

**Notes of the 19th Business Liaison Group Meeting
with Hotel Trade**

Date : 10 April 2015
Time : 2:30 – 4:00 p.m.
Venue : Room 3, G/F, East Wing, Tamar Central Government Offices

Convenor: Mr CHAN Wah-chan Head, Business Facilitation Division,
Economic Analysis and Business Facilitation Unit

Trade Participants

Federation of Hong Kong Hotel Owners

Mr Michael LI Executive Director
Miss Fanny CHAN Association Manager

Marco Polo Hotels - Hong Kong

Mr Hinson LAU Director of Engineering
Mr Tommy NG Senior Technical Manager
Mr Jerry LAM Financial Controller

Regal Hotels

Mr Teddy FUNG Vice President- Engineering

A3 Hotel Hong Kong

Mr Sidney O'YOUNG General Manager

Acesite Knutsford Hotel

Mr Jeff MA Sales Manager

Chinachem Group

Mr Chris CHAN Licensing Manager

Oriental Lander Hotel

Mr K. C. LAI Managing Director

Government Representatives

Home Affairs Department (HAD)

Mr Paul HEUNG Building Surveyor (LA)

Buildings Department (BD)

Mr Freddy HUNG Senior Building Surveyor/Mandatory Building Inspection 2-D
Mr Kenneth KWONG Building Surveyor/ Mandatory Building Inspection 2-D2

Food and Environmental Hygiene Department (FEHD)

Mr HUI Fai-wing Superintendent (Licensing)2

Water Supplies Department (WSD)

Mr Patrick HO Engineer/Customer Services (Special Duties1)
Mr WAN Chin-man Engineer/Customer Services (Special Duties2)

Electrical and Mechanical Services Department (EMSD)

Mr Raymond HUNG Engineer/Energy Efficiency B1/4
Mr Bruno CHOI Engineer/Energy Efficiency B1/5

Economic Analysis and Business Facilitation Unit (EABFU)

Mr Peter FUNG Chief Management Services Officer (*Secretary*)
Miss Jenny YEUNG Business Facilitation Officer

In attendance

Mr Wing CHIN Member, Business Liaison Group Task Force

Action

The **Convenor** welcomed all to the meeting. He said that the notes of the last BLG meeting had been posted to the Business Facilitation Initiatives website (http://www.gov.hk/en/theme/bf/pdf/H_BLG_18_Notes.pdf) for the trade's reference.

Proper use of water supply to cooling towers for water-cooled air conditioning system

2. **Mr Patrick HO** gave a briefing on the subject to the trade with his presentation slides at Annex 1. **Mr HO** stressed that there was health concern on the use of fresh water cooling towers because, if they were not properly designed, installed, operated and maintained, they could be sources for spreading Legionnaires' disease. To address the concern, WSD and EMSD were now jointly promoting to relevant stakeholders the message of not to install improper cooling towers.

3. **Mr Tommy NG** enquired whether there was any noise control on cooling towers. **Mr HO** replied that the trade should follow the relevant requirements as set out by the Environmental Protection Department, relevant information could also be obtained from "Scheme Brochure on Requirements"

(http://www.emsd.gov.hk/emsd/e_download/pee/Scheme_Brochure_eng_11-2010.pdf).

4. **Mr Teddy FUNG** asked whether there were designated areas for the installation of fresh water cooling towers, and whether the trade should ascertain with WSD on water supply capacity first before making an application to EMSD. **Mr HO** replied that the designated areas were listed on EMSD's website (http://www.emsd.gov.hk/emsd/eng/pee/psfwct_pub.shtml#da). Currently WSD welcome application for the installation of fresh water cooling towers from any designated areas. As for proposed fresh water cooling towers outside the designated areas, WSD would consider the application on a case by case basis.

5. **Mr Teddy FUNG** further enquired the meaning of "effective drift eliminator". **Mr Raymond HUNG** said that according to "Code of Practice for Water-cooled Air Conditioning Systems" issued by EMSD, a drift eliminator installed in a cooling tower would be considered as "effective" if the drift emission did not exceed 0.005% of the maximum design water circulation rate through the cooling tower.

6. **Mr Teddy FUNG** enquired that besides the 7.5 meter separation from air intakes / air exhausts requirement, whether there were any other requirements in respect of the surroundings of the cooling towers. **Mr Raymond HUNG** said that EMSD had no other separation requirements besides those stipulated in the "Code of Practice for Water-cooled Air Conditioning Systems" issued by EMSD but EMSD would normally advise the trade to install the cooling tower in a way which would cause the least nuisance to the surroundings. For example, EMSD might advise the trade to consider installing plume eliminator when the surrounding buildings were taller than the cooling tower to avoid nuisance caused to the occupants of these buildings by the plume generated. **Mr Chris CHAN** enquired whether there were any specific types of plume eliminators that EMSD would require the trade to install, and whether there were any regulations on plume generated by cooling towers. **Mr Raymond HUNG** said that EMSD did not specify the type of plume eliminator to be installed, and they had no regulations on plume generated by cooling towers.

7. **Mr Hinson LAU** enquired whether it was necessary for the trade to apply for building plans approval from the Buildings Department (BD) when making an application for installation of cooling tower. **Mr Raymond HUNG** advised that for new hotel project, the cooling tower concerned should already be included in the building plans during the application for an occupation permit. For installation of cooling towers in existing hotel buildings, as the installation would very likely affect the building structure, the trade should apply for building plans approval from BD. EMSD would also notify BD upon receipt of an application for installation.

8. **Mr Michael LI** enquired whether departments concerned had provided any performance pledges or other business facilitation measures (e.g. application tracking facilities) to enhance efficiency of the application process. **Mr HO** said that WSD and EMSD worked very closely together to process the application. At present there was no application tracking facilities available for the applications, however, he advised that as a performance pledge, upon receipt of an application for water supply, WSD would give a reply to the applicant in 20 working days, and **Mr Raymond HUNG** supplemented that EMSD would give a reply in 17 working days upon receipt of all

relevant documents from the applicant.

9. **Mr HO** said that should the trade have any further enquiries after the meeting, they could contact EMSD Helpdesk at 3757 6165 (Design & Installation) and WSD Helpdesk at 2152 5621/5541 (Water Supply).

New issue

Extending the maximum validity period of liquor licence from one year to two years

10. The trade had requested for multi-year liquor licence for a long time. In response, **Mr HUI Fai-wing** advised that legislative amendments were being made to the Dutiable Commodities (Liquor) Regulations (Cap. 109B) for the extension of the maximum validity period of a liquor licence from one year to two years. With the extension of maximum validity period of a liquor licence, the Dutiable Commodities (Liquor Licences) (Fees) Regulation (Cap. 109H) was also amended to set the fee for a licence valid for two years or any period more than one year at a level of 1.5 times of the fee prescribed for a one-year licence. **Mr HUI** said that the above legislative amendments would come into effect on 3 August 2015 (details in slides 4–12 of his presentation at [Annex 2](#)).

11. On electronic submission of liquor licence application, the **Secretary** reflected the trade's concern that use of digital signature without other options was the major barrier. **Mr HUI** advised that legislative amendments were made to Cap.109B to allow the electronic submission of applications for the issue, renewal, transfer or amendment of liquor licences by either a password assigned or approved by the Liquor Licensing Board (LLB) or by digital signature. **Mr HUI** said that the above legislative amendments would also come into effect on 3 August 2015 (details in slides 13–14 of his presentation at [Annex 2](#)).

12. **Mr LI** welcomed the above changes. However, he opined that the issue on absence of liquor licensee was also important. In the hotel industry, most of the liquor licensees were employees. If the licensee required temporary absence, or resigned suddenly, or left the hotel before completing the transfer application, it would adversely affect the operation of the hotel. Therefore, he would like the government to implement the “reserve licensee” mechanism as soon as possible.

13. **Mr HUI** said that bureaux/departments concerned were working on the final implementation details. As the “reserve licensee” mechanism did not require any legislative amendments, FEHD would brief the trade when ready.

Insufficient time for hotels in complying with the Mandatory Window Inspection Scheme (MWIS)

14. **Mr Jerry LAM** said that two of his hotels received notices from BD to carry out window inspection and repairs under MWIS at end December 2014, and they

were required to report completion to BD by end June 2015. He said that the three months period allowed by BD for hotels to appoint a Qualified Person (QP) was not sufficient because hotels would need to go through a long tendering process to hire many types of contractors, and there were insufficient supply of qualified service providers in the market. **Mr LAU** supplemented that the other three months period allowed for completion of inspection and repair works was also not enough because the guestrooms might have been occupied by hotel guests and the inspection and repair works would need the cooperation of the hotel guests.

15. In response to the above concerns of the trade, **Mr Freddy HUNG** briefly introduced the main procedures under the MWIS to the trade with his presentation slides at Annex 3. He said that BD would issue a pre-notification letter to give not less than 2 months advance notice to the hotel owner before the issuing of MWIS notice. Hotel owner could start the preparation work and organize for carrying out the required prescribed inspection and repair works before the statutory notice would be received. He said that there were more than 18 000 QPs and among them, over 5 800 QPs indicated that they were willing to provide MWIS services. This should normally be able to satisfy the market demand. If individual hotels having difficulty in meeting the prescribed time frame and required more time for carrying out the work under MWIS, they could make such request by proposing a plan with justifications to BD. BD would take a flexible and pragmatic approach when considering granting extension of time. **Mr LI** welcomed the above flexible and pragmatic approach offered by BD to hotels with genuine difficulties in completing the required inspection and repairs within the prescribed time frame under MWIS.

16. **Mr LI** enquired whether the glass curtain walls of hotels were covered by MWIS. **Mr Freddy HUNG** clarified that glass curtain walls were covered by Mandatory Building Inspection Scheme (MBIS) and not MWIS, and the prescribed time frame for completion of inspection and repairs under MBIS was 12 months, six months more than that under MWIS.

Any other business

17. **Mr LI** said that as HAD intended to differentiate licensed guesthouses from licensed hotels under the current review of the Hotel and Guesthouse Accommodation Ordinance (Cap.349), he would like HAD to consider providing clear definitions for both types of premises and devising a mechanism to deal with those guesthouses continuing to identify themselves as “hotels”. He requested Mr Paul HEUNG to convey his views to the Licensing Authority. **Mr Paul HEUNG** undertook to do so.

(Post-meeting notes: Mr HEUNG had conveyed Mr Michael LI's views to the Chief Officer (Licensing Authority) of HAD after the meeting.)

Date of next meeting

18. The **Convenor** said that the Secretary would inform trade participants of the

date of the next meeting in due course.

Economic Analysis and Business Facilitation Unit

May 2015