

**立法會**  
**Legislative Council**

LC Paper No. CB(1)1373/11-12  
(These minutes have been seen  
by the Administration)

Ref : CB1/PL/ITB/1

**Panel on Information Technology and Broadcasting**

**Minutes of meeting**  
**held on Monday, 13 February 2012, at 2:30 pm**  
**in Conference Room 3 of the Legislative Council Building**

- Members present** : Hon WONG Yuk-man (Chairman)  
Dr Hon Samson TAM Wai-ho, JP (Deputy Chairman)  
Hon LAU Kong-wah, JP  
Hon Emily LAU Wai-hing, JP  
Hon Timothy FOK Tsun-ting, GBS, JP  
Hon Andrew LEUNG Kwan-yuen, GBS, JP  
Hon WONG Ting-kwong, BBS, JP  
Hon Ronny TONG Ka-wah, SC  
Hon Cyd HO Sau-lan  
Hon IP Kwok-him, GBS, JP  
Hon Mrs Regina IP LAU Suk-ye, GBS, JP
- Members absent** : Hon CHAN Kam-lam, SBS, JP  
Hon LEE Wing-tat
- Public officers attending** : Agenda item IV  
Ms Elizabeth TSE, JP  
Permanent Secretary for Commerce and Economic  
Development (Communications and Technology)

Mr Jerry LIU  
Head of Create Hong Kong  
Commerce and Economic Development Bureau

Ms Ida LEE  
Principal Assistant Secretary for Commerce and  
Economic Development (Communications and  
Technology)B

Agenda Item V

Mr Joe WONG, JP  
Deputy Secretary for Commerce and Economic  
Development (Communications and Technology)

Mr Jerry LIU  
Head of Create Hong Kong  
Commerce and Economic Development Bureau

Ms Ida LEE  
Principal Assistant Secretary for Commerce and  
Economic Development (Communications and  
Technology)B

Agenda Item VI

Mr HA Yung Kuen  
Deputy Director-General of Telecommunications

Mr Chaucer LEUNG  
Assistant Director (Support)  
Office of the Telecommunications Authority

Ms Ida LEE  
Principal Assistant Secretary for Commerce and  
Economic Development (Communications and  
Technology)B

**Attendance by invitation** : Agenda Item IV

Hong Kong Design Centre

Dr Edmund LEE  
Executive Director

**Clerk in attendance** : Ms YUE Tin-po  
Chief Council Secretary (1)3

**Staff in attendance** : Mr Bonny LOO  
Assistant Legal Adviser 3

Mr Joey LO  
Senior Council Secretary (1)3

Ms May LEUNG  
Legislative Assistant (1)3

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Action

**I. Confirmation of minutes of meeting**

(LC Paper No. CB(1)988/11-12 -- Minutes of meeting held on  
12 December 2011)

The minutes of the meeting held on 12 December 2011 were confirmed.

**II. Information papers issued since the last meeting**

(File Ref: CTB(CR) 9/1/7 -- Legislative Council Brief  
on disqualified persons in  
relation to Digital  
Broadcasting Corporation  
Hong Kong Limited issued  
by the Commerce and  
Economic Development  
Bureau

LC Paper No. CB(1)932/11-12(01) -- Submission on granting of  
(*Chinese version only*) domestic free television  
programme service licence  
from a member of the  
public dated 16 January  
2012

LC Paper No. CB(1)932/11-12(02) -- Submission on Sharp Daily  
(*Chinese version only*) from Women Affairs  
Committee of the Kowloon  
Federation of Associations

dated 17 January 2012

File Ref: GCIO 11/1/35(C)

-- Legislative Council Brief on measures to facilitate the development of data centres issued by the Commerce and Economic Development Bureau)

2. Members noted that the above papers had been issued for the Panel's information.

**III. Date of next meeting and items for discussion**

(LC Paper No. CB(1)990/11-12(01) -- List of outstanding items for discussion

LC Paper No. CB(1)990/11-12(02) -- List of follow-up actions)

3. Members noted that the next regular Panel meeting would be held on Monday, 12 March 2012 at 2:30 pm to discuss the following items:

(a) Progress report on digital terrestrial television; and

(b) Next generation network.

**IV. Provision of funding for extension of the Design Incubation Programme**

(LC Paper No. CB(1)990/11-12(03) -- Administration's paper on provision of funding for extension of the Design Incubation Programme

LC Paper No. CB(1)990/11-12(04) -- Paper on the Design Incubation Programme prepared by the Legislative Council Secretariat (background brief))

Presentation by the Administration

4. At the invitation of the Chairman, Permanent Secretary for Commerce and Economic Development (Communications and Technology) (PSCED (CT)) briefed members on the funding proposal to extend the Design Incubation Programme (DIP) to offer two-year incubation services for 60 design start-ups and for Hong Kong Design Centre (HKDC) to administer the second phase DIP. Details of the proposal were set out in the Administration's paper (LC Paper No. CB(1)990/11-12(03)).

Discussion

5. Mr Andrew LEUNG and Dr Samson TAM declared that they were the Vice Chairpersons of the CreateSmart Initiative Vetting Committee.

*Survival rate of incubatees*

6. Noting that the latest survival rate of DIP was 86%, Mr WONG Ting-kiwong enquired about the reasons for the remaining 14% of the incubatees which had failed to remain in business two years after graduation from DIP. He also enquired about the reasons for the eight incubatees to withdraw from the programme, and the measures to be taken in the second phase DIP to improve the programme. He considered that certain venture projects with good potentials should be rescued from failure due to sheer technical problems.

7. Head of Create Hong Kong (CreateHK) advised that the lack of operational experience and the difference in opinion regarding the direction of operation amongst the young entrepreneurs in the partnership ventures were the main reasons for the failure of the graduated incubatees and the withdrawal of incubatees prior to graduation. Executive Director of the HKDC (ED/HKDC) added that to improve the DIP, more focus would be put in enhancing the resourcefulness of designpreneurs and expanding their business networks at the early stages of business development through strengthened mentoring/training in business operation, marketing and branding.

*Assistance to incubatees*

8. Mrs Regina IP supported the proposal to extend DIP. She opined that more effort should be put in helping incubatees build their brands with international renown, say in fashion design, and explore collaboration opportunities with Mainland industries.

9. ED/HKDC noted Mrs Regina IP's view and said that HKDC recognized the need to strengthen cooperation in branding development with the Mainland, and facilitate exchanges in Asian and international markets. Head of CreateHK added that efforts to groom local talented designers had borne fruit with the emergence of successful young designers such as Prudence MAK, winner of Young Design Talent Award (YDTA) 2005 organized by HKDC. There were two categories of awards for young practicing designers and student graduates of the design discipline. Practicing designer winners sponsored by Create Hong Kong would undergo overseas work attachments with sponsorship of up to HK\$ 500,000 for up to one year. One of the winners of YDTA 2010 was a fashion designer.

*Funding arrangement*

10. In response to Mr Ronny TONG's enquiry about the funding required for the second phase DIP, PSCED(CT) advised that under DIP, each successful applicant could receive funding support on a reimbursement basis of up to \$500,000. When DIP was launched in 2006, it was initially targeted at assisting about 50 design start-ups with a funding of \$25 million. The funding had subsequently been adjusted to \$33.5 million having regard to the requirements of the industry. Based on the actual drawdown, the Administration expected the \$33.5 million DIP funding to be able to support up to 104 incubatees. Of the 102 incubatees admitted as at end January 2012, 41 were undergoing incubation, 53 had graduated and eight had withdrawn from the programme. Taking into account the financial assistance package for a target of 60 new incubatees and the related operating expenses, a provision of \$42.1 million would be made available to HKDC for the second phase DIP. As HKDC did not take part in the management of the first phase DIP, no operating expenses for DIP had been incurred by HKDC in the first phase. At Mr TONG's request, the Administration agreed to provide a breakdown of the respective amounts of funding to be used for rentals paid to the Hong Kong Science and Technology Parks Corporation and the operating expenses to be incurred by HKDC in the second phase DIP.

Admin

11. The Chairman concluded that the Panel supported in principle the funding proposal to extend DIP.

**V. Creation of a post of Senior Principal Executive Officer (D2) under the Create Hong Kong (CreateHK) Office and the work progress of CreateHK**

(LC Paper No. CB(1)990/11-12(05) -- Administration's paper on proposal to create a permanent post of Senior

Principal Executive Officer  
under Create Hong Kong  
cum update on the work of  
CreateHK

LC Paper No. CB(1)990/11-12(06) -- Paper on the work of the  
CreateHK in promoting the  
development of creative  
industries prepared by the  
Legislative Council  
Secretariat (updated  
background brief)

LC Paper No. CB(1)1038/11-12(01) -- Administration's paper on  
*(Chinese version only, tabled at the  
meeting and subsequently issued via  
e-mail on 14 February 2012)* proposal to create a  
permanent post of Senior  
Principal Executive Officer  
under Create Hong Kong  
cum update on the work of  
CreateHK (power-point  
presentation material))

#### Presentation by the Administration

12. At the invitation of the Chairman, Deputy Secretary for Commerce and Economic Development (Communications and Technology) (DSCED (CT)) briefed members on the proposal to create a permanent post of Senior Principal Executive Officer (SPEO) (D2) under CreateHK, and updated members on the work of CreateHK. Head of CreateHK then gave a power-point presentation on the subject. Details of the briefing and presentation were set out in the Administration's papers (LC Paper Nos. CB(1)990/11-12(05) and CB(1)1038/11-12(01) (Chinese version only).

#### Discussion

##### *Creation of jobs*

13. Ms Emily LAU expressed support for the creation of the proposed SPEO post under CreateHK. Noting that the total number of practitioners in the design industry was 12 000 persons, Ms Emily LAU urged the Administration to step up effort in creating employment in the design sector. In this connection, she enquired about the number of job opportunities envisaged to be created as a result of the creation of the proposed SPEO post.

14. Head of CreateHK advised that the proposed SPEO post would strengthen directorate support of CreateHK in view of the expansion of Hong Kong's creative sector. The incumbent of the proposed post would assist Head of CreateHK in formulating strategies, implementing various initiatives, and reviewing the effectiveness of such initiatives. It would be difficult to estimate the number of job opportunities envisaged to be brought by the creation of the post.

*Promoting the work of CreateHK*

15. Mr WONG Ting-kwong expressed support for the creation of the proposed SPEO post under CreateHK. He urged the Administration to strengthen effort in promoting the work of CreateHK to the general public so as to raise its profile. In this connection, he urged CreateHK to participate in large scale events in Hong Kong's design scene such as the annual Hong Kong Footwear Design Competition. Head of CreateHK advised that due to manpower constraints, CreateHK mainly provided financial support to events and projects staged by the industry, rather than organizing the events by CreateHK itself. In 2011, CreateHK sponsored the project entitled "Shoe Fountain : the Next Generation Shoe Designs from Young Designers" co-organized by Hong Kong Trade Development Council and the shoe industry under the DesignSmart Initiative. The event aimed at nurturing aspiring shoe designers and enhancing the competitiveness of Hong Kong shoe industry in the global market.

*Branding development*

16. In response to Mrs Regina IP's enquiry about disciplines of design with good potentials for branding development at the international level, Head of CreateHK advised that fashion design and interior design were the two major disciplines of design in which Hong Kong excelled and had won international acclaim. CreateHK would continue to promote the strategic use of design to add value to products to showcase Hong Kong as a regional creative hub.

*Business matching*

17. Ms Cyd HO opined that efforts should be made in matching the creative industry with the manufacturing industry of Hong Kong in order to achieve synergy and bring maximum benefits to the economy. Head of CreateHK advised that the second "Cross Industry Matching Showcase" would be staged at the InnoCentre in March 2012 to provide an effective platform to support the industry. Free booths would be provided to the creative sectors, including cartoon illustrators, graphic and product designers,



brand agents, for displaying their unique design works and networking with the manufacturing industries for business collaboration.

18. The Chairman concluded that the Panel supported in principle the proposal to create the SPEO post under CreateHK.

**VI. Proposed amendments to the Telecommunications (Control of Interference) Regulations (Cap. 106B)**

(LC Paper No. CB(1)990/11-12(07) -- Administration's paper on proposed amendments to the Telecommunications (Control of Interference) Regulations (Cap. 106B)

LC Paper No. CB(1)1038/11-12(02) -- Administration's paper on proposed amendments to the Telecommunications (Control of Interference) Regulations (Cap. 106B) (power-point presentation material))  
*(tabled at the meeting and subsequently issued via e-mail on 14 February 2012)*

Presentation by the Administration

19. At the invitation of the Chairman, Deputy Director-General of Telecommunications (DDGT) briefed members on the proposed amendments to the Telecommunications (Control of Interference) Regulations (Cap. 106B) (the Regulations). The proposal aimed to update the classes of apparatus and the control limits of interference applicable to each class of apparatus that was subject to the Regulations, and introduce a more flexible mechanism for the future updating of control limits as well as transitional arrangements leading to the full compliance with the new requirements by the industry. Assistant Director (Support), Office of the Telecommunications Authority then gave a power-point presentation on the subject. Details of the briefing and presentation were set out in the Administration's papers (LC Paper Nos. CB(1)990/11-12(07) and CB(1)1038/11-12(02)).

Discussion

*Implications for the industry*

20. Noting the proposed legislative amendments to authorize the Telecommunications Authority to amend the control limits of interference

specified in the Regulations without the need to seek prior approval of the Chief Executive in Council, by making reference to the relevant international, regional or national standards, Mr WONG Ting-kwong expressed concern whether the proposed amendments to the Regulations would impose more stringent control limits on the industry.

21. DDGT advised that the international standards published by the International Special Committee on Radio Interference and the regional / national standards for the European Union, Mainland China and the United States, which the Administration proposed to include in the Amendment Regulations, were listed in the Annex to the Administration's paper (LC Paper No. CB(1)990/11-12(07)). Most of the products or apparatuses currently available in the market would be able to comply with the relevant control limits published by one of the concerned standardization bodies. For each class of apparatus, compliance with any one of the listed standards concerned would be acceptable. As most of the products sold in Hong Kong were imported from or designed for these markets, they would have already complied with the relevant standards in force in these markets. Given the standards proposed to be adopted were in force in the above regions and countries, the additional compliance costs incurred by the industry to meet the requirements of the Amendment Regulations would be minimal.

22. Assistant Director (Support), Office of the Telecommunications Authority supplemented that instead of following the current arrangement of specifying the exact control limits in the Regulations, the Administration proposed that reference be made to the relevant standards. Under the current arrangements, manufacturers and suppliers had to cross-check whether products complying with the standards were also in compliance with the control limits specified in the Regulations. The proposed arrangement would remove such inconvenience.

23. The Chairman concluded that the Panel supported in principle the proposed amendments to the Regulations.

## **VII. Any other business**

24. There being no other business, the meeting ended at 4:15 pm.