

**Advisory Council on Food and Environmental Hygiene**

**Streamlining the Food Business Licensing Regime**

**Purpose**

This paper briefs Members on the various measures implemented by the Food and Environmental Hygiene Department (FEHD) to enhance the licensing regime of food businesses.

**Background**

2. FEHD has been striving to streamline the food business licensing regime, without compromising hygiene and food safety, to facilitate applicants' compliance with the licensing requirements for obtaining the required licence/permission. It also endeavours to shorten the time for vetting and approval to enhance regulatory efficiency and business flexibility.

3. The Chief Executive announced in the 2023 Policy Address that FEHD will roll out a series of measures to streamline the licensing regime of food businesses starting from the first quarter this year, with a view to taking further steps to refine and remove barriers for the trade to facilitate business operation. The progress of the various measures is set out below.

**Enhancement Measures**

**Expanding the Scope of the Professional Certification System to Cover General Restaurant Licences**

4. Under the Food Business Regulation (Cap. 132X), any person who carries on a food business (including restaurant, food factory, etc.) is required to obtain a food business licence. FEHD is responsible for coordinating the licensing matters. It works with the Buildings Department, the Fire Services

Department and other relevant departments to process licence applications to ensure that the requirements relating to hygiene, building structure, fire safety and ventilation facilities, etc. are complied with. If the relevant departments raise no objection after reviewing an application, FEHD will issue a Letter of Requirements to the applicant. In general, after the applicant has informed FEHD that he/she has complied with all the licensing requirements, FEHD will conduct a final verification inspection on site. FEHD will then issue a full licence upon confirmation of compliance with all licensing requirements.

5. To expedite the vetting and approval process and enable the trade to have a better grasp on the issuing time of a full licence, FEHD has since 1 March 2023, alongside relaxing the restrictions on the scope of food items that can be sold by light refreshment restaurants (LRRs)<sup>1</sup>, introduced the “Professional Certification System” (PCS) into the licences for LRRs and food factory on a pilot basis as an additional option for obtaining a full licence under a “licence first, inspection later” approach. Under PCS, a full licence will be issued to applicants who have engaged an authorised person or a registered structural engineer<sup>2</sup> to certify his/her compliance with all licensing requirements. FEHD will arrange an on-site inspection after issuance of the licence. Compared with the general processing procedures, PCS allows applicants to obtain a full licence about two weeks earlier.

6. Taking into account that PCS has been running smoothly and the support of the trade, FEHD has expanded its application to cover general restaurant licences since 1 February 2024 to provide the additional option for applicants to obtain a full licence under a “licence first, inspection later” approach.

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<sup>1</sup> In the past, LRRs may only choose one of the six specified groups of food items. Since the relaxation in March 2023, LRRs are permitted to carry out simple cooking activities that do not generate a large amount of greasy fume (e.g. boiling, braising, steaming, stewing and simple frying) so as to increase their operation flexibility as far as possible without compromising environmental hygiene and food safety.

<sup>2</sup> The FEHD accepts a Certificate of Compliance (Health Requirements) issued by an authorised person whose name is on the register kept under section 3(1) of the Buildings Ordinance (Cap. 123) or by a structural engineer whose name is on the register kept under section 3(3) of the same Ordinance, as certification for the applicant’s compliance with all the health requirements for the issue of a full food business licence.

## Introducing a “Composite Permit” to cover multiple kinds of Restricted Foods

7. The Food Business Regulation stipulates that any person who would like to sell the restricted food items specified in Schedule 2 to the Regulation (such as non-bottled drinks, Chinese herb tea, ice-cream in original wrappers, etc., details at **Annex**), must obtain written permission of the Director of FEHD (“Permit”)<sup>3</sup> to ensure maintenance of a good standard of hygiene at the premises and the wholesomeness of the food supplied. At present, if more than one kind of restricted food items are to be sold, regardless whether or not at the same premises or online platform, the applicant is required to submit individual applications for each type of restricted food. The fees for approving relevant “Permits” and their renewal are specified in the Public Health and Municipal Services (Fee) Regulations (Cap. 132CJ). The current fees for:

- (a) the sale of any one of the restricted food (except sashimi, sushi and food sold by means of a vending machine) is \$540;
- (b) the sale of one or both of sashimi and sushi is \$540; and
- (c) the sale of food sold by means of a vending machine is \$1,360.

8. As of 29 February 2024, there were about 11 000 valid “Permit”, involving a total of some 7 100 permit holders. Of these permit holders, about 2 300 held more than one “Permit” for sale of different kinds of restricted foods at the same premises/online platform.

9. Upon review, FEHD considers that most operators selling restricted food are required to comply with similar core licensing requirements and conditions, such as provision of washing, disinfecting and storage facilities at the premises, the supply of mains water are from recognised sources etc., there is thus room for consolidating the application procedures. It is proposed to introduce a “Composite Permit” so that food business operators only need to apply for one “Composite Permit” to sell a variety of restricted foods (except food sold by means of a vending machine<sup>4</sup>) at the same premises/online platform, thus

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<sup>3</sup> Under the Food Business Regulation, any licensed food business operator who sells restricted food items at the premises is required to obtain the relevant written permission. At present, the FEHD will endorse on the relevant licence and the licensees are not required to apply for a separate permit.

<sup>4</sup> As food sold by means of a vending machine involves different licensing requirements and conditions than other restricted food items, and the application process also involves additional work, the existing arrangement on regulation under a single “permit” will continue.

streamlining the application process and making it more user-friendly. The existing arrangements and fees for the “Permit” involving sale of single restricted food item will remain unchanged. Applicant may choose to apply for a “Permit” or a “Composite Permit” according to their need and the actual circumstances.

10. The licensing procedures for a “Composite Permit” will be similar to that for a “Permit”. The applicant is required to specify the type(s) of food intended to be sold in the application form, FEHD will notify the applicant of the relevant permit requirements, including the core requirements for selling restricted food, as well as the specific requirements for certain kind(s) of restricted food (if applicable). Upon compliance with the permit requirements, a “composite permit” will be issued to the applicant. Both “Composite Permit” and “Permit” have a one-year validity.

11. With regards to fees, it is proposed that the fees for each approval of a “Composite Permit” at the same premises/online platform and its renewal to be \$810<sup>5</sup>, applicable to the following scenarios:

- (a) the sale of any two or more restricted foods (excluding sashimi, sushi and food sold by means of a vending machines); and
- (b) the sale of one or both of sashimi and sushi, together with one or more other kinds of restricted food.

12. In order to introduce the “Composite Permit”, we have to amend the Public Health and Municipal Services (Fee) Regulations to set out the fees and relevant implementation arrangement. Subject to the progress of drafting, we strive to introduce the relevant regulatory amendment proposals to the Legislative Council in the second half of 2024.

#### Setting more lenient food licence terms for farms engaged in commercial agricultural production in cooking their produce

13. The Government is striving to promote the development of leisure farming, allowing farms engaged in commercial agricultural production<sup>6</sup> to offer

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<sup>5</sup> That is 1.5 times the current “permit” fee for a single restricted food item.

<sup>6</sup> Farms engaged in commercial agricultural production must participate in the Accredited Farm Scheme or Organic Farming Support Service of the Agriculture, Fisheries and Conservation Department, and the leisure activities provided must also be directly related to commercial agriculture.

leisure farming activities as ancillary businesses, including selling their own produce cooked by simple methods as well as organising agricultural-related educational activities, etc. This aims to increase farmers' income, promote their agricultural products and enable the public to learn more about and experience farming. The Agriculture, Fisheries and Conservation Department (AFCD) will promote accredited farms and their relevant activities through various channels to facilitate the public to participate in leisure farming.

14. As one of the measures to promote leisure farming, FEHD will set more lenient food business licence terms for farms engaged in commercial agricultural production to facilitate the sale of their cooked produce in the first half of 2024. AFCD will provide a list of farms engaged in commercial agricultural production which intend to develop leisure farming to FEHD. These farms can contact FEHD to apply for the required licenses. FEHD will try to relax the licensing conditions required for the application of the license as far as possible with regard to site-specific circumstances and without compromising food safety and environmental hygiene.

#### Issuing e-licences

15. At present, FEHD offers electronic services for licence/permit applications, covering online submission of application forms, e-processing, e-tracking and electronic payment. With effect from the second half of 2024, FEHD will proceed with the issuance of licences/permits through electronic means. Applicants/holders of licences/permits may opt to obtain their licences/permits through electronic means, obviating the need to visit a licence issuing office in person to collect the physical licence. Moreover, to increase transparency, FEHD will provide applicants with more information on the application progress and status through online system. For example, applicants can access through the system the correspondence with FEHD regarding the application status.

#### Publishing “DIY application for food business licences”

16. In order to reduce start-up costs of business (particularly micro, small and medium ones), FEHD published a “DIY application for food business licences” in end March 2024. The animated video clip provides clear instructions to help applicants better understand the licence application process from the users' angle.

The clip has been uploaded to the FEHD's website<sup>7</sup> for access by members of the public who are interested in applying for a licence.

#### Waiving Application for a Bakery Licence for Restaurants selling their bakery products

17. In the past, a separate bakery licence is required for the retail sale of bread and other bakery products prepared in a licensed general restaurant or light refreshment restaurant at a separate counter of the food premises. To facilitate restaurant operators, FEHD has waived such requirement so that the restaurants concerned no longer need to apply for a separate bakery licence starting from 1 February 2024.

#### Waiving submission of documents on the use of communal toilet facilities

18. In the past, for restaurants located in shopping arcades or mixed commercial cum residential buildings which are unable to provide toilets within the premises, the restaurant licence applicants are required to obtain written consent from the property management of the shopping arcades or buildings for the use by their customers of the communal toilet facilities in the property, and to submit the documentary proof to FEHD. According to the trade, application to the property management for such documents not only may incur charges, but also take time. For the purpose of trade facilitation, FEHD has revised the requirement since 1 February 2024 so that applicants no longer need to submit the written consent. Nevertheless, restaurant operators should comply with the licensing conditions to ensure that the communal toilet facilities in the property are available for use by their customers.

### **Advice Sought**

19. Members are invited to comment on the aforementioned measures for streamlining the food business licensing regime.

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<sup>7</sup> The website: [https://www.fehd.gov.hk/tc\\_chi/licensing/guidelines\\_on\\_diy\\_application.html](https://www.fehd.gov.hk/tc_chi/licensing/guidelines_on_diy_application.html)

**Environment and Ecology Bureau**  
**Food and Environmental Hygiene Department**  
**April 2024**

**List of Restricted Foods in Schedule 2 to Food Business Regulation**

1. (a) Fresh meat  
(b) Chilled meat other than pre-packaged chilled beef, mutton or pork  
(c) Pre-packaged chilled beef, mutton or pork  
(d) Frozen meat
2. Fresh, chilled or frozen game
3. Fresh, chilled, frozen or live fish, excluding live fish on a fish farm
4. (a) Live water birds, excluding live water birds on a poultry farm or in a wholesale market  
(b) Other live poultry, excluding live poultry on a poultry farm or in a wholesale market  
(c) Fresh, chilled or frozen poultry carcass
5. Fresh, chilled or frozen shell fish, excluding shell fish specified in Schedule 1 of Food Business Regulation
6. Imported cooked or dried meat or imported meat which has been otherwise treated or prepared
7. Imported intestines or other parts of any animal which are prepared in the form of sausage casings
8. Imported pies, sausages or other prepared or manufactured articles of food which contain any meat or cooked or dried meat other than fat
9. Milk or any milk beverage within the meaning of the Milk Regulation (Cap. 132AQ) other than milk or milk beverage approved by the Director of Food and Environmental Hygiene under section 5(2) of that Regulation
10. (a) Soft ice cream  
(b) Other frozen confections
11. Chinese herb tea
12. Non-bottled drinks
13. Siu Mei or Lo Mei
14. Cut fruit
15. Leung Fan
16. Man Tau Lo
17. Food sold by means of a vending machine
18. Sashimi
19. Sushi
20. Oyster to be eaten in raw state
21. Meat to be eaten in raw state