

12 October 2018  
Our Ref: S180928JY

Mr John K. C. LEE, SBS, PDSM, PMSM, JP  
Secretary for Security  
Security Bureau  
9/F, East Wing, Central Government Offices  
2 Tim Mei Avenue  
Tamar, Hong Kong

Dear Secretary,

**Consultation Paper on Legislative Proposal to  
Upgrade Fire Safety of Old Industrial Buildings (“the CP”)**

1. The Hong Kong General Chamber of Commerce (the Chamber) welcomes the opportunity to comment on the CP. Our views are set out below.
2. Following increasing concerns over the fire risks of industrial buildings, the Chamber supports in principle the Government’s intention to update the fire safety standards of pre-1987 industrial buildings. Protecting public safety should be a core element in the renewal plans for all industrial buildings. This is subject to the following comments.
3. Going forward, industrial and warehousing undertakings in industrial buildings will be increasingly supplanted by activities such as workshops, gyms, art galleries, performance venues and artisan shops. We note, for example, that the uses for which applications have been submitted under the revitalization scheme for industrial buildings include offices, eating places, shops, services and hotels. We therefore suggest that “one size fits all” approach as proposed would not be able to cater to the scope of business activities that are increasingly being conducted in industrial buildings. At the same time, consideration should be given to the fact that there are variances in the design and structure of industrial buildings and the application of the proposed rules should not therefore be overly rigid or prescriptive.
4. As such, the Chamber would urge the Government to ensure that any new legal requirements that emerge from its proposal are subject to an appropriate transitional arrangement (“grace period”) before they take effect. The logistics of and time required for complying with new fire safety standards should not be under-estimated, and current owners, occupiers, suppliers and other parties concerned may need to liaise with each other to put in place interim arrangements as measures are taken to fulfill the new fire safety requirements. For the same reason, we would urge the enforcement authorities to exercise restraint in taking enforcement action, as owners and occupiers do their utmost to comply with the new standards.

5. In particular, we would urge the Government and enforcement authorities to exercise caution regarding the mini-storage industry and its users. The demand for mini-storage facilities and warehouses is growing because living space (and hence storage space) within flats are becoming smaller. Hence, there are approximately 900 mini-storages now. The new regulation will therefore affect not only the operators of storage businesses, but also potentially the daily life of Hong Kong residents. Storage facilities allow families to at least keep their possessions somewhere given that storage of possession in homes is extremely difficult. This policy will eliminate this essential option for thousands of households that do not have enough space in their homes. While finalizing the new legislation, the Government should carry out a proper and comprehensive impact assessment to avoid any excessive administrative and security requirements that would undermine Hong Kong's competitiveness and ignore the public's needs.
6. Many mini-storage operators are small and medium entrepreneurs with limited capital. The cost of renovation and installing fire equipment including automatic sprinkler systems and fire hydrant/hose reel systems will create a heavy financial burden on their businesses. In addition to the cost, the renovation and installation works will take time and create the risks of disrupting the storage of customers' goods at their facilities. Their daily operations will be severely affected and it will be very challenging for them to continue their operations both during and after the renovations. Some mini-storage operators are concerned that the cost of renovation will force them to close their businesses. As such, the new proposal could indirectly hinder the development of mini-storage facilities to meet consumer demand.
7. In the above connection, the Chamber would recommend that the Government considers providing adequate support and subsidy schemes, similar to the Fire Safety Improvement Works Subsidy Scheme for composite buildings (commercial and residential) announced in 2017, when using the new legislation to regulate the owners and occupiers of pre-1987 industrial buildings.
8. We would also suggest that there be a review of the Code of Practice for Minimum Fire Service Installations and Equipment (FSI Code) given that this was last substantially revised in 1987. This is to take into account of changes and developments as given in paragraph (3) above, as well as such technological advancements that have led to an increase in the adoption of automated processes in industrial buildings as manned operations are being phased out at the same time. As with the self-storage trade, the actual and realistic risks of automated production in industrial buildings (regardless of age) to people are very low. We would therefore argue that the FSI Code should be updated to accommodate these new activities so that the provisions strike a proper balance in protecting lives and property while also ensuring that businesses are not overly burdened by regulations that are neither relevant, proportionate nor fair.

9. Building a safe environment for Hong Kong residents and the business community is a common goal shared by the Government and the Chamber. We hope that the new legislative proposal will enhance fire safety with minimum adverse impact on the business sector and people's daily lives.

Yours sincerely,



Shirley Yuen  
CEO