

**立法會**  
**Legislative Council**

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**Legislative Council**  
**Panel on Information Technology and Broadcasting**  
**Panel on Security**

**Joint meeting on Thursday, 20 December 2001, at 4:30 pm**  
**in the Chamber of the Legislative Council Building**

**Members present** : Panel on Information Technology and Broadcasting

Hon SIN Chung-kai (Chairman)  
Dr Hon David CHU Yu-lin, JP  
Hon Eric LI Ka-cheung, JP  
Hon CHAN Kwok-keung  
Hon Emily LAU Wai-hing, JP  
Hon Albert CHAN Wai-yip  
Hon LAW Chi-kwong, JP  
Hon MA Fung-kwok

Panel on Security

Hon James TO Kun-sun (Chairman)  
Hon LAU Kong-wah (Deputy Chairman)  
Hon Margaret NG  
Hon Andrew WONG Wang-fat, JP  
Hon Ambrose LAU Hon-chuen, GBS, JP  
Hon Audrey EU Yuet-mee, SC, JP

**Members absent** : Panel on Information Technology and Broadcasting

\* Hon Howard YOUNG, JP (Deputy Chairman)  
Hon Kenneth TING Woo-shou, JP  
Dr Hon Philip WONG Yu-hong

Hon YEUNG Yiu-chung, BBS  
Hon Timothy FOK Tsun-ting, SBS, JP

Panel on Security

Hon Albert HO Chun-yan  
Dr Hon LUI Ming-wah, JP  
Hon Mrs Selina CHOW LIANG Shuk-ye, JP  
Hon CHEUNG Man-kwong  
Hon WONG Yung-kan  
Hon IP Kwok-him, JP

(\* Also member of the LegCo Panel on Security)

**Public officers attending** : Agenda Item II

Mrs Carrie YAU, JP  
Secretary for Information Technology and  
Broadcasting

Ms Joyce TAM  
Principal Assistant Secretary for Information  
Technology and Broadcasting

Miss Sabrina LAW  
Assistant Secretary for Information Technology and  
Broadcasting

Mr Alan CHU  
Principal Assistant Secretary for Security

Miss May CHAN  
Assistant Secretary for Security

Mr P C LUK, JP  
Postmaster General

Mr Stephen MAK  
Deputy Director of Information Technology Services

Mr T P WONG  
Deputy Director of Immigration

Mrs Judy LI  
Assistant Commissioner of Transport

Ms Michelle CHAU  
Assistant Director of Leisure and Cultural Services

Mr Michael CHUNG  
Senior Manager of Post Office

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

**Staff in attendance** : Ms Cindy CHENG  
Senior Assistant Secretary (1)1

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## **I Election of Chairman**

Mr SIN Chung-kai presided at the election of Chairman for the joint Panel meeting. He invited nominations for the Chairmanship. Mr SIN Chung-kai was nominated by Mr James TO Kan-sun and seconded by Miss Emily LAU. Mr SIN accepted the nomination. There being no other nomination, Mr SIN Chung-kai was declared Chairman of the joint meeting.

## **II Briefing by the Administration on non-immigration applications for incorporation into the Smart ID card and Registration of Persons (Amendment) Bill 2001**

(LC Paper No. CB(1)666/01-02(01) and LegCo Brief on Registration of Persons (Amendment) Bill 2001 (Ref: SBCR 1/1486/91))

2. At the invitation of the Chairman, the Secretary for Information and Technology and Broadcasting (SITB) informed the meeting that the Administration would like to brief members on its plans to issue a smart ID card as a replacement for the current one. To provide for the introduction of the new ID card, legislative amendments to the Registration of Persons (ROP) Ordinance (Cap 177) and the ROP Regulations would be required. As the relevant Bill would be published in the Gazette the following week (i.e. 28 December 2001), the Administration took the opportunity to brief members on details of the exercise beforehand. SITB then gave a powerpoint presentation on the non-immigration applications for incorporation into the smart ID Card. (The presentation notes were tabled at the meeting and issued after the meeting vide LC Paper No. CB(1)666/01-02(02))

3. The Principal Assistant Secretary for Security also briefed members on the legislative amendments to ROP Ordinance as necessitated by the introduction of the smart ID card. With the introduction of the new smart ID

card with multi-application capacity, the Administration had identified four major areas which would require amendments. They were provisions relating to -

- (a) changes brought about by the smart element of the new identity card and new work processes;
- (b) the inclusion of non-immigration applications in the new ID card;
- (c) the protection of data privacy; and
- (d) the launching of an ID card replacement exercise.

4. Although the meeting was called at a short notice, Miss Emily LAU nevertheless expressed appreciation that the Administration had made the necessary arrangement to brief the members on the subject before the gazettal of the Registration of Persons (Amendment) Bill 2001 in the following week. She remarked that other bureaux should also adopt the practice to brief Members in a timely manner on major issues before making public announcements.

*Inclusion of non-immigration applications in the smart ID card*

5. SITB highlighted a major advantage of a smart ID card that in addition to immigration-related applications, the chip embedded in the card would enable the card to be used for multiple applications which would be highly convenient for citizens. The Administration had also conducted feasibility studies on the applications for digital certificate; driving licence; library card; change of address; and e-purse. She stressed that inclusion of non-immigration applications in the ID card would be entirely voluntary.

6. Noting that the Administration would propose to provide for the inclusion of non-immigration applications in the new ID card by adding new provisions in the ROP Ordinance, Mr James TO Kun-sun asked if any legislative amendments to the existing Ordinance would be required again in future for any new inclusion in the smart ID card. The Chairman also asked if such changes brought about by the new ID card would be reflected in proposed amendments to the Schedule(s) to the ROP Regulations.

7. In response, SITB advised that to provide for the incorporation of multi-applications on the ID card, a new Schedule would also be added to the ROP Regulations setting out clearly the non-immigration applications that required storage of additional data in the chip or printed on the card surface. The Deputy Director of Immigration (DD of Imm) added that amendments to other legislation would also be needed, but such amendments would be submitted to LegCo for vetting/consideration separately. Miss Emily LAU welcomed the voluntary nature of the proposal to include non-immigration functions. She

nevertheless cautioned that the Administration should carefully examine the type of commercial applications, if any, to be included into the smart ID card so as to avoid any unnecessary competition with the commercial sector.

### *Driving Licence*

8. Referring to paragraph 14(a) of the paper about using the smart ID card as the driving licence, Mr LAU Kong-wah enquired about enforcement procedures by the Police. In reply, the Assistant Commissioner for Transport explained that at present, drivers had to carry a physical driving licence while driving, and frontline policemen had to call back to the Police control centres if verification or additional information was required. After the Transport Department upgraded its transport licensing computer system by end 2004 and after the Police introduced their beat radio system by 2005/2006, citizens would no longer be required to carry a driving licence for traffic enforcement purposes. Enforcement by the frontline police would be carried out through direct checking of driving licence data in the backend computer systems. Police officers would use voice recognition or key pad to input the ID card number and retrieve the information required for enforcement in seconds. As for checking of driving licence information by other parties, this could be done through kiosks or the Internet after verification of identify using the e-Cert embedded in the chip of the smart ID card. Besides, a physical driving licence would continue to be issued to those who want one.

9. Mr Albert CHAN was concerned if the checking of driving licence data stored in backend computer systems would bring inconvenience to residents of Hong Kong when they drove abroad. He also enquired whether the use of a smart ID card would increase the difficulty in ascertaining the resident's identity while in overseas countries. In response, SITB pointed out that one could not expect a smart ID card to be suitable for all circumstances and purposes. Hong Kong residents would have to bring along the physical driving licence while driving abroad. She confirmed that all data imprinted on the smart ID card would be the same as those in the current card.

### *Digital Certificate*

10. As regards the issuing of the digital certificate (e-Cert) by the Hongkong Post for authentication of the identity of the parties involved in an electronic transaction, the Postmaster General (PMG) advised members that since 2000, Hongkong Post had been issuing e-Certs to individuals and business to authenticate the identity of the subscribers over the Internet. Hongkong Post e-Cert could enable safe and secure e-business and e-government transactions. However, only 45 000 Hongkong Post e-Certs had been issued so far. Despite the recent promotion programme to reduce the charge for the first time subscribers to only HK\$10 per certificate per year, only a small number of people had subscribed.

11. SITB supplemented that in order to increase the take-up rate for e-Certs which would in turn facilitate the development of e-business in Hong Kong, the Administration would embed the e-Cert issued by Hongkong Post into the card free of charge (for one year) in the ID card replacement programme. Hence, members of the public could obtain the e-Cert simply by opting in. SITB considered this a good opportunity of reaching 6.8 million people to create a deep infrastructure to push forward e-business and transactions through the Internet. It was expected that with the critical mass of users, the market would respond with more e-applications and subsequent take-up of e-Certs outside the free e-Cert period.

12. Mr Eric LI agreed that installing the free e-Certs issued by the Hongkong Post in the smart ID cards could help facilitate electronic transactions and promote the development of e-commerce. However, he was gravely concerned that with the support of the Government, the Hongkong Post was having an enormous advantage over other certification authorities (CAs). Given the prevalence of the ID Cards, he cautioned that Hongkong Post might be able to monopolize market opportunities for issuing e-Certs, thus displacing other corporations from taking part or competing in the business. He reiterated his reservation for the Government to engage in activities of such nature which might seriously undermine free and fair competition.

13. In this connection, Mr LI suggested that an open market should be created to help boost public interest and participation in e-commerce, and the Administration should consider allowing other CAs to compete with Hongkong Post in this regard.

14. In response, SITB confirmed that the Administration had considered the possibility of allowing CAs recognized under the Electronic Transactions Ordinance other than Hongkong Post to be permitted to load their e-Certs onto the chip. In technical terms, this was feasible. However, as a matter of policy, the Administration considered that at this stage, only Government applications should be provided on the smart ID card during the ID card replacement exercise. The Administration was concerned that if commercial applications were introduced at this stage, there could be unease among the public. Hence, the Administration would not wish to change its position lightly without full public backing.

15. In reply to Mr Eric LI's enquiry about the financial implications envisaged for the issue of free e-Certs by Hongkong Post, PMG advised that an estimated annual recurrent expenditure of HK \$8 million would be absorbed by the Hongkong Post Office Trading Fund. Mr Eric LI pointed out that coupled with the total non-recurrent expenditure of HK\$1.5 billion for the implementation of the new ID card project, the total commitment was considerable and could not easily be borne by any private enterprise. As such,

he reiterated his concern about fair competition and the market position of the Hongkong Post in the long run. His concern was shared by Miss Emily LAU. In this connection, the Chairman remarked that to maintain a level playing field, the Administration should look into the possibility of allowing e-Certs issued by other commercial CAs to be embedded onto the smart ID card as well.

16. In response, SITB pointed out that in respect of the scheme for Hongkong Post's e-Cert, if there was widespread public support for providing the option for e-Certs issued by recognized CAs other than HongKong Post to be allowed to be embedded onto the smart ID card, the Administration would be prepared to consider this option. In such circumstances, ID card holders could opt out of the free e-Cert scheme and choose to install the e-Certs of other recognized CAs after the smart ID cards had been issued to them.

#### *Access of information*

17. Miss Emily LAU asked if the ID Card holders could have access to his own personal data with the introduction of the new ID card. She was concerned whether the design of the smart ID card would also make it easier for unauthorized persons to access the data. In reply, DD of Imm advised that all immigration-related data would be available for viewing by the cardholder through self-service kiosks. To prevent identity theft, the thumbprint template stored on card might be used to authenticate the identity of the cardholder.

18. On Mr LAU Kong-wah's question about the access of other person's data on the smart ID card by a third party such as the employers and car rental companies, SITB advised that before anyone had access to others' information, he/she should be careful not to breach any legislative provision for so doing. It would be an offence for the employers and car rental companies to have unauthorized access to other persons' personal data without due authorization.

19. As to the locations where individual ID card holders could access their data, SITB advised that the access of immigration-related data would be available only in a safe environment, probably indoor and inside the premises of the Immigration Department. As regards the access of non-immigration data, e.g. driving licence data, consideration would be given to upgrading the existing kiosks under the Electronic Service Delivery (ESD) Scheme, to facilitate any user who wished to check non-immigration related data in the backend computer system through the ESD network. Implementation details on access to immigration and non-immigration data would be worked out at a later stage.

20. Miss Emily LAU enquired whether any agency, such as the Police, would have access to all encrypted data stored in the smart ID card. In reply, DD of Imm confirmed that there was no sharing of database between government departments and there was no central database holding all the

information. Data for different applications on card would be held in the computer systems of the relevant departments only and segregated in a secure manner by using advanced security technologies. In other words, each department concerned could only have access to those data which were relevant for its own purposes.

*Choice and Privacy issues*

21. Mr James TO Kun-sun sought the Administration's undertaking that the general public would have a choice on any non-immigration functions to be embedded in the smart ID card. In response, SITB assured members that the Administration had taken full cognizance of Members' and the public's concerns over choice and privacy. None of the proposed applications would be compulsory. The e-Cert was optional and free. The driving licence function simply used new technology to access data currently already in backend computers, and in a way that obviated citizens from carrying a driving licence. The library card was also optional. Members of the public would be free to choose whether or which value-added applications were to be incorporated in the new ID card.

22. Noting from section 4 of the ROP Regulations that every person who applied for registration for an identity card had to submit his full personal name and surname, the residential and business addresses, the full personal names and surnames, ages and sex of his children etc., Mr James TO Kun-sun was concerned that in issuing ID cards, the Administration was in fact trying to collect sensitive personal data which could be used for purposes other than the ROP Ordinance. In response, DD of Imm confirmed that the personal data to be collected would be no more than those collected in respect of the existing ID card. Some personal information, such as the occupation of the citizen was required for purposes under other ordinances such as the Jury Ordinance (Cap. 3). However, the collection, storage, use and disclosure of data would have to comply fully with the Personal Data (Privacy) Ordinance.

23. Miss Margaret NG commented that the privacy issues should be adequately addressed. Having regard to the legal requirement in the ROP Regulations for the applicant of ID card to furnish the authority with some sensitive personal particulars, she sought to put on record her request that the Administration should seriously take note of members' concern about data privacy in the scrutiny of the Registration Of Persons (Amendment) Bill 2001. Notwithstanding the existing practice, Miss NG considered that the Administration should conduct a review on whether the existing scope of personal data required to be provided was really necessary. Sharing her view, Mr Andrew WONG Wang-fat agreed that the Administration should take this opportunity to review the legislative provisions. He concurred that ID card applicants should be required to submit the minimal necessary personal data.



*Other concerns*

24. Mr CHAN Kwok-keung asked about the life expectancy of the smart ID card, the material used for the card as well as the time and cost required for the replacement of an ID card. In reply, DD of Imm said that Polycarbonate, a durable base material, would be used for the card. As it was stipulated in the tendering document that the chip should support usage for 100 000 times, it was estimated that the smart ID card would have a life expectancy for 10 years. Less time would be required for processing a replacement ID card because personal data and thumbprints of the cardholder would have been stored in the database of the departments concerned. As regards the cost of replacement, it would be determined at a later stage but it would be set at a reasonable rate.

25. To provide greater convenience, Mr LAU Kong-wah enquired on the feasibility of developing e-legal tender by incorporating the e-Park cards and the adding-value features of the Octopus onto the smart ID card. In this connection, he requested the Administration to conduct a feasibility study on e-legal tender in view of changes in market demand. In response, SITB advised members that the Hong Kong Monetary Authority (HKMA) had recently completed a Review of Retail Payments Services in Hong Kong. The HKMA had concluded that the international development of e-legal tender was yet to mature. The Administration would consult relevant LegCo Panels before taking a firm view on whether and how any e-purse functions might be incorporated into the chip. SITB stressed that the community had diverse views/suggestions on the inclusion of commercial value-added applications in the smart ID card. It was necessary for the Administration to consult widely and examine the views before making its decision. Nevertheless, the Administration would continue to explore the best use of the smart card technology and consult Members when formulating proposals.

26. Given the multiple functions of the smart ID card, Miss Emily LAU was concerned that loss of the card would cause much inconvenience to the cardholders. In response, SITB remarked that measures would be taken to minimize the inconvenience caused by card loss. However, she stressed that individual cardholders should also take proper care to safeguard the security of their own ID card.

27. Miss Emily LAU referred to an earlier demonstration on automated customs clearance and queried the efficiency of the new smart ID card in speeding up passenger clearance. In response, DD of Imm explained that the said demonstration was on biometric identification technology. It might well be that because the ID card holders were not familiar with the kiosk operations, the processing time per passenger per se might not be faster than that under the existing mode initially. However, with the provision of a platform for automated passenger clearance at immigration control points, Immigration Department would be able to open more self-service counters for the travelling

public. As such, overall passenger clearance would be sped up and waiting time greatly reduced. Subject to separate feasibility studies, details such as the design and number of counters at various control points would be examined and Members would be informed in due course.

28. There being no other business, the meeting ended at 5:55 pm.

Legislative Council Secretariat

31 January 2002