

Legislative Council
Panel on Information Technology and Broadcasting

**Policy Initiatives of Communications and Technology Branch,
Commerce, Industry and Technology Bureau**

Introduction

The 2005 Policy Agenda lists the Government's new and on-going initiatives for the period from January 2005 to June 2007. This note elaborates on the initiatives concerning the Communications and Technology Branch of the Commerce, Industry and Technology Bureau in the 2005 Policy Agenda. It also gives an account of the latest position regarding initiatives contained in the 2004 Policy Agenda.

Effective Governance

New Initiative

Implement the next wave of e-government programme, with the new vision to use information technology to provide customer-centric services that promote an accessible, accountable and efficient government and contribute to Hong Kong's achievement as a leading digital city.

Building on the solid foundation laid down in the past few years, the focus of the next wave of e-government is to deepen the e-government programme, focus more sharply on service quality and effectiveness, and seek to bring value to customers as well as to the Government.

In driving the next wave of e-government, the E-government Steering Committee (EGSC), chaired by the Financial Secretary, has directed bureaux and departments (B/Ds) to embrace a common vision, which is to "use information technology to provide customer-centric services that promote an accessible, accountable and efficient government and contribute to Hong Kong's achievement as a leading digital city."

Furthermore, to implement the vision, the EGSC has endorsed three key priorities for the next wave of e-government. These include (a) identifying more joining up opportunities so as to provide integrated, one-stop and user-friendly e-services in a customer-oriented manner; (b) migrating customers to the most customer-desired and cost-effective channel of service delivery

(which is normally the e-channel); and (c) putting in place measures to identify, quantify and measure the benefits attributable to e-government projects to ensure more cost-effective IT investment. We are taking forward these three priorities proactively. These include, among others, establishing a Property Information Hub; devising a new strategy and model for the future delivery of e-government services; and conducting studies on channel management, e-procurement, and the return on investment (ROI) of IT projects.

Vibrant Economy

New Initiatives

Plan and promote actively the International Telecommunication Union (ITU) TELECOM WORLD 2006 and host a successful event in December 2006.

The ITU has selected Hong Kong as the host city for ITU TELECOM WORLD 2006, a mega event for the information and communications technology industry. The Government has set up the Hong Kong, China Secretariat to plan for the staging of the event and liaise with the ITU for the purpose. The Secretariat has started active promotion internationally and on the Mainland with a view to securing a high level of participation from the industry.

Review and develop a comprehensive radio frequency spectrum policy for telecommunications purposes.

Radio frequency spectrum is a scarce and valuable public resource. The Government will conduct a comprehensive review of the radio frequency spectrum policy. The aim is to formulate a transparent and market led policy to ensure the efficient allocation and use of spectrum to enable Hong Kong to reap the full rewards of efficiency and innovation as technology advances and business environment changes.

Review the applicability of existing regulatory regime to Internet telephony services.

Internet Protocol (IP) telephony services are able to integrate voice with other types of communications such as data and multi-media and is a major trend in future development of telecommunications services. The Government launched a public consultation exercise in October 2004 to seek the views from the public and the industry on whether the current regulatory regime for fixed telecommunications services should be applied in full to IP telephony services,

and if so, what adjustments should be made to the regulatory regime to facilitate the development of such services. We are studying the views collected to formulate the proposed way forward.

Facilitate fixed telecommunications carriers to deploy broadband fixed wireless access technologies to expand the coverage of their customer access networks.

Broadband wireless access (BWA) technology provides a possible alternative to the conventional wireline technologies (including digital subscriber line (DSL), fibre-to-the-building, etc.) that a fixed carrier may consider adopting for speedy rollout of a broadband network. Such technology would be particularly useful for fixed carriers to maintain services to existing customers, or acquire new customers, in areas outside the coverage of its wireline networks after mandatory Type II interconnection is phased out in June 2008. A public consultation exercise was launched in December 2004 to solicit views on the licensing framework for the deployment of BWA services, in which the Government proposes to allocate the 3.4 – 3.6 GHz frequency band gradually to BWA services and to adopt auctions to assign such spectrum.

Consider adopting appropriate measures to contain the problem of unsolicited electronic messages.

The Government is considering the public feedback gathered from the public consultation launched in 2004 on measures to contain the problem of unsolicited electronic messages. Possible measures include facilitating co-operation in the industry, promoting user awareness, encouraging technical solutions, strengthening co-operation with other economies and agencies, and introducing suitable legislation.

Provide end-to-end infrastructure, resource and service support to the digital entertainment industry through collaboration with the industry support organizations, the academia and the Digital Media Centre at the Cyberport.

In addition to the ongoing initiatives, the Government will continue to strengthen its support for the digital entertainment industry. In particular, the Cyberport will become the focal point providing comprehensive support for the industry, covering the following aspects:

- (a) Infrastructure & Resources: The Digital Media Centre (DMC) provides post-production facilities to the industry at affordable costs, while the iResource Centre provides a wide range of multimedia resources and digital contents. A game testing zone has also been set up recently. To further address the specific needs of the film industry, the Government will sponsor the purchase of an Arrilaser for the DMC in early 2005.
- (b) Incubation & Training: To nurture local talents in Xbox games development, the Cyberport launched an Xbox Games Incubation Programme in cooperation with OGCIO and Microsoft in October 2004. In addition, in order to support digital entertainment start-ups and provide training opportunities for local talents, the Cyberport will be invited to submit a proposal for the establishment of an incubation cum training center in the Cyberport for consideration for funding by the Innovation and Technology Fund.
- (c) Professional Exchange: The Cyberport will continue to organize industry forums and conferences such as the Digital Entertainment Leadership Forum and the Venture Capital Forum.
- (d) Digital asset management: the Innovation and Technology Fund (ITF) has granted \$5.3 million for the development of a unified digital asset management platform in the iResource Centre. The platform will facilitate the sharing and trading of digital assets and hence strengthen Hong Kong's position as a centre for the creation, management and distribution of digital contents. The project is scheduled for completion in February 2006.

On-going Initiatives

Implementing the framework for the migration from analog to digital terrestrial television broadcasting with a view to commencing digital terrestrial television broadcasting by 2007 and achieving within 2008 digital coverage for 75% of the area of Hong Kong.

The introduction of digital terrestrial television broadcasting will bring enormous benefits to the society as a whole. Such benefits include greater spectrum utilization efficiency, improved audio-visual quality, fewer reception problems, more programming choice and stimulation of innovative multimedia applications. The Government formulated the implementation framework for digital terrestrial TV in July last year. ATV and TVB are planning the initial stage network construction with a view to launching digital terrestrial television by 2007.

Reviewing the broadcasting regulatory regime in view of technological and market convergence. We will consult the public on the outcome of the review, including the proposal for merging the Broadcasting Authority and the Telecommunications Authority into a unified regulator, in 2005.

In the light of blurring boundary of broadcasting, telecommunications and the Internet brought by technological and market convergence, we propose merging the Broadcasting Authority and Telecommunications Authority into a single regulator whose functions and powers cover both broadcasting and telecommunications. We will consult the public on the details of the proposal in the first half of 2005.

Continuing to support the film industry through a variety of measures.

The two-year pilot Film Guarantee Fund (FGF) scheme will expire in March this year. After reviewing the operation of the FGF in consultation with the film industry and participating lending institutions, we propose continuing the FGF with a revised commitment from the original \$50 million to \$30 million. The remaining \$20 million will be redeployed to finance projects conducive to the development of the film industry. After consulting the Information Technology and Broadcasting Panel of the Legislative Council, we will seek the Finance Committee's funding approval.

Pursuing the programmes and initiatives set out in the 2004 Digital 21 Strategy to harness the benefits of information technology for the business and the community and to strengthen Hong Kong's position as a leading digital city in the world.

We have already made good progress in implementing the updated Digital 21 Strategy since its promulgation in March 2004. As committed, OGCIO will measure the progress at the end of each year against what is set out in the Strategy and propose specific targets, actions and plans for the next year. The year-end progress report for 2004 and the action plan for 2005 will be submitted to the LegCo ITB Panel for discussion on 4 February 2005.

Promoting Cyberport aggressively overseas and in the Mainland as the regional hub for development of IT applications and creation of multimedia content.

Through collaboration with its strategic partners, the Cyberport has succeeded in raising awareness of the IT flagship overseas and in the Mainland, and in establishing contacts with potential tenants. In 2004, it has taken part in promotional visits to Canada, the United States, Sweden, India, Korea and the Mainland (Beijing, Shanghai and Xian). In addition, the Cyberport will explore opportunities to strengthen ties with the relevant hi-tech parks in the Mainland and overseas with a view to raising its profile, develop collaboration opportunities and attract potential tenants. In this regard, the Cyberport has already signed a strategic cooperative agreement with the Shenzhen Hi-Tech Industrial Park in June 2004.

Communications and Technology Branch
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