

**Business Facilitation Advisory Committee
Task Force on Business Liaison Groups**

Transfer of the Certificate of Compliance in bar trade

Background

Some bars in Hong Kong are established by acquiring Certificate of Compliance (CoC) for the club-houses under the Clubs (Safety of Premises) Ordinance (Cap. 376) (the Ordinance) administered by the Office of the Licensing Authority (OLA) under the Home Affairs Department (HAD). The Ordinance aims to regulate the building and fire safety of club-houses with a view to ensuring the safety of patrons and other users of the building concerned. During the validity period of a CoC, the CoC holder may apply to HAD for transfer of the CoC to another person. If the club-houses concerned are undergoing alteration works, HAD will not process the transfer application until the alteration works are found completed in compliance with the building and fire safety requirements imposed by HAD.

Trade's Concern

2. At the 14th Business Liaison Group meeting for Karaoke establishments, nightclubs, bars and other entertainment clubs, members of the bar trade raised their concern on the CoC transfer being held up by the alteration works in progress. They suggested the Administration would consider processing the CoC transfer application under such circumstances.

Administration's Response

3. Having considered the trade's suggestion and examined the past transfer cases, HAD agrees to process the CoC transfer application on a case by case basis with due regard to the actual circumstances. For example, if the holder of the CoC (transferer) and the proposed holder (transferee) each

submits a declaration to the effect that they confirm the acknowledgement of the alteration works and the registered layout plan accepted by HAD has been provided to the transferee by the transferer, and the transferee undertakes to take up all the responsibilities of the alteration works and the consequences, HAD will have no objection to processing the CoC transfer application.

4. However, if the CoC holder submits both renewal and transfer applications at the same time with alteration works in progress, it will give rise to complications even both the transferer and transferee have provided the declaration and undertaking as mentioned above. Processing of applications in parallel is not possible since a renewal application must be submitted and signed by the current CoC holder but the transfer process, upon completion, will change the holder of CoC. As a CoC can only be renewed after all safety requirements are complied with upon completion of alteration works, in such circumstances, the CoC holder may prefer HAD to process the transfer application first. After the transfer is completed, the new CoC holder can then submit the renewal application. However, in case that subsequent to such transfer, the renewal application could not be submitted by the new CoC holder at least three months before expiry of the CoC, and the alteration works are still in progress rendering the renewal application could not be completed before expiry of the CoC, the new CoC holder needs to cease operating the club-house temporarily until the renewal is completed. The transferee needs to understand the risk involved before making the business decision.

Way Forward

5. Members are invited to note the content of this paper and offer comments, if any.

Home Affairs Department
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