

**立法會**  
***Legislative Council***

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**Panel on Economic Development**  
**Meeting on 15 December 2015**

**Background brief on the Food Trucks Scheme**

**Purpose**

This paper provides background information on the Food Trucks Scheme. It also summarizes the views and concerns expressed by Legislative Council ("LegCo") Members on issues related to the subject.

**Background**

2. At his Budget Speech delivered on 25 February 2015, the Financial Secretary has pointed out that Hong Kong has many locations suitable for alfresco dining where visitors can enjoy delicacies and Hong Kong's spectacular scenery at the same time. He has asked relevant departments to implement as early as possible the proposal to facilitate alfresco dining operation, and to consider introducing Food Trucks to the mix of Hong Kong's existing food scene.

3. According to the Administration, "Food Truck" is a new idea put forth with a view to enriching the variety of culinary delicacies available to tourists and local people. The Commerce and Economic Development Bureau ("CEDB") has been, in collaboration with Food and Health Bureau ("FHB"), Food and Environmental Hygiene Department ("FEHD"), Transport Department and other relevant departments, studying various aspects such as the vehicle specifications and requirements, licensing requirements, mode of operation, food safety and environmental hygiene.

4. CEDB has been actively collecting and studying relevant information on overseas systems and experience (such as those of North America, Japan, Korea, Taiwan, Europe and Australia). Details of the implementation plan,

including whether the current licensing requirements for the food industry are applicable to food trucks, the eligibility of applicants and the feasibility of mobile operation, will be subject to the outcome of the study.

5. At its meetings on 14 April, 12 May and 9 June 2015, the Panel on Food Safety and Environmental Hygiene ("FSEH Panel") considered the proposal to conduct a duty visit to the United States to obtain first-hand information on its regulation of Food Trucks operations<sup>1</sup>. Members may refer to the information note (LC Paper No. IN09/14-15) prepared by the Secretariat's Research Office for the regulation of Food Trucks operations in various places, including Los Angeles, San Francisco, and New York City in the United States, and City of Sydney in Australia.

### **Previous discussions**

6. The Subcommittee on Hawker Policy established under FSEH Panel has discussed about the Food Trucks proposal, and Members deliberated, among others, the Food Trucks proposal at the motion debate on the Subcommittee's Report moved at the Council meeting on 18 November 2015. A Council question in connection with the introduction of Food Trucks has been raised. Members' major views are summarized in the ensuing paragraphs.

### Subcommittee on Hawker Policy

#### *Deliberations of the Subcommittee*

7. At the Subcommittee's meetings on 2 March and 14 April 2015, some members expressed concern about the financial viability of operating Food Trucks in Hong Kong. They called on the Administration to formulate measures to avoid the Food Trucks proposal being monopolized by large consortia and to consider issuing licence for small food carts to sell cooked food specialized in Hong Kong.

8. Members also noted deputations' views and concerns in respect of the Food Trucks proposal. To avoid the Food Trucks Scheme being monopolized by large consortia, a deputation suggested the Administration to provide business start-up funds or subsidies, and amend the relevant legislation for implementing the Food Trucks initiative. Some other deputations raised the

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<sup>1</sup> In August 2015, the Chairman of FSEH Panel decided not to proceed with the duty visit originally scheduled for September 2015 having regard to the withdrawal of two delegation members from the duty visit and the unavailability of some receiving organizations to meet with the delegation. During the motion debate on the Report of the Subcommittee on Hawker Policy at the Council meeting of 18 November 2015 (Hansard (Floor) of the Council meeting of 18 November 2015), two Members have talked about conducting the said duty visit in the Easter holiday in 2016.

concern on the feasibility of allowing food trucks operating in busy districts in Hong Kong, and that food trucks operating near the Link REIT's malls would price out its tenants.

9. Those members supporting the proposal had urged the Administration to take note of the difference between Hong Kong and other countries (such as the United States) in operating the Food Trucks business. For example, Hong Kong was lacking space to house large trucks and handle sewerage. Having noted the deputations' suggestions to introduce in Hong Kong some small food trucks which were popular in Taiwan and Japan and more affordable by small businesses at about \$100,000, members asked the Administration about the scope and estimated cost of a food truck it proposed.

10. Members noted that CEDB was in the course of examining how best to take forward the Food Trucks proposal, including overseas experience and deputations' views, and it would keep Members informed of relevant developments. Nevertheless, FHB had remarked that unless a new form of tailor-made licence for food trucks was introduced, a food truck licensed under the Food Factory Licence could only operate at designated points; otherwise, there would be havoc to the regulatory regime for food factories in general whose total number of licences stood at 6 868 as at end August 2015.

#### *Members' motion*

11. At the motion debate on the Subcommittee's Report held at the Council meeting of 18 November 2015, some Members reckoned that the Food Trucks proposal might bring about different effects to Hong Kong, including the benefits of driving other activities' development and creating business opportunities for those who would be operating with a small capital base. Successful implementation of the initiative or otherwise would depend on the Administration's ability to strike a proper balance, to develop an effective communication platform with the public, and to study ways to overcome constraints of the operating environment.

12. On start-up costs of the proposal, some Members were worried that if the related investment cost was too high, it might serve as an entry barrier for small-capital operators, and hence it was doubtful whether these operators could share the benefits of such an initiative. To avoid the proposal being monopolized by large consortia or those who could afford high start-up costs, a Member suggested the Administration to consider an option allowing small-capital operators to operate a form of business between the million-dollar food truck and the traditional food cart. In this regard, another Member referred to the Michelin Guide which had included Hong Kong street food outlets in its current edition, reflecting the competitive edge of local street food which were worth promoting.

### Council question

13. At the Council meeting on 3 June 2015, a Member asked about, among others, the difference between the licence the authorities intended to issue for food trucks and itinerant hawker licence, and whether the authorities would consider, in issuing such licence, giving priority to the existing itinerant hawker licence holders who intended to change their business to operate food trucks. Some other Members also enquired about the development direction of licensing regime for food trucks, such as issuing existing mobile food cart licences to food trucks, and whether the Government would allow food trucks to park in certain old districts, roadsides, vacant streets or on-street parking spaces for the purpose of operating night-market business.

14. The Administration explained that it was still collecting and studying relevant information on overseas systems and experience of the Food Trucks Scheme. While the detailed plan for bringing in Food Trucks was still subject to the outcome of the study and yet to be finalized, the mission of FHB and FEHD in ensuring food safety and maintaining a clean and hygienic living environment for the people of Hong Kong should not be affected by the introduction of this new idea in any way.

15. As regards night market, the Administration advised that it kept an open mind about the relevant proposals of establishment of open-air bazaars (including night bazaars) which had to command local support. If the site selected could receive the acceptance of nearby residents at the district council level, then the proponent might proceed to consider the mode of operation, like whether the bazaar was intended for selling cooked food.

16. On licensing matter, FHB undertook to fully support CEDB in its work of exploring whether there could be a new type of licences for the operation of Food Trucks. If the relevant proposal was to be implemented as soon as possible without legislating for a new type of licences, one feasible approach should be to permit the operation of food trucks in the form of food factories on a provisional basis, with the new type of licences to be devised later.

### **Latest position**

17. The Administration will brief the Panel at its meeting on 15 December 2015 on the details of the Food Trucks Scheme.

## **Relevant papers**

18. A list of the relevant papers, including those available on the LegCo Website (<http://www.legco.gov.hk>), is in the **Appendix**.

Council Business Division 4  
Legislative Council Secretariat  
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## Appendix

### List of relevant papers

Issued by	Meeting Date/ Issue Date	Paper
Panel on Food Safety and Environmental Hygiene	14 April 2015	<a href="#">Minutes</a>
	12 May 2015	<a href="#">Minutes</a>
	9 June 2015	<a href="#">Minutes</a>
Subcommittee on Hawker Policy	2 March 2015	<a href="#">Minutes</a>
	14 April 2015	<a href="#">Minutes</a> <a href="#">Minutes</a>
	5 October 2015	<a href="#">Report</a>
Council meeting	3 June 2015	<a href="#">Council question on "Hawker Control and Management" raised by Hon YIU Si-wing</a>
	18 November 2015	<a href="#">Member's motion on "Report of the Subcommittee on Hawker Policy" moved by Hon Steven HO</a>