

Panel on Commerce and Industry

List of outstanding items for discussion
(position as at 15 October 2004)

Proposed timing
for discussion

1. 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. Some members suggested that the Administration should consider setting up a high-level committee comprising representatives from the Government and business leaders to explore innovative ways to leverage on the opportunities brought about by CEPA.

End 2004/
early 2005

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

An information paper provided by the Administration summarizing the outcome of the recent Government's discussion with the Mainland on further liberalization of trade in goods and services under CEPA has been circulated vide LC Paper No. CB(1)2500/03-04 on 27 August 2004 for members' reference.

2. 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.

To be confirmed

**Proposed timing
for discussion**

3. Unauthorized downloading of copyright works from the Internet

Item raised at the special meeting of the Panel on Information 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 well-being of the creative industries would be adversely affected.

To be confirmed

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.

4. Review of the Innovation and Technology Fund (ITF) and Applied Research Fund (ARF)

Item raised at the Panel meeting on 13 April 2004 in connection with the discussion of the "Strategic Framework for Innovation and Technology Development". The Administration undertook to conduct a detailed review on ITF and ARF in the context of the new strategic framework.

To be confirmed

In examining the Director of Audit's Report on the funding of projects under the ARF (relevant extract of the Report issued vide LC Paper No. CB(1)2060/03-04(01) on 7 June 2004), the Public Accounts Committee (PAC) noted the Audit's recommendation that the Secretary for Commerce, Industry and Technology should take the lead to critically review the role of ARF having regard to the various factors outlined in the Report.

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PAC agreed that the subject matter, in particular the review on the future positioning of ARF, should be referred to the CI Panel for further discussion. The PAC's report on the funding of projects under the ARF has been tabled at the Council meeting on 23 June 2004.

The Administration has advised that both ITF and ARF are being reviewed under the new strategic framework, 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.

5. Measures for monitoring the operation of the AsiaWorld-Expo (AWE)

Item discussed at the Panel meeting on 12 July 2004. It has been proposed that the Panel may consider exploring the subject further with the Administration in the next term having regard to members' concern about the measures in place for monitoring and ensuring the effective operation of the AsiaWorld-Expo.

To be confirmed

6. Impact of economic restructuring

Mrs Sophie LEUNG suggested that the Panel may wish to examine in conjunction with the Administration the impact of economic structuring on individual trades and industries, such as the transformation of Hong Kong's manufacturing industries.

To be confirmed

7. Improving the business environment

Issues relating to improving the business environment were last discussed at the Panel meeting on 10 June 2002 and on 10 May 2004.

To be confirmed

The same subject has been covered in paragraphs 16 to 18 of the Chief Executive's 2004 Policy Address. Mrs Sophie LEUNG has expressed her view, inter alia, that the Government should strive to provide the business and industrial sectors with an "enabling environment."

Members have been briefed on 13 April 2004 on a reorganization proposal involving the Commerce, Industry and Technology Bureau and Financial Service and the Treasury Bureau to provide support to the Economic and Employment Council (EEC) which

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for discussion**

was established in January 2004. The proposal was subsequently endorsed and approved by the Finance Committee by the Establishment Subcommittee on 28 April 2004 and on 14 May 2004 respectively.

At the Panel meeting held on 12 October 2004, Mrs Sophie LEUNG recapped her concern about the importance of an "enabling" business environment. She said that the Panel may wish to explore the subject further with the Administration and that in due course, the Panel may consider requesting the Research and Library Services Division of the Secretariat to conduct some research on the subject.

Council Business Division 1
Legislative Council Secretariat
15 October 2004