# 立法會 Legislative Council

LC Paper No. CB(2) 680/00-01 (These minutes have been seen by the Administration)

Ref : CB2/PL/SE/1

## **LegCo Panel on Security**

Minutes of special meeting held on Saturday, 11 November 2000 at 10:00 am in the Chamber of the Legislative Council Building

**Members** : Hon LAU Kong-wah (Chairman)

**present** Hon James TO Kun-sun (Deputy Chairman)

Hon Margaret NG

Hon Mrs Selina CHOW LIANG Shuk-yee, JP

Hon Howard YOUNG, JP

Hon Ambrose LAU Hon-chuen, JP

Members : Hon NG Leung-sing attending Hon SIN Chung-kai

Hon Emily LAU Wai-hing, JP

Members : Hon Albert HO Chun-yan absent Dr Hon LUI Ming-wah, JP

Hon CHEUNG Man-kwong

Hon Andrew WONG Wang-fat, JP

Hon WONG Sing-chi Hon IP Kwok-him, JP

**Public Officers**: <u>Item II</u>

attending

Mr Timothy TONG, JP

Deputy Secretary for Security 3

Mr Alan CHU

Principal Assistant Secretary for Security

Miss May CHAN

**Assistant Secretary for Security** 

**Professor Vincent SHEN** 

Science Advisor

**Innovation and Technology Commission** 

Ms Joyce TAM

Principal Assistant Secretary for Information Technology and Broadcasting

Mr Alex MA

Assistant Director (Departmental Services) Information Technology Services Department

Mr T P WONG

Deputy Director of Immigration (Special Assignment) Immigration Department

Ms Helen CHAN

Assistant Principal Immigration Officer (Special Assignment)
Immigration Department

**Attendance by** : <u>Item II</u> **Invitation** 

Office of the Privacy Commissioner for Personal Data

Mr Stephen LAU

Privacy Commissioner for Personal Data

Mr Eric PUN Legal Director

**Hong Kong Computer Society** 

Mr Daniel LAI

President

Mr Bill FOK

**Director of Community Services** 

Hong Kong Information Technology Federation

Mr Anthony AU President

Mr Kenneth LEUNG Member

## The Asia Pacific Smart Card Association

Mr Greg POTE General Manager

## **Hong Kong Productivity Council**

Mr Thomas TANG Executive Director

Mr K T YUNG General Manager Information Technology

Information Technology Division Hong Kong Institution of Engineers

Ir Jolly WONG
External Affairs Committee Member

Professor WONG Wing-shing Discipline Representative Information Engineering Discipline

## **Individuals**

Mr Martin BARROW Member of Economic Committee Hong Kong General Chamber of Commerce

Professor Victor O K LI Department of Electrical and Electronic Engineering University of Hong Kong

Professor Francis Y L CHIN
Department of Computer Science and Information System
The University of Hong Kong
Dr D Y YEUNG

Department of Computer Science The Hong Kong University of Science and Technology

Dr Edwin CHUI

Dr L M CHENG Smart Card Design Centre City University of Hong Kong

Clerk in : Mrs Sharon TONG

attendance Chief Assistant Secretary (2)1

**Staff in** : Mr Raymond LAM

**attendance** Senior Assistant Secretary (2)5

Action

## I. Matters arising

Members noted that the Secretary for Security (S for S) had given notice to move a motion on the Public Order Ordinance (Cap 245) (POO) at the Legislative Council (LegCo) meeting on 22 November 2000 and the House Committee had agreed to request S for S to defer the motion debate to the LegCo meeting on 20 December 2000. They agreed that special meetings of the Panel be held on 18 and 25 November 2000 from 9:30 am to 1:00 pm to receive the views of the public on the regulation of public meetings and public processions and review of POO. They also agreed that invitations for submissions be placed in local newspapers and the LegCo Homepage. Miss Emily LAU suggested that invitation letters be sent to local universities to gauge the views of academics on the subject.

- 2. To facilitate member's deliberation, <u>members</u> agreed that the Administration be requested to provide -
  - (a) information on the public procession requirements in other countries and the extracts of relevant legislation in these countries; and
  - (b) a paper on the provisions of POO before and after the enactment of the Public Order (Amendment) Bill 1997.

- 3. <u>Members</u> also agreed that the LegCo Research and Library Services Division should conduct a study on the regulation of public meetings and public processions in overseas countries.
- II. Public views on the proposed Hong Kong Special Administrative Region (HKSAR) identity card

(LegCo Brief Ref. : SBCR 1/1486/82, LC Paper Nos. CB(2)204/00-01(05) to (10), CB(2) 214/00-01(06) and CB(2)217/00-01(01) to (03))

Meeting with Office of the Privacy Commissioner for Personal Data. (LC Paper No. CB(2) 214/00-01(01))

4. <u>Privacy Commissioner for Personal Data</u> (Privacy Commissioner) presented the views as detailed in his submission for the meeting.

## Meeting with Mr Martin BARROW

5. <u>Mr Martin BARROW</u> presented his views on the proposed HKSAR identity (ID) card.

(*Post-meeting note*: The speaking note subsequently provided by Mr Martin BARROW was issued to members vide LC Paper No. CB(2) 249/00-01 on 14 November 2000.)

Meeting with the Hong Kong Computer Society (HKCS) (LC Paper No. CB(2) 204/00-01(01))

6. Referring to the submission, <u>Mr Daniel LAI</u> presented the views of HKCS on the proposed HKSAR ID card.

## Meeting with Hong Kong Information Technology Federation (HKITF)

7. Mr Anthony AU presented the views of HKITF, as detailed in the submission tabled at the meeting. In response to Miss Emily LAU's question about the risk management as referred to in point 2 of his submission, he said that security could be safeguarded if only necessary information was stored in the smart card.

(*Post-meeting note*: The submission tabled at the meeting was circulated to members vide LC Paper No. CB(2) 241/00-01(01) on 14 November 2000.)

8. <u>Mr Kenneth LEUNG</u> informed members that Brunei had introduced a smart ID card scheme where an automatic fingerprint authentication system was incorporated. The scheme, which had brought about savings in administrative

costs and time, commenced in August 2000 and a few thousand citizens had currently been issued with smart ID cards. It was envisaged that about 330 000 citizens would be issued with smart ID cards by October 2001.

Meeting with Professor Victor O K LI (LC Paper No. CB(2) 214/00-01(02))

9. <u>Professor Victor O K LI</u> presented his views on the proposed HKSAR ID card as detailed in his submission.

Meeting with the Asia Pacific Smart Card Association (LC Paper No. CB(2) 204/00-01(02))

10. <u>Mr Greg POTE</u> presented the views of the Asia Pacific Smart Card Association on the proposed HKSAR ID card as detailed in his speaking note.

(*Post-meeting note*: The speaking note provided by Mr Greg POTE was issued to members vide LC Paper No. CB(2) 329/00-01(01) on 22 November 2000.)

Meeting with the Hong Kong Productivity Council (HKPC)

11. <u>Mr Thomas TANG</u> presented the views of HKPC on the proposed HKSAR ID card as detailed in the submission.

(*Post-meeting note*: The submission of HKPC was issued to members vide LC Paper No. CB(2) 262/00-01(02) on 15 November 2000.)

Meeting with Professor Francis Y L CHIN (LC Paper No. CB(2) 214/00-01(03))

12. Referring to his submission, <u>Professor Francis CHIN</u> presented his views on the proposed HKSAR ID card.

Meeting with Dr D Y YEUNG (LC Paper No. CB(2) 214/00-01(04))

13. <u>Dr D Y YEUNG</u> presented his views on the proposed HKSAR ID card as detailed in his submission.

Meeting with Dr Edwin CHUI (LC Paper No. CB(2) 204/00-01(03))

14. <u>Dr Edwin CHUI</u> presented his views on the proposed HKSAR ID card, as detailed in his submission.

## Meeting with Dr L M CHENG (LC Paper No. CB(2) 204/00-01(04))

15. <u>Dr L M CHENG</u> presented his views on the proposed HKSAR ID card as detailed in his submission. He clarified that he supported the smart ID card project though be had reservations in certain areas. He drew Members' attention that contact type smart cards were prone to be damaged when the card was bent or when static electricity increased in dry weather. These factors would substantially shorten the lifespan of smart cards. He added that the Administration's estimate of a total cost of \$3.06 billion for the introduction of a multi-function smart ID card might be insufficient for a smart ID card system with a high degree of security.

Meeting with Information Technology Division of the Hong Kong Institution of Engineers (HKIE)

(LC Paper No. CB(2) 214/00-01(05))

16. <u>Ir Jolly WONG</u> and <u>Professor WONG Wing-shing</u> presented the views of the Information Technology Division of HKIE on the proposed HKSAR ID card.

(*Post-meeting note*: The speaking note provided by HKIE was issued to members vide LC Paper No. CB(2) 262/00-01(01) on 15 November 2000.)

## <u>Issues raised by Members</u>

## Lifespan of smart cards

- 17. In response to Mr Howard YOUNG's question about the lifespan of smart cards, Mr Greg POTE said that the chip and materials of a smart card could last for more than 10 years. He had recently been informed by a manufacturer that it would not be a problem to issue in year 2003 a smart card which could last for more than 10 years.
- 18. Deputy Director of Immigration (Special Assignment) (DD of Imm(SA)) said that unbreakable plastic materials which was guaranteed to last for at least 10 years would be used as materials for the smart ID cards. The Administration had no intention to use magnetic tapes that would substantially shorten the lifespan of smart cards. He added that the contact type smart card, which was more durable, would be used. He further said that there had been much improvement in the resistance of smart cards against static electricity in recent years. He added that a cardholder was unlikely to damage a smart card by bending it, if he recognized the importance of the card.

#### Costs-related issues

- 19. In response to Mr Howard YOUNG's question about the recurrent cost for the HKSAR ID Card Project (the Project), <u>DD of Imm(SA)</u> said that the estimated total cost of \$3.06 billion for a multi-function smart card included the cost of purchasing blank smart cards, developing a new supporting computer system, procuring hardware and software, setting up new offices, rent, as well as the staff cost for the Project and replacement of ID cards. He added that smart card technology had developed to such a stage that any upgrading of the backend computer system would not necessitate a replacement of smart cards.
- 20. <u>Mr SIN Chung-kai</u> asked about the fee for the replacement of a lost card. He also asked whether there would be a charge for the replacement of a card which was not lost but became defective. <u>DD of Imm(SA)</u> said that an estimate of the cost of replacement was not available at this stage, as tenders had not yet been invited for the new identity card system. He added that Members would be consulted on such a fee.

## Choice of ID card

- 21. <u>Mr SIN Chung-kai</u> sought the deputations' views on the following three choices for the HKSAR ID card as referred to in the LegCo Brief on the Project prepared by the Administration -
  - (a) a non-smart ID card;
  - (b) a smart ID card capable of supporting Immigration Department's (ImmD's) core business only; and
  - (c) a smart ID card which supported multiple applications.
- 22. <u>Mr Anthony AU</u> said that there was a global trend towards option (c). However, option (b) should be introduced in the initial stage. He was of the view that consideration could be given to introducing a separate and optional daughter card for non-immigration related applications.
- 23. Mr Greg POTE said that option (b) was the most popular approach. He informed Members that Malaysia had considered introducing a smart ID card supporting multiple applications at one time. However, the idea had been abandoned not only for security considerations, but also for the convenience of citizens. He said that the "electronic purse" function of a smart ID card might be used by the Government for the delivery of cash benefits to eligible recipients.
- 24. <u>Mr Daniel LAI</u> said that a step-by-step approach could be adopted, with the introduction of option (b) in the initial stage and option (c) at a later stage.

He added that cardholders should have the choice of whether to have the non-Government related applications on their smart ID cards. He considered that non-Government institutions, such as banks, should be allowed to read, but not amend, some information in the smart ID cards.

25. <u>Dr L M CHENG</u> said that the introduction of non-Government related applications was a complex issue, as it would possibly necessitate the issue of licences to organizations or companies providing such applications.

Monitoring access to data in smart ID cards

- 26. <u>Miss Margaret NG</u> said that regardless of how information in the smart ID card was encrypted, the Administration would have access to all information stored in the cards. She asked whether it was technically possible to track the time and the identity of the party who had accessed information in a smart ID card.
- 27. <u>Privacy Commissioner</u> said that it was technically possible to keep track of the time and the parties who had accessed data in the smart ID cards. He said that besides introducing legislative measures to ensure the protection of data, the Administration should also monitor such protection through the establishment of a code of practice for access to such data.
- 28. <u>Professor Francis CHIN</u> said that cross access among information maintained by different government departments should be prohibited through separate encryption of information stored in different segments of the chips. He added that it would be more desirable to keep personal information in the smart cards rather than the backend computer system which could be hacked.
- 29. Mr Bill FOK said that as the smart ID card system would be the property of the Administration, it would be important for the Administration to spell out the legal implications of unauthorized access to information stored in the cards.
- 30. <u>Dr L M CHENG</u> said that it was possible under current technology to record the time of authorized and unauthorized access and the identity of the party who had accessed information stored in smart cards. He said that such a monitoring mechanism could be built into the computer system in the design stage.
- 31. Mr Greg POTE said that in launching smart card schemes in other countries, most people were not concerned about the collection of additional data, but about better security in the storage of data and more secured access to data.
- 32. <u>Deputy Secretary for Security 3</u> (DS for S3) assured Members that any addition or deletion of information stored in the proposed smart ID card would

have to be made through legislative amendments. In this connection, the Administration had provided a paper setting out its initial views on legislative amendments to be introduced.

Similar smart ID card systems in other places

- 33. <u>Miss Margaret NG</u> said that the proposed scheme would be a compulsory one involving more than six million people. She asked whether such a sizable and compulsory scheme was found in other places.
- 34. Mr Greg POTE said that a similar scheme being introduced in Brunei would cover a total of about 300 000 citizens. A similar scheme was also being introduced in Malaysia, where there was a population of 20 million people. He envisaged that the number of smart ID cards issued in Malaysia in 2003 should exceed the population of Hong Kong.
- 35. <u>Dr D Y YEUNG</u> said that the national government of Japan would require all local government to issue a chip-based ID card within the next five years. According to the Department of Commerce of the United States, there were about 48 countries either implementing or planning to introduce a compulsory national ID card scheme.

Information stored in the new ID card

- 36. <u>Miss Emily LAU</u> said that many people had expressed worry about the possibility of strengthening control over citizens by the Government after the introduction of the proposed HKSAR ID card. <u>Mr Anthony AU</u> said that it should make no difference in this respect between the existing ID card and the proposed HKSAR ID card, as the Administration could also maintain personal information at the backend computers in the existing system. He added that the information stored in a contact type ID card would not be easily accessible.
- 37. In response to Miss Emily LAU's question about whether the compulsory storage of immigration-related information in the cards was acceptable, Mr Anthony AU said that the storage of card holders' fingerprint information in the smart ID card and the use of the smart ID card as a driving licence were acceptable. However, the incorporation of financial infrastructure and community infrastructure, such as a library card, in the smart ID card should be further examined.
- 38. <u>Miss Emily LAU</u> asked whether it was acceptable to restrict information stored in the new ID card to that currently stored in existing ID cards. <u>Mr Anthony AU</u> responded that a cardholder's facial image and fingerprint information should also be stored in the proposed smart ID card. <u>Dr D Y YEUNG</u> said that the storing of additional information in the proposed smart ID card should be considered having regard to the acceptability of the community at

- large. He added that it would be inappropriate to introduce non-Government applications in smart ID cards at this stage. Mr K T YUNG considered that the fingerprint information of a cardholder should be stored in the proposed smart ID card to facilitate the authentication of cardholders. Mr Bill FOK said that the storage of any additional information in the proposed smart ID card should be regulated by legislation.
- 39. Mr SIN Chung-kai suggested that besides the regulation of addition of information through legislation, the written consent of a cardholder should be required for the addition of any information other than that about fingerprints and the information as referred to in Schedule 1 to the Immigration Ordinance (Cap. 115) (IO). He added that the Administration should introduce legislation to ensure that there would be no information stored in the smart ID card that the cardholder was not aware of.
- 40. <u>DS for S3</u> said that it was the Administration's policy for cardholders to be made aware of the information stored in their own smart ID cards. He informed members that self-service kiosks would be provided for such a purpose. He added that the seeking of written consent from cardholders would have to be examined having regard to the practicality in implementation.
- 41. In response to Mr SIN Chung-kai's question about the meaning of the codes appearing on existing ID cards, <u>DD of Imm(SA)</u> said that there was a list of explanatory notes, which was available to the public, on the codes appearing on existing ID cards. <u>Miss Emily LAU</u> requested the Administration to provide members with the explanatory notes.

Right of abode

- 42. <u>Miss Emily LAU</u> asked whether the right of abode (ROA) of cardholders would be reassessed in the ID card replacement exercise.
- 43. <u>DS for S3</u> said that the Administration had no intention to reassess the ROA of cardholders in the ID card replacement exercise. According to Schedule 1 to IO, any person who was not of Chinese nationality would lose his ROA if he was absent from Hong Kong for a continuous period of 36 months or more. He added that a person who was a Chinese citizen and was a Hong Kong permanent resident before 1 July 1997 would be a permanent resident of HKSAR as long as he remained as a Chinese citizen. The ROA of a person was determined by the law rather than whether the person had an ID card.
- 44. <u>Miss Margaret NG</u> asked whether a cardholder currently in possession of a permanent ID card would be issued with a permanent smart ID card in the ID card replacement exercise. <u>DD of Imm(SA)</u> said that such a cardholder would be issued with a permanent smart ID card, unless the cardholder lost his ROA for failure to meet the requirements as referred to in paragraph 43 above. He

Adm

said that the current requirements in respect of ROA were liberal, as a Hong Kong permanent resident of Chinese nationality who had emigrated to other places and subsequently obtained a foreign passport would not lose his ROA unless he had made a declaration of change of nationality. Hong Kong permanent residents who were working or studying abroad were regarded as being in Hong Kong as long as his home base was in Hong Kong. Even where a permanent resident not of Chinese nationality had left Hong Kong for a continuous period of 36 months or more, he still had the right to land in Hong Kong.

45. In response to Miss Emily LAU's question about whether cardholders would be required to declare their nationality in the ID card replacement exercise, <u>DD of Imm(SA)</u> responded that cardholders who had obtained foreign passports would not be required to declare their foreign nationality in the ID card replacement exercise. He added that a declaration of change of nationality had to be made to the Nationality Section of ImmD.

Feasibility Study Report on the New HKSAR ID Card Project (the Report)

- 46. <u>Members</u> noted that in response to their request at the meeting on 24 October 2000 for a copy of the Report, the Administration had advised that Members interested in reading the Report could do so in a closed door environment in the office of ImmD.
- 47. <u>Miss Emily LAU</u> said that Members should be provided with the Report rather than having to read the Report in the office of ImmD. <u>DD of Imm(SA)</u> said that the Report contained sensitive information which might prejudice the tendering exercise if made public. Nevertheless, the Report could be provided to Members, subject to the deletion of sensitive information. He added that Members interested in reading the full Report were welcome to contact ImmD so that arrangements could be made.

#### Privacy issues

48. As regards privacy issues, <u>DS for S3</u> said that the Privacy Commissioner had expressed concerns about privacy issues but had not opposed the HKSAR ID Card Project. He added that the Administration recognized the need to further examine privacy issues and had undertaken to implement various privacy protection measures including the drawing up of a code of practice as proposed by the Privacy Commissioner.

### Administration's response to issues raised

49. <u>DS for S3</u> said that he was pleased to hear the views expressed by all the professionals and academics attending the meeting. He noted the clear support of the attending professionals and academics for the proposed smart ID card

project. This was a reflection that the use of such an ID card was a general trend. He informed Members that there were positive responses to the project during the Administration's consultations at district levels as well. He stressed that what the Administration currently proposed was a smart ID card with the capacity of supporting multi-applications which will provide an information infrastructure. As regards the storage of additional information, the Administration had only contemplated a template of thumb prints, condition of stay of non-permanent residents and driving licence thus far. Consultation with the public would be made and the agreement of LegCo would have to be sought before implementation.

Adm

- 50. Mr SIN Chung-kai and Miss Emily LAU requested the Administration to provide a written response to the points raised at the meeting and in the submissions.
- 51. The meeting ended at 1:10 pm.

<u>Legislative Council Secretariat</u> 5 January 2001