

Presentation by

The Secretary for Commerce,
Industry and Technology

LegCo Information Technology
& Broadcasting Panel

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The Challenge (1)

- To leverage on what we have already achieved to provide further impetus to economic growth and create wealth, employment and value

Where do we stand (1)

- A world class telecommunications infrastructure
- 60% PC household penetration
- 50% Internet household penetration
- 86% mobile penetration
- Comprehensive broadband connection
- 3G network to roll out in 2002/03

Where do we stand (2)

- Respectable e-government programme
- Meeting our target of 90% of amenable services with an e-option by end-2003
- Over 130 services rolled out through ESD
- Push forward one-stop customer focused services
- Visionary interoperability framework initiative being proposed

Where do we stand (3)

- Ready for electronic and mobile commerce
- Legal framework for electronic transactions
- Public key infrastructure: 4 certification authorities in operation

Where do we stand (4)

- An important broadcasting hub and film production centre in Asia
- As a result of the liberalization of the TV market, the number of domestic pay TV licensees has been increased from 2 to 5, and non-domestic TV licensees, from 4 to 12
- The total number of programme channels provided by our licensees for reception in Hong Kong has also been increased from less than 50 to over 90
- 1.86 films per 100 000 persons in 2001 – first in terms of per capita production

What we will do?

- The above highlights the competitive landscape of Hong Kong, which is the envy of others.
- We have to sustain the momentum and maintain our competitiveness.
- Support for industry is important as we are aware of the difficult time industry is facing.

Our Commitments (1)

- Maintain a competitive telecommunications market (Telecommunications (Amendment) Bill 2002)
- Promote innovative 3G services and applications to tie in with 3G rollout
- Formulate digital terrestrial TV policy proposal in early 2003

Our Commitments (2)

- To sustain the momentum to promote IT adoption in business and bridge the digital divide
- Introduction of legislative improvement to the Electronic Transactions Ordinance within 2002/03 legislative session
- Meet our e-option targets and consider raising them

Our Commitments (3)

- Reengineer ITSD and extract more benefits from Government computerization projects
- Roll out as scheduled the non-immigration applications of smart ID card
- Install free digital certificates on smart ID card to drive e-commerce adoption

Our Commitments (4)

- Cyberport: to continue with our efforts
- To achieve clustering of quality companies and professionals
- To provide world class facilities and services at competitive prices
- To showcase achievements of Hong Kong
- To conduct more extensive overseas marketing

Our Commitments (5)

- Press on government IT investment and outsourcing of projects to private sector
- Exploit government IT systems and software to create business opportunities
- Enhance industry quality and standard (e.g. ISO and CMM)
- Assist industry to explore Mainland and overseas markets

Our Commitments (6)

- Facilitate film financing by exploring the possibility of deploying Film Development Fund to provide guarantee to bank loans for film production
- Promote adoption of completion bond arrangement

The Challenge (2)

- A substantive programme is already in the pipeline.
- To go the further miles to create new engines of growth, further enhance our innovative capability and create further flow of information-based businesses
- Ultimately to strengthen Hong Kong's leadership as the information centre in Asia

Ideas (1)

- Thinking process is evolving:
some ideas to share with Members
at this stage

Ideas (2)

- A possible focus based on our strengths
- Mobile contents and applications development: 11 networks of all technical standards, rollout of 3G, sophisticated mobile users, bilingualism, strong domain knowledge in financial services, logistics, e-government

Ideas (3)

- Another possible focus is the business end of information in areas such as logistics, supply chain management, 3G mobile transactions for e-government services

Ideas (4)

- To create impact entails application of resources (ITF, ARF, ASTRI, Science Park, Cyberport, universities) in a more focused, flexible and major way
- Better engagement of local industry, MNCs and Mainland entities to create greater impact in a shorter span of time

Way forward

- We are consulting industry and will value the views of Members

Thank you