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#### LEGISLATIVE COUNCIL BRIEF

Road Traffic Ordinance (Chapter 374)

#### ROAD TRAFFIC (AMENDMENT) (RIDE-HAILING SERVICE) BILL 2025

#### **INTRODUCTION**

At the meeting of the Executive Council on 28 August 2025, the Council ADVISED and the Chief Executive ORDERED that the Road Traffic (Amendment) (Ride-hailing Service) Bill 2025 ("the Bill"), at Annex A, should be introduced into the Legislative Council ("LegCo"). The Bill seeks to amend the Road Traffic Ordinance (Cap. 374) ("the Ordinance") to introduce a regulatory regime for ride-hailing services. Under the proposed regulatory regime, platforms, vehicles and drivers providing ride-hailing services have to obtain a licence or permit. Ride-hailing service licensees shall maintain proper and efficient ride-hailing services, and conduct due diligence in respect of the vehicles and drivers providing ride-hailing services through their platforms so as to ensure that the vehicles and drivers hold appropriate permits. The Bill also proposes to introduce new measures for combatting illegal carriage of passengers for hire or reward more effectively.

#### **JUSTIFICATIONS**

#### **BACKGROUND**

2. In recent years, the transport mode of booking personalised point-to-point transport services online has become increasingly common worldwide, and Hong Kong, as an international metropolis, is no exception. The Government of the Hong Kong Special Administrative Region is determined to reform personalised point-to-point transport services by introducing a clear

legislative framework to regulate the operation of ride-hailing platforms, and to address the long-standing disputes arising from ride-hailing services.

- 3. Hong Kong has a well-developed and highly efficient public transport system, and the Government has all along been promoting and encouraging public transport operators and service providers to leverage technology to enhance service quality. As one of the cities in the world with the highest development density, Hong Kong currently has nearly 90% of its passenger trips using public transport services, ranking among the highest globally. ensure sustainable development and effective utilisation of limited road resources, the Government has adhered to a public transport-oriented policy. Each type of public transport services plays a distinctive role. Emission-free and highly efficient railways form the backbone of the public transport system; high-capacity franchised buses serve as the major road-based public transport; and other remaining transport modes (e.g. public light buses and taxis) each plays an important supplementary role. Currently, taxis provide the majority of personalised point-to-point transport services with relatively low carrying capacity per trip, accounting for around 6% of the overall public transport passenger trips.
- 4. With advancements in technology and changing travel patterns, booking and providing personalised point-to-point transport services through online channels have become an international trend in recent years. Kong, in addition to hailing taxis on the street, some citizens and tourists also use ride-hailing platforms to book taxis or private cars for their journeys. fact, taxi drivers are increasingly acquainted with the application of relevant technologies and the operation of such platforms. Quite a number of them are accustomed to taking bookings through the platforms for arranging trips and agreeing on the fares in advance. However, since there is currently no law in Hong Kong regulating the operation of ride-hailing platforms, some platforms provide passenger transport services using private cars which may not hold valid permits for carrying passengers or have in place appropriate third-party risks insurance. This not only fails to effectively safeguard the safety and interests of passengers, but also poses safety risks to other road users and hinders healthy and sustainable development of the personalised point-to-point transport service industry as a whole. In this respect, various sectors of society (including the taxi trade and ride-hailing platform companies) are calling on the Government to regulate ride-hailing services as soon as possible,

with a view to safeguarding the safety and interests of passengers, addressing and facilitating the transport needs of the public, and creating a healthy and competitive environment for the personalised point-to-point transport service market.

- 5. The Government has all along attached great importance to enhancing the quality of personalised point-to-point transport services<sup>1</sup>. In the past few years, the current-term Government has actively introduced a number of measures to enhance the quality of taxi services with a view to improving the travel experiences of taxi passengers. Such measures include introducing systematically managed taxi fleets as pioneers in reforming the industry, increasing the maximum passenger seating capacity of taxis, introducing a Taxi-Driver-Offence Points System and a two-tier penalty system, as well as further enhancing the taxi written test in the fourth quarter of this year for better alignment with the practical needs of the trade and attracting more newcomers to join the industry. In addition, the Government proposes to regulate ridehailing services and classify such services as one of the public transport modes, and impose corresponding regulations and restrictions. The purposes of regulation are to safeguard passengers' safety and interests and provide passengers with diverse travel options; as well as to promote complementary strengths and healthy competition between taxis and ride-hailing vehicles while maintaining the efficient operation of the public transport system, thereby fostering the long-term healthy development of the personalised point-to-point transportation industry.
- 6. To better understand the demand and current situation of local

To enhance the quality of taxi services, the Government established the Committee on Taxi Service Quality in 2018 to provide the Government with recommendations on taxi reform, and announced the permanent relaxation of no-stopping restrictions for taxis at designated restricted zones in the same year. The Government later introduced the Franchised Taxi Services Bill into the LegCo in 2019, proposed to introduce 600 brand new franchised taxis to respond to the need of society for personalised point-to-point public transport services with better service quality and ride-hailing features. However, in view of the economic situation at the time and the views of the Bills Committee, the Government withdrew the bill at the end of 2020. With a view to attracting more newcomers to join the industry, the Government enhanced the taxi written test in 2020 and relaxed the eligibility requirements for applying taxi driving licences (the period required for an applicant to hold a valid full driving licence for driving a private car or light goods vehicle was shortened from a minimum of three years to at least one year). In addition, to enhance service quality, the Government also required applicants to complete a pre-service course before obtaining a taxi driving licence.

personalised point-to-point transport services, the Government conducted a relevant demand survey, the results of which are set out at **Annex B**.

#### POLICY CONSIDERATIONS REGARDING REGULATION OF RIDE-HAILING SERVICES

7. With reference to the demand survey on personalised point-to-point transport services, the recommendations put forward by the Working Group of the Transport Advisory Committee<sup>2</sup> ("the TAC") and the experiences of other cities in the Mainland and overseas, the Government considers it necessary to regulate ride-hailing services by way of legislation, and this is also a clear consensus in society. In formulating the regulatory framework, the Government always prioritises the safety and interests of citizens. We hope that, after introducing the regulatory regime, the public will have more choices when opting for personalised point-to-point transport services and enjoy greater convenience in booking rides, and the relevant trips will be safe and covered. At the same time, we must ensure that the regulatory regime foster a healthy competitive environment for the personalised point-to-point transport service industry. Our key policy considerations are set out below.

#### (i) People-oriented, Safe Travel

8. With the increasing popularity and convenience of mobile apps, many local passengers and tourists choose to book vehicles through online channels when traveling. According to the data obtained from the demand survey on personalised point-to-point transport services as set out at **Annex B**, the current daily patronage for point-to-point transport services is around 880 000 passengers, with ride-hailing vehicles accounting for 190 000 passengers. This indicates that there is a certain level of demand for ride-hailing vehicles in society. Besides, based on observations, it can be more difficult for the public to successfully hail a taxi during morning and evening rush hours at busy locations. The Government should therefore allow ride-hailing vehicles to

The Government entrusted the TAC to establish a Working Group for Enhancing Personalised Point-to-Point Transport Services in July 2024 to provide the Government with views on how to regulate ride-hailing services, including the respective requirements for platforms, vehicles and drivers, etc.

provide supplementary transport capacity to meet the diverse travel needs of the public.

9. Ride-hailing services is a brand new mode of public transport services. We propose that platforms, vehicles and drivers that provide such services should be licensed and comply with the relevant regulatory requirements on safety standards and service quality, so as to safeguard the safety and interests of the citizens. The platforms should also be responsible for conducting due diligence on their vehicles and drivers to ensure that the passenger transport services provided are in compliance with local legislation.

#### (ii) Healthy Competition, Coexistence of Strengths

- 10. Taxis and ride-hailing vehicles have different strengths and positioning. They can co-exist and complement each other, and play a complementary role in the overall public transport system to meet passengers' diverse needs for personalised point-to-point transport services. Taxis can provide relatively stable 24-hour services through their unique operational advantages (including being able to accept street-hailing as well as taking bookings through online channels, making use of taxi stands located across the territory, and picking up or dropping off passengers in designated restricted zones). Meanwhile, ride-hailing vehicles can leverage the sharing economy model to unlock the idle capacity of private cars and meet the public's travel needs through online booking.
- 11. We will impose requirements on vehicles and drivers that provide ride-hailing services as appropriate and stipulate corresponding penalties for malpractices, with a view to ensuring passenger safety and fostering healthy competition between ride-hailing vehicles and taxis. We will also set appropriate entry thresholds for and impose regulations on ride-hailing platforms, so as to promote the development of personalised point-to-point transport services in an orderly, sustainable and healthy manner.

#### (iii) Overall Control, Healthy Development

12. The Working Group of the TAC was of the view that, apart from considering the travel needs of the citizens, the Government should take into account and give due considerations to the actual circumstances of Hong Kong,

including the population and development density, the carrying capacity of roads and the ecological balance of the public transport system, so as to ensure that road resources will continue to be utilised with high efficiency and the traffic flow will be smooth after the implementation of the regulatory regime of ride-hailing services.

13. The Government concurred with the views of the TAC. As compared to other regions with experiences on regulating ride-hailing services, the uniqueness of the situation of Hong Kong lies in the fact that the diverse and well-developed public transport system is serving close to 90% of the daily Although personalised point-to-point transport services can be convenient for passengers, given their low efficiency in terms of passenger capacity, they are only suitable for continuing to serve as supplementary public This is conducive to maintaining the existing highly transport services. efficient public transport system, which is not easy to come by, and make optimal use of limited road resources. It is necessary for the Government to impose control on the total number of ride-hailing vehicle permits to be issued, and promote the orderly development of personalised point-to-point transport Otherwise, the unrestricted or disorderly issuance of ride-hailing vehicle permits may lead to negative consequences and result in an excessive number of ride-hailing vehicles, which in turn will cause traffic congestion, lower the operational efficiency of taxis and ride-hailing vehicles, or induce vicious competition in the market. The above will lead to a reduction in the income of taxi and ride-hailing vehicle drivers, thus affecting the sustainable development of the industry, and ultimately affecting the ecological balance of the public transport system in Hong Kong.

#### PROPOSED REGULATORY FRAMEWORK

14. Based on the above policy considerations and related factors, we propose to introduce a regulatory regime for ride-hailing services through legislation. Considering the widespread calls in society for the Government to expeditiously implement the relevant regulatory regime to provide safe travel options for the citizens, we introduce the Bill into the LegCo at this stage for establishing the regulatory framework and stipulating provisions on matters of principle that have already been agreed upon by society and the LegCo. We will address the other technical details through subsidiary legislation, with the

aim to submitting the legislative proposals to the LegCo in the first half of next year.

15. Under the proposed regulatory regime, our specific regulatory requirements for platforms, vehicles and drivers providing ride-hailing services are as follows -

#### **Regulating Platforms**

- 16. We propose to require all electronic or telecommunications platforms (including general platforms that directly dispatch vehicles and drivers, as well as aggregator platforms<sup>3</sup>) providing ride-hailing services to obtain a ride-hailing service licence. Only ride-hailing service licensees may accept bookings and arrange for private cars and drivers with appropriate permits to provide ride-hailing passenger transport services in Hong Kong through their platforms. Any person who operates a ride-hailing platform for providing ride-hailing platform services without a licence will commit an offence and is liable to a maximum fine of \$1,000,000 and imprisonment for up to 12 months.
- 17. Under the proposed regulatory framework, the Commissioner for Transport ("the Commissioner") may invite applications for ride-hailing service licences. Applicants must be companies registered in Hong Kong and meet certain entry thresholds to ensure that they have sufficient operational capacity to provide quality ride-hailing services. When deciding whether to grant or refuse an application for a ride-hailing service licence, the Commissioner may consider various factors, including the applicant's experience in operating a ride-hailing platform, financial capacity, intended investments in Hong Kong for operating a platform, qualifications of the company's directors, as well as the proposed standard of the ride-hailing services to be provided. Our preliminary estimation is that there will probably be a handful of ride-hailing platform companies that can meet the eligibility

Aggregator platforms process a large amount of personal data in the course of providing ridehailing services and collect service fees from their partner platforms. As such, we propose to

require aggregator platforms to obtain ride-hailing service licences as well. We will consider whether there is room for setting simpler licence conditions for aggregator platforms at a later

stage.

criteria and entry thresholds, thereby introducing competition to the market while avoiding an overwhelming number of platforms that may confuse the public when hailing rides. The ride-hailing service licence must not be transferred unless with the approval of the Commissioner.

- 18. Regarding the operational requirements, platforms holding a ridehailing service licence ("licensed platforms") must maintain proper and efficient ride-hailing services to the satisfaction of the Commissioner. Licensed platforms must also keep and provide proper records of operational data, and conduct due diligence to ensure that all vehicles and drivers providing ride-hailing passenger transport services through their platforms hold valid permits. A platform that arranges for vehicles or drivers without valid permits to transport passengers commits a criminal offence. On a first conviction, the maximum penalty is six-month imprisonment and a fine at level 3 (\$10,000) in respect of each non-compliant vehicle or driver. On each subsequent conviction, the maximum penalty is 12-month imprisonment and a fine at level 4 (\$25,000) for each non-compliant vehicle or driver. Licensed platforms also have the obligations to ensure that drivers providing ride-hailing passenger transport services are the registered owners of the vehicles they drive. Contravening such requirement constitutes a criminal offence, and will be subject to a fine at level 3 (\$10,000) upon conviction. With regard to fares, licensed platforms may set their own fares in accordance with market conditions, but they are required to inform passengers of the fare arrangement before the start of a journey<sup>4</sup>.
- 19. To enable the Government to monitor the platforms' services effectively, we also propose to empower the Commissioner to impose licence conditions on a range of matters, including those related to the ride-hailing services (including booking services and passenger transport services provided by vehicles and drivers of the platforms)<sup>5</sup> provided through the platform; the collection, transmission, storage, and provision of data relating to the services,

<sup>&</sup>lt;sup>4</sup> According to the Ordinance, the Government has the power to regulate fare arrangements where necessary.

If passenger transport services of other public service vehicles (such as taxis) can be booked through the relevant platform, the Commissioner may also impose licence conditions relating to such services.

as well as the keeping of records; returns and accounts submitted by the platform to the Commissioner; requirements for ride-hailing vehicles and drivers; and requirements for the platform's directors and management personnels, etc. If a licensed platform violates the licence conditions or relevant statutory provisions, the Commissioner may appoint a public officer to conduct an inquiry. Depending on the severity of the case, the Commissioner may impose a financial penalty<sup>6</sup> on the licensed platform, as well as vary, suspend, or cancel its ride-hailing service licence.

- 20. As for other technical details, we will address them in the next stage through subsidiary legislation. In this connection, we propose to empower the Secretary for Transport and Logistics ("the Secretary") to make regulations to regulate the operation of platforms. We intend to specify specific operational requirements in the regulations, such as the validity period of and renewal arrangements for ride-hailing service licences, the licence fees for platforms, and the procedures of conducting inquiries. We propose that the validity period of the licence be five years. The Transport Department ("TD") will conduct a mid-term appraisal of the service performance of the licensed platform and decide whether to extend the validity period of its licence, based on the outcome of the relevant appraisal. With regard to fees relating to the licences, we propose to collect application fees, licence fees<sup>7</sup>, and fees for extension of the validity period of the licence from the licensed platforms. Such fees may be set above the level required to recover administrative costs.
- 21. In addition, we notice that there are currently ride-hailing platforms in the market that offer both private car and taxi booking services. In this regard, we propose to allow licensed platforms to provide booking services for both private cars and other public service vehicles (such as taxis). This will enhance the competitiveness of taxi drivers and at the same time boost the overall capacity of the relevant platforms, thereby offering passengers more

The fine must not exceed \$50,000 for the first occasion on which a financial penalty is imposed on the licensee, \$100,000 for the second occasion, and \$200,000 for the third or subsequent occasions.

We propose that the licence fee for the licensed platforms may be determined according to the scale of their operation. The relevant factors may include but not limited to the number of vehicles under the relevant licensed platforms, the number of ride-hailing journeys, etc.

choices. For ensuring the overall service quality of ride-hailing platforms, the TD has the power to impose licence conditions on the services provided by private cars and other public service vehicles through these platforms.

#### **Regulating Vehicles**

- 22. We propose to stipulate that all private cars providing ride-hailing services must obtain ride-hailing vehicle permit ("vehicle permit"), and all drivers driving ride-hailing vehicles must hold ride-hailing vehicle driving permit ("driving permit"). Besides, ride-hailing passenger transport services provided by vehicles and drivers with permits must be booked through licensed platforms. It is an offence to drive (or suffer or permit another person to drive) a private car for the purpose of providing ride-hailing passenger transport service without complying with the above requirements. Upon first conviction, the offender may be subject to a fine at level 3 (\$10,000) and sixmonth imprisonment. Upon subsequent convictions, the offender may be subject to a fine at level 4 (\$25,000) and 12-month imprisonment. If a driver holds a driving permit but the private car that he uses to provide ride-hailing passenger transport services does not hold a vehicle permit, in addition to the above penalties, his driving permit may also be cancelled. Furthermore, if a driver or vehicle with permits provides ride-hailing services through an unlicensed platform, other than being subject to criminal liability, the relevant vehicle permit or driving permit may be cancelled. Depending on the severity of the case, the court may disqualify the person from obtaining or holding a driving licence for a period of no less than 12 months and no more than three years.
- 23. As mentioned in paragraph 13 above, we consider it necessary to impose overall control on the number of ride-hailing vehicles so as to maintain the highly efficient public transport system, make optimal use of limited road resources, and promote the orderly development of personalised point-to-point transport services. In this regard, we propose to specify the maximum number of vehicle permits that may be issued in the subsidiary legislation. We also propose to empower the Commissioner to invite applications for vehicle permits, and to grant or refuse such applications. Vehicle permits must not be transferred. When deciding on applications for vehicle permits, the

Commissioner may adopt appropriate methods of selection <sup>8</sup>. The Commissioner may impose conditions on vehicle permits, for example concerning regulation of the ride-hailing passenger transport services provided by the vehicles, vehicle maintenance and third-party risks insurance. If a ride-hailing vehicle violates the conditions of the permit or relevant statutory provisions, the Commissioner may vary, suspend or cancel the relevant permit.

- 24. To safeguard public safety and rights, applicants for vehicle permits must meet certain legal requirements. For instance, to avoid vehicle permits being regarded as assets with speculative value leading to the neglect of the importance of ensuring the quality of ride-hailing services, we propose that only private cars registered in the name of an individual may apply for vehicle permits, and such vehicles can only be driven by their registered owners when providing ride-hailing passenger transport services in the future. If any person drives (or suffers or permits others to drive) a private car registered under another person's name to provide ride-hailing passenger transport services, even if the relevant vehicle and driver both hold appropriate permits, such conduct is illegal and will be subject to a maximum fine at level 3 (\$10,000).
- 25. Besides, given that ride-hailing services is a new type of public transport services, we consider it necessary to impose relatively stringent requirements on ride-hailing vehicles and set an upper limit on their age to ensure that passengers enjoy a more comfortable riding experience. We propose that ride-hailing vehicles must be less than 12 years old at the time of each application for a vehicle permit (or application for renewal). Such an adjustment draws on relevant requirements from the Mainland and overseas regions<sup>9</sup> and align with the policy considerations of the Government's earlier

We will specify the methods of selection that the Commissioner may adopt in the subsidiary legislation.

Currently, some cities in the Mainland and overseas have regulations on the age of ride-hailing vehicles. For example, Shanghai and the Northern Territory of Australia have set upper limits at eight and 13 years respectively on the age of ride-hailing vehicles in operation. In addition, while Singapore does not set any upper limit on the age of ride-hailing vehicles, a ride-hailing vehicle of an age above ten years has to undergo vehicle inspection every six months.

proposal<sup>10</sup>, that is, to increase flexibility under the premise of ensuring safety so that more private cars interested in providing ride-hailing services can meet the eligibility criteria.

26. To impose additional requirements on ride-hailing vehicles, we propose to empower the Secretary to make regulations to regulate the operation of ride-hailing vehicles, such as the validity period, renewal arrangements, and fees for vehicle permits, as well as matters related to the issuance of ride-hailing vehicle certificates in respect of the relevant vehicles. We propose that the validity period of ride-hailing vehicle permits be one year, and may be renewed for up to five years if certain requirements are met (e.g. passing the annual vehicle inspection). In addition, to allow members of the public and law enforcement agencies to identify whether an individual private car is a ride-hailing vehicle with permit, we propose to stipulate in the regulations and permit conditions that ride-hailing vehicles must display a specified identification marking at a designated location (such as on the front windscreen of the vehicle) during the provision of ride-hailing passenger transport services. This requirement will help enhance passenger safety.

#### **Regulating Drivers**

27. We recommend that the Commissioner be empowered to grant or refuse applications for driving permits. Driving permits must not be transferred. To ensure the driving safety of drivers providing ride-hailing services, applicants must meet certain requirements, including being at least 21 years of age, holding a Hong Kong Permanent Identity Card<sup>11</sup>, holding a valid full driving licence to drive a private car or light goods vehicle for at least one

The Government has earlier considered requiring the private car concerned to be less than seven years old at the time of application for a vehicle permit, and the permit can be renewed for a maximum of five years. In other words, if a private car is less than seven years old on the date of application for a vehicle permit, and a vehicle permit is issued and renewed for a period of five years, the private car concerned can be operated up to the age of 12 years.

Any person who holds an identity card and is not subject to any condition of stay (other than the period of stay as defined by section 2(1) of the Immigration Ordinance (Cap. 115)) may also apply for a driving permit. This is consistent with the current requirements for applying for a commercial vehicle driving licence (e.g. taxis, public light buses, public buses, etc.).

year, having no serious traffic convictions in the five years prior to the application date, and passing a designated test<sup>12</sup> and completing a pre-service course within the specified timeframe prior to the application date, etc. We propose that individuals who hold a taxi driving licence may apply to the TD for a driving permit without having to sit for additional test or complete additional pre-service course. This arrangement should be conducive to expanding employment options for taxi drivers.

- 28. Under the proposed regulatory framework, the Commissioner may impose conditions on a driving permit as she considers appropriate, including any conditions relating to the provision of ride-hailing passenger transport services. If a permit holder violates the conditions of the permit or relevant statutory provisions, the Commissioner may vary, suspend, or cancel the driving permit of such permit holder.
- 29. We also propose to empower the Secretary to make regulations to regulate the operation of ride-hailing vehicle drivers, such as the validity period, renewal arrangements, and fees for driving permits, the instruction and testing required for the applicants, as well as the physical examination certification requirements<sup>13</sup> to be imposed on applicants, etc. We propose that the validity period of the driving permit be five years, and that the permit may be renewed subject to the fulfillment of certain requirements (e.g. the driver maintains a good driving record), with no limit on the number of renewals.

We propose to combine the relevant test with the current taxi written test so that future applicants for taxi driving licences and driving permits may take the same written test, and then obtain the corresponding driving qualifications by choosing to take pre-service courses for taxis or ridehailing vehicles.

The Government has earlier conducted a review and proposed adjusting the age threshold for commercial vehicle drivers to submit physical fitness certification from 70 to 65 years old, as well as adding diseases or physical disabilities specified in the First Schedule to the Road Traffic (Driving Licences) Regulations (Cap. 374B) to tighten the requirements regarding physical fitness of drivers. The Government is exploring ways to expedite the legislative process to submit the proposed amendments to the relevant legislation to the LegCo as soon as possible. Regarding ride-hailing vehicle drivers, our plan is that the prevailing physical fitness requirements applicable to commercial vehicle drivers will equally be applicable to ride-hailing vehicle drivers when making the relevant subsidiary legislation in the next stage.

# COMBATTING ILLEGAL CARRIAGE OF PASSENGERS FOR HIRE OR REWARD MORE EFFECTIVELY TO PROTECT PASSENGERS AND COMPLIANT POINT-TO-POINT TRANSPORT SERVICES

30. While the protection for passengers will be significantly enhanced with the introduction of the regulatory regime for ride-hailing services, there may still be a small number of law-breakers engaging in illegal activities of carrying passengers for hire or reward (e.g. driving private cars without vehicle permits to provide services through unlicensed ride-hailing platforms). In order to combat illegal carriage of passengers for hire or reward more effectively to better protect passengers and compliant personalised point-to-point transport services, the Government proposes to enhance penalties for disqualification upon driving after conviction of the driver, and strengthen relevant arrangements for impounding vehicles and temporary suspension of related vehicle licences.

#### (a) Disqualification from driving

31. Currently, while section 69 of the Ordinance requires that if a person is convicted of an offence under the Ordinance in connection with the driving of a motor vehicle (including illegal carriage of passengers for hire or reward), the court may disqualify him/her from driving for such period as it thinks fit, the existing legislation does not provide the exact or minimum period for the relevant disqualification from driving. In order to combat illegal carriage of passengers for hire or reward more effectively, we propose to amend the Ordinance through this Bill to clearly specify that if a person is convicted of an offence of illegal carriage of passengers for hire or reward, unless the court for special reasons thinks fit to order otherwise, his/her driving licence should be disqualified for not less than 12 months and not more than three years. The same period of disqualification from driving also applies to the offence relating to failure to insure a motor vehicle against third party risks under the Motor Vehicles Insurance (Third Party Risks) Ordinance (Cap. 272).

## (b) <u>Vehicle impoundment and temporary suspension of the relevant vehicle licence</u>

32. At present, when a vehicle owner receives a "Notice Requiring Provision of Personal Particulars of Driver" issued by the Police under section

63 of the Ordinance, requiring the vehicle owner to provide information about the driver of a vehicle that may be involved in an offence under the Ordinance (including illegal carriage of passengers for hire or reward) or a traffic accident, the vehicle owner must provide the relevant information to the police officer within the period specified in the Ordinance. It is noted that some of the vehicle owners involved refused to provide information on the driver. As a result, prosecutions cannot be instituted as the identity of the driver concerned cannot be confirmed.

33. In fact, under the existing Ordinance, if a person is convicted of the offence under section 52(3) of the Ordinance (i.e. illegal carriage of passengers for hire or reward), the Commissioner will temporarily suspend the vehicle licence of the vehicle involved and impound the vehicle. The suspension period is either six months (for first conviction) or 12 months (for subsequent In order to prevent vehicle owners from evading this penalty by refusing to provide relevant information to police officers to confirm the identity of the driver involved, we propose amending the Ordinance to the effect that when the vehicle concerned has been involved in illegal carriage of passengers for hire or reward, even if the driver cannot be identified for various reasons and therefore cannot be prosecuted, the vehicle licence may still be temporarily suspended and the vehicle delivered to the Commissioner for custody for a period of six months<sup>14</sup>. In conjunction with the aforementioned proposal of disqualification from driving, we believe that these measures will significantly enhance the deterrent effect against illegal carriage of passengers for hire or reward, thereby better protecting the interest of citizens who use personalised point-to-point transport services and safeguarding the point-topoint service providers who operate with compliance.

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The Government is finalising the details of the specific procedures and is actively working on the law drafting. Subject to the agreement of the LegCo Bills Committee, the Government will move a Committee Stage Amendment with a view to incorporating the related provisions into this Bill.

#### CONSIDERATIONS ON DETERMINING THE NUMBER OF RIDE-HAILING VEHICLES

- 34. The provision of personalised point-to-point transport services by private cars through online channels has been in existence for over a decade. It involves the interests of various stakeholders in society (including the taxi trade, ride-hailing service providers, as well as citizens and passengers) and multiple considerations (e.g. efficiency of the public transport system, management of road capacity, overall ecosystem and competitive environment of personalised point-to-point transport services). Different sectors have different views on this issue, which has led to the continuation of the relevant controversy.
- 35. Opinions differ across society on the number of ride-hailing vehicles that should be allowed to operate. We notice that some taxi trade members are of the view that the current taxi capacity is sufficient to meet the needs of the public and there is no need to introduce ride-hailing vehicles, while some trade members argue that even if ride-hailing vehicles are permitted, the number of vehicles should not exceed a few thousands. Platform companies generally consider that the Government should not impose a limit on the number of ride-hailing vehicles so as to avoid affecting the mode of operation of platform companies and hindering the development of the industry. Passengers are more concerned with whether their current travel experience will be affected, while some members of the public think that the Government should impose a limit on the number of ride-hailing vehicles to avoid exceeding road capacity and causing traffic congestion. Looking at the experiences of other regions, we observe that there are different practices adopted by different Some regions have not set a limit on the number of ride-hailing vehicles (e.g. London, Canberra), some (while not imposing a limit on the number of ride-hailing vehicles) have adopted stringent measures to control the overall growth in the number of private cars (e.g. Singapore), whereas other regions have stopped issuing new ride-hailing vehicle licences for the purposes of alleviating traffic congestion, maintaining market order and avoiding vicious competition (e.g. Shanghai, New York City). Shenzhen has also recently issued a risk alert to remind potential entrants to the trade that the ride-hailing service market has reached saturation.
- 36. From the above, it can be seen that there is no universal approach in

regulating the number of ride-hailing vehicles, and a holistic view that considers local circumstances and industry development must be taken. mentioned in the foregoing, the situation in Hong Kong is unique, most citizens primarily use public transport to travel and this accounts for nearly 90% of daily passenger trips. It is necessary for the Government to maintain the existing highly efficient public transport system, which is not easy to come by, and make optimal use of the limited road resources. Hence, we consider it necessary to impose overall control on the number of ride-hailing vehicles and promote the orderly development of personalised point-to-point transport services. the exact figures, given the wide-ranging views across society, we will first focus on building consensus and establishing the regulatory framework by introducing the Bill. We will then address the detailed regulatory arrangements regarding the number of ride-hailing vehicles when we submit subsidiary legislation amendments to the LegCo in the first half of 2026. deciding on the above, we will consider and balance various factors, including the travel needs and experiences of members of the public, the carrying capacity of the road network, the ecosystem of the public transport system, as well as the health and sustainable development of the overall personalised point-topoint transport service industry.

#### LEGISLATIVE TIMETABLE AND FUTURE WORK PLANS

- 37. As mentioned in the above, we propose to first introduce the Bill at this juncture to provide for the regulatory framework on which consensus and principles have been established in the community and in the LegCo. As regards other technical details, including the operating modes, hardware and relevant licence/ permit requirements in respect of platforms, vehicles and drivers (e.g. the number of vehicle permits, the level of licence/ permit fees, etc.), we will continue to discuss and negotiate in a focused manner with the stakeholders (including various stakeholders in the taxi trade, ride-hailing platform companies, drivers, etc.), with a view to finalising the details and incorporating them into the proposed amendments to subsidiary legislation or licence/ permit conditions as appropriate. We plan to submit legislative proposals concerning the subsidiary legislation to the LegCo in the first half of 2026.
- 38. If the abovementioned legislative proposals concerning the subsidiary

legislation are supported by the LegCo, we will immediately commence the relevant preparatory work in the second half of 2026, including phased announcements in the third quarter of 2026 inviting platforms, vehicles and drivers to apply for relevant licences/ permits, concurrent implementation of the new test for driving ride-hailing vehicles, and announcement of licence/ permit application results in the fourth quarter of 2026. Subject to the readiness of the platforms that are granted ride-hailing service licences, we anticipate the first batch of licensed platforms to commence operation within the fourth quarter of 2026 at the earliest.

39. Subject to the actual progress of the LegCo's scrutiny of the abovementioned subsidiary legislation amendments and other preparatory work, the Secretary will separately announce the commencement date of the relevant provisions of the Bill by notice published in the Gazette.

#### OTHER OPTIONS

40. The foregoing proposals cannot be implemented without introducing legislative amendments.

#### THE BILL

- 41. The main provisions of the Bill are set out below –
- (a) Clause 1 sets out the short title and provides for commencement.
- (b) Clause 3 amends section 2 of the Ordinance to add certain definitions for the interpretation of the Ordinance.
- (c) Clause 4 adds a new section 2C to the Ordinance to provide for the meaning of public service vehicle.
- (d) Clause 7 amends section 52 of the Ordinance to provide for certain exceptions to the restrictions on the use of vehicles under that section.
- (e) Clause 8 adds a new Part 6A to the Ordinance to provide for the regulation

of ride-hailing service. The new Part 6A contains 6 Divisions, with details set out as follows -

- (I) Division 1 of the new Part 6A (new section 55A) contains the definitions for the interpretation of that Part, including the definitions of ride-hailing passenger transport service, ride-hailing platform, ride-hailing platform service, ride-hailing vehicle and ride-hailing vehicle driving permit holder.
- (II) Division 2 of the new Part 6A (new sections 55B to 55F) provides for the basic requirements for the provision of ride-hailing service, including that—
  - (i) the operation of a ride-hailing platform requires a ride-hailing service licence;
  - (ii) certain conditions must be met for the provision of ride-hailing passenger transport service;
  - (iii) a ride-hailing service licensee must ensure that any ride-hailing passenger transport service booked through the licensee's licensed platform is provided by ride-hailing vehicles and drivers with valid permits;
  - (iv) a ride-hailing vehicle may only be driven or used by its registered owner for providing ride-hailing passenger transport service; and
  - (v) a ride-hailing service licensee must ensure that any ride-hailing passenger transport service booked through the platform is provided by a driver who is the registered owner of the vehicle.
- (III) Division 3 of the new Part 6A (new sections 55G to 55P) provides for matters relating to the regulation of ride-hailing platforms, including—
  - (i) matters relating to the application for, and the issue of, ridehailing service licences;
  - (ii) the obligation of ride-hailing service licensees to ensure proper and efficient ride-hailing service, and (if applicable) proper and efficient public vehicle passenger transport service, are maintained;
  - (iii) the obligation of ride-hailing service licensees to keep and provide records of operational data;

- (iv) the power of the Commissioner to give directions to ridehailing service licensees;
- (v) the power of the Commissioner to appoint a public officer to conduct an inquiry if the Commissioner has reason to believe that a ride-hailing service licensee fails to comply with any of its obligations; and
- (vi) the powers of the Commissioner to impose financial penalties on ride-hailing service licensee, and to cancel, suspend or vary a ride-hailing service licence, after an inquiry is conducted.
- (IV) Division 4 of the new Part 6A (new sections 55Q to 55V) provides for matters relating to the regulation of ride-hailing vehicles, including—
  - (i) the power of the Commissioner to limit the number of ridehailing vehicle permits to be issued;
  - (ii) matters relating to the application for, and the issue of, ridehailing vehicle permits; and
  - (iii) the power of the Commissioner to cancel, suspend or vary a ride-hailing vehicle permit under certain circumstances.
- (V) Division 5 of the new Part 6A (new sections 55W to 55Z) provides for matters relating to the regulation of drivers of ride-hailing vehicles, including—
  - (i) matters relating to the application for, and the issue of, ridehailing vehicle driving permits; and
  - (ii) the power of the Commissioner to cancel, suspend or vary a ride-hailing vehicle driving permit under certain circumstances.
- (VI) Division 6 of the new Part 6A (new sections 55ZA to 55ZE) contains miscellaneous provisions, including—
  - (i) the restrictions on the transfer of licences and permits issued under that Part;
  - (ii) the right to apply for review by the Transport Tribunal against certain decisions made by the Commissioner under that Part;
  - (iii) the power of the Secretary to make regulations to provide for the regulation of ride-hailing service;
  - (iv) the power of the Secretary to prescribe fees for matters relating

- to the regulation of ride-hailing service; and
- (v) the power of the Secretary to make regulations to provide for related amendments.
- (f) Clause 9 amends section 69 of the Ordinance to mainly provide that, in general, a person who is convicted of an offence of driving a motor vehicle for illegal carriage of passengers for hire or reward must be disqualified from holding or obtaining a driving licence for a period of not less than 12 months, but not more than 3 years, beginning on the date of the conviction.
- (g) Clauses 5, 6, 10 and 11 make certain related and consequential amendments to the Ordinance.
- (h) Clauses 12 to 17 make related amendments to other enactments.

#### LEGISLATIVE TIMETABLE

42. The legislative timetable is as follows –

Publication in the Gazette 5 September 2025

First Reading and commencement of Second 10 September 2025 Reading debate

To be notified

Resumption of Second Reading debate, committee stage and Third Reading

#### IMPLICATIONS OF THE PROPOSAL

43. The proposal has financial, civil service, economic and family implications as set out at **Annex C**. The proposal has no environmental, productivity or gender implications. Except for economic implications, the proposal does not have sustainability implications. The Bill is in conformity with the Basic Law, including provisions concerning human rights. The Bill will not affect the current binding effect of the Ordinance and its subsidiary legislation.

#### **PUBLIC CONSULTATION**

- 44. The Government consulted the LegCo Panel on Transport on the above proposals on 18 July 2025. At the meeting, Members from various parties and groups unanimously supported the Government on regulating ride-hailing platforms, vehicles and drivers. They also supported the Government in introducing amendments to primary legislation into the LegCo in the third quarter of this year for setting out the principal matters and handling other technical details in the next stage through subsidiary legislation or permit conditions, with the aim of expediting the regulation of ride-hailing services. Members were also supportive of the Government's proposal on strengthening the arrangements for impounding vehicles and temporary suspension of related vehicle licences.
- 45. On 9 July 2025, the Government also consulted the TAC, whose members unanimously supported the Government's proposal on regulating ride-hailing services with a view to safeguarding the safety and interests of passengers in addition to satisfying and facilitating the travel needs of the Besides, the Government gathered public views through the TAC. According to the views received by the Working Group of the TAC between February and August this year, the public generally expect the Government to regulate ride-hailing services to meet their diverse travel needs and supplement the limited capacity of existing taxis. With regard to the regulations, some members of the public consider that the Government should avoid imposing excessive regulatory requirements on ride-hailing services and should not favour the interests of individual vested interests, lest this impedes ride-hailing service operators from providing adequate services. Others consider that the Government should set a cap on the number of ride-hailing vehicle permits to be issued to avoid exceeding the road network's carrying capacity and causing traffic congestion.
- 46. The Government has all along maintained close communication with the taxi trade. Over the past six months, the Government has had multiple meetings with trade representatives on the subject of regulating ride-hailing services to listen to their views, including a special trade conference held on 19 August 2025. The Hong Kong Taxi Council, the Hong Kong Taxi and Public Light Bus Association, as well as several industry organisations and individuals also submitted their views to the Government in writing. Overall speaking,

the taxi trade is supportive of the Government's regulation of ride-hailing services and agrees that taxis and ride-hailing vehicles can co-exist and compete on a level playing field. The taxi trade is also supportive of the move to allow holders of taxi driving licences to obtain the qualification to drive ride-hailing vehicles without having to sit for an additional test. However, trade representatives suggested that the Government should determine the number of ride-hailing vehicles based on the empirical data on taxi capacity so as to avoid exacerbating traffic congestion, and that ride-hailing vehicles should serve to supplement taxi capacity by operating during peak hours only.

47. The Government also had multiple meetings with ride-hailing platform companies from the Mainland and overseas to understand their views on regulating ride-hailing services. These platform companies unanimously supported the Government to legislate for the regulation of ride-hailing services so as to provide a clear regime for the development of the industry, and would endeavour to complement the Government's policy. Meanwhile, these platform companies were concerned about the Government's intention to set an upper limit on the number of ride-hailing vehicles and to impose requirements on vehicle age, validity period of licences, insurance, etc., on the grounds that these would increase the operating cost and entry thresholds for ride-hailing vehicle drivers, which may in turn result in a reduction in capacity of ride-hailing vehicles and undermine passengers' travel experience.

#### **PUBLICITY**

48. A press release will be issued. A spokesperson will be available to answer media enquiries.

#### **ENQUIRIES**

49. For any enquiries on this brief, please contact Miss Joyce Kok, Principal Assistant Secretary for Transport and Logistics, at 3509 8214 (relating to the proposed measures regarding the regulatory regime for ride-hailing services); and Ms Anna Leung, Principal Assistant Secretary for Transport and Logistics, at 3509 8196 (relating to the proposed measures regarding combatting illegal carriage of passengers for hire or reward activities).

## Transport and Logistics Bureau 4 September 2025

#### Road Traffic (Amendment) (Ride-hailing Service) Bill 2025

Road Traffic (Amendment) (Ride-hailing Service) Bill 2025

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#### A BILL

#### To

Amend the Road Traffic Ordinance to provide for the regulation of ride-hailing service; to introduce a licensing regime for ride-hailing platforms, ride-hailing vehicles and drivers of such vehicles; to provide for the regulation of any other public vehicle passenger transport service booked through licensed ride-hailing platforms; to enhance the enforcement regime against illegal carriage of passengers for hire or reward; and to provide for related matters.

Enacted by the Legislative Council.

#### Part 1

#### **Preliminary**

#### 1. Short title and commencement

- (1) This Ordinance may be cited as the Road Traffic (Amendment) (Ride-hailing Service) Ordinance 2025.
- (2) This Ordinance comes into operation on a day to be appointed by the Secretary for Transport and Logistics by notice published in the Gazette.

#### 2. Enactments amended

The enactments specified in Parts 2 and 3 are amended as set out in those Parts.

Road Traffic (Amendment) (Ride-hailing Service) Bill 2025

Part 2

Clause 3

2

#### Part 2

#### Amendments to Road Traffic Ordinance (Cap. 374)

#### 3. Section 2 amended (interpretation)

(1) Section 2—

#### Repeal

", unless the context otherwise requires".

(2) Section 2, definition of public service vehicle—

#### Repeal

everything after "車輛)"

#### Substitute

"-see section 2C;".

(3) Section 2—

#### Add in alphabetical order

"licensed platform (持牌平台)—see section 55A(1);

ride-hailing passenger transport service (網約車載客服務)—see section 55A(1);

ride-hailing regulation (《網約車規例》)—see section 55A(1);

ride-hailing service licensee (網約車服務持牌人)—see section 55A(1);

ride-hailing vehicle (網約車車輛)—see section 55A(1);".

#### 4. Section 2C added

After section 2B—

Add

#### "2C. Meaning of public service vehicle

- (1) A motor vehicle is a public service vehicle if it is—
  - (a) a motor vehicle registered as a public bus, public light bus or taxi;
  - (b) a motor vehicle registered as a private car and in respect of which a hire car permit is in force; or
  - (c) a ride-hailing vehicle that is in the course of providing ride-hailing passenger transport service.
- (2) For the purposes of subsection (1)(c), a ride-hailing vehicle is in the course of providing ride-hailing passenger transport service throughout the period—
  - (a) beginning when a booking of the service is accepted by the driver of the vehicle through a licensed platform; and
  - (b) ending when the booking is cancelled or the service is completed.".
- 5. Section 13 amended (provision for the Commissioner and others to act and charge fees, and for absolute liability)

Section 13, after "12A"—

Add

", 55ZC".

6. Section 15 amended (penalties under the regulations)

Section 15, after "12A,"—

Add

"55ZC,".

- 7. Section 52 amended (restriction on the use of vehicles)
  - (1) After section 52(3)—

Road Traffic (Amendment) (Ride-hailing Service) Bill 2025

Part 2 Clause 8

4

#### Add

"(3A) Subsection (3) is subject to section 55C.".

(2) After section 52(5)—

#### Add

- "(5A) However, subsection (5)(a) does not apply to a ride-hailing service licensee in respect of a ride-hailing vehicle for any ride-hailing passenger transport service that may be booked through the licensee's licensed platform."
- (3) After section 52(6)—

Add

- "(6A) However, a person does not contravene subsection (6) in respect of a ride-hailing vehicle only because—
  - (a) a certificate issued under the ride-hailing regulation in respect of the vehicle is displayed on the vehicle in compliance with the regulation; or
  - (b) it is indicated on a licensed platform that the vehicle is available for providing ride-hailing passenger transport service.".

#### 8. Part 6A added

After Part 6—

Add

#### "Part 6A

#### **Ride-hailing Service**

#### **Division 1—Interpretation**

#### 55A. Interpretation of Part 6A

- (1) In this Part—
- Cap. 272 (《第 272 章》) means the Motor Vehicles Insurance (Third Party Risks) Ordinance (Cap. 272);
- licensed platform (持牌平台) means a ride-hailing platform in respect of which a ride-hailing service licence is in force;
- public vehicle passenger transport service (公共車輛載客服務), in relation to a licensed platform, means a service for the carriage of any passenger for hire or reward that is provided by using a public service vehicle within the meaning of section 2C(1)(a) or (b), which is booked through the platform;
- ride-hailing passenger transport service (網約車載客服務) means a service for the carriage of any passenger for hire or reward that falls within the following descriptions—
  - (a) the service is provided by using a private car in respect of which no hire car permit is in force; and
  - (b) the location for picking up the passenger is determined or substantially determined at the time of booking of the service;
- ride-hailing platform (網約車平台) means an electronic or telecommunications platform through which ride-hailing platform service is provided;
- ride-hailing platform service (網約車平台服務) means a service that involves—

- (a) taking bookings (whether directly or indirectly), through an electronic or telecommunications platform, for the provision of ride-hailing passenger transport service (whether immediately or at a later time); and
- (b) connecting (whether directly or indirectly), through an electronic or telecommunications platform, the persons making the bookings with the persons providing the ride-hailing passenger transport service;
- ride-hailing regulation (《網約車規例》) means a regulation made under section 55ZC;
- ride-hailing service (網約車服務) means a service comprising—
  - (a) a ride-hailing platform service; and

Road Traffic (Amendment) (Ride-hailing Service) Bill 2025

- (b) a ride-hailing passenger transport service;
- ride-hailing service licence (網約車服務牌照) means a licence issued under section 55J(1);
- ride-hailing service licensee (網約車服務持牌人) means the holder of a ride-hailing service licence that is in force;
- ride-hailing vehicle (網約車車輛) means a private car in respect of which a ride-hailing vehicle permit is in force;
- ride-hailing vehicle driving permit (網約車車輛駕駛許可證) means a permit issued under section 55Y(1);
- ride-hailing vehicle driving permit holder (網約車車輛駕駛 許可證持有人) means the holder of a ride-hailing vehicle driving permit that is in force;
- ride-hailing vehicle permit (網約車車輛許可證) means a permit issued under section 55U(1).

- (2) For the purposes of this Part, a reference to the services provided through a licensed platform is a reference to—
  - (a) the ride-hailing platform service provided through the platform;
  - (b) the ride-hailing passenger transport service booked through the platform; and
  - (c) if any public vehicle passenger transport service may be booked through the platform—that service.

### Division 2—Basic Requirements for Provision of Ride-hailing Service

#### 55B. Operation of ride-hailing platform requires licence

- (1) A person must not operate a ride-hailing platform for providing ride-hailing platform service unless a ride-hailing service licence is in force in respect of the platform.
- (2) For the purposes of subsection (1), for determining whether a person operates a ride-hailing platform for providing ride-hailing platform service, it does not matter that the person is located in a place outside Hong Kong if the ride-hailing passenger transport service that is or may be booked through the platform is or is to be performed wholly or partly within Hong Kong.
- (3) A person who contravenes subsection (1) commits an offence and is liable on conviction to a fine of \$1,000,000 and to imprisonment for 12 months.
- (4) A prosecution for an offence under subsection (3) may only be started before the end of 3 years beginning on the date on which the offence is committed.

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#### Part 2 Clause 8

8

#### Note-

This replaces the time limit under section 26 of the Magistrates Ordinance (Cap. 227).

### 55C. Provision of ride-hailing passenger transport service requires permits

- (1) A person may drive or use a private car for providing ridehailing passenger transport service without contravening section 52(3)(a) if all the following conditions are met—
  - (a) the private car is a ride-hailing vehicle;
  - (b) the person is a ride-hailing vehicle driving permit holder:
  - (c) the service is booked through a licensed platform.
- (2) A person may suffer or permit a private car to be driven or used for providing ride-hailing passenger transport service without contravening section 52(3)(b) if all the following conditions are met—
  - (a) the private car is a ride-hailing vehicle;
  - (b) the private car is driven or used by a ride-hailing vehicle driving permit holder;
  - (c) the service is booked through a licensed platform.

### 55D. Ride-hailing service licensees must ensure vehicles and drivers have valid permits

- A ride-hailing service licensee commits an offence if any ride-hailing passenger transport service booked through the licensee's licensed platform is provided by a noncompliant participant.
- (2) A ride-hailing service licensee who commits an offence under subsection (1) is liable—
  - (a) on a first conviction, to—

- (i) a fine at level 3 in respect of each noncompliant participant; and
- (ii) imprisonment for 6 months; and
- (b) on each subsequent conviction, to—
  - (i) a fine at level 4 in respect of each noncompliant participant; and
  - (ii) imprisonment for 12 months.
- (3) It is a defence for a ride-hailing service licensee charged with an offence under subsection (1) to establish that, at the time of the alleged offence, the licensee took all reasonable precautions and exercised all due diligence to avoid the commission of the offence by the licensee.
- (4) A ride-hailing service licensee is taken to have established a matter that needs to be established for a defence under subsection (3) if—
  - (a) there is sufficient evidence to raise an issue with respect to that matter; and
  - (b) the contrary is not proved by the prosecution beyond reasonable doubt.
- (5) In this section—

non-compliant participant (違規參與的車輛或司機) means—

- (a) a private car that is not a ride-hailing vehicle; or
- (b) a driver who is not a ride-hailing vehicle driving permit holder.

Road Traffic (Amendment) (Ride-hailing Service) Bill 2025

Part 2 Clause 8

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## 55E. Ride-hailing vehicle may only be driven or used by its owner for providing ride-hailing passenger transport service

- (1) A person must not drive or use a ride-hailing vehicle for providing ride-hailing passenger transport service unless the person is the registered owner of the vehicle.
- (2) A person must not suffer or permit a ride-hailing vehicle to be driven or used for providing ride-hailing passenger transport service unless the vehicle is so driven or used by the registered owner of the vehicle.
- (3) A person who contravenes subsection (1) or (2) commits an offence and is liable on conviction to a fine at level 3.

### 55F. Ride-hailing service licensees must ensure drivers are owners of vehicles

- (1) A ride-hailing service licensee commits an offence if—
  - (a) a ride-hailing vehicle is driven or used for providing ride-hailing passenger transport service booked through the licensee's licensed platform; and
  - (b) the vehicle is so driven or used by a person who is not the registered owner of the vehicle.
- (2) A ride-hailing service licensee who commits an offence under subsection (1) is liable on conviction to a fine at level 3.
- (3) It is a defence for a ride-hailing service licensee charged with an offence under subsection (1) to establish that, at the time of the alleged offence, the licensee took all reasonable precautions and exercised all due diligence to avoid the commission of the offence by the licensee.

Clause 8

Part 2

12

- (4) A ride-hailing service licensee is taken to have established a matter that needs to be established for a defence under subsection (3) if—
  - (a) there is sufficient evidence to raise an issue with respect to that matter; and
  - (b) the contrary is not proved by the prosecution beyond reasonable doubt.

#### **Division 3—Ride-hailing Platforms**

#### Subdivision 1—Ride-hailing Service Licences

### 55G. Commissioner may invite application for ride-hailing service licence

- (1) The Commissioner may, by notice published in the Gazette, invite applications for a ride-hailing service licence.
- (2) A notice published under subsection (1) is not subsidiary legislation.

#### 55H. Application for ride-hailing service licence

- (1) A company that wishes to obtain a ride-hailing service licence may, in response to an invitation under section 55G(1), apply to the Commissioner for such a licence.
- (2) The application must be made in the form specified by the Commissioner.
- (3) In this section—

company (公司) has the meaning given by section 2(1) of the Companies Ordinance (Cap. 622).

#### 55I. Decision on application for ride-hailing service licence

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- (1) The Commissioner may grant or refuse an application made under section 55H.
- (2) In determining the application, the Commissioner may take the following matters into account—
  - (a) the applicant's experience in operating a ride-hailing platform;
  - (b) the applicant's financial capability;
  - (c) the applicant's proposed level of investment in relation to the operation of a ride-hailing platform in Hong Kong;
  - (d) the qualifications of the applicant's directors and other persons concerned in the management of the applicant;
  - (e) the proposed standard of the ride-hailing platform service to be provided, and the ride-hailing passenger transport service to be booked, through the ride-hailing platform proposed to be operated by the applicant; and
  - (f) any other matters the Commissioner considers relevant to the regulation of ride-hailing service.
- (3) The Commissioner must give written notice of the Commissioner's decision on the application to the applicant.
- (4) If the Commissioner refuses the application, the notice must state the reasons for the refusal.

#### 55J. Issue of ride-hailing service licence

(1) If the Commissioner grants an application under section 55I(1), the Commissioner must, in respect of the platform that the applicant proposes to operate as a ride-hailing

- platform, issue to the applicant a ride-hailing service licence.
- (2) When issuing the licence, the Commissioner may impose on the licence any conditions the Commissioner considers appropriate.
- (3) Without limiting subsection (2), the conditions may relate to one or more of the following matters—
  - (a) the services provided through the licensed platform;
  - (b) the collection, transmission, storage and provision of data, and the keeping of records, relating to the services provided through the platform;
  - (c) the submission to the Commissioner of returns and accounts in relation to the services provided through the platform;
  - (d) the ride-hailing vehicles and ride-hailing vehicle driving permit holders signed up with the platform for providing ride-hailing passenger transport service booked through the platform;
  - (e) the ride-hailing service licensee's directors and other persons concerned in the management of the licensee.

### Subdivision 2—Obligations of Ride-hailing Service Licensees

### 55K. Ride-hailing service licensee must ensure proper and efficient ride-hailing service etc. is maintained

(1) A ride-hailing service licensee must, during any period within which the licensee's ride-hailing service licence is in force—

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- (a) ensure that proper and efficient ride-hailing service is maintained to the satisfaction of the Commissioner; and
- (b) if any public vehicle passenger transport service may be booked through the licensee's licensed platform—ensure that proper and efficient public vehicle passenger transport service is maintained to the satisfaction of the Commissioner.
- (2) In determining whether a ride-hailing service licensee complies with subsection (1), the Commissioner may have regard to—
  - (a) whether the licensee ensures the quality of the service in accordance with—
    - (i) any provision of this Ordinance that applies to a ride-hailing service licensee;
    - (ii) the conditions of the licensee's ride-hailing service licence; and
    - (iii) the directions given to the licensee under section 55M; and
  - (b) any other matters the Commissioner considers appropriate.

### 55L. Ride-hailing service licensee must keep and provide proper record of operational data

- (1) A ride-hailing service licensee must, in accordance with the ride-hailing regulation, keep proper record of the data relating to the services provided through the licensee's licensed platform.
- (2) The ride-hailing service licensee must, on request of the Commissioner, provide to the Commissioner any record

kept under subsection (1) in a manner the Commissioner considers appropriate.

### 55M. Commissioner may give direction to ride-hailing service licensee

- (1) The Commissioner may, in accordance with the ridehailing regulation and after consulting a ride-hailing service licensee, give a direction to the licensee in respect of a matter that relates to—
  - (a) the licensee's ride-hailing service licence;
  - (b) the services provided through the licensee's licensed platform; or
  - (c) the ride-hailing vehicles or ride-hailing vehicle driving permit holders signed up with the platform for providing ride-hailing passenger transport service booked through the platform.
- (2) If the Commissioner decides to exercise the power under subsection (1), the Commissioner must give written notice of the decision and the reasons for the decision to the licensee.

### **Subdivision 3—Financial Penalties and Cancellation etc.** of Ride-hailing Service Licences

### 55N. Commissioner may appoint public officer to conduct inquiry

- The Commissioner may appoint a public officer to conduct an inquiry in accordance with the ride-hailing regulation if the Commissioner has reason to believe that—
  - (a) a ride-hailing service licensee fails to comply with section 55K(1);

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- (b) any condition of the ride-hailing service licence has not been or is not being complied with; or
- (c) any other provision of this Ordinance that applies to a ride-hailing service licensee has not been or is not being complied with.
- (2) After the inquiry, the public officer who conducts it must report to the Commissioner.

#### 550. Financial penalties

- (1) If, after considering a report in relation to a ride-hailing service licensee under section 55N(2), the Commissioner is satisfied as to a matter set out in section 55N(1)(a), (b) or (c), the Commissioner may, by written notice to the licensee, impose a financial penalty on the licensee.
- (2) The notice must specify—
  - (a) the reasons for imposing the penalty;
  - (b) the amount of the penalty imposed; and
  - (c) the manner and deadline for payment.
- (3) The amount specified under subsection (2)(b) must not exceed—
  - (a) \$50,000 for the first occasion on which a financial penalty is imposed on the licensee;
  - (b) \$100,000 for the second occasion on which a financial penalty is imposed on the licensee; or
  - (c) \$200,000 for the third or any subsequent occasion on which a financial penalty is imposed on the licensee.
- (4) The deadline specified under subsection (2)(c) must not be earlier than the end of the period of 21 days beginning

on the date on which the notice is given under subsection (1).

- (5) If—
  - (a) the licensee applies under section 55ZB(1) for a review of the decision to impose a financial penalty under subsection (1); and
  - (b) any of the following events occurs—
    - (i) the application is withdrawn or is to be regarded as being withdrawn under the ride-hailing regulation;
    - (ii) the decision is confirmed or varied by the Transport Tribunal,

the licensee must, within 30 days after the date of the occurrence of the event, pay the penalty.

(6) The financial penalty is to be paid to the Government and the Government may recover any unpaid penalty as a civil debt.

#### 55P. Commissioner may cancel etc. ride-hailing service licence

- (1) This section applies if—
  - (a) the Commissioner, after considering a report made under section 55N(2), is satisfied as to a matter set out in section 55N(1)(a), (b) or (c); and
  - (b) if a financial penalty is imposed under section 55O in respect of the matter—the penalty has not been paid in full in accordance with that section.
- (2) The Commissioner may do one or more of the following—
  - (a) cancel the ride-hailing service licence concerned;

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- (b) suspend the licence for a period of time the Commissioner considers appropriate;
- (c) vary the licence in respect of—
  - (i) the validity period of the licence; or
  - (ii) the conditions of the licence.
- (3) If the Commissioner decides to exercise any power under subsection (2), the Commissioner must give written notice of the decision and the reasons for the decision to the licensee.
- (4) Subject to the ride-hailing regulation, the decision takes effect on the date following the end of the period of 21 days beginning on the date on which the notice is given under subsection (3).
- (5) If the ride-hailing service licence of a person is suspended under subsection (2)(b), the person must, during the period of suspension—
  - (a) continue to be regarded for the purposes of this Part, but not sections 55B and 55K, to be a ride-hailing service licensee; and
  - (b) without limiting paragraph (a), continue to be required to comply with the provisions of this Part relating to a ride-hailing service licensee as would apply to the person were the licence not so suspended.

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## **Division 4—Ride-hailing Vehicles**

## Subdivision 1—Ride-hailing Vehicle Permits

## 55Q. Commissioner may limit number of ride-hailing vehicle permits

- (1) The Commissioner may, by notice published in the Gazette, specify a limit on the number of ride-hailing vehicle permits that may be issued.
- (2) A limit specified under subsection (1) does not affect any ride-hailing vehicle permit that is in force when the limit takes effect.
- (3) To avoid doubt, the Commissioner is not obliged to issue ride-hailing vehicle permits up to the limit specified under subsection (1).

## 55R. Commissioner may invite application for ride-hailing vehicle permit

- (1) The Commissioner may, by notice published in the Gazette, invite applications for a ride-hailing vehicle permit.
- (2) A notice published under subsection (1) is not subsidiary legislation.

## 55S. Application for ride-hailing vehicle permit

- (1) A registered owner of a private car who wishes to obtain a ride-hailing vehicle permit in respect of a private car may, in response to an invitation under section 55R(1), apply to the Commissioner for such a permit.
- (2) The application must be made in the form specified by the Commissioner.

### 55T. Decision on application for ride-hailing vehicle permit

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- (1) The Commissioner may grant or refuse an application made under section 55S.
- (2) If the number of applications made in response to an invitation under section 55R(1) exceeds the maximum number of ride-hailing vehicle permits specified by the Commissioner for the invitation, the Commissioner, in determining whether to grant the application, may adopt any method of selection specified in the ride-hailing regulation as the Commissioner considers appropriate.
- (3) The Commissioner must not grant the application unless—
  - (a) the applicant is a ride-hailing vehicle driving permit holder;
  - (b) the applicant is the registered owner of the private car concerned;
  - (c) a vehicle licence is in force in respect of the private car;
  - (d) the private car was manufactured less than 12 years before the date of the application;
  - (e) if the private car was manufactured not less than 6 years before the date of the application—a certificate of roadworthiness (as defined by section 88A) has been issued in respect of the private car within 1 year before the date of the application;
  - (f) there is in force in relation to the use of the private car for providing ride-hailing passenger transport service a policy of insurance or security in respect of third party risks that complies with Cap. 272;
  - (g) if a hire car permit is in force in respect of the private car—the applicant has given written consent that the

hire car permit is to be cancelled on the issue of the ride-hailing vehicle permit;

- (h) if the applicant has held a ride-hailing vehicle permit within 3 years before the date of the application—the permit was not cancelled under section 55V(2)(a) during that period;
- (i) the applicant has paid any fee prescribed in the ridehailing regulation for the application for, and the issue of, the ride-hailing vehicle permit; and
- if any other requirement specified in the ride-hailing regulation for the purposes of this section is applicable to the applicant—that other requirement is met.
- (4) The Commissioner must give written notice of the Commissioner's decision on the application to the applicant.
- (5) If the Commissioner refuses the application, the notice must state the reasons for the refusal.
- (6) The Secretary may, by notice published in the Gazette, amend the number of years specified in subsection (3)(d).

## 55U. Issue of ride-hailing vehicle permit

- (1) If the Commissioner grants an application under section 55T(1), the Commissioner must, in respect of the private car concerned, issue to the applicant a ride-hailing vehicle permit.
- (2) On the issue of a ride-hailing vehicle permit under subsection (1), the Commissioner must cancel—
  - (a) any hire car permit that is in force in respect of the private car; and

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- (b) any ride-hailing vehicle permit that is in force in respect of a private car owned by the applicant.
- (3) When issuing the ride-hailing vehicle permit, the Commissioner may impose on the permit any conditions the Commissioner considers appropriate.
- (4) Without limiting subsection (3), the conditions may relate to one or more of the following matters—
  - (a) the ride-hailing passenger transport service provided by the ride-hailing vehicle;
  - (b) the maintenance of the vehicle;
  - (c) the policy of insurance or security in respect of third party risks that complies with Cap. 272 in relation to the use of the vehicle for providing ride-hailing passenger transport service;
  - (d) the display of any certificate issued by the Commissioner in respect of the vehicle.

## Subdivision 2—Cancellation etc. of Ride-hailing Vehicle Permits

## 55V. Commissioner may cancel etc. ride-hailing vehicle permit

- (1) This section applies if the Commissioner is satisfied that—
  - (a) section 52(3), (5), (6), (7) or (8) or 55E is contravened in respect of a ride-hailing vehicle;
  - (b) any condition of a ride-hailing vehicle permit has not been or is not being complied with; or
  - (c) any other provision of this Ordinance that applies to a holder of the permit has not been or is not being complied with.

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- (2) The Commissioner may do one or more of the following—
  - (a) cancel the ride-hailing vehicle permit concerned;
  - (b) suspend the permit for a period of time the Commissioner considers appropriate;
  - (c) vary the permit in respect of—
    - (i) the validity period of the permit; or
    - (ii) the conditions of the permit.
- (3) If the Commissioner decides to exercise any power under subsection (2), the Commissioner must give written notice of the decision and the reasons for the decision to the holder of the permit.
- (4) Subject to the ride-hailing regulation, the decision takes effect on the date following the end of the period of 21 days beginning on the date on which the notice is given under subsection (3).

## **Division 5—Drivers of Ride-hailing Vehicles**

## **Subdivision 1—Ride-hailing Vehicle Driving Permits**

### 55W. Application for ride-hailing vehicle driving permit

- (1) A person who wishes to obtain a ride-hailing vehicle driving permit may apply to the Commissioner for such a permit.
- (2) The application must be made in the form specified by the Commissioner.

## 55X. Decision on application for ride-hailing vehicle driving permit

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- (1) The Commissioner may grant or refuse an application made under section 55W.
- (2) The Commissioner must not grant the application unless—
  - (a) the applicant is aged 21 or above;
  - (b) the applicant is the holder of a valid full driving licence to drive a private car or light goods vehicle and has held the licence for at least 1 year before the date of the application;
  - (c) the applicant has, within 3 years before the date of the application, passed a driving test in respect of ride-hailing vehicles;
  - (d) the applicant has, within 1 year before the date of the application, completed a pre-service course in respect of ride-hailing vehicles;
  - (e) the applicant has not, within 5 years before the date of the application, been convicted of an offence under section 36, 36A, 39, 39A, 39B, 39C, 39J, 39K, 39L, 39O(1) or 39S;
  - (f) the applicant—
    - (i) is the holder of a permanent identity card; or
    - (ii) is the holder of an identity card (other than a permanent identity card) and is not subject to any condition of stay other than a limit of stay as defined by section 2(1) of the Immigration Ordinance (Cap. 115);
  - (g) if the applicant was disqualified from driving a private car or taxi under this Ordinance, the Road

Traffic (Driving-offence Points) Ordinance (Cap. 375) or the Taxi-Driver-Offence Points Ordinance (Cap. 647)—the period of disqualification has expired on or before the date of the application;

- (h) if any physical fitness requirements specified in the ride-hailing regulation are applicable to the applicant—all the requirements are met;
- (i) if the applicant has held a ride-hailing vehicle driving permit within 3 years before the date of the application—the permit was not cancelled under section 55Z(2)(a) during that period;
- (j) the applicant has paid any fee prescribed in the ridehailing regulation for the application for, and the issue of, the ride-hailing vehicle driving permit; and
- (k) if any other requirement specified in the ride-hailing regulation for the purposes of this section is applicable to the applicant—that other requirement is met.
- (3) However, subsection (2)(c) and (d) does not apply to an applicant who holds a valid full driving licence to drive a taxi.
- (4) The Commissioner must give written notice of the Commissioner's decision on the application to the applicant.
- (5) If the Commissioner refuses the application, the notice must state the reasons for the refusal.
- (6) In subsection (2)(f)—

identity card (身分證) has the meaning given by section 1A(1) of the Registration of Persons Ordinance (Cap. 177);

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permanent identity card (永久性居民身分證) has the meaning given by section 1A(1) of the Registration of Persons Ordinance (Cap. 177).

#### 55Y. Issue of ride-hailing vehicle driving permit

- (1) If the Commissioner grants an application under section 55X(1), the Commissioner must issue to the applicant a ride-hailing vehicle driving permit.
- (2) When issuing the permit, the Commissioner may impose on the permit any conditions the Commissioner considers appropriate, including any conditions relating to the provision of ride-hailing passenger transport service.

## Subdivision 2—Cancellation etc. of Ride-hailing Vehicle Driving Permits

## 55Z. Commissioner may cancel etc. ride-hailing vehicle driving permit

- (1) This section applies if the Commissioner is satisfied that—
  - (a) a ride-hailing vehicle driving permit holder is convicted of an offence under section 52(10)(a) (for contravening section 52(7) or (8)) or an offence under section 52(10)(c);
  - (b) a ride-hailing vehicle driving permit holder's full driving licence to drive a private car or light goods vehicle is cancelled;
  - (c) a ride-hailing vehicle driving permit holder is disqualified from driving a taxi under this Ordinance or the Taxi-Driver-Offence Points Ordinance (Cap. 647);

- (d) any condition of a ride-hailing vehicle driving permit has not been or is not being complied with; or
- (e) any other provision of this Ordinance that applies to a holder of the permit has not been or is not being complied with.
- (2) The Commissioner may do one or more of the following—
  - (a) cancel the ride-hailing vehicle driving permit concerned;
  - (b) suspend the permit for a period of time the Commissioner considers appropriate;
  - (c) vary the permit in respect of—
    - (i) the validity period of the permit; or
    - (ii) the conditions of the permit.
- (3) If the Commissioner decides to exercise any power under subsection (2), the Commissioner must give written notice of the decision and the reasons for the decision to the ride-hailing vehicle driving permit holder.
- (4) Subject to the ride-hailing regulation, the decision takes effect on the date following the end of the period of 21 days beginning on the date on which the notice is given under subsection (3).

#### **Division 6—Miscellaneous**

## 55ZA. Restrictions on transfer of licences and permits

(1) A ride-hailing service licence must not be transferred without the approval of the Commissioner.

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(2) A ride-hailing vehicle permit or ride-hailing vehicle driving permit must not be transferred.

#### 55ZB. Right to apply for review by Transport Tribunal

- (1) A person aggrieved by a specified decision may apply in writing to the Commissioner for a review of the decision by a Transport Tribunal.
- (2) The application must be made within 21 days beginning on the date on which the written notice of the specified decision is given to the aggrieved person.
- (3) In this section—

specified decision (指明決定) means a decision by the Commissioner—

- (a) to refuse an application for a ride-hailing service licence under section 55I(1);
- (b) to give a direction under section 55M(1);
- (c) to impose a financial penalty under section 55O(1);
- (d) to cancel, suspend or vary a ride-hailing service licence under section 55P(2)(a), (b) or (c);
- (e) to refuse an application for a ride-hailing vehicle permit under section 55T(1);
- (f) to cancel, suspend or vary a ride-hailing vehicle permit under section 55V(2)(a), (b) or (c);
- (g) to refuse an application for a ride-hailing vehicle driving permit under section 55X(1); or
- (h) to cancel, suspend or vary a ride-hailing vehicle driving permit under section 55Z(2)(a), (b) or (c).

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### 55ZC. Regulation of ride-hailing service

- (1) The Secretary may make regulations to provide for the regulation of ride-hailing service, including—
  - (a) the regulation of ride-hailing platforms;
  - (b) the regulation of ride-hailing vehicles; and
  - (c) the regulation of drivers of ride-hailing vehicles.
- (2) In addition, a regulation made under subsection (1) may also provide for the regulation of any public vehicle passenger transport service that may be booked through a licensed platform.
- (3) Without limiting subsection (1)(a), a regulation made under subsection (1) may provide for—
  - (a) the powers of the Commissioner to—
    - (i) grant and refuse an application for a ridehailing service licence;
    - (ii) grant and refuse an application for an extension of the validity period of a ridehailing service licence;
    - (iii) impose restrictions on the change of ownership of a ride-hailing service licensee;
    - (iv) amend a ride-hailing service licence; and
    - (v) cancel, suspend and vary a ride-hailing service licence;
  - (b) the validity period of a ride-hailing service licence;
  - (c) the collection, transmission, storage and provision of the data, and the keeping of records, relating to the services provided through a licensed platform;
  - (d) the power of the Commissioner to exempt a ridehailing service licensee from complying with a

- provision of this Ordinance that applies to a ridehailing service licensee or licensed platform; and
- (e) the procedures for giving a direction under section 55M and conducting an inquiry under section 55N.
- (4) Without limiting subsection (1)(b), a regulation made under subsection (1) may provide for—
  - (a) the powers of the Commissioner to—
    - (i) grant and refuse an application for a ridehailing vehicle permit;
    - (ii) renew and refuse to renew a ride-hailing vehicle permit;
    - (iii) amend a ride-hailing vehicle permit;
    - (iv) cancel, suspend and vary a ride-hailing vehicle permit;
    - (v) issue a certificate in respect of a ride-hailing vehicle (*ride-hailing vehicle certificate*), and cancel and suspend such a certificate; and
    - (vi) specify by notice published in the Gazette the position and manner in which a ride-hailing vehicle certificate is to be displayed;
  - (b) the validity period of a ride-hailing vehicle permit and a ride-hailing vehicle certificate; and
  - (c) the method of selection for the purposes of section 55T(2).
- (5) Without limiting subsection (1)(c), a regulation made under subsection (1) may provide for—
  - (a) the powers of the Commissioner to—
    - (i) grant and refuse an application for a ridehailing vehicle driving permit;

- - (ii) renew and refuse to renew a ride-hailing vehicle driving permit; and
  - (iii) cancel, suspend, withhold and vary a ridehailing vehicle driving permit;
  - (b) the validity period of a ride-hailing vehicle driving permit;
  - (c) the physical fitness requirements applicable to any applicant for a ride-hailing vehicle driving permit or any ride-hailing vehicle driving permit holder; and
  - (d) the instruction and testing of applicants for ridehailing vehicle driving permits or ride-hailing vehicle driving permit holders.
- (6) Without limiting subsection (1), a regulation made under that subsection may provide for—
  - the review by a Transport Tribunal of any decision made by the Commissioner under the regulation;
     and
  - (b) any other matters for carrying into effect the provisions of this Ordinance relating to the regulation of ride-hailing service.

#### 55ZD. Fees

- (1) The ride-hailing regulation may—
  - (a) prescribe the fees that may be charged for—
    - (i) the application for and the issue of ride-hailing service licences:
    - (ii) the application for an extension of the validity period for such a licence;
    - (iii) the application for, and the issue and renewal of, ride-hailing vehicle permits, certificates in

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respect of ride-hailing vehicles and ridehailing vehicle driving permits; and

- (iv) any matter arising under the ride-hailing regulation; and
- (b) authorize the Commissioner to waive, exempt, reduce or refund the whole or any part of such fees.
- (2) For the purposes of subsection (1)(a)—
  - (a) different fees may be prescribed for different types of licences, permits or certificates; and
  - (b) different fees may be prescribed for different circumstances.
- (3) A fee under subsection (1)(a) need not be limited by reference to the amount of administrative or other costs incurred or likely to be incurred by the Government for the purposes of this Ordinance.

# 55ZE. Regulation for related amendments consequent on enactment of Road Traffic (Amendment) (Ride-hailing Service) Ordinance 2025 ( of 2025)

The Secretary may by regulation make related amendments to any enactment as are necessary consequent on the enactment of the Road Traffic (Amendment) (Ride-hailing Service) Ordinance 2025 ( of 2025).".

- 9. Section 69 amended (disqualification on conviction of certain offences)
  - (1) Section 69(1)—

Repeal paragraph (a)

Substitute

"(a) an offence under this Ordinance (other than a specified offence) in connection with the driving of a motor vehicle;".

### (2) After section 69(1)—

#### Add

- "(1A) However, if a person is convicted of a specified offence in connection with the driving of a motor vehicle, the court or magistrate before which the person is convicted must make an order that the person be disqualified for a period specified in subsection (1B), unless the court or magistrate for special reasons orders that the person be disqualified for a shorter period or that the person not be disqualified.
- (1B) The period for which the person is to be disqualified is a period of not less than 12 months, but not more than 3 years, beginning on the date of the conviction.".
- (3) Section 69(2)(b), after "subsection (1)"—

#### Add

"or a specified offence described in subsection (1A)".

(4) Section 69(2)(b), after "driving licence"—

#### Add

"or ride-hailing vehicle driving permit as defined by section 55A(1)".

(5) After section 69(3)—

#### Add

"(4) In this section—

specified offence (指明罪行) means an offence under section 52(10)(c) for contravening section 52(3)(a).".

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## 10. Section 88B amended (examination of private cars before licensing)

After section 88B(4)—

#### Add

- "(5) Before granting an application for a ride-hailing vehicle permit (as defined by section 55A(1)), or an application for the renewal of the permit, in respect of a private car, the Commissioner may, for the purpose of ascertaining whether the private car is roadworthy, require the registered owner to have the private car examined at a car testing centre.
- (6) The Commissioner may exercise the power under subsection (5) in relation to—
  - (a) any class or description of private cars; or
  - (b) a particular private car.".

## 11. Section 102I amended (Commissioner may designate pre-service training schools)

(1) Section 102I(3)(b)(i) and (ii)—

### Repeal

"or taxis"

#### Substitute

", taxis or ride-hailing vehicles".

(2) Section 102I(3)(b)(iii)—

### Repeal

"; and"

#### Substitute a semicolon.

(3) After section 102I(3)(b)(iii)—

Add

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"(iiia) to a ride-hailing vehicle driving permit holder as defined by section 55A(1); and".

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Part 3—Division 1

Clause 12

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### Part 3

### **Related Amendments**

## Division 1—Dangerous Goods (Control) Regulation (Cap. 295 sub. leg. G)

12. Section 81 amended (Class 1 S1DG not permitted in public transport carrier)

Section 81(3), definition of *public transport carrier*—

#### Repeal

"public bus, public light bus, taxi"

#### **Substitute**

"public service vehicle within the meaning of section 2C(1)(a) or (c) of the Road Traffic Ordinance (Cap. 374)".

### Division 2—Waste Disposal Ordinance (Cap. 354)

13. Section 16A amended (prohibition of unlawful depositing of waste)

Section 16A(6)—

### Repeal

"public bus, public light bus, taxi"

#### Substitute

"public service vehicle within the meaning of section 2C(1)(a) or (c) of the Road Traffic Ordinance (Cap. 374)".

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Part 3—Division 3

Clause 14

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## Division 3—Smoking (Public Health) Ordinance (Cap. 371)

#### 14. Section 2 amended (interpretation)

Section 2(1), definition of public transport carrier, after "taxi,"—

#### Add

"ride-hailing vehicle,".

## 15. Schedule 1 amended (public transport carriers where smoking is prohibited)

Schedule 1, after item 4—

#### Add

"4A. A ride-hailing vehicle (as defined by section 55A(1) of the Road Traffic Ordinance (Cap. 374)) that is in the course of providing ride-hailing passenger transport service within the meaning of section 2C(2) of that Ordinance."

## Division 4—Road Traffic (Driving-offence Points) Ordinance (Cap. 375)

## 16. Section 8 amended (disqualification)

Section 8(7), before "international"—

#### Add

"ride-hailing vehicle driving permit (as defined by section 55A(1) of the Road Traffic Ordinance (Cap. 374)),".

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Part 3-Division 5

Clause 17

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## Division 5—Entertainment Special Effects (General) Regulation (Cap. 560 sub. leg. A)

17. Section 26 amended (pyrotechnic special effects materials not permitted in public vehicles, etc.)

Section 26—

#### Repeal

"taxi"

#### Substitute

"public service vehicle within the meaning of section 2C(1)(a) or (c) of the Road Traffic Ordinance (Cap. 374)".

#### Road Traffic (Amendment) (Ride-hailing Service) Bill 2025 Explanatory Memorandum

#### explanatory internorandum

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Paragraph 9 40

#### **Explanatory Memorandum**

The main objects of this Bill are to amend the Road Traffic Ordinance (Cap. 374) (Cap. 374) to—

- (a) provide for the regulation of ride-hailing service;
- (b) introduce a licensing regime for ride-hailing platforms, ride-hailing vehicles and drivers of such vehicles;
- (c) provide for the regulation of any other public vehicle passenger transport service booked through licensed ridehailing platforms; and
- (d) enhance the enforcement regime against illegal carriage of passengers for hire or reward.
- 2. The Bill is divided into 3 Parts.

#### Part 1—Preliminary

3. Clause 1 sets out the short title and provides for commencement.

## Part 2—Amendments to Cap. 374

- 4. Clause 3 amends section 2 of Cap. 374 to add certain definitions for the interpretation of Cap. 374.
- 5. Clause 4 adds a new section 2C to Cap. 374 to provide for the meaning of *public service vehicle*.
- 6. Clause 7 amends section 52 of Cap. 374 to provide for certain exceptions to the restrictions on the use of vehicles under that section.
- 7. Clause 8 adds a new Part 6A to Cap. 374 to provide for the regulation of ride-hailing service. The new Part 6A contains 6 Divisions.
- 8. Division 1 of the new Part 6A (new section 55A) contains the definitions for the interpretation of that Part, including the definitions

of ride-hailing passenger transport service, ride-hailing platform, ride-hailing platform service, ride-hailing vehicle and ride-hailing vehicle driving permit holder.

- 9. Division 2 of the new Part 6A (new sections 55B to 55F) provides for the basic requirements for the provision of ride-hailing service, including that—
  - (a) the operation of a ride-hailing platform requires a ridehailing service licence;
  - (b) certain conditions must be met for the provision of ridehailing passenger transport service;
  - (c) a ride-hailing service licensee must ensure that any ridehailing passenger transport service booked through the licensee's licensed platform is provided by ride-hailing vehicles and drivers with valid permits;
  - (d) a ride-hailing vehicle may only be driven or used by its registered owner for providing ride-hailing passenger transport service; and
  - (e) a ride-hailing service licensee must ensure that any ridehailing passenger transport service booked through the platform is provided by a driver who is the registered owner of the vehicle.
- 10. Division 3 of the new Part 6A (new sections 55G to 55P) provides for matters relating to the regulation of ride-hailing platforms, including—
  - (a) matters relating to the application for, and the issue of, ride-hailing service licences;
  - (b) the obligation of ride-hailing service licensees to ensure proper and efficient ride-hailing service, and (if applicable) proper and efficient public vehicle passenger transport service, are maintained;

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- (c) the obligation of ride-hailing service licensees to keep and provide records of operational data;
- (d) the power of the Commissioner of Transport (*CfT*) to give directions to ride-hailing service licensees;
- (e) the power of the CfT to appoint a public officer to conduct an inquiry if the CfT has reason to believe that a ridehailing service licensee fails to comply with any of its obligations; and
- (f) the powers of the CfT to impose financial penalties on ride-hailing service licensee, and to cancel, suspend or vary a ride-hailing service licence, after an inquiry is conducted.
- 11. Division 4 of the new Part 6A (new sections 55Q to 55V) provides for matters relating to the regulation of ride-hailing vehicles, including—
  - (a) the power of the CfT to limit the number of ride-hailing vehicle permits to be issued;
  - (b) matters relating to the application for, and the issue of, ride-hailing vehicle permits; and
  - (c) the power of the CfT to cancel, suspend or vary a ridehailing vehicle permit under certain circumstances.
- 12. Division 5 of the new Part 6A (new sections 55W to 55Z) provides for matters relating to the regulation of drivers of ride-hailing vehicles, including—
  - (a) matters relating to the application for, and the issue of, ride-hailing vehicle driving permits; and
  - (b) the power of the CfT to cancel, suspend or vary a ridehailing vehicle driving permit under certain circumstances.

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- 13. Division 6 of the new Part 6A (new sections 55ZA to 55ZE) contains miscellaneous provisions, including—
  - (a) the restrictions on the transfer of licences and permits issued under that Part:

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- (b) the right to apply for review by the Transport Tribunal against certain decisions made by CfT under that Part;
- (c) the power of the Secretary for Transport and Logistics (*Secretary*) to make regulations to provide for the regulation of ride-hailing service;
- (d) the power of the Secretary to prescribe fees for matters relating to the regulation of ride-hailing service; and
- (e) the power of the Secretary to make regulations to provide for related amendments.
- 14. Clause 9 amends section 69 of Cap. 374 to mainly provide that, in general, a person who is convicted of an offence of driving a motor vehicle for illegal carriage of passengers for hire or reward must be disqualified from holding or obtaining a driving licence for a period of not less than 12 months, but not more than 3 years, beginning on the date of the conviction.
- 15. Clauses 5, 6, 10 and 11 make certain related amendments to Cap. 374.

#### Part 3—Related Amendments

16. Clauses 12 to 17 make related amendments to other enactments.

## **Demand Survey on Personalised Point-to-Point Transport Services**

To better understand the demand and current situation of local personalised point-to-point transport services, the Transport Department ("TD") conducted a survey by way of phone interviews and in-person questionnaires through a consultancy firm between November 2024 and January 2025, and collected data on the public's habit of using personalised point-to-point transport services (including hailing cars online) and the patterns of taxi drivers accepting passengers' bookings. The consultancy firm successfully interviewed around 1 400 local citizens and tourists at control points. Based on the research results, the consultancy firm estimated that the current daily patronage of personalised point-to-point transport services is around 880 000 passengers, with taxis and ride-hailing vehicles accounting for 690 000 passengers (78%) and 190 000 passengers (22%) respectively. In other words, approximately one out of every five trips provided by personalised point-to-point transport services is provided by ride-hailing vehicles.

- 2. The consultancy firm also interviewed over 300 taxi drivers by way of inperson questionnaires. It was found in the research that over 70% of the taxi drivers interviewed had accepted orders through ride-hailing channels. Among these drivers, approximately one-third of the passenger trips were arranged through ride-hailing channels, while the remaining trips (i.e. over 60% of the passenger trips) involved passengers hailing taxis directly on the street. During the research, around 65% of the interviewed citizens and 85% of the interviewed drivers expressed support for the Government to regulate ride-hailing platforms through legislation.
- 3. The aforementioned research results shows that there is a certain degree of demand for ride-hailing services in society. While taxis still serve as the primary providers of personalised point-to-point transport services, ride-hailing vehicles play a supplementary role. It is worth noting that the primary clientele for taxi drivers remains to be those passengers who hail taxis directly on the street, reflecting that taxis still have their unique operational advantage of being able to freely pick up passengers at taxi stands and on the streets as permitted under existing traffic-related legislation. Meanwhile, taxis can also take orders through ride-hailing channels.

Most of the interviewed citizens also indicated that hailing taxis on the street remained their preferred method. We also observed that, in recent years, the taxi trade has partnered with different ride-hailing platforms to accept orders through ride-hailing channels to expand their customer base to improve business.

## **Implications of the Proposal**

## **Financial and Civil Service Implications**

We propose to impose penalties upon conviction of offences relating to ridehailing services. The actual financial implications depend on the number of conviction cases and the court's decisions on the fines to be imposed in individual convicted cases. In any case, raising government revenue is not the policy intent behind the proposal.

- 2. Ride-hailing services is a brand new mode of personalised point-to-point public transport services. In handling matters related to the licensing and regulation of such services, the Transport Department ("TD") will allocate relevant expenditure for the development of a system for application for ride-hailing service licences, the setup of an information technology system, system security and the engagement of consultancy services. The TD will use its existing resources to cover the relevant expenses, or seek additional resources in accordance with the established mechanism if necessary.
- 3. Manpower resources will also be required for the maintenance and operation of the information technology system. The TD will seek additional resources in accordance with the established mechanism, or absorb the additional manpower resources required by its existing resources.
- 4. The implementation of the proposal will likely bring about additional caseload for the Court. The Judiciary will closely monitor the actual caseload for the Court after the proposal comes into operation. Should the proposal result in additional workload which cannot be absorbed by the Judiciary, it will seek the necessary financial and manpower resources from the Government in accordance with the established mechanism.

## **Economic Implications**

- 5. In respect of the proposed regulatory regime for ride-hailing services, the proposal is expected to enhance the safety of passengers and road users, and promote the long-term healthy and sustainable development of personalised point-to-point transport services. Passengers (including tourists) will also be able to enjoy a more diverse, legal and compliant personalised point-to-point transport service options, which will be conducive to reinforcing the city's position as an international city with an efficient and convenient transportation network and transport services.
- 6. Regarding the impact on competition, we have consulted the Competition Commission ("the Commission") on the proposed regulatory regime for ride-hailing services from a competition perspective. The Commission considers that a procompetition regulatory regime would help encourage the market to provide diverse and legitimate personalised point-to-point transport services. In principle, the proposed regulatory regime would enable all modes of personalised point-to-point transport services, including taxi services, to compete on a level playing field thereby fostering market competition. Besides, allowing qualified ride-hailing platforms in the market to apply for ride-hailing service licences without setting any caps would help promote competition among different platforms. We will continue to engage the Commission regarding the implementation details of the proposed regulatory regime.

## **Family Implications**

7. The proposed regulatory regime for ride-hailing services will introduce a brand new mode of personalised point-to-point public transport services, providing passengers with more legal and compliant transportation means, which may in turn attract more passengers to use ride-hailing services and generate additional income for frontline drivers. Therefore, the relevant proposal should have positive implications on the financial abilities of these drivers' families.