For consideration
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Legislative Council Panel
on Information Technology and Broadcasting

Encouraging Software Development in Hong Kong

Introduction

This paper briefs Members on the measures taken by the Government to encourage software development in Hong Kong through promotion of open source software.

Open Source Software

2.   The advent of open source technology has contributed to the development of the software market. It provides a wider choice of software products, and the competition arising from product diversification enables software users to obtain better value-for-money and have access to products and services of better quality. There has been continuous improvement in the capability and quality of open source software (OSS) products, and OSS products are gradually gaining acceptance by users both locally and overseas. The gap between the capabilities of OSS products and corresponding proprietary products that are predominantly in use in the market is also progressively narrowed.

Use of Open Source Software within the Government

3.   It is the Government's long established procurement policy to select products and services on the basis of value for money. When deciding which software product to use, fitness for purpose, functionality, compatibility, support service, and the total cost of ownership are the primary considerations. There is no preference for brand names or technology. We welcome the broadening of product choice as a result of

the development of OSS and have taken steps to encourage the use of OSS in our systems so as to take full advantage of the economic benefits, higher quality and better service that product competition brings.

4.   In March 2002, the Information Technology Services Department (ITSD) promulgated a circular that drew the attention of Government bureaux and departments to the availability of OSS in the market. It reminded bureaux and departments to give adequate consideration to all products that were available, including OSS products, in their procurement work to ensure that they would obtain the best value for money. Moreover, the ITSD has published technical guidelines to assist bureaux and departments on software selection.

5.   The ITSD has also promulgated the Interoperability Framework that guides bureaux and departments to adopt open and de facto standards in software selection. Adoption of this framework ensures that bureaux and departments can implement information systems with a broad range of software choices while maintaining interoperability and the ability to exchange information with other systems.

6.   At present, bureaux and departments can purchase a broad range of software products, including most OSS products that are available locally, through bulk supply term contracts. Under the new term contracts being put in place in 2003, all software supply contractors are required to make available both proprietary products as well as OSS products to ensure the availability of choice to bureaux and departments.

7.   The ITSD also collaborates with software suppliers to promote awareness among bureaux and departments of the availability of new software products and to assist them in making the right product selection decision. Over 1,000 Government officers attended seminars and demonstration on OSS products in 2002. In addition, the ITSD has collaborated with suppliers and assisted bureaux and departments in conducting user trial of OSS products and channeled user feedback to the suppliers for product improvement to be made.

8.   At present, OSS products are used in more than 290 computers within the Government, mainly in web servers and application servers.

Measures to Promote Open Source Software amongst SMEs

9.   The Government also, through its various funding schemes, provides funding support to projects that encourage development of OSS products and their adoption in the private sector. For example, under the first tranche of the SME Development Fund, about $890,000 has been approved for the setting up of a Linux Resource Centre, comprising a virtual resources centre on the Internet and a physical one. The virtual centre will provide information on Linux operating systems, solutions and applications etc., while the physical centre will be equipped with computers installed with Linux operating system and other selected applications for live demonstration to visiting SMEs. The services will be provided free. The aim is to encourage and assist SMEs in the adoption of open source software.

10.   The Innovation and Technology Fund has also approved over $9 million to a research and development project to establish an electronic business infrastructure in Hong Kong using the international ebXML (electronic business extensible markup language) standard.   The infrastructure will facilitate the business community to execute transactions for exchanging business documents electronically on the Internet. The infrastructure will adopt an open architecture and open standards so that enterprise systems of different platforms can readily connect to it and independent software vendors can develop third-party applications on it.

Way Forward

11.   We will continue with the work to promote the use of open source technology so that there will be more choices in software products in the market for use on the basis of value-for-money.

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