

**For discussion  
on 21 January 2019**

**Legislative Council Panel on Food Safety and Environmental Hygiene  
Subcommittee on Issues Relating to Public Markets**

**Further Discussion on the Modus Operandi of the  
Market Modernisation Programme**

**Purpose**

At the Subcommittee meeting held on 12 June 2018, Members discussed the 10-year Market Modernisation Programme (MMP) and expressed concern over the way forward of the MMP. This paper sets out the latest progress of the MMP<sup>1</sup>.

**Overview of Existing Markets**

2. As mentioned in our previous paper<sup>1</sup>, in identifying markets for implementation of projects of different scales under the MMP, the prime objective is to maximise the impact of possible hardware improvement within the ten-year time frame. Public markets are selected with regard to their geographical location and distribution, condition of facilities, business viability, community needs and tenants' readiness. In the light of the above factors, the Food and Environmental Hygiene Department (FEHD) has preliminarily assessed the situation of its 99 existing public markets and considers that there are 20 markets having the potential for giving priority for inclusion in the MMP. The distribution is as follows –

|                     | <b>No. of existing<br/>FEHD markets</b> | <b>No. of markets<br/>preliminarily assessed to<br/>have potential</b> |
|---------------------|---|--|
| Hong Kong<br>Island | 27                                      | 6  |
| Kowloon             | 27                                      | 8  |
| New Territories     | 45                                      | 6  |
| <b>Total</b>        | <b>99</b>                               | <b>20</b>  |

<sup>1</sup> Please refer to LC Paper No. CB(2)1544/17-18(03) submitted for discussion at the third Subcommittee meeting.

3. Having regard to the result of the preliminary assessment of existing markets and Members' views gathered so far, we propose that in the first phase of MMP, a fundamental overhaul for four markets and refurbishment and minor improvement works for at least three markets should be taken forward.

### **Fundamental Overhaul**

4. The Chief Executive announced in the Policy Address delivered in October 2018 that the pioneering project of the MMP would be the overhaul of Aberdeen Market. We have been actively liaising with relevant stakeholders (including market tenants) and responding to their concerns with appropriate follow-up actions, so as to embark on this first project under the MMP as soon as possible, which sets the prototype for future projects.

5. Apart from Aberdeen Market, we are planning to overhaul three markets in Kowloon and the New Territories to ensure a reasonable distribution of overhauled markets to benefit the public. After the particulars of the Aberdeen Market MMP project are finalised, we will kick-start these overhaul projects progressively from 2019 onwards as far as practicable, including, ascertaining the scopes of works, conducting technical feasibility studies, consulting District Councils and the Legislative Council Panel on Food Safety and Environmental Hygiene, seeking funding approval from the Finance Committee, etc.. We will liaise with stakeholders as appropriate having regard to the progress of the works.

### **Refurbishment and Minor Upgrading Works**

6. At present, we provide routine maintenance for an average of approximately 20 public markets every year, which may also include replacement of escalators depending on the circumstances. Apart from routine maintenance, refurbishment of existing facilities is also a core part of MMP for sustaining the daily operation of public markets and catching up with the standard of modern markets as far as possible. We plan to kick-start in 2019 refurbishment and minor upgrading works for at least three public markets in different districts across the territory. Such works will cover renovation of internal facilities and enhancement of external walls, etc..

7. With the implementation of the MMP, Tai Wai Market will be the last public market to have air-conditioning system installation as the major part of

the project. Other than the markets covered in the first phase of the MMP, we will, taking into account the factors listed in paragraph 2 above and the preliminary assessment on the existing markets, continue to identify suitable markets for inclusion in the MMP. As fundamental overhaul includes retrofitting of air-conditioning systems, we will no longer set a threshold of tenants' support for such retrofitting. For those public markets having the support threshold reached earlier and preliminarily planned to have air-conditioning systems retrofitted, they have more potential to be accorded priority for inclusion in the MMP for an overhaul as their tenants are, to a certain extent, ready for the improvement works. Yet, we will still need to consider the other factors as mentioned in paragraph 2 above.

### **Way Forward**

8. We will continue to make every effort to follow up on projects of different scales mentioned above and identify more markets suitable for the MMP, so as to make the best use of the \$2 billion earmarked, thereby improving the operating environment of existing markets. When these projects are completed progressively with the expected results achieved, and can generate a clear momentum to bring other public markets into such a mainstream modernisation programme, we will have justifications to seek more funding. While taking forward the MMP to improve the hardware, we will also review the management of existing public markets and look into ways to enhance the functions of the Market Management Consultative Committee. We will proceed in a prudent and reasonable manner.

### **Advice Sought**

9. Members are invited to give views on the issues set out above.

**Food and Health Bureau**  
**Food and Environmental Hygiene Department**  
**January 2019**