Endangered Species Advisory Committee (ESAC) Minutes of Meeting

Date : 11 December 2017 (Monday)

Time : 10:00 a.m.

Venue : Room 701, Agriculture, Fisheries and Conservation Department (AFCD)

Headquarters

Present

Chairman

Professor SHAW Pang-chui

Members

Ms CHAN Chiu-ling, Ophelia, BBS

Dr CHEUNG Siu-gin

Ms CHIU Yuk-lin, Colleen

Mr LAU Sai-yuan, William

Mr LEUNG Lak-kee, Ricky

Ms WONG Siu-ling, Gabriella, M.H.

Ms YU Li-hua

Professor ZHAO Zhong-zhen, M.H.

Dr LEUNG Siu-fai, JP Director of Agriculture, Fisheries and Conservation

Mr CHAN Kin-fung, Simon Assistant Director of Agriculture, Fisheries and

Conservation (Conservation)

Dr CHUI Ho-kwong, Samuel Assistant Director (Nature Conservation &

Infrastructure Planning), Environmental Protection

Department (EPD)

Secretary

Miss Phyllis CHAN Assistant Secretary (Boards)1, AFCD

In Attendance

<u>AFCD</u>

Mr Boris KWAN Senior Endangered Species Protection Officer

Mr Timothy LAM Endangered Species Protection Officer (Enforcement)

Dr Azaria WONG Endangered Species Protection Officer (Licensing) 1

Ms Phoebe SZE Endangered Species Protection Officer (Licensing) 2

Dr Flora LEUNG Endangered Species Protection Officer (Inspection)

Customs and Excise Department (C&ED)

Ms Kitty POON Head of Ports and Maritime Command

Mr CHAN Wan-hung, Raymond Head of Ports Control Group

Absent with Apologies

Mr CHAN Wing-suen

Mr CHEUNG Chi-wah

Professor SO Wing-mui, Winnie

Ms TSANG Wing-wing

Ms HO Pui-shan, Louise, C.M.S.M. Assistant Commissioner of Customs and Excise (Boundary

and Ports)

OPENING REMARKS

41/17 <u>The Chairman</u> welcomed everyone to the meeting, in particular the following persons who attended the meeting for the first time:-

- Mr LAU Sai-yuan, William;

- Dr CHUI Ho-kwong, Samuel, Assistant Director (Nature Conservation & Infrastructure Planning) of EPD;
- Mr CHAN Wan-hung, Raymond, Head of Ports Control Group of C&ED; and
- Dr LEUNG Tsz-yan, Flora, Endangered Species Protection Officer (Inspection) of AFCD

42/17 <u>The Chairman</u> informed members that, as an established practice, to facilitate the taking of minutes of meeting, sound recording would be made during the meeting. The audio records would be destroyed after the meeting minutes had been confirmed.

AGENDA ITEMS

I. Matters Arising from the Last Meeting held on 10 February 2017

(a) Plan to Phase out the Local Trade in Ivory (Para. 11/17 to 21/17)

Mr Boris KWAN reported that the Department briefed the Panel on Environmental Affairs of the Legislative Council (LegCo) on 27 March 2017 on the legislative proposal to phase out the local trade in ivory and attended the special meeting of the Panel on 6 June 2017 to hear public views on the legislative proposal. The legislative proposal was to amend the Protection of Endangered Species of Animals and Plants Ordinance (the Ordinance) to implement the three-step plan for phasing out the local ivory trade and increase the penalties. To take forward the proposal, the Protection of Endangered Species of Animals and Plants (Amendment) Bill 2017 (the Amendment Bill) was gazetted on 2 June 2017 and read by the LegCo for the first time on 14 June 2017. On 16 June 2017, the House Committee of the LegCo agreed to form a Bills Committee to scrutinise the Amendment Bill in detail. He said that the Bills Committee was conducting clause-by-clause examination of the Amendment Bill.

II. Disposal of Timber Forfeited under the Protection of Endangered Species of Animals and Plants Ordinance, Cap. 586(Committee Paper: CP/ESAC/5/2017)

44/17 <u>Dr Flora LEUNG</u> briefed members on the possible options for the disposal of forfeited timber and the proposed disposal plans (Committee Paper CP/ESAC/5/2017). Members noted that over 1 196 700 kg of illegally imported / re-exported timber were seized

and kept under the custody of AFCD at present. While around 4% of the seized timber could be disposed of through non-commercial uses, other practical disposal options must be explored to relieve the financial burden of storage. Having explored the feasibility of the four disposal options, which were returning to the State of export, sale by auction, non-commercial uses and destruction, in accordance with the guidelines of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), it was proposed to dispose of the forfeited timber by dumping in landfill sites as the last resort.

- A member disagreed to the proposed disposal by destruction. He was of the view that it would be a waste of natural resources and it would have little effect on the fight against illegal trade in endangered species. He advocated exploring ways to make good use of the forfeited timber to benefit the community and achieve educational and publicity purposes. In this regard, he made the following suggestions:
- (i) The forfeited timber could be donated to universities and public institutions for display with a view to publicising the protection of endangered species, although it was understood that only a small quantity of timber stock would be able to be used for this purpose;
- (ii) The Government announced initiatives to promote the development of Chinese medicine in Hong Kong, including the development of a Chinese medicine hospital and the setting up of the Government Chinese Medicines Testing Institute and a herbarium on Chinese medicine of international standard. The forfeited timber could be used in the construction of these buildings and facilities. They could also be used to create art pieces representing the culture and development of Chinese medicine, such as statues of ten famous ancient Chinese doctors, and then placed in abovementioned venues for permanent exhibitions with a view to serving as a record of history and a warning to future generations;
- (iii) The forfeited timber could as well be used in building the architecture and facilities of the West Kowloon Cultural District;
- (iv) Agarwood (*Aquilaria* spp.) was considered the origin of the name of Hong Kong. The forfeited Agarwood could be used to create an art piece showing the map of Hong Kong to commemorate the history; and
- (v) The 16-story Lingguan Tower in Sichuan, China, the tallest wooden pagoda in Asia, was recently destroyed by a fire. The forfeited timber could be donated to Sichuan Province for reconstructing this historic wooden pagoda.

Another member considered that it might not be appropriate to adopt a one-size-fits-all approach in dealing with the forfeited timber specimens and enquired whether different disposal plans could be formulated for different timber species. Besides, he pointed out that given the likelihood of more seizures of illegally imported / re-exported timber in the future, there should be a comprehensive and long-term policy concerning the disposal of forfeited timber in Hong Kong. In this connection, the discussion in this meeting should not be confined to the disposal of the currently forfeited timber specimens.

Mr Simon CHAN responded that it was acceptable to use different disposal methods to handle different timber species. The Department had all along been adopting disposal methods listed in the CITES guidelines to dispose of the forfeited timber specimens. He explained that the feasibility of disposal methods depended on the timber properties, timber condition and the volume confiscated. For example, the disposal of Agarwood was relatively easy because Agarwood could be used in a variety of applications and the volume of it being confiscated was normally not large. Also, forfeited lumber was easier to be disposed of because they were in the form ready for use. The Department had been in contact with other government departments and organisations to explore the possible non-commercial uses of these types of forfeited timber. However, he remarked that it was a challenging task to dispose of the over 1 000 tonnes of forfeited Violet Rosewood (*Dalbergia louvelii*) because the volume was very large and the wood of this timber species was hard to process. Moreover, Mr CHAN said that since more incidents of timber seizure were expected in the future, the Department would like to look for methods to deal with the accumulated forfeited timber in the long run.

A member understood that given the large volume of forfeited timber specimens, it was unlikely to dispose of all of them through non-commercial uses by government departments and organisations. But she considered that the forfeited timber specimens should be disposed of through this method as far as possible, and suggested exploring the possibilities of using them in the parks managed by the Leisure and Cultural Services Department and the adventure parks ran by non-governmental organisations (NGOs). If destruction of the forfeited timber specimens was inevitable, she recommended that instead of destroying them all at once, AFCD should identify some specimens for destruction and retain some of them for potential uses in accordance with the principles of the CITES guidelines.

49/17 <u>Mr Boris KWAN</u> indicated that some of the forfeited timber specimens were currently retained for some organisations for non-commercial uses. Besides, he explained that due to the large size and quantity, the forfeited timber specimens had to be processed before they could be dumped in landfill sites. Even if the ESAC agreed to dispose of them by

dumping in landfill sites, they could not be done at once. Furthermore, he emphasised that AFCD had been actively exploring possible non-commercial uses of the forfeited timber both within the Department and by other government departments and organisations, and destruction of the forfeited timber would only be considered when all other feasible options were exhausted.

A member enquired the cost of storing the forfeited timber specimens. As a member of an NGO, she was against the disposal of forfeited timber by destruction. In her opinion, the forfeited timber specimens were of value to some organisations in the society, for example NGOs and environmental groups could utilise them to construct pavilions and trails, and make benches, door plaques and souvenirs. It would be meaningful and educational to donate the timber specimens to these organisations for non-commercial uses, and at the same time, it could avoid waste production. As regards the security concern, she suggested the recipients of the specimens to avoid advertising extensively the use of the timber specimens and apply some measures to diminish the market value of such timber specimens in consultation with carpenters or joiners.

51/17 In response, Dr LEUNG Siu-fai, JP pointed out that the forfeited timber specimens currently occupied more than 50 cargo containers, some of which had already been stored in container storage areas for over two years. While the Department had been actively exploring opportunities to use the forfeited timber within the Department and by other government departments and organisations for purposes such as education, enforcement training and scientific research, only a small proportion of the timber could be disposed of through this way. Given the considerable cost of storage and likelihood of further accumulation of forfeited timber, the Department considered it necessary to explore other practical and effective disposal methods such as disposal by destruction. He said that similar to the disposal of forfeited ivory by incineration, subject to the agreement of ESAC, the Department would formulate a work plan for systematic disposal of the forfeited timber by dumping in landfill sites and consult EPD on a disposal schedule. He clarified that the forfeited timber would not be all destroyed at once and a certain amount of it would be retained for the aforementioned uses. Furthermore, he welcomed a member's suggestion of donating the timber to rebuild historic relics outside Hong Kong and said that the Department would explore whether it would be in accordance with the principles of the CITES guidelines.

A member mentioned that the renovation project for the Li Shizhen Memorial Hall in Mainland China which would commence in the near future required a lot of timber for construction. He suggested that the forfeited timber could be used to support that project.

53/17 A member was of the view that the problem of forfeited timber accumulation had to be tackled at source. Heavier penalties for illegal trading and smuggling of specimens of CITES-listed species were needed to provide a stronger deterrent against these activities. Besides, she had reservation about dumping the forfeited timber specimens in landfill sites, worrying that it might take a long time for them to get completely decomposed. Mr Simon <u>CHAN</u> responded that subject to passage of the Amendment Bill, the penalties for offences under the Ordinance would be increased, for example, the maximum fine and imprisonment term for indictable offences concerning Appendix I species would be increased to \$10,000,000 and ten years respectively. It was envisaged that the new penalties would provide a stronger deterrent against wildlife trafficking. Moreover, he said that AFCD and C&ED would strengthen enforcement actions against illegal trading in and smuggling of CITES-listed specimens. The increase in the number of timber species listed under CITES in recent years, on one hand, added to the enforcement workload of the two departments. But on the other hand, it resulted in the inclusion of whole genus in CITES which helped eliminate the arduous task of differentiating between the hundreds of species in the same genus that were listed and not listed in CITES and thus helped combat illegal trade. Dalbergia and Diospyros were two examples of inclusion of whole genus in CITES.

Dr Samuel CHUI said that from the perspective of EPD, dumping the forfeited timber specimens in landfill sites was not the most ideal disposal option and should be used only as a last resort, because such timber specimens would occupy landfill space. He suggested using other feasible disposal methods as far as possible and invited members to give views on the opportunities of using the timber specimens, for example, to make conference tables in government departments and district councils where the security concern was believed to be lower. Furthermore, he was of the view that before dumping the forfeited timber specimens in landfill sites, it would be preferable to notify NGOs and other organisations of the existence of these specimens in order that interested parties could approach AFCD to propose possible uses.

A member opined that it would be better to avoid using these valuable forfeited timber specimens to manufacture office furniture for government departments and district councils which was a sensitive issue and would involve the use of public funds. Another member shared the view and said that there would be fewer disputes if the forfeited timber specimens were used for making facilities that could be enjoyed by the general public, such as facilities in museums and the West Kowloon Cultural District.

In answering a member's enquiry, Mr Boris KWAN explained that there were two main limitations on the non-commercial uses of forfeited timber by government departments and organisations. Firstly, these non-commercial uses had to be carefully selected to avoid the specimens from re-entering the illegal trade market. Secondly, the properties and conditions of the timber specimens placed constraints on the possible uses. Forfeited lumber was the most usable. They could be used to manufacture park facilities through slight processing. He said that the largest quantity of the forfeited timber specimens was used in making benches in the landscaped area of the Government House. However, the Department estimated that only about 4% of the total forfeited timber could be disposed of through non-commercial uses, and thus considered it necessary to seek members' views on disposal of them by destruction.

Mr KWAN answered another enquiry from the member that donation of forfeited timber to organisations outside Hong Kong for non-commercial uses was one of the options that could be explored. However, this option might necessitate the government of the receiving country assisting to closely oversee the use of the donated specimens to avoid them from re-entering the illegal market and stimulating further illegal trade. He supplemented that some Parties to CITES also had the same difficulty in dealing with the accumulated forfeited timber. For example, Singapore had more accumulated forfeited timber than Hong Kong. It was also facing the challenge of having very few feasible disposal options.

58/17 <u>The Chairman</u> suggested AFCD to consider putting the forfeited timber up for sale by auction and setting up a registration system to forbid the resale and re-export of the sold timber.

59/17 In response to a member's suggestion of using forfeited timber to build artificial reefs, Mr Simon CHAN indicated that although the timber was dense enough to be the natural construction materials for artificial reefs, it was not durable that it would start to decay after around ten years of deployment under the water. Timber fragments breaking from the artificial reefs would float on the water surface and affect the marine safety. In addition, such usage would be subject to the regulation of the Foreshore and Sea-bed (Reclamations) Ordinance. Hence, it was considered not a feasible option.

(Professor ZHAO Zhong-zhen, M.H. left the meeting at this juncture.)

60/17 Ms Kitty POON said that C&ED had been working closely with AFCD in combating smuggling of endangered species and the two departments would continue

strengthening cooperation at various fronts. Regarding the disposal options, she said that C&ED had no strong views on it but only had concerns about the security / enforcement measures that AFCD and C&ED needed to take for preventing the concerned items be smuggled to other places. Besides, she informed members that the Government was planning to set up a Trade Single Window in Hong Kong which would introduce a new requirement for pre-shipment import and export declaration to replace the existing post-shipment requirement. This new arrangement would facilitate C&ED to conduct risk profiling and cargo selection before the arrival / departure of cargo, which could enhance C&ED's capability in combating the smuggling activities including the smuggling of endangered species. She invited members' support for the Trade Single Window proposal in Hong Kong.

61/17 A member considered that given the large quantity and the risk of further accumulation, destruction of forfeited timber was unavoidable.

Another member deemed that the forfeited timber were valuable and should be used to make art works for display in the Hong Kong Palace Museum under construction.

Dr LEUNG Siu-fai, JP thanked for members' views and suggestions. With regard to members' suggestions of using forfeited timber to make art works, he explained that such usage would only consume a very small proportion of the forfeited timber and there would still remain a large quantity of timber to handle. He said that the Department would study the disposal options suggested by members in this meeting, and in the meantime, provide more information to members so as to give them a better understanding of the various disposal options explored by the Department.

A member said that he was not against the destruction of forfeited timber but queried whether disposal of them by incineration was not a feasible option. In his opinion, if the timber was to be dumped in landfill sites, it would occupy much space of landfill for a long period of time. On the contrary, disposal by incineration had the benefit of destroying a large quantity of timber in a short period of time. In addition, he believed that modern incinerators had more advanced technology to control the emission of pollutants during the combustion process. Mr Boris KWAN explained that with reference to the experience of disposal of forfeited ivory, about 1.5 tonnes of forfeited ivory could be destroyed in each round of incineration. The Department currently kept a total of over 1 100 tonnes of forfeited timber specimens. If they were to be destroyed in the same way, it would require many rounds of incineration. Moreover, the timber specimens were required to be cut into small pieces for

incineration, but the cost of such processing was extremely high and there was only one identified contractor in Hong Kong which was capable of such processing. It implied that the processing time and cost prior to incineration would be an issue.

A member supported returning the forfeited timber to the State of export and opined that the State of export should bear the whole cost of storage and shipment of the forfeited timber. Mr Boris KWAN responded that returning the forfeited timber specimens to the State of export was a feasible option if the government stockpiles in the State of export were strictly managed to avoid the returned specimens from re-entering the illegal market. He said that the Department had considered this disposal option for the forfeited Violet Rosewood which was endemic to Madagascar. While the Government of Madagascar welcomed the return of the forfeited Violet Rosewood, CITES Secretariat did not support this option because the Government of Madagascar had inadequate measures to clamp down on the illegal timber trade.

In reply to a member's enquiry about the possibility of using the forfeited timber in country parks, Mr Boris KWAN said that the timber species used for building country parks facilities were different from those forfeited timber species. The workshops for manufacture and repair of country parks facilities under the Department did not have suitable tools for processing the forfeited timber species and there was only one identified contractor in Hong Kong which was capable of that. In addition, security would be a concern if these valuable timber species were used to build country park facilities.

67/17 After discussion, the Chairman asked AFCD to further study the suggestions of members.

III. Summary Progress Report of CITES Work (Committee Paper: CP/ESAC/6/2017)

68/17 Mr Timothy LAM and Ms Phoebe SZE briefed members on Committee Paper CP/ESAC/6/2017. Mr LAM furnished members with information about enforcement, licensing and disposal of seized specimens while Ms SZE briefed members on publicity and education, international and local liaison and meetings, as well as training courses conducted in 2017.

The Chairman said that on behalf of ESAC, he had attended the meeting of the Bills Committee on Protection of Endangered Species of Animals and Plants (Amendment) Bill 2017 held on 6 September 2017 to express support for the legislative proposal to phase out the local ivory trade.

70/17 Mr Raymond CHAN of C&ED informed members that C&ED had been adopting a risk management approach and intelligence-led approach to detect the illegal importation / exportation of prohibited articles including endangered species. A total of 406 smuggling cases involving endangered species were detected and items with total market value of about \$139 million were seized in 2017 (as at November 2017).

71/17 In response to <u>the Chairman</u>'s enquiry, <u>Mr Boris KWAN</u> said that AFCD possessed eight Quarantine Detector Dogs (QDDs) in service at present and was planning to increase the number.

[Post-meeting notes: There would be two more QDDs joining the team in February 2018.]

A member said that Hong Kong Professional Tourist Guides General Union (the Union) had been cooperating with AFCD and C&ED respectively, in providing training to familiarise tourist guides with the laws governing the importation and exportation of prohibited / controlled items by passengers, and there was additional training about the control of local ivory trade. She remarked that according to some tourist guides, there was a downward trend in tourists' demand for ivory. Concerning illegal trading and smuggling of specimens of CITES-listed species, she suggested inviting AFCD to give a talk in the Hong Kong International Travel Expo in the following year to publicise the licensing and trade control of CITES-listed species in Hong Kong.

In reply to the Chairman's enquiry, Mr Boris KWAN said that most timber species listed under CITES were included in Appendix II. It was possible for tourists to legally acquire articles produced from timber species of Appendix II in the market at present. These articles, which were legally acquired, might be treated as part of the "personal or household effects" of a person if they were worn or carried by the person or included in his personal baggage when they were being imported, exported or re-exported. The import, export or re-export of these articles as part of the personal or household effects were exempted from licensing requirements. He reminded members that the definition of "personal or household effects" might be different in different countries.

(Ms Kitty POON left the meeting at this juncture.)

IV. Serving the Community - Service Standards Committee 43rd Monitoring Report

(Committee Paper : CP/ESAC/7/2017)

74/17 <u>Dr Azaria WONG</u> briefed members on the performance results with respect to the services/applications on the licensing of endangered animals and plants during the period from 1 October 2016 to 30 June 2017 (Committee Paper CP/ESAC/7/2017).

75/17 Mr Boris KWAN answered to the Chairman's enquiry that not all of the CITES Licences / Certificate could generate sufficient revenue to cover the cost. The Department was reviewing the prescribed fees for the CITES Licence / Certificate and would consult the Committee if it was proposed to adjust the fees.

V. Any Other Business

76/17 Members did not raise any other business for discussion.

VI. Date of Next Meeting

77/17 <u>The Chairman</u> said that members would be informed of the date of next meeting in due course.

78/17 The meeting was adjourned at 12:00 noon.