立法會 Legislative Council

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Finance Committee of the Legislative Council

Minutes of the 42nd meeting held at Conference Room 1 of the Legislative Council Complex on Friday, 26 May 2017, at 3:30 pm

Members present:

Hon CHAN Kin-por, BBS, JP (Chairman) Hon Michael TIEN Puk-sun, BBS, JP (Deputy Chairman) Hon LEUNG Yiu-chung Hon Abraham SHEK Lai-him, GBS, JP Hon Tommy CHEUNG Yu-yan, GBS, JP Prof Hon Joseph LEE Kok-long, SBS, JP Hon Jeffrey LAM Kin-fung, GBS, JP Hon WONG Ting-kwong, SBS, JP Hon Starry LEE Wai-king, SBS, JP Hon CHAN Hak-kan, BBS, JP Hon Mrs Regina IP LAU Suk-yee, GBS, JP Hon Paul TSE Wai-chun, JP Hon LEUNG Kwok-hung Hon Claudia MO Hon Steven HO Chun-yin, BBS Hon Frankie YICK Chi-ming, JP Hon YIU Si-wing, BBS Hon MA Fung-kwok, SBS, JP Hon Charles Peter MOK, JP Hon CHAN Chi-chuen Hon LEUNG Che-cheung, BBS, MH, JP Dr Hon KWOK Ka-ki Hon Dennis KWOK Wing-hang Hon Christopher CHEUNG Wah-fung, SBS, JP

Dr Hon Fernando CHEUNG Chiu-hung Dr Hon Helena WONG Pik-wan Hon IP Kin-yuen Dr Hon Elizabeth QUAT, JP Hon Martin LIAO Cheung-kong, SBS, JP Hon POON Siu-ping, BBS, MH Ir Dr Hon LO Wai-kwok, SBS, MH, JP Hon CHUNG Kwok-pan Hon Alvin YEUNG Hon Andrew WAN Siu-kin Hon CHU Hoi-dick Hon Jimmy NG Wing-ka, JP Dr Hon Junius HO Kwan-yiu, JP Hon LAM Cheuk-ting Hon Holden CHOW Ho-ding Hon SHIU Ka-fai Hon SHIU Ka-chun Hon YUNG Hoi-yan Dr Hon Pierre CHAN Hon CHAN Chun-ying Hon Tanya CHAN Hon CHEUNG Kwok-kwan, JP Hon LUK Chung-hung Hon LAU Kwok-fan, MH Dr Hon CHENG Chung-tai Hon KWONG Chun-yu Hon Jeremy TAM Man-ho Dr Hon YIU Chung-yim Dr Hon LAU Siu-lai

Members absent:

Hon James TO Kun-sun Dr Hon Priscilla LEUNG Mei-fun, SBS, JP Hon WONG Kwok-kin, SBS, JP Hon WU Chi-wai, MH Hon CHAN Han-pan, JP Hon Kenneth LEUNG Hon Alice MAK Mei-kuen, BBS, JP Hon KWOK Wai-keung Dr Hon CHIANG Lai-wan, JP Hon HO Kai-ming Hon Wilson OR Chong-shing, MH Hon HUI Chi-fung Hon Kenneth LAU Ip-keung, MH, JP Hon Nathan LAW Kwun-chung

[According to the Judgment of the Court of First Instance of the High Court on 14 July 2017, LEUNG Kwok-hung, Nathan LAW Kwun-chung, YIU Chung-yim and LAU Siu-lai have been disqualified from assuming the office of a member of the Legislative Council, and have vacated the same since 12 October 2016, and are not entitled to act as a member of the Legislative Council.]

Public officers attending:

Ms Elizabeth TSE Man-yee, JP	Permanent Secretary for Financial
	Services and the Treasury (Treasury)
Ms Carol YUEN, JP	Deputy Secretary for Financial
	Services and the Treasury (Treasury) 1
Mr Alfred ZHI Jian-hong	Principal Executive Officer (General),
	Financial Services and the Treasury
	Bureau (The Treasury Branch)
Mr John LEE Ka-chiu, PDSM,	Under Secretary for Security
PMSM, JP	
Mr Andrew TSANG Yue-tung	Principal Assistant Secretary for
	Security (E)
Mr Stanley CHUNG Siu-yeung	Assistant Commissioner of Police
	(Crime)
Mr Anthony TSANG Ching-fo	Senior Superintendent (Cyber Security
·	and Technology Crime Bureau), Hong
	Kong Police Force
Dr Frank LAW Yuet-wing	Superintendent (Cyber Security and
C	Technology Crime Bureau), Hong
	Kong Police Force
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Clerk in attendance:

Ms Anita SIT Assistant Secretary General 1

Staff in attendance:

Mr Derek LO	Chief Council Secretary (1)5
Ms Ada LAU	Senior Council Secretary(1)7
Mr Raymond SZETO	Council Secretary (1)5
Mr Frankie WOO	Senior Legislative Assistant (1)3
Miss Yannes HO	Legislative Assistant (1)6

Action

Item No.1 — FCR(2017-18)3 RECOMMENDATION OF THE ESTABLISHMENT SUBCOMMITTEE MADE ON 21 FEBRUARY 2017

EC(2016-17)23 HEAD 122 —HONG KONG POLICE FORCE Subhead 000 —Operational expenses

The Finance Committee ("FC") continued with the deliberation on item FCR(2017-18)3. <u>The Chairman</u> said that this item was about the recommendation of the Establishment Subcommittee made at its meeting held on 21 February 2017 concerning the creation of a post of Chief Superintendent of Police ("CSP") in the Hong Kong Police Force ("HKPF") to head the Cyber Security and Technology Crime Bureau ("CSTCB") with effect from the date of approval by FC.

<u>The Police's capability in combating technology crimes and its</u> <u>investigative approach</u>

2. <u>Dr Elizabeth QUAT</u> supported the creation of the proposed post. <u>Mr Jeremy TAM</u> asked how the creation of the post could help strengthen the Police's capability in combating technology crimes. <u>Mr SHIU</u> <u>Ka-chun</u> asked how the Police defined "technology crimes" and questioned why the Police did not deploy existing officers from the Crime Wing to tackle such crimes.

3. <u>Under Secretary for Security</u> ("USS") and <u>Assistant Commissioner</u> of Police (Crime) ("ACP(C)") responded that:

> (a) if computer systems were targeted by media of criminal acts or criminals during their attacks, the cases could then be defined as technology crimes;

- (b) in response to the development trend of technology crimes, the Police had practical needs to establish CSTCB and increase the level of manpower dedicated to combating technology crimes; and
- CSTCB was currently led by a Senior Superintendent of (c) Holder of the proposed CSP post was Police ("SSP"). required to be equipped with more extensive knowledge and experience in the relevant fields, and the ability to more effectively coordinate the Police's measures in combating technology crimes and cyber attacks, strengthen the exchange of experience between the Police and international organizations in combating technology crimes, and formulate objectives, policies and long-term strategies for CSTCB in a more forward-looking manner.

4. <u>Mr CHAN Chi-chuen</u> was concerned about whether CSTCB would hack into the computer systems of members of the public to collect crime evidence. He suggested that the Administration should make arrangements for closed meetings with or visits to CSTCB by Members for the purpose of elaborating to Members the crime investigation practices adopted by CSTCB.

5. <u>USS</u> and <u>ACP(C)</u> stated that it was inappropriate for the Police to divulge their crime investigation practices because criminals might take advantage of such information when committing crimes. If necessary, the Police could arrange briefings for Members to deepen their understanding of the work of CSTCB.

6. In regard to cyber patrol, <u>Mr Jeremy TAM</u> and <u>Mr Alvin YEUNG</u> asked how the Administration could make the public become aware that police officers would conduct cyber patrols; and how the Police formulated guidelines for cyber patrols, supervised the performance of police officers in carrying out cyber patrol duties and assessed the effectiveness of cyber patrols. <u>Mr TAM</u> asked about the amount of police manpower and resources devoted to this area of work at present and in future. <u>Ms Tanya CHAN</u> asked about the number of criminal cases that were cracked by cyber patrols in recent years.

- 7. <u>USS</u> and <u>ACP(C)</u> replied that:
 - (a) the Intelligence & Support Division under CSTCB was responsible for gathering operational and tactical intelligence, and the means of gathering operational intelligence included cyber patrols;
 - (b) officers from other departments of HKPF would also conduct cyber patrols on a need basis, while the objectives and frequency of cyber patrols depended on the nature of the targeted criminal activities;
 - (c) it was mandatory for police officers to report to supervisors after performing cyber patrol duties;
 - (d) most of the laws in the real world were applicable to online activities. The Police had always been publicizing this message through various channels; and
 - (e) the Police had not maintained statistics on the number of criminal cases that were cracked by cyber patrols.

8. <u>Ms Tanya CHAN</u> asked about the measures that CSTCB had put in place to deal with the spread of WannaCry, an encrypted ransomware, as well as the division of work between CSTCB and the Government Computer Emergency Response Team Hong Kong ("GovCERT.HK").

9. <u>Superintendent (Cyber Security and Technology Crime Bureau),</u> <u>Hong Kong Police Force</u> ("SP(CSTCB)") said that after CSTCB had detected the said ransomware, it immediately gathered information on the ransomware and exchanged intelligence with the Hong Kong Computer Emergency Response Team Coordination Centre and GovCERT.HK. Relevant information was released to the stakeholders (e.g. persons in charge of critical infrastructures) and the public on the next day to enhance their security awareness and prevent the attack of computer systems by the ransomware.

10. <u>Dr YIU Chung-yim</u> pointed out that according to the supplementary information provided by the Administration on 18 May 2017 (LC Paper No. FC143/16-17(01), the crime figures on online business fraud and unauthorized access to computers had shown a downward trend in recent years. He asked about the reasons for that.

11. <u>USS</u> and <u>ACP(C)</u> responded that the above crime figures had continued to decline in recent years because of the work in various areas, e.g. enhanced public awareness of technology crimes through public education and publicity, and the success of the Police in smashing technology crime syndicates.

<u>Staffing establishment of the Cyber Security and Technology Crime</u> <u>Bureau and educational attainment of its personnel</u>

12. <u>Mr Jeremy TAM</u> questioned the reasons why the Administration had not deleted the existing SSP post in tandem with the creation of the proposed CSP post if the main duty of the proposed CSP post was to head CSTCB, so as to streamline the organizational structure of CSTCB.

13. <u>USS</u> responded that:

- (a) as CSTCB was currently experiencing manpower shortage, the deletion of the existing SSP post would go contrary to the original intention of the Administration of increasing the overall manpower of CSTCB; and
- (b) the proposed organizational structure of CSTCB (comprising a CSP and an SSP) was similar to the organizational structures of other bureaux with crime investigative functions under the Crime Wing of HKPF.

14. <u>Ms Tanya CHAN</u> enquired about the educational qualifications attained by CSTCB's police officers.

15. <u>USS</u> and <u>ACP(C)</u> stated that among the police officers stationed in CSTCB, 98% had computer/information technology qualifications, of which 12 possessed Master or Doctorate Degrees. Some police officers were INTERPOL's certified trainers, qualified to provide professional training for the law enforcement agencies ("LEAs") in other jurisdictions in the area of cyber security and technology crimes.

In-house training on technology crimes

16. <u>Mr Charles Peter MOK</u> believed that the Police should provide in-house training to enhance frontline police officers' understanding of technology crimes so as to provide more timely assistance to those in need (such as those whose computers had been hacked). - 8 -

17. <u>ACP(C)</u> said that the Police had been providing in-house training, seminars, etc. for frontline police officers so that they could better understand the trend of technology crimes. There were also arrangements for some police officers to participate in professional training held overseas.

Intelligence exchange and international cooperation

18. <u>Dr Fernando CHEUNG</u> asked whether the Administration had signed any intelligence exchange agreements with the Mainland authorities; if it had, what the principles of intelligence exchange between the two sides were. <u>Dr CHEUNG</u>, <u>Mr LEUNG Yiu-chung</u> and <u>Dr KWOK Ka-ki</u> asked, in the case of an act which was an offence under the legislation in the Mainland but was not considered illegal in Hong Kong, and a request was made by the Mainland authorities for intelligence exchange regarding such an act, whether the Administration was required to accede to such a request. <u>Dr KWOK</u> asked about the number of cases in which the Hong Kong Police had provided intelligence to Mainland LEAs in the past few years.

- 19. $\underline{\text{USS}}$ and $\underline{\text{ACP}(C)}$ replied that:
 - (a) the general principles of intelligence exchange between the Hong Kong Police and the police agencies in other jurisdictions included keeping the intelligence confidential, intelligence obtained from such exchange not to be divulged to any third party, etc., and the activities involved must be an alleged criminal offence under the laws of Hong Kong. Either party had the right to refuse the request for intelligence exchange made by another party; and
 - (b) the Police had not maintained statistics on the number of cases in which intelligence was provided to Mainland LEAs.

20. <u>Dr YIU Chung-yim</u> requested the authorities to elaborate on the situation of intelligence exchange between the Hong Kong Police and other police agencies on the prevention of technology crimes and cyber attacks.

21. <u>Senior Superintendent (Cyber Security and Technology Crime</u> <u>Bureau), Hong Kong Police Force</u> illustrated with an example that the Hong Kong Police had cooperated with LEAs in the Philippines in cracking transnational "naked chat" blackmail cases. Having received intelligence provided by the Hong Kong Police, LEAs in the Philippines arrested a number of criminals involved in such cases between 2014 and 2016. 22. <u>Mr Andrew WAN</u> and <u>Dr KWOK Ka-ki</u> asked whether it was mandatory for the Hong Kong Police to provide assistance to Mainland LEAs in the event that INTERPOL had, on the request of Mainland authorities, issued a red notice seeking the arrest of a fugitive.

23. <u>USS</u> explained that after INTERPOL had issued a red notice, if the Hong Kong Police considered it necessary to take arrest actions, they had to, in the first place, apply to the court for an arrest warrant. The court would only issue an arrest warrant when the relevant legal requirements were complied with.

Whether human rights and freedom of speech would be affected

24. Ms Claudia MO, Mr Andrew WAN, Dr KWOK Ka-ki, Mr LEUNG Kwok-hung and Mr CHU Hoi-dick expressed concern about whether CSTCB would step up web surveillance to suppress the freedom of speech on the Internet. They were worried about whether the Police would, in the name of maintaining network security, assist Mainland LEAs in gathering intelligence in Hong Kong, thereby monitoring and suppressing political dissidents. They also asked whether, after the National Intelligence Law of the People's Republic of China (draft) was adopted by the Standing Committee of the National People's Congress, personnel from Mainland intelligence organs would be authorized to directly carry out intelligence gathering duties in Hong Kong; and if it was found that Mainland law enforcement officers were suspected of engaging in illegal activities in Hong Kong, whether the Police would conduct investigations. Dr KWOK was of the view that the Administration should, prior to creating the proposed post, consider amending the Crimes Ordinance (Cap. 200) to the effect that clearer definitions for section 161 (Access to computer with criminal or dishonest intent) were provided to prevent the Police from suppressing the freedom of speech on the Internet on the pretext of enforcing this provision.

- 25. <u>USS</u> said that:
 - (a) the Police carried out their duties in accordance with the laws of Hong Kong, without any political aims;
 - (b) the objective of establishing CSTCB and creating the proposed post was to better protect the public in connection with technology crimes and cyber security;

- (c) the Police would cooperate with police agencies in other jurisdictions in combating cross-border crimes. They had also participated in international actions on cyber security, and such actions were usually initiated by INTERPOL;
- (d) only the personnel of the relevant LEAs of the Hong Kong Special Administrative Region ("HKSAR") had the power to enforce laws in Hong Kong and the Hong Kong Police and Mainland LEAs were independent of each other. Article 18 of the Basic Law clearly stipulated that national laws should not be applied in HKSAR except for those listed in Annex III to the Basic Law. The laws listed in Annex III should be applied locally by way of promulgation or legislation by HKSAR;
- (e) if it came to the attention of the Police that a person had carried out illegal activities in Hong Kong, regardless of the identity of that person, the case would be handled in accordance with law; and
- (f) the Law Reform Commission of Hong Kong had commenced the preparatory work for a review of computer crime-related legislation. Since all police officers were allowed to take law enforcement actions under the Crimes Ordinance, the creation of the proposed post was not directly related to the aforesaid legislative review.

26. <u>Mr CHAN Chi-chuen</u> urged the Administration to provide information on figures of arrests, prosecutions and convictions made by the Police under section 161 of the Crimes Ordinance, together with a statistical breakdown by nature of such cases. <u>USS</u> said that the Police were working with relevant government departments to examine the possibility of storing the required data in the Integrated Law and Order Statistical Information System. 27. <u>Mr CHU Hoi-dick</u> and <u>Mr LEUNG Kwok-hung</u> considered that the Administration should provide information on the number of authorization applications made by the Police under the Interception of Communications and Surveillance Ordinance (Cap. 589) in relation to interception of communications transmitted through the Internet and access to information in the computers of investigation targets by means of hacking. <u>USS</u> reiterated that the Ordinance had set out the information that the Commissioner on Interception of Communications and Surveillance was bound to disclose in the annual reports submitted to the Chief Executive, and such information included the number of prescribed authorizations granted to LEAs. Such annual reports were also tabled at meetings of the Legislative Council.

28. <u>Ms Tanya CHAN</u> enquired about the number of cases in which the Police requested social networking websites to provide information on their clients in the past few years. <u>USS</u> stated that in recent years, there were about 4 000 cases per year in which the Police required Internet service providers to disclose metadata.

29. At 5:30 pm, <u>the Chairman</u> declared that this meeting ended. FC would continue to deliberate this item at the next meeting to be held on the same day.

Legislative Council Secretariat 9 March 2018