

**Speaking Note for  
the Secretary for Information Technology and Broadcasting  
at the Special Finance Committee meeting  
on 23 March 2000 (Thursday)**

Mr. Chairman,

The policy responsibilities of the Information Technology & Broadcasting Bureau include promoting broadcasting and film services, enhancing the development of IT infrastructure and services, taking forward the Cyberport project and promoting the development of the telecommunications industry. The priority tasks of the Bureau in the coming year are set out below : -

**Broadcasting**

2. Upon completion of the review of television policy at the end of 1998, we announced a package of policy initiatives including the drafting of a new Broadcasting Bill to provide a fair, predictable and technology-neutral licensing and regulatory framework for the broadcasting industry. The Bill was introduced into the Legislative Council on 16 February. I firmly believe that the Bill, if enacted by the Legislative Council, will help speed up technology transfer, promote competition, attract investment and strengthen Hong Kong's position as a broadcasting hub.

3. As regards the introduction of innovative services, we have completed the technical trials of digital audio broadcasting and digital terrestrial television. In the light of the results of these trials, we are now formulating policy proposals for broadcasting services under a digital environment. We plan to consult the industry and the community within this year on the licensing and regulatory framework for digital broadcasting.

## **Film Services**

4. We have introduced the Entertainment Special Effects Bill into the Legislative Council to establish a new regulatory framework to govern the use of dangerous goods for producing special effects in films, television programmes and theatrical performances. We propose that the more onerous regulatory measures under the existing regime should be streamlined and improved to meet the operational needs of the film and entertainment industry, whilst complying with public safety and security requirements. The proposals in the Bill will enhance the efficiency of local film, television and theatrical productions, promote the safe production of entertainment special effects and contribute to the long-term healthy development of Hong Kong's film and entertainment industry.

## **Control Of Obscene And Indecent Articles**

5. With regard to the control of obscene and indecent articles, we have conducted a comprehensive review of the Control of Obscene and Indecent Articles Ordinance and will soon consult the public on our policy proposals. Taking into consideration the views of the public, we will finalise the proposals and implement them as soon as possible, making legislative amendments as necessary, in order to improve the operation and effectiveness of the Ordinance.

## **Information Technology**

### ***Electronic Service Delivery scheme***

6. Preparation for the implementation of the Electronic Service Delivery (ESD) scheme is now in full swing. The Government awarded the contract for the development of the ESD system to a private contractor in November last year. Upon the launch of the first phase of the scheme in October this year, the public will have access round the clock to 37 kinds of public services provided by 10 Government departments and public agencies through various channels

such as personal computers with Internet connection, public information kiosks, public computer facilities, and Internet appliances soon to be introduced by the ESD contractor. The provision of public services under ESD will enhance public understanding and confidence in the conduct of electronic transactions on the Internet.

### **Electronic Commerce**

7. In parallel with the implementation of the ESD, we are also pursuing in earnest a number of initiatives which are conducive to the development of electronic commerce in Hong Kong. The Electronic Transactions Ordinance was passed by the Legislative Council in January this year, thereby providing a clear legal framework for the conduct of electronic transactions in Hong Kong. We are establishing a local public key infrastructure to provide a secure environment for the conduct of electronic transactions. In mid-February this year, the Information Technology Services Department set up the Certification Authority Recognition Office to administer the new voluntary recognition scheme for certification authorities, thereby encouraging the provision of quality certification services in the market. In addition, the Hongkong Post launched its electronic certification services in late January this year.

8. In 2000-01, we will focus our efforts on promoting wider adoption of electronic commerce by local businesses, especially the SMEs, in order to sharpen the overall competitiveness of Hong Kong. Such promotional activities include organizing seminars and exhibitions to enhance the knowledge of the business community in electronic commerce; cooperating with industrial support bodies to provide technical support for SMEs which are interested in adopting electronic commerce; and distributing to the business community publications and reference material on electronic commerce.

## **Promotion of Information Technology**

9. Last year, the Government launched a number of pilot projects to promote the wider use of information technology within the community, including the launching of the Interactive Government Services Directory web site which provides Government electronic services to the public, the establishment of “Community Cyber Points” to provide public computer facilities for public use free of charge, the provision of free electronic mail service to the public in co-operation with Internet Service Providers and information technology-related companies, and sponsoring the launch of the “E-community Ambassador” which is a mobile exhibition facility to disseminate knowledge about information technology to the community. In 2000-01, we will continue with the above-mentioned projects and will study the feasibility of introducing other new pilot schemes to further promote information technology within the community.

## **Cyberport**

10. The Cyberport is our flagship project to put Hong Kong firmly on the global IT map. To keep Members informed of the progress, we will continue to submit reports to the LegCo’s ITB Panel on a regularly basis.

11. The Project is proceeding on schedule. Most of the infra-structural works commenced in last September except the construction of the Northern Access Road which will connect the northern end of the Cyberport site with Sha Wan Drive. This project is now a PWP item in Category B. We will make a submission to this Committee in a couple of months to upgrade this item when the design is completed. Building works for the Cyberport superstructure will start in the middle of this year, to meet a 3-phase completion programme by end 2001/early 2002 and end 2003. Our design is to promote a professional community specializing in IT applications, information services and multimedia content creation.

## **Telecommunications**

12. On telecommunications, subject to the passage of the Telecommunication (Amendment) Bill 1999 by the Legislative Council, we will implement the measures proposed by the Bill within the year 2000/01, which include streamlining the licensing framework and enhancing the safeguards for fair competition in the industry. In view of the rapid technological developments and ever improving telecommunication services, streamlining the licensing framework will enable the Telecommunications Authority to respond to changing market demands in a speedy manner. Moreover, we will implement the enhanced competition safeguards to prohibit licensees from engaging in anti-competitive practices such as price fixing. As for the dominant licensee, it will also be subject to appropriate monitoring to prevent it from abusing its position.

13. We have witnessed robust development in the mobile telecommunications market, with a penetration rate of 54%. The advent of the third generation mobile services will not only provide exciting opportunities for the telecommunications industry, but will also give consumers more diversified broadband services and choices. On 21 March, the Office of the Telecommunications Authority issued a consultation paper on the regulatory framework for third generation mobile services, with a view to developing a regulatory and licensing framework and inviting licence applications within this year. The industry and all members of the public are welcomed to give their views on the consultation paper, and the consultation will last for two months.

## **Conclusion**

14. Mr. Chairman, this concludes my opening remarks. If Members have any questions, my colleagues and I will be pleased to answer them.