

Supplement IV to the  
Mainland and Hong Kong Closer Economic Partnership Arrangement

Guidelines on Application for the Certificate of Hong Kong Service Supplier  
for the purpose of  
Providing Elderly Services in the Form of Wholly-Owned  
Private Non-Enterprises in Guangdong Province

**Introduction**

To further relax the conditions for Hong Kong service suppliers to enter the Mainland market, the Mainland and the Hong Kong Special Administrative Region (“Hong Kong”) signed the Supplement IV to the Mainland and Hong Kong Closer Economic Partnership Arrangement (“Supplement IV to CEPA”) on 29 June 2007. Elderly services have for the first time been included under CEPA as one of the specific commitments:

“To allow Hong Kong service suppliers to operate elderly service agencies in the form of wholly-owned private non-enterprises to provide elderly services in Guangdong Province on a pilot basis.” (“Liberalization Measure”)

The Liberalization Measure came into effect on 1 January 2008.

**How to Apply for a Certificate of Hong Kong Service Supplier**

2. Any Hong Kong agency that seeks to operate elderly service agencies in the form of wholly-owned private non-enterprises to provide elderly services in Guangdong Province should:

- (a) satisfy the definition of “Hong Kong Service Supplier” and obtain a Certificate of Hong Kong Service Supplier from the Trade and Industry Department of Hong Kong (“TID”); and
- (b) make an application to the Department of Civil Affairs of Guangdong Province (“GPDCA”) and obtain its approval on the strength of a valid Certificate of Hong Kong Service Supplier.

3. To be eligible for applying for the Certificate of Hong Kong Service Supplier for providing elderly services, a Hong Kong agency should:

- (a) be incorporated or established pursuant to the Companies Ordinance or other relevant laws, and, as applicable, have obtained a valid Business Registration Certificate, licence of residential care home for the elderly issued under the Residential Care Homes (Elderly Persons) Ordinance (Cap 459), or certificate of registration of nursing home issued under the Hospitals, Nursing Homes and Maternity Homes Registration Ordinance (Cap 165); and
- (b) engage in substantive operations in Hong Kong. The determining criteria are:
  - (i) Scope of business: the Hong Kong agency should have provided substantive elderly services in Hong Kong;
  - (ii) Years of operation: the Hong Kong agency should have engaged in substantive operations for three years or above;
  - (iii) Profits tax: during the period of providing substantive elderly services in Hong Kong, the Hong Kong agency should have paid profits tax in accordance with the law (if applicable);
  - (iv) Business premises: the Hong Kong agency should own or rent premises in Hong Kong to engage in substantive elderly services. The scale of its business premises should be commensurate with the scope and the scale of its business; and
  - (v) Employment of staff: more than 50% of the staff employed in Hong Kong by the Hong Kong agency should be residents staying in Hong Kong without limit of stay, and people from the Mainland staying in Hong Kong on One Way Permit.

(The above is a general description of the definition of “Hong Kong Service Supplier”, which shall be subject to the terms and conditions of Annex 5 of CEPA: Definition of “Service Supplier” and Related Requirements (the full text of which is available at <http://www.tid.gov.hk/english/cepa/legaltext/fulltext.html>) and various supplements and annexes to CEPA.)

4. When applying for the Certificate of Hong Kong Service Supplier, a Hong Kong agency should submit to TID a duly completed application form, a copy of Statutory Declaration attested by an attesting officer recognized by the Mainland (i.e. China

Appointed Attesting Officer<sup>1</sup>), and copies of the following valid documents that have been certified by a Designated Professional<sup>2</sup> (except (b)(ii)):

- (a) General documents (if applicable)<sup>3</sup>.
  - (i) Certificate of Incorporation or other proof of registration;
  - (ii) Business Registration Certificate and Extract of Information on the Business Register;
  - (iii) annual reports (for listed companies) or audited financial statements (for unlisted companies) issued annually for the past three consecutive financial years immediately prior to the date of lodgement of the application for Certificate of Hong Kong Service Supplier;
  - (iv) annual Profits Tax Returns and Notices of Assessment and Demand for Tax / annual Profits Tax Returns and Statements of Losses or correspondence issued by the Inland Revenue Department (“IRD”) to the applicant in the same period stating that annual lodgement of Profits Tax Returns was not required issued annually by IRD during the past three consecutive years immediately prior to the date of lodgement of the application for Certificate of Hong Kong Service Supplier;
  - (v) proof of owning or renting premises to engage in substantive elderly services (i.e. Computerized Land Register or lease); and
  - (vi) latest Employer's Return of Remuneration and Pensions furnished by the applicant; and
  
- (b) Sector-specific documents
  - (i) for existing operators of residential care homes for the elderly, the valid licence(s) of residential care home for the elderly issued by the Social Welfare Department (“SWD”) under the Residential Care Homes (Elderly Persons) Ordinance (Cap 459) covering the past 3 consecutive years immediately prior to the date of lodgement of the application for Certificate of Hong Kong Service Supplier;
  - (ii) for existing operators of nursing homes, the **original** of a letter issued by the Department of Health (DH) certifying that the applicant has operated a nursing home registered with DH under

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<sup>1</sup> China Appointed Attesting Officers refer to practising lawyers in Hong Kong registered under the Legal Practitioners Ordinance (Cap. 159), who are recognized by the Ministry of Justice of the People's Republic of China.

<sup>2</sup> Designated Professionals refer to (i) certified public accountants registered under the Professional Accountants Ordinance (Cap 50) and holding a practising certificate; or (ii) practising lawyers in Hong Kong registered under the Legal Practitioners Ordinance (Cap 159), who are recognized by the Ministry of Justice of the People's Republic of China (i.e. China Appointed Attesting Officers).

<sup>3</sup> Applicants who are exempted from tax, obligation of business registration, etc are required to furnish other alternative supplementary documents as requested by TID.

- the Hospitals, Nursing Homes and Maternity Homes Registration Ordinance (Cap 165) for 3 consecutive years or more immediately prior to the date of lodgement of the application for Certificate of Hong Kong Service Supplier; or
- (iii) for existing operators of elderly services receiving subvention from SWD, the annual notification letter(s) on social welfare subvention issued by SWD to the applicant covering the past 3 consecutive years immediately prior to the date of lodgement of the application for Certificate of Hong Kong Service Supplier.

(The above is a general description of the documents required, which shall be subject to the Notice to Service Suppliers No. 1/2007 issued by TID ([http://www.tid.gov.hk/english/aboutus/tradecircular/ntss/ss\\_maincontent.html](http://www.tid.gov.hk/english/aboutus/tradecircular/ntss/ss_maincontent.html)).

5. TID has completed a comprehensive costing review of the various application fees under the “Hong Kong Service Supplier Certification Scheme”. The proposed new fees was implemented in late March 2008. The application fee for Certificate of Hong Kong Service Supplier is \$1,550 per application. Please refer to the Notice to Service Suppliers No. 1/2008, which can be found at the URL referred to in Paragraph 4. There may be changes to the application procedures, documents required and fees chargeable referred to in Paragraph 4 and this paragraph. Please refer to the latest notices issued by TID from time to time.

6. Under normal circumstances and provided that the necessary documents are duly attached, TID will complete the processing of an application for Certificate of Hong Kong Service Supplier within 14 clear working days from the date of its receipt of the application. TID will notify the applicant of the result of application.

7. The Certificate of Hong Kong Service Supplier will be valid for two years. Please refer to the Notice to Service Suppliers No.1/2005 (also available at the URL referred to in Paragraph 4) for the arrangements and application procedures for renewal.

### **How to Apply for the Provision of Elderly Services in Guangdong Province under the Liberalization Measure**

8. The GPDCA has published a guideline on applications by Hong Kong agencies to provide elderly services in Guangdong Province under the Liberalization Measure. For details, please refer to the following website (in Chinese only):  
[http://www.gdmz.gov.cn/wsbg/bszn/shfl/200802/t20080227\\_13859.htm](http://www.gdmz.gov.cn/wsbg/bszn/shfl/200802/t20080227_13859.htm)

## **Contact Details**

9. For enquiries about application for Certificate of Hong Kong Service Supplier, please contact:

Hong Kong Service Supplier Certification Section  
Trade and Industry Department  
The Government of Hong Kong Special Administrative Region  
11/F Trade and Industry Department Tower  
700 Nathan Road, Mongkok, Kowloon  
Tel: 3403 6428  
Fax: 3525 0988  
Website: [http://www.tid.gov.hk/english/cepa/tradeservices/hkss\\_def.html](http://www.tid.gov.hk/english/cepa/tradeservices/hkss_def.html)  
Email: [hkss@tid.gov.hk](mailto:hkss@tid.gov.hk)

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