

**For discussion on
9 February 2021**

**Legislative Council Panel on Food Safety and Environmental Hygiene
Promotion of Contactless Payment in Public Markets**

Purpose

This paper briefs Members on the progress of the subsidy scheme for promotion of contactless payment in public markets by the Food and Environmental Hygiene Department (FEHD), and the upcoming promotion strategy and actions.

Background

2. The fight against the Coronavirus Disease 2019 (COVID-19) over the past year has aroused public concern on measures to reduce possible transmission of the virus or other diseases through physical contacts. In public markets, there are often close contact among stall operators and patrons in the congested indoor setting as well as physical touch of commodities and cash exchanges. The use of contactless payment* in markets not only improves public hygiene, but also helps reduce the risk of virus transmission.

Subsidy scheme

3. The FEHD has established a subsidy scheme for promotion of contactless payment in public markets under the third round of the Anti-epidemic Fund. As an anti-epidemic measure to safeguard public health in the new normal, a one-off subsidy was offered under the scheme to tenants of public markets (including stall tenants in FEHD markets) to encourage contactless

* In brief, contactless payment is a payment made by using the Radio Frequency Identification (RFID) or Near Field Communication (NFC) technology of a payment device or by scanning a QR code. During the process, neither the patron nor the merchant has to touch the payment device.

payment in market stalls. The application period was from 15 October 2020 to 21 December 2020.

4. The scheme provided a one-off subsidy to tenants of markets and cooked food stalls under the FEHD or Hong Kong Housing Authority (HA) at a flat rate of \$5,000 per stall. This may be used to meet the initial set-up costs as well as service and other fees in relation to the provision of at least one contactless payment means for market patrons. The contactless payment means concerned should be processed through a licensed bank or a stored value facility licensee being regulated by the Hong Kong Monetary Authority, or a debit/credit card scheme.

5. Market stall tenants are required to submit an application and obtain an approval in principle before signing a service contract with a service provider in relation to the provision of at least one contactless payment means. After that, tenants have to produce a signed valid service contract of no less than a duration of two years. The subsidies will be disbursed as soon as practicable after inspections conducted by the FEHD/HA to ensure completion of installation.

Efforts and achievements in promotion

6. Since the launch of the scheme, the FEHD has conducted a series of promotional activities for tenants of its public market stalls. The details are set out in the Annex.

7. The FEHD and the HA received more than 3 500 and 450 applications respectively during the application period of the subsidy scheme. In addition, some tenants have already been providing contactless payment means on their own without applying for the subsidies. It is estimated that about 30% of the rented-out stalls of FEHD markets in the territory could provide contactless payment service arrangement.

Preliminary observations

8. The development of electronic payment in different economies varies. Their models and paces depend on the social environment, as well as the needs

and spending habits of their citizens etc. In Hong Kong, there is a relatively mature electronic payment ecosystem. Various non-cash payment options are available to the public and the usage is increasingly popular.

9. Nevertheless, the FEHD understands that some market stall tenants take a relatively conservative attitude towards accepting or applying new technologies. They worry that disputes may arise from errors in the course of transaction using contactless payment. Some choose not to provide contactless payment means for personal reasons. These stall tenants generally prefer cash payment to facilitate cash flow.

10. The FEHD also notes that younger stall tenants are more willing to accept new technologies. They consider contactless payment, being a global and dominant trend, a desirable option that can appeal to young patrons in particular and enhance competitiveness.

Way forward

11. The FEHD will continue to promote contactless payment among market stall tenants and plan to carry out publicity focusing on customers' needs (e.g. setting up booths in FEHD markets to promote such payment means to customers before the 2021 Lunar New Year), with a view to encouraging market stall tenants to use contactless payment means for transactions through the market force.

Advice sought

12. Members are invited to take note of and express views on the work set out above.

Food and Health Bureau
Food and Environmental Hygiene Department
February 2021

FEHD's Promotion of Contactless Payment

Month	Promotion Content
2020	
October	Issued a press release to announce that applications for the subsidy scheme for promotion of contactless payment in public markets under the third round of the Anti-epidemic Fund opened on 15 October, and that the scheme aimed to provide a one-off subsidy to tenants of public markets to promote contactless payment in market stalls.
October	Held briefings for service contractors and representatives of market traders respectively.
October	Arranged for about 10 service contractors to visit around 90 public markets to explain the service contents and promote the contract schemes.
October	Arranged for the Federation of Hong Kong Kowloon New Territories Hawker Associations (the Federation) and the Hong Kong Vegetable Food and Grocery Hawkers Welfare and Fraternity Association Limited to meet with service contractors to understand the service contents. Also, promotion activities were held for market members.
October - November	District Environmental Hygiene Offices (DEHOs) held meetings with representatives of market traders to initiate activities for the subsidy scheme for promotion of contactless payment; individual DEHOs recorded audio tapes for promotion.
October - November	Conducted site inspections at various markets and promoted the subsidy scheme for contactless payment.
November	Printed 14 000 promotional leaflets of Keep Clean Ambassador Ah Tak and distributed them to market traders in various districts.
November	Carried out the publicity event in To Kwa Wan Market with the Secretary for Innovation and Technology (S for IT) and the Chairman of the Federation.

Month	Promotion Content
November	Published a post to promote and support the subsidy scheme for contactless payment on the dedicated page of the S for IT.
November	Promoted the subsidy scheme for contactless payment in an interview in the special online preview of the design thinking programme “Toilet Tells” jointly organised by the FEHD and Architectural Services Department.
November	Published feature interviews on newspapers to promote the support of the Federation for the subsidy scheme for contactless payment, and views on the subsidy scheme from traders of Wan Chai Market and Po On Road Market.
November	Issued a press release to announce that the deadline for application for the subsidy scheme for promotion of contactless payment in public markets would be extended from 30 November 2020 to 21 December 2020 to allow more time for eligible tenants of public markets to prepare their applications.
December	Published posts on the Facebook page of Keep Clean Ambassador Ah Tak to promote the subsidy scheme for contactless payment.
December	Visited various markets in the territory to conduct site inspections and promote the subsidy scheme for contactless payment.
2021	
January – February	Launched gift redemption plans at individual markets in different districts to encourage market patrons to make payment by contactless payment means.