

立法會
Legislative Council

LC Paper No. CB(1)668/18-19
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Panel on Information Technology and Broadcasting

Minutes of meeting
held on Monday, 14 January 2019, at 2:30 pm
in Conference Room 3 of the Legislative Council Complex

- Members present** : Dr Hon Elizabeth QUAT, BBS, JP (Chairman)
Hon Charles Peter MOK, JP (Deputy Chairman)
Hon James TO Kun-sun
Hon WONG Ting-kwong, GBS, JP
Hon CHAN Kin-por, GBS, JP
Hon Mrs Regina IP LAU Suk-ye, GBS, JP
Hon Paul TSE Wai-chun, JP
Hon Claudia MO
Hon YIU Si-wing, BBS
Hon MA Fung-kwok, SBS, JP
Hon CHAN Chi-chuen
Hon Christopher CHEUNG Wah-fung, SBS, JP
Ir Dr Hon LO Wai-kwok, SBS, MH, JP
Hon Alvin YEUNG
Hon CHU Hoi-dick
Hon YUNG Hoi-yan
Hon CHAN Chun-ying
Hon HUI Chi-fung
- Members absent** : Hon Martin LIAO Cheung-kong, SBS, JP
Hon CHUNG Kwok-pan
- Member attending** : Hon Dennis KWOK Wing-hang

**Public officers
attending**

: Agenda item III

Innovation and Technology Bureau

Dr David CHUNG Wai-keung, JP
Under Secretary for Innovation and Technology

Mr Davey CHUNG Pui-hong, JP
Deputy Secretary for Innovation and Technology (2)

Hong Kong Cyberport Management Company
Limited

Mr Peter YAN King-shun, JP
Chief Executive Officer

Mr Adonis LEE Kok-ming
Chief Financial Officer

Agenda item IV

Commerce and Economic Development Bureau

Mr Clement LEUNG, JP
Permanent Secretary for Commerce and Economic
Development (Communications and Creative
Industries)

Ms Julina CHAN, JP
Deputy Secretary for Commerce and Economic
Development (Communications and Creative
Industries)

Mr Victor TSANG
Head of Create Hong Kong

Mr Wellington FUNG
Assistant Head of Create Hong Kong (2)

Mr LAI Kwok-keung
Senior Engineer (Special Effects) of Create
Hong Kong

Clerk in attendance : Mr Daniel SIN
Chief Council Secretary (1)6

Staff in attendance : Ms Mandy LI
Senior Council Secretary (1)6

Mr Patrick CHOI
Council Secretary (1)6

Miss Yolanda CHEUK
Legislative Assistant (1)6

Action

I. Information paper(s) issued since the last meeting

Members noted that no paper had been issued since the last meeting held on 10 December 2018.

II. Date of next meeting and items for discussion

(LC Paper No. CB(1)426/18-19(01) -- List of outstanding items for discussion

LC Paper No. CB(1)426/18-19(02) -- List of follow-up actions)

Regular meeting on 11 February 2019

2. The Deputy Chairman said that, at the request of the Administration, the discussion on the item "Assignment of spectrum for fifth generation mobile services", originally scheduled for today's meeting, had been deferred to the next regular meeting scheduled for 11 February 2019, while the item "Revision of Fees under Entertainment Special Effects (Fees) Regulation (Cap. 560B)" had been included for discussion at the meeting. Members noted that the next regular Panel meeting would be held on Monday, 11 February 2019 at 2:30 pm to discuss the following items:

- (a) Update on information security; and
- (b) Assignment of spectrum for fifth generation mobile services.

3. The Deputy Chairman further said that the item on "Digital terrestrial television – analogue switch-off" originally scheduled for discussion at the regular Panel meeting to be held on 11 February 2019 would be deferred to the regular meeting scheduled for 11 March 2019. Members had no objection to the proposed arrangement.

(Post-meeting note: The Chairman directed that the regular meeting on 11 February 2019 should be rescheduled for Monday, 18 February 2019 at 2:30 pm. At the subsequent request of the Administration and with the concurrence of the Chairman, the agenda item on "Assignment of spectrum for fifth generation mobile services" would be replaced by "Digital terrestrial television – analogue switch-off".)

III. Annual Work Progress of Cyberport

(LC Paper No. CB(1)426/18-19(03) -- Administration's paper on Annual Work Progress of Cyberport

LC Paper No. CB(1)426/18-19(04) -- Paper on Cyberport prepared by the Legislative Council Secretariat (Updated background brief)

Briefing by the Administration

4. At the invitation of the Chairman, Under Secretary for Innovation and Technology ("US for IT") and Chief Executive Officer, Hong Kong Cyberport Management Company Limited ("CEO/HKCMCL") briefed members on the progress of Cyberport's latest work. US for IT said that the Government had injected \$300 million into Cyberport, of which \$200 million would be used for enhancing its existing initiatives and implementing new measures to support its start-ups and tenants; and \$100 million for undertaking various initiatives to promote e-sports in Hong Kong, including the provision of a dedicated e-sports competition venue. CEO/HKCMCL then arranged a video and power-point presentation on the update on the work of Cyberport. Details of the briefing were given in the Administration's paper (LC Paper No. CB(1)426/18-19(03)).

(Post-meeting note: A set of the power-point presentation materials (Chinese version only) was issued to members vide LC Paper No. CB(1)448/18-19(01) on 14 January 2019.)

Discussion

Development of e-sports

5. The Deputy Chairman relayed the concerns and the difficulties faced by the e-sports sector about the licensing requirements in operating an e-sports venue. He noted that the Innovation and Technology Bureau ("I&TB") was working with the Home Affairs Bureau ("HAB") and the relevant departments to formulate guidelines on the licensing issues relating to e-sports venues, and that the guidelines were due to be published by the first quarter of 2019. The Deputy Chairman asked the Administration to give a clear definition of an e-sports venue and the relevant licensing and statutory requirements so that operators would not be breaching the law inadvertently. The Chairman echoed the Deputy Chairman's comments and added that time should be allowed for the sector to make the necessary arrangements so that their e-sports venues could meet the statutory and licensing requirements. To support the growth of the e-sports industry, Mr Alvin YEUNG said that the current regulatory regime for e-sports venues was not user-friendly as operators had to apply for different licences from different departments individually. He asked whether the Administration would adopt an one-stop approach in helping e-sports venue operators obtain necessary licences from various bureaux and departments.

6. US for IT explained that an e-sports venue was considered a place where e-sports competitions could be held. It could also be used for e-sports related activities such as training, demonstration of e-sports equipment and products, and marketing of e-sports events, equipment and products. If an e-sports venue provided catering or retail services, operators would be required to obtain food business and other licences in accordance with the current statutory provisions.

7. Deputy Secretary for Innovation and Technology (2) ("DS(2)") supplemented that to facilitate the promotion of the e-sports industry and taking into account the views from the e-sports sector, the Administration was considering whether to exempt operators of e-sports venues from the requirement of obtaining Amusement Game Centres licence under Section 3 of the Amusement Game Centres Ordinance (Cap. 435) subject to meeting certain conditions. As there might be other activities to be carried out in an e-sports venue, other licences might have to be obtained for specific activities. At present, I&TB was drawing up guidelines on this in conjunction with HAB and relevant departments to help operators understand the various requirements in obtaining the necessary licences. The Office of the Government Chief Information Officer would assist HAB in processing applications for exemption. DS(2) said that further discussion might be held with HAB on whether and how

the proposal of a one-stop approach could be addressed in the guidelines. He added that the Administration planned to issue guidelines in the first quarter of 2019, and would consult relevant stakeholders in this regard.

Admin 8. The Deputy Chairman requested the Administration to let the Panel have sight of the guidelines at the earliest opportunity once they were published. The Chairman agreed and added that a meeting might be arranged to discuss the guidelines if Panel members considered relevant and necessary and if there was strong reaction from the sectors on the guidelines.

9. Mr CHAN Kin-por recalled that Panel members had previously expressed concerns about the Administration's policy and efforts in promoting the development of e-sports. Some members were worried that the initiative might send a wrong message to the community that the Administration was encouraging young people to indulge in playing computer games. He enquired what publicity measures the Administration had taken to avert such perception and to put across a more positive message on the promotion of e-sports industry. Ms Claudia MO expressed a similar concern and criticized the Administration for the lack of community-wide discussion on e-sports development.

10. CEO/HKCMCL responded that organizing e-sports events would be a helpful way in promoting the development of the industry. In fact, the e-sports industry offered many business and employment opportunities in e-sports and technology-related fields, e.g. streaming, sports commentary, event management and management of sports team. CEO/HKCMCL supplemented that, on top of organizing e-sports event, Cyberport would organize seminars, talks and related activities to introduce and promote the industry and its related technology as well as the business and employment opportunities offered. The objective was to put across the message that e-sports offered more than entertainment. Furthermore, Cyberport had collaborated with the School of Professional and Continuing Education of the University of Hong Kong in organizing the first-ever part-time "Diploma in E-sports Science" programme in Hong Kong. Graduates of the diploma programme could articulate with an undergraduate degree programme being offered by some of the universities in the United Kingdom.

11. Mr CHAN Chi-chuen supported the development of e-sports in Hong Kong. While Mr CHAN believed that Hong Kong had the potential and the talent for e-sports development, he held the view that neither the resources the Administration had committed on e-sports development nor the planned measures were conducive to promoting the industry as a whole. He noted that the Administration had injected \$100 million into Cyberport in 2018-2019, of which \$50 million were earmarked for converting the Cyberport Arcade into an

e-sports and digital entertainment node. Mr CHAN asked how the Administration justified the resources committed to the provision of e-sports venue in Cyberport.

12. US for IT said that the proposed e-sports venue in Cyberport would have an area of about 4 000 square feet and could accommodate about 500 spectators. The venue would be open to e-sports organizations for staging small to medium-scale e-sports competitions and training sessions. As the venue was to be a permanent facility, organizers of e-sports events could save the venue set-up cost which might be incurred for similar activities to be held outside Cyberport. US for IT added that it was also the Administration's intention that the dedicated venue in Cyberport would attract world-class e-sports events to be held in Hong Kong so as to build up an e-sports culture in the community.

13. CEO/HKCMCL advised that while the Administration would cover the capital cost for the renovation works at The Arcade, it would be for Cyberport to meet the operating costs, including the regular maintenance, of the e-sports venue on its own. As e-sports events would help promote the development of e-sports, CEO/HKCMCL agreed that the provision of a dedicated venue for e-sports was justified as it would help reduce event organizers' costs and efforts in holding events, and would encourage more events of this kind to be carried out.

14. As regards the remaining \$50 million of the injection, which was earmarked for promoting the development of the local e-sports industry, Mr CHAN Chi-chuen doubted whether practitioners of the e-sports sector, such as game designers, etc., would directly benefit from it. He also asked how the \$50 million would be apportioned between the E-sports Internship Scheme and the E-sports Industry Facilitation Support Scheme, and whether the schemes would only apply to Cyberport partners and tenants or in respect of events staged there.

15. CEO/HKCMCL advised that Cyberport would provide financial support for organizing of e-sports events and training programmes in Hong Kong, participation in overseas e-sports events by our local e-sports teams, and holding e-sports promotion fair, exhibitions and seminars/conferences. In particular, the E-sports Internship Scheme would provide subsidies for part of the salary expenditure incurred by employers in the industry on providing internship places so as to help match and groom talent. The E-sports Industry Facilitation Support Scheme would support the industry and relevant organizations in holding and participating in e-sports competitions and activities conducive to the development of the industry locally and overseas. Cyberport would not confine the Scheme to its tenants or events organized at Cyberport. In-kind sponsorship would be available for activities being run within the campus.

16. Mr YIU Si-wing noted that the Hong Kong Tourism Board ("HKTB") had hosted the Hong Kong E-sports & Music Festival. He asked if Cyberport would collaborate with HKTB to organize e-sports activities in future. CEO/HKCMCL said that Cyberport had contacted HKTB to explore how the two organizations could better cooperate and coordinate in future events. CEO/HKCMCL added that, in fact, Cyberport was ready to cooperate with other organizations on relevant events so as to create a bigger impact and make better use of the resources available.

Admin 17. The Chairman asked whether Cyberport had any plans or budgeted any resources to host major events with the e-sports industry, with a view to promoting the "Hong Kong Brand" image. She also asked the Administration to provide information on the anticipated utilization rate of the dedicated e-sports competition venue in Cyberport after the meeting.

18. US for IT advised that the Asian Electronic Sports Federation had recently established an office at Cyberport. Cyberport would continue to work closely with the industry including local e-sports organizations and associations in shaping the direction of the e-sports development in Hong Kong and the region. Moreover, Cyberport would actively provide resources to support or join the activities organized by various associations. CEO/HKCMCL supplemented that Cyberport's position in promoting e-sports was not intended to compete with the industry. For this reason, Cyberport would not host e-sports events on its own. The intention was to reduce the costs of organizing e-sports events, and thereby promoting the overall development of the e-sports industry. For instance, Cyberport had organized, supported and participated in over 20 activities relating to e-sports and game industry in 2018, including e-sports competitions, talks and seminars, exhibitions, overseas exchange tours for the industry, as well as meetings and exchanges with industry organizations. CEO/HKCMCL added that Cyberport would explore opportunities for collaboration with e-sports associations so that preliminary rounds of e-sports competitions might be held in smaller scale e-sport venues operated by those associations whereas finals were to be held in Cyberport. Cyberport could also offer incentives or other in-kind support for the e-sports sectors in organizing events in Cyberport.

19. Ms YUNG Hoi-yan said that at district level, some local organizations were interested in holding e-sports events. She asked if any of Cyberport's e-sports activities in 2018 had been carried out in support of district-based events, and whether Cyberport planned to organize any educational programmes to promote e-sports as an industry in 2019. CEO/HKCMCL responded that Cyberport had collaborated with district-level organizations such as the

Aberdeen Kai-fong Welfare Association Social Service Centre of the Southern District to organize e-sports activities while, at the same time, introduced the different elements including technology, business as well as career opportunities associated with e-sports. Cyberport would continue to seek more opportunities to engage with organizers to host local e-sports competitions and events in different districts of the territory. Furthermore, Cyberport would conduct sharing sessions, including talks and seminars, in schools to raise the public's awareness and interest in e-sports, game development and related technologies.

20. Ms YUNG Hoi-yan asked whether assistance would be provided for local organizations, particularly those which could not afford the rental of venues in Cyberport due to their limited resources. CEO/HKCMCL said that Cyberport would provide assistance depending on the circumstances of individual cases. Cyberport had in the past made available the venue for organizing e-sports events, and had proactively assisted organizers in making suitable arrangements for transportation and facility management during the events in addition to providing food and beverages.

Cyberport Incubation Programme

21. Mr YIU Si-wing noted that since the implementation of the Cyberport Incubation Programme in 2005, Cyberport had admitted a total of 604 start-ups, and quite a number of these start-ups were able to sustain up to three years. Mr YIU asked how many of the incubatees were able to sustain, continue to grow and mature up till now. CEO/HKCMCL responded that two of the Cyberport companies had grown to attain "unicorn" status. Mr YIU requested the Administration to provide the relevant statistics after the meeting.

Admin

22. Mr YIU Si-wing further pointed out that the number of applications for the Cyberport Incubation Programme had increased from 302 in 2015-2016 to 754 in 2017-2018 whereas the annual quota remained at 100. Mr YIU asked whether the Cyberport would increase the quota of the Programme in future. CEO/HKCMCL responded that as the number of applications had picked up over the past two years, Cyberport was now considering whether the quota of the Programme should be adjusted.

Easy Landing Scheme

23. Mr Alvin YEUNG considered that the terms of providing rent concession of up to \$1 million or 50% of the rental for a period of up to five years to eligible companies was not attractive enough to encourage leading enterprises to set up offices and research and development ("R&D") units in Cyberport. He asked what other measures Cyberport would implement to attract

leading enterprises to set up operations there.

24. The Chairman said that some overseas countries such as Singapore provided more favourable incentives, including staff accommodation, education services for staff family members, and tax concessions, to attract overseas companies to set up offices there. She suggested that the Administration should offer similar incentives for attracting start-ups, leading technology companies and talent to Hong Kong.

25. US for IT advised that the Easy Landing Scheme were some of the incentives introduced to attract multi-national corporations to set up offices and R&D units in Cyberport. It was expected that these companies would become Cyberport's flagship enterprises which would further help expand Cyberport's global network and promote its ecosystem. Furthermore, the Administration had introduced the Technology Talent Admission Scheme to attract overseas talent to Hong Kong while qualifying R&D activities would also be eligible for the enhanced tax concession.

26. CEO/HKCMCL explained that Cyberport focused on building key clusters of digital technology, including financial technology ("FinTech"), eCommerce, Internet of Things/wearables, big data analytics and artificial intelligence ("AI") to foster the development of smart city in Hong Kong. Multi-national corporations, including leading Internet enterprises and FinTech companies, setting up a base in Cyberport had other benefits such as the opportunities to cooperate with start-up companies at Cyberport, thereby contributing to the Cyberport ecosystem in various aspects, including knowledge and experience sharing with other tenants, generation of new ideas, products and business development as well as creation of investment opportunities. Such enterprises would also consider investing in Cyberport's start-ups, hence fostering further development of the Cyberport start-up community.

Financial technology

27. The Chairman commended Cyberport for its successful efforts in attracting more than 300 Fintech companies to Cyberport and increasing support for its start-ups. The Chairman asked if the limited size of Cyberport would create a bottleneck constraining its development, and whether Cyberport had any expansion plans.

28. CEO/HKCMCL responded that Cyberport would strive to promote the development of FinTech, which was currently a key cluster being developed at Cyberport. Attracting over 300 FinTech companies specializing in the applied R&D of blockchain, mobile payment, cyber security, AI, big data analytics,

programme trading, etc., the cluster had made Cyberport the largest FinTech community in Hong Kong. Cyberport would focus on developing its sub-sectors, particularly cyber security, regulatory technology, and insurance technology, that were creating broad impact and applications.

29. In response to the Chairman's enquiry, US for IT advised that under the Space Sharing Scheme for Youth, Cyberport had set up 20 000 square feet of Smart-Space co-working space in Tsuen Wan, which came into operation in July 2018. Riding on the experience of the Space Sharing Scheme, Cyberport would try to identify space designated for FinTech companies if necessary.

30. Mr Dennis KWOK remarked that he was aware that many firms providing professional services, especially international legal firms that were providing legal advice on technology related companies and Fintech companies, had approached Cyberport to explore opportunities of setting up offices there. He asked what Cyberport's position was regarding such development. CEO/HKCMCL said that some professional organizations and individual companies had approached Cyberport. Some of these companies or organizations intended to organize activities in Cyberport to promote their professional services. The Cyberport was indeed planning to organize related activities particularly for Fintech, regulatory technology and insurance technology fields. Mr Dennis KWOK sought supplementary information on the number of legal firms, such as those which were providing legal advice on Fintech, that had set up offices in Cyberport, CEO/HKCMCL undertook to provide information requested by Mr KWOK after the meeting.

Admin

Management and financial position of Cyberport

31. The Deputy Chairman expressed concerns that the financial position of Cyberport would be rather tight in the next few years. In particular, if Cyberport had exhausted the injected funding within five years, it would need to deploy internal resources to continue the implementation of various initiatives. This might lead to further tightening of Cyberport's financial position and would then restrict its capacity to expand its public mission programmes. Ms Claudia MO expressed a similar comment. The Deputy Chairman queried whether the Administration would continue to provide funding support to Cyberport.

32. Mr CHAN Kin-por enquired about the work plan and financial projection of Cyberport in the coming three to five years, and, in particular, whether and when Cyberport would take forward the next phase of development.

33. CEO/HKCMCL advised that with the support from the Government, Cyberport would consider the need for the next stage of development. He

further said that the organization of local and regional competitions in The Arcade would enhance visitors' flow to the Cyberport campus and benefit the shops in The Arcade. This would help generate income for sustaining Cyberport's daily operation and meeting the expenditure on its public mission programmes.

34. US for IT responded that the Administration would update the Panel on latest financial position of the Cyberport on a regular basis. To tie in with the Administration's effort in promoting innovation and technology development, Cyberport's contribution to public mission activities in 2017-2018 was \$116.5 million, representing an increase of 12% compared with \$104.2 million in 2016-2017. On the capital works front, Cyberport needed to undertake large-scale maintenance and upgrading works in the next few years to ensure that its campus conditions and facilities were up to modern standards. CEO/HKCMCL advised that Cyberport would provide subsidy to the e-sports industry in nurturing talent and this would include support for e-sports players to participate in competitions outside Hong Kong.

35. Ms Claudia MO took the view that escalators in Cyberport should be shifted to standby mode when they were idle in order to save energy. She expressed disappointment that Cyberport had not followed up her suggestion made at an earlier Panel meeting. CEO/HKCMCL advised that Cyberport would soon press ahead with the implementation of diverse environmental protection initiatives and programmes, including inviting tender submissions for implementation of environmental initiatives such as solar panels. Energy saving options for escalators in the Cyberport campus would be considered.

IV. Revision of Fees under Entertainment Special Effects (Fees) Regulation (Cap. 560B)

(LC Paper No. CB(1)426/18-19(05) -- Administration's paper on Revision of Fees under Entertainment Special Effects (Fees) Regulation (Cap. 560B))

Briefing by the Administration

36. At the invitation of the Chairman, Permanent Secretary for Commerce and Economic Development (Communications and Creative Industries) ("PS(CCI)") briefed members on the proposed revision of fees under the Entertainment Special Effects (Fees) Regulation (Cap. 560B) ("the Regulation").

Details of the briefing were set out in the paper provided by the Administration (LC Paper No. CB(1)426/18-19(05)).

Declaration of interest

37. Mr MA Fung-kwok declared that he was the Chairman of Hong Kong Film Development Council.

Discussion

38. Mr CHAN Chun-ying queried the reasons for the difference in the proposed licence fees for Special Effects Operators (Stream A) as compared with Special Effects Operators (Stream B). Senior Engineer (Special Effects) of Create Hong Kong ("Senior Engineer (Special Effects)") explained that Special Effects Operators (Stream A) and Special Effects Operators (Stream B) licences were issued for handling different types of special effects materials. The time, and hence staff cost, for assessing applicants' working experience and competence for these licences was different. As a result, the licence fees for the two types of licence were different.

39. Mr CHAN Chun-ying further queried the cost recovery rate that could be achieved if the proposed fees adjustment was implemented. PS(CCI) responded that, with an increase of the relevant fee items by 11.1% to 14.4%, full cost recovery could be achieved. This was in line with the Administration's principles of prudent management of public finance and the "user pays principle". Mr CHAN queried whether the rates of fees adjustment had far exceeded the increase in operating cost of the department. PS(CCI) explained that the proposed rates of fees adjustment reflected the cumulative cost escalation due to inflation and the increase in staff cost since the last fees adjustment exercise in 2013-2014. He added that the Administration had been mindful of the need to minimize the administrative costs to keep fees as low as possible.

40. Ms YUNG Hoi-yan asked how many pyrotechnic special effects materials supplier licences and non-movable pyrotechnic special effects materials store licences had been issued or renewed in the past few years. Senior Engineer (Special Effects) said that applications for these two types of licence, and their renewal, were few and far between, with only four applications received and approved in the past five years.

41. Ms YUNG Hoi-yan asked if the Administration would consider lowering the licence fees rather than proposing an increase in fee levels, as a measure to support the development of creative industries in Hong Kong and encourage

young people to pursue a career in film production. The Chairman and Mr MA Fung-kwok made similar comments. While Mr MA had no objection to the proposed fees adjustment, he asked if the Administration would freeze the licence fees as a gesture of its support to the film sector. He said that the proposed fees increase was, after all, moderate and the applications for those licences were expected to be few and far between. The revenue forgone for not adjusting the fees should not be significant.

42. PS(CCI) responded that the Administration had a clear policy in supporting the local film and other creative industries. Over the years, the Administration had provided funding support to the trade through the CreateSmart Initiatives as well as the Film Development Fund ("FDF"). On the other hand, it was necessary for the Administration to maintain financial discipline in handling public funds and it was the Administration's policy and fiscal principle that fees charged by the Administration for a service should in general be set at levels sufficient to recover the full cost of providing that service. PS(CCI) added that the costs of issuing permits and licences (and their renewal) were insignificant compared to a film's production budget, and the fees were adjusted once every few years. For film projects supported by FDF, these costs might be absorbed into the production budget which could be covered by FDF subsidies. PS(CCI) commented that the proposed fees adjustment would unlikely disincentivize film producers from employing special effects or deter someone from pursuing a career in the film industry.

43. Mr MA Fung-kwok asked if the Administration would consider using FDF to finance the costs of issuing and renewing permits and licences as the amount of resources involved would be insignificant. PS(CCI) replied that many of the applications for permits and licences under the Regulation were not related to film production but rather activities and live performances involving the use of special effects in theme parks or concerts. It would not be appropriate to use FDF to subsidize the costs of issuing and renewing permits and licences.

44. The Chairman asked if there was scope to reduce the levels of increase in respect of the applications for renewal of licences as they might involve less efforts as compared with those for new licences. Senior Engineer (Special Effects) explained that processing of applications for new licences and renewal of licences required the same procedures of collecting applicants' criminal records, if any, from the Hong Kong Police Force, conducting interviews, gathering and updating personal information and producing new licence documentations. The costs of the two services were therefore the same. The Chairman asked the Administration to provide further information comparing the fee levels for special effects licences in Hong Kong with the Mainland and other comparable overseas jurisdictions.

(Post-meeting note: The Administration's written response was circulated to members as LC Paper No. CB(1)625/18-19(01) by e-mail on 25 February 2019.)

45. In response to the Chairman's enquiry, the Administration responded that it planned to introduce the necessary legislative proposal on the proposed fees adjustment to the Legislative Council after sounding out the industry.

Conclusion

46. The Chairman concluded that the Panel had no objection to the proposed fees revision.

V. Any other business

47. There being no other business, the meeting ended at 4:25 pm.

Council Business Division 1
Legislative Council Secretariat
7 March 2019