

**Confirmed Minutes of the 211th Meeting of
the Advisory Council on the Environment (ACE)
held on 7 December 2015 at 2:30 pm**

Present:

Prof Paul LAM, SBS, JP (Chairman)
Prof CHAU Kwai-cheong, BBS, JP (Deputy Chairman)
Prof FUNG Tung
Dr Billy HAU
Prof Albert LEE
Ir Prof Irene LO
Ir MA Lee-tak, SBS
Prof John NG
Miss Yolanda NG, MH
Prof Nora TAM, BBS, JP
Dr Michael LAU
Dr Eric TSANG
Dr Carrie WILLIS, SBS, JP
Mr Luther WONG, JP
Ir Conrad WONG, BBS, JP
Mr Stanley WONG, SBS, JP
Mr Andrew LAI (Secretary)

Absent with Apologies:

Ir Cary CHAN
Dr HUNG Wing-tat, MH
Mr Anthony LOCK
Prof Jonathan WONG, MH, JP
Ms Pansy YAU

In Attendance:

Mr Wilson CHAN	Assistant Director of Planning / Technical Services, Planning Department (PlanD)
Miss Heidi LIU	Principal Information Officer, Environmental Protection Department (EPD)
Miss Evelyn LEUNG	Chief Executive Officer (CBD), EPD
Ms Becky LAM	Chief Executive Officer (CBD) Designate, EPD
Miss Dora CHU	Executive Officer (CBD), EPD
Ms Daicie TONG	Executive Manager (CBD), EPD

In Attendance for Item 3:

Mr TANG Kin-fai	Assistant Director (Environmental Assessment), EPD
Mr Lawrence NGO	Atg. Principal Environmental Protection Officer (Regional Assessment), EPD
Mr Patrick LAI	Assistant Director (Country and Marine Parks), Agriculture, Fisheries and Conservation Department (AFCD)
Mr Dick CHOI	Senior Marine Conservation Officer (West), AFCD
Mr Alan CHAN	Senior Marine Parks Officer, AFCD

Project Proponent

<i>Airport Authority Hong Kong (AAHK)</i>	Mr Kevin POOLE, Acting Executive Director, Third Runway
	Mr Peter LEE, General Manager, Environment, Third Runway
	Mr Martin PUTNAM, Senior Manager, Environment, Third Runway
	Mr James TSUI, General Manager, Corporate Communications
	Ms Gigi CHONG, Manager, Project Liaison

Environmental Resources Management (ERM)

Mr Craig Reid, Partner
Dr Jasmine Ng, Principal Consultant, Marine Sciences

Action

The Chairman informed Members that apologies of absence had been received from Ir Cary Chan, Dr Hung Wing-tat, Mr Anthony Lock, Prof Jonathan Wong and Ms Pansy Yau.

Item 1 : Confirmation of the draft minutes of the 210th meeting held on 9 November 2015

The draft minutes were confirmed subject to the amendments proposed by a Member in paras. 11 and 41 of the draft.

Item 2 : Matters arising

2. With reference to para. 3 of the minutes of the last meeting, the Chairman reported that the updated information on the utilization of landfill gas generated

from the three landfill extension projects had been incorporated in the post-meeting note and uploaded on the ACE website for public information.

3. There was no other matter arising from the minutes of the last meeting.

Item 3 : Plans on (i) Marine Park Proposal; (ii) Marine Ecology Conservation Plan and Marine Ecology Enhancement Fund; and (iii) Fisheries Management Plan and Fisheries Enhancement Fund in relation to the third runway project (ACE Paper 17/2015)

4. The Chairman said that the Airport Authority Hong Kong (AAHK) was required to seek ACE's comments on the Marine Park (MP) Proposal, the Marine Ecology Conservation Plan (MECP) and the Marine Ecology Enhancement Fund (MEEF), and the Fisheries Management Plan (FMP) and the Fisheries Enhancement Fund (FEF). Under the Environmental Permit (EP) for the "Expansion of the Hong Kong International Airport into a Three-Runway System (3RS)" project, the Council discussed the EIA report for the 3RS at the meetings held in August and September 2014. AAHK had to provide the above plans to ACE for comments prior to submission to the Environmental Protection Department (EPD) for approval before commencement of the reclamation-related marine works. The Chairman said that the discussion should focus on whether the objectives of the three plans were in line with the comments made by this Council in 2014 and the conditions in the EP.

5. The Chairman said that the discussion would be divided into two sessions. The Presentation cum Question-and-Answer Session would be open to the public while the Internal Discussion Session would remain closed. A Member declared that she was a member of the Fund Award Committee under the Hong Kong International Airport Environmental Fund which was not related to the 3RS project. The Chairman declared that he had worked with AAHK's consultant firm, i.e. Environment Resources Management in the past on several projects which were not related to the 3RS project. Members agreed that the Chairman could stay on to chair the meeting while the Member could continue to participate in the discussion.

[The project proponent joined the meeting at this juncture.]

Presentation cum Question-and-Answer Session (Open Session)

(i) Marine Park Proposal

6. Mr Kevin Poole introduced the Marine Park (MP) Proposal which was one of the submissions that AAHK should submit to ACE for comments as required under the EP. Dr Jasmine Ng briefed Members on the details of the MP Proposal which was principally devised to mitigate the impacts on Chinese White Dolphins (CWDs) in the vicinity of the airport island. Key issues in the MP Proposal included the determination of the preliminary boundary of the 3RS MP, preparation of a management plan and enhancement measures to be incorporated, as well as the way forward for the preparatory work on the designation of the MP.

7. The Chairman invited Members to comment on the MP Proposal before the project proponent proceeded to introduce the conservation/management plans on marine ecology and fisheries as well as the two related enhancement funds.

Role of AAHK and AFCD in the designation of the 3RS marine park

8. A Member opined that respective roles and mode of collaboration between the Agriculture, Fisheries and Conservation Department (AFCD) and AAHK should be made clear in the Proposal. Given that AFCD would be responsible for the statutory duties and management of the MP, AAHK should consult and partner with AFCD in their preparation of the detailed study report and stakeholders' consultations. This was to ensure that the final detailed study report would be accepted by AFCD for the designation work of the MP. The Member considered it imperative for AFCD to be engaged in the drawing up of the management plan so that there would be no omission or duplication of efforts. Another Member shared a similar observation. He opined that AAHK was perceived to be undertaking the statutory role of AFCD in setting up the MP. The situation was not satisfactory. As AFCD would be managing the MP and they should take charge of setting the long-term management goals of the MP, while AAHK should focus on the mitigation measures specifically for minimizing impacts on CWDs. Given that AFCD was the statutory authority in MP designation, The Member said that green groups would be more ready to attend stakeholders' consultations to be arranged by AFCD rather than by AAHK. He said that green groups currently declined participation in the liaison group meetings arranged by AAHK. He suggested AAHK to discuss and collaborate with AFCD in the public engagement and preparation of the final detailed study report so as to avoid further challenges. A Member urged that additional resources must be allocated to AFCD for supporting the designation and management of the new MP

given its extensive scale as well as the wide range of ecological and fisheries issues to be addressed.

9. Mr Kevin Poole confirmed that while AAHK was committed to drawing up the MP management plan, AFCD was the statutory authority in designating and managing the MP in future. He agreed to undertake the detailed study in collaboration with AFCD, and to report to ACE on the final boundary of the MP. Mr Peter Lee added that a liaison group involving AAHK and AFCD would also be set up to facilitate direct and on-going liaison on the management of the MP after its establishment.

10. The Chairman sought clarification on the roles of AAHK and AFCD at different stages when conducting the MP study. Mr Peter Lee said that AAHK would be responsible for conducting stakeholders' consultations and preparing the final detailed study report, while AFCD would follow up on the statutory procedures of designating of the MP based on the final detailed study report. As AAHK would also be conducting stakeholders' consultations, A Member stressed and the Chairman concurred that AFCD should encourage more public engagement and attend AAHK's consultation sessions to listen to the views of various stakeholders. Mr Patrick Lai shared the experience that AFCD had been involved in the two rounds of public consultations held by the Highways Department (HyD) in relation to the designation of The Brothers Marine Park, and had worked with HyD in drawing up the final detailed study report.

11. In reply to A Member's enquiry on whether further public consultations would be arranged after commencement of the statutory designation procedures, Mr Patrick Lai advised that in accordance with the Marine Parks Ordinance, a draft map of the proposed MP would be made available for public inspection for 60 days, to be followed by an objection hearing to be held by AFCD, should any objection to the draft map was received during the public inspection. A Member stressed that it was imperative for AFCD to publicize the consultation sessions and encourage green groups and relevant stakeholders to come forward.

12. Responding to a Member's question on whether AFCD was obliged to implement all proposals in the MP management plan, Mr Patrick Lai said that the Government had made a high-level commitment on the designation of the new MP. They would seek for additional resources to carry out long-term management of the new MP under the existing mechanism. The Chairman said that the Government would honour its commitment on designating and managing the new MP.

Another Member proposed and the meeting agreed that ACE would fully support AFCD in applying for the necessary resources from the Government for the designation work and management of the new MP.

Preparation and performance assessment of the detailed marine park study report

13. The Chairman sought AAHK's confirmation that they had not commenced the stakeholder engagement process in relation to the MP study. A Member was concerned that the final detailed study report expected for release by 2018 might substantially deviate from the preliminary proposal. Another Member echoed this concern and suggested AAHK to present the final detailed study report to ACE before commencing the statutory procedures for designation of the MP.

14. Mr Peter Lee explained that in accordance with the EP condition, AAHK had to come up with a proposal to ACE prior to submission to EPD for approval so as to kick-start the process of devising the detailed study report on the MP. That was the rationale for AAHK in seeking views of ACE on the MP proposed at today's meeting. He advised that ACE would be updated on the progress of the MP study and be consulted during the stakeholders' consultation process. Dr Jasmine Ng shared her experience in the designation of The Brothers Marine Park, whereby the MP boundary had been adjusted having regard to public consultations and study on the up-to-date environmental and ecological profiles of the surrounding environment.

15. Mr Kevin Poole supplemented that the MP Proposal was a high-level document on the objectives and broad principles on the establishment of the MP, whereas details on the management plan and enhancement measures would require inputs from relevant stakeholders at a later stage. The detailed study would be a long and extensive process involving different stakeholders. The process was expected to last from Q1-Q2 2016 to 2018. He confirmed that AAHK would update ACE on the progress of the MP study before drawing up the final detailed study report. While the recommendations in the final report might not be exactly the same as those in the preliminary proposal, Mr Poole assured Members that any changes made would be within the principles/remit set in the relevant EP condition and would incorporate the collective views of stakeholders gathered during the engagement exercise. He said that in accordance with the EP condition, the reclamation-related marine works could commence as early as three months after submission of the MP Proposal to EPD for approval. In parallel, AAHK was also

AAHK

required to go through the necessary procedures under the Town Planning Ordinance and the Foreshore and Sea-bed (Reclamations) Ordinance. The reclamation works was targeted to commence in mid-2016.

16. A Member said that the number of CWDs in the airport island area had declined significantly since the 2010s as a result of the on-going infrastructural development projects in the vicinity. He opined that the historical data on CWD abundance and distribution patterns should be considered on top of the updated CWD data when drawing up the boundary/zoning of the new MP and devising the corresponding management plan and enhancement measures in the detailed study report. The Member also suggested to include the SMART (i.e. specific, measurable, attainable, realistic and time-bound) goals and management targets for setting a clear direction in the design and management of the MP for the protection of CWDs. He also enquired whether AAHK would commit to undertaking surveys on fisheries resources and fisheries operations within the new MP. In response, Dr Jasmine Ng said that the new MP management plan would tie in with the overall management goals of marine parks in Hong Kong which are to protect and conserve the marine environment for the purpose of conservation, education and recreation. Setting SMART goals would also be considered in addition to devising key performance indicators. As regards field surveys, Dr Ng said that they would draw up the scope of surveys in consultation with AFCD. She added that fisheries surveys undertaken under other marine park studies would also be taken as references when implementing enhancement measures and zoning schemes.

17. A Member asked if the final detailed study report would include the baseline study and whether specific criteria would be established to assess the effectiveness and performance of the detailed study. Another Member suggested AAHK to develop a plan of outcome measurement to facilitate the tracking of progress and effective deployment of resources. Dr Jasmine Ng said that both desktop review of management practice and experience as well as up-to-date field surveys on the environmental, ecological and fisheries profiles would be conducted when preparing the detailed study report. The data would be referenced in the development of the management plan and enhancement measures for the new MP. As regards the setting of assessment criteria, Dr Ng said that key performance indicators would be established and future monitoring activities proposed for the collection and analysis of data including changes in dolphin abundance and fisheries resources. For the deployment of artificial reefs and fish fry, proposed locations, timing, frequency and quantity would also be included in the detailed

study and other feasibility studies to be conducted by AAHK. She also recognized the enforcement challenges in marine parks and advised that measures such as voluntary fishermen's surveillance programme, closed-circuit television, automatic identification system transponders or other types of surveillance systems would be considered and evaluated in the detailed study.

Enhancement of public education measures

18. A Member asked about measures to be taken for raising public awareness on the value of marine parks via education and promotion of eco-tourism. He suggested engaging the education sector so as to educate the younger generation on marine conservation and role/functions of marine parks, and to strengthen their knowledge via eco-tourism. Two Members echoed that public education initiatives would be a long-term commitment that required thorough discussion with the education sector and continued efforts on raising the community awareness.

19. Dr Jasmine Ng said that while the detailed arrangements would be devised during the detailed study, educational initiatives would likely include building up training materials and facilities for educational tours as well as skills development for students and teachers of secondary schools with hands-on ecological experience in marine parks. She also suggested that existing programmes run by AFCD such as the Marine Parks Ambassador Scheme could be further enhanced for experience sharing in respect of management of marine parks. Dr Ng advised that while AFCD would be responsible for the monitoring programme of the new MP including the ecological and environmental aspects, a separate programme would be undertaken by AAHK under the Environmental Monitoring & Audit (EM&A) programme which would focus on the effectiveness of the mitigation measures. Efforts would also be made to introduce innovative ideas in the management plan for the new MP.

20. In response to a Member's further question on whether additional resources would be required by AFCD, Mr Patrick Lai replied that while priority would be given in carrying out enforcement and patrolling duties in the new MP, monitoring on water quality and related indicators would also be carried out in parallel with AAHK's monitoring programme under the EM&A programme. AFCD would coordinate with AAHK so that the two monitoring programmes could complement each other for achieving the best results. In addition to the funding commitment by AAHK, AFCD would apply for additional resources under

the existing mechanism within the Government as appropriate.

Connectivity of marine parks in western Hong Kong waters

21. A Member pointed out that there should be an uninterrupted linkage between the existing and planned marine parks to the north and northeast of Lantau and the potential marine parks in the west and southwest Lantau waters, i.e. the Southwest Lantau Marine Park and Soko Islands Marine Park. This was echoed by another Member. Mr Kevin Poole confirmed that the proposed MP, the planned The Brothers Marine Park and the existing SCLKCMP would be treated as one entity when planning the zoning scheme so as to enhance efficiency and cost-effectiveness on the management of the marine parks in the area.

22. Regarding the designation of core areas within the new MP, a Member opined that more information on the type of recreational activities, intensity of such activities, and carrying capacity in terms of number of visitors to be admitted should be included. He further enquired whether more stringent measures would be adopted in the marine parks in Hong Kong when compared with that in the Pearl River Estuary CWD National Nature Reserve. Dr Jasmine Ng advised that the location of the core area(s) had not been confirmed at this stage. A management plan would be prepared for the entire marine park matrix covering all the three existing and planned marine parks. On broad terms, the Brothers Marine Park would consist of a core area for protection of fisheries resources and an anchorage area for marine vessels, while SCLKCMP could be zoned as a key area for CWDs. For the types of recreational activities, Dr Ng explained that core areas would be established to prohibit commercial and recreational fishing with a view to protecting fisheries resources. The core areas would be identified via fisheries surveys. Other types of zoning would also be considered to facilitate the protection of CWDs.

Interfacing of the Marine Park Proposal, Marine Ecology Conservation Plan and Fisheries Management Plan

23. As the MP Proposal, MECP and FMP all made reference to the deployment of artificial reefs and restocking of fish fry, a Member enquired about the interfacing of the three plans, and whether the sites for deployment would be limited to those identified in the MP Proposal. He opined that there should be clear differentiation between mitigation measures and enhancement measures, and that the mitigation in respect of the marine traffic impacts on CWDs should also be

mentioned. He opined that it would not be effective to conduct law enforcement solely based on tip-offs from the public. AAHK should propose and with funding support for AFCD's implementation a more effective surveillance scheme for detecting illegal fishing and vessels travelling over 10 knots within the MP. Another Member concurred that the MP Proposal should also cover the impact of high speed ferry traffic under the SkyPier Plan.

24. The Chairman concluded that Members were generally supportive of the MP Proposal, and agreed for AAHK to move forward with the detailed marine park study. There should be a clear role differentiation between AAHK and AFCD in preparing the plan for the designation and implementation afterwards, and that AFCD should secure sufficient resources to manage the new MP which was of unprecedented extensive scale and extent in Hong Kong. AAHK should update and invite feedback from ACE at different stages of the MP study. AAHK should also consider incorporating the SMART goals and management targets in the MP study and submit the relevant details to ACE for consideration after the meeting. AAHK

25. On behalf of another Member who could not attend today's meeting, a Member relayed the Member's request for a written response from AAHK to the questions/comments raised in his submission, in particular on the boundary of the MP and whether its designation could be advanced before completion of the 3RS project. Mr Kevin Poole agreed to provide the written response after the meeting. AAHK

[Post-meeting note: Supplementary information on the MP Proposal, as well as a written reply to the Member's comments/questions was circulated for Members' information on 21 December 2015.]

(ii) Marine Ecology Conservation Plan and Marine Ecology Enhancement Fund and Fisheries Management Plan and Fisheries Enhancement Fund

26. Mr Craig Reid presented the four key enhancement aspects of the Marine Ecology and Fisheries Enhancement Strategy (the Strategy) laid down in the 3RS EIA report. He introduced the objectives and themes of the Strategy and establishment of the Marine Ecology Enhancement Fund (MEEF) under the Marine Ecology Conservation Plan (MECP) and the Fisheries Enhancement Fund (FEF) under the Fisheries Management Plan (FMP). Mr Reid further explained the proposed funding arrangement and management structure for the MEEF and FEF, as well as the roles and responsibilities of the Steering Committee and the two respective management committees. He also introduced the tentative

timeline for the establishment of the MEEF and FEF upon approval of EPD.

Endowment arrangement of the MEEF and FEF and use of the top-up fund

27. A Member sought clarification on the coverage of the MEEF and FEF, and requested that the two funds should be made available to cover initiatives for enhancing the values of marine ecology and fisheries resources for the whole of Hong Kong territorial waters and not restricted only to the affected areas in north Lantau waters. Mr Peter Lee clarified that, apart from the waters near the airport island, the two funds would also cover studies and initiatives in all Hong Kong waters as well as studies and initiatives related to CWDs in the Pearl River Estuary area.

28. On the funding arrangement and monitoring of the MEEF and FEF, a Member noted that the anticipated annual income was \$6 million and \$4 million respectively based on an assumed 4% return per annum. He enquired whether the annual funding for projects or studies would be capped at the annual return for the two funds and whether the top-up fund would be used for meeting the shortfall of the annual budget income of the respective funds. The Member also asked about the disposition of the annual return in the event that the funding targets were not achieved and whether the sum of funding support would be deployed in the form of advance payment or reserve. Mr Peter Lee advised that an endowment arrangement was adopted for the MEEF and FEF after taking into account previous comments from ACE. The arrangement would also provide sufficient resources for supporting the marine conservation efforts in a long-term and sustainable manner. He pointed out that a targeted return of 4% was set out in the current proposal for planning purpose. The actual return would be subject to the global investment climate and the investment strategy adopted by the Steering Committee. He stressed that the purpose of the top-up fund was to ensure that there would be sufficient funds to support initiatives in particular when the MEEF and FEF were newly established. Any shortfall below the annual funding target could be supported by the top-up fund in the event that the expected annual budget income could not be achieved, for example due to fluctuation in investment returns. Mr Lee added that in the event that applications for the funding amount exceeded the annual funding target, the respective management committees could seek endorsement from the Steering Committee to release money from the top-up fund for funding these applications. Mr Lee advised that they had not considered using the top-up fund for replenishing the two endowment funds at this stage.

29. In response to the Member's further question on whether the investment return for the MEEF and FEF or the top-up fund would be running on a yearly or accumulative basis, Mr Peter Lee said that the two endowment funds and the top-up fund would be operating independently, and multiple-year projects on marine ecology or fisheries or those requiring a funding of or exceeding the annual funding target could also be accepted subject to the decision of the respective management committees.

30. The Chairman asked if the expenditure of the top-up fund would be capped at \$10 million per annum and whether AAHK would approve proposals of lower priority when funds were still available in the year. Mr Kevin Poole said that while the endowment arrangement was to generate sustainable income for the MEEF and FEF to support new projects, the purpose of the top-up fund was to support recommended initiatives if the investment returns from the endowment funds were insufficient to meet the annual funding target and there was a need to top up the shortfall. The amount to be drawn would depend on the initiatives under application and be subject to the endorsement of the Steering Committee. Mr Poole confirmed that the annual return could be rolled over to support projects in future years and the top-up fund for both the MEEF and FEF would be capped at \$100 million in total.

31. A Member opined that the applications on scientific research and studies could involve substantial funding. AAHK should focus on initiatives and projects which would help enhance specifically marine ecology, fisheries resources as well as promoting the sustainability of the fisheries sector. There were other funding sources which were open for application for scientific research/studies and promotion of environmental education and eco-tourism. The Member opined that in respect of fisheries, priorities should be given to projects which would help enhance fisheries resources in the long term instead of those related to commercial fishing.

32. A Member enquired about the interface amongst the MP Proposal, MECP and FMP and possible overlapping of efforts and resources on management and enhancement measures such as deployment of artificial reefs and release of fish fry. The Member suggested AAHK to make a clear demarcation of resources allocation on fisheries enhancement measures and to establish a monitoring mechanism for assessing their effectiveness so as to address Members' concerns. She also proposed to include a set of performance indicators to demonstrate the result and effectiveness of the management and enhancement measures for marine ecology

and the fisheries sector, e.g. carrying capacity, behavioural changes and survival rate of CWDs. The Member welcomed more innovative proposals that could help achieve the objectives of the Strategy.

33. Taking into account the uncertain global economic environment in recent years, the Chairman suggested AAHK to consider turning the \$100 million top-up fund into an endowment which would help increase the value and sustainability of the fund over time. Mr Kevin Poole confirmed that the top-up fund would be a separate sum under AAHK. They would look into the feasibility and AAHK practicability of the suggestion.

34. A Member supported the two funds for financing research and study on marine ecology and fisheries resources. He considered that the total \$10 million per annum might be insufficient for funding different types of projects and initiatives. He suggested if AAHK could adopt a more proactive approach by organising workshops to identify and gather views from relevant experts to establish priorities on initiatives/projects to be funded so as to fill up major knowledge gaps in the coming decade. This would help AAHK accord appropriate priorities when assessing funding applications that might have higher conservation benefit. The Member also opined that AAHK should adopt an ecosystem approach with reference to the guidelines set out by the International Union for Conservation of Nature when re-introducing or releasing flora and fauna species. On measuring the effectiveness of the Strategy, the Member shared with another Member that performance indicators were necessary indeed, it would be a more meaningful assessment on the impact and outcome of the enhancement measures on marine ecology and fisheries rather than counting the number of applications or proposals being approved and funded.

35. In reply to a Member's enquiry about the provision of overheads and secretariat support for the two management committees, Mr Kevin Poole confirmed that AAHK would provide the administrative/secretariat support to the committees, while the recurrent costs of operating the MEEF and FEF would be borne by the funds themselves.

Specific issues of the Fisheries Management Plan and Fisheries Enhancement Fund

36. In reply to a Member's enquiry on the rationale of setting aside \$50 million under the FEF but not forming part of the endowment amount, Dr Jasmine

Ng replied that AAHK had agreed to set aside \$50 million after consultation with the fishermen groups. The consultation was conducted to fulfil the FMP in assisting the fisheries sector as required by the EP condition. The \$50 million would help kick-start the FMP with initiatives that might help recovery and enhancement of fisheries resources and ensure sufficient capital for supporting expected proposals in the initial years. Dr Ng advised that the \$50 million would be governed by the FEF Management Committee and the assessment on applications for supporting the fishing industry and enhancing fisheries resources would be made under the four themes set out in the FMP.

37. On the use of FEF, a Member said that the scope of sustainable fisheries management proposed in the FMP was very limited and the element of sustainable fisheries resources had not been fully examined. He opined that the respective remits of the MEEF and FEF as proposed by this Council had not been clearly reflected in the proposals for the two funds. The Member also opined that the MEEF should focus on generating fisheries resources specifically for CWDs while the FEF should adopt a macro perspective in the sustainable management and enhancement of fisheries resources. He questioned the rationale of setting aside \$50 million under the FEF rather than grouping the amount under the whole endowment fund to generate annual income. Mr Peter Lee explained that the current proposal was the outcome of the engagement process with the fisheries sector as required under the EP condition for supporting the fishing industry and enhancing fisheries resources in a sustainable manner. He said that the FMP and FEF were so designed for supporting these specific purposes. Dr Jasmine Ng clarified that the three key enhancement aspects in section 2.1 of the FMP was a recap of the themes on promoting a sustainable fisheries industry under the Strategy.

38. The Member stressed that while he agreed that one of the goals of the FMP was to support the fisheries sector, the other goal for sustaining and enhancing fisheries resources was equally important. AAHK should avoid the situation of having the FEF being perceived solely as a compensation plan for the fishermen groups. Another Member echoed that apart from satisfying the requirements of the fisheries sector, provision of vibrant and salient fisheries resources for on-going fisheries operation was of fundamental importance to the well-being of the fisheries sector. Mr Peter Lee said that they would take into account Members' comments to draw up the operational details in the FMP as AAHK appropriate.

39. A Member was concerned about over-fishing and collapse of fisheries resources without proper management as the FEF could be used to support upgrading of equipment and improving technologies which would facilitate fishing activities for larger catches. He suggested linking the FMP with the concept of sustainable fisheries management and imposing relevant management measures in parallel with upgrading equipment and technology for fisheries operation. The Chairman concurred this overarching principle would help guide the implementation of the FMP and the FEF.

40. The Chairman requested AAHK to set up the MEEF and FEF as soon as practicable so as to generate more investment income for funding projects especially in the initial years. He also remarked that the funds could showcase for future reference after their successful launch. A Member suggested that reference could be made to the Sustainable Development Fund and the Environmental and Conservation Fund for maximizing the transparency of the application process. Mr Kevin Poole replied that the preparatory work for setting up the funds in the form of a separate trust was underway. The two funds were targeted for inviting applications in the third quarter of 2016.

Composition of FEF Management Committee

41. A Member opined that fishermen's associations and relevant stakeholders seemed to be over-represented in the FEF Management Committee. The public might perceive that the committee would work towards the interest of the fishermen groups only and the FEF would hence become part of a compensation plan. He also requested for a more balanced composition of the FEF Management Committee by including members from the academia and relevant experts who had broader expertise and experience in marine ecology and fisheries conservation. His view was shared by three Members. Mr Peter Lee advised that they had included fisheries expert(s) with professional knowledge on fisheries resources in the management committee, taking on board Members' comments made at the meetings last year.

42. A Member opined that fisheries experts were not equivalent to academics and the FEF Management Committee should include academics and representatives from green groups similar to the composition of the MEEF so as to bring in balanced views and broader scope of expertise in the committee. Mr Peter Lee replied that the fisheries experts were those with expertise/experience in fisheries resources. While they would try to include members with different backgrounds,

they needed to consult the fisheries sector and relevant stakeholders on the composition of the committee. Mr Kevin Poole said that AAHK was not excluding academics and green groups in the FEF Management Committee, but they were obliged to reflect comments from fishermen associations on the proposed composition in accordance with the EP requirement.

43. A Member suggested setting up information centres to introduce the green initiatives adopted by AAHK in their reclamation works as well as marine conservation measures for enhancing the environmental awareness of both the local communities and visitors to Hong Kong. He also asked whether the MEEF and FEF would support scholarships for tertiary students engaging in relevant studies or research. Mr Kevin Poole replied that the disposition of the two funds would be subject to the budget of the two funds and agreement of the respective management committees having regard to the merits of the proposals. The Chairman remarked that the composition of the Steering Committee and the two management committees would be crucial on the success of the Strategy.

44. The Chairman concluded that AAHK should set up the MEEF and FEF as soon as practicable so that they could start generating investment returns and inviting applications. The objectives of the FEF should be set out clearly so as to ensure a sustainable fisheries resources rather than being perceived to facilitate fishermen's groups for increasing their catches. Consideration should also be taken to include academia and green groups in the FEF Management Committee for having a more balanced representation.

[The project proponent left the meeting at this juncture.]

Internal Discussion Session

45. On the composition of the FEF Management Committee, the Chairman said that he appreciated AAHK's concern in striking a balance between the interest of the fishermen groups and the expectation of academia and green groups as suggested by this Council. The Chairman said that there were concerns from the fishermen groups that they might not be able to benefit from the FEF as they viewed the academics would be capable in securing funding applications. He concurred with a Member that the FEF should not be perceived or taken as a compensation plan for fishermen.

46. A Member pointed out that fisheries experts were not equivalent to

academia. Academia and green groups were proposed for the FEF Management Committee as they could provide more balanced views on enhancing fisheries resources and marine ecology. The Chairman said that the Council should leave room for AAHK to deliberate further on the operational details of the two funds while adhering to the broad objectives agreed by the Council.

Item 4 : Any other business

EIA Report on “Tung Chung New Town Extension”

47. The Chairman informed Members that the EIA report on “Tung Chung New Town Extension” would be discussed at the EIA Subcommittee meeting on 18 and 22 January 2016. Given the wide scope of issues to be covered as well as the immense public interest on the report, the Secretariat had already invited all Members to join the two discussion sessions as the EIASC’s recommendations would be discussed at the ACE meeting on 15 February 2016. The Secretariat would issue the agenda of the EIASC meeting and the discussion paper for Members’ reference in due course.

EIA report not selected by EIASC for submission to ACE

48. The Chairperson of EIASC, reported that since the last Council meeting, EIASC had received the Executive Summary of the EIA report on “Development of Anderson Road Quarry Site – Rock Cavern Developments” submitted by the Civil Engineering and Development Department which the Subcommittee has not selected for discussion. The Executive Summary would be circulated to EIASC Members upon commencement of the public inspection period, with the relevant hyperlinks copied to non-EIASC Members for information. Individual Members had been reminded to send their comments, if any, on the EIA report directly to DEP within the public inspection period. Given that the EIA report has not been selected by EIASC for discussion, EPD will take it that ACE had no adverse comments on the EIA report upon close of the public inspection period.

[Post-meeting note: The public inspection period was from 22 January to 20 February 2016.]

Item 5: Date of next meeting

49. The next ACE meeting was scheduled on 11 January 2016 (Monday). Members would be advised on the agenda in due course.

[Post-meeting note: The meeting in January 2016 was cancelled. The next meeting will be held on 15 February 2016.]

50. The Chairman informed Members that Miss Evelyn Leung would have a new post in the new year. Her successor Ms Becky Lam also attended today's meeting. On behalf of all Members, the Chairman thanked Miss Leung for her dedicated support to the Council in the past years and wished her every success in the new job.

51. The Chairman also took the opportunity to extend an early greeting to Members for a Merry Christmas and a Happy and Green New Year in 2016.

**ACE Secretariat
December 2015**