

香港特別行政區政府

創新及科技局

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INNOVATION AND
TECHNOLOGY BUREAU

THE GOVERNMENT OF THE HONG KONG
SPECIAL ADMINISTRATIVE REGION

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By email

31 August 2018

Mr Daniel SIN,
Clerk to Panel,
Panel on Information Technology and Broadcasting,
Legislative Council Complex,
1 Legislative Council Road,
Central, Hong Kong

Dear Daniel,

**Information requested at the meeting of
the Panel on Information Technology and Broadcasting on 12 February 2018**

At the meeting of the Panel on Information Technology and Broadcasting on 12 February 2018, Members requested supplementary information on the following:

- (a) the Government's plan for legislative review in view of the privacy and information security issues arising from the development of e-commerce, Internet of Things (IoT), Financial Technology (FinTech), etc.; and
- (b) the Government's assessment on the current cyber security situation in Hong Kong, and whether the Government would conduct victimisation surveys on cyber crimes.

In consultation with the relevant bureaux/departments, our response is set out below.

Legislative review

Regarding information security, Hong Kong has many pieces of legislation tackling computer and Internet-related crimes. For example, the Theft Ordinance (Cap. 210) deals

with offences of destroying, defacing, concealing or falsifying records kept by computer; the Crimes Ordinance (Cap. 200) tackles access to computer with criminal or dishonest intent; and the Telecommunications Ordinance (Cap. 106) prohibits unauthorised access to computer by telecommunications.

Although certain laws do not mention explicitly the cyber environment, they can still apply to the virtual world. For example, the Unsolicited Electronic Messages Ordinance (Cap. 593) prohibits fraud activities related to the sending of multiple commercial electronic messages; and the Personal Data (Privacy) Ordinance (Cap. 486) is applicable to any personal data which is practicable to be accessed and processed. The Government will review the relevant laws from time to time in view of the volatile environment and amend them when necessary.

On protection of privacy, Members expressed concern over the protection of privacy of children on the Internet. The Personal Data (Privacy) Ordinance is a technology-neutral legislation and protects data subjects of all ages including children. The Office of the Privacy Commissioner for Personal Data (PCPD) has also carried out education on children's privacy by, for example, distributing information in relation to protection of personal data privacy on its main website (i.e. pcpd.org.hk) and two thematic websites (i.e. "Be SMART Online" and "Children Privacy"), and publishing guidelines for organisations, parents and teachers.

Concerning the promotion of FinTech, the Government strives to facilitate financial innovation on the one hand and to protect the investing public on the other. To this end, we keep our legislative and regulatory regime under constant review. Hong Kong Monetary Authority (HKMA), Securities and Futures Commission (SFC) and Insurance Authority (IA) have established their respective dedicated FinTech liaison platforms to enhance communications with the FinTech industry. HKMA, SFC and IA have also launched their respective regulatory sandboxes to allow financial institutions to test FinTech projects in a confined environment.

Assessment on the current cyber security situation and victimisation surveys on cyber crimes

The Hong Kong Police Force (HKPF) recorded 5 567 cases of technology crime in 2017 with a total financial loss of around \$1.4 billion. Both figures have shown a decline when compared with 2016 (5 939 cases and \$2.3 billion).

The HKPF have been closely monitoring and analysing the latest trends of technology

crimes in Hong Kong and overseas, as well as maintaining close liaison with relevant law enforcement agencies and industry stakeholders with a view to timely assessing the cyber security situation in Hong Kong. Subject to the availability of resources, the HKPF will prepare and maintain statistics useful to their work depending on operational needs and the level of effectiveness. The HKPF currently has no plan to conduct victimisation surveys on technology crimes.

In addition, the Government studies the surveys and reports prepared by the industry to assess Hong Kong's cyber security situation in comparison to other areas. According to the Microsoft Security Intelligence Report in 2017, about 6.4% of computers in Hong Kong were targeted by malware, which was lower than the global average of 7.8% and much lower than the highest rate of 26.6% in Bangladesh. Furthermore, according to the Safe Cities Index 2017 published by the Economist, among the 60 cities, Hong Kong was ranked fifth in terms of digital security.

We will continue to strengthen information security within the Government and collaborate with different stakeholders to protect the public and businesses against cyber security threats with the aim of promoting Hong Kong's overall information security and cyber resilience.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Salina MAK', written in a cursive style.

(Salina MAK)

for Secretary for Innovation and Technology