

HR Electronic Records: Hong Kong

Electronic Signatures

What is an electronic signature?

Generally speaking, an electronic signature (or esignature) is a technical process logically associated with a document which two (or more) individuals or organizations (the signatories) agree to rely on in order to express their intent to sign such document. Three components are therefore necessary: a document, a signatory and an e-signature tool. While the tool most commonly used for handwritten signatures is a simple pen, electronic signature tools are typically more complex.

From a regulatory standpoint, an electronic signature is a broad category that encompasses many types (or levels) of electronic signatures.

Depending on the country it is used in, there are differences in purpose, legal acceptance,

technical implementation and cultural acceptance of electronic signatures. In particular, e-signature requirements tend to vary significantly between most "civil law" countries (including the European Union and many countries in South America and Asia), and most "common law" countries (such as the United States, Canada and Australia). Civil law countries typically support a "tiered" approach including higher levels of signature often called digital or qualified electronic signatures (typically required for specific types of contracts), as opposed to common law jurisdictions which are typically more technology-neutral.

In addition, some industries (such as healthcare or banking) and documents (such as marriage or adoption contracts) may require a higher level of e-signature.

What are the laws and regulations in Hong Kong?

Electronic signatures are generally permitted in Hong Kong and can be used in the context of Human Resources per the Electronic Transactions Ordinance. In order for an electronic signature to be valid:



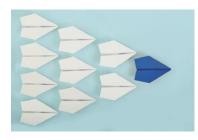
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- the parties signing must consent to using the electronic signature method;
- the method used must be deemed reliable and appropriate for the purpose the document is being signed; and,
- the signature must satisfy the purpose of identifying the individual and indicate that individual's authentication or approval of the information contained in the document.

Note that while there are government-approved signature certification solutions, they are generally only required for certain government procedures and are usually not necessary in the context of Human Resources.

Is an electronic signature valid in Hong Kong?

Yes. Electronic and physical signatures have the same legal value in Hong Kong and can be used in the context of employment. Any disputes as to the validity of signatures (electronic or physical) will come down to a question of proof.



HR Best Practices

Electronic signatures are generally

considered valid in the employment context in Hong Kong. When using electronic signatures, ensure that appropriate safeguards are in place and that metadata (such as time stamps) is properly recorded.

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