Endangered Species Advisory Committee (ESAC) Minutes of Meeting

Date : 22 February 2019 (Friday)

Time : 2:30 p.m.

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

Present

<u>Chairman</u>

Professor SHAW Pang-chui

Members

Mr CHANG Kin-ming, Ken Dr CHEUNG Siu-gin Ms CHIANG Mei-ling Ms CHIU Yuk-lin, Colleen Dr LAU Tai-wai, David Mr LEUNG Lak-kee, Ricky Dr MA Kwan-ki, Xoni Dr SUNG Yik-hei Ms TANG Mui-fun, Karen Mr WONG Yin-shun, Matthew Dr LEUNG Siu-fai, JP Director of Agriculture, Fisheries and Conservation Mr CHAN Kin-fung, Simon Assistant Director of Agriculture, Fisheries and Conservation (Conservation) Assistant Director (Nature Conservation), Ms Daisy LO Environmental Protection Department (EPD) Assistant Commissioner of Customs and Excise Mr CHAN Tsz-tat (Boundary and Ports), Customs and Excise Department (C&ED)

<u>Secretary</u>

Ms Phyllis CHANAssistant Secretary (Boards)1, AFCDIn AttendanceAFCDMr Boris KWANSenior Endangered Species Protection OfficerMr Timothy LAMEndangered Species Protection Officer (Enforcement)Dr Azaria WONGEndangered Species Protection Officer (Licensing)1Dr Edward LAUEndangered Species Protection Officer (Licensing)2Dr Flora LEUNGEndangered Species Protection Officer (Inspection)

<u>C&ED</u>

Mr YUENG Ka-yan	Head of Ports and Maritime Command
Ms Aubrey AU	Head of Ports Control Group

Absent with Apologies

Professor SO Wing-mui, Winnie

Ms TSANG Wing-wing

OPENING REMARKS

1/19 <u>The Chairman</u> welcomed all members to the first meeting of the new term.

2/19 <u>The Chairman</u> introduced members and government representatives to each other. He also took the opportunity to thank the retired members, Ms CHAN Chiu-ling, Ophelia, B.B.S., Mr CHAN Wing-suen, Mr CHEUNG Chi-wah, Ms WONG Siu-ling, Gabriella, M.H., Ms YU Li-hua and Professor ZHAO Zhong-zhen, M.H. for their contribution to the Committee in the past years.

3/19 <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. Declaration of Interests and Transparency Measures

4/19 <u>Mr Boris KWAN</u> briefed members on the guidelines on declaration of interests and transparency measures.

5/19 Members noted the guidelines on declaration of interests and transparency measures.

II. Matters Arising from the Last Meeting held on 11 December 2017

(a) <u>Disposal of Timber Forfeited under the Protection of Endangered Species of</u> <u>Animals and Plants Ordinance, Cap. 586 (Para. 44/17 to 67/17)</u>

6/19 <u>Dr Flora LEUNG</u> informed members that over 1,340 tonnes of illegally imported / re-exported timber, including Thailand rosewood (*Dalbergia cochinchinensis*), Agarwood (*Aquilaria* spp.), North Indian rosewood (*Dalbergia sissoo*), Yucatan rosewood (*Dalbergia tucurensis*), Honduras rosewood (*Dalbergia stevensonii*), Red sandalwood (*Pterocarpus santalinus*) and Malagasy rosewood (*Dalbergia louvelii*), were seized and kept under the custody of the Agriculture, Fisheries and Conservation Department (AFCD) at present. Due to the large size and quantity, they were temporarily stored in container storage areas. While AFCD would stay alert to smuggling activities involving timber species, more incidents of timber seizure in form of wood logs were expected as the number of timber species listed under the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) had been increasing in recent years. Given the considerable cost of storage and likelihood of further accumulation of forfeited timber, AFCD took the view that the forfeited timber specimens should be disposed of quickly. 7/19 <u>Dr Flora LEUNG</u> said that AFCD had been actively exploring ways of disposal in accordance with the principles of the relevant CITES guidelines. AFCD had already approached a total of 82 potential parties (including different government departments, tertiary institutions and charity organisations) to explore the possibility of non-commercial uses, such as construction, facility upgrading, landscape design, education and scientific research. Despite these efforts, only 62 tonnes of timber (i.e. approximately 6% of the total forfeited timber) were donated for non-commercial uses between November 2017 and January 2019. She provided members with the details of the non-commercial uses by the above-mentioned parties. <u>Dr LEUNG</u> pointed out that the accumulation of confiscated timber was quicker than the disposal, resulting in an overall increase in stock. Given the storage problem, destruction of the forfeited timber specimens would be inevitable when all other feasible disposal options were exhausted.

8/19 <u>The Chairman</u> noted from Dr LEUNG's presentation that AFCD was currently discussing with the State Forestry and Grassland Administration of Mainland China on the opportunity of using the forfeited timber specimens in heritage restoration in the Palace Museum, Beijing. He enquired the probability of success in donating the forfeited timber to the Palace Museum. <u>Mr Boris KWAN</u> indicated that AFCD was still in negotiation with the State Forestry and Grassland Administration and the Palace Museum on the issue. Heritage restoration was one of the important tasks of the Palace Museum and it required a lot of timber for restoring buildings, furniture and antiques. In addition, the species of timber it needed matched those of the forfeited timber in Hong Kong. Therefore, the proposed uses of the Palace Museum seemed to be the most appropriate uses of the forfeited timber.

9/19 A member asked whether AFCD had any information about the amount of forfeited timber in the Mainland. He believed that if the Mainland already had a large amount of forfeited timber awaiting disposal, the likelihood of the Palace Museum agreeing to receive the forfeited timber from Hong Kong was small. Besides, he also asked about the comparison between the destruction and storage costs. <u>Mr Boris KWAN</u> responded to the first question that AFCD had no information about the figures of forfeited timber in China. As regards the second question, he said that disposal of forfeited timber by destruction had been discussed in the last meeting. Dumping in landfill site could dispose of a large quantity of forfeited timber in a relatively short period of time. This method would also incur a significant cost because the timber specimens had to be processed and cut into smaller pieces before they could be dumped in landfill sites. However, in view of the likelihood of further accumulation of forfeited timber, the overall recurrent cost of storage would be more considerable if AFCD continued to keep the

timber specimens. Moreover, <u>Mr KWAN</u> said that the Department had been trying hard to explore possible non-commercial uses of forfeited timber by government departments, tertiary institutions and charity organisations since the last meeting. As some parties had taken some timber specimens for non-commercial uses already, there would only be fewer opportunities of usage in the future. In this connection, he invited members to give views on whether disposal of the forfeited timber by destruction was acceptable when all other feasible disposal options had been exhausted.

10/19 A member considered that destroying the forfeited timber was not appropriate, and carbon dioxide emission resulted from the timber destruction process would likely be a public concern. <u>Mr Boris KWAN</u> replied that EPD advised that incineration of timber was not suitable in view of the large quantity of carbon dioxide emitted during the combustion process. In this regard, dumping in landfill sites would be the only feasible destruction method. He also clarified that the Department's current approach was to identify non-commercial uses as far as possible, and disposal of the forfeited timber by dumping in landfill sites would be considered as the last resort.

11/19 Another member was of the view that Hong Kong was too small to be capable of using up such large quantity of forfeited timber. To avoid wasting these valuable natural resources, she suggested AFCD to consider donating them to Mainland China to support their construction and renovation projects related to tourism and cultural development. In response, <u>Mr Boris KWAN</u> indicated that donating the forfeited timber to Mainland China was exactly the approach AFCD was trying. The Endangered Species Import and Export Management Office of Mainland China had helped put AFCD in contact with different organisations for discussion on the opportunity of using the forfeited timber specimens forfeited in Hong Kong. The office had also promoted the aforesaid discussion with the Palace Museum in Beijing.

12/19 A member also supported the approach of donating the forfeited timber to Mainland China, and he considered that it would be ideal if they could be donated to support the restoration work of the Palace Museum in Beijing. Nevertheless, he also pointed out that since the uses of the forfeited timber should follow the principles of the relevant CITES guidelines, AFCD would inevitably have to dispose of the timber through other methods in the long run. In his opinion, if some of the forfeited timber specimens had a very low chance of usage and would most likely end up in landfill after a few years, AFCD should consider dumping them earlier in order to save the storage and management costs. 13/19 Another member suggested using the forfeited timber to build country park facilities, such as boardwalks and bird hides. Besides, noting that one of the major factors affecting the feasibility of using or donating the forfeited timber was security, he advised AFCD to consider embedding radio-frequency identification (RFID) chips in the timber specimens to make them identifiable. It would help deter people from stealing or smuggling the timber specimens to other places, thereby lowering the security concern on using or donating them.

14/19 A member asked (1) whether donating the forfeited timber to Mainland China was in accordance with the CITES guidelines; and (2) whether AFCD had set any threshold level for the timber stock in Hong Kong. <u>Mr Boris KWAN</u> answered to the first question that re-export of the forfeited timber to Mainland China would be in accordance with the CITES guidelines if there was no chance for the timber to re-enter the commercial market and further stimulate illegal trade. In response to the second question, <u>Mr KWAN</u> indicated that no threshold was set for the stock of forfeited timber.

15/19 A member suggested that apart from the Palace Museum in Beijing, AFCD could also donate the forfeited timber to the Hong Kong Palace Museum and other museums in Mainland China which needed timber for expansion or redevelopment. The Antiquities and Monuments Office might also welcome the donation of timber for restoration of monuments and historical buildings in Hong Kong. <u>Mr Boris KWAN</u> responded that AFCD would continue to explore these opportunities.

16/19 Viewing that AFCD was carrying out a series of hiking trail improvement work in country parks, a member suggested AFCD to make use of the forfeited timber to build or repair the hiking trails and the associated facilities. He believed that it would not only help consume part of the forfeited timber stock but also educate the hiking trail users about the issue of illegal timber trade. Moreover, noting that Singapore was also facing the challenge of accumulation of forfeited timber, the member advised that Hong Kong and Singapore could consider raising the issue at the meeting of the Conference of the Parties for discussion with other Parties, with a view to coming up with a solution to the problem. The member also asked if AFCD had any disposal timetable.

17/19 In response to the above comments, <u>Mr Boris KWAN</u> explained the security concern of using the forfeited timber in the countryside. He said that the forfeited timber species were valuable and while they were mainly used for manufacturing furniture, smaller

pieces could also be used for making wooden beads of jewelleries. If these valuable timber specimens were used to build hiking trails, there might be chances of people stealing them for profit making, and hence stimulated illegal activities. Regarding the suggestion of raising the issue for discussion at the meeting of the Conference of the Parties, <u>Mr KWAN</u> indicated that the significant seizures of timber in Hong Kong and Singapore were well known by the Parties. He had attended the meetings before and communicated with a few representatives of other Parties to see if their countries would like to receive the forfeited timber from Hong Kong. Unfortunately, no country had expressed interest. Regarding disposal timetable, he said that when all other feasible options were exhausted and destruction of the forfeited timber became inevitable, AFCD would formulate a work plan for systematic disposal of the forfeited timber and consult ESAC members.

18/19 A member suggested that the Government could set up a factory and use the forfeited timber to manufacture furnitures for donation to charity organisations or grass-roots families. <u>Mr Boris KWAN</u> responded that AFCD adopted an open attitude with regard to the various potential uses of the forfeited timber as long as such uses would not create chances for the timber to re-enter the commercial market and further stimulate illegal trade. He also took red sandalwood furniture as an example to point out that some wooden furniture had very high market value. If the forfeited timber were used to manufacture furnitures for donation, security would be a major concern.

19/19 In response to a member's question, <u>Mr Boris KWAN</u> said that there was an upward trend of timber seizure due to the increase in the number of timber species listed under CITES in recent years.

III. Progress on the Implementation of the Protection of Endangered Species of Animals and Plants (Amendment) Ordinance 2018 (Committee Paper: CP/ESAC/1/2019)

20/19 <u>Mr Boris KWAN</u> briefed members on the progress on the implementation of the Protection of Endangered Species of Animals and Plants (Amendment) Ordinance 2018 ("the Amendment Ordinance") (Committee Paper CP/ESAC/1/2019).

21/19 In response to a member's enquiry, <u>Mr KWAN</u> elaborated the differences between summary offences and indictable offences. Summary offences represented the less serious offences and were usually tried in Magistrates' Courts. Indictable offences were more serious offences with heavier penalty and might be escalated to courts of a higher level for trial, for example, District Court. Besides, the time limit for initiating prosecution of a summary offence was within 6 months of committing the offence, whereas there was no time limit for an indictable offence.

22/19 A member enquired whether there was any prosecution case where the accused persons did not plead guilty and what their defences were. <u>Mr KWAN</u> replied that as at 22 February 2019, 17 cases were tried or would be tried at the District Court. All the offenders in the tried cases had pleaded guilty.

In response to the Chairman's question, <u>Mr KWAN</u> indicated that the number of prosecution cases involving the smuggling of or illegal trade in ivory had declined since the commencement of the Amendment Ordinance on 1 May 2018. However, the decline might be caused by many factors, so a longer period of observation would be needed to validate the relationship between the decline and the increase in penalties. AFCD would continue to closely monitor the implementation of the Amendment Ordinance.

IV. Summary Progress Report of CITES Work (Committee Paper: CP/ESAC/2/2019)

24/19 <u>Mr Timothy LAM</u> briefed members on Committee Paper CP/ESAC/2/2019.

25/19 According to the Committee Paper, the number of Export/ Re-export Licences issued was 20 648 while the number of Import Licences issued was 479 during the reporting period (1 October 2017 – 31 December 2018). A member asked why there was such a big difference in number. <u>Mr Boris KWAN</u> explained that the export/ re-export of species listed in Appendix II to Hong Kong required a valid CITES Export Permit/ Re-export Certificate from the CITES Management Authority of the previous exporting place, but an Import Licence issued by AFCD was not necessary for these species if they were not live specimen from wild origin. If anyone would like to re-export Licence from AFCD. Since Hong Kong was mostly a transit point for the trade in Appendix-II species, the number of Re-export Licences issued by AFCD was quite significant. He added that Hong Kong had stricter regulations than CITES required with regard to the import of endangered species of animals and plants. If anyone would like to import wild animals and plants that were alive and from wild origin, even if it was an Appendix-II species, an Import Licence issued by AFCD was required.

26/19According to the Committee Paper, the number of investigations and seizures during the reporting period increased significantly as compared to the same period last year, but the number of prosecutions just slightly increased. A member asked why there was such a contrast and whether AFCD expected that the number of prosecutions would increase this year due to the implementation of the Amendment Ordinance. Mr Timothy LAM responded that the significant increase in the number of investigations and seizures during the reporting period was a manifestation of the efforts of C&ED and other law enforcement departments in combatting the smuggling of and illegal trade in endangered species. Besides, he indicated that the increased seizure number was also the result of more travellers bringing endangered species into or out of Hong Kong without a licence. Regarding the relatively slight increase in the number of prosecutions, Mr LAM explained that a successful prosecution hinged on the availability of sufficient evidence. The lack of sufficient evidence or failure to locate/ contact the owner might result in no prosecution of the cases. In addition, for more serious cases under the Ordinance, it took time to escalate the cases to District Court for trial. All these factors would affect the number of prosecutions, and hence AFCD could not estimate the number of prosecutions this year. Nevertheless, he assured that AFCD and C&ED would continue to work closely and step up their enforcement in combating illegal trade in endangered species.

27/19 In answering a member's enquiry about the current situation of illegal felling of incense tree in Hong Kong, <u>Mr CHAN Kin-fung, Simon</u> responded that AFCD had introduced the Incense Tree Species Action Plan last year to put in place a series of conservation measures with a view to ensuring the long-term viability of the local incense trees. First of all, AFCD established a special task force to step up patrols in the countryside and enforcement against illegal felling of incense tree. In addition, the Department installed tree guards and surveillance devices to protect large mature incense trees which were often the targets of poachers. The surveillance devices, which would capture human activities near the incense trees and transmit instant pictures to the control centre, facilitated the gathering of crime evidence and ensured swift enforcement of AFCD and the Hong Kong Police Force (the Police) against illegal felling activities. Besides, C&ED and AFCD also worked in tandem to combat smuggling of incense tree. With all these enhanced efforts, illegal felling of incense tree had become less rampant.

28/19 In response to a follow-up question from the above member, <u>Mr CHAN</u> said that AFCD was also aware of illegal harvesting of other species in the countryside, such as *Smilax glabra* (土茯苓), *Cibotium barometz* (金毛狗) and sea urchins (海膽), and had stepped up patrol in the country and marine parks with a view to deterring this illegal activity. A member suggested that AFCD could discourage illegal harvesting through education and publicity.

First of all, AFCD could educate the public that it was dangerous to consume wild species harvested from the countryside because they might be poisonous or contain impurities harmful to health. Secondly, AFCD could strengthen the publicity of the regulations on exploitation of wild animals and plants.

[Post-meeting note: A member asked for the number of prosecutions of illegal harvesting. He was advised after the meeting that the number of prosecutions in relation to illegal harvest of fauna and flora in 2018 was 69.]

29/19 In response to a member's question, <u>Mr Timothy LAM</u> elaborated the meaning of local inspection and investigation mentioned in the Committee Paper. He said that AFCD had regularly inspected shops having the Licence to Possess specimens of CITES-listed species and shops which potentially possess and sell these specimens, for example, arts and craft shops and dried seafood shops. If irregularities were detected during the inspection, such as non-compliance with the licensing conditions, or selling of endangered species without the required Licence to Possess, the cases would be followed up with enforcement actions. He supplemented that among the investigation cases during the reporting period, most of them were illegal import/ export cases involving endangered species referred to the Department by C&ED.

30/19 In answering the enquries from the Chairman and a member, <u>Mr Boris KWAN</u> indicated that AFCD had eleven Quarantine Detector Dogs (QDDs) at present. They were deployed at boundary control points to detect illegal importation of live animals and animal products, including specimens of endangered species.

V. Education and Publicity (Committee Paper : CP/ESAC/3/2019)

31/19 <u>Dr Edward LAU</u> briefed members on the education and publicity plan for 2019 (Committee Paper CP/ESAC/3/2019).

32/19 A member suggested that AFCD could study the profile of cross-boundary travellers who were commonly intercepted for importing/ exporting endangered animals and plants without a licence or permit, and then carry out targeted education and publicity. For example, if it was found that many housewives were intercepted for importing/ exporting

endangered animals and plants without a licence or permit, AFCD could provide talks and exhibitions in housing estates to give them knowledge of the control on import and export of endangered species in Hong Kong.

<u>Mr CHAN Tsz-tat</u> of C&ED concurred with the suggestion of having more targeted education and publicity. He said that many travellers returning from Mainland China brought orchids into Hong Kong without a licence around Chinese New Year. AFCD could consider strengthening the publicity at the flower shops and stalls near the boundary control points, in cooperation with the relevant authorities in Mainland China. Besides, many visitors to Hong Kong would purchase American Ginseng for personal use or as souvenirs. American Ginseng was an Appendix-II species and the export of which was subject to the control of the Ordinance. AFCD should promote the licensing requirements for the export of American Ginseng from Hong Kong at local Chinese medicine shops.

34/19 A member noted that in the past four years, AFCD had delivered more than 300 guided visits at the Endangered Species Resource Centre (ESRC) to over 12,000 students from schools and universities each year. He commended AFCD for having reached out to so many students, and proposed that AFCD could invite the students to help spread the messages on the protection of endangered species to their parents and neighbours after visiting ESRC.

35/19 Another member considered that AFCD's website was an important channel to disseminate messages about the protection of endangered species to the general public. In this regard, he recommended AFCD to improve the organisation of the relevant information on the website to make it more user-friendly and put in the common examples of non-compliance with the Ordinance and the associated penalties for the public's attention. He also advised that the website should be regularly updated with the latest news relating to the protection of endangered species.

36/19 <u>Mr Boris KWAN</u> thanked members for their comments and suggestions. In response to the comments on targeted education and publicity, he indicated that the series of education and publicity activities planned for 2019 were aiming at different target groups. For example, the series of advertisements to be broadcasted at six Shenzhen immigration control points from January to May 2019 was targeted at cross-boundary travellers, and it consisted of three themes which corresponded to some of the most commonly intercepted items, i.e. live orchids, traditional Chinese medicine and ivory. Besides, he said that AFCD was more than happy to provide talks to target groups, such as housewives, to enhance their knowledge of the

control on import and export of endangered species in Hong Kong. The Department would also explore the possibility of cooperation with the Endangered Species Import and Export Management Office in Mainland China in strengthening the publicity of the licensing control of endangered species, particularly during Chinese New Year. As regards the comment on AFCD's website, <u>Mr KWAN</u> said that they would review and improve the website as appropriate. He also pointed out that the CITES regulations on import, export, re-export or possession of endangered species were complicated. Taking into account the complexity of the information, they tended to keep the education and publicity materials simple and readily understandable. If members of the public had any queries about the CITES regulations, they could contact AFCD.

VI. Serving the Community - Service Standards Committee 44th Monitoring Report (Committee Paper : CP/ESAC/4/2019)

37/19 <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 July 2017 to 30 September 2018 (Committee Paper CP/ESAC/4/2019).

38/19 A member remarked that he had reported cases of suspected non-compliance with the Ordinance to AFCD before but had never received any information on the investigation progress. In his opinion, keeping the informer informed of the investigation progress was crucial for encouraging him/ her to continue to provide information on suspected illegal import, export and possession of endangered species to AFCD. <u>Mr Timothy LAM</u> responded that AFCD would initiate follow-up actions after receiving information or intelligence of suspected illegal import, export and possession of endangered species. Although the Department could not disclose the details of investigation to the informer during the process, they could inform them of the investigation status and result upon request.

39/19 In answering a member's question, <u>Mr Boris KWAN</u> said that enforcement of the Ordinance was carried out by AFCD, C&ED and the Police. AFCD encouraged members of the public to provide information on suspected illegal import, export and possession of endangered species to the Department. They could report such information to the Department through the Report Hotline: 2150 6978. In case of urgency, they should dial 999 to contact the Police. 40/19 <u>Mr CHAN Tsz-tat</u> supplemented that members of the public could report any suspected smuggling activities to the Customs 24-hour hotline 2545 6182 or its dedicated crime-reporting email account (crimereport@customs.gov.hk). He also answered a member's enquiry that C&ED was responsible for preventing importation and exportation of articles that were prohibited by law, and their investigation and enforcement actions were not confined to the control points. If a member of the public reported to C&ED a suspected case of import of endangered species without a valid licence, C&ED would initiate investigation based on the reported information. If it was found that the case did not involve any illegal import/ export, C&ED would refer it to AFCD for follow-up actions.

VII. Any Other Business

41/19 A member would like to know the current control on the online trade in endangered species. <u>Mr Boris KWAN</u> replied that the online trade in endangered species was also subject to the licensing requirements under the Ordinance. AFCD was aware that some endangered species were available for sale online, and the Department had specific inspection and investigation methods for this kind of trade.

42/19 <u>Mr Boris KWAN</u> informed members that the Licences/ Certificate under the Ordinance, for example, Import Licence, Export Licence, Re-export Licence, Possession Licence, Re-export Certificate, etc., were fee items. These fee items would be reviewed and adjusted from time to time in accordance with the Government's fees and charges policy in order to maintain a fee level conducive to achieving full-cost recovery. At present, the cost recovery rate of the Licences/ Certificate was between 9 to 81.5%. In other words, the prescribed fees for the Licences/ Certificate could not fully cover the cost. In this regard, AFCD was reviewing the prescribed fees for the Licence / Certificate and would consult ESAC on the proposed adjustments to the fees either at a meeting or by circulation of paper.

In response to the enquiries from the Chairman and a member, <u>Mr KWAN</u> said that the previous fee adjustments took place in 2006 when the Animals and Plants (Protection of Endangered Species) Ordinance (Cap. 187) was repealed and replaced by the Protection of Endangered Species of Animals and Plants Ordinance (Cap. 586). He also clarified that it was not compulsory for the fees to be adjusted every year to keep up with the prevailing cost level. Nevertheless, when the cost recovery rate of the fees became very low, the Department would begin to consider reviewing and adjusting the fee level.

VIII. Date of Next Meeting

44/19 <u>The Chairman</u> said that members would be informed of the date of next meeting in due course.

45/19 The meeting was adjourned at 4:56 p.m.

- End –