

**For discussion
on 4 April 2005**

**LegCo Subcommittee
to Study the Streamlining of Food Business Licensing**

Liquor Licensing Procedures

Purpose

This paper sets out the liquor licencing procedures.

Background

2. The policy for the issue of liquor licence is set out in the Dutiable Commodities (Liquor) Regulations (Cap. 109 Sub. Leg. B) (the Regulations). The Liquor Licensing Board (the Board) is an independent statutory body established under section 2A of the Regulations for granting of liquor licences. Its deliberations cover new applications, renewal, transfer and amendments to existing licences. The Food and Environmental Hygiene Department (FEHD) provides administrative support to the Board in terms of processing of these applications. The Board comprises a chairman, a vice-chairman and nine other members appointed by the Chief Executive.

3. Pursuant to the Regulations, any person who intends to sell liquor at any premises for consumption on the premises must obtain a liquor licence before commencement of such business. If the supply of liquor is intended at any premises used by a club, a club liquor licence is required.

4. The Board normally meets twice every two weeks to consider applications. Each meeting comprises a closed door session and an open hearing session. There are no meetings in August. Depending on need, additional meetings may be held in July and/or early September. During the break in August, non-contested applications will

continue to be approved by the Secretary to the Board under delegated authority.

5. In 2004, the Board processed 4 969 non-contested applications, and determined 1 067 contested and contentious ones among which 248 were heard in open hearing.

Criteria for Considering Applications

6. In granting licences, the Board adopts an open, transparent and fair approach and aims to balance the interests of commercial activities and the local residents. Its main considerations are that: (a) the applicant is a fit and proper person to hold the licence; (b) the premises are suitable for selling or supplying liquor having regard to the location and structure of and the fire safety and hygienic conditions in the premises; and (c) in all circumstances, the grant of a licence is not contrary to the public interest.

7. A liquor licence will only be issued when the premises have also been issued with a provisional or full restaurant licence. The liquor licence will only be valid if the premises remain licensed as a restaurant. The club liquor licence is issued subject to the production of a valid Certificate of Compliance issued by the Home Affairs Department (HAD).

Procedures

8. An applicant can apply for the restaurant and liquor licences at the same time. There is no need to wait for the issue of a restaurant licence prior to submission of a liquor licence application.

9. Upon receipt of an application for liquor licence, FEHD will refer it to HAD and the Police (and to Buildings Department and Fire Services Department if dancing endorsement in the licence is required) for comments within three working days. The government departments concerned will reply to FEHD in one month. In parallel, the applicant is

required to arrange for advertisement of the application in three local newspapers at least two weeks before the case is determined. FEHD will arrange to inspect the premises concerned and post a notice concerning the application in an area near the premises within seven working days.

10. For non-contested cases, the applications will be approved by the Secretary to the Board under delegated authority. After approval by the Secretary to the Board, FEHD will issue a liquor/club liquor licence within five working days upon production of a valid restaurant licence/certificate of compliance of club.

11. Contentious applications with adverse comments from the public or government departments but with no objection, or applications with irregularities found on the subject premises are considered by the Board in closed door meetings. The Board may decide whether it is necessary to conduct an open hearing to hear direct evidence from the applicant and his legal representative (if any). If the Board finds it necessary, it may grant a liquor licence with conditions imposed.

12. For contested cases where objection is received from local residents, the Police or other government departments, the Board will arrange an open hearing. The Secretary to the Board will issue a notice of hearing to invite the applicant and the objector(s) to attend the hearing to present their views. The Board will then decide to approve or reject the application, and the Board's decisions in writing will be promulgated at the meeting venue not later than 4 pm on the same date.

13. The Board's decision, together with reasons, will be provided by the Secretary to the Board to the applicant and objector(s) in writing in ten working days. Applicants who are not satisfied with the Board's decision may appeal to the Municipal Services Appeals Board within 28 days after the date of formal notification of the Board's decision by the Secretary to the Board.

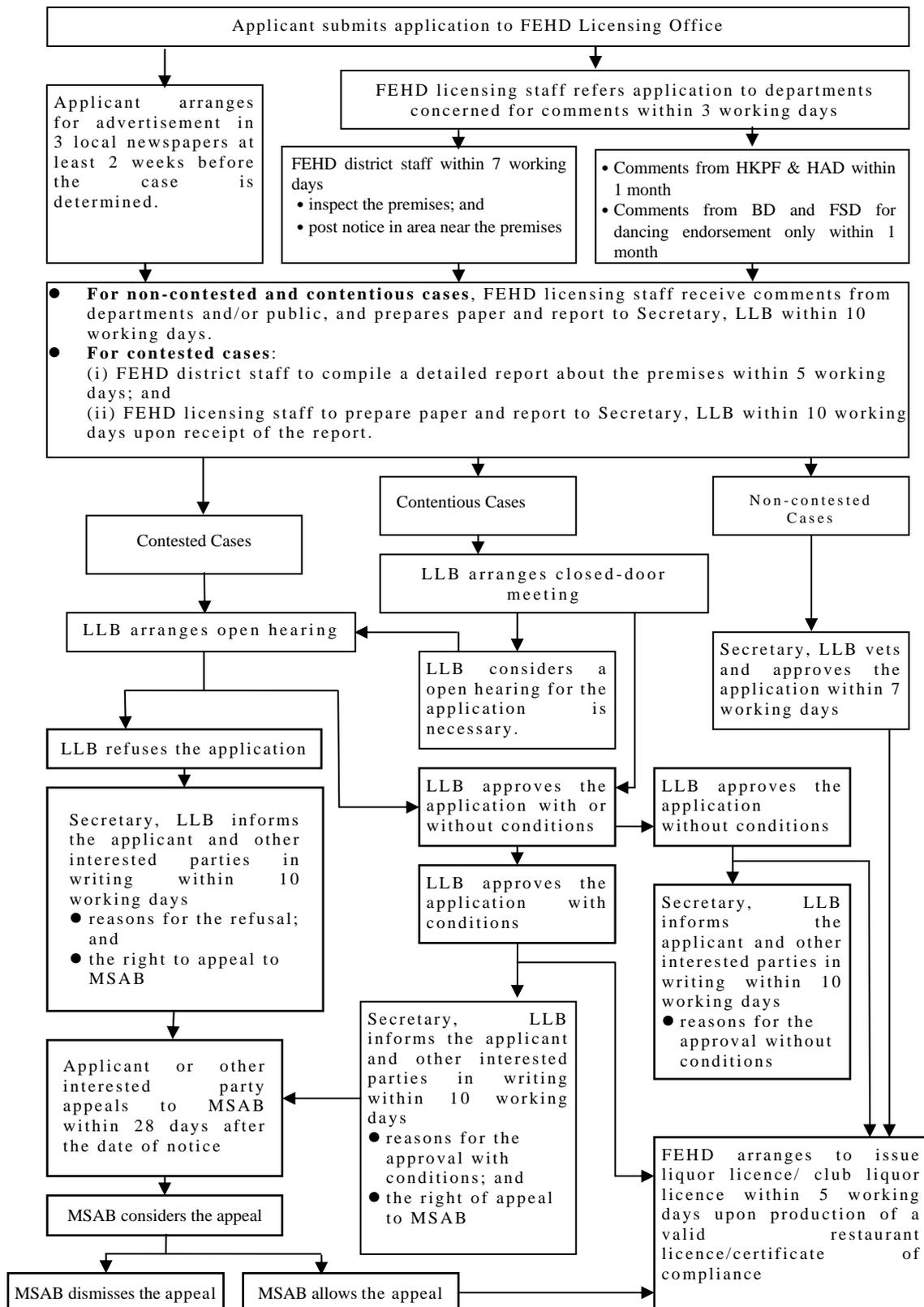
14. A flow chart showing the licensing procedures for issue of a new liquor licence is at **Annex**.

Advice Sought

15. Members are requested to note the existing liquor licensing procedures as set out in this paper.

**Health, Welfare and Food Bureau
Food and Environmental Hygiene Department
March 2005**

**Flow Chart Showing Licensing Procedures
for Issue of New Liquor Licences**



Legend : BD = Buildings Department
 FEHD = Food and Environmental Hygiene Department
 FSD = Fire Services Department
 MSAB=Municipal Services Appeals Board

HAD = Home Affairs Department
 HKPF = Hong Kong Police Force
 LLB = Liquor Licensing Board