

LC Paper No. CB(1)922/17-18 (These minutes have been seen by the Administration)

Ref : CB1/PL/CI

Panel on Commerce and Industry

Minutes of meeting held on Tuesday, 27 February 2018, at 10:00 am in Conference Room 1 of the Legislative Council Complex

Members present	:	Hon WU Chi-wai, MH (Chairman) Hon SHIU Ka-fai (Deputy Chairman) Hon Jeffrey LAM Kin-fung, GBS, JP Hon WONG Ting-kwong, GBS, JP Hon Mrs Regina IP LAU Suk-yee, GBS, JP Hon Mrs Regina IP LAU Suk-yee, GBS, JP Hon YIU Si-wing, BBS Hon MA Fung-kwok, SBS, JP Hon CHAN Chi-chuen Hon CHAN Chi-chuen Hon Dennis KWOK Wing-hang Hon Christopher CHEUNG Wah-fung, SBS, JP Hon Martin LIAO Cheung-kong, SBS, JP Dr Hon CHIANG Lai-wan, JP Ir Dr Hon LO Wai-kwok, SBS, MH, JP Hon CHUNG Kwok-pan Hon CHU Hoi-dick Hon Jimmy NG Wing-ka, JP Hon CHAN Chun-ying Hon Tanya CHAN
Members absent	:	Hon Charles Peter MOK, JP Hon LAU Kwok-fan, MH
Member attending	:	Dr Hon Fernando CHEUNG Chiu-hung

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Public officers attending <u>Agenda Item IV</u>

:

Innovation and Technology Bureau

Dr David CHUNG, JP Under Secretary for Innovation and Technology

Mr Ivan LEE, JP Deputy Commissioner for Innovation and Technology

Mr Ricky CHONG Principal Assistant Secretary for Innovation and Technology

Ms Jane LEE Secretary-General (Testing and Certification) Hong Kong Council for Testing and Certification

Ms Bella HO Executive Administrator (Accreditation) Innovation and Technology Commission

Agenda Item V

Commerce and Economic Development Bureau

Dr Bernard CHAN, JP Under Secretary for Commerce and Economic Development

Mr Gary POON Deputy Secretary for Commerce and Economic Development (Commerce and Industry) 2

Miss Alice CHOI Principal Assistant Secretary for Commerce and Economic Development (Commerce and Industry) 3

Intellectual Property Department

Ms Ada LEUNG Director of Intellectual Property Ms Joyce POON Assistant Director of Intellectual Property (Copyright)

Agenda Item IV Attendance by : invitation The Gemmological Association of Hong Kong Limited (GAHK) Dr Norman SIU Wai-chung Director of GAHK Certification and Label Scheme Hong Kong Institution of Certified Auditors Dr Tommy LO-yiu President Democratic Alliance for the Betterment and Progress of Hong Kong (DAB) Miss CHEUNG Sze-wing Deputy spokesman on Commerce and Industry of DAB Hong Kong Association for Testing, Inspection and Certification Limited Mr Harry YEUNG Chi-wah Chairman The Open University of Hong Kong Dr George LAU Hing-keung Programme Leader (Testing and Certification), School of Science and Technology Asia Hair Masters Association Ms Linda YIP Wai-mun Founder

	The Cosmetic & Perfumery Association of Hong Kong Ltd
	Mr Daniel YAU Tak-kuen Chairman of Cosmetics Manufacturing & Research Committee
	The Hong Kong Institute of Business Innovation
	Mr David CHUNG President
	Hong Kong Quality Assurance Agency
	Ir HO Chi-shing Deputy Chairman
	Hong Kong Indoor Air Quality Association
	Mr Dominic LAM Chun-hong Chairman
	Food Safety and Technology Research Centre, The Hong Kong Polytechnic University
	Dr WONG Ka-hing Associate Professor/Associate Director of the Centre
Clerk in attendance :	Mr Desmond LAM Chief Council Secretary (1)3
Staff in attendance :	Mr Joey LO Senior Council Secretary (1)8
	Mr Terence LAM Council Secretary (1)3
	Ms May LEUNG Legislative Assistant (1)3
	Miss Zoe YIP Clerical Assistant (1)3

- I. Confirmation of minutes of meeting (LC Paper No. CB(1)605/17-18 -- Minutes of meeting held on 19 December 2017)
 The minutes of the meeting held on 19 December 2017 were confirmed.
 - II. Information papers issued since last meeting (File Ref: CITB CR 75/53/10 -- Legislative Council Brief on United Nations Sanctions (Mali) Regulation LC Paper No. CB(1)620/17-18(01) -- Reply from the Commerce and Economic Development Bureau in response to the suggestions made under paragraphs 4.2.1 (j) and (k) of the report on the Panel's duty visit to Israel (LC Paper No.
 - 2. <u>Members</u> noted the above papers issued since the last meeting.

III. Date of next meeting and items for discussion

(LC Paper No. CB(1)604/17-18(01) -- List of outstanding items for discussion

CB(1)492/17-18))

LC Paper No. CB(1)604/17-18(02) -- List of follow-up actions)

3. <u>Members</u> noted that the next regular Panel meeting would be held on 20 March 2018 at 2:30 pm discuss the following items proposed by the Administration –

- (a) Progress of the implementation of the Dedicated Fund on Branding, Upgrading and Domestic Sales and enhancement of the various SME funding schemes; and
- (b) Progress of the Innovation and Technology Fund.

<u>The Chairman</u> said that deputations and individuals would be invited to make written submissions and oral representations on (a) above at the next Panel meeting.

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IV.	Latest position of the testing and co (LC Paper No. CB(1)604/17-18(03)		• • •
	LC Paper No. CB(1)604/17-18(04)		Paper on the development of the testing and certification industry in Hong Kong prepared by the Legislative Council Secretariat (updated background brief)
	LC Paper No. CB(1)640/17-18(01) (Chinese version only; tabled at the meeting and subsequently issued on 1 March 2018)		Speaking note of the Under Secretary for Innovation and Technology
	LC Paper No. CB(1)630/17-18(01) (Chinese version only, tabled at the meeting and subsequently issued on 27 February 2018)		Administration's paper on Latest position of the testing and certification industry in Hong Kong (PowerPoint presentation material))
	Meeting with deputations and the Ad	mini	stration
	Submissions from deputations not a	tton	ding the meeting
	(LC Paper No. CB(1)604/17-18(11)		
	LC Paper No. CB(1)604/17-18(12)		Submission from Materials Division, The Hong Kong Institution of Engineers (English version only)
	LC Paper No. CB(1)619/17-18(02)		SubmissionfromETS-TESTCONSULTLIMITED (English version only)
	LC Paper No. CB(1)640/17-18(06)		Submission from Hong Kong Tourism Association (Chinese version only))

Presentation of views by deputations

4. At the invitation of the Chairman, Under Secretary for Innovation and

<u>Technology</u> ("US for IT") briefed members on the latest development of the testing and certification ("T&C") industry. <u>Secretary-General (Testing and Certification),</u> <u>Hong Kong Council for Testing and Certification</u> ("SG, HKCTC") then gave a PowerPoint presentation on the subject matter, details of which were set out in the Administration's papers (LC Paper Nos. CB(1)604/17-18(03) and CB(1)630/17-18(01)).

5. At the invitation of the Chairman, a total of 11 deputations presented their views on the development of Hong Kong's T&C industry. A summary of views of these deputations/individuals was in **Appendix**.

Discussion

Recognition of qualifications for specific industries

6. <u>Mrs Regina IP</u> supported the development of the T&C industry in Hong Kong. In particular, she opined that official recognition would provide quality assurance for the local cosmetics production industry and the beauty and hairdressing industry. In order to upgrade the quality of personal beauty services in Hong Kong to an internationally recognized level and develop Hong Kong into an international centre for personal beauty service, <u>Mrs IP</u> suggested the introduction of certification schemes for local beauticians and hairstylists, similar to those operating in the United States.

7. <u>SG, HKCTC</u> said that the Qualifications Framework ("QF") had already released the Specification of Competency Standards ("SCS") for the beauty and hairdressing industry. It set out the skills, knowledge and competency standards required of the practitioners to perform various job functions in the beauty and hairdressing industry. In respect of certification on cosmetics/hairdressing products, <u>SG, HKCTC</u> said that the industry might consider developing a certification scheme for those products and might seek funding support from appropriate government funding programme to draw up the scheme. Alternatively, members of the cosmetics industry might explore making use of some existing certification schemes for consumer products provided by the T&C industry.

8. <u>Ms Linda YIP of the Asia Hair Masters Association</u> said that the relevant sets of SCS released under QF could not meet the practical needs of the hairdressing industry. As such, practitioners meeting the SCS were not recognized by employers as having the required professional knowledge and skills, thus hampering the long term development of the industry. She supported the setting up of personnel certification schemes for the industry in order to guarantee the quality of services provided by the practitioners.

9. Dr Tommy LO of the Hong Kong Institution of Certified Auditors

("HKICA") said that professionalism was very important to the development of the T&C industry. HKICA's mission was to promote the status of management system auditors to the public as a profession, and it supported the provision of recognition to such auditors. In this respect, HKICA had set up personnel certification schemes for management system auditors in accordance with relevant requirements of the International Organization for Standardization ("ISO").

Promotion of testing, certification and accreditation services

10. <u>Mr YIU Si-wing</u> opined that T&C services were vital to Hong Kong's reputation as a shoppers' paradise and its retail and tourism industries. He urged the Administration to make use of accreditation service as a means of assuring the quality of T&C bodies, and to strengthen visitors' confidence in the goods and services provided/marketed in Hong Kong, including jewellery, Chinese Materia Medica ("CMM"), health care and beauty products. In addition, he suggested that the Administration step up its effort in promoting Hong Kong's accredited T&C services to overseas stakeholders. He also urged the Administration to actively help the cosmetics industry join or develop its relevant certification schemes.

11. SG, HKCTC said that unlike the Mainland, Hong Kong did not regulate its Similar to the situation in Europe and the United States, T&C industry. The Hong Kong Accreditation accreditation was voluntary in Hong Kong. Service ("HKAS") under the Innovation and Technology Commission ("ITC") provided accreditation services to T&C bodies according to international standards, such as ISO standards. She added that HKAS-accredited organizations were allowed to issue endorsed reports/certificates bearing the HKAS accreditation mark for services which had been accredited. On the promotion of Hong Kong's accredited T&C services, HKAS had already entered into mutual recognition arrangements with 100 overseas accreditation bodies. Besides, HKCTC had collaborated with the Hong Kong Trade Development Council ("HKTDC") to promote Hong Kong's T&C services to overseas markets. As regards enhancing the credibility of cosmetics and health care products manufactured by local companies, the local T&C sector had already made available certification schemes for consumer products. The cosmetics industry might explore with the T&C industry on making use of such certification schemes.

12. <u>Dr Norman SIU of the Gemmological Association of Hong Kong</u> ("GAHK") said that according to his understanding, QF was currently reviewing and updating the Units of Competency under the SCS for the Jewellery Industry, so as to reflect the competency standards required for the operation and future development of the industry.

13. In response to the Deputy Chairman's enquiry, <u>Mr Daniel YAU of the</u> <u>Cosmetic and Perfumery Association of Hong Kong Limited</u> ("CPAHK") said that the cosmetics industry had been engaging T&C bodies to test and certify their products based on international standards such as the Good Manufacturing Practice ("GMP") and ISO standards. He called upon the Administration to spearhead the introduction of an official accreditation system for the industry. <u>The Deputy</u> <u>Chairman</u> then enquired about the concrete measures to assist the industry to develop and promote a certification scheme.

14. <u>SG, HKCTC</u> responded that certain local industries, such as the construction industry, had been making use of product certification schemes to ensure quality of construction materials, and hence enhance consumers' confidence. Such construction materials product certification schemes were usually operated by industry associations. Similarly, the cosmetics industry might consider setting up their own product certification schemes in order to gain recognition among consumers. She added that HKCTC had been assisting various industries to promote their certification schemes/ industry standards. For example, HKCTC would co-organize a seminar with HKTDC and GAHK titled "The Latest Developments of the Hong Kong Standard of Fei Cui Testing and Service Standards of the Jewellery Retail Industry" at the Hong Kong International Jewellery Show on 3 March 2018.

15. <u>The Deputy Chairman</u> said he would arrange a meeting between major representatives of the cosmetics industry and the Administration to further discuss the relevant areas of concern.

Manpower

16. <u>Mr CHAN Chun-ying</u> enquired about the Administration's strategy in spearheading the development of the T&C industry in order to leverage the opportunities provided by the Belt and Road Initiative. He also enquired about the Administration's measures to groom talents for the T&C industry. Noting that the Open University of Hong Kong ("OUHK") launched Hong Kong's first full-time undergraduate programme dedicated to T&C in 2013, <u>Mr CHAN</u> further enquired about the number of enrolments and graduates of the programme, and whether the Administration had any plan to encourage other mainstream universities to launch similar programmes targeted to the grooming of talents. Noting that HKCTC launched a teaching kit for senior secondary chemistry teachers in 2016 to help enhance students' interests in the T&C sector, <u>Mr CHAN</u> asked what other measures the Administration would take to promote T&C among students.

17. <u>SG, HKCTC</u> said that apart from OUHK, other universities/institutes including the Hong Kong Baptist University ("HKBU") and the Technological and Higher Education Institute of Hong Kong set up by the Vocational Training Council ("VTC") had launched bachelor's degree programmes dedicated to T&C. Post-graduate T&C programmes were also provided by the Chinese University of Hong Kong, HKBU, Hong Kong University of Science and Technology and

OUHK. <u>SG, HKCTC</u> added that the first batch of students of the full-time four-year bachelor's degree programme launched by OUHK graduated in 2017. Among the 120 graduates, around 60% had joined the T&C industry. On the other hand, about 500 students graduated from the nine T&C-related Higher Diploma programmes organized by VTC each year, among which about 30% had joined the T&C industry.

Seeking international recognition of Hong Kong's assessment results and standards

18. <u>Mr CHUNG Kwok-pan</u> opined that in order to take Hong Kong's T&C industry to an international level, Hong Kong should take part in the development work of international standards. He added that product and service requirements specified by international clients were stricter than international standards. As such, the Administration should liaise with overseas governments and authorities with a view to fostering mutual recognition on T&C standards developed locally, rather than leaving the specific industries to develop their own standards which might not be recognized by overseas authorities.

19. <u>SG, HKCTC</u> said that the Administration had been engaging in formulating international standards. While Hong Kong could not become a full member of ISO due to its country status requirement, Hong Kong was a correspondent member of ISO and had been actively participating in ISO affairs. Representatives from ITC attended the ISO annual General Assembly, participated in standardization activities of the ISO, such as the annual World Standards Day, and nominated interested representatives from the industry, research institutes, tertiary institutions, professional bodies, trade and industrial organizations and other government departments, to participate in ISO Technical Committees ("TC") to take part in the development work of international standards. About 170 Hong Kong representatives joined 85 ISO TCs/sub-committees/working groups to contribute to the development of international standards. For example, Hong Kong hosted the Annual Meeting of ISO/TC 106 (Dentistry) and ISO/TC 114 (Horology) in August and September 2017 respectively.

20. <u>Mr WONG Ting-kwong</u> said that given the significance of the T&C industry in Hong Kong's economy, and the importance of a robust T&C system towards maintaining the consumers' confidence, the Administration was incumbent to spearhead and promote the development of the T&C industry by assisting in the setting up of relevant standards in all major industries in Hong Kong. The Administration should also ensure that such standards be up to internationally recognized standards, and that Hong Kong had sufficient professional talents to sustain the development of the T&C industry. To achieve this, concerted effort across the Innovation and Technology Bureau, Commerce and Economic Development Bureau, Education Bureau, Labour and Welfare Bureau, VTC, Employees Retraining Board and HKCTC would be required to push forward the development of the T&C industry.

21. <u>SG, HKCTC</u> noted Mr WONG Ting-kwong's views and said that HKCTC attached great importance to the grooming of talents for the T&C industry, and had invested resources in this regard. Looking ahead, HKCTC would continue to put effort and resources in the development of the T&C industry.

Monitoring of the testing and certification industry

22. Referring to the incident involving the falsification of concrete test samples by testing laboratory staff working for a government contractor on the Hong Kong-Zhuhai-Macau bridge, <u>Mr CHU Hoi-dick</u> urged the Administration to introduce a mechanism for rescinding recognitions awarded to T&C professionals found engaging in professional misconduct or criminal behaviour.

23. <u>SG HKCTC</u> responded that HKAS had been conducting surveillance visits and re-assessments on accredited T&C organizations. If in the opinion of HKAS an accredited organization had failed to comply with the accreditation criteria, HKAS could suspend or terminate the organization's accreditation. She added that there were stringent requirements, including those on integrity management, to ensure the capability and competency of the approved signatories (persons nominated by the accredited organization and authorized to sign its endorsed reports or certificates). If an approved signatory was no longer capable of meeting the necessary requirements, that person would no longer be allowed to be an approved signatory of the accredited organization concerned. Enforcement agencies would follow up any cases involving suspected criminal behaviour.

Premises

24. Ir Dr LO Wai-kwok declared that he was the Chairman of the Hong Kong Quality Assurance Agency and Honorary Professor of OUHK which had contributed to the development of the T&C industry in Hong Kong by offering a number of Bachelor's and Associate degree programmes in this area. Ir Dr LO said that he had also been a member of HKCTC during the first few years of its He relayed the strong demand of the T&C industry on the provision of inception. suitable premises for the accommodation of testing and calibration laboratories. He said that while different types of testing laboratories might have different requirements for accommodation, some testing laboratories that had unique accommodation needs might require purpose-built premises, and the provision of suitable premises to house the same type of testing laboratories under one roof could achieve a synergy effect for the industry. Noting that T&C industry was one of the six industries identified in the 2009-2010 Policy Address as industries that Hong Kong enjoyed clear advantages, he enquired about the Administration's effort and progress in these years in the provision of land and accommodation for the testing laboratories, and urged the Administration to step up effort in this

regard.

25. <u>SG, HKCTC</u> advised that ITC had been keeping in touch with the Planning Department ("PlanD") to ensure that testing laboratories could be accommodated in new development areas ("NDA"). For example, ITC had made suggestions to PlanD for T&C activities be included as approved land use in Hung Shui Kiu NDA, and Tuen Mun Areas 40 and 46 and the adjoining areas.

Other issues

26. <u>Mr David Chung of The Hong Kong Institute of Business Innovation</u> said that there were six major international innovation and innovation management organizations offering certification schemes on personnel engaged in innovation. In this regard, he urged the Administration to discard the mindset that innovation was a supporting service to various industries by looking at innovation as an industry in its own right, and consider developing relevant certification services for innovation and innovation management in various industries.

Summing up

27. <u>The Chairman</u> thanked the deputations who attended the meeting for giving views on the development of Hong Kong's T&C industry, and concluded that the Admin Panel requested the Administration to provide information on the following:

- (a) the courses dedicated to the T&C industry offered by the tertiary education sector and the number of graduates of such courses joining the industry; and the Administration's effort in encouraging students to take relevant subjects (e.g. Chemistry) in secondary schools and enhancing students' interests in the T&C sector;
- (b) whether the Administration would consider developing relevant accreditation and T&C services for innovation and innovation management in various industries;
- (c) whether the Administration would suitably adjust the requirements of the QF to align with the practical needs of the relevant industries, including the beauty and hairdressing industry;
- (d) how the Administration would make use of T&C to upgrade Hong Kong's overall quality assurance systems, e.g. by implementing market surveillance audit to inspect the integrity and quality performance of auditors and certification bodies; and
- (e) how the Administration would make use of T&C and accreditation services to contribute to the branding and marketing promotion of Hong

Kong's products and services.

- V. Copyright Exceptions for People with a Print Disability under the "Marrakesh Treaty to Facilitate Access to Published Works for Persons Who Are Blind, Visually Impaired or Otherwise Print Disabled" – Proposed Way Forward
 - (LC Paper No. CB(1)604/17-18(05) -- Administration's paper on "Copyright Exceptions for People with a Print Disability under the "Marrakesh Treaty to Facilitate Access to Published Works for Persons Who Are Blind, Visually or Otherwise Print Impaired, Disabled" Proposed Way _ Forward"
 - LC Paper No. CB(1)604/17-18(06) -- Paper on copyright exceptions for people with a print disability prepared by the Legislative Council Secretariat (updated background brief))

Presentation by the Administration

28. At the invitation of the Chairman, <u>Under Secretary for Commerce and Economic Development</u> ("USCED") briefed members on the outcome of the consultation exercise on areas in the relevant provisions of the Copyright Ordinance (Cap. 528) ("CO") which might need to be amended to align with the Marrakesh Treaty to Facilitate Access to Published Works for Persons Who Are Blind, Visually Impaired, or Otherwise Print Disabled ("Marrakesh Treaty") and the Administration's proposed way forward. <u>Assistant Director of Intellectual Property (Copyright)</u> then highlighted the major proposed amendments to CO to bring the copyright exceptions for persons with a print disability ("PPDs") in line with the Marrakesh Treaty. Details of the briefings were set out in the Administration's paper (LC Paper No. CB(1)604/17-18(05)).

Discussion

Legislative timetable

29. <u>Dr Fernando CHEUNG</u> supported the proposed amendments to CO to bring the copyright exceptions for PPDs in line with the Marrakesh Treaty. He urged the Administration to take forward the legislative amendments as soon as practicable, and enquired about the proposed legislative timetable. <u>USCED</u> said

that the Administration aimed to introduce the legislative amendments in the 2018-2019 legislative session. Meanwhile, the Administration would continue to liaise with the stakeholders to thrash out the relevant details, where necessary, of the legislative proposals.

Scope of "beneficiary person"

30. <u>Dr Fernando CHEUNG</u> welcomed the Administration's proposals to include "perceptual or reading disability" under the definition of "print disability", and to include "dyslexia" as an example of "perceptual or reading disability", thereby enabling persons with a perceptual or reading disability, including dyslexia, to enjoy the relevant copyright exceptions under the Marrakesh Treaty.

31. In response to Dr CHIANG Lai-wan's enquiry on whether the scope of "beneficiary person" would include a person with poor eyesight due to old age, <u>USCED</u> said that under the existing section 40A of CO, "print disability" in relation to a person meant: (a) blindness; (b) an impairment of his visual function which could not be improved by the use of corrective lenses to a level that would normally be acceptable for reading without a special level or kind of light; (c) inability, through physical disability, to hold or manipulate a book; or (d) inability, through physical disability, to focus or move his eyes to the extent that would normally be acceptable for reading. An elderly person who met the above criteria would be covered under the scope of "beneficiary person".

Types of copyright works covered by the print disability-related exceptions

32. Noting that the current exceptions for persons with a print disability under sections 40A to 40F of CO applied to four types of copyright works, i.e. literary, dramatic, musical or artistic work, <u>Dr Fernando CHEUNG</u> suggested that exceptions be further expanded to allow the making of accessible copies from films and television ("TV") programmes for the benefit of PPDs.

33. <u>USCED</u> said that since films and TV programmes were outside the scope of the Marrakesh Treaty, the Administration did not intend to pursue such additions for the time being. At present, certain organizations serving the visually impaired such as the Hong Kong Society for the Blind ("HKSB") had been providing audio description services to the visually impaired, by making visual images accessible to them through the use of precise language to describe the visual images. HKSB was also working with the Hong Kong Theatres Association Limited to explore the feasibility of providing audio description services for the visually impaired audience at local theatres. Moreover, Create Hong Kong ("CreateHK") supported the development of audio description services to the visually impaired through partnering with HKSB to fund and implement programmes to help nurture a pool of professional narrators and script-writers for such services. CreateHK had also made efforts in promoting audio description for the visually impaired by

co-organizing the "Audio Description Promotion Day" at the 40th Hong Kong International Film Festival.

Scope of "specified body"

34. <u>Dr Fernando CHEUNG</u> suggested that the scope of specified bodies be extended to cover private educational establishments to facilitate the print-disabled students of such establishments. Currently, such students had to approach non-profit organizations which were specified bodies for assistance to make accessible copies. <u>USCED</u> responded that according to section 40A(b) of CO, "specified body" included an educational establishment exempt from tax under section 88 of the Inland Revenue Ordinance (Cap. 112) ("IRO"). A private educational establishment which could meet the above requirement would be regarded as a "specified body".

35. In response to Dr CHIANG Lai-wan's enquiry on whether there was a definition of "specified body" or a specific list of such bodies, <u>USCED</u> said that the existing section 40A of CO defined "specified body" as follows: (a) an educational establishment specified in section 1 of Schedule 1; (b) an educational establishment exempt from tax under section 88 of IRO; (c) an educational establishment receiving direct recurrent subvention from the Government; or (d) an organization which was not established or conducted for profit and whose main objects were charitable or were otherwise concerned with the advancement of welfare for PPDs.

Conditions for existing exceptions

36. <u>Dr Fernando CHEUNG</u> noted that at present, the exercise of exceptions in sections 40B (making a single accessible copy for a PPD) and 40C (making multiple accessible copies by specified bodies for PPDs) of CO was subject to a number of conditions. For example, a PPD or the specified body was required to make accessible copies from a master copy of certain copyright work possessed by them which was not an infringing copy. To address the issue, <u>Dr CHEUNG</u> urged the Administration to facilitate the PPDs to make accessible copies from copies to which they had lawful access, e.g. borrowed books, and that publishers should be required to provide soft copies of the copyright works to facilitate the making of accessible copies to PPDs, or even be required to produce accessible copies for them, thus obviating their need to purchase hard copies of the works for scanning and making of the accessible copies by specified bodies.

37. <u>Deputy Secretary for Commerce and Economic Development (Commerce and Industry)2</u> said that, in order to align with the Marrakesh Treaty and to clarify the existing condition, the Administration proposed to amend CO so that the maker of an accessible copy was required to have "lawful access to" a copyright work,

rather than "possessing" a copy of the work as such. The Administration would continue to foster communication between copyright owners/publishers and user groups and encourage cooperation among them in a practical manner to facilitate the provision of accessible copies of copyright work to PPDs. <u>Director of Intellectual Property</u> ("DIP") added that the prevailing international approach was to encourage publishers to provide accessible format copies of copyright works rather than to mandate the provision of accessible format copies through legislation. In this connection, the Accessible Books Consortium ("ABC"), led by the World Intellectual Property Organization, had been working to boost access to publications for people who were blind or visually impaired. ABC aimed to encourage publishers around the world to produce works that were "born accessible" so that they could be used directly by both sighted and print-disabled readers.

Manpower and resources support for making accessible copies

38. <u>Dr CHIANG Lai-wan</u> welcomed the proposed legislative amendments for the benefit of PPDs. She urged the Administration to provide sufficient manpower and resources to cope with the increased demand for accessible copies following the implementation of the legislative proposals.

39. <u>USCED</u> noted Dr CHIANG Lai-wan's concern and said that the Social Welfare Department, the Education Bureau and the Hong Kong Jockey Club Charities Trust had been providing funding and other support to non-governmental and non-profit organizations providing services to persons with visual impairment. <u>USCED</u> agreed to relay Dr CHIANG's concern to the relevant government departments.

Cross-border exchange of accessible copies

40. Noting that the Mainland had signed the Marrakesh Treaty but had yet to introduce legislation to implement the relevant requirements under the Marrakesh Treaty, <u>Dr Fernando CHEUNG</u> envisaged that the Mainland's demand for accessible copies from the Hong Kong Special Administrative Region ("HKSAR") would increase. In this regard, he enquired if the proposed legislative amendments would empower "specified bodies" in HKSAR to make and supply accessible copies of copyright work to PPDs in the Mainland, and whether the relevant entities in the Mainland could lawfully receive such accessible copies.

41. <u>DIP</u> responded that according to the Administration's proposal, CO would be amended to allow cross-border exchange of accessible copies as a new permitted act. In order to boost the availability of accessible copies and benefit a wider print-disabled population, the Administration proposed to allow exchanges with authorized entities including not only those from a contracting party to the Marrakesh Treaty, but also those from any jurisdiction which was a member of the World Trade Organization, including the Mainland. For exports of accessible copies to the Mainland or other jurisdictions, the specified body in HKSAR would have to confirm with the authorized entity in the importing jurisdiction the identities of the beneficiaries receiving the accessible copies, so as to ensure that such cross-border exchange of accessible copies would only benefit the intended beneficiaries. It would be the responsibility of the authorized entity in the importing jurisdiction to ascertain that it was allowed under the law of its own jurisdiction to receive such accessible copies.

Summing up

42. <u>The Chairman</u> concluded that members were in support of the Administration's legislative amendments, and urged the Administration to submit the amendment bill as soon as practicable, bearing in mind the concerns raised by members on, inter alia, the need for soft copies or easily convertible formats of copyright works to facilitate specified bodies in making accessible copies for the PPDs.

VI. Any other business

43. There being no other business, the meeting ended at 12:42 pm.

Council Business Division 1 Legislative Council Secretariat 8 May 2018

Panel on Commerce and Industry Meeting on Tuesday, 27 February 2018, at 10:00 am

Summary of views and concerns expressed by deputations on the development of Hong Kong's testing and certification industry

	Name of deputation	Submission/Major views and concerns
1.	The Gemmological Association of Hong Kong Limited ("HKGA")	 Supported the development of the testing and certification industry in Hong Kong due to the robust demand for an internationally recognized standard for gemstone testing. Recognized testing standard for gemstones, including Fei Cui, had brought significant contribution to the industry in terms of professional training, international brand building and economic value. Under HOKLAS operated by HKAS, accredited gemmological laboratories in Hong Kong granted HOKLAS ISO 17025 qualification for Fei Cui testing were authorized to issue HOKLAS endorsed reports/certificates for their test results. HKGA had issued the "Standard Methods for Testing Fei Cui for Hong Kong" for the industry to follow.
2.	Hong Kong Institution of Certified Auditors	• LC Paper No. CB(1)604/17-18(07) (Chinese version only)
3.	Democratic Alliance for the Betterment and Progress of Hong Kong	• LC Paper No. CB(1)656/17-18(01) (Chinese version only)
4.	Hong Kong Association for Testing, Inspection and Certification Limited	• LC Paper No. CB(1)604/17-18(08) (English version only)

	Name of deputation	Submission/Major views and concerns
5.	Dr LAU Hing-keung, Programme Leader (Testing and Certification), School of Science and Technology, The Open University of Hong Kong	 LC Paper No. CB(1)604/17-18(09) (English version only)
6.	Asia Hair Masters Association	• LC Paper No. CB(1)604/17-18(10) (Chinese version only)
7.	The Cosmetic & Perfumery Association of Hong Kong Ltd	• LC Paper No. CB(1)640/17-18(02) (Chinese version only)
8.	The Hong Kong Institute of Business Innovation	• LC Paper No. CB(1)619/17-18(01) (Chinese version only)
9.	Hong Kong Quality Assurance Agency	• LC Paper No. CB(1)640/17-18(03) (English version only)
10.	Hong Kong Indoor Air Quality Association	• LC Paper No. CB(1)640/17-18(04) (Chinese version only)
11.	Food Safety and Technology Research Centre, The Hong Kong Polytechnic University	• LC Paper No. CB(1)640/17-18(05) (Chinese version only)

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