

**Thirty-first Meeting of
the Business Facilitation Advisory Committee**

***Agenda Item 4 : Report on the progress of the
“Be the Smart Regulator” Programme
– March 2016 update***

Purpose

This paper reports on the progress of the “Be the Smart Regulator” Programme¹ (the Programme) since the last Business Facilitation Advisory Committee meeting held on 30 November 2015.

Latest progress

Overview

2. All the 30 participating bureaux and departments (B/Ds) continue to sustain momentum in enhancing their business licensing services. Good progress has been made on various areas to further improve the overall regulatory environment for business in Hong Kong and its long-term competitiveness. Major progress is highlighted below.

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

3. Since the release of the World Bank’s Doing Business 2016 Report in October 2015, 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 –

¹ 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 business while safeguarding public interests.

- Dealing with construction permits

The Buildings Department (BD) has reviewed and streamlined its site inspection process during construction of two-storey warehouse projects that can satisfy certain criteria. For the two scheduled inspections on quality of superstructure works, BD combines the quality inspection to structural elements with the comprehensive inspection into one joint site inspection. By adopting the risk-based site auditing approach, BD reduces the number of unscheduled inspections for foundation and/or superstructure works from two to one without compromising the quality control during construction. These reform measures would help improve the competitiveness of Hong Kong in the area of “Dealing with construction permits”.

- Getting electricity

The Highways Department, the Hong Kong Police Force (HKPF) and the Transport Department have jointly reviewed the application process for excavation permits. Through streamlining the related procedures, it now takes 9 days (instead of 10 days) to process and approve an application for excavation permit in connection with electricity supply for two-storey warehouses in non-residential or rural areas. Separately, the CLP Power Hong Kong Limited has streamlined its supply application process by dispensing with the involvement of its customers in site inspection during the planning and design phase. These improvements would reduce the number of procedures and time of obtaining electricity supply for small-scale industrial buildings such as warehouses.

Major progress in various departments

4. All participating B/Ds have continued to further enhance their business licensing services in various areas. Some notable examples are –

- The Marine Department (MD) has introduced an online service for seafarers to check through internet the status of their licence applications. This measure not only improves the transparency of the application process, but also helps relieve MD staff of workload in handling related enquiries from seafarers.

- The Planning Department, as the Secretariat of the Town Planning Board, has launched the Electronic Planning Application Submission System as an additional channel for the public to submit planning/review applications online to the Town Planning Board. This service is available round the clock.
- HKPF has published a regular internal newsletter “Licensing Matters” updating their frontline staff on the latest licensing-related policy and guidelines, etc. This initiative helps facilitate frontline officers to carry out their licensing work and enforcement duties more effectively.

Promotion of business facilitation and customer centric culture within the civil service

5. In 2015, EABFU delivered 3 briefing sessions to cultivate business facilitation culture of over 470 new recruits from 52 B/Ds through the induction seminars organised by the Civil Service Training and Development Institute.

6. In the first quarter of 2016, EABFU organised two workshops on “Business Facilitation and Smart Regulation Culture” for 56 frontline staff and supervisors from 20 B/Ds involved in business licensing/regulatory work. The workshops were well-received by the participants.

Business Impact Assessment

7. EABFU is assisting the Water Supplies Department to source and select an external consultant to conduct a Business Impact Assessment (BIA) on the mandatory use of designated products registered under Water Efficiency Labelling Scheme. The BIAs 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 and the proposed security of payment legislation for the construction industry are underway.

Way forward

8. 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
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