# LEGCO PANEL ON EDUCATION

## Future of the Hong Kong Education City

### Introduction

This paper seeks Members' views on the proposal for the Education Department (ED) to continue to provide funding support to the Hong Kong Education City (EdCity) project upon the expiry of the Quality Education Fund (QEF) grant on 31 August 2002.

### Background

2.      The EdCity is a project funded by QEF under the auspices of Education Department (ED).   The amount of the grant is $31.85 million for two years ending 31 August 2002.   Under the present arrangement, the EdCity is owned by ED but managed by the Hong Kong School Net Limited (HKSNL), a subsidiary owned by the Chinese University of Hong Kong.   The HKSNL is responsible for the management of the daily operation of all the activities of the EdCity.

3.      The EdCity project has four objectives, namely to promote broadband network for effective communications for schools, to develop education resources for teaching and learning, to set up an education web-site for sharing and collaboration, and to organize activities for IT culture and life-long learning.

4.       Initially set up as a web portal of education resources, EdCity has gradually matured and developed into an important vehicle for providing services in relation to IT in education to the education communities and the general public.   In developing and coordinating activities to achieve the above-mentioned four objectives, the EdCity creates the most popular educational platform in Hong Kong upon which schools, teachers, students and various educational communities converge.

5.      Its popularity is evidenced by the fact that the total web page hit count of the EdCity in the month of November 2001 has passed the 20 million milestone, averaging 676,451 web pages viewed per day by the public.   In addition to being a very popular education platform on the Internet for Hong Kong schools, the influence of the EdCity disperses widely into all active elements of the education communities in Hong Kong.   This can be demonstrated by the achievements that the EdCity has made in the past year. For instance, it has helped almost all schools to connect to broadband network, has collated thousands of education resources from QEF projects and from schools for mutual sharing, has provided domain and web hosting for all schools, has organized over a hundred events and activities for promoting IT culture in schools and amongst the public, has provided advice and assistance to schools in their procurement of computer hardware and software, and has assisted and facilitated IT industry in catering for the needs of the education market, etc.   All in all, the role of the EdCity has evolved from a web portal to an infrastructure in facilitating, promoting and shaping the education landscape in Hong Kong.   We expect that given time, the multiplier effects so generated will ripple throughout the education sector and the whole community in Hong Kong.

## Proposal and Justifications

### EdCity to continue to exist

6.      We consider it justifiable that the EdCity should continue to exist beyond the expiry of the QEF grant on 31 August 2002.   The current education and curriculum reforms will last for ten years or more.   The success of these reforms will have a significant impact on the future of our next generations.   To drive forward these reforms, a popular and professional education platform on the Internet is an indispensable vehicle in this IT age. Given the achievements that have been made by the EdCity as mentioned in paragraph 5 above, its vital role in promoting IT culture in schools and amongst teachers, students and the general public, as well as its web-site functioning as a rich repository of education resources for sharing amongst teachers and students and as an on-line web-based teaching and learning platform for all, the EdCity clearly demonstrates its value of existence and will continue to contribute significantly to the ongoing education and curriculum reforms.

7.      There are various options to ensure that the EdCity could continue to operate after the exhaustion of QEF funding.   They include creating permanent establishment within the ED for running the project; outsourcing the EdCity project to the private sector; and setting up a non-profit-making limited company of 100% government ownership to own and manage the EdCity project.

## *Recurrent funding for EdCity*

8.      At present, ED is committed to implementing various initiatives related to IT in education such as developing computer-aided teaching and learning materials, delivering packages of education resources and running on-line education training programmes.   Given the IT readiness of our schools, teachers, students and parents, there should be considerable scope for us to deliver our IT in education services through cyber means.   We consider the EdCity the most appropriate and cost-effective vehicle and therefore propose to continue to provide funding support, through redeployment of our existing provision, to facilitate its work in providing and furthering IT in education. As mentioned above, one of the options for continuing the EdCity project is for ED to create permanent establishment within the department to run the project. We are not in favour of this option as we do not believe that it would bring out the optimal benefits of the project and also it may not be the most cost-effective means to provide the services now delivered by EdCity.

### ■  *Partnership with the Private Sector*

9.      Building on its experience so far, the EdCity is gradually developing into a business platform by involving private businesses in the delivery of education products and services that are best delivered by the private sector. This arrangement tallies with the prevailing government policy on increased private sector involvement in the delivery of public services.   The establishment of a business platform will also help promote the competitiveness of the local private business in opening up the education markets, not only in Hong Kong, but also in the present-day global economy. At present, the production of digitized education resources that are of high quality and suitable for on-line as well as off-line interactive teaching and learning is a business that is new to the local small and medium enterprises. The EdCity has pioneered successfully in this field in the past year.   Its

success has enabled it to establish itself as the leading web repository of high-quality education resources in Hong Kong.   With this experience, the EdCity could help groom up the local enterprises in exploring and developing education markets both local and overseas.

10.     One of the options mentioned in paragraph 6 above is to outsource the provision of service by EdCity to the private sector.   This will have the advantage of providing more flexibility in the delivery of service and allowing EdCity to tap into the more innovative ideas and business practices offered by the private sector.   However, ED's steer over the direction and operation of the project will be more tenuous under this option. Given the importance to maintain the quality of the IT in education services provided by EdCity, we consider that we may require a partnership whereby ED's involvement may be more direct.

11.     The Steering Committee of the EdCity project set up under ED, comprising education professionals, legislator and community members, has considered and expressed its support to the option of setting up a government-owned company to run the EdCity at its meeting in September 2001.   Under this option, the company will be a non-profit-making company 100% owned by the government. The proposed company will be managed by a Board of Directors (BoD) chaired by the Director of Education and will comprise government officials, independent community members and renowned education professionals.   The BoD shall be advised by a number of advisory committees, such as the Editorial and Content Development Committee, Business Development and Marketing Committee and Finance and Budgeting Committee etc.   To provide flexibility to the operation of the company, it will hire its own staff and/or engage services in the private sector subject to the approval of the BoD.

**Financial Implications of Continuing Funding the EdCity**

12.     The proposal is cost-neutral to the government.   The proposed payment of funding of about $25 million each year on average to the EdCity project will be met from redeployment of part of our existing resources allocated for IT in education and no additional funding will be required.   As we have scheduled a comprehensive review of our strategy of IT in education in end-2003, we plan to provide funding to the EdCity project for a period of

three years initially.   The funding arrangement will be reviewed in the light of the outcome of the aforesaid review and the quality of services provided by the EdCity.

**Advice sought**

13.      Members are invited to give their views on the proposal that the ED continues to provide funding support to the EdCity project upon the expiry of the QEF grant, and the various possible options for continuing the project, in particular the setting up of a government-owned company in running the project as recommended by the Steering Committee on EdCity.



Education Department
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