Panel on Information Technology and Broadcasting

List of outstanding items for discussion (position as at 7 November 2006)

> Proposed timing for discussion

IT-related issues

1. Information Security

Last discussed on 17 March 2006. Further to the issuance of the "Report on leakage of personal data" by the Independent Police Complaints Council, the Chairman has advised that the Panel on Security would consider how the report should be followed up. It has also been requested that members of the Panel be invited to take part in the meeting of the Panel on Security, if held, to discuss the subject.

The Panel has agreed that the Panel on Home Affairs will be invited to follow up with the Administration and the Office of the Privacy Commissioner of Personal Data (PCO) on the review of the Personal Data (Privacy) Ordinance (PD(P)O) (Cap 486).

At the meeting on 6 April 2006, the Panel has requested the Administration to provide a comprehensive report in about November 2006 on the current state of information security in bureaux and departments; as well as how various regulators exercise their monitoring role to ensure that information security is being observed and complied with by the relevant sectors under their purviews. The report should also include measures taken by publicly-funded bodies to maintain and enhance information security and the names of individual publicly-funded body which refuse to provide such information, if any.

2. Implementation of pilot e-Procurement project

The Administration has completed a consultancy study in mid-2006 and formulated a strategy for implementing e-procurement in the Government. The Study recommended a number of e-procurement initiatives for implementation at the bureaux/department level with the aim of enhancing internal efficiency and driving IT and e-commerce adoption in the supplier community.

The Administration intends to implement pilot e-procurement projects in the Immigration Department, Environmental Protection Department and OGCIO for completion in mid 2009. This will be December 2006 (tentative)

11 December 2006

followed by a review in 2010 to devise a detailed plan for service-wide implementation in the Government.

- 2 -

The Administration would like to seek the Panel's views on the proposal before making a submission to the Finance Committee in January 2007.

3. Report on the Cyberport Project

Last discussed on 8 May 2006. The Administration and Hong Kong Cyberport Management Company Limited have been requested to brief the Panel annually, after the financial statement of the financial year in question has been audited (usually by October each year). In reporting the financial status of the Cyberport project, relevant figures for the past few years should be listed side by side in the consolidated account report. The Administration was also asked to provide quantifiable information which would enable the Panel to assess the effectiveness or otherwise of the Cyberport in fulfilling its public missions.

4. 2006 Surveys on IT Usage and Penetration in the Household and Business Sector

The Government has since 2000 been conducting annual surveys to collect information on IT usage and penetration in the community and the business sector respectively. The information collected has provided a useful basis for formulating and refining IT policies and programmes to promote the adoption and further development of IT in Hong Kong. The Administration plans to brief the IT Panel on the findings in February 2007.

5. Report on the Review of Administration of Internet Domain Names in Hong Kong

The Administration is conducting a consultancy review on the 14 institutional framework of the Internet domain name administration (teregime in Hong Kong with a view to making recommendations with implementation proposals, having regard to the latest international and regional developments. The Administration plans to brief the Panel on the outcome and recommendations of the study.

6. Review of the Electronic Transactions Ordinance

The Electronic Transactions Ordinance (Cap. 553) (ETO) was enacted 11 June 2007 in January 2000 to provide a statutory framework for conducting electronic transactions in Hong Kong. An Amendment Ordinance was enacted in June 2004 to improve and update the ETO. To ensure that Hong Kong has the most up-to-date legal framework for the conduct of electronic transactions in the light of the latest

12 February 2007 (tentative)

12 February 2007 (tentative)

14 May 2007 (tentative)

7. **Progress Update on E-government Programme**

Panel on any proposed change to ETO arising from the review.

The Administration last briefed the Panel on the latest development of e-government programme in June 2006. It will continue to give (tentative) regular update to the Panel on the progress of implementing key initiatives in the e-government programme such as the GovHK Programme, e-Procurement, Channel Management Strategy etc.

Telecommunications

8. Issues relating to change in shareholding in PCCW Limited

The joint meeting with the Panel on Financial Affairs to consider the item originally scheduled for 4 August 2006 was deferred due to the continuation of the Council meeting of 2 August 2006.

At their meetings held on 12 October 2006, the two Panels agreed to hold special meetings at consecutive timeslots to discuss within their respective purviews issues relating to changes in shareholding in PCCW Limited.

9. Public Consultation on **Proposed** Spectrum **Policy** Framework (*)

Radio spectrum is valuable and scarce public resource. With a view 11 December 2006 to formulating a responsive, transparent and market-led spectrum policy to enable the community to reap the maximum benefit from the deployment of radio spectrum, the Administration has engaged a consultant to assist in reviewing spectrum policy and management The consultancy study has been completed. issues.

Taking into account recommendations of the consultant, the Administration has developed a revised spectrum policy framework which will provide guidance to the TA in tackling spectrum management issues in future. It has launched a 3-month public consultation exercise on the proposed spectrum policy framework to solicit views from the public and the industry.

Proposed timing

11 June 2007

23 November 2006

10. Public consultation on release of spectrum to enable the provision of CDMA2000 service

Due to the small number of customers remaining and the resulting inefficient use of spectrum, the Government did not renew the second generation (2G) CDMA and TDMA licences when they expired in 2005. Instead, a three-year migration period with reduced amount of spectrum was offered to facilitate the licensees to migrate their customers to other networks. Only the CDMA licensee took up the offer. The migration period will end in November 2008.

As CDMA standards continued to develop and are deployed in the US, Korea, Japan and the Mainland (there are more than 30 million users in the Mainland), there is a need to provide CDMA roaming services in Hong Kong to a large number of business visitors and tourists from the Mainland and elsewhere visiting Hong Kong, in line with the strategic position of Hong Kong as a world city and the gateway between the Mainland and the world.

To ensure continuity of provision of CDMA roaming services after November 2008, the TA proposes to launch as soon as possible a public consultation on the release of the concerned spectrum and the associated licensing and auctioning arrangements so as to allow sufficient time for making the necessary subsidiary legislation and for the spectrum to be auctioned by third quarter of 2007, thereby allowing about a year for the successful bidder to roll out the new network.

11. Issues related to the protection of personal information of e-mail account subscribers (*)

Arising from the reported incident in which it was alleged that Yahoo! Holdings (Hong Kong) had provided the Mainland authorities information regarding the personal emails of Mr SHI Tao, the Panel discussed the protection of personal information of e-mail account subscribers on 1 November 2005. Members agreed to re-visit the issues after relevant information has been received from the PCO, the Hong Kong Internet Services Providers Association and the Assistant Legal Adviser of the Secretariat.

The paper prepared by the Assistant Legal Adviser 3 (ALA3) on the legal aspects of the subject has been circulated to all Members on 23 January 2006 vide LC Paper No. CB(1)771/05-06. An interim reply provided by PCO has been issued to all Members on 2 December 2005 vide LC Paper No. CB(1)445/05-06. PCO has also been reminded on 27 February and 29 September 2006 to provide further information to the Panel. Issues raised at the special meeting on 1 November 2005 and ALA3's written advice have been referred to the

To be confirmed

11 December 2006

To be confirmed

Panel on Home Affairs to facilitate its follow-up of the review of the (PD(P)O).

12. Release of spectrum for broadband wireless access (BWA) services (*)

According to the Administration, there is interest from the industry to provide BWA in Hong Kong. With a view to facilitating their deployment, the Office of the Telecommunications Authority (OFTA) has launched two rounds of public consultation exercises in December 2004 and August 2005 to initiate discussions on the appropriate form of regulation and how radio spectrum should be assigned for such services.

After the completion of the public consultation on the spectrum policy framework and the review on the fixed-mobile convergence, it would be the appropriate time for OFTA to continue with the earlier consultations in order to meet the demands from the industry and facilitate the launch of such service in Hong Kong.

13. Review of regulatory framework for universal service arrangements (*)

At present, PCCW has a Universal Service Obligation under which it is required to, inter alia, provide basic fixed telecommunications service to anyone in Hong Kong within a reasonable time, including those customers that are not "economical" to serve from a business perspective. The losses incurred in serving those "uneconomical customers" are met by Universal Service Contributions, currently levied on IDD traffic minutes and therefore paid for by external telecommunications service providers.

With the IDD market being very competitive with thin margins, OFTA will review whether there should continue to be a cross-subsidisation by external telecommunications services for local fixed services provided under universal services arrangements. The Administration will consult the public and the industry in due course.

Broadcasting

14. Progress in the implementation of digital terrestrial television (DTT) broadcasting in Hong Kong (*)

Last discussed on 18 July 2006. The Panel has requested that pending the decision on the DTT technical standard to be used, the Administration should report to the Panel in the first quarter of 2007 the latest progress and development, including, in particular, how the technical problems related to DTT transmission and reception had been dealt with (e.g. availability of set-up boxes for use by the general viewers) and how the Administration had strengthened

First quarter of 2007

publicity and education to assist the public in preparing for the launching of DTT broadcasting.

15. Review on public service broadcasting (*)

On 17 January 2006, the Administration announced the appointment by the Chief Executive of the Committee on Review of Public Service Broadcasting in Hong Kong (Review Committee). The Panel has met with the Administration, the Review Committee, RTHK Programme Staff Union on 25 January 2006 to discuss issues related to the review. The Panel has also received deputations' views on the subject matters at the meetings on 11 March 2006 and 1 August 2006.

The Panel has issued a report on its study on 9 October 2006 and will continue to follow up the development of PSB in Hong Kong with the Review Committee and the Administration.

In a motion debate on PSB for Hong Kong at the Council meeting on 1 November 2006, the Secretary for Commerce, Industry and Technology advised that the Administration expected to receive the report of the Review Committee by end 2006 or early 2007. It will then issue a consultation document to seek the views of the community on PSB in the second quarter of 2007.

16. Domestic/private pirated viewing of subscription television programmes

Last discussed on 11 July 2005. The Administration has been To be confirmed requested to, inter alia, monitor the global trend of regulatory practices against pirated viewing of pay TV programmes and update the Panel where necessary.

17. Review of the broadcasting regulatory regime (*)

In the light of technological and market convergence in the electronic communications sector, the boundaries between telecommunications, broadcasting and information technology are blurring. Some old concepts adopted for the regulation of broadcasting may become obsolete in the converging environment. Just like other jurisdictions, Hong Kong needs to update the regulatory regime in the light of latest technological and market developments to ensure that its framework remains conducive to the further development of the broadcasting industry in particular and the electronic communications industry in general.

18. Opening up radio/TV channels for use of the community (*)

Item proposed by the Deputy Chairman. The subject of public - access channels has been considered in the context of the

To be confirmed

development of Digital Broadcasting in Hong Kong, licence renewal for television and sound broadcasters at the Panel meetings held on 27 June and 5 December 2003, 12 January and 8 March 2004 and 9 January 2006; and of review on public service broadcasting at the meetings on 25 January, 11 March and 1 August 2006.

Two motions calling for, among other things, the setting up of public access channels were passed at the Council meetings on 18 February 2004 and 8 February 2006, which showed that there was a broad agreement in principle among Members that such feasibility should be looked into.

The Administration considered that given the vibrant broadcasting sector providing a variety of services to meet the communications needs of the public, there is no urgent need to set up a public channel. Moreover, there were other considerations, such as the financial capability of the channel providers, channel governance and management as well as the accountability of these channels.

The Panel received a letter from Citizens' Radio requesting the Panel to urge for the opening up of radio channels for the use of the community so as to safeguard the freedom of speech. The letter was circulated to Panel members on 19 October 2005 vide LC Paper No. CB(1)93/05-06(01).

19. Issues related to the regulation of pornographic and violent materials transmitted through the mass media and protection against intrusion of privacy by the mass media (*)

The Panel received views from deputations on related issues at the meeting on 11 September 2006. It was noted that the Administration would review if the provisions in the Control of Obscene and Indecent Articles Ordinance would need to be strengthened to enhance the deterrent effect, and take forward discussions with all stakeholders on matters relating to intrusion of privacy rights on the basis of the proposals of the relevant reports of the Law Reform Commission (LRC). According to the Home Affairs Bureau, it would take the LRC proposals back to the Panel on Home Affairs for further discussion. The Chairman has advised that the relevant Panels would follow up with the Administration on the issues in due course.

20. Complaint handling mechanism of Television and **Entertainment Licensing Authority (TELA)**

In scrutinizing the Broadcasting (Revision of Licence Fees) Regulation 2006 (the Regulation), some members of the Subcommittee formed to study the Regulation have expressed concern about the effectiveness of the existing complaint handling mechanism of TELA in dealing with complaints against the service licensees for non-compliance with the Code of Practice on Television The Subcommittee has requested the Panel Programme Standards. to follow up on the relevant issues. At the request of the Panel, the Administration has provided a paper on the subject, which has been circulated to Panel members vide LC Paper No CB(1)2107/05-06 on The Chairman has advised that the subject be 8 August 2006. included in the Panel's list of outstanding items for discussion in due course.

Proposed acquisition of ATV's shares by Citic Guoan Group 21.

Last discussed on 5 June 2006. The Panel agreed to further discuss the matter at another special meeting to enable members to understand more about the impact on ATV's competitiveness and its editorial independence consequent to the transfer of its shares, if approved. The Broadcasting Authority (BA) has been requested to revert to the Panel before it makes a final decision on whether or not to approve the proposed acquisition; as well as to advise the Panel of how it had assessed the various relevant factors, including public views, if any, in the process, and to attend the Panel's meeting to exchange views with the Panel on the subject. BA's initial reply and the detailed information provided by the Administration have been circulated to all Members on 16 June and 7 August 2006 respectively vide LC Paper Nos. CB(1)1776/05-06 and CB(1)2102/05-06.

Coverage and availability of domestic free and/or pay 22. television programme services

Proposed by Hon Albert CHAN. At the meeting on 12 October To be confirmed 2006, Panel members noted Hon CHAN's concern that under the existing policy guidelines, domestic free television programme service licensees would normally be exempted from serving those areas where the populations affected by poor television reception were below 2 000 persons within an area of a radius of three kilometers and as such, the services are not made available to some villages with populations of about 500 persons. He was also concerned that some areas on Lantau Island still have no pay television services coverage. Members agreed to discuss the item in due course.

To be confirmed

To be confirmed

<u>Film</u>

23. Review of the effectiveness of the Film Guarantee Fund and other support measures rendered to the film industry (*)

Last discussed on 4 February 2005. At the meeting on 12 October To be confirmed 2006, Hon Jasper TSANG proposed and members agreed to review the effectiveness of the Film Guarantee Fund and other measures rendered to support the film industry.

(*) For these items, the Panel may consider inviting the industry, stakeholders and other interested parties to provide views and attend the Panel's meetings

Council Business Division 1 Legislative Council Secretariat 7 November 2006