



Guidance Note on Recognition of
Certification Authorities and Certificates
under the Electronic Transactions Ordinance (Cap. 553)

Published in January 2000

The Government of the Hong Kong Special Administrative Region

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Introduction

1. The information contained in this guidance note does not form part of the Code of Practice for Recognized Certification Authorities and it is not intended to affect your rights and obligations. It is not intended to be relied upon as a statement of the legal position and you should consult your legal adviser before acting upon the information.
2. A certification authority (CA) seeking recognition from the Director of Information Technology Services (the Director) should be capable of complying with all relevant provisions applicable to a recognized CA under the Electronic Transactions Ordinance (Cap. 553) (the Ordinance), Regulations thereunder and the Code of Practice for Recognized Certification Authorities (the Code of Practice). A recognized CA may also apply to the Director for recognition of its certificates.
3. This guidance note outlines the conditions and the process for the recognition of CAs and certificates.

Recognition of Certification Authorities

4. In accordance with section 21(4) of the Ordinance, in determining whether an applicant is suitable for recognition, the Director shall consider, in addition to any other relevant matters, the following matters:
 - (a) whether the applicant has the appropriate financial status for operating as a recognized CA in accordance with the Ordinance and the Code of Practice;
 - (b) the arrangements put in place or proposed to be put in place by the applicant to cover any liability that may arise from its activities relevant for the purposes of the Ordinance;
 - (c) the system, procedure, security arrangements and standards used or proposed to be used by the applicant to issue certificates to subscribers;
 - (d) the report which contains an assessment as to whether the applicant is capable of complying with the provisions of the Ordinance applicable to a recognized CA and the Code of Practice prepared by a person acceptable to the Director as being qualified to give such a report;
 - (e) whether the applicant and the responsible officers are fit and proper persons; and
 - (f) the reliance limits set or proposed to be set by the applicant on its certificates.

Financial Considerations

5. Items (a), (b) and (f) in section 21(4) of the Ordinance all relate to the financial aspects of the applicant's operation.

6. The applicant should provide evidence that:
- (a) it has assessed the business and financial risks that will arise or have arisen from its operation as a CA; that it has made adequate arrangements covering itself for its operation and against potential claims arising from the certificates that it has issued or plans to issue. Where the CA issues certificates with specific reliance limits, the liability cover, such as by obtaining insurance, should be sufficient to meet the potential liabilities of the CA in respect of the reliance limits; and
 - (b) it intends to be, and will remain, a going concern. Such intention can be demonstrated in various ways, including without limitation:
 - maintaining adequate finance to support its operation;
 - having installed, or contracted to install systems and equipment which support the operation of a CA and having made necessary financial arrangements; and
 - having adequate and appropriate personnel, both in terms of quality (skill level) and quantity (number of staff), to support a CA's operation and having made the necessary financial arrangements.

Systems, Procedures, Security Arrangements and Standards

7. The Director shall only grant recognition to those CAs which meet a standard acceptable to the Director. To meet the acceptable standard, the applicant should ensure that its systems, procedures, security arrangements and standards form a trustworthy system which the applicant uses to issue certificates to subscribers and carry out related services.
8. Guidelines on a trustworthy system are described in section 5 of the Code of Practice.

Assessment Report

9. The applicant must furnish to the Director a report containing an assessment as to whether the applicant is capable of complying with all the provisions of the Ordinance applicable to a recognized CA and the Code of Practice.
10. The applicant should ensure that the report is prepared by a person acceptable to the Director as being qualified to give such a report. Qualifications of the person are set out in section 12 of the Code of Practice. Before preparing the assessment report required under section 20(3)(b) of the Ordinance, the applicant should ensure that the person to prepare the report is acceptable to the Director as being qualified to give such a report.

Fit and Proper Person

11. As required in section 21(4)(e), the applicant and its responsible officers should be fit and proper persons. The criteria for determining whether a person is a fit and proper person are set out in section 21(5) of the Ordinance. The applicant and its responsible officer(s) should make statutory declarations that they are fit and proper persons. Moreover, for verification purpose, the applicant and its responsible officer(s) should authorise the Commissioner of Police of Hong Kong Special Administrative Region or his equivalent counterpart to disclose the criminal records, if any, of the applicant and the responsible officer(s) of the applicant to the Director.

Validity Period of Recognition of a CA

12. The validity period for the recognition of a recognized CA will normally be 2 years. The recognized CA may apply to the Director for renewal of the recognition at least 30 days before but not earlier than 60 days before the expiry of the validity of the recognition.

Recognition of Certificates

13. A recognized CA may apply to the Director for recognition of some or all of its certificates. If the CA is not yet a recognized CA, the CA can submit an application of recognition both for itself as well as for its certificates. The recognition of the certificates will be considered after the Director has granted recognition to the CA concerned.
14. In general, so long as a CA maintains its recognition status, the recognition status of a certificate issued by the CA will not change provided that the relevant certification practice statement (CPS), including the relevant certificate policy that governs the recognized certificate, has not materially changed.
15. Material changes that may affect the recognition status of the certificate may include without limitation :
 - (a) changes in the identification process that weaken the reliability of the certificate;
 - (b) changes in the reliance limit of the certificate; or
 - (c) changes in the key generation, storage, or usage requirements.
16. Before a recognized CA effects any material change to its CPS that corresponds to one or more types, classes or descriptions of recognized certificates that the CA issues, the recognized CA should consult the Director to ascertain whether the intended material change will turn the types, classes or descriptions of certificates into new types, classes

or descriptions of certificates. If so, the recognized CA may wish to seek recognition from the Director for the new types, classes or descriptions of certificates.

Certificate Recognition Criteria

17. For the recognition of a particular certificate or a type, class or description of certificates, a recognized CA should demonstrate that:
 - (a) the certificate(s) are issued in accordance with the recognized CA's CPS;
 - (b) the certificate(s) are issued in accordance with the Code of Practice; and
 - (c) the arrangements put in place or proposed to be put in place by the recognized CA to cover any liability that may arise from the issue of that particular certificate, or that type, class or description of certificates are sufficient.

Application Form

18. The application form for seeking recognition of CA or certificates can be obtained from -

Senior Executive Officer
Certification Authority Recognition Office
Information Technology Services Department
15th Floor, Wanchai Tower
12 Harbour Road, Wanchai
Hong Kong
(Fax : 2802 4549)

The application form will also be available on the web site (<http://www.info.gov.hk/itsd>) of the Information Technology Services Department when Part VII of the Ordinance comes into operation.

19. When the completed application form is submitted to the Director, the applicant should ensure that the completed application form is accompanied by the assessment report, the application fee(s) and any relevant documents or information which may be required by the Director for the purpose of the application.
20. The Director may request for further documents or information in connection with the application.

Relevant Documents or Information Required

21. Section 30 of the Ordinance states that the Director must specify by notice published in the Gazette any particulars and documents to be furnished in support of the application made under sections 20(3)(a), 22(2) and (10) and 27(4) of the Ordinance.