

Regulatory Framework for Opening, Operating and Closing a Business

Disclaimer: Any information rendered in this document is for general references only and should not be considered as legal advice. Users are strongly advised to seek independent legal advice if they are in doubt of their legal position.

Trade Regulations - Services

No.	Regulatory Framework	Link
Good Regulatory Practices Supporting International Trade		
<i>Adequacy of The Legal Framework</i>		
1.	<p>Dedicated laws and regulations governing international trade in the following service area:</p> <ul style="list-style-type: none"> • Financial services (coastal): Commercial Banking, Insurance 	<p>Commercial Banking:</p> <ul style="list-style-type: none"> ➤ Cap. 155 Banking Ordinance ➤ Cap. 584 Payment Systems and Stored Value Facilities Ordinance <p>Insurance:</p> <ul style="list-style-type: none"> ➤ Cap. 41 Insurance Ordinance

No.	Regulatory Framework	Link
<i>Regulatory Decisions and Appeals</i>		
2.	<p>According to the legal framework in Hong Kong SAR, China, applicants must be informed of the reasons for license rejection, suspension and cancellation in the following service sectors:</p> <ul style="list-style-type: none"> • Freight transport services (coastal): Maritime, Road • Financial services (coastal): Commercial Banking, Insurance 	<ul style="list-style-type: none"> ➤ Cap. 548 Merchant Shipping (Local Vessels) Ordinance ➤ Cap. 548D Merchant Shipping (Local Vessels) (Certification and Licensing) Regulation Commercial Banking: ➤ Cap. 155 Banking Ordinance ➤ Cap. 584 Payment Systems and Stored Value Facilities Ordinance Insurance: ➤ Cap. 41 Insurance Ordinance
3.	<p>According to the legal framework in Hong Kong SAR, China, service providers or professionals have the right to administratively appeal regulatory decisions in the following sector affecting international trade in services:</p> <ul style="list-style-type: none"> • Financial services (coastal): Commercial Banking, Insurance 	<ul style="list-style-type: none"> ➤ Cap. 41 Insurance Ordinance

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4.	<p>According to the legal framework in Hong Kong SAR, China, service providers or professionals have the right to judicially appeal regulatory decisions in the following sectors affecting international trade in services:</p> <ul style="list-style-type: none"> • Freight transport services (coastal): Maritime, Road • Logistics services (coastal): Cargo handling; Storage and Warehousing, Customs brokers, Freight Forwarders 	<p>Maritime:</p> <ul style="list-style-type: none"> ➤ Section 24, Cap. 506 Freight Containers (Safety) Ordinance ➤ Cap. 442 Administrative Appeals Board Ordinance, ➤ Section 66, Cap. 313 Shipping and Port Control Ordinance, ➤ Section 87, Cap. 548 Merchant Shipping (Local Vessels) Ordinance <p>Road:</p> <ul style="list-style-type: none"> ➤ Section 6(1)(hg), Cap. 374 Road Traffic Ordinance <p>Cargo handling, storage and warehousing:</p> <ul style="list-style-type: none"> ➤ Section 21A, Cap. 81 Port Control (Cargo Working Areas) Ordinance ➤ Specific regulations are stipulated in Cap. 81A Port Control (Cargo Working Areas) Regulations. ➤ Section 7(4A), Cap. 59 The Factories and Industrial Undertakings Ordinance

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	<ul style="list-style-type: none"> • Financial services (coastal): Commercial Banking, Insurance 	Commercial Banking: <ul style="list-style-type: none"> ➤ Cap. 155 Banking Ordinance ➤ Cap. 584 Payment Systems and Stored Value Facilities Ordinance Insurance: <ul style="list-style-type: none"> ➤ Schedule 9, Cap. 41 Insurance Ordinance
Regulatory Restrictions on International Trade		
<i>Restrictions on International Trade in Goods</i>		
5.	No caps on the number of operating licenses applicable to the following service subsectors <ul style="list-style-type: none"> • Storage and warehousing (coastal) • Customs brokerage (coastal) 	<ul style="list-style-type: none"> ➤ No such regulatory restriction under Cap. 109 Dutiable Commodities Ordinance. ➤ No such regulatory restriction under Cap. 60 Import and Export Ordinance

No.	Regulatory Framework	Link
6.	<p>Incumbent firms do not participate in the decision to grant new operating licenses (i.e. firm entry can be preempted by incumbents firms) in the following service subsectors</p> <ul style="list-style-type: none"> • Storage and warehousing (coastal) • Customs brokerage (coastal) 	<ul style="list-style-type: none"> ➤ No such regulatory restriction under Cap. 109 Dutiable Commodities Ordinance. ➤ No such regulatory restriction under Cap. 60 Import and Export Ordinance
7.	<p>No limitations on expansion of services to new routes or geographic areas for new entrants in the following service subsectors</p> <ul style="list-style-type: none"> • Storage and warehousing (coastal) • Customs brokerage (coastal) 	<ul style="list-style-type: none"> ➤ No such regulatory restriction under Cap. 109 Dutiable Commodities Ordinance ➤ No such regulatory restriction under Cap. 60 Import and Export Ordinance

No.	Regulatory Framework	Link
8.	<p>No price floors and/or pricing guidelines, set by the government or other entities, in the following service subsectors</p> <ul style="list-style-type: none"> • Storage and warehousing (coastal) • Customs brokerage (coastal) 	<ul style="list-style-type: none"> ➤ No such regulatory restriction under Cap. 109 Dutiable Commodities Ordinance. ➤ No such regulatory restriction under Cap. 60 Import and Export Ordinance
9.	<p>No mandatory requirement to use certified operators in the following service subsectors</p> <ul style="list-style-type: none"> • Customs brokerage (coastal) 	<ul style="list-style-type: none"> ➤ No such regulatory restriction under Cap. 60 Import and Export Ordinance

No.	Regulatory Framework	Link
10.	Statutory certification and training requirements for operators in the following service subsector: <ul style="list-style-type: none"> • Maritime freight (coastal) 	<ul style="list-style-type: none"> ➤ Cap.478 Merchant Shipping (Seafarers) Ordinance ➤ Cap.478J Merchant Shipping (Seafarers) (Certification of Officers) Regulation ➤ Cap.478V Merchant Shipping (Seafarers) (Engine Room Watch Ratings and Electro-technical Ratings) Regulation ➤ Cap.478AH Merchant Shipping (Seafarers) (Ships' Doctors) Regulation ➤ Cap. 478AI Merchant Shipping (Seafarers) (Certificates of Proficiency for Able Seafarers) Regulation <p>[The above legislation requirements apply to persons working on board ships, not office staff working in companies conducting trading business.]</p>

No.	Regulatory Framework	Link
11.	<p>There are statutory requirements on inspection intervals and/or recertification of equipment in the following service subsector:</p> <ul style="list-style-type: none"> <li data-bbox="255 384 1198 975">• Maritime freight (coastal) <li data-bbox="255 975 1198 1287">• Storage and warehousing (coastal)[on inspection intervals only] 	<ul style="list-style-type: none"> <li data-bbox="1198 384 2121 448">➤ Cap. 295 Dangerous Goods Ordinance <li data-bbox="1198 448 2121 512">➤ Cap. 313 Shipping and Port Control Ordinance <li data-bbox="1198 512 2121 576">➤ Cap. 369 Merchant Shipping (Safety) Ordinance <li data-bbox="1198 576 2121 703">➤ Cap. 413 Merchant Shipping (Prevention and Control of Pollution) Ordinance <li data-bbox="1198 703 2121 767">➤ Cap. 415 Merchant Shipping (Registration) Ordinance <li data-bbox="1198 767 2121 831">➤ Cap. 478 Merchant Shipping (Seafarers) Ordinance <li data-bbox="1198 831 2121 959">➤ Cap. 582 Merchant Shipping (Security of Ships and Port Facilities) Ordinance <li data-bbox="1198 959 2121 1287">➤ Reg 83A, Cap 109A Dutiable Commodities Regulations

No.	Regulatory Framework	Link
12.	<p>There are statutory requirements on the maximum number of working hours before mandatory rest in the following service subsector:</p> <ul style="list-style-type: none"> • Maritime freight (coastal) 	<ul style="list-style-type: none"> ➤ Maritime Labour Convention ➤ Cap. 478AF Merchant Shipping (Seafarers) (Working and Living Conditions) Regulation ➤ Cap. 478D Merchant Shipping (Seafarers) (Hours of Rest) Regulation
13.	<p>No additional restriction(s) applicable to women service providers in the following service sub-sectors (for example ineligibility to apply for operating licenses or additional statutory certification and training requirements)</p> <ul style="list-style-type: none"> • Storage and warehousing (coastal) • Customs brokerage (coastal) 	<ul style="list-style-type: none"> ➤ No such regulatory restriction under Cap. 109 Dutiable Commodities Ordinance. ➤ No such regulatory restriction under Cap. 60 Import and Export Ordinance

No.	Regulatory Framework	Link
<i>Restrictions on International Trade in Services</i>		
14.	No restrictions on foreign registration of vessels under national flags (maritime freight)	➤ Cap. 415 Merchant Shipping (Registration) Ordinance
15.	No quantitative restrictions (quotas) applicable in the following service subsectors: <ul style="list-style-type: none"> • Storage and warehousing (coastal) • Customs brokerage (coastal) 	➤ No such regulatory restriction under Cap. 109 Dutiable Commodities Ordinance ➤ No such regulatory restriction under Cap. 60 Import and Export Ordinance
16.	No restrictions subject to an economic needs test applicable in the following service subsector: <ul style="list-style-type: none"> • Storage and warehousing (coastal) • Customs brokerage (coastal) • Insurance (coastal) 	➤ No such regulatory restriction under Cap. 109 Dutiable Commodities Ordinance ➤ No such regulatory restriction under Cap. 60 Import and Export Ordinance ➤ No restriction under Cap. 41 Insurance Ordinance

No.	Regulatory Framework	Link
17.	<p>No restrictions on acquisition and use of land and real estate applicable to the following service subsector:</p> <ul style="list-style-type: none"> • Insurance (coastal) 	<p>➤ No restriction under Cap. 41 Insurance Ordinance</p>
18.	<p>No additional restrictions on licensing and/or authorization requirements applicable to the following service subsector:</p> <ul style="list-style-type: none"> • Storage and warehousing (coastal) • Customs brokerage (coastal) • Insurance (coastal) 	<p>➤ No such regulatory restriction under Cap. 109 Dutiable Commodities Ordinance</p> <p>➤ No such regulatory restriction under Cap. 60 Import and Export Ordinance</p> <p>➤ No restriction under Cap. 41 Insurance Ordinance</p>

No.	Regulatory Framework	Link
19.	<p>No quotas for contractual or independent service providers that discourage local service providers from using foreign workers/consultants applicable to the following service subsector:</p> <ul style="list-style-type: none"> • Storage and warehousing (coastal) • Customs brokerage (coastal) • Insurance (coastal) 	<ul style="list-style-type: none"> ➤ No such regulatory restriction under Cap. 109 Dutiable Commodities Ordinance ➤ No such regulatory restriction under Cap. 60 Import and Export Ordinance ➤ No restriction under Cap. 41 Insurance Ordinance
20.	<p>No needs tests (that discourage local service providers from using foreign workers/consultants) for contractual or independent service providers applicable in the following service subsector:</p> <ul style="list-style-type: none"> • Storage and warehousing (coastal) • Customs brokerage (coastal) • Insurance (coastal) 	<ul style="list-style-type: none"> ➤ No such regulatory restriction under Cap. 109 Dutiable Commodities Ordinance ➤ No such regulatory restriction under Cap. 60 Import and Export Ordinance ➤ No restriction under Cap. 41 Insurance Ordinance

No.	Regulatory Framework	Link
21.	<p>No restrictions on the recognition of qualifications, training or experience obtained abroad (including but not limited to the absence of equivalence mechanism) applicable to the following service subsector:</p> <ul style="list-style-type: none"> <li data-bbox="255 427 1196 464">• Storage and warehousing (coastal) <li data-bbox="255 544 1196 580">• Customs brokerage (coastal) <li data-bbox="255 660 1196 697">• Insurance (coastal) 	<ul style="list-style-type: none"> <li data-bbox="1196 427 2119 507">➤ No such regulatory restriction under Cap. 109 Dutiable Commodities Ordinance <li data-bbox="1196 544 2119 624">➤ No such regulatory restriction under Cap. 60 Import and Export Ordinance <li data-bbox="1196 660 2119 697">➤ No restriction under Cap. 41 Insurance Ordinance

No.	Regulatory Framework	Link
22.	<p>No restrictions on visa processes and no procedural hurdles related to crew member visas and business visas are applicable for crew members and service providers in the following service subsectors:</p> <ul style="list-style-type: none"> • Maritime freight (coastal) • Road freight (coastal) • Cargo handling (coastal) • Storage and warehousing (coastal) • Customs brokerage (coastal) • Freight forwarding (coastal) • Commercial banking (coastal) • Insurance (coastal) <p>The fee for an ordinary visa and a transit visa is respectively set at HK\$230 and HK\$120, which is less than USD50. While the existing visa regime is based on consideration of a basket of factors, restriction is not imposed on visa processes on basis of the occupation or subsector, as listed, of the crew members/ service providers</p>	<p>➤ Schedule 2, Cap. 115A Immigration Regulations</p>

No.	Regulatory Framework	Link
23.	<p>Foreign suppliers are not treated less favorably than domestic suppliers for taxation purposes in the following service subsectors:</p> <ul style="list-style-type: none"> • Maritime freight (coastal) • Road freight (coastal) • Cargo handling (coastal) • Storage and warehousing (coastal) • Customs brokerage (coastal) • Freight forwarding (coastal) • Commercial banking (coastal) • Insurance (coastal) 	<p>➤ Section 14, Cap. 112 Inland Revenue Ordinance provides that profits tax shall be charged for each year of assessment on every person carrying on a trade, profession or business in Hong Kong in respect of his assessable profits arising in or derived from Hong Kong for that year from such trade, profession or business (excluding profits arising from the sale of capital assets)</p>

No.	Regulatory Framework	Link
24.	<p>No additional licensing or authorization requirements for foreign female professionals applicable to the following service subsector:</p> <ul style="list-style-type: none"> <li data-bbox="255 424 1196 467">• Storage and warehousing (coastal) <li data-bbox="255 544 1196 587">• Customs brokerage (coastal) <li data-bbox="255 663 1196 707">• Insurance (coastal) 	<ul style="list-style-type: none"> <li data-bbox="1196 424 2119 507">➤ No such regulatory restriction under Cap. 109 Dutiable Commodities Ordinance <li data-bbox="1196 544 2119 627">➤ No such regulatory restriction under Cap. 60 Import and Export Ordinance <li data-bbox="1196 663 2119 699">➤ No restriction under Cap. 41 Insurance Ordinance

Public Services that Facilitate Trade

[Including services provided by government bureaux and departments, and other public organisations]

Disclaimer: There are other digital public services that aim to facilitate business and compliance in Hong Kong. Please refer to the webpages of individual bureaux / departments / public organisations for details.

Trade Regulations - Services

No.	Public Services	Link
Digital and Physical Infrastructure		
<i>Transparency and Availability of Information</i>		
1.	In practice, licensing criteria are published through electronic means in the area of transport services (i.e. maritime and road transport)	<ul style="list-style-type: none"> ➤ Transport Department ➤ Hong Kong Shipping Registry
2.	In practice, licensing criteria are published through electronic means in the area of logistics services (cargo handling, storage and warehouse, customs brokerage and freight forwarding services)	<ul style="list-style-type: none"> ➤ Hong Kong eLegislation ➤ Customs and Excise Department - Warehouse and Customs Attendance
3.	<p>In practice, advance notices are published through electronic means before enacting regulatory changes in the area of transport services (i.e. maritime and road transport)</p> <p>An example of Legislative Council consultation paper before enactment of regulatory changes is cited for reference. The Government will also announce legislative amendments on regulatory changes in the form of press release via the Government's website, an example of such announcement is cited for reference</p>	<ul style="list-style-type: none"> ➤ Legislative amendments to enhance the efficiency of marine services and better regulate marine traffic ➤ Press release