

HONG KONG, CHINA IMPLEMENTS NEW WORLD TRADE ORGANIZATION SERVICES DOMESTIC REGULATION DISCIPLINES

Joint Initiative on Services Domestic Regulation

With effect from 27 February 2024, a new set of domestic regulation (DR) disciplines aiming to facilitate services trade agreed under the World Trade Organization (WTO) Joint Initiative on Services DR (the Joint Initiative) have entered into force. The disciplines are binding on Participants of the Joint Initiative, including Hong Kong, China (HKC) and our major services trading partners such as China, the European Union, Japan, Singapore, the United Kingdom and the United States, together accounting for over 92.5% of the world services trade. Their implementation will benefit services suppliers from all WTO Members. For more details, please refer to the [text of the disciplines applicable to HKC](#) and visit the [dedicated webpage](#).

What are DR disciplines?

To supply services in a market, it is common for businesses to first obtain authorizations, which are subject to domestic measures relating to licensing requirements and procedures, qualification requirements and procedures, and technical standards. DR disciplines aim to facilitate services trade by improving the transparency, predictability and effectiveness of relevant domestic measures, thereby cutting red tapes and lowering trade costs for services suppliers.

Do these DR disciplines apply to all services sectors?

The sectoral coverage of the DR disciplines varies among different Participants. The disciplines in general apply to the Participants' respective committed services sectors under the WTO General Agreement on Trade in Services (GATS), and may also apply to additional sectors if Participants choose to expand the sectoral coverage.

For HKC, the DR disciplines apply to more than 30 existing committed services sectors under the WTO GATS (including Accounting, auditing and bookkeeping services; Telecommunication services; Banking and other financial services; Restaurant and catering services; Travel agencies and tour operator services; etc), as well as six additional sub-sectors under Environmental Services (including Sewage services; Sanitation and similar services; Cleaning services of exhaust gases; Noise abatement services; Nature and landscape protection services; and Other environmental protection services not elsewhere classified).

What are the benefits to Hong Kong's service suppliers?

The disciplines seek to make the regulatory environment more conducive to business and can help particularly small and medium enterprises. When supplying services in the local market and the markets of other Participants of the Joint Initiative, Hong Kong's service suppliers will benefit from a more transparent, predictable and efficient regulatory environment, at lower trade costs.



Transparency

Regulatory authorities should promptly publish information relating to licensing/qualification applications, including the application requirements and procedures, fees, contacts and appeal procedures, etc.



Predictability

Regulatory authorities should provide information relating to the indicative time for the processing of applications; ensure the processing of applications is within a reasonable timeframe; and provide information concerning the status and result of applications, etc.



Efficiency

To the extent practicable, regulatory authorities should endeavour to accept applications in electronic format, and provide one-stop service with a view to simplifying relevant procedures.