

## **LEGISLATIVE COUNCIL BRIEF**

Prevention of Copyright Piracy Ordinance (Chapter 544)

### **PREVENTION OF COPYRIGHT PIRACY ORDINANCE (AMENDMENT OF SCHEDULE 2) ORDER 2001**

#### **INTRODUCTION**

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In accordance with section 39 of the Prevention of Copyright Piracy Ordinance (Cap. 544)("the Ordinance"), the Secretary for Commerce and Industry has made the Prevention of Copyright Piracy Ordinance (Amendment of Schedule 2) Order 2001 ("the Order") at Annex A to reduce the fee for renewing the 3-year licence for the manufacture of optical discs.

#### **BACKGROUND AND ARGUMENT**

2. The Ordinance provides that no person shall manufacture optical discs in Hong Kong unless he holds a valid licence issued by the Commissioner of Customs and Excise. There are 3 types of licence fees payable under Schedule 2 of the Ordinance, namely, application for licence, application for renewal of licence and application for transfer of licence.

3. The fees were first introduced in 1998 and were uniformly set at \$5,500 on a full cost recovery basis for a licence period not exceeding 3 years. The first licence due for renewal is in July 2001. The Customs and Excise Department has reviewed the procedures for renewal of licences (see paragraph 10 below) and concluded that the fee for renewal of licence could be reduced from \$5,500 to \$1,270. The cost computation is at Annex B.

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## **THE AMENDMENT**

4. The Order revises the fee payable for an application for renewal of a licence for manufacturing optical discs from \$5,500 to \$1,270. The new fee will take effect from 13 July 2001.

## **LEGISLATIVE TIMETABLE**

5. The legislative timetable is as follows -

|                                    |             |
|------------------------------------|-------------|
| Publication in the Gazette         | 1 June 2001 |
| Tabling at the Legislative Council | 6 June 2001 |

## **BASIC LAW IMPLICATIONS**

6. The Department of Justice advises that the Order is consistent with the Basic Law.

## **HUMAN RIGHTS IMPLICATIONS**

7. The Department of Justice advises that the Order has no human rights implications.

## **BINDING EFFECT OF THE LEGISLATION**

8. The Order will not affect the current binding effect of the Ordinance.

## **EFFICIENCY INITIATIVES**

9. After reviewing the procedure for renewal of licence, the Customs and Excise Department considers it not necessary to conduct a factory inspection for the renewal as the production conditions and site environment of the subject factory have already been inspected regularly.

### **FINANCIAL AND STAFFING IMPLICATIONS**

10. The revised fee will result in revenue reduction of \$144,000 in 2001/02. There are no staffing implications.

### **PUBLICITY**

11. A press release will be released and a spokesman will be available to answer enquiries.

### **ENQUIRIES**

12. For enquiries on this brief, please contact Mr Philip Chan, Principal Assistant Secretary for Commerce and Industry, at 2918 7480.

**PREVENTION OF COPYRIGHT PIRACY ORDINANCE  
(AMENDMENT OF SCHEDULE 2) ORDER 2001**

(Made under section 39 of the Prevention of  
Copyright Piracy Ordinance (Cap. 544))

**1. Commencement**

This Order shall come into operation on 13 July 2001.

**2. Fees**

Schedule 2 to the Prevention of Copyright Piracy Ordinance (Cap. 544) is amended in item 2 by repealing "5,500" and substituting "1,270".

Secretary for Commerce and Industry

29 May 2001

**Explanatory Note**

This Order amends Schedule 2 to the Prevention of Copyright Piracy Ordinance (Cap. 544) to reduce the fee payable for an application for renewal of a licence for manufacturing optical discs.

**Annex B**

**COST COMPUTATION**

|                                 | \$                |
|---------------------------------|-------------------|
| Staff Costs                     | 1,158             |
| Departmental Expenses           | 45                |
| Accommodation Costs             | 24                |
| Central Administrative Overhead | 43                |
| Total Cost                      | <hr/> 1,270 <hr/> |