

工商及科技局
通訊及科技科

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10 November 2003

Clerk to Bills Committee
Legislative Council
3/F, Citibank Tower
3 Garden Road
Hong Kong

(Attn: Ms Debbie Yau)

Dear Ms Yau,

Bills Committee on Broadcasting (Amendment) Bill 2003

Meeting on 30 October 2003

Thank you for forwarding us the further submissions from the Hong Kong Cable Television Limited (HKCTV) and NagraVision SA dated 28 October, and the joint letter from the television operators also dated 28 October. We will respond to the suggestion in the joint letter in our consolidated reply to your letter of 3 November.

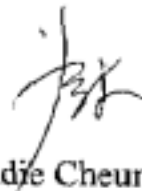
In response to HKCTV's claim of ineffectiveness of technological measures, we would like to reiterate, for the record, that it is not the Administration's position that technology alone can solve the problem of pirated viewing of pay TV. However, we consider that the operators have a role to play in tackling the problem by deploying reliable technological measures with continuous enhancements to reduce the possibility of piracy.

Digitization will make pay TV piracy difficult and costly. In fact, HKCTV admitted in the last paragraph of its letter that it could immediately disable the smart cards of their digital set-top boxes to control piracy. It means that it could regularly change the smart cards distributed to its customers to stop piracy. To the best of our knowledge, this is the arrangement made by overseas digital pay TV operators to halt piracy. We have therefore urged HKCTV to digitize the transmission of its service and assisted HKCTV in the process by assigning it additional frequency channels in In-building Coaxial Cable Distribution Systems for digital migration.

At the same time, the Government has not ruled out the possibility of imposing criminal liability on domestic end-users. Based on the outcome of public consultation, we are proposing a gradual approach by providing for criminal sanctions against commercial end-users and civil remedy against domestic users at this stage. If pirated viewing is still rampant after HKCTV has completed digitization, we will consider imposing criminal sanctions against domestic end-users. We believe that this approach is most acceptable to the public. The Consumer Council and industry associations such as Cable and Satellite Broadcasting Association of Asia and Motion Picture Association support our proposal in their submissions to the Bills Committee.

We believe that a private-public partnership is the appropriate approach to the problem of pay TV piracy. The Government is proactively enhancing legislative measures. Concurrently, the operators should invest in the latest technological measures to protect themselves from piracy.

Yours sincerely,



(Eddie Cheung)

for Secretary for Commerce, Industry and Technology

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