

For discussion
on 22 April 2002

LegCo Panel on Food Safety and Environmental Hygiene

Licensing of Non-restaurant Food Businesses

PURPOSE

This paper informs Members of the progress made in taking forward the recommendations of a consultancy study to streamline the licensing regime for non-restaurant food businesses.

BACKGROUND

2. At the meeting of the LegCo Panel on Food Safety and Environmental Hygiene held on 18 June 2001, Members discussed the paper 'Licensing of Non-restaurant Food Premises' (LC Paper No. CB(2) 1846/00-01(03)), which set out the consultant's recommendations to streamline the licence application process for non-restaurant food premises and the Administration's proposed way forward. Members generally supported the direction of the proposals.

LATEST PROGRESS

3. An interdepartmental committee comprising representatives from the Business and Services Promotion Unit of the Commerce and Industry Bureau, the Buildings Department ("BD"), the Fire Services Department ("FSD") and the Food and Environmental Hygiene Department ("FEHD") has been formed to take forward the consultant's recommendations and monitor implementation progress. FEHD has taken the lead to coordinate with departments concerned to simplify the licensing requirements and streamline licensing procedures. In addition, the food trade was consulted in early

February 2002. The trade generally considered it desirable to maintain the existing categories of non-restaurant food business licences, as many food businesses require the issue of only one of the different categories of licences and FEHD should leave it to the operators to decide which licences they would like to apply. The trade also welcomed the suggestion of introducing a new “manufacturing/retailing” licence, which simplifies the existing need to apply for multiple licences/permits to sell different categories of food product. This will benefit business operations with multiple product lines, such as supermarkets which operate bakery, fresh provision shop, food factory and siu mei/lo mei shop all within their premises.

4. Having carefully considered the recommendations of the consultant and the views of the trade, FEHD has been implementing a series of improvement measures as follows -

(a) Simplifying Licensing Requirements

- (i) BD has adopted a pragmatic approach in respect of the loading requirement for cold storage room in food premises (other than cold store) to facilitate the trade’s compliance. For food premises not resting on soil, justification of the adequacy of the existing floor to cater for the superimposed load, such as cold storage rooms, will have to be submitted by an Authorised Person or Registered Structural Engineer. BD spells out clearly that the size of the cold storage room should commensurate with the food premises with reasonable internal circulation area, and that the size and clear height of the cold storage room and the storage racks, and the layout of the racks should be indicated on the plan. With this in place, it is expected that applicants could more readily meet BD’s requirements. The new guideline was introduced in November 2001.
- (ii) FEHD is reviewing the existing licensing requirements and conditions in collaboration with other government departments with a view to standardising and simplifying them for better comprehension and subsequent adoption by the trade. For example, the licensing requirements and conditions will be grouped into food hygiene, environmental hygiene, equipment hygiene and personal hygiene, and outdated requirements and conditions will be removed. The exercise

is expected to complete by July 2002.

(b) Streamlining the Application and Renewal Process

- (i) To ensure prompt processing of applications, FEHD has employed courier service in referring licence applications to BD, FSD and other government departments for processing since September 2001.
- (ii) At present for non-restaurant food licence applications, upon submission by the applicant of the application with plans, FEHD will conduct screening and site inspection in seven working days. FEHD will then refer the application to BD and FSD for comments within 30 working days. With the latter's input to the licensing requirements, FEHD will then issue a letter of requirements to the applicant within seven working days. In total, a 44-day cycle (7+30+7) is required. With the support of BD and FSD, FEHD will launch a pilot scheme in May 2002 to test out a shorter processing cycle of 30 working days (3+24+3). If the new arrangement works out, the time required for issuing the letter of requirements will be considerably reduced.
- (iii) In consultation with BD and FSD, FEHD is working on means to cut the approvals required for making changes to the layout plan submitted. The work is expected to complete by July 2002.
- (iv) FEHD has recently completed a feasibility study on the setting up of a Licensing Management Information System ("LMIS"). LMIS will help to provide for e-application, automate the referral of applications to BD and FSD and the issuing of letter of requirements, automate the tracking of the progress of individual applications, provide for e-payment, build a database on licences issued, and automate the drawing up of inspection schedules and the keeping of inspection records. Subject to the availability of funds, the LMIS is expected to be in place by mid-2003.

Improvements Requiring Legislative Amendments

5. The implementation of the following recommendations made by the consultants would require legislative amendments –

- (i) Introduction of a new type of ‘manufacturing/retailing’ licence;
- (ii) Removing less risky food items from the list of restricted food in the *Food Business Regulation (Cap.132 sub leg)*; and
- (iii) Introduction of 2-year licences.

We are examining these proposed legislative amendments to see how they would fit into FEHD’s overall legislative programme.

ADVICE SOUGHT

6. Members are invited to comment on the improvement measures set out in paragraphs 4 and 5 above.

Food and Environmental Hygiene Department
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