

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

***Agenda Item 5: Report on the progress of the
“Be the Smart Regulator” Programme
– October 2018 update***

Purpose

This paper updates on the progress of the “Be the Smart Regulator” Programme¹ (the Programme) reported since the last Business Facilitation Advisory Committee (BFAC) meeting held on 26 June 2018.

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 (DB) Report

3. In the survey for the World Bank’s Doing Business 2019 Report (Report), the Business Facilitation Team has stepped up its effort in facilitating B/Ds to devise targeted improvement measures and timely reported them to the World Bank. Besides, we have enhanced our communication with the senior management and technical assessment teams of the World Bank, including visits to its offices to explain our improvement measures and provide clarifications on Hong Kong’s regulatory regime and practices. The World Bank will release the Report with ease of doing business rankings of economies in late October 2018.

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.

Major progress in various departments

4. The participating departments has developed more than 130 business facilitation measures this year to reduce the compliance costs to trades and remove red tape through various means including enhancing the regulatory requirements, streamlining procedures, proactive use of information technology as well as strengthening support services and guidance for the trades. Some notable examples of those already implemented are highlighted as follows –

- (a) The Companies Registry, in collaboration with the Securities and Futures Commission and the Inland Revenue Department, has introduced a one-stop process, to facilitate the trades in registration and incorporation of new Open-ended Fund companies;
- (b) To reduce the processing time, the Pharmacy and Poisons Board of Hong Kong has set up rules and delegated the approving authority of straightforward cases of certain types of applications to designated public officers;
- (c) The Education Bureau has streamlined the procedures for initial vetting of new applications for registration of non-local courses by advancing the referral to the Hong Kong Council for Accreditation of Academic and Vocational Qualifications to shorten the time required for course registration;
- (d) The Electrical and Mechanical Services Department has developed an online platform for innovation and technology (I&T) collaboration (“E&M InnPortal”) to facilitate joint effort among the government departments, public organisations, the electrical and mechanical (E&M) trades, start-ups and academic institutes in promoting and driving research and development as well as application of E&M related I&T;
- (e) The Fire Services Department has adopted a collaborative and proactive liaison approach to enhance the processing of General Building Plan submissions and acceptance inspections of fire service installations for new buildings, including conducting pre-inspection meetings with the Authorised Persons and contractors, giving priority to minor amendments of the general building plans, providing document checklists to the trade for reference and sharing the relevant materials and information on the website; and
- (f) The Transport Department has developed an online application system to allow domestic non-franchised buses to apply in advance for allocation of time slots for picking up passengers in the Pick-up

Area in the Public Transport Interchange of the Hong Kong Port of the Hong Kong-Zhuhai-Macao Bridge to ensure smooth operation at the port.

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

5. Since July 2018, we briefed a total of about 240 new recruits from 35 departments on the importance of business facilitation, the roles of the BFAC and its task forces as well as good examples of smart regulation in the government, etc. at the induction seminars organised by the Civil Service Training and Development Institute to inculcate a business facilitation culture among the new recruits of the civil service.

Business Impact Assessment (BIA)

6. To enable a better understanding of the impact of regulatory proposals on relevant trades, relevant B/Ds are conducting three BIA studies, i.e. the study on the proposed regulatory framework of plumbing materials under the Waterworks Ordinance (Cap. 102), the study 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 study on the proposed security of payment legislation for the construction industry. The above studies are being finalised. The findings and recommendations of these studies would help the B/Ds concerned fine-tune their proposals to minimise the impact on trades.

Way forward

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

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