

**For Discussion
on 12 May 2020**

**Legislative Council Panel on Food Safety and Environmental Hygiene
Development of New Public Markets and
Implementation of the Market Modernisation Programme**

Purpose

This paper briefs Members on the progress of the development of new public markets and the implementation of the Market Modernisation Programme (MMP).

New Public Markets

2. Public markets managed by the Food and Environmental Hygiene Department (FEHD) are positioned to be one of the major sources of shopping fresh provisions for the general public, which should be kept decent, clean, neat and tidy without being unduly upmarket. We also hope that public markets can serve a greater social function¹ such that it can provide a resting and gathering place for the public in addition to a choice for fresh provisions.

3. The Government is taking forward seven new market projects which are at different stages of planning. They include the development of new public markets in Tin Shui Wai, Tung Chung Town Centre, Tseung Kwan O, Kwu Tung North New Development Area (NDA), Tung Chung New Town Extension and Hung Shui Kiu NDA as well as the establishment of a temporary market in Tin Shui Wai. The progress of these projects is set out in the ensuing paragraphs.

Tin Shui Wai

4. The Chief Executive announced in the 2018 Policy Address that a new public market would be built at the section of Tin Fuk Road opposite Tin Shui Wai Station of the West Rail Line. The Government subsequently consulted the Yuen Long District Council (DC) in October 2018 on two design options proposed for the development of

¹ Including the addition of “place-making” elements as far as practicable to provide public space for enjoyment of the public.

the new market. We have fully considered the views of the DC when finalising the design option and completed the preliminary technical assessment of the project at the end of 2019. We updated the relevant committee of the Yuen Long DC on the project progress and preliminary design concept in March 2020. The Architectural Services Department (ArchSD) is conducting a technical feasibility study on the project. The project will then be implemented as soon as possible according to established procedures. Depending on the actual progress, we seek to consult the Yuen Long DC on the detailed design of the new market in 2021 and will seek funding approval from the Legislative Council (LegCo) as soon as possible with a target to commence the works in phases from 2022 onwards. The whole project is expected to be completed in the first half of 2027.

5. Considering that it takes time to build a new market, the Chief Executive announced in the 2019 Policy Address Supplement the provision of a temporary market at the open space adjacent to Tin Sau Road Park in Tin Shui Wai, so that the public can have an additional choice for purchasing fresh provisions early. We updated the relevant committee of the Yuen Long DC on the project progress in March 2020. The Modular Integrated Construction method is being adopted to shorten the on-site construction time as far as possible, with a view to having the market completed and commissioned early for the benefit of the public. We are pressing ahead with the temporary market project. Subject to the actual progress, it is expected to be completed and commissioned by the end of 2020 at the earliest.

6. As the landlord of the temporary market, the FEHD is responsible for determining the rental level and signing tenancy agreements with tenants, and is looking into appropriate means to allocate the stalls and determine the rental level. We also plan to adopt a new operation mode for the temporary market and will strengthen the role of the service contractor in market management with the aim to enhance business vibrancy in the market and meet the needs of the public. To enhance the quality of market operation, we will expand the scope of services to be provided by the service contractor, including formulating promotion and development strategies for the market, advising on the trade mix in the market and enforcing tenancy agreements, etc. We are now engaging a service contractor through open tender. With the aim to serve the overall interest of the community, we will attend to stakeholders' views during the process of formulating specific recommendations.

Tung Chung Town Centre

7. The Government announced in 2018 the plan to build a new public market on the lower floors of a commercial building in Area 6 adjacent to Tung Chung Mass Transit Railway (MTR) Station, and subsequently consulted the Islands DC on the site selected and proposed development mode for the market in October 2018. The project will be built by a developer and the market design will be prepared by the developer according to the requirements and conditions specified by the Government. The technical feasibility study for the entire development project (including the public market portion) is underway. We will brief the DC concerned on the project details in a timely manner upon completion of the technical feasibility study.

Tseung Kwan O

8. Subsequent to the announcement in the 2019 Policy Address regarding the site selection study for the new public market in Tseung Kwan O, we plan to provide a new public market on the lower floors of the proposed Joint-user Complex² in Area 67 at Tseung Kwan O town centre (at the junction of Po Yap Road and Tong Yin Street). The Joint-user Complex will also provide other community facilities like medical, welfare and education facilities. The relevant bureaux/ departments consulted the Sai Kung DC on the site selected and preliminary planning for the Joint-user Complex (including the new public market) recently in early May 2020. The Joint-user Complex project is still at the planning stage. Upon completion of the preliminary work, including concrete planning, technical assessments and detailed design, we will seek funding approval from the Finance Committee of LegCo in a timely manner.

Kwu Tung North NDA, Tung Chung New Town Extension and Hung Shui Kiu NDA

9. The preliminary planning of the new market projects in Kwu Tung North NDA, Tung Chung New Town Extension and Hung Shui Kiu NDA is underway. These projects will tie in with the housing development plan of the districts concerned. Details of the projects will be confirmed upon completion of the preliminary planning.

10. Further details on the above projects are set out at **Annex**.

² The Joint-user Complex is one of the six projects in the first batch under the “single site, multiple use” initiative as announced by the Financial Secretary in the 2020-21 Budget.

Market Modernisation Programme

11. Apart from the development of new public markets, the Government has earmarked \$2 billion for the implementation of the 10-year MMP to carry out various types of hardware improvement works³ for public markets managed by the FEHD, with the aim of improving the operating environment of public markets to benefit the public and tenants. The pioneering project of the MMP is the overhaul of Aberdeen Market. At the same time, we plan to overhaul another three public markets in Kowloon and the New Territories and kick-start minor refurbishment or improvement works for 11 public markets in different districts across the territory. If needed, the Government will seek additional resources for implementation of the MMP.

Overhaul of Aberdeen Market

12. The FEHD and ArchSD briefed the relevant committee of the Southern DC on the details and progress of the overhaul project of Aberdeen Market in February 2020 and have maintained close liaison with the tenants. The scope of overhaul works mainly covers retrofitting air-conditioning systems, re-configuring the layout of the market and cooked food centre, enlarging the stalls and passageways, increasing public space and seating, upgrading the barrier-free facilities and refurbishing the façade of the market. The ArchSD will complete the process of engaging consultants in May 2020 to commence the work of detailed design of plan and preparation of tender documents. The expenditure of the works can only be accurately estimated upon completion of the design work. Once the preparatory work is completed, we will seek funding approval from the LegCo as soon as practicable and, subject to the actual progress⁴, expect to commence the overhaul works in 2021.

Other Overhaul Projects

13. Having regard to a host of factors including the markets' geographical location and distribution, condition of facilities, business viability, community needs and tenants' readiness, we propose to overhaul Yeung Uk Road Market, Ngau Tau Kok

³ With the implementation of the MMP, Tai Wai Market is the last public market to have air-conditioning system installation as the major part of the improvement project. The works concerned commenced in May 2019 in phases and is expected to complete in the third quarter of 2020.

⁴ The tenants have earlier agreed to full closure of the market for 14 months for the works to proceed. We will explore with ArchSD on whether there is room to further compressing the works schedule. To complete the works in 14 months, it is necessary to apply for the extension of daily works hours and carrying out works during night time and holidays. We will endeavour to minimise the noise and impact on the stakeholders and residents nearby as far as possible.

Market and Kowloon City Market as the next step to benefit the public. Taking the experience of taking forward the overhaul project of Aberdeen Market as blueprint, we will kick-start the preparatory and consultation work at once, ascertain the scopes of works and approach for the overhaul projects as soon as possible, and conduct technical feasibility studies, etc. We will maintain liaison with stakeholders⁵ during the process and report to the relevant DCs in a timely manner having regard to the progress of work.

Minor Refurbishment or Improvement Works

14. In addition, we propose to carry out minor refurbishment or improvement works in 11 markets, namely Nam Long Shan Road Cooked Food Market, Mong Kok Cooked Food Market, Luen Wo Hui Market, Ngau Tau Kok Market⁶, Yeung Uk Market⁶, Shek Tong Tsui Market, Fa Yuen Street Market, Ngau Chi Wan Market, Quarry Bay Market, Tsuen Wan Market and Shui Wo Street Market with a view to upgrading the facilities of the cooked food markets or markets as soon as possible. Depending on the circumstances, the works may include renovation of internal facilities, beautification of external walls, replacement of floor tiles, transformation of idle space to include the element of social functions, repainting market facilities, repairing facilities, maintenance of drainage systems and piping and installation of rodent-proof devices, etc. The actual scope of works and implementation timetable in individual markets will be confirmed later in 2020 after consultation with the tenants concerned.

Management Improvement Measures

15. We consider that hardware upgrading would only be effective in achieving sustainable vibrancy in public markets if taken together with management improvement measures and new running models. The FEHD is conducting a comprehensive review of its existing public markets and will formulate specific management improvement measures including rental policy, tenancy renewal, trade mix and daily management, etc. as well as looking into ways to enhance the functions of the Market Management Consultative Committees. By introducing the management improvement measures, the FEHD responded positively to the recommendations set out in the Office of The

⁵ The FEHD will keep close liaison with the respective Market Management Consultative Committees during the process with a view to improving the facility and management of the markets concerned through the overhaul works and involvement of the Committees.

⁶ Ngau Tau Kok Market and Yeung Uk Road Market will also be overhauled under the MMP. Prior to the implementation of the overhaul works, we will carry out minor refurbishment or improvement works in the markets so as to improve part of the market facilities as soon as possible to enhance the environment for the public to shop and tenants to operate their businesses.

Ombudsman’s direct investigation reports published in 2018 on the FEHD’s rental management and regulation of market stalls (including automatic renewal, succession of stalls and the arrangement on “single tenant, multiple stalls”).

16. Owing to the historical background of public markets, it is difficult for the management improvement measures to achieve expected results in one go. In taking forward the comprehensive review on the management of public markets, we will consider how to introduce these new management measures in the public markets under the MMP. We will proceed in a prudent and reasonable manner during the process.

Way Forward

17. We will continue to make every effort to follow up on the various new market and MMP projects with the relevant departments. In taking forward the projects, we will maintain liaison with the stakeholders to ensure smooth implementation of the works, so that the public can benefit early.

Advice Sought

18. Members are invited to take note of the work progress set out above.

Food and Health Bureau
Food and Environmental Hygiene Department
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Details of New Market Projects

	Project	Location/Scope	Current stage of development	Expected completion date and expenditure to be involved
1.	Tin Shui Wai temporary market (Tin Sau Road)	The temporary market will be built at the open space adjacent to Tin Sau Road Park using the modular integrated construction method. It is expected to provide about 40 stalls focusing on sale of fish, meat, vegetables and fruits.	Construction works are underway.	The end of 2020. The estimated project cost is close to \$30 million.
2.	Tin Shui Wai market (a section of Tin Fuk Road)	A decked-over market will be built at the section of Tin Fuk Road near Tin Shui Wai MTR Station. It is expected to provide a maximum of about 150 stalls.	The technical feasibility study is underway.	The first half of 2027. Estimated expenditure will be announced upon completion of the technical feasibility study and assessment.
3.	Tung Chung Town Centre market	The market will be located on the lower floors of a commercial building to be built by a developer in Area 6 adjacent to Tung Chung MTR Station. It is expected to provide at least 100 stalls.	The technical feasibility study for the entire commercial building development project (including the public market) is underway.	To be announced upon completion of the technical feasibility study and assessment.

	Project	Location/Scope	Current stage of development	Expected completion date and expenditure to be involved
4.	Tseung Kwan O market	The market will be located on the lower floors of the proposed Joint-user Complex in Area 67 of Tseung Kwan O town centre (at the junction of Po Yap Road and Tong Yin Street). It is expected to provide not less than 120 stalls.	The proposed Joint-user Complex (including the new public market) is at planning stage.	To be announced upon completion of the technical feasibility study and assessment.
5.	Kwu Tung North NDA market	To be confirmed upon completion of preliminary planning.	Preliminary planning is underway.	The development of the public markets will tie in with the housing development plan of the districts concerned. Expected completion date and estimated expenditure will be announced upon completion of the technical feasibility study and assessment.
6.	Tung Chung New Town Extension market			
7.	Hung Shui Kiu NDA market			