

Environment and Conservation Fund

Applications under Nature Conservation Management Agreement Scheme

Purpose

This paper seeks Members' views on the evaluation of the applications received under the Nature Conservation Management Agreement (MA) scheme in September 2016.

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 issued in August 2016) specifies that all applications received will be first evaluated by an Assessment Panel consisting of members from the Agriculture, Fisheries and Conservation Department (AFCD) and the Environmental Protection Department (EPD). The recommendations will then be submitted to the Nature Conservation Subcommittee (NCSC) 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 15 August to 26 September 2016. Four MA applications were received, including:

- a) two applications for renewal of the MA projects for fishpond conservation in the Ramsar Site Priority Site and Deep Bay Wetland outside Ramsar Site Priority Site;
- b) one application for renewal of the MA project in Long Valley and Ho Sheung Heung Priority Site; and
- c) a new application submitted by the Hong Kong Countryside Foundation (HKCF) in association with the Conservancy Association (CA) for habitat rehabilitation at Lai Chi Wo Enclave.

The main features of the applications are summarised in **Annex A**, and the respective applications with supplementary information are provided in **Annexes B to E**.

5. The Assessment Panel meeting was held on 2 November 2016 to evaluate the four applications. The results of the Panel's assessment are summarised in the following paragraphs, and detailed in **Annexes F-1 to F-4**. The NCSC was consulted on the four MA applications on 21 December 2016, and its recommendations are detailed in **Annexes H-1 to H-4**.

I. Two Fishpond Management Agreement Projects in Deep Bay

6. HKBWS has been conducting two MA projects in Deep Bay since 2012 to enhance the ecological value of fishponds through collaboration with the fishpond operators, with support of the Hong Kong New Territories Fish Culture Association (HKNTFCA). The two complementary MA projects, covering the Ramsar Site Priority Site and Deep Bay Wetland outside Ramsar Site Priority Site, have jointly enhanced the ecological functions of fishponds through wise use of the wetland, preserve traditional fish farming as local cultural heritage, and increase the awareness on aquaculture and bird conservation in the Deep Bay area.

7. Over the past years, over 90% of eligible fishponds¹ have been engaged in the fishpond MA projects. In 2015-16, drain-down was conducted at nearly 90% of engaged fishponds. The high participation rate of local fishpond operators over the large wetland area is a key to success of the projects. Overall, the management measures have provided more feeding opportunities for waterbirds in the Deep Bay area. Monitoring data from 2012 to 2016 have indicated that the mean abundance of waterbirds have increased 20-fold during drain-down as compared to that before drain-down, with the most significant increase found in ardeids (egrets and herons) and shorebirds. In addition, ecological surveys conducted in the project site by HKBWS from March 2013 to February 2016 have recorded a rich biodiversity consisting of 197 bird species, 23 amphibians and reptile species and 34 dragonfly species. HKBWS has also conducted a wide range of public education programmes to raise awareness about the conservation of fishponds. The project represents a win-win solution to bird conservation and local aquaculture while promoting the wise use of the wetlands. Detailed proposals and Assessment Panel's recommendations are set out below in paragraphs 8 to 10.

¹ Eligible fishponds refer to fishponds with operators registered under the Voluntary Registration Scheme of the AFCD, and located within the Priority Sites.

Fishpond Conservation Scheme in Ramsar Site 2017-19 [Project duration: 1 March 2017 to 28 February 2019]

8. The current two-year MA project covering the Ramsar Site will end on 28 February 2017. HKBWS has submitted an application to seek ECF's support to continue the project for another two years (**Annex B**). The application requests a funding support of \$7,428,832. The area of fishponds eligible to join the project is 291 ha while drain-down is proposed to be conducted at up to around 95% (277 ha) of the fishponds. According to HKBWS's proposal, apart from conservation management to be conducted by the fishpond operators (i.e. annual drain-down of fishponds), HKBWS will conduct ecological surveys on birds and plants to expand the ecological data collected from previous MA projects on fishpond habitats in Deep Bay. A series of public education activities such as eco-tours for schools, talks, exhibitions and secondary school project-learning programme will be organised. In addition, a Fishpond Festival will be held as an annual focal event to promote the appreciation of sustainable aquaculture as well as the ecological and cultural value of fishponds. HKBWS will also organise a side-event called the Fishpond Sustainable Art Festival comprising installation art creation, guided tours, workshops and exhibitions in the fishpond environment.

Hong Kong Got Fishpond – Eco-fishpond Management Agreement Scheme 2017-2019 [Project duration: 1 March 2017 to 28 February 2019]

9. This project is conducted in the Deep Bay Wetland outside Ramsar Site Priority Site by HKBWS, similar to the complementary MA project conducted in the Ramsar Site Priority Site. The current MA project will end on 28 February 2017. HKBWS submitted a funding application with a view to seeking ECF's support to continue the project for another two years (**Annex C**). The application requests a funding support of \$8,139,692. The area of fishponds eligible to join the project is 371 ha while drain-down would be conducted at up to around 95% (352 ha) of the fishponds. In addition to the conservation elements such as drain-down and ecological monitoring of fishponds, HKBWS will organise an array of activities for project sustainability and public engagement. Eco-tours, training for eco-tour guides, workshops, Education Kiosk and volunteer scheme will be organised. HKBWS will also initiate an "Eco-fish" programme in which fish rearing practice, fishpond

operation and the marketing and sale of fish will be directly managed by HKBWS in cooperation with the fishpond operators, to promote local aquaculture produce which is ecologically friendly.

10. In general, the Assessment Panel considers that the two complementary fishpond applications are worth supporting, in view of the benefits that the proposed projects would bring to the conservation of waterbirds, and in raising public awareness about nature conservation. The track record of the applicant in managing the previous MA projects is also considered satisfactory. Marks given to the applications on individual criterion and specific considerations are detailed in **Annex F-1** and **Annex F-2**. The Assessment Panel considers that, while the applicant's clarifications about the proposed project and budget items are mostly satisfactory, some proposed items fall outside the ambit of the MA scheme, and hence recommends deleting such items from the project. Revisions to the proposed budgets are detailed in **Annexes G-1** and **G-2** for the ECF Committee's endorsement.

II. Nature and Human in Harmony - Nature Conservation Management for Long Valley 2017 – 2019 [Project duration: 1 September 2017 to 31 August 2019]

11. With the funding support from the ECF, CA (in association with the Hong Kong Bird Watching Society (HKBWS)) has been conducting MA projects in Long Valley and Ho Sheung Heung Priority Site since 2005. Previous MA projects at Long Valley have successfully enhanced the biodiversity and ecological values of the freshwater wetlands in the area. The number of bird species has increased from 221 before the MA (2005) to 304 at present, which represents a 38% increase and accounts for about 56% of the total number of bird species in Hong Kong. Abundances of target species such as the endangered Yellow-breasted Bunting and the Chinese Bullfrog (Class II Protected in China) have also increased. Raising public awareness about wetland conservation has been a key component of the project. Under the previous project completed in 2015, over 7,000 activity participants and 140,000 visitors were involved in the various public education and publicity programmes organised, and the project was covered in at least 34 media reports. The current project (2015-17) is also in good progress, with 28 farmers and 2 landowners, representing two-thirds of the local farming community, engaged to implement various habitat conservation measures to manage over 16 ha of land actively. All in all, the project has been successful in partnering with local stakeholders in enhancing nature conservation, and has become a role model of and showcase for MA projects.

12. As the current project will end on 31 August 2017, CA has submitted a funding application to seek ECF's support to continue the project (**Annex D**). The new application requests a funding support of \$8,377,033.52 for management of about 18.3 ha of land. The new project will last for 24 months. Under the new project, important freshwater habitats, particularly shallow water habitats, paddy rice fields and freshwater marshes, which provide important foraging and breeding grounds to birds and amphibians, will continue to come under intensive management. Besides, about 3.4 ha of *Fung Shui* wood will be included in the management programme. A wide range of education activities, for example eco-tours, Harvest Fest and volunteers' programmes etc., have been proposed, which are estimated to be able to attract over 121,310 participants and visitors.

13. In general, the Assessment Panel considers the application worth supporting, in view of the benefits that the proposed project would bring to the conservation of wetland habitats and wildlife, and in raising public awareness about nature conservation. The track record of the applicant in managing the previous MA projects is also considered satisfactory. Marks given to the application on individual criterion and specific considerations are detailed in **Annex F-3**. While the Assessment Panel has recommended granting the proposed budget in full, given the uncertainties associated with land resumption under the North East New Territories New Development Areas project, it suggested that the amount of grant should be reduced on a pro-rata basis if a significant number of farmers are to withdraw from the project and the actual area of the site conserved turns out to be less than that originally proposed. This is one of the funding conditions to be imposed on the application for ECF Committee's endorsement (**Annex G-3**).

III. Management Agreement Scheme at Lai Chi Wo Enclave 2017-2019
[Project duration: 1 October 2017 to 30 September 2019 (24 months)]

14. Lai Chi Wo is a country park enclave surrounded by Plover Cove Country Park, Lai Chi Wo Special Area and Yan Chau Tong Marine Park. Habitats such as wetlands and open fields in the area were traditionally maintained by agricultural practices, but have showed signs of degradation following abandonment in the recent decades. It was against this backdrop that a privately-funded pilot project was initiated in 2013 to revitalise Lai Chi Wo. The new MA application submitted by HKCF (in association with CA) is a follow-on project to the pilot one, focusing on rehabilitation and enhancement of the ecological values of the habitats and

conservation of the associated biodiversity, through collaboration with the local rural community in carrying out habitat management and eco-friendly agricultural practices.

15. The current application requests a funding support of \$7,524,122 for management of about 5.0 ha of land, from 1 October 2017 to 30 September 2019 (**Annex E**). A range of habitats including wetlands, wet and dry agricultural fields, streams, terraced fields and orchards will be actively managed under the project, which in turn will provide suitable habitats for the conservation of aquatic plants, amphibians, dragonflies and butterflies. A wide range of education activities, for example eco-tours, Harvest Fun Fairs and volunteers' programmes etc., are proposed and projected to attract over 18,880 participants and visitors.

16. Overall, the Assessment Panel considers the project worthy of support in view of the benefits the proposal would bring to the enhancement of the conservation value of Lai Chi Wo through the cooperation between NGOs and the local community. In addition, the Assessment Panel has recognised the strong impetus this project could provide for incentivising private landowners in the country parks or country park enclaves to undertake conservation activities that are compatible with the land uses and country park objectives for conservation, education and recreation purposes. The project is also conducive to enhancing the overall conservation and scenic values of the country parks. Marks given to the application on individual criterion and specific considerations are detailed in **Annex F-4**. The Assessment Panel considers the clarifications given by the applicants about the proposed project and budget items, mostly satisfactory. To comply with the Guide to Application, the Assessment Panel has proposed minor revisions to the proposed budget for the ECF Committee's endorsement (**Annex G-4**).

Recommendations from the NCSC

17. At the meeting on 21 December 2016, the NCSC was consulted on the four MA applications together with the evaluation by the Assessment Panel. Members in general supported the proposals and recommended submitting the applications to the ECF Committee for endorsement. NCSC's recommendations on the four projects are at **Annex H-1 to H-4** for Members' consideration.

Advice Sought

18. Members are invited to consider the recommendations of the Assessment Panel and the NCSC, and advise whether the four MA applications should be approved and, if so, the exact amounts of funds to be granted.

Agriculture, Fisheries and Conservation Department

Environmental Protection Department

January 2017