## **Notes to Applicant for Marine Fish Culture Licence (Business Expansion)**

- 1. During the application period, existing licensee may apply for business expansion of their licence in Yung Shue Au, O Pui Tong or Ma Nam Wat Fish Culture Zones (FCZs). Interested licensees should approach the Fisheries Enforcement and Special Projects Division by telephone (2150 7109), fax (2314 2866) or email (fish\_lic\_enf@afcd.gov.hk) and check if the proposed mariculture area (i) can be feasibly accommodated in the respective Fish Culture Zones (FCZs) (i.e. either Yung Shue Au, O Pui Tong or Ma Nam Wat FCZs), (ii) can be articulated to the existing raft(s) of the applicant and (iii) will not be objected by the licensees in the vicinity of the proposed mariculture area.
- 2. After the Team leaders checked and confirmed the proposed mariculture area can be (i) feasibly accommodated in concerned FCZs, and (ii) articulated to the existing raft(s) of the applicant, and (iii) will not be objected by the licensees in the vicinity of proposed mariculture area, the applicant can request for an application form for business expansion from the Fisheries Enforcement and Special Projects Division by phone, fax or email as described above.
- 3. Applicants are required to submit the following documents:
  - (a) A completed application form signed by the applicant If the applicant is an incorporated company, the application form shall be signed by the director or the authorised person of the company and stamped with the company chop;
  - (b) A photocopy of the applicant's identity document For individuals: Hong Kong Identity Card or Passport; for incoporated companies: Hong Kong Business Registration Certificate, a certified copy of the Certificate of Incorporation of the company and a certified copy of its latest Annual Return;
  - (c) A photocopy of the Hong Kong Identity Card or Passport of the authorised person (if applicable);
  - (d) An authorisation letter signed by the applicant (if applicable) If an incorporated company authorises a person otherwise than a director to handle and sign the application form, the company shall provide a certified copy of the board resolution showing the authorisation made. Such board resolution shall be signed by director(s) of the company and stamped with the company chop;
  - (e) A photocopy of the proof of address of the applicant For example: a bill or a bank statement, the issue date of which is not more than 3 months from the date of application; and
  - (f) A business plan The applicant is required to provide a business plan in support of the application. The business plan shall include information listed in Appendix I and show clearly how the proposed mariculture business could achieve sustainable development of mariculture. The Agriculture, Fisheries and Conservation Department ("AFCD") will evaluate the applications according to the "Marking Scheme for Evaluating Applications for Business Expansion" set out in Appendix II. Successful applicants shall conduct mariculture in accordance with the submitted business plan.
- 4. Applicant must submit the documents listed in point (3) above by email (fish\_lic\_enf@afcd.gov.hk), by post (with an envelope marked Marine Fish Culture Licence Application, the Fisheries Enforcement and Special Project Division, Agriculture, Fisheries and Conservation Department, 8/F Cheung Sha Wan Government Offices, 303 Cheung Sha Wan Road) or via the drop-in boxes placed at G/F, Cheung Shan Wan Government Offices from 9 a.m. to 5 p.m. from Monday to Friday (with an envelope marked Marine Fish Culture Licence Application, the Fisheries Enforcement and Special Project Division, Agriculture, Fisheries and Conservation Department).
- 5. AFCD will not consider applications from the following person: 1) whose business has been affected by marine works projects in Hong Kong waters and has been granted ex-gratia allowance to cease his business for good at the Fish Culture Zone ("FCZ") in respect of which the application has been made; and who has undertaken that he/she will not apply to the Director of Agriculture, Fisheries and Conservation ("DAFC") for new marine fish culture licence ("the licence") at the FCZ in respect of which the application has been made. If the company director or shareholder of the incorporated company is the abovenamed person, the company application will not be considered; or 2) whose marine fish culture licence was cancelled within the past five years due to contravention of the Marine Fish Culture Ordinance, Marine Fish Culture Regulation and/or the conditions of the licence. If the company director or shareholder of the incorporated company is the abovenamed person, the company application will not be considered; or 3) whose business plan involving recreational fishing activities and/or seafood trade activities will not be considered; or 4) who proposed a mariculture area for business expansion cannot be feasibly accommodated in the respective FCZs; or cannot be articulated to the existing raft(s); or has been objected by the licensees in the vicinity of proposed mariculture area.

- 6. AFCD will rank the applicants' business plans<sup>1</sup>, mariculture representatives will be invited to give comments on the business plans. New licences will be issued to applicants whose passing business plan scores the highest in their respective FCZs.
- 7. Licensable area in the respective FCZs is provided as below. Applicant can contact the Fisheries Enforcement and Special Projects Division by telephone (2150 7109), fax (2314 2866) or email (fish\_lic\_enf@afcd.gov.hk) to obtain an updated master plan of the respective FCZ.

Fish C	ulture Zones	Existing licensable area (sq m.)
Business Expansion (capped at 400 sq m)*	1) Yung Shue Au	1,897
	2) O Pui Tong	752
	3) Ma Nam Wat	766

<sup>\*</sup> Licensable area for each applicant of existing licensee is capped at 400 sq m. The proposed mariculture area should be feasibly accommodated in the respective FCZ and articulated to the existing raft(s) of the applicant.

- 8. AFCD may request applicant to provide additional information for processing their application. Failure to provide the additional information may result in the application being rejected by AFCD.
- 9. Each successful applicant will be granted a licence. The licence is valid for one year according to the Marine Fish Culture Regulation. Application for renewal of licence shall be made not later than one month before the expiry of the licence.
- 10. A "5-year operation period" shall apply to the new licence. The new licensee shall, six months prior to the expiry of the 5-year operation period, apply to continue his business according to the original business plan or a new business plan, failing to comply will result in non-renewal of licence after the 5-year operation period.
- 11. If the successful applicant has already possessed a new licence issued from the first round of new marine fish culture licence application in 2020, operation period of the new licence obtained from this round of application will be the same as the new licence obtained in 2020.
- 12. DAFC may impose any condition on the new licence to ensure that the operation of the farm will be consistent with the intended purpose. Failing to comply with the licensing conditions may result in cancellation of the licence.
- 13. Applicant must not offer any advantages to government officials.
- 14. No fee is payable for obtaining or submitting an application form.
- 15. In accordance with Marine Fish Culture (Amendment) Regulation 2020, no fee is payable for the grant of Marine Fish Culture Licence if the Licence granted takes effect within the period from 1 October 2020 to 30 September 2021.

<sup>&</sup>lt;sup>1</sup> The applicant's business plan must score at least 50% in any assessment criterion to pass the assessment. Only the application with a business plans passing the assessment will be considered.

## **Business Plan**

The business plan submitted by the applicant should include:

- > Sustainable development of aquaculture
  - cultured species
  - target production
  - market demand and anticipated profit of cultured species
  - biological factors of cultured species such as fry source, growth rate, disease resilience etc.
- > Production feasibility
  - types, structure, materials, design and layout of the fish culture farm
  - schedule of implementation, including culture period, feeding rate and weight, harvest tactics
  - strategies to reduce loss due to oxygen depletion, winter kill, parasites, disease, predators and cannibalism etc.
  - strategies to improve quality of fish products and to control food safety
  - fish products sales strategies
- > Environmental sustainability
  - the use of feed and feed additives
  - monitoring of water quality and environment in vicinity
  - hygiene and quarantine measures, the use of drugs and antimicrobial resistance monitoring
- > Management capability
  - roles, tasks and involvement of production team
  - equipment, technology and management for daily operation
  - fish farm operation log
- > Others
  - qualifications of production team and other documents to support the experience in fish culture
  - financial budget
  - existing business operation (applicable to marine fish culture licensee)

## Marking Scheme for Evaluating Business Plan in relation to Applications for Marine Fish Culture Licence (Business Expansion)

Assessment Criteria	Assessment Item	Basis of Assessment
Sustainable development of aquaculture (Maximum score: 20)	Scale of production	A business plan scores higher if the proposed target production is reasonable; if the plan can describe how a full culture cycle will be completed, how target production can be achieved within the 5-year operation period and the stocking density at different operation stages (e.g. initial stocking density).
	Market of cultured species	Local, new species scores higher.
	Biological factors of cultured species	Fry from reputable suppliers or with health certificates from origin scores higher.
Production feasibility (Maximum score: 30)	Types, structure and materials of fish culture farm	An HDPE fish farm with design against wave attack, effective utilisation of culture area and reasonable layout for culture scores higher.
	Schedule of implementation	A business plan depicting the culture method, including technical aspects such as stocking time, stocking weight/number, feed rate and weight, and harvest strategy scores higher.
	Measures in preventing production loss problems	A business plan demonstrating proactive management strategies in minimising risk of production loss due to oxygen depletion, winter kill, parasites, disease, predators, cannibalism etc. scores higher.
	Food safety strategies	A business plan implementing a biosecurity plan scores higher.
	Fish product sales strategies	A business plan providing proactive, innovative and diverse strategies for sales of fish products scores higher.

Environmental sustainability (Maximum score: 25)	Use of feed and feed additives	A business plan using dry pellets wherever possible and with reduced use of trash fish scores higher.
	Monitoring of water quality and environment in vicinity	A business plan depicting operation management and monitoring measures to maintain a good mariculture environment scores higher.
	Health quarantine measures, use of drugs and monitoring against antimicrobial resistance	A business plan implementing good aquaculture practices and maintain proper record and storage of antibiotics using the "antibiotics storage and usage log" scores higher.
Technical and management capability (Maximum score: 25)	Experience in mariculture*	Operator with ample working experience in aquaculture; adequate academic or technical capabilities in aquaculture production scores higher.
	Role and duties of production team	A business plan hiring full time staff with experience in aquaculture and specifying roles and responsibilities of members of the production team scores higher.
	Equipment, technology and management for daily operation	A business plan adopting new technologies and equipment which enables environmentally friendly, efficient and economic aquaculture production and demonstrating proactive management strategies in managing culture operation record scores higher.
	Past violation records	Applicant without violations on the Marine Fish Culture Ordinance, Marine Fish Culture Regulation and/or the conditions of the licence in the past five year scores higher.

Remarks: An additional 10 points will be awarded to an applicant if the applicant was a licensee in Yung Shue Au, O Pui Tong or Ma Nam Wat FCZs on or before 27 April 2021.