Response to Further Comments made by Cable and Wireless HKT dated 16 November 1999

1. **Appeal**

We note the further comment made by the Cable and Wireless HKT on Clause 37 of the Electronic Transactions Bill. We consider the proposed appeal mechanism under the Bill adequate and appropriate having regard to the voluntary nature of the certification authority recognition scheme. Moreover, it is quite common in existing legislation that an appeal against the decision of an executive body of the Government over a certain matter is made to the Policy Secretary responsible for that matter. That the decision of the Secretary for Information Technology and Broadcasting on appeal is subject to judicial review should provide a sufficient safeguard to protect the interest of certification authorities. We do not consider that there is a need to add a further layer to the appeal mechanism by establishing an independent appeal body.

2. <u>Disclosure of Private Keys</u>

• Clause 41(2)(b) of the Bill cannot by itself compel the certification authorities to disclose information, private key information included, to Government authorities. The requirement to disclose information must originate from other prevailing law and Clause 41(2)(b) does not create any new obligation to disclose information where such an obligation does not exist under prevailing law.

3. Suspension and Revocation

 If a recognised certification authority appeals against the decision of the Director of Information Technology Services (DITS) to suspend or revoke its recognition, the suspension or revocation does not take effect until the expiry of 7 days form the date on which the Secretary for Information Technology and Broadcasting (SITB) confirms the suspension or revocation on appeal. In between the time when the recognised certification authority receives a notice of suspension or revocation from the DITS and when the SITB confirms the suspension or revocation decision of the DITS, the certification authority concerned remains a recognised certification authority and the provisions of the Bill relating to recognised certification authority will continue to apply to the concerned certification authority.