



USDA Foreign Agricultural Service

GAIN Report

Global Agriculture Information Network

Template Version 2.09

Voluntary Report - public distribution

Date: 3/23/2005

GAIN Report Number: HK5010

Hong Kong

Livestock and Products

Comprehensive Plan to Reduce the Risk of Avian Influenza Outbreak

2005

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Report Highlights:

The Hong Kong government has drawn up a comprehensive plan to reduce the risk of an avian influenza outbreak. The plan has just been submitted to the Legislative Council for discussion. The suggested measures include; (1) reduce live poultry population in Hong Kong complemented by a voluntary surrender scheme for live poultry farmers and wholesalers, (2) adopt regional slaughtering of live poultry, (3) terminate live poultry trade in the event of an outbreak of avian influenza in Hong Kong.

Includes PSD Changes: No
Includes Trade Matrix: No
Unscheduled Report
Hong Kong [HK1]
[HK]

Summary

The Hong Kong government has recently submitted a comprehensive plan to the Legislative Council for discussions as to how to reduce the risk of avian influenza in Hong Kong. The plan contains a number of stringent measures that would probably affect the livelihood of the people involved in the live chicken trade including farmers and wholesalers. Though the plan has just been submitted for discussion, the government has initiated necessary legislative amendments to make some of the new measures feasible.

While admitting that the proposed measures are stringent, the government contended that Hong Kong could not afford another outbreak of avian influenza. The need for the stringent measures are based on the human fatalities of avian influenza in the region since last year, the warnings of the World Health Organizations on Avian Influenza and the difficult lessons of SARS (Sever Acute Respiratory Syndrome) that Hong Kong experienced in 2003.

The suggested measures include; (1) reduce the live poultry population in Hong Kong, along with a voluntary surrender scheme for live poultry farmers and wholesalers, (2) adopt regional slaughtering of live poultry, (3) terminate live poultry trade in the event of two farms being infected with avian influenza within days in Hong Kong.

Background

The first avian influenza outbreak in Hong Kong occurred in 1997 and the H5N1 virus killed six people. The other two outbreaks happened in May 2001 and February 2002. The three major outbreaks led to the slaughter of over 3 million chickens at a compensation cost of HK\$200 million (\$26 million) paid to the local industry by the government.

The Hong Kong government has strengthened its preventive and surveillance program to guard against the occurrence of avian influenza outbreaks since 1998. The measures included tightened biosecurity measures at local farms, enhanced import control, market rest days, hygiene requirements on wholesale and retail markets, etc. Also introduced is a vaccination program for all local chicken farms and imported live chickens requiring that all chickens be vaccinated.

Despite the rampant outbreak of avian influenza in 2004 in the region, Hong Kong escaped being hit by the virus. The Hong Kong government concluded that the vaccination program and the biosecurity measures proved to be effective. However, the Hong Kong government in response to the recent development of avian influenza outbreaks in Thailand and Vietnam has proposed additional measures to reduce risks associated with avian influenza outbreaks. The need for the stringent plan has been justified on the following grounds:

- Between January 28 and February 2, 2005, the WHO reported 55 cases of human infection of H5N1, of which 42 cases were fatal. WHO found that the H5N1 virus found in Vietnam in 2004 was resistant to some anti-viral drugs, and could survive at 37 degree Celsius in the environment for six days, compared with two days for the virus found in 1997.
- The Hong Kong government sent a delegation to Thailand on a fact-finding mission and concluded, "the situation in Thailand worrying". The virus may re-assort its genes with those from the human influenza virus, making human infection possible.
- The WHO warned that the ingredients for a pandemic are abundantly available.

Based on the above factors, the Hong Kong government urged the following measures be put in place to handle the risk of an avian influenza outbreak in Hong Kong.

The Comprehensive Plan

1. Reduce the live poultry population in Hong Kong

Currently there are 147 chicken farms in Hong Kong totaling a 3.7 million chicken population. Through imposition of licensing requirements and setting a ceiling on the maximum number of live poultry, the government is attempting to reduce by half the current chicken population by the end of 2005. The rationale is that in the event of an avian influenza outbreak that warrants depopulation of all chickens in Hong Kong, the current population would entail three to four weeks for the entire population to be slaughtered. The Hong Kong government's target is to have depopulation completed within one week. They believe this is achievable only if the current chicken population is reduced by half.

To achieve the goal of reducing the live poultry population, the government intends to incorporate further licensing conditions by imposing a ceiling on the maximum number of live poultry that may be kept in a farm for public health reasons. In addition, it plans to stop issuing new poultry farm licenses by amending the existing law.

To complement the measure to reduce the existing number of chickens, the government would introduce a voluntary surrender scheme for licensed poultry farmers and live poultry wholesalers by providing ex-gratia payment to operators. The government hopes that the scheme would attract small farm operators, particularly those small ones which are unable to implement the required biosecurity measures. The ex-gratia payment for farmers will range from HK\$300,000 to HK\$3,000,000 or US\$38,700 to US\$387,000. The voluntary surrender scheme would last for 12 months but with no set implementation date yet. The government has yet to seek funding approval from the Finance Committee of the Legislative Council which they must do before they can materialize the plan.

Note: Currently, there already exists a buy-back scheme of licenses of wet-market chicken stalls since July 2004. Before the deadline of July 12, 2005, chicken stalls operators who voluntarily surrender their live poultry retail licenses will be awarded an ex-gratia payment ranging from HK\$123,000 to HK\$500,000 (US\$16,000 to US\$65,000). The trade association estimates that about 500 stalls will surrender their licenses before the deadline of the buy-back scheme on July 12 this year. Out of the 814 poultry stalls, 226 retail operators have already surrendered their licenses.

2. To practice regional slaughtering

The idea of central or regional slaughtering emerged in 1998 after the first outbreak of avian influenza. When the idea was first raised, there were huge opposition voices who believed the practice would affect the culinary tradition of Chinese who like to buy freshly slaughtered chicken. In addition, they believed the livelihood of the many people involved in the trade would be adversely affected.

After seven years of deliberations and taking into consideration consumer concerns, adjustments have been made and the government now is gradually launching the regional slaughtering scheme. Their final objective is to eliminate the slaughter of chickens or sale of live chickens at retail outlets. Under this proposal, it would be possible for regional slaughterhouses to provide freshly slaughtered chickens promptly to restaurants and households. The government viewed that regional slaughtering would be an appropriate

compromise as it balances the need to protect public health and culinary concerns of the public.

At present, the government has already identified a site for the location of a medium sized slaughterhouse on a pilot basis. The plan is to have a total of three regional slaughterhouses set up by 2007 or 2008, each handling 20,000 live chicken daily.

3. Terminate live poultry trade in case of an outbreak of avian influenza

The government plans to introduce a compulsory termination scheme for all existing live poultry farmers, wholesalers and retailers in the event of a local avian influenza outbreak, which entails the culling of all live poultry in the territory. When a second farm is found to be infected with the H5 virus within days after the first one, regardless if the two farms are related, the government intends to regard the situation as an outbreak. In the event this would occur even before the operation of the first slaughterhouse, Hong Kong will not allow the importation of live chickens from China. Currently, the Hong Kong government restricts the imports of live chickens from China at 30,000 head a day with some adjustments during certain Chinese festivals when demand for live chickens is particularly high.

The government explained that if avian influenza still occurs in Hong Kong despite the implementation of stringent biosecurity measures and the vaccination program, it implies that these measures, with no room for enhancement, have become ineffective or the virus has become more pathogenic. In order to protect public health, the government sees the need to compulsorily close all chicken farms and terminate the retail sales of live chickens.

Consumption of Chicken Products

	Product Weight in MT, 2003	% of total, 2003	Product Weight in MT, 2004	% of total, 2004
Local Supplies of Live Chicken	18,590	9%	13,327	5%
Supplies of Live Chickens from China	39,723	19%	15,547	7%
Retained Imports of chilled and frozen chicken products, excluding paws	147,376	72%	233,534	89%

Conclusion

The poultry trade, as expected, opposes the plan claiming that it is too harsh and ignores the livelihood of the people in the trade. Farmers claim it is not viable that farms can survive if the number of chickens is to be halved because farms would then lack the economies of scale.

However, after Hong Kong's painful experience of SARS and the fatalities recorded in the region due to avian influenza, the drastic measures now gain wider support from the public than if they had been launched seven years ago. The trade also acknowledged the gloomy future of their industry. What the poultry trade hopes to achieve now is try to negotiate for the best compensation package from the government before they give up their operation rights.