

**For discussion  
on 18 July 2025**

## **Legislative Council Panel on Transport**

### **Legislative Proposal to Regulate Online Hailing Hire Car Services**

#### **Purpose**

Hong Kong has a well-developed and highly efficient public transport system, and the Government has all along advocated for and encouraged public transport operators and service providers to leverage technology to enhance their service quality. In recent years, the transport mode of personalised point-to-point transport services through online hailing 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 online hailing platforms, and to address the long-standing disputes arising from online hailing private car services. This paper sets out the legislative proposal to regulate online hailing hire car services (“online hailing car services”) and seeks Members’ views.

#### **Background**

2. Hong Kong is one of the cities with the highest development density. Currently, around 90% of commuters use public transport services at present, a proportion that ranks among the highest globally. To ensure sustainable development and effective utilisation of limited road resources, the Government has adhered to a public transport-oriented policy. Each type of transport services plays a distinctive role. Emission-free, highly efficient and fast railway acts as the backbone of the public transport system; high carrying capacity franchised buses serve as the major road-based public transport; and the remaining public transport modes (e.g. public light buses, taxis) also service important

supplementary roles. Currently, taxis provide 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.

3. With advancements in technology and changing travel patterns, booking and providing personalised point-to-point transport services through online hailing platforms have become an international trend in recent years. In Hong Kong, in addition to hailing taxis on the street, some citizens and tourists also use online hailing platforms to book taxis or private cars for their journeys. In fact, most of the taxi drivers are well-acquainted with the application of relevant technologies and the operation of relevant platforms, and are used to taking booking orders through these platforms to arrange trips and agree on the fares in advance. However, since there is currently no law in Hong Kong regulating the operation of online hailing platforms, some drivers provide services using private cars through the arrangement made by such online hailing platforms. The private cars involved may not hold valid permits or have purchased appropriate third-party accident 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 the healthy and sustainable development of the personalised point-to-point transport service industry as a whole. In this respect, various sectors of society, the taxi trade and online hailing platform companies are calling on the Government to regulate online hailing car services, with a view to safeguarding the safety and interests of passengers, satisfying and facilitating the transport needs of the public, and building a positive competitive environment for the market of personalised point-to-point transport services.

4. The Government all along attaches great importance to enhancing the quality of personalised point-to-point transport services<sup>1</sup>. In the past few years,

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<sup>1</sup> 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 Legislative Council (“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 online hailing features. However, in view of the economic situation at the time and the views of the Bills Committee, the

the current-term Government has actively introduced a number of measures to enhance the quality of taxi services to improve 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 soon to better align the taxi written test with the practical needs of the trade and to attract more newcomers to join the industry. Besides, the Government recommends regulating online hailing car services and classifying such services as one of the public transport modes, so as to impose corresponding regulations and restrictions to ensure the safety and interests of passengers and providing passengers with diversified travel options. Furthermore, it will help maintain the highly efficient operation of the public transport system, while promoting complementary advantages and positive competition between taxis and online hailing cars, thereby promoting the long-term and healthy development of the personalised point-to-point transport service industry.

### **Research and Study on Personalised Point-to-Point Transport Services Conducted by the Government**

5. To better understand the demand and current situation of local personalised point-to-point transport services, the Transport Department (“TD”) conducted a research by way of phone interviews and in-person questionnaires through a consulting firm between November 2024 and January 2025, and collected data on citizens’ 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

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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 private car or light goods vehicle full driving licence 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 taxi driving licence.

point-to-point transport services is around 880 000 passengers, with taxis and online hailing cars 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 online hailing cars.

6. The consulting firm also interviewed over 300 taxi drivers by way of in-person questionnaires. It was found in the research that over 70% of the taxi drivers interviewed had accepted orders through online hailing channels. Among these drivers, approximately one-third of the passenger trips were arranged through online hailing channels, while the remaining journeys (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 online hailing platforms through legislation.

7. The aforementioned research results shows that there is a certain degree of demand for online hailing car services in society. While taxis still serve as the primary providers of personalised point-to-point transport services, online hailing cars play a supplementary role. It is worth noting that the primary clientele for taxi drivers still consists of passengers who hail taxis directly on the street, which reflects that taxis still have their unique operational advantage of being able to freely pick up passengers at taxi stands and on the street as permitted under existing traffic-related legislation. Meanwhile, taxis can also take orders through online hailing channels. Most of the interviewed citizens 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 online hailing platforms to take orders through online hailing channels to expand their customer base to improve business.

8. Other than conducting the demand survey, the Government also entrusted the Transport Advisory Committee (“TAC”) to establish a Working Group for Enhancing Personalized Point-to-Point Transport Services (“Working Group”) in July 2024, to provide the Government with views on how to regulate online hailing car services, including the respective requirements for platforms,

vehicles and drivers. The Working Group met with the taxi trade and online hailing platform companies respectively in February 2025 to collect their views and suggestions. Subsequently, the Working Group received views from various taxi trade representatives, online hailing platform companies and the public regarding the regulation of online hailing car services. In addition, the Working Group conducted study on the policies and arrangements for regulating online hailing car services in cities in Mainland China and other overseas regions. The views collected by the Working Group and the details of the relevant study are set out at **Annex**.

### **Policy Considerations Regarding Regulation of Online Hailing Car Services**

9. With reference to the demand research on personalised point-to-point transport services, the recommendations put forward by the Working Group of the TAC and the experiences of other cities from within and outside the country, the Government considers it necessary to regulate online hailing car services by way of legislation, which is a clear consensus in society. In formulating the legislative framework, the Government always prioritises the safety and interests of citizens. We hope that, after the regulation is introduced, the public will have more choices when opting for personalised point-to-point transport services, with greater convenience in hailing rides and assurances that the journeys will be safe and protected. At the same time, we must ensure that the regulatory regime may foster a positive competitive environment for the personalised point-to-point transport service industry. Our key policy considerations are as follows.

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

10. With advancements in technology, the use of technology in daily life and travel has become increasingly popular. It has become an international trend to hail car through online channels. A considerable number of local passengers and tourists are also inclined to choose this type of service. According to the data obtained from the aforementioned demand survey on personalised point-to-point services, the current daily patronage for personalised point-to-point transport services is around 880 000 passengers, with online hailing cars accounting for 190 000 passengers of them. This indicates that there is a certain

level of demand for online hailing cars in society. Besides, the capacity of taxis has nearly reached saturation during the morning and evening peak hours, therefore, the Government should allow online hailing cars to provide supplementary capacity to meet the diversified transport needs of the public.

11. At the same time, online hailing car services is a brand new mode of public transport service. Therefore, platforms, vehicles and drivers that provide such services should be licensed and comply with 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 exercising due diligence on their vehicles and drivers to ensure that the passenger services provided are in compliance with local legislation.

(ii) Positive Competition, Coexistence of Strengths

12. Taxis and online hailing cars 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 leverage their unique operational advantages to provide more stable 24-hour service (including picking up passengers who are hailing directly on the street and taking orders from passengers through online hailing channels, making use of taxi stands located across the territory, and picking up or setting down passengers in all designated restricted zones). Meanwhile, online hailing cars may respond to the travel needs of society by utilising the unutilised capacity of private cars through the shared economy model.

13. Apart from the aforementioned operating rights, we will impose requirements and corresponding penalties on vehicles and drivers that provide online hailing car services as appropriate, with a view to safeguarding passenger safety and fostering positive competition between online hailing cars and taxis. We will also set appropriate entry thresholds and regulations for online hailing platforms to promote the development of personalised point-to-point transport services in an orderly, sustainable and healthy manner.

(iii) Overall Control, Healthy Development

14. The Government accepts the advice from the Working Group of the TAC 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 online hailing car services.

15. As compared to other regions with experiences on regulating online hailing car services, the uniqueness of the situation of Hong Kong lies in the fact that the diversified and well-developed public transport system has already serves close to 90% of the daily passenger trips. Although personalised point-to-point services may offer convenience to passengers, they are not efficient for transporting passengers and are only suitable to be positioned as supplementary in nature, as they are unable to meet the travel needs of the vast majority of the public. Therefore, it is necessary for the Government to maintain the existing efficient public transport system, which is not easy to come by, make good use of the limited road resources, impose control on the total number of online hailing car licences to be issued, and promote the orderly development of personalised point-to-point transport services. Otherwise, the unrestricted or disorderly issuance of licences for online hailing cars may lead to negative consequences, resulting in an excessive number of online hailing cars, which will cause traffic congestion, lower the operational efficiency of taxis and online hailing cars, or induce vicious competition in the market. The above will lead to a reduction in the income of taxi and online hailing car drivers, thus affecting the sustainable development of the industry, and ultimately affecting the ecological balance of public transport system in Hong Kong.

**Proposed Regulatory Framework**

16. In the light of the above policy considerations and relevant factors, we propose to regulate online hailing car services by way of legislation, and to put in

place a three-pronged regulatory framework for the platforms, vehicles and drivers providing relevant services, as set out below.

### Regulating Platforms

17. We propose to require all platforms (including general platforms and aggregator platforms<sup>2</sup>) providing online hailing car services to obtain an online hailing car platform licence (“online hailing platform licence”) and to comply with specified licence conditions. Any person who provides online hailing platform services without a valid license will commit an offence and is liable to imprisonment and a fine. The licence is valid for five years, renewable but not transferrable. The TD will conduct a mid-term appraisal of the service performance of the platform licensee and decide whether to extend the validity period of its licence, taking into account the outcome of the relevant appraisal. A platform licensee should ensure that vehicles and drivers providing online hailing car services through its platform hold valid permits. If a platform arranges for passengers to be picked up by unlicensed vehicles or drivers, it will be held criminally liable and is liable to imprisonment and a fine, as well as be in breach of the licence conditions. Depending on the seriousness of the case, the TD may suspend or revoke the licence of the platform.

18. With respect to eligibility criteria, a platform company must be a registered company in Hong Kong, with a standing executive personnel and office in Hong Kong. While we wish to introduce competition, we also need to avoid an overwhelming number of platform number which may confuse the public when hailing rides. We should also avoid allowing platform companies with insufficient operational ability to deliver substandard service, thereby undermining passenger experience. In this connection, we propose that a platform company should be required to meet certain entry thresholds (including operational experience, proof of financial standing and capital investment) and its company directors should also satisfy prescribed criteria. Each company may only hold one online hailing platform licence. Our preliminary estimation is that

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<sup>2</sup> Aggregator platforms process a large amount of personal data in the course of providing online hailing car services and collect service fees from their partner online hailing platforms. As such, we propose to require online hailing car aggregator platforms to obtain a licence as well.



there will probably be a handful of online hailing platform companies that can meet the eligibility criteria and entry thresholds in the future. The platform licensee will be required to pay an application fee for the platform licence, an annual licence fees<sup>3</sup>, and a levy per online hailing car journey arranged (see paragraph 28 below for details).

19. We will also impose responsibilities on the platform licencees, requiring them to exercise due diligence on their vehicles and drivers, to ensure that the vehicles and drivers operating under the platforms are lawful and compliant. They should also monitor the service quality of the drivers, and maintain a proper and efficient service. The platform companies should ensure that their vehicles and drivers have taken out valid third-party liability insurance for commercial vehicles providing passenger transport services, set up a complaint handling mechanism and a rating system for driver services, and submit specified operational data to the Government to facilitate its monitoring of the platform companies' day-to-day operation and ensure that their services are up to an appropriate standard.

20. Regarding operational requirements, 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>. The platforms are also not allowed to impose restriction on the registration of their online hailing cars and drivers with other platforms. In addition, we attach importance to the information security of the platforms. We propose that platforms should ensure that the collection, transmission and storage of their operational data can comply with all local legislation, and that the relevant data are stored in Hong Kong.

### Regulating Vehicles

21. We propose to require all private cars providing online hailing car services to hold a valid online hailing car permits and to comply with specified

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<sup>3</sup> We propose charging an annual licence fee based on the number of vehicles operated under the platform company. The fee may be above the cost recovery level.

<sup>4</sup> The Government will retain the power to regulate the fare arrangements imposed by platforms as necessary.

permit conditions. Any person (regardless of whether he/she holds an online hailing car driver permit) who provides online hailing car services using a private car without a valid permit will commit an offence, and may be liable to imprisonment and a fine. The validity period of an online hailing car permit is one year and the permit is not transferrable. The permit may be renewed for a period of not more than five years, if the relevant requirements are met (e.g. passing the annual vehicle inspection).

22. As regards eligibility criteria, a vehicle must be registered in the name of an individual. At the time of applying for the permit, the vehicle must not be older than seven years<sup>5</sup> and must pass an annual vehicle inspection. The permit holder are required to take out third-party liability insurance for commercial vehicle in respect of his or her vehicle and pay an annual licence fee.

23. Regarding the operational requirements, licensed online hailing hire cars should only provide passenger services for hire and reward through licensed online hailing platforms, and are not allowed to pick up passengers without reservations directly on the street. Offenders will be liable to a fine and imprisonment. Online hailing hire cars may be registered with more than one online hailing platforms and accept trips arranged by different platforms.

### Regulating Drivers

24. All online hailing car drivers must hold valid online hailing car driver permit. Any person who drives a vehicle (regardless of whether such vehicle holds valid online hailing car permit) to provide online hailing car services without a valid permit will commit an offence and is liable to imprisonment and a fine. The validity period of the permit is five years and a renewal may be granted if relevant requirements are met (e.g. maintaining a good driving record).

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<sup>5</sup> Online hailing car services is a brand new type of public transport services. We consider that relatively stringent requirements should be imposed on online hailing cars to ensure that passengers may enjoy a more comfortable travelling experience. At present, private cars aged six years or above are required to undergo annual inspection to ensure that they meet the safety standards and are roadworthy before renewal of their vehicle licences (i.e. from the seventh year onwards, private cars may only renew their licence upon passing the inspection). We consider it appropriate to set the age limit at seven years at the time of an application for an online hailing car permit is made.

There is no limit on the number of renewal. If a person holding the permit violates a permit condition, the TD may cancel the permit or impose other penalties.

25. With respect to eligibility, a driver must be at least 21 years old, holds a private car driving licence for at least one year, has no serious traffic convictions in the past five years, and has passed the designated assessment and the pre-service course before providing services. Permits will only be issued after the payment of permit fees. In accordance with existing legislation, anyone aged 70 or above applying for any type of full driving licence must submit a medical examination certificate to demonstrate that his/ her health condition is suitable to drive and control the relevant vehicle class. The Government has earlier reviewed this requirement and proposed to lower the age threshold for commercial vehicle drivers to submit medical examination certificate from 70 years old to 65 years old. The Government will continue the relevant work. In future, online hailing car drivers should comply with the requirements applicable to commercial vehicles as well.

26. With respect to operational requirements, permit holders must provide online hailing car services through licensed online hailing platforms. Contravention of such requirement is liable to a fine and imprisonment. Permit holders may register with more than one online hailing platforms and take booking orders from different platforms.

### **Measures on Continuous Enhancement of Service Quality of Taxi Trade**

27. The Government understands that some taxi drivers may be concerned that their businesses would be affected by the competition brought by online hailing car services. As noted in the analysis above, regulation of online hailing cars will not affect the inherent operational advantages of taxis, and taxis will continue to be the primary provider of personalised point-to-point transport services. The Government also proposes to introduce measures to continuously enhance the service quality of the taxi trade concurrently under the regulatory framework for online hailing car services.

28. We note there are suggestions that reference should be made to the practice of Australia, for example, to impose a levy per trip for supporting the taxi trade<sup>6</sup>. We will consider imposing a levy on online hailing platform companies by way of legislation, and to provide resources to support the taxi trade to enhance their service quality and promote the industry's sustainable development, thereby benefiting members of the public.

29. We notice that certain online hailing platforms are currently providing booking services for both online hailing cars and taxis. We propose to allow and encourage online hailing platforms to provide hailing services for both online hailing cars and taxis. This will enhance the competitiveness of taxi drivers and at the same time boost the overall capacity of platforms, offering passengers more choices and allowing them to book trips more conveniently and quickly through online hailing platforms.

30. With a view to enhancing the competitiveness of taxi drivers, we propose that, in introducing the assessment system for online hailing car drivers, existing holders of taxi driving licences will be permitted to apply to the TD for the qualification to drive online hailing cars without having to sit for additional examination. This arrangement will expand the employment options for taxi drivers and is expected to be welcomed by them.

### **Combating Illegal Carriage of Passengers for Hire or Reward**

31. The Government has been combating illegal carriage of passengers for hire or reward through law enforcement, education and publicity, with a view to safeguarding the safety and interests of the passengers<sup>7</sup>. In view of our proposal

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<sup>6</sup> Currently, the Government of the State of Victoria of Australia imposes a levy of AUD 1.2 (approximately HKD 6) per trip of point-to-point transport services to cover the financial costs of the Government for providing transitional assistance and relief subsidies to the taxi industry.

<sup>7</sup> On legislation, the LegCo passed legislative amendments in December 2023 to increase the penalties for offences relating to illegal carriage of passengers for hire or reward by motor vehicles. The maximum fines at level 2 (\$5,000) and level 3 (\$10,000) for the first and subsequent conviction were raised to level 3 (\$10,000) and level 4 (\$25,000) respectively. The periods of suspension of vehicle licence and impoundment of vehicle for the first and subsequent conviction were lengthened from three months to six months and

to regulate online hailing car services through stepping up the regulation of platforms, drivers and vehicles, apart from imposing penalties as mentioned above (e.g. drivers must provide online hailing car services through licensed platforms, and failing to comply with the requirement will be an offence), we also propose to further improve the relevant legislation to strengthen efforts in combating illegal carriage of passengers for hire or reward.

32. Under the existing legislation, the Police may request the vehicle owner to provide information of the driver of a vehicle, who may have been involved in an alleged offence under the Road Traffic Ordinance (Cap. 374). We propose to amend Cap. 374 that when sufficient evidence is available to show that the vehicle concerned has been involved in illegal carriage of passengers for hire or reward, law enforcement agencies may apply to the court for having the vehicle concerned impounded and the vehicle licence temporarily suspended, even if no prosecution can be instituted against a driver because the identity of the driver involved cannot be confirmed due to various reasons. As impoundment of a vehicle will affect its normal use by the owner, we consider that this will have considerable deterrent effect against refusal to provide drivers' information.

33. Furthermore, while Cap. 374 requires that if a person is convicted of an offence of illegal carriage of passengers for hire or reward, the court may disqualify him from driving for such period as it thinks fit, with no exact or minimum period for disqualification for driving being specified. Therefore, we propose to amend Cap. 374 to clearly specify that if a person is convicted of an offence of illegal carriage of passengers for hire or reward, the person shall be disqualified from obtaining or holding a driving licence for no less than a specified period (our proposal is no less than 12 months and not more than three years) unless the court for special reasons thinks fit to order otherwise.

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from six months to 12 months respectively; while the maximum terms of imprisonment for the first and subsequent conviction were increased from three months to six months and six months to 12 months respectively.

On enforcement, the Hong Kong Police Force has been taking action through targeted operations, as well as investigating and following up on referral and complaint cases, with a view to combatting illegal carriage of passengers for hire or reward.

## **Considerations on Determining the Number of Online Hailing Cars**

34. The provision of personalised point-to-point transport services by private cars through online hailing channels has been in existence for over a decade. It involves the interests of various stakeholders in society (including the taxi trade, online 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 online hailing cars that should be allowed to operate. We notice that some taxi trade is of the view that the current taxi capacity is sufficient to meet the needs of the public and there is no need to introduce online hailing cars, while some trade members argue that even if online hailing cars are permitted, the number of vehicles should not exceed 1 000. Platform companies generally consider that the Government should not impose a limit on the number of online hailing cars 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 online hailing cars to prevent exceeding road capacity and causing traffic congestion. Looking at the experiences of other regions, we see that there are different practices adopted by different regions. Some regions have not set a limit on the number of online hailing cars (e.g. London, Canberra), some (while not imposing a limit on the number of online hailing cars) 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 online hailing car licences for the purposes of alleviating traffic congestion, maintaining market order and avoiding vicious competition (e.g. Shanghai, New York). Shenzhen has also recently issued a risk alert stating that its online hailing car market has reached saturation.

36. From the above, it can be seen that there is no universal approach in regulating the number of online hailing cars, and a holistic view that considers

local circumstances and industry development must be taken. As mentioned in the foregoing, the situation in Hong Kong is unique, most citizens primarily use public transport to travel and it accounts for nearly 90% of daily trips. It is necessary for the Government to maintain the existing efficient public transport system, which is not easy to come by, and make good use of the limited road resources. Hence, we consider it necessary to impose overall control on the number of online hailing cars and promote the orderly development of personalised point-to-point transport services. As for the exact figures, given the wide-ranging views across the society, we will first focus on building consensus and establishing the regulatory framework through amending the principal legislation. We will then address the detailed regulatory arrangements regarding the number of online hailing cars when we submit proposals for subsidiary legislation amendments to the LegCo and formulate licensing conditions in the first half of 2026. In 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-to-point transport service industry.

### **Legislative Timetable and Future Work Plans**

37. The current-term Government is determined to break the impasse, resolve the relevant controversies and reshape personalized point-to-point public transport services. We fully understand the widespread call on the Government for the prompt regulation of online hailing car services to provide safe travel options for the citizens. In view of the foregoing, we consider that the regulatory framework should be finalised and legislation should be enacted as soon as possible in respect of those issues on which consensus and principles have been established in the community and in the LegCo. Hence, we are working at full steam on the relevant legislation drafting work. We will invite the Working Group of the TAC to continue to collect views from the taxi trade, online hailing platform companies and citizens from now until mid-August and reflect such views in the amendment bill as appropriate. Subject to Members' support, the Government aims to submit the amendment bill to the LegCo in the third quarter of this year in order to set out the fundamental principles, and strives to complete the scrutiny process

within this legislative year. This will lay a solid foundation for our upcoming work, allowing us to focus on the more contested issues (including the number of online hailing cars) and other technical details in the next stage.

38. As regards other technical details, including the operating modes, hardware and relevant licensing requirements in respect of platforms, vehicles and drivers (e.g. the level of levy on online hailing journeys, insurance arrangements, etc.), we will continue to discuss and negotiate in a focused manner with the stakeholders (including taxi fleets, taxi companies, taxi owners with one taxi licence, taxi drivers, online hailing platform companies and drivers), with a view to finalising the details and incorporating them into the proposed amendments to subsidiary legislation or licensing conditions as appropriate. Subject to the passage of the proposed amendments to the subsidiary legislation, we plan to conduct the relevant preparatory work in the second half of 2026, including inviting applications from interested online hailing platform operators, and conducting driver examination and issuing online hailing car permits in parallel.

### **Advice Sought**

39. Members are invited to offer views on the above proposed regulatory framework. The Government will introduce the proposed legislative amendments into the LegCo as soon as the details are finalised.

**Transport and Logistics Bureau**  
**Transport Department**  
**July 2025**



**Transport Advisory Committee (“TAC”)  
The Working Group for  
Enhancing Personalised Point-to-point Transport Services  
Research Findings and Opinions Received**

**Research on Experience of Regulating Online Hailing Car Services in Other Regions**

One of the research areas of the TAC Working Group is the policy and arrangements on regulating online hailing car services in other cities, including Mainland cities (e.g. Shanghai and Shenzhen) as well as overseas cities (e.g. Singapore, London, Canberra and New York City). These cities have their own legislation to govern online hailing car services, including requiring the platform, vehicles and drivers providing the concerned services to fulfill certain requirements and hold relevant licences. The relevant licences in general specify the validity period and can be renewed. The key regulatory requirements of these cities are set out in the **Appendix**.

2. Regarding the platform, generally speaking, all cities studied require the online hailing car platform companies to establish companies and teams in the region where they operate, in order to facilitate monitoring of services by the governments. The platform companies have the obligations to exercise due diligence, ensure their drivers and vehicles hold suitable licences and valid insurance for commercial vehicles, and monitor the service quality of their vehicles and drivers, with a view to safeguarding passengers’ safety and enhancing passengers’ travel experience. In addition, platform companies need to submit relevant financial and operational information to the regulatory authorities as required, and ensure the security of their platform operation data. It is an offence if any platform company provides online hailing car services without a relevant licence issued by the government, or arranges vehicles or drivers without valid licences or insurance to provide the concerned services. The platform licence of the offender can be suspended or revoked; and the offender is liable to fines and criminal liabilities.

3. On vehicles, the cities studied normally require online hailing cars to have valid insurance for commercial vehicles and pass regular vehicle inspection. There are difference requirements in respect of vehicle age, the maximum number of passenger seat as well as mileage.

4. In respect of drivers, the cities studied require drivers of online hailing car to pass a specific test to obtain the corresponding type of licence, and require the drivers to pass other vetting or fulfill certain requirements, such as background, driving experience, age and past driving safety record, etc. Generally speaking, online hailing car drivers can register with more than one platforms concurrently to provide online hailing car services.

5. For the fares, the cities studied in general require online hailing car platform companies to ensure that the fare for every pre-booked journey are clear and transparent, and that passengers are informed of the fare arrangements before the journey starts. Generally speaking, platform companies have the discretion to determine the fare for each pre-booked journey they arrange, taking into account the market situation. Nevertheless, the transport departments of some cities (e.g. Shenzhen and Singapore) retain varying degrees of control to impose restrictions on the fares set by the platforms where necessary.

#### Opinions from Stakeholders

6. The TAC Working Group collected opinions from members of the public, taxi trade representatives and online hailing car platform companies between February and June 2025. The major opinions are set out in ensuing paragraphs.

7. The public generally expects the Government to regulate online hailing car services to meet the diversified travel needs and to supplement the existing limited capacity of taxis. On regulatory aspect, some members of the public opine that the Government should not impose too many regulatory requirements on online hailing car services, so as not to affect the service supply, making it difficult for the public to hail a car and affecting the travel experience. Some members of the public consider that the Government should set an upper limit on the number of online hailing car licences to be issued to avoid exceeding the road capacity and causing traffic congestion. Moreover, some members of the public opine that the Government should not favour any sector or defend the interests of those with vested interests, so as to avoid stifling the viability of provision of online hailing car services by operators.

8. The taxi trade generally supports the Government to regulate online hailing car services as well as the operation of related platforms, with an aim to ensuring that online hailing car platforms would provide services in accordance with the legislation. Some members of the taxi trade consider that the current

taxi supply provides sufficient capacity to meet passengers' demand, hence it is not necessary to introduce new licence type. The others suggest the Government to consider issuing online hailing taxi licence to meet the public's demand for a new travel mode. The relevant online hailing taxis can only accept orders through online channels and cannot provide street hailing service.

9. The online hailing car platform companies unanimously support the Government's regulation of online hailing car service and acknowledge that the Government should impose basic regulation on the platforms as well as their vehicles and drivers, with a view to ensuring that the online hailing car services provided are safe and in compliance with the requirements of the law. Nevertheless, platform companies in general hope that the Government will not impose excessive regulation or set an upper limit on the number of online hailing car licences, so as not to reduce the car owners' and drivers' incentives to provide online hailing car services, as well as affecting the mode of operation of the platform companies and stifling the development of the industry.

**An Overview of Regulation of Online Hailing Car Services in Different Regions**

	<b>Shanghai, China</b>	<b>Shenzhen, China</b>	<b>Singapore</b>	<b>London, UK</b>	<b>Canberra, Australia</b>	<b>New York City, USA</b>
<b>Basic Information (Year 2024<sup>1</sup>)</b>						
<b>Population (million)</b>	24.8	18.0	6.0	9.1	0.5	8.4
<b>Area (sq. km)</b>	6 341	1 997	736	1 572	814	778
<b>No. of taxis</b>	37 000*	21 524	13 117	14 280	226 <sup>#</sup>	13 587
<b>No. of online hailing cars</b>	95 000*	126 800	59 371	92 600	2 799 <sup>#</sup>	106 156
<b>Ratio of taxis to online hailing cars</b>	1 : 2.6	1 : 5.9	1 : 4.5	1 : 6.5	1 : 12.4	1 : 7.8
<b>Total no. of taxis and online hailing cars</b>	132 000*	148 324	72 488	106 880	3 025 <sup>#</sup>	119 743
<b>Online hailing car platform</b>						
<b>Requirements on platform</b>	<ul style="list-style-type: none"> <li>• Must be licensed</li> <li>• Due diligence on its vehicles and drivers</li> <li>• Platform server must be set up in the</li> </ul>	<ul style="list-style-type: none"> <li>• Must be licensed</li> <li>• Due diligence on its vehicles and drivers</li> <li>• Platform server must be set up in the</li> </ul>	<ul style="list-style-type: none"> <li>• Must be licensed<sup>2</sup></li> <li>• Due diligence on its vehicles and drivers</li> <li>• Must keep records and submit</li> </ul>	<ul style="list-style-type: none"> <li>• Must be licensed</li> <li>• Due diligence on its vehicles and drivers</li> <li>• Must keep records and submit</li> </ul>	<ul style="list-style-type: none"> <li>• Must be licensed</li> <li>• Due diligence on its vehicles and drivers</li> <li>• Must keep records and submit</li> </ul>	<ul style="list-style-type: none"> <li>• Must be licensed</li> <li>• Due diligence on its vehicles and drivers</li> <li>• Must provide driving and income data on</li> </ul>

<sup>1</sup> Figures with “ \* ” are figures of 2020, while those with “ # ” are figures of 2022.

<sup>2</sup> If there are less than 800 vehicles under a platform operator, the Government of Singapore may, in accordance with an order published in the Gazette, exempt the concerned operator from the requirement of holding a licence. Nevertheless, the concerned operator is still required to comply with the conditions stated in the order.

	<b>Shanghai, China</b>	<b>Shenzhen, China</b>	<b>Singapore</b>	<b>London, UK</b>	<b>Canberra, Australia</b>	<b>New York City, USA</b>
	Mainland of China <ul style="list-style-type: none"> <li>• The information and data collected must be stored and used in the Mainland China</li> </ul>	Mainland of China <ul style="list-style-type: none"> <li>• The information and data collected must be stored and used in the Mainland China</li> </ul>	operating data timely	operating data timely	operating data timely	an ongoing basis
<b>Licence conditions</b>	<ul style="list-style-type: none"> <li>• 3-year validity</li> <li>• Non-transferrable</li> <li>• Renewable (must pass the service quality assessment)</li> </ul>	<ul style="list-style-type: none"> <li>• 5-year validity</li> <li>• Non-transferrable</li> <li>• Renewable (application be submitted 30 days prior to licence expiry)</li> </ul>	<ul style="list-style-type: none"> <li>• Validity period specified in licence conditions (currently from 1 to 3 years)</li> <li>• Transferrable (subject to the agreement of the authority or the licence conditions)</li> <li>• Renewable (application be</li> </ul>	<ul style="list-style-type: none"> <li>• 5-year validity</li> <li>• Non-transferrable</li> <li>• Renewable</li> </ul>	<ul style="list-style-type: none"> <li>• 6-year validity</li> <li>• Non-transferrable</li> </ul>	<ul style="list-style-type: none"> <li>• 2-year validity</li> <li>• Non-transferrable</li> <li>• Renewable</li> </ul>

	<b>Shanghai, China</b>	<b>Shenzhen, China</b>	<b>Singapore</b>	<b>London, UK</b>	<b>Canberra, Australia</b>	<b>New York City, USA</b>
			submitted 6 months prior to licence expiry)			
<b>Online hailing car</b>						
<b>Requirements on vehicle</b>	<ul style="list-style-type: none"> <li>• Must be licensed</li> <li>• Commercial vehicle insurance is required</li> <li>• Maximum no. of passenger is 6</li> <li>• Must be registered vehicle of Shanghai</li> <li>• The cap on vehicle age is 8 during operation</li> <li>• The cap on mileage is</li> </ul>	<ul style="list-style-type: none"> <li>• Must be licensed</li> <li>• Commercial vehicle insurance is required</li> <li>• Maximum no. of passenger is 6</li> <li>• The cap on vehicle age is 2 at the time of applying for the licence, and 8 during operation</li> <li>• The cap on mileage is 600,000 km</li> </ul>	<ul style="list-style-type: none"> <li>• Must be licensed</li> <li>• Commercial vehicle insurance is required</li> <li>• Maximum no. of passenger is 7</li> <li>• Net vehicle weight not exceeding 3,000 kg</li> <li>• Inspected annually (vehicle aged over 10 years must be inspected</li> </ul>	<ul style="list-style-type: none"> <li>• Must be licensed</li> <li>• Commercial vehicle insurance is required</li> <li>• Maximum no. of passenger is 8</li> <li>• The cap on vehicle age is 5 (can be relaxed to 10 for eligible vehicles) at the time of applying for the licence, and 10 during</li> </ul>	<ul style="list-style-type: none"> <li>• Must be licensed</li> <li>• Commercial vehicle insurance is required</li> <li>• Maximum no. of passenger is 7</li> <li>• Inspected annually</li> </ul>	<ul style="list-style-type: none"> <li>• Must be licensed</li> <li>• Commercial vehicle insurance is required</li> <li>• Maximum no. of passenger is 20</li> <li>• Inspected every 2 years</li> </ul>

	<b>Shanghai, China</b>	<b>Shenzhen, China</b>	<b>Singapore</b>	<b>London, UK</b>	<b>Canberra, Australia</b>	<b>New York City, USA</b>
	600,000 km • Inspected annually (vehicle aged over 5 years must be inspected every half a year)	• Inspected annually (vehicle aged over 5 years must be inspected every half a year)	every half a year)	operation • Inspected every half a year		
<b>Licence conditions</b>	<ul style="list-style-type: none"> <li>• 3-year validity</li> <li>• Renewable</li> <li>• No new licence has been issued since July 2023 for the purposes of maintaining the demand and supply situation and the order of the market</li> </ul>	<ul style="list-style-type: none"> <li>• a maximum of 8-year validity (subject to vehicle age)</li> <li>• Non-transferrable</li> </ul>	<ul style="list-style-type: none"> <li>• 1-year validity</li> <li>• Non-transferrable</li> <li>• Renewable</li> </ul>	<ul style="list-style-type: none"> <li>• 1-year validity</li> <li>• Non-transferrable</li> <li>• Renewable</li> </ul>	<ul style="list-style-type: none"> <li>• 1 to 6 years of validity</li> <li>• Non-transferrable</li> <li>• Renewable</li> </ul>	<ul style="list-style-type: none"> <li>• 2-year validity</li> <li>• Non-transferrable (except transfer to pure electric car)</li> <li>• Renewable</li> <li>• No new licence has been issued (except for wheelchair accessible vehicles) since August 2018 for the</li> </ul>

	<b>Shanghai, China</b>	<b>Shenzhen, China</b>	<b>Singapore</b>	<b>London, UK</b>	<b>Canberra, Australia</b>	<b>New York City, USA</b>
						purposes of tackling traffic congestion and maintaining drivers' salary
<b>Online hailing car driver</b>						
<b>Requirements on driver</b>	<ul style="list-style-type: none"> <li>• Must be licensed</li> <li>• Aged between 21 and 65</li> <li>• Has been holding a driving licence for the relevant motor vehicle class for at least 3 years</li> <li>• Subject to checking of conviction record (including traffic record)</li> <li>• The driver is</li> </ul>	<ul style="list-style-type: none"> <li>• Must be licensed</li> <li>• Aged between 21 and 65</li> <li>• Has been holding a driving licence for private car for at least 3 years</li> <li>• Subject to checking of conviction record (including traffic record)</li> <li>• The driver must be the</li> </ul>	<ul style="list-style-type: none"> <li>• Must be licensed</li> <li>• Aged between 30 and 75</li> <li>• Has been holding a driving licence for private car for at least 1 year</li> <li>• Subject to language requirements, health check and checking of conviction record (including</li> </ul>	<ul style="list-style-type: none"> <li>• Must be licensed</li> <li>• Aged 21 or above</li> <li>• Has been holding a driving licence for private car for at least 3 years</li> <li>• Subject to language requirements, health check and checking of conviction record (including</li> </ul>	<ul style="list-style-type: none"> <li>• Must be licensed</li> <li>• Aged 20 or above</li> <li>• Subject to health check, checking of conviction record and holding of the “working with vulnerable groups” permit</li> <li>• The driver is not required to be the vehicle owner</li> <li>• Drivers can</li> </ul>	<ul style="list-style-type: none"> <li>• Must be licensed</li> <li>• Aged 19 or above</li> <li>• Must be holder of commercial driving licence</li> <li>• Subject to checking of conviction record (including traffic record)</li> <li>• The driver is not required to be the vehicle owner</li> <li>• Drivers can</li> </ul>



	<b>Shanghai, China</b>	<b>Shenzhen, China</b>	<b>Singapore</b>	<b>London, UK</b>	<b>Canberra, Australia</b>	<b>New York City, USA</b>
	not required to be the vehicle owner • Driver can register with several platforms concurrently	vehicle owner (unless the vehicle owner is a company) • Driver can register with several platforms concurrently	traffic record) • The driver is not required to be the vehicle owner • Drivers can register with several platforms concurrently	traffic record) • The driver is not required to be the vehicle owner • Drivers can register with several platforms concurrently	register with several platforms concurrently	register with several platforms concurrently
<b>Licence conditions</b>	• 3-year validity • Non-transferrable • Renewable	• 3-year validity • Non-transferrable • Renewable	• 3-year validity • Non-transferrable • Renewable	• 3-year validity • Non-transferrable • Renewable	• 10-year validity • Non-transferrable • Renewable	• 3-year validity • Non-transferrable • Renewable (must complete continuing education course)