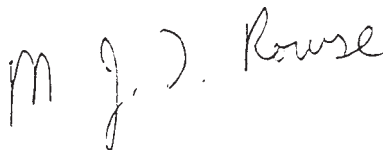


Message

At a time of economic difficulty, it is more important than ever for Hong Kong to maintain a truly friendly environment for businesses to operate in. If we are to stay competitive and offer real value for money we must continue –

- to create an infrastructure that will help the business sector to make the most of available opportunities;
- to provide a regulatory and administrative environment conducive to the future development of the business sector; and
- to strike the right balance between providing a necessary level of regulation while at the same time avoiding unnecessary bureaucratic controls which only strangle enterprise and deter investment.

That is why we need the **Helping Business Programme**. Its activities centre on cutting red tape and eliminating over-regulation, assessing and reducing cost of compliance to stakeholders, transferring public services to the private sector where appropriate market conditions prevail and introducing new and improved services in support of the business community. The Programme will ensure that we are ready for a quick turnaround when economic conditions improve, and emerge from the crisis stronger and more competitive than before.

A handwritten signature in black ink, reading "M J T Rowse". The letters are cursive and somewhat stylized, with the first letters being larger and more prominent.

(M J T Rowse)

Director, Business and Services Promotion Unit

Business Friendly Environment

Our Policy Objective is to secure a business friendly environment to ensure that the private sector is able to find and develop opportunities.

Our target in pursuing this Policy Objective is to secure a positive private sector response to the process of finding and developing opportunities.

Key Result Areas (KRAs)

To ensure that this Policy Objective can be achieved, we must deliver results in a number of key areas, that is, we must –

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The following sections of this booklet explain the importance of these KRAs, describe the broad thrust of our efforts, and outline the indicators which we are using to assess progress. Each section lists the new key initiatives being taken to achieve our objectives and pinpoints the agency accountable for each initiative and the specific targets which we intend to meet.

I

Identify opportunities to create a more business friendly environment

Working together with the business sector, we need to identify priority study areas where we should focus our attention on creating a more business friendly environment.

The Business Advisory Group (BAG) and its three sub-groups continue to meet regularly to discuss specific helping business initiatives and receive reports from department heads on progress of projects.

Indicators

The indicators we will use to measure progress in this area are –

- the development of a rolling plan of priority areas for study
- the extent of business sector participation in developing the rolling plan

Initiatives	Targets
<p>To visit department heads and their directorate to invite suggestions for improvement opportunities</p> <p><i>(Business and Services Promotion Unit (BSPU))*</i></p>	<p>A minimum of one departmental visit per month from October 1998 onwards</p>
<p>To conduct research into existing regulatory regimes</p> <p><i>(BSPU)</i></p>	<p>To consider 25 areas of potential study at each quarterly meeting of the relevant BAG Sub-Group</p>
<p>To consult more representatives of the business sector</p> <p><i>(BSPU)</i></p>	<p>To consult 12 representative business organisations in 1999</p>

* the brackets denote the agency with lead responsibility for the initiative

II

Commission studies and devise detailed arrangements

We regularly conduct studies in priority areas so as to explore improvement opportunities. These might include cutting red tape, deregulation, transfer of public services and introduction of new services.

In the past year, we completed 14 studies which identified 150 recommendations. In addition, we launched a further two studies which are on-going.

Indicators

The indicators we will use to measure progress in this area are –

- the number of studies commissioned in line with a rolling plan
- the exploration of improvement opportunities and the number of recommendations

Initiatives

Targets

To study licensing requirements for lotteries, tombola, amusements with prizes and trade promotion competitions

(Television and Entertainment Licensing Authority)

Completion within 1998

To study licensing requirements for restaurants

(Urban Services Department)

Completion within 1999

Initiatives	Targets
<p>To review the licensing requirements for massage establishments <i>(Hong Kong Police Force)</i></p>	<p>Completion within 1999</p>
<p>To promote greater private sector participation in the provision of elderly care service <i>(Social Welfare Department)</i></p>	<p>Completion within 1999</p>
<p>To identify and examine possible options for private sector participation in the provision of efficient and cost-effective water supply services <i>(Works Bureau)</i></p>	<p>Completion within 1999</p>
<p>To conduct a departmental business study of Planning Department <i>(Planning Department)</i></p>	<p>Completion within 1999</p>
<p>To review Regulations administered by Transport Department <i>(Transport Department)</i></p>	<p>Completion within 2000</p>
<p>To study the feasibility of developing a copyright rights management database <i>(Intellectual Property Department)</i></p>	<p>Completion within 1999</p>



Implement recommendations to improve the business environment

We aim to provide new services and improve the environment within which businesses operate.

Over the past year, government departments implemented over 70 recommendations. The BAG and its sub-groups have developed a coherent programme to monitor the implementation of all recommendations.

Indicator

The indicator we will use to measure progress in this area is the percentage of recommendations implemented within agreed timescales.

Initiatives

Targets

To fine tune a scheme for allowing Authorised Persons to carry out utilities connections and construct run-ins, and extend it territory-wide

(Works Bureau)

Completion within 1999

To improve operations in the Marine Department to provide a better service for the maritime industry

(Marine Department (MD))

Completion within 1999

Initiatives	Targets
<p>To streamline licensing procedures for hotels and guesthouses <i>(Home Affairs Department)</i></p>	<p>Completion by 2001</p>
<p>To improve the licensing procedures and requirements of Amusement Games Centres, Public Dance Halls, Dancing Schools and Mah-jong/Tin Kau Establishments <i>(Television and Entertainment Licensing Authority)</i></p>	<p>Completion within 1999</p>
<p>To improve the application procedures for consent to sales of units in uncompleted developments <i>(Lands Department (Lands D))</i></p>	<p>Completion within 1999</p>
<p>To improve the application procedures for waivers under land grants and lease conditions <i>(Lands D)</i></p>	<p>Completion by 2001</p>
<p>To streamline the licensing requirements for local vessels <i>(MD)</i></p>	<p>Completion by 2001</p>
<p>To streamline the management of public cargo working areas <i>(MD)</i></p>	<p>Completion by 2001</p>

Initiatives	Targets
To improve the legislation governing leisure or home brewing <i>(Finance Bureau)</i>	Completion within 1999
To transfer appropriate activities in the Intellectual Property Department to the private sector <i>(Intellectual Property Department)</i>	Completion by 2001
To secure private sector participation in the licensing of drivers and vehicles <i>(Transport Department)</i>	Completion by 2001
To build a Chinese language index page for public forms on the Internet <i>(Business and Services Promotion Unit)</i>	Completion within 1999
To compile a comprehensive practical guide about labour laws and good management practices <i>(Labour Department (LD))</i>	Completion within 1999
To develop sample standard employment contracts for reference by employers <i>(LD)</i>	Completion within 1999

Initiatives	Targets
To introduce a provisional licensing system for food premises other than restaurants <i>(Urban Services Department)</i>	Completion within 1998

IV

Promote awareness of the improvements to the business community

We need to send a reassuring general message to the business sector that the Hong Kong Special Administrative Region Government is improving the business environment in Hong Kong. In particular, we need to emphasise the improvements in specific areas.

Indicator

The indicator we will use to measure progress in this area is the degree of awareness of the Helping Business Programme.

Initiatives	Targets
To devise a comprehensive and coherent publicity programme <i>(Business and Services Promotion Unit (BSPU))</i>	To produce annually from 1998 onwards
To publish regular newsletters and circulate these to businessmen <i>(BSPU)</i>	To issue two newsletters in 1999



Inspire a greater appreciation of the needs of the business community among civil servants

There is a danger that as fast as we cut red tape in one area, more regulations and red tape develop in other areas of government. To prevent this we aim to cultivate a helping business culture in the civil service.

Indicator

The indicator we will use to measure progress in this area is the degree of awareness among civil servants.

Initiative

Target

To conduct seminars for and give talks to officers at all levels on deregulation and other areas of the Helping Business Programme
(Business and Services Promotion Unit)

To conduct at least six seminars/talks in 1999