

Environment and Conservation Fund

Applications under Nature Conservation Management Agreement Scheme

Purpose

This paper seeks Members' advice on two funding applications received under the Nature Conservation Management Agreement (MA) Scheme in October 2015.

Background

2. Under the MA scheme, non-governmental organisations (NGOs) may apply for funding from the Environment and Conservation Fund (ECF) for entering into management agreements with the landowners or tenants in order to enhance conservation of the priority sites identified for enhanced conservation under the New Nature Conservation Policy, country park enclaves or private land in country parks.

3. The Guide to Application for MA projects (latest version in August 2015) specifies that the MA scheme will be publicised regularly at a fixed time every year through open invitation which will be announced on the ECF website. Also, all applications received will be first evaluated by an Assessment Panel consisting of members from the Agriculture, Fisheries and Conservation Department and the Environmental Protection Department. The recommendations will then be submitted to the Nature Conservation Subcommittee (NSCS) under the Advisory Council on the Environment (ACE) for consultation and then forwarded to the ECF Committee for endorsement.

4. This year, the invitation for MA applications was open from 9 September to 20 October 2015. Two MA applications were received by the deadline. One funding application was submitted by the Environmental Association Limited (EA) for butterfly conservation in the Fung Yuen Priority Site while the second one was submitted by the Sai Kung District Community Centre (SKDCC) for rehabilitation of the Sai Wan area. The main features of the MA applications are summarised in paragraphs 6, 9 and 10 below and in **Annex I**. The Assessment Panel held two meetings on 17 and 26 November 2015 to assess the two applications respectively. The merits of individual applications were assessed in accordance with the marking scheme endorsed by the ACE-NCSC in October 2014. The results of assessment by

the Assessment Panel are summarised in paragraphs 7 and 11 below, and detailed in **Annex II**. The ACE-NCSC was consulted on the two MA applications on 10 December 2015.

Project I: Management Agreement on the Private Land with High Conservation Value at Fung Yuen Valley Site of Special Scientific Interest in Tai Po, Hong Kong (2016-2019)
[Project duration: 1 February 2016 to 31 January 2019 (36 months)]

5. With the funding support from the ECF, the EA has conducted MA projects in the Fung Yuen Priority Site since late 2005. The current three-year MA project will end on 31 January 2016. The EA submitted an application to seek ECF's support to continue the project (**Annex III**). The applicant was subsequently requested to provide clarification / further information on details of the proposal, and their response was received on 25 November 2015 (**Annex IV**).

6. The proposed project will last for 36 months, from 1 February 2016 to 31 January 2019. The goal of the current application is to maintain the impetus of the previous MA projects and to further enhance the ecological value of the ecologically important private land at Fung Yuen. Under the proposed project, about 1.9 ha of land would be under active management and conservation including site stewardship, planting of butterfly larval food and nectar plants, conducting monitoring and surveys, as well as removal of invasive weeds. Education programmes including various volunteer programmes and workshops on nature conservation, monthly and annual butterfly festivals for the general public, as well as outreach booths for schools, will be carried out. The proposed budget for this project is \$9,077,955.71.

7. In general, the Assessment Panel considered that the application worth supporting, in view of the benefits that the proposed project would bring to the conservation of butterflies and in raising public awareness on nature conservation. The track record of the applicant in managing the previous MA projects was also considered. Marking for individual criterion and specific considerations were detailed in **Annex II**. Upon considering their responses on the proposed project and budget items, the Assessment Panel considered the clarifications mostly satisfactory. The Panel has proposed minor revisions of budget and a condition for funding approval for Members' consideration (**Annex V**).

Project II: Rehabilitation Project for Sai Wan Area

[Project duration: 1 July 2016 to 30 June 2019 (36 months)]

8. The Sai Wan enclave was designated as part of the Sai Kung East Country Park in December 2013 with a view to improving the management of the area, enhancing the overall conservation and landscape value of the area, and increasing its enjoyment and amenity. During the consultation for country park designation, there had already been discussion on seeking funding support from the ECF, for implementing a MA project in Sai Wan in order to effectively manage the private land and help villagers maintain a living, while conserving the historic, cultural and ecological values of Sai Wan. In 2014, the Country Parks Committee of the Country and Marine Parks Board formed the Working Group on Sai Wan Management to advise on matters relating to the management of Sai Wan. The Working Group acknowledged the merit of cooperation between the landowners and relevant NGOs to implement a conservation project, and has taken forward the idea of MA Scheme to promote eco-tourism at Sai Wan through local engagement.

9. In this connection, the SKDCC assisted by the Heung Yee Kuk submitted a MA application titled “Rehabilitation Project for Sai Wan Area” for 36 months from 1 July 2016 to 30 June 2019 (**Annex VI**). The SKDCC was requested to provide clarifications / further information on details of the application and the proposed budget, and their responses were received on 23 November and 3 December 2015 respectively (**Annex VII**).

10. The proposal aims at revitalising Sai Wan through the concerted efforts of relevant stakeholders and the rural community to conserve the ecological habitats, showcase the cultural uniqueness of the area and enhance the amenity of the country park areas through engagement of local villagers and public. An area of abandoned agricultural land (0.46ha) is proposed to be dedicated for organic farming, preservation of seasonal wetland and enhancement of habitats for butterflies. Other active habitat management works including removal of invasive plant species, planting of mangrove and collection of litter will also enhance the conservation value and amenity of Sai Wan. Education programmes form an important part of the project. Village houses are proposed to be renovated to serve as information centre and venue for workshops. Local villagers and public will be engaged in conservation activities and workshops and guided tours will be conducted for students and the public. The proposed budget for this project is \$11,630,780.

11. While statutory control measures will avoid incompatible developments in country park enclaves, there is a need to provide incentive to encourage conservation of private land in country parks as well as that in country park enclaves. The MA scheme has proven to be a successful *modus operandi* to bring NGO and landowners together to conserve private land since its operation in 2005. In this regard, the Government proposed in 2011 to extend the current scope of the MA scheme to cover private land in country park enclaves and that in country parks. When ACE-NCSC and the ECF Committee endorsed the proposal for the extension of MA scheme to cover private land in country park enclaves and that in country parks in 2011, it was considered that the proposal would incentivise private land owners of the country parks or country park enclaves to undertake conservation activities that are compatible with the land uses and country park objectives, and conducive to enhancing the overall conservation and scenic values of the country parks (*NCSC Committee Paper 02/2011* and *ECF Paper 14/2011-12*). In view of the benefits that the proposal would bring to the enhancement of the overall conservation and scenic values of Sai Wan through cooperation between an NGO and local landowners, the Assessment Panel considered the project worthy of support. (The Assessment Panel considered the clarifications on the proposed project and budget satisfactory but it had reservation on the budget as it exceeds the funding cap of \$10 million.)

12. While supporting the application, the Assessment Panel had the following remarks to the proposed budget:

- i. Total budget - the proposed budget exceeds the funding cap of \$10 million and is suggested to be trimmed down;
- ii. Renovation of village houses (item 1) - since it was the first MA project at Sai Wan and excessive external lighting system would not be necessary, the solar system and outdoor lighting are considered not necessary;
- iii. Note

Revision to the proposed budget without compromising major elements of the project has been proposed for Members' consideration (**Annex VIII**).

Recommendations from the ACE-NCSC

13. At the meeting on 10 December 2015, the ACE-NCSC was consulted on the two MA applications together with the evaluation from the Assessment Panel. Members in general supported the two proposals and recommended submitting the applications to the ECF Committee for endorsement. A number of approval conditions

were suggested by the ACE-NCSC should the ECF Committee endorse the applications. The suggested approval conditions for the Fung Yuen and Sai Wan MA applications are at Annex IX and Annex X respectively for Member's consideration.

Advice Sought

14. Members are invited to consider the recommendations of the Assessment Panel and the ACE-NCSC, and advise whether the two MA applications should be approved and, if approved, the exact amounts of funds to be granted.

Agriculture, Fisheries and Conservation Department
Environmental Protection Department
December 2015

Note: The paragraph was not included in the version of notes uploaded in the ECF webpage because it contained sensitive information.