

**Forty-fourth Meeting of
the Business Facilitation Advisory Committee**

***Agenda Item 5 : Report on the progress of the
“Be the Smart Regulator” Programme
– January 2021 update***

Purpose

This paper updates on the progress of the “Be the Smart Regulator” Programme¹ (the Programme) since the last Business Facilitation Advisory Committee (BFAC) meeting held on 7 October 2020.

Latest progress

Overview

2. All the 29 participating bureaux and departments (B/Ds) continue to sustain momentum in enhancing their business licensing services. Good progress has been made on various fronts to further improve the overall regulatory environment for business in Hong Kong and its long-term competitiveness. Major progress is highlighted below.

World Bank’s Doing Business Report

3. World Bank has published its internal audit report on data irregularities. Hong Kong’s ranking in the last five reports were not affected. The next report will be launched in coming months.

Major progress in various departments

4. The participating B/Ds have developed a total of 277 new business facilitation measures in 2018-19 and 2019-20. Of these measures, 210 (76%) have been completed within 2019-20. In 2020-21, B/Ds have further devised 121 new business facilitation measures to continue improving the efficiency and transparency of licensing services and reducing compliance costs to trades

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.

through streamlining procedures, proactive use of information technology, enhancing regulatory requirements, as well as strengthening support and guidance to the trades. Examples of the business facilitation measures implemented since the last meeting are highlighted as follows –

- (a) The Agriculture, Fisheries and Conservation Department has amended the Fisheries Protection Ordinance (the Ordinance) in response to the comments made by the Administrative Appeals Board to allow the Director of Agriculture Fisheries and Conservation to exercise discretion within a confined scope to consider registering those local fishing vessels not fulfilling the requirement of the Ordinance i.e. possessing a valid operating licence on 15 June 2012 due to justifiable reasons.
- (b) The Civil Engineering and Development Department (CEDD) has waived the need of displaying Dumping Licence labels on dump trucks before entering the Construction Waste Disposal Facilities so that applicants are no longer required to collect licence labels from CEDD.
- (c) The Companies Registry (CR) has enhanced the IT system to support digital wallet service using Apple Pay and Google Pay as additional payment channels for the e-services at CR eFiling Mobile Application to provide more convenient and user-friendly payment options for using CR's e-services.
- (d) The Leisure and Cultural Services Department has relaxed the specification of moveable furniture items such as tables and chairs on the layout plans for the Places of Amusement Licence applications to reduce the need for making alteration applications whenever there are changes in the layout of these items. The department has also provided an option of issuing an electronic copy of licences by email to applicants to obviate the need for applicants to collect the licences from the licensing office physically.
- (e) The Lands Department (LandsD) has launched the Map Application Programming Interface as a free-of-charge and up-to-date web map service to the public to eliminate the cost and time spent by trades on acquiring digital maps and data from LandsD and converting them into web maps for developing geospatial applications or location-based services.

- (f) The Communications Authority has streamlined the regulatory requirements for the filing and publication of interconnection agreements in order to reduce compliance costs of carrier licensees.
- (g) The Transport Department has adopted iAM Smart for renewal of Vehicle Licences and Full Driving Licences to facilitate applicants to submit their applications online without the need to visit licensing offices physically.

Business impact assessment (BIA)

5. As at January 2021, two BIA studies on waterworks regulation commissioned by the Water Supplies Department have been completed, including the studies on the proposed regulatory frameworks of the Mandatory Water Efficiency Labelling Scheme and the Plumbing Works Control System under the Waterworks Ordinance (Cap.102). The findings and recommendations of the studies help WSD refine their proposals to avoid introduction of any unreasonable regulatory requirements and reduce business compliance cost without compromising public interests.

2020 Policy Address

6. To meet the rising expectations and changing needs of businesses and the public under the “new normal”, it has been announced in the 2020 Policy Address Supplement that the government will make wider adoption of innovation and technology and streamline business processes. E-licensing would be implemented for all licensing applications by mid-2022 under the “Be the Smart Regulator” Programme. B/Ds concerned would continue to take proactive steps to implement e-licensing services and streamline their procedures to obviate the need for applicants to visit licensing offices and enhance the efficiency and user experience of using licensing services.

Way forward

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

**Business Facilitation Team
Efficiency Office
Innovation and Technology Bureau
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