

Commerce, Industry and Technology Bureau

Main Tasks for 2003

Mission

- ✧ We will enhance Hong Kong's position as a leading international trade and business centre.
- ✧ We will foster a business-friendly environment and attract investment to Hong Kong.
- ✧ We will position Hong Kong as the premier digital city and telecommunications hub of Asia.
- ✧ We will promote high-value added, creative and high technology activities in Hong Kong, leveraging on the very strong services and manufacturing sectors in Hong Kong and in the Pearl River Delta (PRD) respectively.
- ✧ We will capitalise on the economic links between Hong Kong and the PRD and develop Hong Kong as the leading city in an economically integrated Greater PRD.

Main Tasks

1. To find **new economic drivers from information and communications technology sectors** and create further flow of information-based business, information technology and related activities within and through Hong Kong.
 - ❖ In view of the rapidly changing market landscape in telecommunications, the advent of new or improved technologies, and the fact that seven years have passed since the implementation of narrowband interconnection, we will conduct a public consultation on Type II interconnection. Our policy objective is to ensure that our interconnection regime continues to facilitate effective competition, and at the same time promote investment incentives by providing the right “build” or “buy” signal for business decisions. The Telecommunications Authority will formulate a plan on the consultative exercise.

- ❖ To introduce legislative amendments to the Electronic Transaction Ordinance to ensure that Hong Kong can provide the appropriate legal environment for the promotion of e-business development.
- ❖ To issue second consultative paper on licensing, regulatory and technical framework for the development of digital terrestrial television. We need also to promote public understanding of the benefits of digital television.
- ❖ To modernise the broadcasting regulatory regime in view of rapid media convergence to facilitate the growth of emerging media and cross-fertilisation among telecommunications, broadcasting and the Internet. We will conduct a comprehensive review of the existing regulatory regime to identify areas for modification.
- ❖ To adopt a two-prong approach to support film and entertainment industry through promotion of digital technology and facilitation of film financing with the establishment of a Film Guarantee Fund to provide loan guarantee for film production.
- ❖ To adopt a three-prong approach to support SMEs as user or service provider of IT through collaboration with industry support organisations, use of SME Development Fund and maintaining vigorous outsourcing strategy for Government IT projects to benefit local IT industry.
- ❖ To take forward the Telecommunications (Amendment) Bill 2002 which is now with LegCo. The objective is to regulate mergers and acquisitions in an attempt to sustain the current momentum for efficient and equitable regulation of the telecom market.
- ❖ To amend the Broadcasting Ordinance to tighten the control on the supply of unauthorised decoders to deter pirated viewing of licensed subscription television services.
- ❖ To create a more conducive environment for the broadcasting industry by, for example, relaxing restrictions on sponsored programme and product placement.

2. **To promote the use of innovation and design** to help Hong Kong industry move up the value chain and upgrade to original design manufacturing mode.
 - ❖ To form a steering group with industrial companies with outstanding record of design excellence and design professionals to spearhead the promotion of innovation and design in industry.
 - ❖ To ensure better linkage between industry and design education and professionals.
 - ❖ To entice leading industrial design companies worldwide to set up operations in Hong Kong, either on their own or in collaboration with local companies or tertiary institutions.
 - ❖ To make greater use of the Hong Kong Design Centre and the related design profession as the champion body for better industrial and product design.
 - ❖ To work together with the Hong Kong Design Centre and the Hong Kong Trade Development Council to make the “Business of Design Week” a premier and highly visible design event in Asia.

3. **To develop Hong Kong into a fashion hub in the Asia-Pacific region**, given Hong Kong’s existing strengths in the textiles, clothing and footwear industries (TCF), and study the implications of the abolition of textiles quota restrictions by the end of 2004.
 - ❖ To establish a taskforce to steer and coordinate the efforts of various government and non-government agencies, and to formulate effective measures to pump-prime the fashion industry.
 - ❖ To study the implications for the local economy, local textiles and clothing industry, local employment when the quota regime comes to an end in January 2005, and to formulate corresponding strategies.

4. To better package our investment promotion efforts by **promoting the Greater PRD as a whole**, jointly with PRD cities.
 - ❖ To organise more joint promotional events with PRD cities in overseas markets.
 - ❖ To attract more overseas enterprises to set up their regional headquarters and regional offices in Hong Kong.

5. To secure an early and meaningful outcome to our discussion with the Mainland on the **Closer Economic Partnership Arrangement (CEPA)**.
 - ❖ To seek to obtain maximum market access and business opportunities for Hong Kong in the Mainland market, and to ensure that the outcome will be mutually beneficial and consistent with relevant WTO rules.
 - ❖ On trade in goods, to work towards the elimination or reduction of tariffs and non-tariff measures on Hong Kong products entering the Mainland market.
 - ❖ On trade in services, to work towards the further opening of the Mainland market to Hong Kong services and service providers.
 - ❖ To seek to cooperate with the relevant Mainland authorities to facilitate and promote trade and investment between Hong Kong and the Mainland.

6. **To engender a pro-business environment** by catering to the needs of small and medium enterprises (SMEs) sensitively; cutting red tape, de-regulation, and simplifying procedures; maintaining a robust intellectual property rights (IPR) regime; implementing the Container Security Initiative; and providing more exhibition facilities of an international standard.
- ❖ To implement the various improved SME support funds.
 - ❖ To introduce legislative amendments to remove or simplify the import/export licensing requirements currently imposed on the inter-modal transshipment of 13 categories of goods.
 - ❖ To work on a one-stop system for electronic filing of IPR applications and web-based search of trademarks, patents, etc.
 - ❖ To encourage and assist government departments to cut red tape, remove outdated or unnecessary regulations, and improve services to the business community.
 - ❖ To introduce the Copyright (Amendment) Bill in the 2002-03 legislative session to make permanent the main effects of the suspension arrangements, to address public concerns about the impact of these provisions on dissemination of information in enterprises and teaching activities in schools.
 - ❖ To introduce further legislative amendments to extend the exemptions or relax certain provisions in the Copyright Ordinance with a view to striking a balance between the protection of IPR and community needs.
 - ❖ To work constructively with the US and the trade with a view to working out an arrangement that both addresses the security concerns of the US government and ensures the smooth flow of US bound cargo.
 - ❖ To ensure the timely completion of the new exhibition centre at Chek Lap Kok.

7. As a matter of policy and leadership we shall explore the most effective way of **driving forward E-government** in the changing climate.
 - ❖ We shall meet our target of having 90% of amenable services available by end 2003. The key issues now are to bring more government services on-line, and enhance usership. The e-channel is the most cost-effective channel there is. We shall explore the termination or reduction of physical channel options, thereby having the e-channel for savings and promotion of migration to e-usage. Moving clients on to the e-channel will help departments provide their services more cost-effectively. This means thinking “customer centric” and thinking “process reengineering”. We shall drive this thinking forward.

8. To sustain momentum in marketing and **developing the Cyberport and Science Park**.
 - ❖ To promote the Science Park and the Cyberport more aggressively overseas through Invest Hong Kong, HKSARG overseas Trade and Economic Offices, Hong Kong Trade Development Council and specially commissioned agents.
 - ❖ To add value to the services being provided at the Science Park and the Cyberport, e.g. to establish an IC design support centre in Science Park and a Digital Media Centre in Cyberport to enhance their attraction and usefulness to the industry.
 - ❖ To develop a regional center of excellence for IT and digital media training for creating human capital in IT through collaboration and partnership with the industry, academia, research institutes and professional bodies.
 - ❖ To promote the development of services and applications for wireless and mobile communications leveraging on Cyberport’s excellent infrastructure and synergy.

9. To promote technology development, with a view to **spawning new industries**.
 - ❖ To promote areas where Hong Kong has competitive advantages, such as wireless services and applications, IC design and applied biomedical research.
 - ❖ To further the development of the Hong Kong Jockey Club Institute of Chinese Medicine as a centre of excellence in pioneering science and evidence-based Chinese medicine.

10. To **promote cross-border professional services** in the Mainland.
 - ❖ To co-ordinate promotional efforts of government bureaux and departments concerned, and to provide financial support through the Professional Services Development Assistance Scheme.

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