale markets are:

Targets

	Targets	2005 (Actual)	2006 (Actual)	2007 (Plan)
<i>Agriculture</i>				
accredited vegetable farms (total no.)#	222	229	215	222
(total hectares)β	1 915	1 590	1 855	1 915
<i>Fisheries</i>				
mariculture farms adopting environmentally-friendly practices (total raft area in hectares)	14.2	14.2	14.2	14.2

The target revised from 214 to 222 with effect from 2007.

β The target revised from 1 860 to 1 915 with effect from 2007.

Indicators

	2005 (Actual)	2006 (Actual)	2007 (Estimate)
<i>Agriculture</i>			
composite productivity index (100 in 1985).....	216	210	160
production			
vegetables (tonnes).....	25 000	21 000	19 000
(\$m).....	78.3§	71.8	58.0
livestock (tonnes)	61 000	57 000	36 000
(\$m).....	904.8§	914.1	570.0
throughput at Vegetable Marketing Organization market			
(tonnes).....	214 000	202 000	203 000
(\$m).....	845.1§	802.7	839.2
new loans			
(no.).....	231	181	125
(\$m).....	17.6	13.2	8.7
<i>Fisheries</i>			
production			
capture (tonnes).....	162 000	155 000	155 000
(\$m).....	1,573.1§	1,593.2	1,593.2
culture (tonnes).....	3 567	3 562	3 500
(\$m).....	113.2§	123.5	120.0
throughput at Fish Marketing Organization markets			
(tonnes).....	53 600	55 200	55 200
(\$m).....	1,451.0§	1,546.7	1,546.7
new loans			
(no.).....	560	709	730
(\$m).....	51.3	85.0	115.0
<i>Government fresh food wholesale markets</i>			
annual throughput (tonnes).....	513 000	480 000	500 000
rental market stall space occupied (%)	88.9	86.6	86.6
area of wholesale markets managed (m ²)	295 645	295 645	295 645

§ The figure has been updated after the preparation of the 2006–07 Estimates.

Matters Requiring Special Attention in 2007–08

6 During 2007–08, the Department will give emphasis to:

- assisting farmers to capture high-value-market niches by providing technical advice on organic cultivation and intensive greenhouse production;
- formulating measures to promote sustainable development of the fishing industry and to conserve fisheries resources in Hong Kong waters;
- assisting fishermen to switch to sustainable fisheries operations and fish farmers to develop sustainable aquaculture through technical support services and credit facilities;

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- promoting environmentally-friendly culture practices and stepping up monitoring of aquaculture environment and fish health management; and
- enhancing the management of Western Wholesale Food Market and Cheung Sha Wan Wholesale Food Market by implementing a vehicle and pedestrian entry registration system.

Programme (2): Nature Conservation and Country Parks

	2005–06 (Actual)	2006–07 (Original)	2006–07 (Revised)	2007–08 (Estimate)
Financial provision (\$m)	392.6	415.2	406.5 (–2.1%)	418.8 (+3.0%)
				(or +0.9% on 2006–07 Original)

Aim

7 The aim is to conserve flora, fauna and natural habitats; to designate and manage country parks, special areas, marine parks and marine reserves; and to control international trade in endangered species of animals and plants in Hong Kong.

Brief Description

8 The Department's work in pursuit of its aim involves:

- the management and protection of country parks, special areas, marine parks and marine reserves under the Country Parks Ordinance and the Marine Parks Ordinance for the purpose of nature conservation, recreation, tourism and education;
- the enhancement of biodiversity and promotion of compatible use of country and marine parks;
- the identification of sites of high scientific value for listing as Sites of Special Scientific Interest;
- the provision of nature conservation advice on development proposals, planning studies and environmental impact assessments;
- the monitoring and auditing of ecological mitigation measures for development projects approved under the Environmental Impact Assessment Ordinance;
- the promotion of public awareness of nature conservation and enforcement of nature conservation legislation;
- the licensing control of international trade in endangered species and curbing of illegal trade in endangered species in Hong Kong;
- the conservation and management of the Mai Po and Inner Deep Bay Ramsar site; and
- the management and operation of the Hong Kong Wetland Park.

9 The key performance measures in respect of nature conservation and country parks are:

Targets

	Target	2005 (Actual)	2006 (Actual)	2007 (Plan)
country parks and special areas managed (hectares).....	41 644	41 644	41 644	41 644
marine parks and marine reserves managed (hectares).....	2 430	2 430	2 430	2 430
no. of Sites of Special Scientific Interest listed ^Ω	65	65	65	65
issue of certificates in respect of endangered species (working days).....	2	2	2	2

Ω The target revised from 64 to 65 with effect from 2007.

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Indicators

	2005 (Actual)	2006 (Actual)	2007 (Estimate)
seedlings produced	578 000	580 000	588 000
seedlings planted	871 000	903 000	910 000
ecological impact assessment applications and studies handled.....	164	158	160
participants in educational activities.....	200 000	200 000	200 000
visitors to country parks (million)	12.2	12.2	12.5
hill fires attended to	44	41	50
endangered species licences/certificates.....	24 632	26 291	15 000
endangered species inspections	17 932	15 444	20 000
endangered species prosecutions	217	163	160

Matters Requiring Special Attention in 2007–08

10 During 2007–08, the Department will give emphasis to:

- the enhancement of biodiversity in country parks and special areas;
- the implementation of a territory-wide survey programme to collect information required for establishing and updating an ecological database;
- the monitoring and auditing of ecological mitigation measures as a consequence of development projects;
- stepping up education and publicity on endangered species protection while continuing to take enforcement action against illegal trade in endangered species;
- the management and operation of the Hong Kong Wetland Park;
- the maintenance of government slopes in country parks;
- the promotion of public education and publicity on nature conservation and compatible use of country parks and marine parks; and
- overseeing the implementation of the pilot scheme on management agreement and public-private partnership promulgated under the new nature conservation policy, with the objective of enhancing conservation of ecologically important habitats on private land.

Programme (3): Animal, Plant and Fisheries Regulation and Technical Services

	2005–06 (Actual)	2006–07 (Original)	2006–07 (Revised)	2007–08 (Estimate)
Financial provision (\$m)	166.7	165.0	476.8 (+189.0%)	662.3 (+38.9%)
				(or +301.4% on 2006–07 Original)

Aim

11 The aim is to monitor the welfare of, and control the diseases in, animals and plants through enforcement of relevant legislation; protect public health; protect and regulate fisheries; and provide technical services.

Brief Description

12 The Department is responsible for prevention of the introduction and spread of animal and plant diseases, safeguarding animal welfare, regulation of drug use in livestock farms, provision of services to facilitate export of plants, animals and plant/animal by-products, prevention of rabies, and enforcement of regulations pertaining to animal welfare and import requirements, fisheries protection and marine fish culture. The work involves:

- the prevention and control of rabies and other zoonotic diseases;
- the provision of quarantine services;
- the inspection of animals and plants imported into the territory;
- the testing of veterinary and zoonotic diseases and chemical residues in food animals;
- the inspection of farms where food animals are kept;
- the inspection of premises and establishments where animals are kept for exhibition or trading purposes;

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- the inspection of marine fish culture farms;
- the control of destructive fishing practices; and
- the instigation of prosecution against offenders under relevant legislation.

13 The technical services provided by the Department include:

- assessing ex-gratia payments to primary producers arising from development projects affecting agriculture and fisheries;
- managing agricultural weirs;
- licensing livestock farms;
- licensing marine fish culture farms;
- facilitating export trade in plants, animals and their products;
- safeguarding public health through the control of pesticides and drug use in livestock farms; and
- supervising credit unions and co-operative societies.

14 The key performance measures in respect of animal, plant and fisheries regulation and technical services are:

Targets

	Target	2005 (Actual)	2006 (Actual)	2007 (Plan)
<i>Animal and plant regulation</i>				
prevention				
reported cases of rabies.....	0	0	0	0
dogs vaccinated in strategic Rabies Control Areas (%)φ ..	80	80	80	80
enforcement				
issue of animal health certificates (working days) ...	2	2	2	2
issue of licences/permits (working days).....	3	3	3	3
issue of sanitary certificates for products of animal origin (working days).....	3	3	3	3
<i>Technical services</i>				
management of agricultural weirs weirs to be cleansed	205	203	205	205
plant health certification				
issue of phytosanitary certificates (working days) ...	2	2	2	2
control of pesticides				
issue of pesticide permits (working days).....	2	2	2	2
<i>Renewal of marine fish culture licence</i>				
in person in 50 minutes (%).....	100	100	100	100

φ World Health Organization recommends a minimum of 70%.

Indicators

	2005 (Actual)	2006 (Actual)	2007 (Estimate)
<i>Animal and plant regulation</i>			
prevention			
stray animals caught	16 602	17 102	17 000
animals vaccinated and quarantined	40 844	57 557	41 140
enforcement			
licences/permits	8 594	8 975	8 920
animal and plant health certificates	6 005	5 772	5 800
<i>Technical services</i>			
ex-gratia payment assessment			
area assessed for crop ex-gratia payment (hectares)	77	75	77

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	2005 (Actual)	2006 (Actual)	2007 (Estimate)
area assessed for aquaculture fisheries ex-gratia payment (m ²)Δ	0	0	12 100
claims assessed for capture fisheries ex-gratia payment.....	52	0	0
licensing of livestock farms			
licences issued	138	168	58
control of pesticides			
pesticides registered	19	12	16
licences/permits issued	2 632	2 543	2 600
regulation of credit unions and co-operative societies			
accounts examined or audited	310	295	287

Δ The figures vary from year to year according to the Government's programme for land clearance, development works and ex-gratia allowances registration exercises. For 2007, the estimated figure is anticipated to increase significantly due to the expected increase in the number of projects affecting pond fish culture areas.

Matters Requiring Special Attention in 2007–08

15 During 2007–08, the Department will give emphasis to:

- strengthening the facilities and ability to provide diagnostic tests for veterinary and zoonotic diseases and screening tests for chemical residues in food animals;
- implementing measures to prevent the incursions of avian influenza;
- implementing new legislative provision to ban backyard poultry keeping;
- implementing a voluntary scheme for live pig farmers and related transporters by which they would be granted ex-gratia payment or loan in return for opting to cease their business permanently;
- strengthening enforcement of import control of animals; and
- drafting an amendment bill to strengthen the control of pesticides.

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ANALYSIS OF FINANCIAL PROVISION

Programme	2005-06 (Actual) (\$m)	2006-07 (Original) (\$m)	2006-07 (Revised) (\$m)	2007-08 (Estimate) (\$m)
(1) Agriculture, Fisheries and Fresh Food Wholesale Markets	183.3	376.1	238.1	358.3
(2) Nature Conservation and Country Parks	392.6	415.2	406.5	418.8
(3) Animal, Plant and Fisheries Regulation and Technical Services..	166.7	165.0	476.8	662.3
	742.6	956.3	1,121.4 (+17.3%)	1,439.4 (+28.4%)
				(or +50.5% on 2006-07 Original)

Analysis of Financial and Staffing Provision

Programme (1)

Provision for 2007-08 is \$120.2 million (50.5%) higher than the revised estimate for 2006-07. This is mainly due to creation of seven posts, increase in operating expenses for enhancing the testing capacity of the veterinary laboratory, setting up a voluntary registration scheme for local pond fish farms, carrying out surveillance of chemical residues in fish cultured in local fish farms and strengthening the management of government wholesale food markets, and increase in non-recurrent expenditure for the financial support schemes for live poultry farmers, wholesalers and related transporters and capital expenditure.

Programme (2)

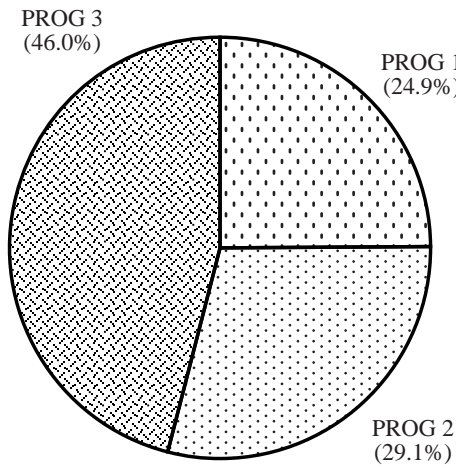
Provision for 2007-08 is \$12.3 million (3.0%) higher than the revised estimate for 2006-07. This is mainly due to increase in operating expenses relating to the management of the Hong Kong Wetland Park and capital expenditure and creation of two posts, partly offset by decrease in non-recurrent expenditure.

Programme (3)

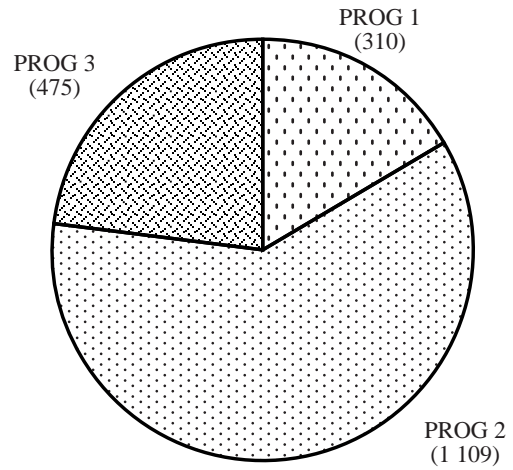
Provision for 2007-08 is \$185.5 million (38.9%) higher than the revised estimate for 2006-07. This is mainly due to creation of 55 posts, increase in operating expenses for implementing new avian influenza control measures, enhancing the testing capacity on avian influenza, control of zoonotic diseases, detection of chemical residues in food animals, stepping up import and export control including risk analysis of animals and animal products, setting up dog teams to combat animal smuggling at control points, enhancing veterinary care of animals caught and detained at animal management centres, and increase in non-recurrent expenditure for the financial support schemes for live pig farmers and related transporters.

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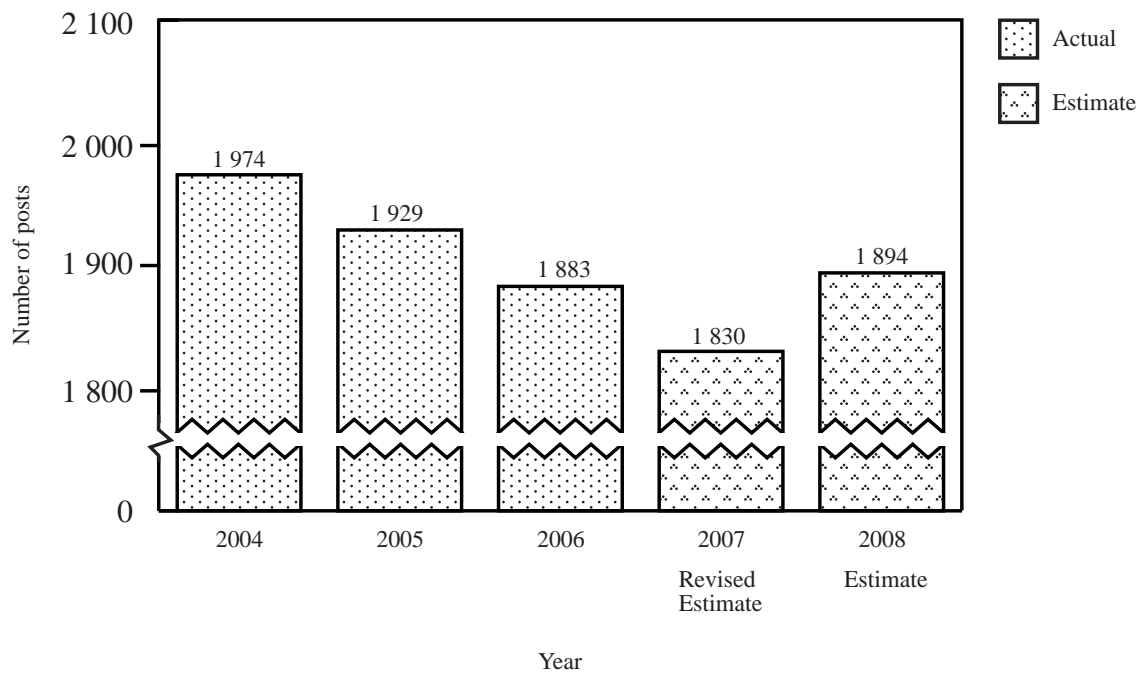
Allocation of provision to programmes (2007-08)



Staff by programme (as at 31 March 2008)



Changes in the size of the establishment (as at 31 March)



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Sub-head (Code)	Actual expenditure 2005-06	Approved estimate 2006-07	Revised estimate 2006-07	Estimate 2007-08	
	\$'000	\$'000	\$'000	\$'000	
Operating Account					
Recurrent					
000	Operational expenses.....	655,043	693,568	692,053	793,629
	Total, Recurrent	655,043	693,568	692,053	793,629
Non-Recurrent					
700	General non-recurrent.....	65,537	243,377	412,665	624,474
	Total, Non-Recurrent	65,537	243,377	412,665	624,474
	Total, Operating Account.....	720,580	936,945	1,104,718	1,418,103
Capital Account					
Plant, Equipment and Works					
600	Works	4,558	6,040	3,415	5,065
603	Plant, vehicles and equipment	3,068	744	618	801
609	Minor irrigation works in the New Territories (block vote).....	1,034	1,400	1,400	1,300
610	Minor recreational facilities and roadworks in country parks (block vote)	8,412	8,644	8,644	8,800
661	Minor plant, vehicles and equipment (block vote).....	4,914	2,563	2,563	5,289
	Total, Plant, Equipment and Works	21,986	19,391	16,640	21,255
	Total, Capital Account	21,986	19,391	16,640	21,255
	Total Expenditure.....	742,566	956,336	1,121,358	1,439,358

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Details of Expenditure by Subhead

The estimate of the amount required in 2007–08 for the salaries and expenses of the Agriculture, Fisheries and Conservation Department is \$1,439,358,000. This represents an increase of \$318,000,000 over the revised estimate for 2006–07 and of \$696,792,000 over actual expenditure in 2005–06.

Operating Account

Recurrent

2 Provision of \$793,629,000 under *Subhead 000 Operational expenses* is for the salaries, allowances and other operating expenses of the Agriculture, Fisheries and Conservation Department. The increase of \$101,576,000 (14.7%) over the revised estimate for 2006–07 is mainly due to the increase in provision for enhancing the testing capacity of the veterinary laboratory, setting up a voluntary registration scheme for local pond fish farms, carrying out surveillance of chemical residues in fish cultured in local fish farms, strengthening the management of government wholesale food markets, implementing new avian influenza control measures, enhancing the testing capacity on avian influenza, control of zoonotic diseases, detection of chemical residues in food animals, stepping up import and export control including risk analysis of animals and animal products, setting up dog teams to combat animal smuggling at control points, enhancing veterinary care of animals caught and detained at animal management centres, strengthening the management of the Hong Kong Wetland Park and creation of 64 posts in 2007–08.

3 The establishment as at 31 March 2007 will be 1 830 permanent posts. It is expected that 64 posts will be created in 2007–08. Subject to certain conditions, the controlling officer may under delegated power create or delete non-directorate posts during 2007–08, but the notional annual mid-point salary value of all such posts must not exceed \$404,340,000.

4 An analysis of the financial provision under *Subhead 000 Operational expenses* is as follows:

	2005–06 (Actual) (\$'000)	2006–07 (Original) (\$'000)	2006–07 (Revised) (\$'000)	2007–08 (Estimate) (\$'000)
Personal Emoluments				
- Salaries.....	450,824	466,824	449,702	483,172
- Allowances.....	9,789	8,127	8,281	8,195
- Job-related allowances.....	6,112	7,514	7,464	7,900
Personnel Related Expenses				
- Mandatory Provident Fund contribution.....	539	630	630	630
- Civil Service Provident Fund contribution.....	—	269	269	1,041
Departmental Expenses				
- General departmental expenses.....	179,417	200,687	216,190	285,674
Other Charges				
- Minor conservation projects and studies.....	6,437	8,970	8,970	6,470
Subventions				
- Society for the Prevention of Cruelty to Animals (Hong Kong).....	608	308	308	308
- Network of Aquaculture Centres in Asia and the Pacific (NACA).....	78	80	80	80
- Subventions to conservation and management of Ramsar site.....	1,239	159	159	159
	655,043	693,568	692,053	793,629

Capital Account

Plant, Equipment and Works

5 Provision of \$1,300,000 under *Subhead 609 Minor irrigation works in the New Territories (block vote)* is for a programme to provide irrigation works to assist agricultural development in the New Territories up to a limit of \$700,000 for each project.

6 Provision of \$8,800,000 under *Subhead 610 Minor recreational facilities and roadworks in country parks (block vote)* is for minor works such as fire lookouts, public toilets, shelters and roads up to a limit of \$500,000 for each project, and for building materials for recreational facilities such as barbecue pits, information boards, shelters and outdoor furniture.

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7 Provision of \$5,289,000 under *Subhead 661 Minor plant, vehicles and equipment (block vote)* represents an increase of \$2,726,000 (106.4%) over the revised estimate for 2006–07. The increase is mainly due to increase in requirement for replacement of aging plants and equipment of government fresh food wholesale markets.

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Commitments

Sub-head (Code)	Item (Code)	Ambit	Approved commitment	Accumulated expenditure to 31.3.2006	Revised estimated expenditure for 2006–07	Balance
			\$'000	\$'000	\$'000	\$'000
<i>Operating Account</i>						
700	<i>General non-recurrent</i>					
490	Ex-gratia payments to live poultry farmers, wholesalers and related transporters		344,500	32,461	75,787	236,252
491	One-off grants to assist affected live poultry farm, wholesale and transport workers		21,600	36	1,314	20,250
536	Setting up a marine sanctuary in the Sha Chau and Lung Kwu Chau area		21,000	16,662	1,000	3,338
540	Artificial reefs project		80,100	68,006	1,500	10,594
560	Compilation of Hong Kong Flora.....		3,300	1,788	600	912
564	Planting of 500 000 tree seedlings in the proposed Lantau North (Extension) Country Park.....		7,500	5,659	1,102	739
831	Ex-gratia payments to pig farm licencees.....		920,800	—	305,030	615,770
832	One-off grants to assist affected pig farm and live pig transport workers ...		14,400	—	3,402	10,998
			1,413,200	124,612	389,735	898,853
<i>Capital Account</i>						
600	<i>Works</i>					
351	Development of a morning walkers garden in Ma On Shan Country Park.....		9,700	6,035	1,800	1,865
359	Potable water supply for toilet facilities at Tai Tong, Tai Lam Country Park...		5,400	250	1,450	3,700
			15,100	6,285	3,250	5,565
603	<i>Plant, vehicles and equipment</i>					
337	A catamaran for the protection and management of marine parks and the Plover Cove (Extension) country parks		2,830	2,474	—	356
344	Acquisition of a catamaran vessel for the monitoring and investigation of red tide		3,000	2,449	448	103
352	A patrol launch for the protection and management of the proposed marine parks at Soko Islands and Southwest Lantau		8,000	7,196	100	704

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Commitments—Cont'd.

Sub- head (Code)	Item (Code) Ambit	Approved commitment	Accumulated expenditure to 31.3.2006	Revised estimated expenditure for 2006–07	Balance
		\$'000	\$'000	\$'000	\$'000
Capital Account—Cont'd.					
603	<i>Plant, vehicles and equipment—Cont'd.</i>				
353	A speed boat for the protection and management of the proposed marine parks at Soko Islands and Southwest Lantau	3,000	2,788	70	142
		16,830	14,907	618	1,305
	Total.....	1,445,130	145,804	393,603	905,723