

**Special Meeting of the
Legislative Council Panel on Commerce and Industry
Copyright (Suspension of Amendments) Ordinance 2001**

Purpose

This paper explains the rationale of the Government's proposal to extend the validity period of the relevant provisions of the Copyright (Suspension of Amendments) Ordinance 2001 ("the Suspension Ordinance") by 12 months, and reports on the progress of drafting the amendment bill on end user criminal liability.

Background

2. The commencement of the criminal provisions for possessing pirated articles in the course of business in April 2001 had aroused public concern that the new law impaired the dissemination of information in enterprises and teaching in schools. The Suspension Ordinance was passed in June 2001 to suspend the new law except as it applied to computer programs, movies, television dramas and musical recordings.

3. The relevant provisions on the suspension will expire on 31 July 2002. According to section 3 of the Suspension Ordinance, the Secretary for Commerce and Industry may by notice published in the Gazette before the expiry date amend that date. Such a notice is subject to the approval of the Legislative Council ("the LegCo").

4. After wide consultation, we proposed in February this year to make the suspension arrangement permanent. This proposal was supported by the LegCo Panel on Commerce and Industry.

Rationale for Extending the Validity Period

5. We are carefully drafting the amendment bill with a view to introducing it into LegCo as soon as possible. To ensure that LegCo will have sufficient time to scrutinize the bill, the Government proposes to extend the validity period of the suspension arrangements by 12 months till 31 July 2003.

6. The suspension arrangements are widely accepted by the community. No implementation problems have arisen so far. As such, extending the validity period should not cause any problem. The effect of the Suspension Ordinance is by and large the same as the amendment bill being drafted.

Draft Amendment Bill

7. We will present a draft amendment bill to the LegCo Panel on Commerce and Industry at its meeting on 8 July to seek Members' views on it, so that we could expedite its introduction into LegCo early in the next legislative session.

Commerce and Industry Bureau
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