### Panel on Commerce and Industry

### List of outstanding items for discussion

(position as at 11 June 2004)

1.	<b>Reports by Heads of Hong Kong Economic and Trade Offices</b>	<u>Proposed timing</u> <u>for discussion*</u>
	The Heads, ETOs will meet in Hong Kong in the week commencing 12 July 2004. They will attend the meeting of the Panel on Commerce and Industry (CI Panel) on 12 July 2004.	July 2004
2.	Hong Kong's Post-2004 Textiles Control Arrangements	
	Under the World Trade Organization Agreement on Textiles and Clothing, all quantitative restrictions on textiles and clothing products will be eliminated on 1 January 2005. The Administration has suggested to brief the Panel on the proposed configuration of the post-2004 textiles control system of Hong Kong at the July meeting.	July 2004
3.	Border Industrial Zone	
	Item proposed by Mrs Sophie LEUNG. While expressing concern on the Government's stance and the latest development of the proposal, Mrs LEUNG would like to be briefed on the Administration's response to the views given by different sectors on issues relating to the proposal including the economic integration between Hong Kong and Shezhen, potential for attracting foreign investment, opportunities for improving the local employment situation, development of high value-added	To be confirmed

LEUNG's note attached). Noting that the officials of the Shenzhen Municipal Government and the Government of the Hong Kong Special Administrative Region would meet on 19 June 2004 and discuss on matters concerning the co-operation between both places, including the setting up of the border industrial zone. Mrs Sophie LEUNG has

setting up of the border industrial zone, Mrs Sophie LEUNG has proposed that the Administration should be invited to brief the Panel on the subject and the outcome of the discussion in July 2004.

industries, relaxation of land use in border area, etc. (copy of Mrs

Since the Planning Department is currently consolidating the views received during the HK2030 Stage 3 Consultation exercise and formulating the Government's response, the Administration has proposed to brief the Panel on the subject at a later stage.

\* The meeting where the item will be discussed will be subject to confirmation nearer the time.

To be confirmed

## 4. Draft Copyright (Prescription of Copyright Registers) Regulation

Item discussed at the meeting on 12 May 2003. Members noted the Administration's proposal of prescribing the copyright registers maintained by the United States, Canada and India with a view to simplifying the proof of copyright ownership in legal proceedings under section 121(2) of the Copyright Ordinance (Cap.528). Members asked the Administration to consider the setting up of a copyright register in Hong Kong. The Administration undertook to consider members' views and revert to the Panel in due course.

# 5. Unauthorized downloading of copyright works from the Internet

Item raised at the special meeting of the Panel on Information To Technology and Broadcasting (ITB Panel) on 25 March 2004 in connection with the discussion on "Measures to facilitate the development of film industry". Organizations attending the meeting pointed out that with the advancement in technology, there has been an increase in activities relating to making available movie products on the Internet for access and downloading through various means of transfer, in particular, the so called peer to peer transfer (P2P network) by users without the authorization of the copyright owners concerned. They considered that the act of making available infringing copies through the P2P network should be sanctioned, lest the wellbeing of the creative industries would be adversely affected.

Since copyright issues relating to the unauthorized downloading of movie and musical products from the Internet fall within the purview of the CI Panel. Members of the ITB Panel agreed that the CI Panel should be invited to explore the subject further in conjunction with the Administration and deputations.

The Administration is in the course of examining the possible criminal liabilities involved on the copyright side under the current law when there is the sharing of infringing materials through P2P networks. The Administration will report to the Panel on the findings in due course. To be confirmed

- 2 -

#### Proposed timing for discussion\*

#### 6. **Review of the Applied Research Fund (ARF)**

Item referred by the Public Accounts Committee (PAC) arising from its examination of the Director of Audit's Report (LC Paper No. CB(1)2060/03-04(01) issued on 7 June 2004) on the funding of projects under the ARF. In examining the costs and achievements of the ARF. PAC noted the Audit's recommendation that the Secretary for Commerce, Industry and Technology should take the lead to critically review the role of the ARF having regard to the losses incurred.

PAC agreed that the subject matter, in particular the feasibility of continuing the ARF should be referred to the CI Panel for further discussion. The PAC's report on the funding of projects under the ARF will be tabled at the Council meeting on 7 July 2004.

The Administration has advised that a comprehensive review on the ARF is now underway and the target date of completion of the review will be approximately November 2004. The Administration will report to the Panel the outcome of the review in due course.

#### 7. Impact of the Mainland and Hong Kong Closer Economic **Partnership Arrangement (CEPA)**

Members were updated on the progress of the implementation of CEPA at the meeting on 10 May 2004. The Administration has advised that a quantitative survey and analysis of the economic impact, including that on local employment will be conducted 9 months after CEPA's implementation. to 12 The Administration will revert to the Panel in due course.

**Council Business Division 1** Legislative Council Secretariat 11 June 2004

\* The meeting where the item will be discussed will be subject to confirmation nearer the time.

#### To be confirmed

To be confirmed