

LEGISLATIVE COUNCIL BRIEF

BIOMETRIC HONG KONG SPECIAL ADMINISTRATIVE REGION PASSPORT

INTRODUCTION

At the meeting of the Executive Council on 18 January 2005, the Council ADVISED and the Chief Executive ORDERED that having regard to the international trend for enhanced passport security, the Hong Kong Special Administrative Region (HKSAR) biometric passports should be introduced in early 2007 to safeguard and promote travel convenience enjoyed by HKSAR passport holders and to tie in with the first tide of applications for renewal of HKSAR passports issued in 1997.

JUSTIFICATIONS

2. Article 154 of the Basic Law provides that the Central People's Government (CPG) shall authorize the HKSAR Government to issue HKSAR passports in accordance with the law. Over 3 million HKSAR passports have been issued since the resumption of sovereignty. Currently 133 countries or territories grant visa-free access or visa on arrival to holders of the HKSAR passport.

The ICAO Recommendations

3. Following the September 11 terrorist attack, all contracting members of International Civil Aviation Organization (ICAO) agreed to step up the integrity and security control of passports and other travel documents. After detailed research and consultation, the ICAO issued in May 2004 the Technical Report on Biometrics Deployment in Machine Readable Travel Documents (MRTDs). In the report ICAO selected facial recognition as the globally interoperable biometric for machine-assisted identity confirmation with MRTDs, and recommended high-capacity, contactless integrated circuit (IC) chips as the medium to store identification information in MRTDs. Contracting members have the option of using one or two secondary biometrics (namely fingerprints and iris) to supplement facial recognition for personal identification. These technical specifications will assist contracting members to implement a worldwide, standardized system of identity confirmation.

4. In the case of the US, the Enhanced Border Security and Visa Entry Reform Act 2002 requires, among other things, that countries whose citizens enjoy visa-free travel to the US must issue passports with biometric identifiers no later than 26 October 2004 if they wish to continue to enjoy the visa-free facility. The deadline was subsequently extended to 26 October 2005.

5. The US is not alone. Apart from counter-terrorism, many economies see biometric passports as an effective tool to counter passport forgeries as well as illegal migration and other transnational crimes facilitated by passport frauds. Major countries are likely to follow the US lead and impose similar entry requirements on those economies that wish to gain or retain visa-free access for their citizens. The European Union, for example, is actively considering similar new measure.

6. A global trend to issue biometric passports is gathering momentum especially among the technologically advanced economies. Canada and the US will introduce biometric passports by late 2005. Among the 27 countries enjoying visa-free access to the US, 17 countries (Australia, Belgium, Brunei, Denmark, Finland, France, Germany, Italy, Japan, the Netherlands, New Zealand, Singapore, Slovenia, Spain, Sweden, Switzerland and the UK) have solid plans to issue biometric passports in the next couple of years. We understand that many countries (including the US and the UK) will only include the mandatory ICAO requirement of facial image in the chip to be embedded in the biometric passport, but some others may include fingerprint image as well.

7. Failure on our part to incorporate biometric identifier into the HKSAR passport would likely jeopardize visa-free treatment enjoyed by its holders and hamper our efforts to obtain visa-free access to more countries. Conversely, early introduction of biometric HKSAR passports will be an effective demonstration of our resolve and ability to contribute to international efforts to counter terrorism, illegal immigration and forgery.

Aging of Existing Computer System

8. External factors aside, there are internal considerations calling for a revamp of the HKSAR passport. The existing computer system, the Travel Document Information System (TDIS), developed for issuing HKSAR passports and other travel documents (such as Document of Identity and Re-entry Permits) will reach its life expectancy by 2007. The system will become outdated and obsolete by then, leading to maintenance problems and degradation of service, if its hardware and software are not replaced substantially in time. Rather than ploughing substantial resources to upgrade the TDIS to produce the existing conventional type of HKSAR passports and

other travel documents, we propose to develop and enhance the TDIS to form a new computer system, namely the Electronic Travel Document Information System (e-TDIS), for the processing and issuance of biometric HKSAR passports and other HKSAR travel documents*.

IMPLEMENTATION TIMETABLE

9. We intend to invite tenders for the various components of the biometric passports (e.g. the hardware and software for the e-TDIS system and polycarbonate for the biodata page) in accordance with the following tentative timetable:

Seeking Legislative Council Finance Committee approval	4 March 2005
Invitation of tenders	by July 2005
Award of tender	by end 2005
Introduction of biometric HKSAR passport	by early 2007

The above tendering timetable has already been compressed where this is possible (8 months for tender preparation and award and 14 months for development and procurement by the successful tenderer). Introducing biometric passports in early 2007 will tie in with the first tide of applications (some 429 000) for passport expected in that year.

10. The chip is an integral part of the passport book and will have the capacity to store information on the personal particulars and facial image of the passport holder, the latter being ICAO's mandatory requirement. In line with the practice adopted in the US and the UK, we will reserve capacity in the chip for the storage of fingerprint image to accommodate possible changes of international standards in future.

LEGISLATION

11. According to legal advice, the introduction of biometric passports with a chip containing the facial image and personal information of the holder as appeared on the biodata page, but without fingerprint or iris pattern or DNA information derived from intimate sample or non-intimate sample, does not entail any change to principal legislation. However, changes to the Schedule

* Note: The e-TDIS will process and produce biometric HKSAR passports and biometric Document of Identity.

to the Hong Kong Special Administrative Region Passports Ordinance will be required to reflect the new level of fee to be set at a full-cost recovery basis. The cost of the new form of passport would depend on the result of the tendering exercise.

IMPLICATIONS OF THE PROPOSAL

12. The proposal has no economic, productivity, environmental and sustainability implications. It is in conformity with the Basic Law, including the provisions concerning human rights. It has financial and civil service implications as set out in the **Annex**.

PUBLIC CONSULTATION

13. We will brief the Legislative Council (LegCo) Panel on Security before seeking funding from the LegCo Finance Committee.

PUBLICITY

14. We will issue a press release and arrange a briefing for the LegCo Panel on Security as soon as possible.

SUBJECT OFFICER

15. Enquiries on this brief can be made to Ms Linda So, Principal Assistant Secretary for Security (tel: 2810 2330).

Security Bureau
18 January 2005

Financial and Civil Service Implications

According to Immigration Department's estimate, the proposal will entail a capital cost of \$211 million, comprising \$153 million for procuring the system and related consumables and \$58 million for a two-year time-limited project team with 24 immigration service grade staff and ten IT professional grade and general grades staff.

2. The proposal will also involve an operating cost of \$138 million for 2007-08 and \$121 million for 2008-09 and onwards. The operating cost includes \$100 million and \$83 million for the passport materials respectively for 2007-08 and for 2008-09 and beyond, and \$38 million for other recurrent expenditure. Implementation of the e-TDIS will make possible an annual realisable saving of \$46 million for 2007-08 and \$52 million (including a saving of 33 posts at an annual staff cost of \$20 million) for 2008-09 and onwards. The net additional recurrent cost required will thus be \$92 million for 2007-08 and \$69 million for 2008-09 and onwards.

3. The Government would receive revenue in the form of fees for biometric passports. The cost and hence the fee to be charged for the new form of passport would depend on the result of the tendering exercise.