For discussion on 10 January 2011

Legislative Council Panel on Information Technology and Broadcasting

Update on the Work of the Create Hong Kong

Purpose

This paper provides an update to Members on the work of the Create Hong Kong (CreateHK). We last briefed members on the work of CreateHK at the meeting held on 13 May 2010 vide LC Paper No. CB(1)1843/09-10(05).

Creative Industries of Hong Kong

- 2. Hong Kong has a solid foundation and an edge in the development of various sectors of creative industries. With the value added to the Gross Domestic Product reaching over \$60 billion each year and around 4% of Hong Kong's Gross Domestic Product, creative industries have become a strong driving force for the territory's future economic development. Based on the latest statistics, Hong Kong has around 32 000 creative industry-related establishments, with more than 170 000 practitioners working in the industries. These are the economic indicators which reflect how crucial creative industries are to the economy of Hong Kong.
- 3. The Chief Executive announced in the 2008 Policy Address the setting up of a dedicated office to provide coordinated support and one-stop service to local creative industries. In 2009, we set up the CreateHK dedicated office for the purpose. We also established the \$300 million CreateSmart Initiative (CSI) to provide financial support to the creative industries. This is in addition to the \$250 million DesignSmart Initiative (DSI) and \$320 million Film Development Fund (FDF) which have been established to specifically support the design and film sectors. In 2009, the Task Force on Economic Challenge further identified cultural and creative

industries as one of the six economic areas with high growth potential in Hong Kong.

- 4. After consultation with the Legislative Council and the industries, we have formulated a seven-pronged strategy to drive the development of creative industries in Hong Kong. These strategies are -
 - (a) nurturing a pool of creative human capital which forms the backbone of our creative economy;
 - (b) facilitating start-ups and development of creative establishments;
 - (c) generating demand for innovation and creativity and expanding local market size for creative industries;
 - (d) promoting creative industries on the Mainland and overseas to help explore outside markets;
 - (e) fostering a creative atmosphere within the community;
 - (f) developing creative clusters in the territory to generate synergy and facilitate exchanges; and
 - (g) organising major events to promote Hong Kong as Asia's creative capital.

Funding Schemes Administered by CreateHK

- 5. The CSI has been well received by the creative industries since its establishment. As at end December 2010, we have received over 110 applications, and a total of \$74.6 million has been granted to 41 projects. These funded projects include supporting the participation of local creative talent in international competitions; providing paid internship opportunities for young people aspiring to developing a career in creative industries; and assisting the industries in organising activities in the Mainland and overseas to demonstrate the abilities of our creative talent and establishing a platform for promotion of their business and marketing activities.
- Regarding the DSI, we have received 530 applications as at end December 2010, and approved 365 projects, with total funding of \$162 million allocated since 2004 when the DSI was first established. Projects funded by the DSI include conferences, seminars, workshops, exhibitions, design competitions and awards, training courses, design research and

design-business collaboration projects. Of the 365 approved projects, 310 are design-business collaboration projects undertaken by small and medium sized enterprises. The value of the design activities generated from these projects amounts to some \$46 million. Indeed, the value added of the design sector has increased by over 200% from around \$530 million in 2004 to around \$1 600 million in 2008.

7. For the FDF, we have received 110 applications for film-related projects, and approved 69, with total funding of around \$120 million allocated. In addition, a total of 14 film productions have been financed by the FDF, amongst which 10 were submitted by small and medium sized film production companies, including independent production houses which do not have their own distribution network. Eight directors and four producers took part in the production of feature film for the first time through the support of FDF. We believe the FDF has continued to play a positive role in nurturing film talent and succeeded in providing finance to the small and medium sized film production companies for film production. The total annual number of local film productions has increased from around 50 in 2008 to over 70 in 2009 as well as 2010.

Incubation Programmes Funded by CreateHK

- 8. The Design Incubation Programme is funded by the DSI and run by the Hong Kong Science and Technology Parks Corporation, in collaboration with the Hong Kong Design Centre (HKDC). Over 70 design start-ups have been admitted to the InnoCentre as incubatees since 2006. The incubatees have so far won 31 awards and have filed 36 applications for patents. As at end December 2010, 38 of the 41 graduated incubatees are still in business, achieving a survival rate of 93%.
- 9. As regards the Cyberport Digital Entertainment Incubation-cum-Training (IncuTrain) Programme, over 530 headcounts were created among the Cyberport incubatees and alumni, and over 91 original patents were registered since the programme's inception in 2006. A digital entertainment cluster has been formed at the Cyberport. Overall, a total of 122 companies have been admitted as incubatees, out of 266 applications received. As at end December 2010, 37 of the 40 graduated incubates are still in business, achieving a survival rate of 93%.

Key Highlights in 2010

10. In 2010, CreateHK has been working with the creative industries to introduce measures in support of promotion of the creative industries in Hong Kong according to the seven-pronged strategy set out in paragraph 5 above. In particular, CreateHK is committed to assisting industry groups in organising major local creative events that attract enterprises, talents and academics related to creative industries from around the world to visit the territory, thereby consolidating Hong Kong's status as Asia's creative capital. During the year, we have rendered assistance and support to over 60 promotion events, which have attracted more than 980 000 participants from the local community and from more than 30 countries and regions. The key projects and measures undertaken by CreateHK in the past year are set out in ensuing paragraphs.

Creative Industries-related Events during Shanghai Expo

- 11. Riding on the opportunity presented by the World Exposition 2010 Shanghai China ("Shanghai Expo") which completed in October 2010, we worked with our creative industries to organise a series of activities in Shanghai during the Expo event to promote Hong Kong's creativity. These activities include the six-month "Hong Kong: Creative Ecologies" exhibition that showcased Hong Kong's creative talent and the local creative industries' global influence; the "Hong Kong Ani-Com Carnival" which presented the history, development and distinctive edges of Hong Kong's comics and animation industry; and the "Fashion Visionaries Hong Kong" exhibition which demonstrated the creativity of local fashion designers and the development of Hong Kong's fashion sector throughout the years.
- 12. The events showcasing Hong Kong's creative industries during the Shanghai Expo were all very successful, leaving the community and tourists in Shanghai deeply impressed by our creative industries. For example, the "Hong Kong: Creative Ecologies" exhibition attracted some 100 000 visitors, while the "Hong Kong Ani-Com Carnival" received patronage of over 500 000 and was extensively covered by the media in Shanghai. The "Fashion Visionaries Hong Kong" exhibition also received overwhelming response from the public and the media in Shanghai.

Re-runs of some of these events in Shanghai and in other parts of Mainland China will be arranged to keep up with the momentum generated.

Nurturing Talents

- 13. CreateHK continued to develop programmes that help nurture the next generation creative talent for Hong Kong. With our funding support, the "Film and Animation Teaching Kit" for the New Senior Secondary Curriculum was launched to secondary schools in September 2010 to help enrich secondary students' knowledge in art creation and appreciation through animation and films. Around 150 schools have committed to using the teaching kit in their lessons, and the kit is expected to benefit 15 000 students in the 2010-11 academic year. On the other hand, the one-year full-time Film Professionals Training Programme, operated by the Federation of Hong Kong Filmmakers and with our funding support, was launched in September 2010 to train up much needed manpower for the local film industry. About 150 young persons have been admitted to the programme at its first intake.
- 14. We have also provided funding support to the Association of Accredited Advertising Agencies of Hong Kong (HK4As) to re-run the "HK4As Student Internship Programme" and "HK4As Graduate Trainee Programme" in 2010, offering some 120 on-the-job exposure opportunities to tertiary students and graduates aspired to enter the advertising business. In view of the positive response, the HK4As has obtained CSI funding support to launch the 2011 edition of the two programmes.

Promotion in the Mainland

15. CreateHK worked extensively with the industries and our strategic partners in promoting Hong Kong's creative industries in the Mainland in the past year. CreateHK collaborated with the Film Development Council (FDC) in organising the "Hong Kong Film Retrospective" in Guangzhou and Shanghai to enhance the understanding and appreciation of Mainland audience about Hong Kong films. A total of over 20 acclaimed Hong Kong films were shown during the two films shows. The turnout of the events were encouraging, with a total attendance of more than 7 000 audience. CreateHK is also participating in the first

"Guangdong – Hong Kong – Macao Youth Film Festival", to be held in the three cities from November 2010 to January 2011, to encourage film exchange and collaboration amongst the younger generation filmmakers, and establish a wide film financing network for film projects initiated by young filmmakers.

On the design front, CreateHK collaborated with the Hong Kong Trade Development Council (TDC) to organise the "Hong Kong Design and Branding Seminar Series" in the Pearl River Delta region to promote Hong Kong design and branding services to enterprises in the area. Following the successful debut in 2009, the 2010 series extended its coverage to Humen, Jiangmen, Guangzhou and Xiamen during June to September 2010 to further extend the project's reach, thus helping our design sector to further explore new market in the Mainland.

Overseas Promotion

- 17. CreateHK was actively involved in promoting Hong Kong's creative industries overseas. We participated in the Venice Film Festival held in September 2010 in collaboration with the FDC to promote Hong Kong films to the international audience. Hong Kong films were well received in Venice. Apart from local director John WOO receiving the Gold Lion for Lifetime Achievement Award, six Hong Kong-produced films received invitation to participate in the various activities held during the festival.
- In addition, with funding support from the CSI, the Hong Kong Institute of Architects (HKIA) participated in the 2010 Venice Architecture Biennale, which is one of the most prestigious architectural exhibitions in the world. A Hong Kong pavilion set up by the HKIA attracted over 40 000 visitors and provided excellent opportunities for the local architectural industry to exchange with their overseas counterparts, showcase their creativity and develop overseas market. As a result, a response exhibition will be held in Hong Kong from April to June 2011.

International Awards and Competitions

19. In 2010, CreateHK worked with the industries to support local

creative talents and creative works to take part in renowned international competitions and promotional events. This is to provide opportunities for them to gain exposure and recognition abroad, so as to raise the profile of Hong Kong's creative industries as well as the city's position as a creative capital in the international arena. This initiative includes supporting recipients of the HK4As Kam Fan Awards to participate in top-class international advertising awards, and young advertising talents to take part in overseas young creative competitions; support local films to take part in international film festivals; and encouraging local animation works to participate in regional animation competitions.

20. Our efforts in 2010 have borne fruit. Hong Kong advertising talents won 10 awards at this year's Cannes Lions International Advertising Festival, including one silver and three bronze awards won by talents sponsored by CreateHK, while the young advertising talents supported also won a bronze prize at this year's Young Spikes held in Singapore in This is complemented by "Echoes of the Rainbow", a film financed by FDF, which received the award of Crystal Bear for the Best Feature Film in the Generation Section of the 60th Berlinale 2010, amongst A locally-produced animation also won other awards won. Encouragement Award at the 2010 DigiCon6 Awards held in Japan, which marked the third consecutive year for Hong Kong to win major awards in this regional competition.

Creative Events

21. CreateHK has been supporting the organisation of creative events in Hong Kong that would serve the duo purpose of fostering a creative atmosphere in the local community, as well as attracting talents from the region to Hong Kong for exchange and collaboration. During the year, we supported the Hong Kong Institute of Contemporary Culture (HKICC) to organise the inaugural "Make a Difference" (MaD) Forum to encourage youngsters to develop creative thinking skills, ignite their entrepreneurial spirit and inspire them to think big and international. With the success of MaD in 2010, the CSI is sponsoring the MaD 2011, to be held in January 2011, to sustain the efforts and further build up the branding of the event as a prestigious youth creative event in the region.

- We have been supporting through DSI the organisation of the "Business of Design Week" (BoDW). The event organised by the HKDC has become the largest annual design event in Asia and one of the leading design events in the world. The BoDW 2010, held between November and December 2010 and with Japan as the partner country, comprised forums, seminars, exhibitions, awards presentations and networking events, and attracted some 50 000 attendees and visitors. Riding on the success of the BoDW, HKDC has secured Germany as the BoDW partner country in 2011.
- We also supported the Ambassadors of Design to organise the annual DETOUR which complemented the BoDW 2010. The DETOUR 2010 was held in November at the Former Victoria Prison with an aim to arouse a wider public interest in design, encourage cross-disciplinary and cross-border dialogue between design professionals across the region, and promote creativity among local students and youth through participation. This year's DETOUR was a huge success with a patronage of over 45 000 over a two-week period, and has proven to be a platform for the general public to appreciate and participate in the creative process.

Creative Cluster

During the year, we successfully selected the organisation to revitalise and operate the Former Hollywood Road Police Married Quarters as an iconic landmark for driving the development of creative industries in Hong Kong. The site will become a local focal point for future creative industries activities. We will shortly apply for funding from the Finance Committee for the revitalisation of the site.

CreateHK's Work in 2011

25. Looking towards 2011, CreateHK will continue its efforts to drive the development of Hong Kong's creative industries following the seven-pronged strategies promulgated, and in collaboration with the industries as well as our strategic partners. The focus will be on supporting the organisation of signature events that consolidate Hong Kong's position as the regional creative capital, assisting the industries to explore outside markets, and nurturing local creative talents to sustain the continued growth of the local industries.

Signature Events to be held in 2011

- 26. The annual Entertainment Expo each year puts together major events in the field of film, television, music and digital entertainment for synergy and momentum. It has developed into one of the most prestigious and prominent entertainment events to be held in Asia. Entertainment Expo 2011, CreateHK will sponsor the debut of two new signature events for the music and television industries respectively, namely the Hong Kong Asian-Pop Music Festival (HKAMF) and the Asia Rainbow TV Awards (ARTVA), which will add to the list of exciting events to be held HKAMF offers an excellent exchange platform for top during the Expo. performers from seven countries and territories (including Hong Kong) in the region to stage a music extravaganza, as well as for aspiring artistes who will compete for the title of the next supernova; while ARTVA aims to recognise the best TV programme productions in Asia. The two events are to be held in March 2011.
- 27. CreateHK will also sponsor the first-of-its-kind Asian Online Games Awards to honour outstanding online games and foster Hong Kong as Asia's game facilitating hub. The event is to be held in mid 2011, with participation from nine countries and regions in Asia. The long-term goal of the awards is to pave way for the development of a regional game distribution market in Hong Kong in future.
- 28. Riding on the success of the Hong Kong Mobile Film Festival and the rapid development of mobile film as a new creative media form, we will sponsor the organisation of Hong Kong's first international mobile film festival, to be held in March 2011, to recognise the rapid development of mobile films around the world. With entries from ten countries and regions, including Hong Kong, the Mainland, Korea, Germany, France, Greece, Spain, Morocco, Brazil and Australia, the festival will promote Hong Kong's position as a platform for international exchange in mobile film.
- 29. For the first time, Hong Kong will host the SIGGRAPH Asia in December 2011, a regional congress for practitioners from the computer animation and graphics, interactive technologies and other digital entertainment fields to gather together for exchange and collaboration. The

conference will also provide capability building and networking opportunities for local talent, as well as foster Hong Kong's position as a regional hub for the businesses. It is expected that more than 2 500 visitors will be attracted to attend the event in Hong Kong.

30. By supporting a series of large scale creative events to be held in Hong Kong throughout the year, we have an eventful annual calendar of creative activities, as set out in the **Annex**. We will continue to encourage and support the organisation of creative events in Hong Kong to further enrich the annual calendar and to strengthen our position as the creative capital in Asia.

Other Initiatives in 2011

- 31. We are sponsoring the Hong Kong Arts Centre to organise a large scale comics exhibition which will feature 15 successful and aspiring local comic artists at the Angoulême International Comics Festival, the most established comics festival in Europe to be held in end January 2011, to showcase the creativity of Hong Kong comics. With 200 000 visitors including international comics publishers and artists every year, the festival will provide an excellent platform for Hong Kong comics artists to communicate with their overseas counterparts with a view to develop future collaborations, build up the image of Hong Kong comics internationally as well as to explore overseas markets.
- 32. CreateHK is planning to support Hong Kong filmmakers to participate in the 2011 Berlinale in February to enhance exchanges between Hong Kong filmmakers and their European counterparts. We are also working on a Chinese film festival in Dublin, Ireland, during the Dublin Chinese New Year Festival in view of the increasing interest of Irish audience in Chinese and Hong Kong films. These projects are expected to help promote Hong Kong films as well as local film talents in the European market.
- 33. CreateHK is committed to help our creative industries explore market opportunities in the Mainland under the existing frameworks, including the CEPA and the Framework Agreement on Hong Kong / Guangdong Co-operation. In this regard, we are planning a series of

promotional and business matching activities as well as delegation visits to the Mainland for our creative sectors including film, design, digital entertainment, comics and animation, etc.

Conclusion

We welcome advice on measures to promote creative industries in Hong Kong and feedback on the work of CreateHK.

Communications and Technology Branch Commerce and Economic Development Bureau January 2011

2011 Annual Calendar of Creative Events Supported by CreateHK

Event	Organiser
January	
Make a Difference (MaD) Youth Forum 2011 A three-day event of talks, workshops and activities to develop youngsters' ability to use their creative skills, ignite their entrepreneurial spirit and inspire them to think big and international. The first MaD Award will also be presented on the last day of the forum.	Hong Kong Institute of Contemporary Culture (HKICC)
Kaleidoscope – History of Hong Kong Comics Touring Exhibition at Angouleme International Comics Festival, France A series of exhibition, seminar and live drawing performance to introduce the development of Hong Kong comics since 1960s to the international audience.	Hong Kong Arts Centre
The 4 th Hong Kong Mobile Film Festival A festival comprising competition, forum and workshop to promote mobile film among the industry practitioners and public. February	Hong Kong Wireless Telecommunication Industry Association (HKWTIA)
Hong Kong: Creative Ecologies – Business, Living, Creativity The Hong Kong edition of the successful exhibition held during the Shanghai Expo period to showcase Hong Kong's creative talent and global influence. The exhibition will be held at the Hong Kong Heritage Museum.	Hong Kong Design Centre (HKDC)

Event	Organiser	
March		
Entertainment Expo Hong Kong brings together key events in Hong Kong's entertainment calendar for film, television, digital entertainment, music and other cutting-edge elements. The month-long Expo provides a platform of spectacular events for business deals, screenings, recognition of industry excellence and entertainment. It attracts key industry players from across the region to visit and carry out exchange in Hong Kong.	Hong Kong Trade Development Council (HKTDC)	
Hong Kong International Film & TV Market (FILMART) FILMART is the premier film industry event in Asia and one of the world's leading events of its kind. Renowned producers, distributors, investors and professionals from around the world use FILMART to launch promotions, network with key industry players and negotiate deals. The 2010 edition attracted over 540 exhibitors and nearly 5,000 visitors from 51 countries and regions.	HKTDC	
Hong Kong International Film Festival (HKIFF) One of Asia's premier film festivals, the HKIFF attracts filmmakers, film professionals and film lovers from around the world. Screening over 290 titles from about 50 countries and regions in 11 major cultural venues, together with other associate programmes such as exhibitions, seminars and forums, etc, the festival to be held in March 2011 is expected to attract patronage of some 600 000.	Hong Kong International Film Festival Society (HKIFFS)	

Event	Organiser
Asian Film Awards (AFA) The AFA honours outstanding achievement in Asian movie industry. A jury panel of international industry professionals selects the award winners each year.	HKIFFS
Hong Kong – Asia Film Financing Forum (HAF) HAF is one of the most important film-financing events in Asia. HAF brings together Asian filmmakers and their film projects with top film financiers, producers, investors, distributors and buyers.	HKIFFS
Cross Industry Matching Showcase A business matching activity to provide a platform for cartoon and graphic designers to meet with small and medium enterprises for business opportunities.	Innovative Entrepreneur Association
Asia Rainbow TV Awards The first award in Hong Kong to recognize and reward TV programming and production excellence in Asia and showcase the capability of Hong Kong's TV industry.	Hong Kong Televisioners Association
Hong Kong Asian-Pop Music Festival A festival featuring a music extravaganza and song contest with top performers and recording artistes from seven participating countries/territories.	International Federation of the Phonographic Industry (Hong Kong Group)

Event	Organiser
Hong Kong International Mobile Film Awards A competition rides on the Hong Kong Mobile Film Festival to provide a platform for international exchange on mobile films by inviting entries from 10 countries/regions to compete for international excellence.	HKWTIA
Hong Kong participation in ADFEST The winners of HK4As Kam Fan Awards will participate in the ADFEST under the sponsorship of CreateSmart Initiative to gain international exposure.	The Association of Accredited Advertising Agencies of Hong Kong (HK4As)
Animation Lab A series of seminar, screening and master class conducted by the world-renowed Gobelins I'ecole de l'image of France will be organized in Hong Kong to nurture the local emerging and professional animators. Scholarship will also be provided to the best two students in the master class to attend Gobelins' summer classes to exchange with worldwide animators and learn to gain a better understanding of the elements contributed to successful animation.	Hong Kong Arts Centre
Hong Kong Short Film: New Action Express A supporting scheme for winners of local short film competitions to participate in international short film festivals throughout the year. Sponsorship will also be provided to other short film producers who have been invited to compete in these international festivals.	Hong Kong Arts Centre
April	

Event	Organiser
Hong Kong Film Awards The Hong Kong Film Awards promotes Hong Kong film, recognises outstanding achievement, and encourages industry excellence. The award winners are voted by industry professionals and the awards presentation ceremony is one of Asia's leading film industry events.	Hong Kong Film Awards Association
Response Exhibition of the 12 th Venice Biennale International Architecture Exhibition The local edition of the Hong Kong exhibition at the prestigious architecture exhibition to present the creativity of Hong Kong architects to the local community.	Hong Kong Institute of Architects
Hong Kong Smartphone Popularity Contest A contest that involves public voting to select and recognize the most popular advertising and marketing campaigns using smartphone and mobile media. Seminars and roadshows will also be held before and after the contest to promote mobile advertising.	HKWTIA
May	
The EcoChic Design Award – Hong Kong The event aims to increase awareness of sustainable fashion and design with designers, retailers and consumers in Hong Kong. It consists of a competition, a business seminar, a fashion show gala and a public exhibition.	Green2greener

Event	Organiser
HK4As Student Internship and Graduate Trainee Programme 2011	HK4As
The programmes offer 80 job openings for local university students and fresh graduates to provide them with genuine work experience for them to better prepare for entering the advertising field.	
June	
Reinventing with Design (ReD) A strategic platform that helps local industries and designers stay ahead of shifting demands through an intense programme. ReD comprises seminars, workshops and a networking luncheon.	HKDC
Hong Kong participation in Cannes Lions International Advertising Festival and Young Lions The winners of HK4As Kam Fan Awards and HK4As Young Creative Competition will participate in the two major worldwide advertising competitions under the sponsorship of CreateSmart Initiative to gain international exposure.	HK4As
Asia Online Game Awards The first-of-its-kind award scheme in Asia to recognize the outstanding online games, with a view to promoting Hong Kong as Asia's game facilitating hub, and developing a game distribution market in Hong Kong for Asia in the long run.	Hong Kong Game Industry Association

Event	Organiser
Robocon 2011 Hong Kong Contest	RTHK
A local contest with series of educational workshops and seminars to promote creative design, IT and engineering and to select winning team to compete in the international contest held in Bangkok, Thailand in August.	
September	
Hong Kong participation in Spikes Asia and Young Spikes	HK4As
The winners of HK4As Kam Fan Awards and HK4As Young Creative Competition will participate in these major Asian advertising competitions under the sponsorship of CreateSmart Initiative to gain international exposure.	
November	
DETOUR Meaning "Design Experience TOUR", DETOUR is a two-week event comprising a series of activities to arouse wider public interest in design and the local design sector, encourage cross-disciplinary and cross-border dialogue between local and overseas design professionals and promote creativity among Hong Kong students, youths and the community through participation. The 2010 DETOUR was	Ambassadors of Design

December	
Business of Design Week (BoDW)	HKDC
One of the most significant events in the international design calendar, the BoDW is Asia's leading annual event on design, innovation and brands. The week-long activities covering forums, exhibitions, seminars, awards presentation and networking events, provide a platform for designers and business leaders to share their experience and exchange ideas.	
HKDC Awards Since its inception in 2003, the HKDC Awards has grown in depth and breadth, covering five award categories which give due recognition to extraordinary personalities who have contributed much to the design sector with their creativity and vision. The presentation of awards is conducted at the HKDC Annual Awards Gala Dinner held as a highlight of the BoDW.	HKDC
SIGGRAPH Asia 2011 in Hong Kong The SIGGRAPH Asia, which is the largest computer graphics event in Asia, will be held in Hong Kong for the first time. With trade exhibition, conference, courses and presentation of technical papers, the event is expected to draw over industry luminaries, trade professionals and practitioners from the computer graphics, digital entertainment and visual	Hong Kong ACM SIGGRAPH Professional Chapter Limited

effects industries in Hong Kong and some 40

countries around the world.