

## **Review of the Electronic Transactions Ordinance**

As reported in the information paper on "Outsourcing the Operation of Hongkong Post Certification Authority" issued to Members on 3 November 2006, the Government awarded a contract to E-Mice Solutions (HK) Limited to operate the e-Cert services of Hongkong Post Certification Authority (HKPCA) for four years from 1 April 2007 until 31 March 2011. The objective of outsourcing the service is to generate a self-financing public CA operation and to further drive the utilization of e-Cert.

The contractor took over the e-Cert operations on 1 April 2007. Notwithstanding the contracting-out arrangement, the Postmaster General remains as a recognized CA under the Electronic Transactions Ordinance (ETO). The Government will work with the e-Cert operator in striving to improve the user-friendliness and portability of digital certificate services to facilitate the conduct of e-government and e-commerce transactions in a simple and secure manner. With growing community awareness on the lurking threats on information security, the availability of a Public Key Infrastructure is vital to safeguard the continued development of e-business. We will monitor the performance of the contractor to ensure that the operation of digital certificate services continue to abide by the ETO, the Code of Practice for recognized CAs, Government security rules and regulations and the Personal Data (Privacy) Ordinance. Currently we do not see the need to revise the ETO in respect of the provision of digital certificate services.

The primary reason for including the review of the ETO as a tentative item in the agenda of June's meeting is to cater for the possible need to review the role of the Postmaster General as a public CA under the ETO in case the e-Cert services could not be outsourced. Since this possibility has fallen away with the successful take-over of e-Cert operations by the contractor on 1 April 2007, there is no need to raise this item for discussion in the ITB Panel.