

**Twenty-eighth Meeting of  
the Business Facilitation Advisory Committee**

***Agenda Item 4 : Report on the progress of the  
“Be the Smart Regulator” Programme  
– March 2015 update***

**Purpose**

This paper reports on the progress of the “Be the Smart Regulator” Programme<sup>1</sup> (the Programme) since the last Business Facilitation Advisory Committee meeting held on 27 November 2014.

**Latest progress**

***Overview***

2. All the 30 participating bureaux and departments (B/Ds) have sustained efforts to further enhance the business licensing services in Hong Kong. Good progress has been made on various fronts to improve our overall business licensing environment and long-term competitiveness. Major highlights are summarized below.

***Efficiency improvement measures in connection with the World Bank’s  
“Doing Business” Report***

3. Since the release of the World Bank’s Doing Business 2015 Report in October 2014, the Economic Analysis and Business Facilitation Unit (EABFU) has been working with relevant parties to identify improvement opportunities. In response to the World Bank’s new round of annual survey, EABFU has recently updated the World Bank of the following reform measures –

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<sup>1</sup> The Government has launched the Programme since early 2007 to further improve Hong Kong’s overall business licensing environment and long-term competitiveness. The Programme aims to enhance the efficiency, transparency and business-friendliness of Hong Kong’s licensing services and to reduce compliance costs to businesses while safeguarding public interests.

- Starting a business

With the commencement of the new Companies Ordinance on 3 March 2014, the mandatory requirement for a company to keep a corporate seal is removed. The Companies Registry (CR) has further strengthened its promotion and publicity efforts to ensure successful implementation of this reform in practice. A pop up has been added to the index page of its website to widely publicize the reform, and the Frequently Asked Questions section on common seal at its website has been updated to clarify that companies can still execute documents, grant power of attorney or create/transfer legal interest in land without the use of common seal. CR has also written to relevant professional bodies to highlight the legal provisions about executing documents and deeds without a common seal. Through its Customers Liaison Group meetings, CR has briefed major corporate formation service providers on the simplified procedures for starting a business and sought their assistance to convey to their clients the new business practice in Hong Kong.

- Getting electricity

As stated in paragraph 3 of BFAC Paper 7/14, the CLP Power HK Ltd has since April 2014 streamlined its supply application process to shorten the time (excluding the time of applying for excavation permits) of providing electricity supply for low-rise warehouse from 26 to 20 days. In December 2014, the Highways Department, the Hong Kong Police Force and the Transport Department jointly reviewed the application process for excavation permits. Through streamlining the related procedures, it now takes 10 days (instead of 11 days) to process and approve an application for excavation permit in connection with electricity supply for 2-storey warehouses or similar industrial buildings in non-residential areas.

In recognition of the collaboration of the Government and the power company on making “Getting electricity” easier, the Hong Kong Electrical Contractors’ Association has recently published the above reforms at its website (<http://www.hkeca.org/site/newsdetails.php?ID=71>).

### ***Major progress in various departments***

4. All participating B/Ds have continued to further enhance their business licensing work in various areas. They have also explored possible ways to better support SMEs. Some notable examples are –

- The Trade and Industry Department has recently enhanced its Business Licence Information Service (BLIS), which provides online licensing information and requirements for running different types of business in Hong Kong. As a result of the enhancement, the coverage of BLIS is expanded with additional licensing authorities/agencies (from 34 to 38) and types of business licences/permits (from 400 to 418). In addition, the user-friendliness of BLIS has been improved by simplifying the user interface and enhancing the search function.
- To help vitalize their business, the Food and Environmental Hygiene Department has approved the installation of ‘Wi-Fi’ hotspot and electronic display panel at licensed newspaper hawker stalls.
- The Land Registry has launched a mobile version of the Integrated Registration Information System Online Services to facilitate its customers (e.g. lawyers, surveyors and property agents) to conduct online land searches smoothly and efficiently with their smartphones and mobile devices anywhere.
- The Hong Kong Police Force has prepared and uploaded to its website a checklist of the supporting documents required for Security Personnel Permit applications. This measure facilitates the applicants to ensure a complete set of application documents is submitted to the Police in the first instance, thereby minimizing the turnaround time of processing the applications.

### ***Publicity of our business facilitation work***

5. To disseminate and promote our business facilitation work to the relevant trades, two feature articles<sup>2</sup> were published under the “Business

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<sup>2</sup> The feature articles on “Latest arrangement of cancellation of existing food business licence/permit” and “Licence application tracking facility – system enhancement” can be accessed via [http://www.gov.hk/en/theme/bf/pdf/42\(Chi\).pdf](http://www.gov.hk/en/theme/bf/pdf/42(Chi).pdf) and [http://www.gov.hk/en/theme/bf/pdf/46\(Chi\).pdf](http://www.gov.hk/en/theme/bf/pdf/46(Chi).pdf) respectively.

Facilitation Corner” in the periodicals of the Hong Kong Federation of Restaurants & Related Trades (May and November 2014 issues) and one<sup>3</sup> in the Hong Kong Retail Management Association Newsletter (Fall 2014 issue).

### ***Business Impact Assessment***

6. EABFU is assisting the Constitutional and Mainland Affairs Bureau to source and select an external consultant to conduct a Business Impact Assessment (BIA) on the proposed implementation of Section 33 of the Personal Data (Privacy) Ordinance (Cap. 486) regarding transfer of personal data to places outside Hong Kong. The BIA on the new producer responsibility scheme on glass beverage bottles is being finalized. The Business Compliance Cost study on the application for renewal of the Places of Public Entertainment Licence (Cinemas) has been completed.

### **Way forward**

7. Members are invited to note the progress of the Programme.

Efficiency Unit,  
Chief Secretary for Administration’s Office  
Economic Analysis and Business Facilitation Unit,  
Financial Secretary’s Office  
March 2015

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<sup>3</sup> The article highlighting the Government’s business facilitation measures and business consultation relevant to the retail sector can be accessed via <http://www.hkrma.org/file/info/newsletter/fall-2014/#/30/>.