**Legislative Council
Panel on Information Technology and Broadcasting**

**Policy Initiatives of Communications and Technology Branch,
Commerce and Economic Development Bureau**

Introduction

This paper outlines the initiatives related to the Communications and Technology Branch of the Commerce and Economic Development Bureau under the 2007 Policy Address and Policy Agenda Booklet.

Creative industries

2.   Creative industries, pillars in developing a knowledge-based economy, give important impetus to driving the economic development in Hong Kong.

3.   Hong Kong has always been in a leading position in the development of creative industries regionally, which include television drama and film production, product and fashion design, pop music, etc.   However, in recent years, Hong Kong faces keen competition in the creative industries from the neighbouring cities, and loses its advantages gradually to Korean films, Taiwan music and the creative industries parks set up in the Mainland, etc.   Therefore, the development of creative industries in Hong Kong should be expedited. The Government should promote the growth of creative industries in terms of policy and render suitable assistance in order to enhance and maintain their competitiveness and advantages.

4.   Creative industries are wide in scope and cover various sectors.   At present, the Government has rendered support to different sectors in various degrees.   In order to focus on the development of creative industries, the Financial Secretary will take the lead in all policy issues in respect of creative industries.   The Commerce and Economic Development Bureau will assist in coordinating the relevant Government departments to draw up a development plan for the creative industries in Hong Kong.   First of all, we will set up a cross-sector steering committee chaired by the Financial Secretary.   Industry players, relevant NGOs and professional organisations will be invited to cooperate with the Government in planning, reviewing and developing the overall strategy of creative industries, including action plan, ancillary facilities and manpower training.

Ten Major Infrastructures, Boosting Our Economy

Provide radio frequency spectrum for the introduction of Broadband Wireless Access service.

5.   It is the Government's objective to facilitate Hong Kong to develop into a leading wireless city.   To this end, the Office of the Telecommunications Authority (OFTA) has been considering the release of spectrum to enable the introduction of Broadband Wireless Access (BWA) services in Hong Kong. OFTA has completed the latest round of public consultation on BWA and its licensing regime in July 2007.   OFTA is taking into account the views collected and the decisions in respect of the radiofrequency allocation made by the forthcoming World Radiocommunication Conference of the International Telecommunication Union before finalising the implementation details in order to provide radio frequency spectrum for the introduction of BWA service.

Establish a community-wide anti-spamming task force.

6.   Following the phased implementation of the Unsolicited Electronic Messages Ordinance since June 2007, the Government and the community have proactively engaged in the fight against spamming and achieved good effects. To continue the effort in this respect, we will set up an anti-spamming task force comprising representatives from various sectors of the community, including chambers of commerce, electronic marketing industry associations, electronic communications industry associations, consumer groups and Legislative Council.   The aim of this task force is to assist the Government to monitor the effectiveness of the legislation as well as other measures in combating the problem of spamming.   The task force will also advise the Government on the strategies to further tackle the problem of unsolicited electronic messages and to enhance the community awareness of the rights and responsibilities of senders and recipients.

Examine the feasibility of early release of frequency spectrum for the provision of more TV and multimedia programming choices.

7.   The Government's policy objective is to enhance Hong Kong's position as a regional communications hub.   To achieve so, we strive to create an enabling environment that promotes innovation, investment and competition for the benefit of consumers.   Noting the rapid development of technology and the trend of media convergence worldwide, we are currently examining whether

it is possible to release some available frequency spectrum as early as possible for introducing more innovative TV and multimedia programming choices for the public.   In this connection, we are studying the public feedback collected in the consultation on mobile TV earlier this year, and working on an implementation framework to facilitate the introduction of mobile TV into Hong Kong.   We plan to consult the industry and the public on the draft implementation framework by the end of this year.

Ongoing Initiatives

Publishing the Digital 21 Strategy and pursuing programmes and initiatives therein, so as to harness the benefits of information technology for business and citizens and to strengthen Hong Kong's position as a leading digital city in the world.

8.   The Digital 21 Strategy is the blueprint for Hong Kong's development in information and communications technology.   The focus of the Strategy is to advance our achievements, seize new opportunities and harness our advantage so as to strengthen Hong Kong's position as a leading digital city.   The ultimate aim is to promote Hong Kong's economic development and to provide better services to citizens.   A total of 70 written submissions had been received during the public consultation conducted earlier.   There was general support from the public on the theme, vision and the key action areas of the Strategy. The latest Strategy will take into account public feedback.   Progress expected under each of the key action areas in the coming three years will be set out in the Strategy.   Members will be updated regularly on the progress of the initiatives.

9.   As regards the Government Wi-Fi Programme which is one of the major initiatives under the Digital 21 Strategy, we have commenced the programme implementation.   We will progressively install Wi-Fi facilities at about 350 Government premises in the coming 2 years for providing free Internet access services to all citizens.   The tendering exercise is near completion.   We plan to complete our first phase of roll-out at about 120 premises by mid-2008, and to complete the full roll-out at all the 350 premises by mid-2009.

Enabling, via a pilot scheme, the commercial exploitation of the intellectual property in the Government IT systems developed by contractors for creating a better business environment for Hong Kong.

10.   The pilot scheme has been operating smoothly.   The Government has gradually released intellectual property of relevant new IT systems to contractors for their commercial exploitation.   We will continue our liaison with respective contractors regarding their plans of exploiting the intellectual property.   We will also collect relevant statistics to facilitate the review of the pilot scheme by 2009.

Operating a new standing offer procurement arrangement for IT professional services that focuses on overall value to the Government and sustains the vibrant economy.

11.   The new procurement arrangement, i.e. the Standing Offer Agreement for Quality Professional Services (SOA-QPS), has been operating smoothly. With the aid of this procurement arrangement, about 90% of our IT projects have been outsourced to the industry.   We are planning to conduct an industry consultation to solicit feedback on the arrangement with a view to making further improvements in the new round of agreements.

Exploring further opportunities of data centre outsourcing with a view to improving operational efficiency and fostering the development of the local IT industry.

12.   We have completed a review of our Central Computer Centre Outsourcing Initiative (CCCOI) in May 2007.   The review results showed that we had met all service targets and achieved all the expected benefits.   Riding on the success of the CCCOI, we plan to facilitate outsourcing of more data centres in Government through the arrangement of Standing Offer Agreement contracts.   We expect that this move would help foster the development of the local data centre service industry, and help contribute to the mission of developing Hong Kong into a data centre hub.

Implementing a pilot e-procurement programme to handle low-value, high-volume purchases to improve internal efficiency and encourage external suppliers to adopt e-commerce.

13. The e-procurement pilot programme was endorsed by the Finance Committee in January 2007. We aim at rolling out e-procurement functions progressively to the three pilot departments from 2008 to mid 2009.

Strengthening support for information industries including facilitating market access.

14. The Government has been working closely with the industry to promote the development of the information industry through organising and participating in conferences, fora, seminars, visits and various publicity activities. Moreover, the Government has also been providing financial and other forms of support to industry-led market development programmes. We will continue our facilitation measures in these areas.

15. On the IT workforce front, the Government is committed to creating an environment where a well-qualified IT workforce can flourish and meet the needs of society. Since 2002, the Government has implemented sponsorship programmes every year to facilitate exchange of IT talents. The aim is to give Hong Kong students exposure to global IT developments, and to encourage tertiary institutions to organise IT-related exchange programmes with overseas or Mainland institutions. Furthermore, Hong Kong Cyberport Management Company Limited launched a Government-funded pilot digital entertainment internship programme to enable graduates to gain practical working experience through attachment to local digital entertainment companies. The Government also provided financial sponsorship to enable Hong Kong Cyberport Management Company Limited to co-organise with the British Council the "Digital Pioneer – Young Creative Entrepreneur Network" programme to encourage exchange between young digital media entrepreneurs in Hong Kong and the UK.

16. The Government has set up an Industry Training Advisory Committee for the ICT industry to enable the industry to develop, maintain and update training specifications and the Specification of Competency Standards. The Committee will also strengthen the link between the industry and the vocational education sector, striving to nurture more productive and competitive IT talents.

Furthermore, the Government has provided the Hong Kong Computer Society with funding sponsorship to conduct a study on IT Professional Certification System and IT Manpower Roster seeking to enhance recognition for IT talents in the community.   The Government will continue to discuss with the academic sector and the IT sector the longer term measures that are needed to ensure that the supply of IT talents meets the local needs, as well as to enhance Hong Kong's competitiveness in the global market.   Where necessary, Hong Kong may bring in IT talents and professionals from other places (including the Mainland) to meet the needs in specific areas.

Maintaining a high standard Government information security policies and practices and ensuring their compliance, advising public organisations and regulated sectors to do the same, and further enhancing public awareness of information security threats and mitigation measures.

17.	With the advent of new technologies and more powerful tools, information security threats and challenges continue to increase as organisations offer more electronic services to cope with the fast growing demands in communications, customer relationship and business activities. To strengthen our safeguard against cyber attacks, we will ensure that the Government's information security requirements are vigorously complied with by all bureaux/departments through the updating and promulgation of alerts and guidelines, risk management and security audit. Besides, we will continue to advise and assist public organisations and regulatory bodies on enhancing their status of information security or tightening their regulatory regimes.

18.	We will continue to promote the awareness and education of the public on information security knowledge and developments. We will also publish reference materials such as an electronic authentication framework for public reference and advise businesses on the appropriate access security measures that could be incorporated in their electronic services and transactions to enhance reliability. We will continue to provide the reference resources in our one-stop portal on information security as well as organise seminars and exhibitions on information security threats and mitigation measures in collaboration with different industries and professional bodies.

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 a digital coverage for at least 75% of Hong Kong within 2008.

19.	The introduction of digital terrestrial television (DTT) broadcasting will bring to the community enormous benefits such as improved audio-visual quality, fewer reception problems (including snowing and ghosting), more programming choices and opportunities for innovative multimedia applications. The implementation of DTT is in good progress.	In June 2007, the Telecommunications Authority promulgated the adoption of DTT transmission technical standards and receiver specifications.	The two free domestic television programme service licensees, Asia Television Limited and Television Broadcasts Limited, are conducting final rounds of transmission trials and tests of digital signals.	We expect that the two broadcasters will be able to launch DTT by end 2007 as scheduled.

20.	To prepare the public for the DTT launch, we have established a dedicated website (www.digitaltv.gov.hk) to provide the public with DTT information.	Moreover, a series of publicity activities will be rolled out shortly to raise public awareness of DTT.	We plan to report to the Panel at the next meeting details of DTT implementation progress and publicity arrangement before the launch of DTT.

Studying the report of the Committee on Review of Public Service Broadcasting, and planning to extensively consult the public, before deciding on the policy and arrangements for future public service broadcasting of Hong Kong.

21.	The Committee on Review of Public Service Broadcasting submitted its report to the Government earlier this year.	Noting that public service broadcasting has a significant and far-reaching impact on the community, we are carefully studying the Committee's findings and recommendations, and plan to engage the public through extensive consultation by end 2007 to map out the way forward.	In the forthcoming consultation, we will set out the Government's views on the relevant major issues, including the policy and role of public service broadcasting, as well as the arrangements for governance, accountability, funding, programming and performance evaluation.	The consultation document will also include the future role of and arrangements for Radio Television Hong Kong (RTHK).	We will widely engage all stakeholders (including the management and staff of RTHK) and the community at large, and allow them sufficient time to deliberate on the issues and express their views. The outcome of the consultation will help the Government to decide on the future of public service broadcasting and the implementation details.

Assessing the impact of technological and market convergence in order to facilitate the development of the electronic communications industry and services, enhancing regulatory coordination and efficiency to facilitate the further development of the electronic communications industry.

22.   The technological and market convergence has been blurring the boundary of the broadcasting, telecommunications and information technology sectors.   We will assess the impact of the convergence, technological advancement and emerging new electronic communications services and examine whether the existing regulatory regime for the electronic communications sector remains effective in facilitating the further development and advancement of the industry.   We will consult the industry and public should any regulatory changes to the existing broadcasting regime be considered necessary.

23.   The present arrangement of separate statutory regulators for broadcasting and telecommunications services is not sustainable in the long term.   There was general support in the public consultation to merge the Broadcasting Authority and Telecommunications Authority into a unified regulator to oversee the entire electronic communications sector.   We are drafting the bill for the establishment of the Communications Authority.

Positioning Cyberport as the one-stop hub by providing a variety of infrastructure, resources and support services to the digital entertainment industry in Hong Kong.

24.   Cyberport is Hong Kong's ICT flagship infrastructure.   It facilitates clustering of IT and related companies to create synergy and as a result of which to foster the development of innovation and creativity.   Over 60 multinational and local enterprises are now occupants of Cyberport.

25.   Cyberport will continue to provide a variety of resources and support services to the local digital entertainment industry and assist them in business development through the existing facilities, including the Digital Media Centre, the iResource Centre, the Digital Entertainment Industry Support Centre, the Hong Kong Wireless Development Centre and the Digital Entertainment Incubation and Training Centre.   Besides, Cyberport also organises a series of programmes that are related to animation production, student internship and exchange.   Cyberport is the incubator for 42 digital entertainment companies through its Digital Entertainment Incubation and Training Centre and related support programmes.

26.	In addition to establishing a partnership relationship with Shenzhen, Cyberport has also established partnership on digital entertainment with the Banff Centre in Alberta, Canada.

Enhancing collaboration in science and technology with the Mainland at different levels and promoting interflow of technology talents with Mainland cities such as Beijing, Shanghai, Chongqing and Pan-PRD Region.

27.	To enhance collaboration in science and technology with the Mainland at different levels, we have established various co-operation platforms in strengthening the collaboration with Mainland authorities (including the Ministry of Information Industry and the Ministry of Science and Technology), Guangdong and Shenzhen in the areas of science and technology development as well as informatisation. Recently, we have signed co-operation agreements with the Ministry of Information Industry and the Shenzhen Municipal Government, and an "Arrangement on Strengthening Hong Kong/Guangdong Co-operation in Informatisation" with the Information Industry Department of Guangdong Province with a view to strengthening the co-operation in informatisation and information industry. We will also follow-up on the action agenda proposed by the Economic Summit on "China's 11th Five-Year Plan and the Development of Hong Kong", in actively participating in developments in science and technology under the National Five-Year Plan. We will continue to explore with relevant Mainland authorities the ways and means to strengthen technological collaboration and exchange.

Quality City, Quality Life

Promote a culture of innovation, technology and design to the general public, particularly the younger generation and students, to support the development of creative industry.

28.	The Innovation and Technology Commission works closely with the relevant bureaux/departments, universities and non-government organisations to organise a wide range of activities regularly, such as exhibitions, seminars, roadshows and workshops, with a view to enhancing the public's knowledge and interest towards innovation, technology and design. We aim to instil a general awareness among the general public that innovation, technology and design are relevant to our daily lives and are important drivers for the long-term development of the Hong Kong economy. We will also provide opportunities through organising various competitions and training courses for students and youngsters to uncover and develop their strengths and potential in innovation, technology and design in order to nurture more talents in the long run.

Ongoing Initiative

Promoting the development of the film industry through new support measures, including funding the production of small-to-medium budget films through the Film Development Fund and implementing recommendations from the Film Development Council.

29. To finance film production and overcome the shortage of talent, we have injected a total of HK$300 million into the Film Development Fund (FDF). The expansion of FDF seeks to finance the production of small-to-medium budget films in addition to other projects conducive to the healthy and long-term development of the film industry. The Film Development Council (FDC) has started to invite applications. For the first batch of applications, we expect to be able to release funds to successful applicants by end 2007 or early 2008. The FDF would help generate more filming activities and revive the film industry.

30. We will also continue with promoting the long-term development of the film industry through other measures to be examined together with the FDC.

Developing Democracy, Enhancing Governance

Ongoing Initiative

Enriching the new Government portal, GovHK, taking into account feedback from users. The portal has been officially launched since August 2007 to serve as the one-stop shop for online Government information and services.

31. GovHK (www.gov.hk) was soft launched last year for public trial use. Customer survey conducted after the soft launch found that over 80% of the respondents considered the content of GovHK easy to find and understand. Taking into account the feedback from customers and the result of accessibility tests conducted with visually impaired individuals, improvements have been made to the GovHK portal which was officially launched in August 2007. The Government Information Centre (www.info.gov.hk) was retired earlier in the year.

32.   To further enhance the content and services of GovHK, we will conduct further customer research to collect public feedback. New feature articles will be developed by consolidating relevant information on specific topics from different Government bureaux/departments so to facilitate easy access by citizens. The portal will also host new online services to be introduced by various departments. Furthermore, existing government services on the ESD*life* portal will be migrated to GovHK before the expiry of our contract with the operator of the Electronic Service Delivery Scheme in January 2008.

Reviewing the provisions of the Control of Obscene and Indecent Articles Ordinance.

33.   We will regularly review the operation of the Control of Obscene and Indecent Articles Ordinance. The Television and Entertainment Licensing Authority conducts regular opinion surveys to gauge public views on the community standards of morality, decency and propriety. We will report the latest survey findings to the Panel before end 2007.

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