

BFAC appreciates Competition Commission's committed efforts in promoting market competition and assisting businesses in compliance with Competition Ordinance

The following is issued on behalf of the Business Facilitation Advisory Committee Secretariat:

The Business Facilitation Advisory Committee held its 53rd meeting today (January 31). At the meeting, members were briefed by the Competition Commission (Commission) on the key developments of Hong Kong's competition law regime and the activities of the Commission in recent years. The roles of the Commission in assisting businesses to adopt appropriate internal controls and risk management systems to ensure their compliance with the Competition Ordinance (Cap. 619) (the Ordinance), as well as an outlook of the Commission's work in 2024, were also covered.

The primary function of the Commission is to investigate conduct that may contravene the competition rules, and enforce the provisions of the Ordinance. Since the full implementation of the Ordinance in December 2015, there have been a total of 21 enforcement outcomes. In recent years, the Commission stepped up collaborations with other law enforcement agencies to enforce the provisions of the Ordinance. Furthermore, the Commission strives to increase public awareness of the Ordinance and to promote compliance through various types of outreach, engagement events and publications.

With the closer economic integration of Hong Kong and Mainland cities in the Greater Bay Area, the Commission signed a Memorandum of Understanding with the Guangdong Administration for Market Regulation in July 2023 to establish an effective framework for communication and co-operation on competition policy and the relevant laws between the two authorities. In 2024, enforcement of the Ordinance will remain a key focus of the Commission with priority given to investigations and enforcement actions that would result in the greatest overall benefit to competition ethos and consumers in Hong Kong. The Commission will also continue to assist the Government in taking competition principles into account in the policy-making and implementation process.

The Committee appreciated the Commission's commitment to nurture a culture conducive to competition, advocate compliance and engage in effective law enforcement to safeguard a level playing field for businesses in Hong Kong.

The Committee also received the work reports of its three task forces:

Joint meeting of the three task forces

- The Hong Kong Cyberport Management Company Limited (Cyberport) briefed the three task forces on the Digital Transformation Support Pilot Programme (the Pilot Programme). The Pilot Programme operates on a one-to-one matching basis to support small and medium-sized enterprises (SMEs) in the food and beverage and retail industries to acquire off-the-shelf, readily available basic digital technology solutions. Three designated categories of digital technology solutions (Digital Payment Solutions and Shopfront Sales, Online Promotion, Customer Management and Loyalty Solutions) will be available for selection by enterprises. The maximum amount of funding support for each eligible SME is \$50,000. It is anticipated that at least 8 000 enterprises will be able to undergo business upgrading and transformation, and enhance their productivity through the Pilot Programme within two years. The Task Forces appreciated the briefing by Cyberport, and advised Cyberport of the need to keep in view the time required for processing and approving applications for the Pilot Programme.
- The Environmental Protection Department (EPD) briefed the three task forces on the regulatory framework and legislative requirements of the Product Eco-responsibility (Amendment) Ordinance 2023 (Amendment Ordinance) and the preparatory work for implementation of the regulation. The Amendment Ordinance will prohibit the local sale of nine types of disposable plastic tableware and the provision of such products at catering premises to customers, and also regulate the manufacturing, selling and distributing of a series of other disposable plastic products in two phases. Phase one of the regulation will commence on April 22, 2024. The timing of implementing Phase two of the regulation will depend on the availability and affordability of alternatives to the respective plastic products, tentatively by 2025. After some good exchanges of views on the implementation arrangements of the Amendment Ordinance with the EPD, the Task Forces were concerned about the possible measures to facilitate trades' compliance, and suggested that the EPD should strengthen communications with the trades to ensure their better understanding of the legal requirements and be prepared for the regulation of disposable plastics.

Wholesale and Retail Task Force (WRTF)

- The Hong Kong Tourism Board (HKTB) briefed the WRTF on its work in supporting the night-time economy and provided an update on the latest situation and pace of tourism recovery. Riding on the Government's launch of the "Night Vibes Hong Kong" campaign, the HKTB strives to elevate the city's vibrant ambience in the night time through two strategies: promotions of Chinese and Western festivals and staging a

series of signature mega-events, and the new giveaway of one million "Hong Kong Night Treats" visitor dining vouchers to enrich the nightlife experience of the visitors and local public. The HKTB will continue to step up its promotions and marketing efforts to attract more visitors and uphold Hong Kong as an international tourism destination. The WRTF welcomed the HKTB's initiatives and efforts, and believed that the initiatives would facilitate full recovery of the tourism industry.

Food Business and Related Services Task Force (FRSTF)

- The Food and Environmental Hygiene Department (FEHD) briefed the FRSTF on expanding the scope of the "Professional Certification System" (PCS) to cover general restaurants (GRs) in the first quarter of 2024. Applicants of light refreshment restaurants, food factories and GRs of full licences can either follow the original system or choose the PCS for issue of full licence. Subject to the smooth implementation and support from the trade, the FEHD will extend the new measure to other food business licences. The FRSTF welcomed the above enhancement measure to facilitate the trade to obtain relevant licences. The FRSTF also suggested that the FEHD further digitalise its licence application processing, such as case referrals.

Task Force on Business Liaison Groups (BLGTF)

- The Labour Department (LD) briefed the BLGTF on the details and enhancement measures of the Enhanced Supplementary Labour Scheme (ESLS) which was launched on September 4, 2023. The enhancement measures include enhancing coverage, enhancing the dissemination of application information to employers, streamlining the procedures for processing applications, refining the workflow of consultations with the Labour Advisory Board etc. The BLGTF thanked the LD for implementing the ESLS to alleviate the problem of labour shortage of the trade, thereby facilitating businesses, and expressed their concern about the lead time for application processing.

The Committee also expressed appreciation of the commitment and achievements of the bureaux and departments in continuously implementing the business facilitation measures under the Be the Smart Regulator Programme to enhance their business licensing services.

Papers for the Committee meeting are available at www.gov.hk/en/business/supportenterprises/bf/advisory/index.htm for public access.