

Environment and Conservation Fund

Applications under Nature Conservation Management Agreement Scheme

Purpose

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

Background

2. To improve the transparency and accountability of the vetting mechanism and provide clearer guidance on the vetting of MA applications, the Environment and Conservation Fund (ECF) Committee endorsed an enhanced framework of the vetting mechanism in dealing with applications under MA scheme (the enhanced MA framework) in December 2012 (*ECFC Paper 37/2012-13*). The enhanced MA framework provides, inter alia, the application and vetting procedures involving (a) an open invitation of MA proposals announced on the ECF homepage, (b) vetting by an inter-departmental Assessment Panel according to the criteria under Clause 2.6 of the Guide to Application using a Marking Scheme endorsed at the Nature Conservation Subcommittee (NCSC) meeting on 28 October 2014 (*Committee Paper NCSC 1/2014*); and (c) consultation with the Nature Conservation Subcommittee under the Advisory Council on the Environment (ACE-NCSC) will then be conducted before seeking ECF's endorsement on the projects.

3. In June 2011, upon reviewing the MA scheme (*ECF Paper 14/2011-12*), the ECF Committee agreed that the requirement of achieving self-sufficiency in the long run for the MA scheme under the ECF guideline shall be relaxed, in recognition that most of the activities carried out under the MA scheme are for the purpose of conserving and enhancing the natural environment rather than generating income. Nonetheless, all MA applications will still be supported on a time-limited basis (generally not longer than 3 years) and each application has to be assessed on its own merits. Furthermore, ECF agreed in January 2012 that applicants should be encouraged to explore alternative funding to deepen community ownership and uphold a greater sense of ownership in budget control of the project. Under the enhanced MA framework, the recipient organization is required to demonstrate their utmost efforts in seeking alternative funding, including income-generating activities and private sponsorships, so as to achieve 5% contribution to the total budget. In the event the 5% contribution could not be achieved, the applicant's attempts and efforts (e.g. as reflected by number of potential sponsors approached and amount of sponsorship secured) should be given with due consideration in the vetting process, and recommendation could be made to the ECF Committee for accepting a lower contribution (*Clause 5.3 of the Guide to Application*).

4. The enhanced framework, relevant application and vetting procedures and requirements are set out in the Guide to Application and Application Form for MA projects (latest version in September 2014). The Guide to Application also describes the basic requirements and responsibilities of recipient organizations. These documents are made available to the public through the ECF homepage (<http://www.ecf.gov.hk>).

Open Invitation and Evaluation of Applications

5. The first round of open invitation for MA applications was initiated on 6 October with a deadline on 17 November 2014. Three MA applications were received by the deadline. One funding application was submitted by the Conservancy Association (CA) in association with the Hong Kong Bird Watching Society (HKBWS) for wetland conservation in Long Valley and Ho Sheung Heung Priority Site while two MA applications were submitted by HKBWS for fishpond conservation in the Ramsar Site Priority Site and in the Deep Bay Wetland outside Ramsar Site Priority Site respectively. The Assessment Panel held a meeting on 8 December 2014 and assessed and evaluated the merits of individual applications. The ACE-NCSC was consulted on the three MA applications on 22 December 2014. The three MA applications and relevant assessments are summarised in paragraphs 6 to 11 below. Details of the assessments can be found in the table set out in **Annex I, II** and **III** respectively.

Project I: Nature and Human in Harmony - Nature Conservation Management for Long Valley 2015 – 2017

[Project duration: 1 March 2015 to 31 August 2017]

6. With the funding support from the ECF, CA (in association with HKBWS) has been conducting MA projects in Long Valley and Ho Sheung Heung Priority Site since 2005. The current three-year MA project will end on 28 February 2015. In this regard, CA submitted a funding application with a view to seeking ECF's support to continue the project. The application requests a funding support of \$9.8M for management of about 16.9 ha of land. The new project will last for 30 months, from 1 March 2015 to 31 August 2017. Under the new project, important freshwater habitats particularly shallow water habitats, paddy rice fields, and freshwater marshes, which provide important foraging and feeding grounds to birds and amphibians, will be under intensive management. Besides, about 3.4ha of *Fung Shui* wood will also be included in the management programme. With the establishment of an education centre in July 2014, the education and publicity programme will be further strengthened under the new project. A wide range of activities is proposed, for example eco-guide training, eco-tours, Harvest Fest, night safari tours, and volunteers' programmes etc., which are expected to attract over 17,000 members of the public.

7. Overall, the Assessment Panel found the proposed project worthy of support in terms of the project effectiveness in enhancing nature conservation, the harmony of nature and human built and the increase in public awareness on nature conservation. It also recognised the importance of the proposal during the interim period before the establishment of the Long Valley Nature Park under the North East New Territories New Development Areas (NENT NDA) project. In this regard, the Assessment Panel recommended an additional approval condition - *“a review shall be conducted by the end of second year of the proposed project (i.e. 28 February 2017) to review whether there is a need for further extension beyond two and a half years to tie in with the NENT NDA programme through project variation is proposed.”* As some budget items in this MA application exceed the funding ceilings as set out in the Guide to Application, the Assessment Panel has proposed revisions on those items and some funding approval conditions for Members’ consideration in respect of the exact amount of funding to be supported (**Annex I-Enclosure 2** refers). The ACE-NCSC unanimously gave support to the applications, and recommended five conditions on awareness building on increasing crop productivity etc. The details of assessment of the Long Valley MA application (2015-2017) are at **Annex I**.

Project II: Fishpond Conservation Scheme in Ramsar Site 2015-17

[Project duration: 1 March 2015 to 28 February 2017]

8. HKBWS has been conducting MA projects in the Ramsar Site Priority Site since 2012 to enhance the ecological value of fishponds through collaboration with the fishpond operators. The current MA project covers a two-year period from 1 March 2013 to 28 February 2015. In this regard, HKBWS submitted a funding application with a view to seeking ECF’s support to continue the project for another two years after the completion of the current MA project. 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, dragonflies, amphibians and reptiles so as to build on the ecological data collected from previous MA projects on fishpond habitats. In view of the potential human disturbance by visitors on the ecologically sensitive Ramsar Site, the proposed public education activities, including exhibitions, school talks and teacher workshops, will mostly be conducted off-site. In addition, a Fishpond Festival will be organised as a focal event to promote the appreciation of sustainable aquaculture and traditional culture of fish farming community. A series of activities including bird watching, eco-tours and photo contest will be organised. Talks will also be organised for fishpond operators on the importance of fishponds to wetland conservation and the close relationship between aquaculture and wildlife. The proposed budget for this project is \$6,655,388.

9. Overall, the Assessment Panel found the proposed project worthy of support in terms of the project effectiveness in providing supplementary feeding grounds for waterbirds, the harmony of human and bird conservation built and the increase in public awareness on nature conservation. As some budget items exceed the funding ceilings as set out in the Guide to Application, the Assessment Panel has proposed revisions on those items and some funding approval conditions for

Members' consideration in respect of the exact amount of funding to be supported (**Annex II-Enclosure 2** refers). The ACE-NCSC unanimously gave support to the applications, with seven conditions recommended on alternative funding source, awareness building etc. The details of assessment of the the MA application of the fishpond project in the Ramsar Site Priority Site are at **Annex II**.

Project III: Hong Kong Got Fishpond – Eco-fishpond Management Agreement Scheme 2015-2017

[Project duration: 1 March 2015 to 28 February 2017]

10. Similar to the MA project conducted in the Ramsar Site, this project has been conducted in the Deep Bay Wetland outside Ramsar Site by HKBWS since 2012. The current MA project will end on 28 February 2015. HKBWS submitted a funding application with a view to seeking ECF's support to continue the project. The present application covers a two-year period from 1 March 2015 to 28 February 2017. In addition to the conservation elements such as drain-down and ecological monitoring of fishponds, HKBWS' proposal on Deep Bay Wetland outside Ramsar Site emphasises on public education on the conservation of fishponds. As "Deep Bay Wetland outside Ramsar Site" is ecologically less sensitive than the Ramsar Site, more on-site activities can be organised, including eco-tours, night safari, and workshops on experiencing fishpond operation. An Education Kiosk will also be set up at Nam Sang Wai to showcase the ecological value of fishponds. The volunteer scheme of the current project will also continue to provide assistance in the various education activities. The proposed budget for this project is \$6,642,968.

11. Overall, the Assessment Panel found the proposed project worthy of support in terms of the project effectiveness in providing supplementary feeding grounds for waterbirds, the harmony of human and bird conservation built and the increase in public awareness on nature conservation. As some budget items exceed the funding ceilings as set out in the Guide to Application, the Assessment Panel has proposed revisions on those items and some funding approval conditions for Members' consideration in respect the exact amount of funding to be supported (**Annex III-Enclosure 2** refers). The ACE-NCSC unanimously gave support to the applications, with seven conditions recommended on alternative funding source, awareness building etc. The details of assessment of the MA application are at **Annex III**.

Advice Sought

12. Members are invited to consider the recommendations made by the Assessment Panel and the NCSC and advise whether the three MA applications should be approved and, if approved, the exact amount of funds to be granted.