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The Hon Selina Chow Liang Shuk-yee, JP
Chairman of the House Committee
Legislative Council Building
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Proposed Priority in the Scrutiny of Bills by Members

I am writing to suggest that priority be accorded by Members to the scrutiny of three bills, in the following order –

- (a) Revenue Bill 2002;
- (b) Revenue (No. 2) Bill 2002; and
- (c) United Nations (Anti-Terrorism Measures) Bill.

These bills were introduced into the Legislative Council on 17 April 2002.

Revenue Bill 2002 and Revenue (No. 2) Bill 2002

The two bills seek to implement the revenue proposals in the Budget 2002-03. The Revenue Bill 2002 increases the *ad valorem* duty on wine to 80% from the existing rate of 60%, whereas the Revenue (No. 2) Bill 2002 reduces the quantities of duty-free tobacco and alcoholic liquor that Hong Kong residents may bring back by 40% and 25% respectively.

The Public Revenue Protection (Revenue) Order 2002 has given legal effect to the proposal to increase the duty on wine for a maximum period of four months, with effect from 6 March 2002. The measure will cease to have effect as from 6 July 2002 unless the Revenue Bill 2002 is enacted by then into law by the Legislative Council. The proposed reduction in the quantities of duty-free tobacco and alcoholic liquor has yet to take effect, pending the enactment of the Revenue (No. 2) Bill 2002.

We suggest that first priority be allocated by Members to the scrutiny of these two Bills. We further suggest that the two revenue bills be referred to one Bills Committee for consideration, if Members decide to set up Bills Committees to scrutinize them.

United Nations (Anti-Terrorism Measures) Bill

We also propose that priority be accorded by Members to the scrutiny of the United Nations (Anti-Terrorism Measures) Bill. The Bill seeks to implement the mandatory elements of Resolution 1373 (UNSCR 1373) of the United Nations Security Council and certain recommendations of the Financial Action Task Force on Money Laundering (FATF).

Following the “9-11” attacks in the United States, the United Nations Security Council passed on 28 September 2001 the UNSCR 1373, which is binding on all Member States, to combat international terrorism on various fronts. Accordingly, the Central People’s Government instructed the HKSAR Government in October 2001 to implement the resolution under Articles 13 and 48(8) of the Basic Law.

At the same time, Hong Kong has been an active member, and the incumbent President, of the FATF. In response to the ‘9-11’ attacks, the FATF has made eight wide-ranging Special Recommendations to tackle the problem of terrorist financing. Members of the FATF are expected to implement the Special Recommendations by mid-2002.

Given the foregoing, it is essential for us to enact the United Nations (Anti-Terrorism Measures) Bill as early as possible so as to fulfil Hong Kong’s international obligation to combat terrorism and the financing of terrorism in particular.

I should be grateful if you would put forward our above suggestions for Members’ consideration at the coming House Committee meeting on 26 April 2002.

(Andrew H Y Wong)
Director of Administration