

**立法會**  
**Legislative Council**

LC Paper No. CB(1)2167/02-03  
(These minutes have been seen  
by the Administration)

Ref: CB1/BC/11/01/2

**Bills Committee on  
Telecommunications (Amendment) Bill 2002**

**Meeting on  
Tuesday, 24 June 2003, at 10:45 am  
in Conference Room B of the Legislative Council Building**

- Members present** : Hon SIN Chung-kai (Chairman)  
Hon Howard YOUNG, JP  
Hon Emily LAU Wai-hing, JP  
Hon Albert CHAN Wai-yip  
Hon MA Fung-kwok, JP
- Members absent** : Dr Hon David CHU Yu-lin, JP  
Hon Eric LI Ka-cheung, JP  
Hon Fred LI Wah-ming, JP  
Hon CHAN Kwok-keung  
Hon YEUNG Yiu-chung, BBS  
Hon Abraham SHEK Lai-him, JP
- Public officers  
Attending** : Mr Francis HO, JP  
Permanent Secretary for Commerce, Industry and  
Technology  
(Information Technology and Broadcasting)
- Mrs Marion LAI, JP  
Deputy Secretary for Commerce, Industry and  
Technology  
(Information Technology and Broadcasting)
- Ms Gracie FOO  
Principal Assistant Secretary for Commerce, Industry  
and Technology  
(Information Technology and Broadcasting)

Miss Linda SO  
 Assistant Secretary for Commerce, Industry and  
 Technology  
 (Information Technology and Broadcasting)

Mr M H AU, JP  
 Deputy Director-General of Telecommunications

Mr Edward WHITEHORN  
 Head, Competition Affairs Branch, Office of the  
 Telecommunications Authority

Mr Michael LAM  
 Senior Government Counsel, Department of Justice

**Clerk in attendance** : Miss Polly YEUNG  
 Chief Assistant Secretary (1)3

**Staff in attendance** : Miss Connie FUNG  
 Assistant Legal Adviser 3

Ms Debbie YAU  
 Senior Assistant Secretary (1)1

## **I Confirmation of minutes**

LC Paper No. CB(1)2048/02-03 - Minutes of 14<sup>th</sup> meeting on 13 June  
 2003

The minutes of the meeting on 13 June 2003 were confirmed.

## **II Committee Stage Amendments proposed by the Administration**

LC Paper No. CB(1)2067/02-03(01) - Latest version of the proposed  
*(tabled at the meeting and subsequently issued to members on* section 32N(1A) (Amendments made  
*25 June 2003)* to the Administration's Committee  
 Stage Amendments are shown in  
 Revision Mode) provided by the  
 Administration

LC Paper No. CB(1)2052/02-03(01) - Updated marked-up copy of the  
*(replacement sheets tabled at the meeting were subsequently issued to* Committee Stage Amendments  
*members on 25 June 2003 vide LC Paper No CB(1)2067/02-03)* proposed by the Administration (as  
 at 20 June 2003) to the Bill prepared  
 by the Legal Service Division

- LC Paper No. CB(1)1939/02-03(01) - *"Major issues covered by the Administration's original and additional proposals and the proposed CSAs by Hon SIN Chung-kai" prepared by the Legislative Council Secretariat (revised, as at 23 June 2003)*  
(Chinese version tabled at the meeting and subsequently issued to members on 25 June 2003 vide LC Paper No CB(1)2067/02-03)
- LC Paper No. CB(1)2052/02-03(02) - Additional Committee Stage Amendments proposed by the Administration (as at 20 June 2003)  
(replacement sheets tabled at the meeting were subsequently issued to members on 25 June 2003 vide LC Paper No CB(1)2067/02-03)
- LC Paper No. CB(1)2020/02-03(01) - Additional Committee Stage Amendments proposed by the Administration (English version only)
- LC Paper No. CB(1)2020/02-03(02) - Administration's response to Committee Stage Amendments proposed by Hon SIN Chung-kai (English version only)
- LC Paper No. CB(1)2020/02-03(03) - Letter from Consumer Council dated 18 June 2003 on Regulation of Mergers and Acquisitions in the Telecommunications Market (English version only)
- LC Paper No. CB(1)2006/02-03(01) - Committee Stage Amendments proposed by Hon SIN Chung-kai (as at 17 June 2003) (English version only)
- LC Paper No. CB(1)1934/02-03(01) - Note on Thresholds Adopted by Competition Authorities in Examining Mergers and Acquisitions in Overseas Jurisdictions provided by the Administration)
- LC Paper No. CB(1)1955/02-03(02) - Letter from the telecommunications operators on "Response to the Administration's note on Thresholds Adopted by Competition Authorities in Examining Mergers and Acquisitions in Overseas Jurisdictions" (English version only)

LC Paper No. CB(1)1903/02-03(02) - Powerpoint presentation material on the Bill provided by Hon SIN Chung-kai

LC Paper No. CB(1)1903/02-03(03) - Letter from Consumer Council dated 9 June 2003 on Regulation of Mergers and Acquisitions in the Telecommunications Market (English version only)

LC Paper No. CB(1)1858/02-03 - Report of the Bills Committee for the House Committee meeting on 6 June 2003

LC Paper No. CB(3)593/01-02 - The Bill

2. The Bills Committee deliberated. (Index of proceedings attached at **Appendix**)
3. The Bills Committee requested the Assistant Legal Adviser 3 (ALA3) to scrutinize the Chinese version of the Committee Stage Amendments (CSAs) proposed by the Administration and to examine the drafting aspects of the Bill.

*(Post-meeting note: ALA3 subsequently confirmed that the English and Chinese versions of the CSAs proposed by the Administration were in order from the drafting point of view.)*

4. Members in general had not raised objection to the additional CSAs proposed by the Administration. They agreed that the Chairman of the Bills Committee would report to the House Committee on 27 June 2003 supporting the resumption of Second Reading debate of the Bill on 9 July 2003.

### **III Any other business**

5. There being no other business, the meeting ended at 12:08 pm.

Council Business Division 1  
Legislative Council Secretariat  
8 July 2003

**Proceedings of the meeting of the  
Bills Committee on Telecommunications (Amendment) Bill 2002  
on Tuesday, 24 June 2003, at 10:45 am  
in Conference Room B of the Legislative Council Building**

Time Marker	Speaker	Subject(s)	Action Required
000000 - 000115	Chairman	(a) Introductory remarks and confirmation of minutes of meeting on 13 June 2003. (b) Members noted the replacements sheets of the updated marked-up copy of the Committee Stage Amendments (CSAs) proposed by the Administration (as at 20 June 2003) to the Bill prepared by the Legal Service Division (LC paper No. CB(1)2052/02-03(01)) and of the additional CSAs proposed by the Administration (LC Paper No CB(1)2025/02-03(02)) tabled at the meeting.	
000116 - 000336	Chairman	(a) Members examined the updated marked-up copy of the CSAs proposed by the Administration to the Bill (LC Paper No CB(1)2050/02-03(01)). (b) Clause 1 of the Bill and proposed sections 2(1), 6D and 7(4)	
000337- 000647	Chairman Administration	(a) Proposed section 7P(1) (b) Proposed section 7P(1A): Time limit to commence investigation of completed M&As. (c) Proposed sections 7P(2) to (5)	
000648 - 001041	Chairman Administration Ms Emily LAU	Proposed section 7P(6): (a) Benefit to the public and TA's direction. (b) Publication of TA's opinion, direction or decision.	
001042 - 002100	Chairman Administration Assistant Legal Adviser 3 (ALA3)	(a) Proposed sections 7P(7) and 7P(8): TA to conduct consultation and consider relevant representations before forming an opinion, issuing a direction or making a decision. (b) Proposed sections 7P(9) and (10)	
002101 - 005030	Chairman Administration Mr Albert CHAN Ms Emily LAU ALA3 Mr MA Fung-kwok	Proposed sections 7P(11), 7P(11A) to 7P(11C): (a) Capping the recovery of costs and expenses incurred by TA at \$200,000 per case as specified in the new Schedule 3. (b) The recoverable amount specified in Schedule 3 might be adjusted having	

		<p>regard to operational experience.</p> <p>(c) Amendment of Schedule 3 had to be effected by subsidiary legislation subject to negative vetting by the Legislative Council.</p> <p>(d) Penalty for non-compliance with TA's direction issued under proposed section 7P(1).</p>	
005031 - 005208	Chairman Administration	Proposed sections 7P(12), 7P(12A), 7P(13)	
005209 - 011754	Chairman Administration Mr Howard YOUNG Mr Albert CHAN Ms Emily LAU Mr MA Fung-kwok	<p>(a) Proposed section 32L</p> <p>(b) Proposed section 32N(1A):</p> <p>(i) Members noted the latest version of the proposed section 32N(1A) tabled by the Administration at the meeting. (LC Paper No. CB(1)2067/02-03(01))</p> <p>(ii) The proposal to limit the scope of persons who might appeal to the Telecommunications (Competition Provisions) Appeal Board. Mr Albert CHAN was concerned that the proposal might not be conducive to safeguarding public interest but Mr Howard YOUNG and Mr MA Fung-kwok considered that it might help enhance certainty of M&amp;A transactions.</p> <p>(c) Proposed sections 32N(1B) and 32N(1C)</p>	
011755 - 011859	Chairman Administration	Proposed section 32O	
011900 - 012018	Chairman Members	<p>(a) Mr SIN indicated that as most of his proposed amendments would be taken up by the Administration, he would not move his proposed CSAs to the Bill.</p> <p>(b) Members in general had not raised objection to the additional CSAs proposed by the Administration. They agreed that the Chairman of the Bills Committee would report to the House Committee on 27 June 2003 supporting the resumption of Second Reading debate of the Bill on 9 July 2003.</p>	