

**Fifty-first Meeting of
the Business Facilitation Advisory Committee**

***Agenda Item 4 : Report on the progress of the
“Be the Smart Regulator” Programme
– May 2023 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 23 February 2023.

Latest progress

Overview

2. The 28 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 2020-21 to 2022-23, the participating B/Ds developed a total of 333 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 Lands Department has extended the relaxed arrangement of applying for the Offensive Trades Licence under Government leases from the original three types of licensed food businesses to eight more, such as Food Factory, Fresh Provision Shop and Club Liquor Licence, so that the trades are not required to obtain the Offensive Trades Licence when applying for food business licences, reducing the compliance cost of the trades and shortening processing time.

- (b) The Home Affairs Department obviates the need for the trade to submit copies of Business Registration Certificate and Certificate of Incorporation as supporting documents for application of Hotel/Guesthouse Licence, Club-House Certificate of Compliance, Bedspace Apartment Licence and Karaoke Establishment Licence/Permit by validating company information through the e-services of the Inland Revenue Department and the Companies Registry, reducing administrative burden and time of the trades.
- (c) The Department of Health has published a designated webpage under its website containing links to all licence-related forms to facilitate the public in searching for information relating to licence application and renewal, enhancing transparency and convenience of their licensing services.

Progress of meeting policy pledges on full digitalisation of government services

4. As pledged in the 2022 Policy Address, 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. Relevant B/Ds are on track in implementing the required e-services. The Efficiency Office (EffO) will continue to review the implementation progress with the B/Ds, understand the challenges they faced and render necessary support. B/Ds will continue their efforts in meeting the commitment of providing the e-services for licence application so as to provide trades with a more business-friendly environment.

World Bank Group's Business Ready project

5. The World Bank Group (WBG) renamed the project as Business Ready (B-READY) in March 2023 and published the detailed manual, guide and methodology in early May 2023. There are 22 questionnaires involving about 800 indicators with nearly 1 700 questions related to the ten assessment topics. The WBG organised the B-READY methodology workshops in May 2023 and presented the detailed assessment methods, indicators and scoring mechanism to the government representatives of the economies. It is noted that the WBG is collecting data through firm-level surveys and expert consultation. The WBG has engaged a local research organisation 'Policy 21' to conduct the firm-level survey in Hong Kong. Respondents to expert consultations will come from both private and public sectors. Responses from public sector experts will in general serve as a reference for WBG in its data

validation work. If there are discrepancies between the answers of the private and the public sector experts, the WBG may invite the private sector experts to review and amend their responses if they so wish. The WBG will adopt the final responses of the private sector experts as the basis of scoring.

6. To arouse the trades' awareness and appeal to their participation to the data collection exercise if invited, EffO has been promoting B-READY to more than 400 trade associations in Hong Kong through briefings, pamphlets, feature articles and e-mails.

Way forward

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

**Business Facilitation Team
Efficiency Office
Innovation, Technology and Industry Bureau
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