

LC Paper No. CB(1)460/99-00
(These minutes have been
seen by the Administration)

Ref: CB1/PL/ES/1

**Legislative Council
Panel on Economic Services**

**Minutes of meeting held on
Monday, 25 October 1999, at 10:45 am
in the Chamber of the Legislative Council Building**

Members present : Hon James TIEN Pei-chun, JP (Chairman)
Hon Fred LI Wah-ming, JP (Deputy Chairman)
Hon Kenneth TING Woo-shou, JP
Hon David CHU Yu-lin
Hon LEE Wing-tat
Hon MA Fung-kwok
Hon CHEUNG Man-kwong
Hon HUI Cheung-ching
Hon CHAN Kam-lam
Hon WONG Yung-kan
Hon LAU Chin-shek, JP
Hon Mrs Miriam LAU Kin-ye, JP

Member attending : Hon CHAN Yuen-han

Members absent : Hon Eric LI Ka-cheung, JP
Dr Hon David LI Kwok-po, JP
Dr Hon LUI Ming-wah, JP
Hon Ambrose CHEUNG Wing-sum, JP
Hon Christine LOH
Hon SIN Chung-kai
Dr Hon Philip WONG Yu-hong
Hon Howard YOUNG, JP
Hon FUNG Chi-kin

**Public officers
Attending**

: For Agenda Item IV

Mr Stephen IP
Secretary for Economic Services

Mr Alex FONG
Deputy Secretary for Economic Services

Mr Arthur HO
Deputy Secretary for Economic Services

Mr Roger TUPPER
Acting Deputy Secretary for Economic Services

Mr Howard LEE
Principal Assistant Secretary for Economic Services

Mr Richard LUK
Principal Assistant Secretary for Economic Services

Miss Dora FU
Principal Assistant Secretary for Economic Services

Mrs Erika HUI
Assistant Commissioner for Tourism (2)

Mr Alex AU
Deputy Director of Civil Aviation

Mr W Y LEUNG
Assistant Director (Technical & Planning),
Civil Aviation Department

Mr S Y WONG
Assistant Director/Gas and General Legislation,
Electrical and Mechanical Services Department

Mr K C LEUNG
Senior Electronics Engineer/Special Duty,
Electrical and Mechanical Services Department

Dr Wen Lam CHANG
Acting Assistant Director, Hong Kong Observatory

Mr S Y TSUI
Director of Marine

Mr K P WONG
Acting Assistant Postmaster General (Corporate
Development)

Miss Vera SO
Assistant Director of Agriculture and Fisheries
(Administration & Markets)

**Attendance by
Invitation**

: For Agenda Item IV

The Hongkong Electric Co Ltd

Mr Gary CHANG
General Manager (Development & Planning)

Mr Mullar WAN
Computer Services Manager

CLP Power Hong Kong Limited

Mr BRISBANE-COHEN, Richard
Management Services Manager

Mr C M MAK
System Operation Manager

Hong Kong Nuclear Investment Co Ltd (HKNIC)

Dr Y B LEE
Managing Director

Mr Richard FUNG
Nuclear Engineer

The Hong Kong & China Gas Co Ltd

Mr Sunny W K LEE
Chief Information Officer

Mr Dennis H W KWOK
Chief Engineering Officer

Caltex Companies (Greater China) Limited

Mr Simon HARRISON
General Manager Fiscal

Mr Terence MCMANUS
Year 2000 Programme Coordinator

Shell Hong Kong Limited

Mr K P TO
Shell Hong Kong Y2K Manager/Purchasing and
Operations Development Manager

Mr Jerry NG
SCNEA Y2K Project Manager

Mrs Irene HAO
Public Affairs Manager

China Resources Petrochems (Group) Co Ltd

Mr ZHANG Li-ping
Manager

Mobil Oil Hong Kong Limited

Mr Raymond WONG
Manager - Communication

Mr Andy LEUNG
Manager - Y2K

Esso Hong Kong Limited

Mr CHAN Kah Cheong
Market Manager

Container Terminals Operators

Mr LI Kam-chiu
Computer Services Manager,
COSCO-HIT Terminals (Hong Kong) Limited

Mr John Y C LEE
Director - Operations Modern Terminals Limited

Mr Raymond W K LAM
Manager, Business Process & Design Sea-Land
Orient Terminals Ltd

Ms Patty Y WONG
Senior Manager - Information Technology, Hong
Kong International Terminals Ltd

Airport Authority

Mr Billy LAM
Chief Executive Officer

Mr Richard A SIEGEL
Deputy Chief Executive Officer

Mr Joseph B LAI
Head of System Services

Mr Eric W L WONG
General Manager - Operations Support

Cathay Pacific Airways Limited

Mr Graham KEDDIE
Year 2000 Programme Manager

Mr Tony SHAM
Year 2000 Project Manager

Hong Kong Dragon Airlines Ltd

Mr Algernon YAU
General Manager, Planning & International Affairs
Y2K Project Leader

Mr Anson CHAN
Manager Information Technology
Y2K Project Co-ordinator

Hong Kong Air Cargo Terminals Ltd (HACTL)

Mr Johnnie WONG
General Manager

Asia Airfreight Terminal Co Ltd (AAT)

Mr TAN Siang Tang
Deputy Chief Executive Officer

Ms Debbie HO
General Manager - Finance & Administration

Hong Kong Tourist Association

Ms Katherine MA
Senior Manager, Public Relations Department

Ms Bessie MOK
Senior Manager - Information Technology
Department

Clerk in attendance : Ms Pauline NG
Assistant Secretary General 1

Staff in attendance : Mr Andy LAU
Senior Assistant Secretary (1)6

I Confirmation of minutes and matters arising
(LC Paper No. CB(1)151/99-00 - Minutes of meeting on 7 October 1999)

The minutes of the meeting held on 7 October 1999 were confirmed.

II Information papers issued since last meeting
(LC Paper No. CB(1)45/99-00 - Press release issued by Hong Kong and China Gas Company Limited
LC Paper No. CB(1)49/99-00 - Import and Retail Prices of Major Fuels from August 1997 to July 1999
LC Paper No. CB(1)179/99-00 - Airport Authority - Reduction in Landing and Parking Charges
LC Paper No. CB(1)183/99-00 - Flight Allowance for Operations Inspectors)

2. Members noted the information papers issued since last meeting. As for the paper on "Flight Allowance for Operation Inspectors", members noticed that the Administration would put forward a related staffing proposal to the Establishment Subcommittee (ESC) for consideration at its meeting to be held on 8 December 1999. Members considered it not necessary to convene a special meeting to discuss the staffing proposal and agreed to examine the details of the proposal later at the ESC meeting.

III Items for discussion at the next meeting

(LC Paper No. CB(1)175/99-00(01) - List of outstanding items
LC Paper No. CB(1)175/99-00(02) - List of follow-up actions)

3. Members agreed to discuss the following items at the next meeting to be held on 22 November 1999:

- (a) Demand Side Management Programme;
- (b) Measures to boost competitiveness of Hong Kong International Airport; and
- (c) Implementation of the Electricity (Amendment) Ordinance 1997 and Electrical Products (Safety) Regulation.

(Post meeting note: At the request of the Administration and with the concurrence of the Chairman, the item on the implementation of the Electricity (Amendment) Ordinance 1997 and Electrical Products (Safety) Regulation was deferred to a later meeting).

4. Members agreed to convene a special meeting to receive a briefing by the Administration on the Disney Theme Park in early November 1999.

5. Members agreed to include the item "Terminal Handling Charges" on the list of outstanding item for discussion.

IV Progress of Y2K compliance work in Government and non-government organizations under the purview of the Economic Services Bureau

(LC Paper No. CB(1)175/99-00(03)-(05) - Information papers provided by the Administration and the Airport Authority, and a checklist prepared by the Secretariat)

6. The Chairman drew members' attention that the item on Y2K was discussed at previous meetings of the Panel. In view of the wide public concern over the subject matter and having regard to the serious implication of non-compliance, the Panel had considered it necessary to review the progress of Y2K rectification work from time to time and to examine the formulation and testing of contingency plans in the Government and non-government organizations (NGOs) under the purview of the Economic Services Bureau.

7. The Chairman advised members that in view of the large number of NGOs being invited to speak on the subject, the reporting by NGOs would be conducted in two groups. He then invited the Administration and the first

group of representatives of NGOs present at the meeting to brief members on the latest progress with respect to the Y2K compliance programmes of their organization and the related contingency planning.

8. The Secretary for Economic Services (SES) advised that as indicated in the information papers provided by the Administration and the Airport Authority, Government departments and NGOs under the purview of the Economic Services Bureau had achieved good progress since the subject was last discussed by the Panel in July 1999. All departments and NGOs had now achieved full Y2K compliance with respect to their critical computer systems. Contingency plans had been formulated and tested to deal with disruptions that might arise from Y2K failures. Efforts had been made to publicize progress on preparations for Y2K.

The Hong Kong Electric Co. Ltd (HEC)

9. Mr Gary CHANG of HEC advised that as of 30 June 1999, all computer systems and embedded systems of HEC were already Y2K compliant. The integrated corporate-wide contingency plan was now in place to deal with any unforeseen Y2K-induced incidents. A series of drills to evaluate the validity of the contingency plans had been conducted. He believed that the Y2K issue would not have impact on HEC's ability to maintain a reliable supply of electricity and quality customer services before, during and after Year 2000.

CLP Power Hong Kong Limited (CLP)

10. Mr BRISBANE-COHEN of CLP advised that CLP's electricity supply and other operational systems were Y2K ready as from June 1999. Interconnected parties had been consulted on the readiness of their systems. Contingency plans including the sector-wide arrangement had been prepared and drills on the plans had been conducted. Further, the Company had arranged a number of meetings with customers and community representatives so as to enhance their knowledge of CLP's work. An external audit of CLP's position was also carried out by ICS, an international renowned Y2K auditing expert. With the satisfactory completion of all readiness tests, CLP Power was confident that it would continue to provide reliable electricity services to the Hong Kong community over all Y2K critical dates.

Hong Kong Nuclear Investment Co Ltd (HKNIC)

11. Dr Y B LEE of HKNIC advised that the Guangdong Daya Bay Nuclear Power Station (GDBNPS) was 100% Y2K ready. An integrated contingency plan had been in place since June 1999 and was satisfactorily tested. The plan had also been reviewed by the International Atomic Energy Agency and the National Nuclear Safety Administration. During the millennium rollover, one of the generating unit would be on a scheduled shutdown for refuel and maintenance, while the other one would operate at reduced power. The station

would have 100 more staff on standby and have multiple means of communication. Work would continue to train GDBNPS personnel, conduct drills and refine the contingency plan throughout the remainder of 1999.

The Hong Kong & China Gas Co Ltd (HKCG)

12. Mr Sunny W K LEE of HKCG advised that all rectification work on HKCG's systems relating to the safe and reliable supply of gas, customer services and internal systems had been completed and these systems were Y2K compliant as of 30 June 1999. HKCG had produced contingency plans to cope with any Y2K-induced problems in different functional areas. The validity of these plans was tested. The company-wide contingency plan had been in place since August 1999. It had been drilled and confirmed adequate on the first Y2K critical date (i.e. transition from 8 September 1999 to 9 September 1999). HKCG had arranged for additional supplies of fuel for their back-up power generators in the unlikely event of loss of electricity supply. During the rollover period, an emergency control centre would be set up and more than 1,100 staff would be on standby at different critical points in the town gas network.

Caltex Companies (Greater China) Limited (Caltex)

13. Mr Simon HARRISON of Caltex advised that all rectification work on Caltex's systems had been completed. The company had produced contingency plans to cope with any Y2K-induced problems. The plan had also been drilled to ensure its validity. Staff training would be enhanced to cope with emergencies. The company was also working on a sector wide contingency plan in collaboration with other counterparts in the industry.

Shell Hong Kong Limited (Shell)

14. Mr K P TO of Shell advised that all rectification work and testing on Shell's systems had been completed. Contingency plans had been drawn up and drilled. The Electrical and Mechanical Services Department (EMSD) had also attended the drill and the result was considered satisfactory. The oil industry was now working hand-in-hand on the sector wide contingency plan. He did not envisage any major problems which would affect oil supply before and after the rollover.

China Resources Petrochems (Group) Co Ltd (CCP)

15. Mr ZHANG Li-ping of CCP advised that all rectification work and testing on CCP's systems had been completed. Contingency plans had been drawn up and drilled. EMSD had also attended the drill and the result was considered satisfactory.

Mobil Oil Hong Kong Limited (Mobil)

16. Mr Andy LEUNG of Mobil advised that all rectification work and testing on Mobil's systems had been completed. Contingency plans had been drawn up and drilled. EMSD had also attended the drill and the result was considered satisfactory. Emergency centre would be established during the rollover. The company would maintain close liaison with the industry and EMSD to ensure the continued supply of oil and gas products.

Esso Hong Kong Limited (Esso)

17. Mr CHAN Kah Cheong of Esso advised that all rectification work and testing of Esso's critical systems had been completed. Contingency plans had been drawn up and drilled. EMSD had also attended the drill and the result was considered satisfactory. Emergency centre would be established during the rollover. The company would maintain close liaison with the industry and EMSD to ensure the continued supply of oil and gas products.

COSCO-HIT Terminals (Hong Kong) Limited (COSCO-HIT)

18. Mr LI Kam-chiu of COSCO-HIT advised that all rectification work of COSCO-HIT's systems had been completed. The company had formulated its own contingency plans and successfully tested the plans.

Modern Terminals Limited (MTL)

19. Mr John Y C LEE of MTL advised that all rectification work of MTL's systems had been completed. Business partners of the company were kept informed of the progress of its rectification work. The company had also formulated contingency plans and successfully tested the plans.

Sea-Land Orient Terminals Ltd (Sea-Land)

20. Mr Raymond W K LAM of Sea-Land advised that all rectification work of Sea-Land's had been completed. The company had also formulated contingency plans and successfully tested the plans. Customers of the company were kept informed of the progress of the related work.

Hong Kong International Terminals Ltd (HKIT)

21. Ms Patty Y WONG of HKIT advised that all rectification work of HKIT's systems had been completed. The company had also formulated contingency plans and successfully tested the plans.

Responses to members' questions directed to the first group of NGOs

22. Mr LEE Wing-tat enquired how far the Administration had verified the work of the respective companies and whether the Administration had simply

relied on the internal auditors and independent consultants engaged by respective companies to review their Y2K related work.

23. SES replied that EMSD had reviewed the progress of each company's rectification work on-site and attended the drills carried out by the respective companies in connection with the Y2K contingency plan. The companies concerned were also required to submit regular progress reports to the Administration. The reports would be seen by both the Economic Services Bureau and the Information Technology and Broadcasting Bureau. The Assistant Director of Electrical and Mechanical Services (AD/EMS) added that the Department had maintained close liaison with the industries concerned. The progress and procedures of the related work were constantly reviewed by parties concerned.

24. Noting that all oil companies had agreed to keep one-day additional stock at their terminals to meet emergency requirement, Mr HUI Cheung-ching enquired whether adequate safety measures would be in place to cater for the additional stock. The Deputy Secretary for Economic Services (Mr Alex FONG) advised that all oil companies should abide by the related safety regulations. On the sector-wide contingency planning, he advised that apart from keeping additional stock at terminals, the oil industry had agreed to incorporate the oil industry's current "borrow and loan" practice in the sector-wide contingency plan for several critical petroleum products. Where necessary, arrangement could also be made to strengthen the diesel fuel delivery services.

25. The Chairman invited the second group of NGOs to speak on their progress of Y2K compliance work.

Airport Authority (AA)

26. Mr Billy LAM of AA briefed members that the Authority had completed all necessary rectification work for, and verified the compliance status of, each of the 124 systems in its Y2K inventory by 27 August 1999. Integrated testing had been completed. In addition, KPMG Consulting had been commissioned to advise the Authority on the development and implementation of its Y2K Programme and reporting progress regularly to the Board and Y2K Steering Committee of the Authority. Regarding the work of AA's business partners, AA maintained close liaison with them. Apart from requiring them to submit a compliance statement, regular meetings with business partners were conducted through the Authority's Millennium Task Force to address Y2K issues of common concern and to ensure better co-ordination among members in their Y2K compliance efforts and contingency planning.

27. Mr Billy LAM of AA further said that the AA Y2K Contingency Procedures Manual was issued. In preparing the Manual, relevant parties had been consulted through a series of workshops and drills in which they were

invited to participate. Overall speaking, as far as the Authority was concerned, he did not envisage any major problems during the rollover.

28. Mr Eric W L WONG of AA added that in an effort to track the progress of business partner's readiness in their contingency planning, the Authority had requested all the 26 business partners in the high criticality group to submit a copy of their contingency plans.

Cathay Pacific Airways Limited (CPA)

29. Mr Graham KEDDIE of CPA advised that the Company's Business Continuity Plan was largely completed. They were now at the final phase of testing. Drills had been conducted with the participation of CPA's business partners. The Company also worked closely with the Civil Aviation Department, International Civil Aviation Organization and the International Air Transport Association on the matter. He did not envisage any major Y2K-induced problems during the rollover.

Hong Kong Dragon Airlines Ltd (HKDA)

30. Mr Algernon YAU of HKDA said that all the mission-critical systems in his company had achieved Y2K compliance as of 30 June 1999. The aircraft manufacturers had certified that operation of equipment in the aircraft would not be affected by Y2K-related problems. Contingency plans had been formulated and drills on the plans had been conducted in September and October 1999. An integrated testing would also be arranged in mid November 1999.

Hong Kong Air Cargo Terminals Ltd (HACTL)

31. Mr Johnnie WONG of HACTL said that all the 28 mission-critical systems in HACTL had been verified as Y2K compliant by May 1999. HACTL's contingency plans had been developed. Between April and May 1999, "viability walk throughs" of business continuity and contingency plans were undertaken with customer airlines, business partners such as ground handling agents, ramp handling operators, air freight forwarders, Airport Authority and Customs & Excise Department. Appropriate resources would be in place to cater for any potential disruptions. Staff training would be enhanced to cater for possible emergencies. The first phase of Integration Drills took place from late August to early September 1999. A second phase of Integration Drills would be conducted from 16 November 1999 to 4 December 1999.

Asia Airfreight Terminal Co Ltd (AAT)

32. Mr TAN Siang Tang of AAT said that the nine identified critical systems of the terminal were tested and verified to be Y2K compliant. Three more drills were conducted in August and October. Based on the feedback from the airlines, the company was fine-tuning the contingency plans. The refresher training would be conducted in the third week of November 1999.

Hong Kong Tourist Association (HKTA)

33. Ms Katherine MA of HKTA advised that HKTA achieved full Y2K compliance for its internal critical business components in end June 1999 as targeted. HKTA had involved Y2K consultants from the beginning of its Y2K Programme. Moreover HKTA had been publishing its Y2K position in the HKTA's website since April 1999. Contingency plans for its identified business components had been completed and tested. Moreover, an overall Y2K contingency plan for these business components had also been developed and was tested in September. An Internal Y2K Command Centre was also set up in the same month. An Incident Management Information Centre which aimed to handle visitor enquiries during the rollover was targeted to be set up by the end of October and tested by mid-December this year. Both centres would be activated during the Y2K critical dates.

Responses to members' questions directed to the second group of NGOs

34. Mr CHAN Kam-lam and Miss CHAN Yuen-han expressed concern about the Y2K compliance status of foreign airlines and the resulting safety implication. The Deputy Director of Civil Aviation advised that the Civil Aviation Department (CAD) had been seeking information from these foreign airlines regarding their Y2K compliance status. Most of them had confirmed to CAD that their aircraft would be Y2K compliant before end 1999. For the seven airlines which had yet to reply, CAD was seeking clarification and assistance from the aviation authorities concerned.

35. As to whether the aircraft of those non Y2K compliant airlines would be prohibited from flying to Hong Kong, SES advised that the subject matter had yet to be decided having regard to the decision of the ICAO. As to whether the Administration was prepared to publish the names of airlines which had not confirmed their Y2K compliance status, SES advised that as the Administration was still seeking clarification and assistance from the aviation authorities concerned, it would be premature to do so at this stage. The Administration would keep the Economic Services Panel informed of developments.

SES

36. As to whether the airport operation should be temporarily suspended for a while during the rollover, SES replied that this would not help resolve the Y2K-induced problem if it did exist. Indeed, the Administration had adopted sound Y2K rectification approach and methodology and strong testing method

to deal with the problem. The Administration would also take into account any advice from the ICAO and the practice adopted by other major aeronautical authorities in dealing with airlines which did not confirm Y2K compliance by the end of 1999. Where necessary, consideration would be given to prohibit these airlines from flying to Hong Kong.

37. In the light of the experience of the opening of the new airport, Mr LEE Wing-tat expressed concern about the availability of communication facilities during emergencies. Mr Richard A SIEGEL of AA advised that extra communication facilities/equipment which were completely free from the Y2K problem had been put in place to facilitate communication. All these facilities/equipment had been tested to ensure their validity. He further added that sector-wide contingency plans were coordinated in two forums - one by CAD for the safety and security related systems and regional air traffic control and the other by the Airport Authority for the core airport operations. These contingency plans had been drawn up and drills had been conducted. Two emergency centres would also be set up on 31 December 1999 to deal with any unforeseen events.

38. The Deputy Director of Civil Aviation also advised that CAD had put in place contingency plans and backup measures which were based on the framework recommended by the ICAO for the Asia/Pacific region. These had been promulgated to the airlines and aviation authorities. They include contingency air routes and air traffic control coordination procedures. Existing communications arrangements with the neighbouring air traffic control authorities had also been tested.

39. Mr LEE Wing-tat expressed concern that some of the business partners of the AA had yet to submit a copy of their contingency plans to the Authority. He also asked whether adequate tests and drills had been conducted to confirm the validity of the plans.

40. Mr Eric W L WONG of AA advised that the Authority would follow up with the remaining five business partners regarding their plans, two of which would be ready by the end of the month. Regarding Hutchison Communications Ltd., AA last met with the company a week ago and the plan would be ready for inclusion in AA's Y2K Contingency Procedures Manual next week. As for Immigration Department, AA had discussed the subject matter with the Department. But for security reason, the Department refused to release the details of its contingency plans to AA. Nevertheless, the Department undertook to deploy extra manpower resources to cater for any unforeseen events and drills had been carried out previously to test the validity of the plan. For CLP Power, they had already put in place contingency plans against Y2K-induced problems in different functional areas to ensure the continued supply of electricity during the rollover. But as a further safeguard, AA had requested CLP to submit a separate plan for the Chek Lap Kok island.

41. Regarding members' concern about the contingency planning for the Immigration Department at the airport, Mr Billy LAM of AA undertook to convey members' views to the Immigration Department for follow up. Mr LEE Wing-tat also indicated that he would take up the matter further at the Security Panel. The Chairman also remarked that apart from the airport, there was also a need to look into other control points in the territory as a whole.

42. Mr LEE Wing-tat pointed out that in view of the recent power failure of the airport, AA should take greater care to avoid the recurrence of similar incident during the rollover. Mr Billy LAM of AA advised that a working group had been set up to look into the reason of the incident. AA would follow up on the matter in collaboration with parties concerned.

43. In the light of the experience of the opening of the new airport, Miss CHAN Yuen-han pointed out that the risk of airport terminal operation being disrupted by the Y2K issue could not be entirely eliminated despite the precautionary measures and contingency plans. She enquired the actions taken by HACTL and AAT to tackle the issue.

44. Mr Johnnie WONG of HACTL said that a series of validation test and integration drills had been carried out with extensive involvement from the air cargo community. Furthermore, as part of the contingency plan agreed with the business partners, a staged transition programme would be implemented to minimize the potential disruptions to cargo passing through the terminal during the transition. Export cargo would be ready for dispatch to the apron before 10:30 pm on 31 December 1999 for the 1 January 2000 flights departing on or before 2:00 pm. Import shipments would be pre-staged at truck dock ready for release to cargo agents and public. Stand-by generators would be installed. The Company would also seek additional land from AA at both airside and landside for cargo handling. Mr TAN Siang Tang of AAT advised that similar arrangements had been adopted by the company to deal with any unforeseen circumstances. He did not envisage any significant problem.

Government Departments

45. The Chairman invited the Government departments to speak on the progress of Y2K compliance work.

Electrical and Mechanical Services Department (EMSD)

46. AD/EMS advised that EMSD had completed rectification work on all mission-critical systems. It had also engaged two consultants to review its Y2K programme and to verify the Y2K test results. The results were considered satisfactory by the consultants. EMSD had also drawn up an Energy Sector Y2K Contingency Plan, incorporating the industry-wide contingency measures of the power, gas and oil companies. They would closely monitor the rollover of essential service providers and provide regular reports to the Central

Coordinating Centre. To facilitate communication, additional communication facilities such as direct line or wireless-based telephone services had been put in place and tested.

Hong Kong Observatory

47. The Acting Assistant Director, Hong Kong Observatory advised that the Hong Kong Observatory had completed all rectification work on its mission-critical systems and these systems were now fully Y2K compliant. Contingency plans were in place to cater for any unforeseen problems with any of the department's operational systems. Progress of the Y2K programme had been made available in HKO's web page. A quality assurance review of the Department's Y2K compliance programme was being carried out.

Marine Department

48. The Director of Marine advised that Marine Department had completed the rectification work of all their mission-critical systems. The Y2K Port Management Sector-wide Contingency Plan to deal with port operation disruptions being induced by Y2K problems had been completed since June. The plan was further refined following the tests and exercises held in July and August 1999. Large scale internal and external trials of the contingency plan were successfully conducted in July and August 1999 respectively. The Y2K Port Management Contingency Plan had also been implemented during the critical period on 9 September 1999 and the result was satisfactory. Further trials would be conducted before the millennium rollover.

Hongkong Post

49. The Acting Assistant Postmaster General (Corporate Development) advised that rectification work for all the mission-critical systems had been completed. Contingency plans had been drawn up to ensure business continuity. The testing of the contingency plan was completed. Hongkong Post had provided information about the contingency plan at its web site to enhance transparency.

Agriculture and Fisheries Department (AFD)

50. The Assistant Director of Agriculture and Fisheries (Administration & Markets) advised that rectification work for all the mission-critical systems in AFD had been completed. AFD assessed that the potential effect of Y2K-induced system failures on the supply of fresh food produce was expected to be minimal. Nevertheless, AFD had formulated a contingency plan to co-ordinate the various actions of the concerned Government departments and major fresh food produce importers and wholesalers to avoid possible disruption to the supply of fresh food produce in the event of Y2K-induced system failures and to implement appropriate measures to increase supply.

Responses to members' questions on the work of Government departments

51. In response to a member's question, the Deputy Secretary for Economic Services (Mr Alex FONG) advised that the energy supply sector had formulated sector-wide contingency plans to co-ordinate emergency response within the sector in case of any Y2K-induced incidents. At the territory-wide level, the Administration would set up another monitoring and co-ordinating mechanism that would enable them to effectively co-ordinate emergency response to any major Y2K-induced incidents which had cross-sector implications. To this end, a Central Coordinating Centre would be established under the ITB to co-ordinate the territory wide contingency plans.

52. In response to a member's question, the Acting Assistant Director, Hong Kong Observatory advised that dissemination of weather information, forecast and warnings to the Civil Aviation Department would not be affected during the rollover as suitable contingency measures had been drawn up and tested.

V Any other business

53. There being no other business, the meeting ended at 12:35 pm.

Legislative Council Secretariat

26 November 1999