Legislative Council
Panel on Information Technology and Broadcasting

Policy Initiatives of Communications and Technology Branch, Commerce, Industry and Technology Bureau

Introduction

The Policy Agenda Booklet lists the Government's new and on-going initiatives for the period from July 2005 to June 2007. This note elaborates on the initiatives concerning the Communications and Technology Branch of the Commerce, Industry and Technology Bureau in the Policy Agenda Booklet.   It also gives an account of the latest position regarding initiatives contained in the 2005 Policy Agenda.

Effective Governance

New Initiative

Deliver government services based around the needs and expectations of citizens by segment. A pilot Citizen-centric Services Programme will be implemented to deliver quality, joined-up services and raise the standards of government services. We will also launch a brand new one-stop access portal serving as the main gateway to online government information and services.

The new strategy adopts a "citizen-centric" concept in providing e-government services, with the grouping of related services into different service clusters based on the needs of citizens by segments.   To this end, a one-stop access portal (OSP), with linkages to various service clusters, will be established to serve as the main gateway to online government information and transactional services.   The OSP will progressively subsume the existing Government Information Centre (www.info.gov.hk) and reprovision the e-government services currently on the Electronic Service Delivery (ESD) portal (www.esd.gov.hk).   The OSP will greatly facilitate the public's access to the Government and build up a unified e-government branding.   We aim to have an initial launch of the OSP around mid 2006.

We are working jointly with the Efficiency Unit (EU) in its pilot Citizen-Centric Services Programme.   Under the Programme, EU will be implementing a common hub for delivering one-stop services to the youth segment, which will form a distinct customer cluster to the OSP.

Members had been briefed on the new strategy for e-government service delivery at the Panel meeting on 14 March 2005 (Paper CB(1)1052/04-05(04)). We will update Members on the progress of implementing the new strategy at its November/December meeting.

Vibrant Economy

New Initiatives

Review and update the existing telecommunications regulatory framework to cater for the convergence of fixed and mobile communications services.

With the advent of new technologies, fixed and mobile communications services will converge. The current regulatory regimes need to be revised to facilitate the technological and market development. A unified licensing framework that is applicable to all forms of carriers and services is proposed in a consultation paper issued in September 2005. In parallel with this, we will conduct an economic study, with assistance from consultants, on other regulatory issues relevant to the convergence of fixed and mobile communications services, including the interconnection charging arrangement between fixed and mobile networks. It is anticipated that the study will be completed by mid 2006.

Enable commercial exploitation of the intellectual property in the Government IT systems originally developed by contractors, thus creating a better business environment for Hong Kong.

A large pool of computer software intellectual property (IP) has been created in Government IT systems developed by our contractors. The IP, which is currently owned by the Government, presents good potential for commercial exploitation. To facilitate transfer of technology and creation of greater economic benefits, the Government will launch a pilot scheme shortly to allow contractors to own the IP created in Government IT systems developed by them. This scheme will open up more business opportunities for our ICT industry, particularly the small and medium sized enterprises (SMEs), through commercial exploitation of the IP. The pilot scheme will be reviewed after three years of operation to ascertain its effectiveness and identify areas for improvement.

Put in place a new standing offer procurement facility for IT professional services that focuses on overall value to the Government and sustains the vibrant economy.

In April 2005, the Office of the Government Chief Information Officer invited tenders for the provision of professional services for Government IT projects under the "Standing Offer Agreement for Quality Professional Services" (SOA-QPS). The SOA-QPS is a replacement of the existing IT Professional Services Arrangement (ITPSA) which will expire in December this year.

We have conducted an industry consultation and have taken into account of the views of the industry in developing the SOA-QPS. The SOA-QPS has enhancement over the existing ITPSA in a number of areas which include placing more emphasis on service quality; encouraging innovation; expanding the number of contractors; and reducing the financial burdens of contractors. These measures would help facilitate the participation of suppliers especially the small and medium enterprises (SMEs) in Government IT projects. Tender evaluation of SOA-QPS is now in progress. We intend to award the new standing offer agreements before end of this year.

Outsource the Government Central Computer Centre with a view to creating operational efficiency and fostering the development of the local industry.

The Office of the Government Chief Information Officer (OGCIO) will complete its first data centre outsourcing project this year. In this project, the hosting services of departmental information systems currently operated by the Central Computer Centre will be outsourced. We expect that, through this outsourcing project, we will improve the operational efficiency and effectiveness in the delivery of hosting services. We also expect to achieve savings in recurrent operating costs and to foster the development of the local IT industry in the provision of data centre services. The outcome of this outsourcing exercise will also provide a reference for other departments in formulating their data centre outsourcing strategy and establishing business case of conducting further data centre outsourcing.

Map out an e-procurement strategy for departmental purchases so that Government procurement could better facilitate opportunities for businesses.

The Government is major purchaser of goods and services. To exploit the full benefits of e-procurement, including improvement of efficiency and effectiveness through automating and integrating the procurement processes and introduction of more competitive pricing, we have embarked on a study to map

out an e-procurement strategy for adoption by the Government. The recommendations will study overseas practices, the procuring and supplying environment in Hong Kong as well as the procurement rules and regulations adopted by the HKSAR Government. The study will be completed by the end of 2005.

On-going Initiatives

Implementing the framework for the migration from analog to digital terrestrial television broadcasting with a view to commencing digital terrestrial television broadcasting by 2007 and achieving within 2008 digital coverage for 75% of the area of Hong Kong.

The introduction of digital terrestrial television broadcasting will bring enormous benefits to the society. Such benefits include greater spectrum utilization efficiency, improved audio-visual quality, fewer reception problems, more programming choice and stimulation of innovative multimedia applications. The Government announced the implementation framework for digital terrestrial TV in July 2004. ATV and TVB are embarking on network planning, design and construction with a view to launching digital terrestrial television by 2007. Furthermore, they are conducting transmission trials and tests of digital signals. We have set up a working group with the two licensees to provide technical assistance and inter-departmental coordination on network design, planning and construction.

Planning to consult the public on the proposal to merge the Broadcasting Authority and the Telecommunications Authority into a unified regulator for the electronic communications sector.

The technological and market convergence has been blurring the boundary of the broadcasting, telecommunications and information technology sectors. In the light of this, we plan to merge the Broadcasting Authority and the Telecommunications Authority into a unified regulator to ensure effective, efficient and coordinated regulation of the electronic communications sector. We will consult the public on the details of the proposal before the end of 2005.

Reviewing the broadcasting regulatory regime in view of technological and market convergence.

Convergence of telecommunications, broadcasting and information technology is gradually transforming conventional sector-based markets into a cross-sector multimedia market.   We are reviewing the broadcasting regulatory regime to assess whether it remains effective in facilitating the development of the industry.   We will consult the public on the outcome of the review.

Continuing to support the film industry through a variety of measures.

The two-year Film Guarantee Fund (FGF) scheme that provided loan guarantee for film production expired in March this year.   After reviewing the operation of the FGF in consultation with the film industry and participating lending institutions, we have continued the FGF with a commitment revised from $50 million to $30 million.   The remaining $20 million has been redeployed to revive the Film Development Fund that finances projects conducive to the long-term development of the film industry.

We will replace the existing Film Services Advisory Committee with a Film Development Committee, with a view to providing better support for the film industry.   The Film Development Committee will be a non-statutory advisory body.   Its priority task would be to critically review the Hong Kong film industry, identify opportunities, and formulate a clear plan for the medium and longer term development of the film industry.

Initiating a review of the Digital 21 Strategy in 2006 while keeping up our efforts under the current Strategy to harness the benefits of information technology for the business and the community and to strengthen Hong Kong's position as a leading digital city in the world.

We are on the whole satisfied with the implementation of the initiatives in the 2004 Digital 21 Strategy, and will continue to press ahead with the remaining tasks.   We will submit our next annual progress report and action plan to Members in early 2006.   To ensure that the Digital 21 Strategy keeps pace with the rapid developments in the ICT arena, we will embark on a review in 2006, with a view to publishing the fourth Digital 21 Strategy in early 2007.

With the opening of new support facilities in Cyberport in 2005, positioning Cyberport as the one-stop hub providing a variety of infrastructure, resources and support services to the digital entertainment industry in Hong Kong.

In the past year, the Government has sponsored the establishment of two additional facilities to support the further development of the digital entertainment industry in Hong Kong. The Digital Entertainment Industry Support Centre was established in the Cyberport in May 2005 to provide one-stop services and resources support for the local digital entertainment companies. This is particularly beneficial to the SMEs which cannot spare the time and resources to approach different agencies for support.

The Cyberport Digital Entertainment Incubation cum Training Centre, funded by the Innovation and Technology Fund, was opened last month. The Centre aims to incubate around 30 to 45 local digital entertainment start-up firms or innovative projects and provide focused business development training to firms and practitioners in the sector.

These new facilities, together with the existing infrastructure and facilities at Cyberport such as the Digital Media Centre, the iResource Centre and the Hong Kong Wireless Development Centre, have further enhanced Cyberport's role as a one-stop hub for the development of the digital entertainment industry in Hong Kong.

Continuing to plan and promote actively the International Telecommunication Union (ITU) TELECOM WORLD 2006 and host a successful event in December 2006.

We have established a Hong Kong, China Secretariat to assist the ITU to plan and promote this event. We will continue to work closely with the ITU and the Central People's Government to make this event a resounding success.

Reviewing and developing a comprehensive radio frequency spectrum management and policy framework.

We will appoint a consultancy firm to provide advice on matters relating to the formulation of a responsive and transparent radio spectrum policy. It is anticipated that the consultancy study will be completed by mid 2006.

Implementing a new regulatory regime by end of 2005 to license Internet telephony services.

We announced the regulatory framework for IP telephony services in June 2005 that a two-class licensing regime is to be introduced. Under this regime "Class 1 Services" are required to meet relevant licensing conditions applicable to fixed network operators operating conventional telephony services under their carrier licences, whereas "Class 2 services" are only required to meet minimal licensing conditions.

Continuing to consult the industry in order to develop a framework for the deployment of broadband wireless access technologies and services.

Following the first round of public consultation launched in December 2004, we issued the second consultation paper in August 2005 proposing the licensing arrangements. The consultation is currently in progress and will close by end October 2005. We aim to issue the licences for such services in 2006.

Preparing legislation to contain the problem of unsolicited electronic messages, with a view to introducing legislation into the Legislative Council in 2006.

Between March and June 2005, we sought the views of stakeholders on the guiding principles and the key aspects of the framework for the proposed anti-spam legislation. We consulted the Legislative Council Panel on Information Technology and Broadcasting on the draft framework for the anti-spam legislation. We are formulating the details of the legislation for public consultation around end 2005 or early 2006. We aim to introduce the bill into the Legislative Council within 2006.

Communications and Technology Branch
Commerce, Industry and Technology Bureau
October 2005