

LEGISLATIVE COUNCIL BRIEF

Property Management Services Ordinance (Cap. 626)

**Property Management Services Ordinance
(Commencement) Notice 2020**

**Property Management Services
(Licensing and Related Matters) Regulation**

INTRODUCTION

For the purpose of implementing the licensing regime under the Property Management Services Ordinance (Cap. 626) (“PMSO”), –

A (a) the Secretary for Home Affairs has made the Property Management Services Ordinance (Commencement) Notice 2020 (“Commencement Notice”) at **Annex A** under section 1(2) of the PMSO; and

B (b) the Property Management Services Authority (“PMSA”) has made the Property Management Services (Licensing and Related Matters) Regulation (“the Regulation”) at **Annex B**.

JUSTIFICATIONS

Background

2. The PMSO was passed by the Legislative Council on 26 May 2016 to, among others, establish the PMSA and regulate and control the provision of property management services (“PMSs”) by the licensing of property management companies (“PMCs”) and property management practitioners (“PMPs”).

3. According to section 1(2) of the PMSO, the PMSO comes into operation on a day to be appointed by the Secretary for Home Affairs by notice published

in the Gazette. Accordingly, relevant provisions of the PMSO were commenced on 24 October 2016 and 1 July 2018 respectively, for setting up the PMSA¹, and collection of levy to finance the operation of the PMSA².

The PMSA

4. The PMSA is a body corporate established under section 42(1) of the PMSO. According to section 43 of the PMSO, the principal functions of the PMSA are –

- (a) to regulate and control the provision of PMSs by the licensing of PMCs and PMPs;
- (b) to promote the integrity, competence and professionalism of the profession of PMSs; and
- (c) to maintain and enhance the status of the profession of PMSs.

The Licensing Regime

5. The PMSO provides for –

- (a) a single-tier licensing regime for PMCs, which are business entities that carry on the business of providing PMSs; and
- (b) a two-tier licensing regime for PMPs (i.e. PMP (Tier 1) licence and PMP (Tier 2) licence). Only those PMPs who assume a managerial or supervisory role in a PMC in relation to PMSs provided by the PMC will be subject to licensing. Frontline staff will not be required to obtain PMP licences.

6. Pursuant to sections 3(1), 15(1), 16(3), 17(2) and 47(8) of and section 5(1) of Schedule 4 to the PMSO, the PMSA may, by regulation, prescribe

¹ The relevant provisions include –

- (a) general provisions – sections 1 and 2 of the PMSO;
- (b) provisions concerning the establishment and operation of the PMSA – Part 7 (sections 42–50) and section 66(2) of and Schedule 3 to the PMSO; and
- (c) provisions giving effect to amendments of related enactments – section 68 of and Schedule 5 to the PMSO.

² The relevant provisions are set out in Part 8 of the PMSO (i.e. sections 51–62).

various matters, including a service as a PMS, in respect of which conditions that may be imposed on a licence (including a provisional licence), and the fees that may be payable in an application for a licence or the renewal of a licence.

Proposal

Commencement Notice

7. With a view to enabling the implementation of the proposed licensing regime (as detailed below) by the PMSA, the remaining provisions of the PMSO that are not yet in operation have to be commenced. To tie in with the implementation of the proposed licensing regime, the Secretary for Home Affairs, under section 1(2) of the PMSO, appoints 1 August 2020 as the day on which the uncommenced provisions (except section 6(1)(a), (2)(a) and (3)(a)³ of the PMSO come into operation; and 1 August 2023 as the day on which section 6(1)(a), 2(a) and 3(a) of the PMSO comes into operation to allow for a three-year transitional period for PMCs and PMPs as detailed in paragraph 13 below.

The Regulation

8. For the implementation of the proposed licensing regime, the PMSA has made the Regulation for commencement of operation with effect from 1 August 2020.

Implementation of the Licensing Regime for PMCs and PMPs

9. Under the licensing regime for PMCs, a business entity that carries on the business of providing more than one category of PMSs (there are seven categories of PMSs as set out in **Annex C**) is required to hold a PMC licence. For PMPs, an individual who assumes a managerial or supervisory role in a PMC in relation to the PMSs provided by that PMC is required to hold a PMP licence⁴.

³ According to section 6(1)(a) of the PMSO, no person may, without a PMC licence, act as a PMC. According to section 6(2)(a) and (3)(a) of the PMSO, no person may, without a PMP (Tier 1) licence or PMP (Tier 2) licence, act as a PMP.

⁴ Only those individuals assuming a managerial or supervisory role in a PMC (which is required to hold a licence) in relation to all the PMSs provided by the PMC to a property will be required to be licensed.

10. The proposed criteria for holding a PMC licence are –
- (a) there must be at least one licensed PMP (Tier 1) who has effective control of the provision of PMSs by the PMC; and
 - (b) the PMC must engage a certain number of licensed PMPs that meets the minimum manning ratios specified by the PMSA, which is at least one licensed PMP (Tier 1) for every 3 000 flats or below, and at least one licensed PMP (Tier 2) for every 1 500 flats or below under the management of the licensed PMC. To maintain flexibility, the ratio requirement will be promulgated through licence application notes and other relevant documents to be published by the PMSA on the PMSA's website rather than in the Regulation⁵.

11. The proposed criteria for holding a PMP (Tier 1) licence are that the PMP is a member of a professional body recognised by the PMSA, is a degree holder or has any other qualification that is considered acceptable by the PMSA, and that he/she has the necessary work experience in property management for properties in Hong Kong. The required length of work experience, commensurate with the subject or discipline studied for the degree held, will be specified by the PMSA through licence application notes and relevant documents, which are already or will be published by the PMSA on the PMSA's website⁶.

12. The proposed criteria for holding a PMP (Tier 2) licence are less stringent. Basically, the academic qualification required is an associate degree or diploma or any other qualification that is considered acceptable by the PMSA, and the applicant must have the required length of work experience, commensurate with the subject or discipline studied, as may be specified by the PMSA through licence application notes and relevant documents, which are already or will be published by the PMSA on the PMSA's website⁶. The proposed criteria for holding a PMP licence (other than the proposed criterion applicable to the holding of a provisional PMP licence in paragraph 14 below) are shown in greater details in **Annex D**.

D

⁵ The proposed minimum manning ratios have already been set out in the relevant consultation documents in respect of the proposed licensing regime and are published on the PMSA's website (https://www.pmsahk.org.hk/en/licensing/licensing_reg/pmcl/pmcl.html).

⁶ The proposed criteria in respect of the proposed licensing regime are published on the PMSA's website (https://www.pmsahk.org.hk/en/licensing/licensing_reg/pmpl/pmpl.html).

Transitional Arrangement

13. Upon the commencement of section 6(1)(a), (2)(a) and (3)(a) of the PMSO, no person may, without the respective licence, act as a PMC or PMP. To allow the property management sector sufficient time to adapt to the new licensing regime, the Bills Committee on the Property Management Services Bill agreed to allow a three-year transitional period after the Regulation came into operation. In other words, during the transitional period, PMCs and PMPs may choose, but are not required, to be licensed. Unlicensed PMCs and PMPs will not be allowed to practise in the property management industry after the end of the transitional period.

14. During the transitional period, a PMP who does not meet the requirements of academic and/or professional qualifications but possesses the specified work experience in assuming a managerial or supervisory role in the provision of PMSs for properties in Hong Kong may apply for and be issued a provisional PMP licence with a validity period of up to three years. The proposed specified minimum number of years of work experience required of an applicant for a provisional PMP (Tier 1) licence is ten years within the 15 years, and for an applicant for a provisional PMP (Tier 2) licence five years within the eight years immediately before the commencement of the transitional period. Upon completion of a course specified by the PMSA within the validity period of the provisional licence, the PMP may apply for a formal licence without having to comply with the requirements of academic and/or professional qualifications.

15. After the transitional period, any business entity carrying on the business of providing more than one category of PMSs must hold a PMC licence, and any individual assuming a managerial or supervisory role in such a business entity in relation to all the PMSs provided by that business entity to a property must hold a PMP licence or a provisional PMP licence.

THE REGULATION

16. The key provisions of the Regulation are set out as follows –

- (a) **Section 1** provides that the Regulation comes into operation on 1 August 2020;

- (b) **Section 2** and **Schedule 1** prescribe PMSs and specify the following matters –
- (i) the duties and obligations performed by an owner or owners' organization pursuant to the Building Management Ordinance (Cap. 344) are not PMSs;
 - (ii) a PMS incidental to and necessary for the provision of another PMS under a category of services in the Schedule is regarded as a PMS under that category only; and
 - (iii) legal services in relation to the provision of PMSs in the Schedule do not include those provided in the course of practising the profession by a solicitor or counsel or any person employed by him/her and acting in furtherance of that course;
- (c) **Section 3** and **Schedule 2** provide for the fees payable for the application, issue or renewal for the respective licences for a period of 36 months⁷ and for other matters;
- (d) **Sections 4** and **5** provide for the information that must be contained in and the documents that must accompany an application for a licence;
- (e) **Sections 6** to **9** set out the criteria for holding the respective licences, including the minimum manning ratios, academic qualifications, professional qualifications and work experience required as may be specified by the PMSA;
- (f) **Sections 10** to **12** set out the conditions that may be imposed on the respective licences, including displaying in a prominent place in the property concerned the name and licence number of the licensed PMP (Tier 1) appointed to manage that property, stating the name and licence number of the licence holder on documents issued by the licence holder in the capacity of a licence holder and the continuing professional development requirement;
- (g) **Section 13** and **Schedule 3** prescribe the information (which relates to conflict of interests, contracts for goods and services and documents relating to property management) that must be provided by a licensed

⁷ For example, \$18,000 for a PMC licence; \$3,600 for a PMP (Tier 1) licence and \$1,200 for a PMP (Tier 2) licence.

PMC to the PMC's clients and the manner of provision of such information; and

- (h) **Section 14** and **Schedule 4** prescribe the matters any change of which a licensee must notify the PMSA and the manner of such notification. The prescribed matters concern the particulars provided in a licence application form and the information relating to the compliance of the criteria for holding a licence and conditions imposed on a licence.

LEGISLATIVE TIMETABLE

17. The legislative timetable for the Commencement Notice and the Regulation is as follows –

Publication in the Gazette	22 May 2020
Tabling before the Legislative Council for negative vetting	27 May 2020

IMPLICATIONS OF THE PROPOSAL

18. The proposal is in conformity with the Basic Law, including the provisions concerning human rights. There are no financial or civil service implications to the Government, and no environmental, productivity or gender implications, and no sustainability implications other than economic implications. There is no significant family implication. The economic implications are set out at **Annex E**.

E

PUBLIC CONSULTATION

19. Since its establishment in December 2016, the PMSA has, through continuous dialogues with the relevant stakeholders, formulated the details of the proposed licensing regime for PMCs and PMPs that are beneficial to both the property management sector and the community.

20. The PMSA held a two-month public consultation on its proposals for the licensing regime from November 2018 to January 2019. Over 9 000

submissions had been received. The PMSA had also held some 80 consultation sessions in 2019-20 to seek views and comments from the property management sector, owners' organizations and other stakeholders including relevant institutes and professional bodies. The PMSA had also sought the views of the District Councils or their committees.

21. The PMSA has taken into account the feedback received during the consultation before finalising the Regulation. Stakeholders are generally supportive of the proposed licensing regime. The PMSA also consulted the Legislative Council Panel on Home Affairs ("Panel") on the proposed licensing regime and briefed the Panel on the draft Regulation at its meeting held on 24 June 2019 and subsequently issued an information paper in May 2020 to further update the Panel on the details of the latest proposed licensing regime. The Hong Kong Association of Property Management Companies, the Hong Kong Institute of Facility Management, the Hong Kong Institute of Housing, the Chartered Institute of Housing Asian Pacific Branch and the Housing Managers Registration Board have also jointly written to the PMSA to support the implementation of the proposed licensing regime and the enactment of the Regulation.

PUBLICITY

22. Press releases will be issued upon gazettal of the Commencement Notice and the Regulation. Publicity measures on the implementation of the proposed licensing regime will be carried out by the PMSA before the Regulation commences operation on 1 August 2020.

ENQUIRIES

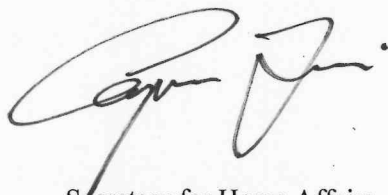
23. Any enquiries on this brief can be addressed to Miss Grace LI, Assistant Director of the Home Affairs at 2835 2223 (on the Commencement Notice), or Mr Alan SIU, Chief Executive Officer of the PMSA at 3696 1111 (on the Regulation).

**Home Affairs Bureau
Home Affairs Department
Property Management Services Authority
May 2020**

**Property Management Services Ordinance
(Commencement) Notice 2020**

Under section 1(2) of the Property Management Services Ordinance (Cap. 626), I appoint—

- (a) 1 August 2020 as the day on which the uncommenced provisions (except section 6(1)(a), (2)(a) and (3)(a)) of the Ordinance come into operation; and
- (b) 1 August 2023 as the day on which section 6(1)(a), (2)(a) and (3)(a) of the Ordinance comes into operation.



Secretary for Home Affairs

19 MAY 2020

Property Management Services (Licensing and Related Matters) Regulation

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Property Management Services (Licensing and Related Matters) Regulation

(Made by the Property Management Services Authority under sections 3(1), 15(1), 16(3), 17(2) and 47(8) of, and section 5(1) of Schedule 4 to, the Property Management Services Ordinance (Cap. 626))

1. Commencement

This Regulation comes into operation on 1 August 2020.

2. Property management services

Schedule 1 prescribes property management services for the purposes of section 3(1) of the Ordinance.

3. Fees

Schedule 2 prescribes the fees payable for the matters specified in that Schedule.

4. Prescribed information that must be contained in applications for licences and provisional PMP licences, and for renewal of licences

(1) For the purposes of section 9(1)(b) of the Ordinance, the prescribed information that must be contained in an application for a licence is—

- (a) for a PMC licence—
 - (i) information on the identity of the applicant;
 - (ii) if applicable, information on the identity of the applicant's directors;
 - (iii) if applicable, information on the identity of the applicant's partners;

- (iv) information on the identity of the licensed PMPs engaged by the applicant;
- (v) contact information of the applicant;
- (vi) information on whether the applicant is a suitable person to hold the licence, including information on the matters to which the Authority must have regard as referred to in section 11(2) of the Ordinance;
- (vii) if applicable, information on whether the applicant's directors are suitable persons to be associated with the applicant's business of providing property management services, including information on the matters to which the Authority must have regard as referred to in section 11(4) of the Ordinance;
- (viii) if applicable, the address, type and number of flats of each property for which property management services are provided by the applicant;
- (ix) if applicable, the following information of each property for which property management services are provided by the applicant—
 - (A) for a property with an owners' organization—the name and address of the owners' organization; or
 - (B) for a property without an owners' organization—the address of each flat in the property;
- (x) if a licensed PMC is engaged by the applicant to provide property management services, information on the identity of that licensed PMC;
- (xi) if the applicant is engaged as a subcontractor to provide property management services, the address and number of flats of each property for which

- property management services are provided by the applicant as a subcontractor;
- (xii) if applicable, information on the licensed PMP (Tier 1) appointed by the applicant to show compliance with section 10(d); and
 - (xiii) any other information specified by the Authority; and
- (b) for a PMP (Tier 1) licence or PMP (Tier 2) licence—
- (i) personal and contact information of the applicant;
 - (ii) if applicable, information on the applicant's academic qualifications;
 - (iii) if applicable, information on the applicant's qualifications obtained through the Recognition of Prior Learning mechanism under the Hong Kong Qualifications Framework;
 - (iv) if applicable, information on the applicant's professional qualifications;
 - (v) information on the applicant's relevant work experience in property management;
 - (vi) information on whether the applicant is or was a director of or partner in a licensed PMC;
 - (vii) information on whether the applicant is a suitable person to hold the licence, including information on the matters to which the Authority must have regard as referred to in section 11(3) of the Ordinance;
 - (viii) if applicable, information on the applicant's completion of the course referred to in section 7(1)(a)(ii);

- (ix) if applicable, information on the applicant's completion of the course referred to in section 8(1)(a)(ii); and
 - (x) any other information specified by the Authority.
- (2) For the purposes of section 10(1)(b) of the Ordinance, the prescribed information that must be contained in an application for the renewal of a licence is—
- (a) for a PMC licence—any information specified by the Authority from among the information referred to in subsection (1)(a); and
 - (b) for a PMP (Tier 1) licence or PMP (Tier 2) licence—any information specified by the Authority from among the information referred to in subsection (1)(b).
- (3) For the purposes of section 2(2)(c) of Schedule 4 to the Ordinance, the prescribed information that must be contained in an application for a provisional PMP (Tier 1) licence or provisional PMP (Tier 2) licence is—
- (a) the information referred to in subsection (1)(b)(i) to (vi) and (x); and
 - (b) information on whether the applicant is a suitable person to hold a provisional PMP (Tier 1) licence or provisional PMP (Tier 2) licence, including information on the matters to which the Authority must have regard as referred to in section 2(4) of Schedule 4 to the Ordinance.

5. Prescribed documents that must accompany applications for licences and provisional PMP licences, and for renewal of licences

- (1) For the purposes of section 9(1)(c) of the Ordinance, the prescribed documents that must accompany an application for a licence are—

- (a) for a PMC licence—
 - (i) if applicable, a copy of the certificate of incorporation of the applicant;
 - (ii) if applicable, a copy of the business registration certificate of the applicant and, if applicable, a copy of the certified extracts of information on the business register that relates to the applicant, issued under the Business Registration Ordinance (Cap. 310);
 - (iii) if applicable, documents showing the information on the identity of the applicant's directors such as a copy of the notification of changes of secretary and directors and the latest annual return of the applicant that has been delivered to the Registrar of Companies in accordance with the Companies Ordinance (Cap. 622); and
 - (iv) any other documents specified by the Authority; and
- (b) for a PMP (Tier 1) licence or PMP (Tier 2) licence—
 - (i) the identity card or passport of the applicant;
 - (ii) if applicable, documents showing the applicant's academic qualifications;
 - (iii) if applicable, documents showing the applicant's qualifications obtained through the Recognition of Prior Learning mechanism under the Hong Kong Qualifications Framework;
 - (iv) if applicable, documents showing the applicant's professional qualifications;
 - (v) documents showing the applicant's relevant work experience in property management;

- (vi) if applicable, documents showing the applicant's completion of the course referred to in section 7(1)(a)(ii);
 - (vii) if applicable, documents showing the applicant's completion of the course referred to in section 8(1)(a)(ii);
 - (viii) a recent photograph of the applicant in the specifications specified by the Authority;
 - (ix) documents showing the applicant's residential address and, if applicable, correspondence address; and
 - (x) any other documents specified by the Authority.
- (2) For the purposes of section 10(1)(c) of the Ordinance, the prescribed documents that must accompany an application for the renewal of a licence are—
 - (a) for a PMC licence—any document specified by the Authority from among the information referred to in subsection (1)(a); and
 - (b) for a PMP (Tier 1) licence or PMP (Tier 2) licence—
 - (i) any document specified by the Authority from among the information referred to in subsection (1)(b); and
 - (ii) documents showing compliance with section 11(c).
 - (3) For the purposes of section 2(2)(d) of Schedule 4 to the Ordinance, the prescribed documents that must accompany an application for a provisional PMP (Tier 1) licence or provisional PMP (Tier 2) licence are the documents referred to in subsection (1)(b)(i) to (v) and (viii) to (x).

6. Prescribed criteria for holding PMC licences

For the purposes of sections 9(2)(a)(ii), 10(2)(a)(ii) and 18(1)(a)(ii) of the Ordinance, the prescribed criteria for holding a PMC licence are that the applicant or the licensee—

- (a) engages at least one or is a licensed PMP (Tier 1) who has effective control of the provision of property management services by the applicant or the licensee; and
- (b) engages a number of licensed PMPs that meets the minimum manning ratios that the Authority may from time to time specify.

7. Prescribed criteria for holding PMP (Tier 1) licences

(1) For the purposes of sections 9(2)(a)(ii), 10(2)(a)(ii) and 18(1)(a)(ii) of the Ordinance, the prescribed criteria for holding a PMP (Tier 1) licence are that—

- (a) the applicant or the licensee—
 - (i) has, within the 3 years immediately before the date of the application for the PMP (Tier 1) licence, held a provisional PMP (Tier 1) licence; and
 - (ii) has, before the expiry of the provisional PMP (Tier 1) licence, completed a course specified by the Authority;
- (b) the applicant or the licensee—
 - (i) is a member of a recognized professional body, and if the recognized professional body has different classes, types or divisions of membership (including any class, type or division described in other manners), the applicant or the licensee is also a member of the class, type or division (including the class, type or division described in other manners) that the Authority may from time to time specify;

- (ii) holds—
 - (A) a bachelor or higher degree or an academic qualification regarded by the Authority as equivalent, in a subject or discipline relating to property management that the Authority may from time to time specify;
 - (B) a bachelor or higher degree or an academic qualification regarded by the Authority as equivalent and not specified by the Authority under sub-subparagraph (A); or
 - (C) any other qualification that is considered acceptable by the Authority; and
- (iii) has the work experience that the Authority may from time to time specify in property management for properties in Hong Kong;
- (c) the applicant or the licensee—
 - (i) is a member of a recognized professional body, and if the recognized professional body has different classes, types or divisions of membership (including any class, type or division described in other manners), the applicant or the licensee is also a member of the class, type or division (including the class, type or division described in other manners) that the Authority may from time to time specify; and
 - (ii) has, within the 3 years immediately before the date of the application for the PMP (Tier 1) licence, held a PMP (Tier 1) licence; or
- (d) the applicant or the licensee has, within the 3 years immediately before the date of the application for the PMP (Tier 1) licence, held a PMP (Tier 1) licence the

issuance of which was based on the criteria referred to in this paragraph or paragraph (a).

- (2) For the purposes of subsection (1)(b)(iii), any years of work experience specified for an applicant or a licensee who holds a qualification referred to in subsection (1)(b)(ii)(B) or (C) must be longer than that specified for an applicant or a licensee who holds a qualification referred to in subsection (1)(b)(ii)(A).
- (3) In this section—

recognized professional body (認可專業團體) means a professional body that the Authority may from time to time recognize.

8. Prescribed criteria for holding PMP (Tier 2) licences

- (1) For the purposes of sections 9(2)(a)(ii), 10(2)(a)(ii) and 18(1)(a)(ii) of the Ordinance, the prescribed criteria for holding a PMP (Tier 2) licence are that—
- (a) the applicant or the licensee—
- (i) has, within the 3 years immediately before the date of the application for the PMP (Tier 2) licence, held a provisional PMP (Tier 1) licence or provisional PMP (Tier 2) licence; and
- (ii) has, before the expiry of the provisional PMP (Tier 1) licence or provisional PMP (Tier 2) licence, completed a course specified by the Authority;
- (b) the applicant or the licensee—
- (i) holds—
- (A) an associate degree or diploma or above or an academic qualification regarded by the Authority as equivalent, in a subject or discipline relating to property management that the Authority may from time to time specify;

- (B) a bachelor or higher degree or an academic qualification regarded by the Authority as equivalent and not specified by the Authority under sub-subparagraph (A);
- (C) an associate degree or diploma or above or an academic qualification regarded by the Authority as equivalent and not included in sub-subparagraphs (A) and (B); or
- (D) any other qualification that is considered acceptable by the Authority; and
- (ii) has the work experience that the Authority may from time to time specify in property management for properties in Hong Kong; or
- (c) the applicant or the licensee has, within the 3 years immediately before the date of the application for the PMP (Tier 2) licence, held a PMP (Tier 1) licence or PMP (Tier 2) licence.
- (2) For the purposes of subsection (1)(b)(ii), any years of work experience specified for an applicant or a licensee who holds a qualification referred to in subsection (1)(b)(i)(C) or (D) must be longer than that specified for an applicant or a licensee who holds a qualification referred to in subsection (1)(b)(i)(A) or (B).

9. Prescribed criterion for holding provisional PMP licences

- (1) For the purposes of section 18(1)(a)(ii) (as applied by section 4(b) of Schedule 4 to the Ordinance) of, and section 2(3)(a)(ii) of Schedule 4 to, the Ordinance, the prescribed criterion for holding a provisional PMP (Tier 1) licence or provisional PMP (Tier 2) licence (**provisional PMP licence**) is that the applicant or the holder of the provisional PMP licence has the work experience that the Authority may from time to time specify in

assuming a managerial or supervisory role in the provision of property management services for properties in Hong Kong.

- (2) For the purposes of subsection (1), any years of work experience specified for an applicant or a holder of a provisional PMP (Tier 1) licence must be longer than that specified for an applicant or a holder of a provisional PMP (Tier 2) licence.

10. Prescribed conditions on PMC licences

For the purposes of sections 9(3) and 10(3) of the Ordinance, the prescribed conditions that may be imposed on a PMC licence are that the licensee must—

- (a) continue to be a suitable person to hold the licence;
- (b) continue to meet the criteria referred to in section 6 for holding the licence;
- (c) display a copy of the licence in a prominent place in each property for which property management services are provided by the licensee;
- (d) appoint at least one licensed PMP (Tier 1) to manage each property for which property management services are provided by the licensee and display in a prominent place in such property the name and licence number of the licensed PMP (Tier 1) appointed;
- (e) state the name and licence number of the licensee clearly and conspicuously on any letter, account, receipt, pamphlet, brochure, advertisement and other documents issued in whatever form by or on behalf of the licensee in the capacity of a licensee;
- (f) submit to the Authority, within the period of time specified by the Authority, the information and

documents that the Authority may from time to time specify; and

- (g) not carry on the business of providing property management services under a name other than the name of the licensee stated on the PMC licence.

11. Prescribed conditions on PMP (Tier 1) licences or PMP (Tier 2) licences

For the purposes of sections 9(3) and 10(3) of the Ordinance, the prescribed conditions that may be imposed on a PMP (Tier 1) licence or PMP (Tier 2) licence are that the licensee must—

- (a) continue to be a suitable person to hold the licence;
- (b) continue to meet the criteria referred to in the following provision for holding the licence—
 - (i) for a PMP (Tier 1) licence—section 7(1); or
 - (ii) for a PMP (Tier 2) licence—section 8(1);
- (c) complete on or before a date specified by the Authority the number of hours specified by the Authority, of attendance of or participation in, continuing professional development courses or activities that the Authority may from time to time recognize or specify;
- (d) if the licensee is appointed by a licensed PMC to comply with section 10(d)—display in a prominent place in the property for which property management services are provided by the licensee the name and licence number of the licensee;
- (e) state the name and licence number of the licensee clearly and conspicuously on any name card, letter, account, receipt, pamphlet, brochure, advertisement and other documents issued in whatever form by or on behalf of the licensee in the capacity of a licensee; and

- (f) submit to the Authority, within the period of time specified by the Authority, the information and documents that the Authority may from time to time specify.

12. Prescribed conditions on provisional PMP licences

For the purposes of section 2(5) of Schedule 4 to the Ordinance, the prescribed conditions that may be imposed on a provisional PMP (Tier 1) licence or provisional PMP (Tier 2) licence (*provisional PMP licence*) are that the holder of the provisional PMP licence must—

- (a) continue to be a suitable person to hold the provisional PMP licence;
- (b) continue to meet the criterion referred to in section 9(1) for holding the relevant provisional PMP licence;
- (c) complete on or before a date specified by the Authority the number of hours specified by the Authority, of attendance of or participation in, continuing professional development courses or activities that the Authority may from time to time recognize or specify;
- (d) state the name and the provisional PMP licence number of the holder clearly and conspicuously on any name card, letter, account, receipt, pamphlet, brochure, advertisement and other documents issued in whatever form by or on behalf of the holder in the capacity of a holder of a provisional PMP licence; and
- (e) submit to the Authority, within the period of time specified by the Authority, the information and documents that the Authority may from time to time specify.

13. Provision of prescribed information to clients by licensed PMC

For the purposes of section 16(2) of the Ordinance, the prescribed information that must be provided by a licensed PMC to the PMC's clients and the prescribed manner of providing such information are set out in Schedule 3.

14. Notification of changes of prescribed matters

For the purposes of section 17(1) of the Ordinance, the prescribed matters any change in which must be notified by a licensee to the Authority and the prescribed manner of such notification are set out in Schedule 4.

Schedule 1

[s. 2]

Property Management Services

1. Subject to sections 2 and 3 of this Schedule—
 - (a) the services specified in column 3 of the Table in this Schedule are prescribed as property management services; and
 - (b) the category of services to which each of the services belong is set out in column 2 of the Table opposite to that service.
2. The duties and obligations performed by an owner or owners' organization pursuant to the Building Management Ordinance (Cap. 344) are not property management services.
3. A property management service incidental to and necessary for the provision of a property management service under a category of services in column 2 of the Table is regarded as a property management service under that category only.

Table

Column 1 Item	Column 2 Category of services	Column 3 Property management services
1.	General management services relating to a property	General services relating to property management provided pursuant to a deed of mutual covenant (except those property

Column 1 Item	Column 2 Category of services	Column 3 Property management services
		management services corresponding to items 2 to 7) for owners, residents, tenants, users or visitors
2.	Management of the environment of a property	Services for the cleaning, hygiene, landscaping or safety of the environment of a property
3.	Repair, maintenance and improvement of a property	Services for the repair, replacement, maintenance or improvement of a property including the structure and building services installation
4.	Finance and asset management relating to a property	Services for the budgeting, or management of finance, accounts or asset relating to a property
5.	Facility management relating to a property	Services for the management of ancillary facilities in a property (except those property management services corresponding to item 3)
6.	Human resources management relating to personnel involved in the management of a property	Human resources management services in relation to individuals engaged by an owner or owners' organization in the provision of property management services

Column 1 Item	Column 2 Category of services	Column 3 Property management services
7.	Legal services relating to the management of a property	Legal services, generally referring to the provision of information and advice on the legal aspects, in respect of property management services corresponding to items 1 to 6 (except services provided in the course of practising the profession by a solicitor or counsel or any person employed by the solicitor or counsel and acting in furtherance of that course)

Schedule 2

[s. 3]

Fees

1. For each matter specified in column 2 of the Table in this Schedule, the fee payable is prescribed in column 3 of the Table opposite to the matter.

Table

Column 1 Item	Column 2 Matter for which a fee is payable	Column 3 Fee \$
1.	Application for the—	
	(a) issue or renewal of—	
	(i) a PMC licence	500
	(ii) a PMP (Tier 1) licence	100
	(iii) a PMP (Tier 2) licence	100
	(b) issue of a provisional PMP (Tier 1) licence	100
	(c) issue of a provisional PMP (Tier 2) licence	100
2.	The following matters—	
	(a) issue or renewal, for a period of 36 months, of—	
	(i) a PMC licence	18,000

Column 1 Item	Column 2 Matter for which a fee is payable	Column 3 Fee \$
	(ii) a PMP (Tier 1) licence	3,600
	(iii) a PMP (Tier 2) licence	1,200
	(b) issue of a provisional PMP (Tier 1) licence (for a period of 36 months)	3,600
	(c) issue of a provisional PMP (Tier 2) licence (for a period of 36 months)	1,200
	(d) if a licence is issued or renewed for a period of less than 36 months	Calculated on a pro rata monthly basis (part of a month is taken to be a month)
3.	Extension of licence validity	Calculated on a pro rata monthly basis (part of a month is taken to be a month)

4.	A copy of the register—	
	(a) each request	100
	(b) per A4 page	2
	(c) per A3 page	4

Schedule 3

[s. 13]

Provision of Prescribed Information to Clients by Licensed PMC

1. Information relating to a property for which a licensed PMC provides property management services that must be provided by the PMC to the PMC's clients and the manner of provision of such information are—
 - (a) Conflict of interests—
 - (i) the prescribed information is, to the best of the knowledge and belief of the PMC, information concerning conflict of interests between the PMC and the PMC's clients; and
 - (ii) the prescribed manner of provision is—
 - (A) either of the following—
 - (I) as soon as reasonably practicable, sending a copy of the prescribed information to the owners' organization of the property;
 - (II) as soon as reasonably practicable, displaying a copy of the prescribed information in a prominent place in the property; and
 - (B) within 31 days after receipt of a request by the PMC's clients and payment of a reasonable copying fee, supplying the PMC's clients with a copy of the prescribed information; and

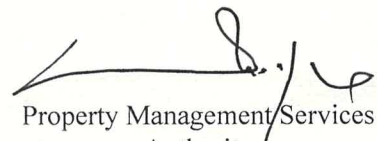
- (b) Contracts and documents relating to property management—
 - (i) the prescribed information is information in the contracts entered into for or on behalf of the PMC's clients in respect of the supply of goods or services and in other documents relating to the management of the property that the Authority may from time to time specify; and
 - (ii) the prescribed manner of provision is—
 - (A) either of the following—
 - (I) as soon as reasonably practicable, sending a copy of the prescribed information to the owners' organization of the property;
 - (II) as soon as reasonably practicable, displaying a copy of the prescribed information in a prominent place in the property; and
 - (B) within 31 days after receipt of a request by the PMC's clients and payment of a reasonable copying fee, supplying the PMC's clients with a copy of the prescribed information.

Schedule 4

[s. 14]

Notification of Changes

1. Any change of the following matters must be notified by a licensee, within 31 days after the change takes place, to the Authority in writing in the forms specified by the Authority and accompanied by the supporting documents that the Authority may from time to time specify—
 - (a) the particulars provided in a licence application form; and
 - (b) the information relating to the compliance with the criteria for holding a licence and conditions imposed on a licence.


Property Management Services
Authority

19 May 2020

Explanatory Note

This Regulation contains 14 sections and 4 Schedules.

2. The Regulation prescribes—
 - (a) the property management services falling within the 7 categories of services set out in Schedule 1 to the Property Management Services Ordinance (Cap. 626);
 - (b) the information that must be contained in and the documents that must accompany an application for a PMC licence, PMP (Tier 1) licence, PMP (Tier 2) licence, provisional PMP (Tier 1) licence and provisional PMP (Tier 2) licence;
 - (c) the criteria for holding a PMC licence, PMP (Tier 1) licence, PMP (Tier 2) licence, provisional PMP (Tier 1) licence and provisional PMP (Tier 2) licence;
 - (d) the conditions that may be imposed on a PMC licence, PMP (Tier 1) licence, PMP (Tier 2) licence, provisional PMP (Tier 1) licence and provisional PMP (Tier 2) licence;
 - (e) the fees payable for a PMC licence, PMP (Tier 1) licence, PMP (Tier 2) licence, provisional PMP (Tier 1) licence and provisional PMP (Tier 2) licence and other documents;
 - (f) the information to be provided by a licensed PMC to the PMC's clients and the manners for such provision; and
 - (g) the matters and manner for which a licensee must notify the Property Management Services Authority in writing of any change.

Prescribed PMSs

Schedule 1 to the PMSO sets out seven categories of services and pursuant to Section 3(1) of the PMSO, the PMSA may, by regulation, prescribe a service falling within a category of services as a PMS. For that purpose, the Regulation prescribes the services falling within the seven categories of services as PMSs as follows –

Category 1: General management services relating to a property

General services relating to property management provided pursuant to a deed of mutual covenant (except those PMSs corresponding to categories 2 to 7) for owners, residents, tenants, users or visitors

Category 2: Management of the environment of a property

Services for the cleaning, hygiene, landscaping or safety of the environment of a property

Category 3: Repair, maintenance and improvement of a property

Services for the repair, replacement, maintenance or improvement of a property including the structure and building services installation

Category 4: Finance and asset management relating to a property

Services for the budgeting, or management of finance, accounts or asset relating to a property

Category 5: Facility management relating to a property

Services for the management of ancillary facilities in a property (except those PMSs corresponding to category 3)

Category 6: Human resources management relating to personnel involved in the management of a property

Human resources management services in relation to individuals engaged by an owner or owners' organization in the provision of PMSs

Category 7: Legal services relating to the management of a property

Legal services, generally referring to the provision of information and advice on the legal aspects, in respect of PMSs corresponding to categories 1 to 6 (except services provided in the course of practising the profession by a solicitor or counsel or any person employed by the solicitor or counsel and acting in furtherance of that course)

Annex D

Proposed criteria for holding a PMP licence

PMP (Tier 1) Licence	Route 1	Route 2
Academic or other qualifications¹	Bachelor or higher degree or equivalent academic qualification in property management specified by the PMSA ²	Other bachelor or higher degree or equivalent academic qualification
Work experience in property management³	Minimum three years within the six years immediately before licence application	Minimum five years within the eight years immediately before licence application
Professional qualifications	Member of a professional body recognized by the PMSA ⁴	

¹ An applicant being a member on or before 1 January 2005 of a professional body recognized by the PMSA and, if that professional body has different classes, types or divisions of membership (including any class, type or division described in other manners), also a member of the specified class, type, division or pathway of that professional body is considered to have met the academic qualification criterion for holding a PMP (Tier 1) licence. The relevant work experience required of such an applicant is a minimum of five years within the eight years immediately before licence application.

² A list of 44 academic qualifications specified by the PMSA is published on the PMSA's website (https://www.pmsahk.org.hk/en/licensing/licensing_reg/pmpl/academic_qualification.html).

³ The work experience in property management means full time work experience in property management for properties in Hong Kong involving the provision of services under two or more categories of PMSs.

⁴ A list of professional bodies recognized by the PMSA is published on the PMSA's website (https://www.pmsahk.org.hk/en/licensing/rpb/rpb_list.html). If that professional body has different classes, types or divisions of membership (including any class, type or division described in other manners), the applicant must also be a member of the specified class, type, division or pathway of that professional body.

PMP (Tier 2) Licence	Route 1	Route 2	Route 3
<p>Academic or other qualifications</p>	<p>Associate degree, diploma or above, or equivalent academic qualification in property management specified by the PMSA²</p>	<p>Bachelor or higher degree, or equivalent academic qualification</p>	<p>Other associate degree, diploma or above, or equivalent academic qualification, or qualification considered acceptable by the PMSA⁵</p>
<p>Work experience in property management³</p>	<p>Minimum two years within the five years immediately before licence application; or minimum one year (under the supervision of a licensed PMP (Tier 1)) within the four years immediately before licence application</p>	<p>Minimum four years within the eight years immediately before licence application</p>	

⁵ Qualifications that can be considered acceptable by the PMSA include five statements of attainment for the clusters of units of competency at Level 4 for the property management sector (one of which must be on Management of Customer Services) obtained through the Recognition of Prior Learning mechanism under the Hong Kong Qualifications Framework.

Economic Implications

With the introduction of the licensing regime, it is envisaged that the service quality and professionalism of the property management industry will be enhanced, thus reducing the threat to public safety and economic costs arising from building neglect and dilapidation. There will be compliance costs for the property management sector, but consultations with the sector suggest that these costs would not be significant. The transitional arrangement will enable smooth migration to the licensing regime.