Forty-ninth Meeting of the Business Facilitation Advisory Committee

Agenda Item 5: Report on the progress of the "Be the Smart Regulator" Programme - October 2022 update

Purpose

This paper provides updates on the progress of the "Be the Smart Regulator" Programme (the Programme) since the last Business Facilitation Advisory Committee (BFAC) meeting held on 20 July 2022.

Latest progress

Overview

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

Major progress in various departments

- 3. From 2019-20 to 2021-22, the participating B/Ds have developed a total of 374 business facilitation measures to continue improving the efficiency and transparency of licensing services and reducing compliance costs to trades, through streamlined procedures, effective use of innovation and technology, enhanced regulatory requirements, as well as strengthened support and guidance to the trades. Examples of the measures implemented in recent months are highlighted as follows
 - (a) The Social Welfare Department developed an online platform to facilitate operators of Residential Care Homes for the Elderly and Residential Care Homes for Persons with Disabilities to submit licence renewal applications and collect renewed licences through electronic means.

- (b) The Inland Revenue Department has enhanced its e-service "Application for Business or Branch Registration" to allow applicants to submit supporting documents and collect Business Registration Certificate by electronic means to obviate their need to visit the licensing office.
- (c) The Labour Department has introduced e-submission services to facilitate the trade in applying for new and renewal of employment agency licences.

2022 Policy Address

4. To dovetail the development of smart government, the Chief Executive announced in the 2022 Policy Address the government's aim to turn all government services online in two years. Submission of application, payment and collection of documents for all licences, services involving application and approval and forms by electronic means will be enabled by mid-2024. If in-person submission or collection of documents is required by law or international practice, applicants will only need to visit the government offices once. B/Ds would continue to take proactive actions to implement relevant e-services.

World Bank's new initiative to assess business environment

5. The World Bank (WB) proposed a new Business Enabling Environment (BEE) report to replace the discontinued Doing Business report in assessing the business and investment climate in economies worldwide. According to a Concept Note of the WB, the assessment will cover ten topics following the life cycle of a firm (i.e. opening, operating and closing a business) and its participation in the market. For each topic, the assessment will focus on the regulatory framework, the provision of related public services for firms and markets and the efficiency of the regulatory related public services. WB will collect the data through firm-level surveys and expert consultations. We are closely liaising with WB to understand the approach and methodology of assessment, as well as the details of Hong Kong's participation of the BEE. We will brief the BFAC after WB promulgates the finalised Concept Note. Trade representatives are welcome to contact the Efficiency Office for any enquiries or assistance on the BEE report.

Way forward

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

Business Facilitation Team Efficiency Office Innovation, Technology and Industry Bureau November 2022