

CONTROLLING OFFICER'S REPLY

EEB(F)111

(Question Serial No. 0070)

Head: (49) Food and Environmental Hygiene Department

Subhead (No. & title): (-) Not specified

Programme: (3) Market Management and Hawker Control

Controlling Officer: Director of Food and Environmental Hygiene (Donald NG)

Director of Bureau: Secretary for Environment and Ecology

Question:

During 2026-27, the Food and Environmental Hygiene Department will take action to close public markets which are under-utilised. In this connection, please advise this Committee of:

- 1) the details of the public markets planned for closure, including their locations, dates of closure, reasons for closure, and the number of tenants affected;
- 2) the subsequent arrangement for public markets planned for closure, the support measures to be provided for affected tenants; and
- 3) the expenditure involved in handling the closure of public markets.

Asked by: Hon LEUNG Chun, Jonathan (LegCo internal reference no.: 8)

Reply:

- 1) The Food and Environmental Hygiene Department (FEHD) is carrying out the relevant preparatory work for the following market closure projects:
 - (1) Consolidation of Centre Street Market and Sai Ying Pun Market to vacate the former for the planning of medical and healthcare-related facilities. There are 32 stalls let out in Centre Street Market. Following consultation with the relevant committee of Central and Western District Council and having considered the views of tenants and stakeholders, FEHD plans to close Centre Street Market in the second quarter of 2026; and
 - (2) Closure of Kwun Chung Market for conversion to an urban sports centre under the Leisure and Cultural Services Department. There are approximately 140 stalls let out in Kwun Chung Market. Following consultation with Yau Tsim Mong District Council, FEHD is discussing the specific arrangements with the market tenants.
- 2) According to the provisions of existing tenancy agreements between FEHD and market stall tenants, either party may terminate the tenancy without making any compensation by giving to the other party a written notice of not less than one month. Nevertheless, considering that tenants moving out of markets permanently can facilitate the smooth

closure of markets, which is in line with the overall interest of the community, FEHD will consider making special concessionary arrangements, including providing a one-off ex-gratia payment for tenants who choose to close down the business or relocate to the vacant stalls of other designated markets under FEHD to continue operation. Tenants who choose to relocate may also be allocated a new stall through a “restricted auction” with upset prices set at 50% of the reference rental of the stalls. Their new stalls will be granted a waiver of rental and air-conditioning charges (if applicable) for the first 2 months upon commencement of business.

- 3) The Market Development Division (MDD) of FEHD is responsible for implementing market consolidation/closure. As the MDD is also responsible for other duties relating to public market development (e.g. new public market development projects, the Market Modernisation Programme and enhancements to market management, etc.), we do not have a separate expenditure breakdown for market consolidation/closure. The expenditure required for the disbursement of ex-gratia payment upon the closure of a public market depends on the number of eligible tenants. In 2026-27, the estimated manpower expenditure of MDD of FEHD is about \$33.9 million.

- End -