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The Hon Selina CHOW LIANG Shuk-ye, 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 the Telecommunications (Amendment) Bill 2002, which was introduced into the Legislative Council on 15 May 2002. The Bill proposes a clear and comprehensive framework for the regulation of mergers and acquisitions in the telecommunications market.

Mergers and acquisitions may significantly affect the level of competition in the telecommunications market, hindering its overall development in Hong Kong. At present, the Telecommunications Authority is empowered to regulate such activities, but only in cases that involve the transfer of licence or the transfer of shares in the licensee. Mergers and acquisitions nowadays do not necessarily take the form of such transfers. With the comprehensive regulatory framework proposed under the Bill, we are seeking to strengthen controls over mergers and acquisitions in the telecommunications market, so as to promote fair and effective competition. With this comprehensive regulatory regime, we would also remove the undue uncertainty faced by licencees at present, and enhance investors' confidence. We propose that priority be accorded by Members to the scrutiny of the Bill, in order to facilitate early implementation of the proposed regulatory framework for the telecommunications market.

I should be grateful if you would put forward the above suggestion for Members' consideration at the coming House Committee meeting on 21 June 2002.

(Andrew H Y Wong)
Director of Administration