

**Notes of the 11th Business Liaison Group Meeting
with the Trade of Recreational Clubs**

Date: 18 Sep 2012
 Time: 2:30 p.m. – 4:00 p.m.
 Venue: Conference room 2, G/F, East Wing, Central Government Offices, 2 Tim Mei Avenue, Admiralty

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

Trade Attendees

The Hebe Haven Yacht Club

Mr Michael FRANCO General Manager

The Helena May

Ms Betty SIMPSON General Manager

Club de Recreio

Mr Vasco J. DA COSTA General Manager

Hilltop Country Club

Mr Carl CHAN Finance and Administration Manager

Victoria Recreation Club

Mr Peter HAU Manager

Mr John KULDIP Assistant to Hon. Secretary

Hong Kong Jockey Club

Mr Kurt SCHWARTZ Head of Hospitality Services (Operations)

Mr Alan WONG Chief Engineer

Ms Irene TAM Hospitality Administration Manager

Mr Andy LI Project Manager (Membership Facilities)

Clearwater bay Golf & Country Club

Mr Kenneth FAN General Manager

Government Representatives

Home Affairs Department (HAD)

Mr Winston LEUNG Chief Officer (Licensing Authority)

Food and Environmental Hygiene Department (FEHD)

Mr Eric CHEUNG Superintendent (Licensing)

Lands Department (LandsD)

Ms Karen CHAN Assistant Director (Estate Management) (Lands Administration Office/Headquarters)

Mrs Elizabeth LEVEN Sr Landscape Architect/Tree Unit (Tree Unit)

Economic Analysis and Business Facilitation Unit (EABFU)

Mr Peter FUNG Chief Management Services Officer (*Secretary*)

Miss Jenny YEUNG Business Facilitation Officer

Action

The **Convenor** welcomed all to the meeting, particularly Messrs. Winston LEUNG and Peter FUNG, who attended the BLG meeting for the first time.

Confirmation of the notes of the 10th BLG meeting

2. The meeting confirmed the notes of the last meeting (<http://www.gov.hk/tc/theme/bf/communication/blg/clubs.htm>) without amendment.

Matters arising

Application for restricted food permits

3. Mr Eric CHEUNG reported that FEHD had issued two rounds of reminder letters advising clubs with catering services of the need to apply for restricted food permits for selling restricted food items on club premises under the Food Business Regulation (Cap. 132X) and the related application procedures. More than 50 letters were issued to the recreational club operators in June 2012 and more than 700 letters to other clubs in August 2012.

4. Mr CHEUNG advised that when applying for restricted food permits in the name of a corporation, the club should provide documents such as Business Registration Certificate and Certificate of Incorporation etc. to the FEHD to confirm the legal status of the corporation.

5. Mr Vasco J. COSTA enquired whether it was the club or the contractor should apply for the restricted food permits if the catering service of the club was outsourced to the contractor. Mr CHEUNG clarified that it was the responsibility of the club to apply for the restricted food permits.

6. Ms Irene TAM enquired whether serving Parma ham in slices or in dishes with honeydew melon required the permit for food to be eaten in its raw state, and Mr Kenneth FAN enquired whether a permit was required for serving a glass of milk on the club premises. In response, Mr CHEUNG advised that

serving Parma ham did not require a permit for meat to be eaten in its raw state while a milk permit was required for serving a glass of pasteurized milk on the club premises. For other licensed food business where restricted food items were also sold at the same time, it was also necessary for the licensees to apply for endorsement on their food business licences for selling respective restricted food items at the licensed food premises.

7. Ms TAM said that her club was advised to apply for General Restaurant (GR) Licence for serving/processing restricted food items on the club premises and siu mei licence for home-grilled siu mei. Mr CHEUNG clarified that it was not necessary for clubs to apply for GR licence nor were they required to apply for siu mei and lo mei shop licence if the products were consumed on the same club premises because clubs were exempted from food business licences according to the Food Business Regulation (Cap. 132X).

8. Ms TAM further enquired whether FEHD could improve the application form for restricted food permits because there were two different lists of restricted food items on the form and caused confusion to the trade. Mr CHEUNG undertook to look into the matter.

FEHD

9. Mr FAN opined that messages given by front-line FEHD staff were inconsistent and he suggested FEHD to deploy one particular person to answer all enquiries about restricted food permits from the recreational club operators. Mr Michael FRANCO suggested FEHD consider providing a dedicated hotline for recreational club operators on this matter. Mr CHEUNG advised that he would consider the suggestions.

FEHD

(Post-meeting note: FEHD has deployed a particular officer to answer all enquiries about restricted food permits from recreational club operators since October 2012. The officer is Mr CHENG Ka-yu (Chief Health Inspector, Hygiene), and he could be contacted at 2867 5436.)

10. Mr John KULIP enquired whether FEHD could grant one type of permit which covered all the restricted food items for clubs. Mr CHEUNG clarified that the Food Business Regulation (Cap. 132X) did not provide for a one-for-all permit for clubs.

11. Mr CHEUNG advised that the difficulties encountered by the trade in the application process for restricted food permits might be caused by ineffective communication. To facilitate the trade in application, he would further instruct front-line FEHD staff on the legal requirement and the licensing standards of different restricted food permits.

FEHD

12. Mr Michael FRANCO opined that there should be clear definition of the restricted food items. Moreover, he suggested that the FEHD should not require the resolution by the Board of Directors of the club for the authorisation of a person to act on behalf of the corporation to deal with licensing matters with the licensing authority. Mr Kurt SCHWARTZ said that almost every club sell oysters, cut fruit and sushi etc., the permit fee for obtaining multiple permits was considered quite high.

13. Mr Peter FUNG suggested and the meeting agreed that in order to assist the trade to have a smoother application for restricted food permits, members of the trade were welcome to provide their case details to the FEHD for follow-up through the BLG secretariat.

(Post-meeting note: The BLG secretariat has subsequently sent emails requesting the seven recreational clubs who attended the 11th BLG meeting to provide their case details on difficulties faced when making enquiry/application of Restricted Food Permits with FEHD. As at 31 October, only one club provided their specific case details. The case was referred to FEHD for follow-up.)

Review and revision of the guide to application for restricted food permits

14. Mr CHEUNG reported that FEHD had enriched the guide to application for restricted food permits (Guide) in early July 2012 by including relevant information for eight more restricted food permits, namely, the permits for (1) cut fruit, (2) Chinese herb tea, (3) leung fan, (4) sushi, (5) sashimi, (6) oysters to be eaten in its raw state, (7) meat to be eaten in its raw state, and (8) food sold by means of a vending machine. The Guide had been uploaded onto FEHD's website (<http://www.fehd.gov.hk/english/licensing/guide.html>).

Time frame for alteration applications of club licence

15. Mr Winston LEUNG reported that for the period from 1 October 2012 to 31 March 2012, the Office of the Licensing Authority (OLA) received 18 alteration applications. 16 had been processed with the letter of requirements issued. The processing time for these 16 cases was in the range of 9 to 193 calendar days. The average processing times was 77 calendar days. As the number of new hotel/guesthouse licence applications received by OLA had been substantially increasing over the year and the trend was still upward, OLA would take time to examine the workload and analyze the data before it could advise whether a practical internal management target could be provided for alteration applications.

HAD

Issuance of a letter of proof for the validity of the Certificate of Compliance (CoC)

16. Mr Winston LEUNG reported that OLA was preparing a standard letter of proof for validity of CoC for clubs which had submitted renewal applications more than 3 months before the CoC expiry date. It was estimated that the letter of proof would be ready for issue by the end of October 2012.

New items

Requirements for compensatory tree planting

17. Mrs Elizabeth LEVEN gave a briefing on "Private Land in Hong Kong - Compensatory Planting" to the trade. Presentation slides were at [Annex](#).

18. Mrs LEVEN explained to the trade that the policy on compensatory planting was applicable to both private and government lands. A plant was considered as a tree if its trunk diameter measured 95mm or more at a height of 1.3m above the ground level. For lands leased to recreational clubs, usually there was a Tree Preservation Clause in the lease to protect the trees and trees should not be removed or interfered with without the prior permission from the Lands

Department. As a general principle, implementation of compensatory planting of a ratio not less than 1:1 in terms of number and Diameter at Breast Height (DBH), within the subject Lot would be acceptable. That is, the total number and the aggregated girth size of compensatory trees should be equal or not less than that of the lost trees. Deviation from this ratio should be supported with full justification.

19. Mr COSTA said that there might not be enough space on a club premises to plant many thinner trees in replacing big trees felled. Mrs LEVEN explained that if adequate justification was submitted to demonstrate that the base line level compensatory planting was not feasible, reduced provision of compensatory planting would be acceptable. It would be advisable for the trade to submit a plan of the lot concerned with sufficient information to demonstrate that there was not enough space in the club premises for 1:1 compensatory planting. It was not necessary for compensatory trees to be planted at the same location of the trees felled, and proper spacing between two trees should be maintained.

20. Mr SCHWARTZ enquired whether compensatory trees could be planted in places outside the clubs. Mrs LEVEN explained that, apart from greening in the vicinity, there might be legal issues of outside compensatory planting. The LandsD was concerned whether the trees planted elsewhere would be protected by a tree preservation clause subsequently, or if the lot owner where the compensatory trees were planted would give consent to provide proper subsequent maintenance on the trees. The Greening Landscape and Tree Management Section of the Development Bureau was examining the idea of outside compensatory planting. Ms Karen CHAN advised that proposal of outside compensatory planting would be considered on a case-by-case basis and the trade should give justification on the shifting of places.

21. Ms SIMPSON enquired whether foliage instead of DBH could be used in compensatory planting. Mrs LEVEN clarified that foliage cover, as calculated by diameter of tree crown, would generally result in the similar compensatory ratio as DBH, and it was more difficult to measure crown diameter than to measure DBH. Out of 9 overseas examples examined by Greening Landscape and Tree Management Section of the Development Bureau, 1:1 replacement in terms of numbers was the most common replacement criteria followed by DBH. Foliage or crown diameter was not referred to.

22. Ms SIMPSON and Mr FRANCO enquired whether trees felled by natural causes such as typhoon should be replaced. Mrs LEVEN explained that the purpose of compensatory planting was to attempt to re-establish the green coverage lost when a tree was removed. The reason for the trees being lost did not affect the fact that green coverage had been lost and thus should be replaced under the tree preservation clause.

23. Mr DA COSTA enquired whether the trade should hire a qualified person to do pruning on the trees for basic maintenance. Mrs LEVEN advised that minor pruning for basic maintenance of the trees could be carried out by any persons fitting for the job, not necessarily by a certified arborist. For major pruning, the trade should obtain prior permission from the respective District Lands Office and the job should be carried out by trained personnel and under proper supervision by experienced person with expertise in horticulture, arboriculture and tree care to ensure that it would be done safely and properly. The Lands Department was

working on defining the maximum level of minor pruning that the trade could do without prior permission in the Practice Note on tree preservation.

24. Mr SCHWARTZ enquired whether there was any time limit for compensatory tree planting. Mrs LEVEN replied that the trade should submit a compensatory planting proposal to the District Lands Offices before the trees were felled. The trade could specify in the proposal the timing of the physical planting of the compensatory trees. Mrs LEVEN advised that it would be better to plant trees during rainy seasons and could be done within one year after the proposal was approved.

25. Mrs LEVEN told the meeting that where safety was at stake as a result of natural causes or emergency situations, the trade should exercise their judgement in making emergency tree felling/pruning without prior approval from the District Lands Office (DLO). However, the trade should take full photo record before (or during if necessary) emergency works were carried out, and inform DLO in writing within 21 calendar days of the incident together with the compensatory planting proposal or justification for not replacing.

26. Upon enquiry by Mr FRANCO about a case of a tree bending from a government land towards a club, Mrs LEVEN explained that the owner department of a certain piece of government land would take responsibility of the trees therein.

Issuance of club liquor licence prior to renewal of the CoC

27. Mr CHEUNG told the meeting that if the date of CoC renewal application was not less than 3 months from the expiry of CoC, the Liquor Licensing Offices of FEHD would process the application for renewal of club liquor licence (CLL) even without a valid CoC. FEHD's computer system would show the renewal status of the CoC as being protected and it was not necessary for the FEHD to refer the application for renewal of CLL to HAD enquiring whether the expired CoC was still taken as in effect.

Provision of a covering letter for the registered drawings

28. Mr Andy LI said that the OLA issued registered drawings to clubs without covering letters. For a big club where there were several different alteration projects supervised by different staff throughout the year, it would be difficult for the club to trace which project the registered drawings belonged to.

29. Mr Winston LEUNG responded that the OLA would issue a covering letter for the registered drawings for both alteration projects and new licence applications. The information contained in the covering letter would be: (a) the date of receipt of the drawings by OLA; (b) the party authorized by the CoC holder/applicant to submit the drawings to OLA; and (c) the total no. of drawings. The new initiative should be able to address the concern raised by the trade.

Any other business

30. Mr DA COSTA enquired whether a club could own the Club Liquor Licence and nominate a new licensee for the licence when the licensee passed away. Mr FRANCO suggested that the Liquor Licensing Board (LLB) should consider

granting a "hold-over" period for the validity of the licence until a new licensee was approved by the departments concerned so that the club could continue to sell liquor. Mr CHEUNG advised that the Government was considering the measure of "reserve licensee" under the Liquor Licensing Review. This proposed new measure might be able to address the concern of the trade.

Date of next meeting

31. The Secretary would inform members of the date of the next meeting in due course.

Economic Analysis and Business Facilitation Unit

October 2012