# 立法會 Legislative Council

LC Paper No. CB(4)1266 /15-16 (These minutes have been seen by the Administration)

Ref: CB4/PL/ITB/1

# Panel on Information Technology and Broadcasting

# Minutes of meeting on Monday, 13 June 2016, at 2:30 pm in Conference Room 3 of the Legislative Council Complex

**Members present**: Dr Hon Elizabeth QUAT, JP (Chairman)

Ir Dr Hon LO Wai-kwok, SBS, MH, JP (Deputy Chairman)

Hon CHAN Kam-lam, SBS, JP Hon Emily LAU Wai-hing, JP Hon TAM Yiu-chung, GBS, JP Hon WONG Ting-kwong, SBS, JP

Hon Cyd HO Sau-lan, JP

Dr Hon Priscilla LEUNG Mei-fun, SBS, JP

Hon IP Kwok-him, GBS, JP Hon Paul TSE Wai-chun, JP Hon LEUNG Kwok-hung Hon WONG Yuk-man

Hon Claudia MO

Hon NG Leung-sing, SBS, JP Hon Steven HO Chun-yin, BBS

Hon YIU Si-wing, BBS

Hon MA Fung-kwok, SBS, JP Hon Charles Peter MOK, JP

Hon CHAN Chi-chuen

Hon SIN Chung-kai, SBS, JP Dr Hon CHIANG Lai-wan, JP

Hon Christopher CHUNG Shu-kun, BBS, MH, JP

Hon Alvin YEUNG Ngok-kiu

**Member absent**: Hon Mrs Regina IP LAU Suk-yee, GBS, JP

**Member attending**: Hon TANG Ka-piu, JP

Public officers attending

: Agenda item III

Innovation and Technology Bureau

Mr Nicholas W YANG, JP

Secretary for Innovation and Technology

Mr CHEUK Wing-hing, JP

Permanent Secretary for Innovation and Technology

Mrs Millie NG

Deputy Secretary for Innovation and Technology

Mr Ricky CHONG Kwok-man

Principal Assistant Secretary for Innovation and

Technology

Agenda item IV

Innovation and Technology Bureau

Dr David CHUNG Wai-keung, JP

Under Secretary for Innovation and Technology

Mr Ricky CHONG Kwok-man

Principal Assistant Secretary for Innovation and

Technology

Ir Allen YEUNG Tak-bun

Government Chief Information Officer

Mr Davey CHUNG Pui-hong

Deputy Government Chief Information Officer

(Policy and Community)

Ms Jenny WOO Ching-yi Chief Systems Manager (Industry Facilitation)

**Clerk in attendance** : Mr Daniel SIN

Chief Council Secretary (4)3

**Staff in attendance**: Mr Joey LO

Senior Council Secretary (4)8

Ms Anki NG

Council Secretary (4)3

Miss Mandy LAM

Legislative Assistant (4)3

#### **Action**

# I. Confirmation of minutes of meetings and matters arising

(LC Paper No. CB(4)1053/15-16 -- Minutes of meeting held on

11 April 2016

LC Paper No. CB(4)1085/15-16 -- Minutes of meeting held on

9 May 2016

LC Paper No. CB(4)1087/15-16(01) -- List of outstanding items for

discussion

LC Paper No. CB(4)1087/15-16(02) -- List of follow-up actions)

The minutes of the meetings held on 11 April 2016 and 9 May 2016 were confirmed.

# II. Information papers issued since the last meeting

(LC Paper No. CB(4)989/15-16(01) -- Administration's further written response dated 13 May 2016 to the enquiry from Hon Claudia MO on issues relating to the alleged encroachment of local FM radio spectrum by Mainland radio stations

LC Paper No. CB(4)1064/15-16(01) -- Administration's letter to the Chairman and the press release on Application for Domestic Free Television Programme Service Licence of Fantastic Television Limited)

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

# III. Innovation and Technology Fund for Better Living

(LC Paper No. CB(4)1087/15-16(03) -- Administration's paper on Innovation and Technology Fund for Better Living)

3. <u>The Chairman</u> reminded members on the requirements of Rule 83A and Rule 84 of the Rules of Procedure of the Legislative Council on disclosure of direct or indirect pecuniary interests relating to the funding proposals under discussion.

### Presentation by the Administration

4. At the invitation of the Chairman, <u>Secretary for Innovation and Technology</u> ("S for IT") briefed members on the Administration's proposal to set up a \$500 million Innovation and Technology Fund for Better Living ("FBL") to support projects that made use of innovative ideas and technologies to improve people's daily life and promote the use of I&T in the society, as well as its operational framework. Details of the briefing were set out in the paper provided by the Administration (LC Paper No. CB(4)1087/15-16(03)).

### **Discussion**

# Eligibility of applicants

- 5. <u>Ir Dr LO Wai-kwok</u> expressed support for the Administration's proposal to set up FBL for the improvement of people's daily life. Noting that FBL would normally only accept applications from non-governmental organizations ("NGOs"), non-profit-making organizations ("NPOs"), professional bodies, trade associations and public bodies rather than universities and private enterprises, <u>Ir Dr LO</u> expressed concern that eligible organizations might not have the requisite I&T capability and expertise to apply for funds to develop the desired products or services. He enquired whether the organizations concerned would be allowed to develop the projects in partnership with research and development ("R&D") institutions or private enterprises. <u>S for IT</u> said that the Administration would encourage applicants to form partnership with R&D institutions or small and medium enterprises to develop the projects.
- 6. Mr TAM Yiu-chung welcomed the proposal to set up FBL. He enquired if the Administration had liaised with potential applicants to sound out their interest and assess whether they had the necessary manpower and capability to develop the projects. S for IT said that the Administration had liaised with some NGOs and NPOs and they had shown clear interest in applying for FBL.
- 7. <u>Mr SIN Chung-kai</u> expressed concerns that FBL might be exploited by political parties for electioneering purposes. He queried whether a mechanism would be put in place to screen out applicants who were affiliated with political parties.
- 8. <u>S for IT</u> said that applications for FBL were to be vetted and selected by an Assessment Panel ("AP") which would determine the selection criteria. <u>Permanent Secretary for Innovation and Technology</u> ("PS(IT)") added that the grant received by a successful applicant should only be used for the purpose as stated in the applicant's project proposal and in line with the objectives of FBL. The grant should not be used for electioneering or any other purposes. While it was up to AP to determine the selection criteria, the Administration's view was that applicants with political party affiliation should be avoided as far as possible.
- 9. <u>Mr Alvin YEUNG</u> enquired whether applications from individual project proponents would be accepted. <u>Mr YEUNG</u> said that many small scale inventors did not have their own company. Allowing applications from individuals would have the merits of encouraging innovative ideas and creativity especially among young inventors. <u>S for IT</u> said that applications from

individual applicants would normally not be accepted, although AP could exercise discretion in considering exceptional cases. <u>S for IT</u> added that individual project proponents would be encouraged to partner with eligible applicants.

# Eligibility of projects

- 10. Noting that a successful applicant for FBL was required to complete development of the project within 12 months and operate the project for at least two years, <u>Ir Dr LO Wai-kwok</u> enquired whether the two-year operating period included the 12-month development period. <u>S for IT</u> said that the funding period of the project would span three years: including a 12-month development period followed by a two-year operating period.
- 11. Mr Charles Peter MOK welcomed the Administration's plan to establish FBL. He enquired about the nature of projects which would be eligible for the FBL grant. In particular, Mr MOK asked whether the technology behind a project had to be original and developed in Hong Kong, or whether the applicant could develop an improved product based on existing or imported new technologies. He also asked whether the grant could be used for mass launch of a product. Noting that the Administration had previously launched the Funding Scheme for Digital Inclusion Mobile Apps which addressed the specific needs of underprivileged groups, and that the Administration would set themes for FBL, such as health, transport, education, safety, specific needs, etc., to encourage the participation of different sectors of the community, Mr MOK relayed the suggestions of some NGOs that digital inclusion should also be included as one of the themes for FBL.
- 12. <u>S for IT</u> noted Mr MOK's suggestion and said that the Administration encouraged original innovative ideas and technologies although products developed with imported technologies might also be considered by AP.
- 13. <u>Ms Cyd HO</u> expressed concern about whether FBL would be conducive to promoting local manufacturing activities. <u>Ms HO</u> asked if FBL would impose a requirement where deliverables developed using FBL must be manufactured in Hong Kong. <u>S for IT</u> said that the objectives of FBL were to encourage innovative ideas to be generated and applied locally so as to benefit the local community. Projects might be accorded a higher score during the assessment process if the deliverables were to be manufactured locally. However, <u>S for IT</u> said that it would stifle creativity if too many requirements were to be imposed on the eligibility criteria.

### Assessment process

- 14. Mr MA Fung-kwok commented that in developing innovation and technologies, time was of the essence. FBL might not help applicants if it took too long for funds to be made available. Mr MA asked how long it would take between the submission of an application for FBL and the disbursement of the first instalment of grant and whether the vetting period could be reduced so that the project could proceed as early as possible. Mr MA also asked if the Administration would interact with the applicants after the submission of their application so as to give them advice on improving their project proposals.
- 15. <u>S for IT</u> said that the decision on an application would be available within three months from the receipt of duly completed application documents. Consideration might be given to introducing a separate vetting mechanism for smaller projects as proposed by some members. <u>S for IT</u> added that the Administration would communicate with the applicants regularly and would offer feedback on the interim progress reports submitted by them.

# Form and amount of grant

- 16. Mr Charles Peter MOK noted that the grant available for a successful applicant would be capped at \$5 million. Mr MOK said that he had received feedback from some NGOs that the proposed ceiling of grant was on the high side, as it gave an impression that only large-scale projects were expected for FBL. Most NGOs or NPOs were more comfortable with projects of budgets around \$2 million to \$3 million. Mr MOK added that some organizations surmised whether the FBL system might involve transfer of benefits to organizations favoured by the Government and undue concentration of funding on a few organizations. Ms Cyd HO expressed a similar concern. Mr MOK asked whether the Administration would introduce a separate, fast track, vetting process for smaller scale projects involving lower amounts of funding. Ms Claudia MO expressed a similar view.
- 17. <u>S for IT</u> said that \$5 million was the ceiling of funding for an application. The Administration considered that this level of funding could accommodate a wider range of projects to be developed to cater for the needs of different social groups. Smaller scale projects would also be considered by AP. As regards the suggestion of introducing a fast track vetting process for smaller scale projects, <u>S for IT</u> said that it should be up to the future AP to determine the detailed processing arrangements.
- 18. Mr WONG Yuk-man objected to the establishment of FBL and considered it just another white elephant without addressing the structural

problems of the absence of manufacturing industry and an environment conducive to nurturing creativity and innovation in Hong Kong. He criticized the Administration for not providing details of the proportion of cost to be spent on the actual development of I&T component, staff salaries and administrative support, and not having any concrete plan on the mechanism to prevent favouritism and undue concentration of funding to a few organizations. He expressed concern that AP would comprise members mostly from the proestablishment camp who would accept most of the applications from proestablishment organizations and screen out other applications. Mr WONG Yukman also expressed concern that the target grantees of NGOs, NPOs, professional bodies, trade associations and public bodies tended to be lacking in creativity, and might not be able to come up with any innovative projects which warranted funding. He commented that the investment in I&T projects should be led by private enterprises rather than the Administration.

- 19. <u>Ms Cyd HO</u> held the view that to allay public concern over the possibility of favouritism in granting applications, the vetting process should be open and transparent. She said that the Administration should announce the composition of AP and the criteria of appointing members to AP as early as possible. <u>Ms HO</u> said the Administration should also reveal whether any of AP's members were affiliated with political parties.
- 20. Mr WONG Ting-kwong noted that a successful applicant would receive a grant equivalent to the difference between the eligible costs of the project and funding received from other sources such as sales proceeds. Mr WONG commented that the applicant would be in dire shortage of funding in the early stages of project development before it could generate sales proceeds. He asked whether the disbursement of grant could tie-in with the applicant's cashflow requirement in the early stages of the project. S for IT said that disbursement of the grant would be made by instalments according to project milestones.
- 21. <u>Mr CHAN Chi-chuen</u> asked how the disbursement of grants were to be phased out. He also asked whether the grant could be used on promotion and publicity of the products developed under FBL, and whether the Administration had prescribed a proportion of the grant that could be spent on promotion and publicity.
- 22. <u>PS(IT)</u> explained that while the disbursement details had yet to be worked out, instalments of the grant would be phased in three or four stages subject to the fulfillment of project milestones as agreed in the funding agreement. In general, funds would be made available at the beginning of a project, and would be provided for purchase of essential equipment or hiring of staff. PS(IT) said that the fund could also be used on publicity and promotion

purposes, but expenses which were not directly relevant to the project, e.g. office overhead, entertainment, travelling expenses, would not be permitted.

23. Mr WONG Ting-kwong noted that the proposed setting up of FBL would require a total non-recurrent allocation of \$500 million so as to support the operation of FBL for five years. He asked whether the Administration would make reference to the operating mode of the Midstream Research Programme for Universities where only the investment return of the capital would be used to finance projects of FBL. Mr WONG said that with such approach, FBL could operate for a longer period. S for IT said that the proposed non-recurrent allocation of \$500 million for the establishment of FBL was expected to sustain the operation of FBL for five years. Additional funding would be sought from the Finance Committee ("FC") to sustain FBL beyond the first five years if warranted.

# Support from other sources

24. Mr WONG Ting-kwong sought clarification on whether a successful applicant of FBL would be allowed to receive funding from other schemes or sponsorship programmes set up by the Administration. S for IT said that, while the Administration would not prohibit applicants from applying for other funding schemes in parallel to an application for FBL, the Administration did not prefer to have different funding resources to be used for the same purpose. The Administration would subsume the Funding Scheme for Digital Inclusion Mobile Apps ("FSDIMA"), which was of similar objective, under FBL, and would thereafter discontinue FSDIMA.

# Intellectual property right

- 25. <u>Ir Dr LO Wai-kwok</u> noted that during the funding period, the projects should not be profit-making and should not serve any profit-making purposes. He enquired whether the intellectual property ("IP") rights created in or via the projects would be vested with the grantees, and whether the Administration would allow the grantees to use the IP rights concerned in profit generating activities after the funding period.
- 26. <u>S for IT</u> said that any IP right created in or via the project concerned would be vested with the FBL grantee who would be required to make it available for use in the public domain for free during the funding period. The grantee would be free to use the IP rights in activities for creating further values after the funding period.

- 27. <u>Ms Claudia MO</u> expressed support for FBL. She enquired whether the grantee could apply for patent if the technology involved in the project was original. She also enquired if a meaningful and innovative project using I&T to improve the well-being of specific groups (such as the elderly) with limited market potential would be eligible for funding under FBL.
- 28. <u>S for IT</u> said that FBL grantees could apply for IP rights for the relevant products or technologies they developed using the grants. As regards projects that were designed for serving specific groups, <u>S for IT</u> said that AP would consider whether the project was making use of I&T to improve people's daily life, and market potential would be of secondary importance in the assessment process.

#### Control and review

- 29. Mr TAM Yiu-chung said that with the development of the sharing economy (also known as access economy), many innovative products and services (such as shared ride service and peer-to-peer lending) had emerged. These products and services allowed idled resources to be shared or put into better use through information technology. Mr TAM commented that the use of such products and services often touched on grey areas of the law. Mr TAM enquired whether the Administration would provide any guidance or warning on legal pitfalls to grantees when developing the projects.
- 30. <u>S for IT</u> said that some of the services or products developed under FBL that would benefit a wide cross-section of the community might be adopted for trial under the Public Sector Trial Scheme ("PSTS"). <u>S for IT</u> added that projects funded under FBL would often affect more than one bureau or department and their representatives would be invited to join AP, and some of the legal issues that <u>Mr TAM</u> raised could be addressed through interdepartmental efforts.
- 31. In response to the enquiries from Mr Alvin YEUNG, <u>S for IT</u> said that projects funded under FBL should be developed and applied to address the needs in Hong Kong. Grantees would be required to submit interim reports on the progress of the projects and the Administration could terminate funding if the grantee was unable to meet the requirements or conditions of grant.

### Promotion of project deliverables

32. Mr TANG Ka-piu expressed support for FBL. Mr TANG said that technologies acquired or developed in a social service NGO were not commonly shared with other similar organizations. The Social Welfare Department

("SWD") had not facilitated the sharing of technologies and skills among NGOs as the department was more concern about whether NGOs had satisfied the procurement procedure rather than the technology used. In this connection, Mr TANG asked if the Innovation and Technology Bureau ("I&TB") would play a more active role in advising and encouraging Government departments such as SWD on the adoption and application of new technologies in social services. Mr TANG also asked whether the Administration would take the opportunity of FBL to promote the adoption of innovation and technologies developed among NGOs/NPOs.

- 33. <u>S for IT</u> said that I&TB would play an active role to promote a culture of innovation in the community and encourage NGOs/NPOs to participate in popularizing the technologies in their services so that the public would benefit. <u>S for IT</u> said that the Administration would encourage NGOs to collaborate with other organizations and Government departments such as SWD, to develop projects under FBL. During the funding period, grantees were required to open up the IP right of their projects for use by the public for free.
- 34. Mr MA Fung-kwok expressed support for FBL. He enquired how the Administration would help NGOs/NPOs promote their project deliverables. He asked if the Administration had put in place measures to acquire or adopt the products or services developed under FBL, or facilitate NGOs/NPOs to use those technologies. Mr MA also asked if the Administration needed to go through the normal Government procurement procedure in order to adopt those products and services.
- 35. <u>S for IT</u> said that the Administration would make use of other Administration's funding schemes/programmes, such as the PSTS to help promote the realization and commercialization of the project deliverables. The usual Government procurement procedure was not required to be followed under PSTS.
- 36. The Chairman welcomed the FBL proposal. She commented that NGOs/NPOs might face many obstacles in satisfying the requirements of FBL. Many NGOs/NPOs might not have the level of expertise or knowledge to develop new technologies to serve their target clients. A development period of 12 months for a project might be too short. Other private commercial organizations might find the partnership with NGOs/NPOs unattractive if the IP associated with the technology developed using FBL was to be open during the three-year funding period, as they might consider that there would be little commercial value left. Furthermore, the Chairman said that NGOs/NPOs might find the risk of undertaking a project under FBL too high if they had to refund the grant in case of unsatisfactory project progress or contravention of funding

guidelines. <u>The Chairman</u> enquired how the Administration would help NGOs/NPOs minimize such risks.

37. <u>S for IT</u> explained that the Administration accepted the fact that not all I&T projects would succeed. A grantee would not be required to refund the grant in case of unsatisfactory project progress or project failure if the Administration was satisfied that the grantee had put in the best effort to fulfill the requirements of the project. As technology changed rapidly, if a FBL applicant could not complete the development of the project within 12 months, it was unlikely to succeed. As regards business opportunities, a project developed for a particular social group or sector could have multiple applications in different areas. <u>S for IT</u> clarified that the requirement to make the IP right available for free use in the public domain during the three-year funding period meant that the public was given an open licence to use the IP of the project for free. The grantee still owned the IP right of the technology developed in or via the project.

#### Conclusion

38. <u>The Chairman</u> said that apart from one member who expressed objection to the establishment of FBL, the majority of the members had no objection for the Administration to seek the approval of FC for the funding proposal to set up FBL.

# IV. Development of Smart City

(LC Paper No. CB(4)1087/15-16(04) -- Administration's paper on Smart City Development in Hong Kong

LC Paper No. CB(4)1087/15-16(05) -- Paper on the development of Smart City prepared by the Legislative Council Secretariat (Background brief))

# Presentation by the Administration

39. At the invitation of the Chairman, <u>Under Secretary for Innovation and Technology</u> ("US for IT") briefed members on the Administration's plan to formulate a blueprint for building Hong Kong as a smart city. <u>Government Chief Information Officer</u> ("GCIO") then briefed members on the scope of the

proposed consultancy study to be conducted for such purpose. Details of the briefings were set out in the paper provided by the Administration (LC Paper No. CB(4)1087/15-16(04)).

### **Discussion**

### Implementation plan

- 40. <u>Ir Dr LO Wai-kwok</u> commented that the Administration's progress for building Hong Kong as a smart city was too slow, and enquired about the plan and the timeframe for implementing the smart city initiatives. <u>Mr MA Fung-kwok</u> shared a similar view. <u>Ir Dr LO Wai-kwok</u> enquired about the concrete measures which had been implemented in the pilot Kowloon East area by the Energizing Kowloon East Office ("EKEO") for the development of smart city.
- 41. Deputy Government Chief Information Officer (Policy and Community) ("DGCIO") said that EKEO was carrying out a consultancy study on a number of smarty city pilots in the Kowloon East area, which was intended to be developed into another Central Business District in Hong Kong. The initial plans included building a low carbon green community and enhancing walkability and mobility, including pedestrian and vehicular accessibility. Having regard to these plans, the Office of the Government Chief Information Officer ("OGCIO") would maintain close liaison with EKEO and where appropriate, co-ordinate the implementation of pilot smart city initiatives. At the request of Ir Dr LO Waikwok, the Administration undertook to provide a more detailed account of the proposed smart city pilots to be implemented in the Kowloon East area.

(*Post meeting note*: The Administration's written responses was circulated to members vide LC Paper No. CB(4)1248/15-16(01) on 15 July 2016.)

- 42. Mr MA Fung-kwok commented that Hong Kong was lagging behind in the application of innovation and technology in areas of financial technology, transport management and electronic textbooks usage, etc. when compared to other Asian cities and countries. He enquired about the rationale for using the pilot Kowloon East area to explore the feasibility of developing a smart city, and how the results of implementing measures in the pilot area could be used for building Hong Kong as a smart city.
- 43. <u>GCIO</u> said that the pilot Kowloon East area was chosen as a test bed for applying technology and solutions on a district basis. The results and experience of applying technology and solutions in the Kowloon East area would be used as a reference for improvements and review in the implementation process in other districts. <u>DGCIO</u> supplemented that whilst the

consultant would be asked to draw up a package of smart city pilot proposals on a territory-wide basis, priority would be given to the Kowloon East area vis-à-vis the latest work under EKEO. The Administration would determine the timeframe for implementation of the relevant initiatives upon completion of the consultancy study.

- 44. <u>Mr LEUNG Kwok-hung</u> commented that the Administration had no concrete policies and measures for building Hong Kong as a smart city, and queried the effectiveness of applying technology and solutions in the pilot Kowloon East area. He commented that the Administration had evaded responsibility by conducting a further consultancy study to determine the relevant policies and implementation measures.
- 45. <u>DGCIO</u> said that the 2016 Policy Address had re-affirmed the Government's policy commitment towards smart city development, and the Innovation and Technology Bureau (I&TB) established in November 2015 would assume the role as the coordinator in formulating a framework for the development of smart city in Hong Kong. Regarding the Kowloon East area, <u>DGCIO</u> said that it was chosen as the pilot district for smart city development as the new commercial buildings and business developments planned would be suitable for implementing the new initiatives.
- 46. Mr WONG Yuk-man commented that the establishment of another high-level Government co-ordination committee to oversee smart city development in Hong Kong was a waste of resources and time. The progress of smart city development in Hong Kong was far too slow when compared to other major cities around the world. The Administration was still in the preparation stage of engaging a consultant to map out long-term development plans and supporting infrastructures. He opined that the Administration should consider what practical needs the community had for improving their daily lives before engaging a consultant to conduct relevant studies on the implementing measures for such needs.

# Consultancy study

47. In response to Mr SIN Chung-kai's enquiry about the compilation and estimated cost of the consultancy report, <u>GCIO</u> said that the consultancy study would cover areas such as development plans and strategy, governance arrangements, digital infrastructure, legal framework, public-private collaboration, and pilot proposals and projects. The consultancy report would be compiled after looking into possible models of collaboration and drawing reference to other countries' experiences, and collating early feedback and inputs from stakeholders and the public at large. The consultant would also

recommend smart city strategies and initiatives to address major urban challenges faced by Hong Kong. The estimated cost of the consultancy study should not exceed \$10 million.

Personal data privacy and information security

- 48. Mr Charles Peter MOK expressed support for the Administration's initiatives to building Hong Kong as a smart city. He also expressed concern about the possible overlap of consultancy studies being carried out by EKEO and the one conducted by the Central Policy Unit in previous years. He queried the effectiveness of engaging another consultant at this stage to conduct a further consultancy study.
- 49. Mr Charles Peter MOK was of the view that measures should be implemented to ensure that government departments would co-operate closely so that information on smart city development could be effectively shared. Inter-departmental joint efforts in using innovative ideas and technologies to improve people's daily lives should be encouraged. He also suggested that the necessary legal framework should be implemented to facilitate the release of data from both the public and private sectors, and personal data privacy protection and information security should be enhanced in smart city development. He requested the Administration to introduce public monitoring measures in the implementation process.
- 50. <u>US for IT</u> said that the consultant would map out long-term development plans for the proposed smart city strategies and initiatives. These plans should be people-centred, and should aim to make use of technology and open data to address urban challenges faced uniquely by Hong Kong with a view to improving sustainability, efficiency and safety of the city.
- 51. Mr TAM Yiu-chung enquired about the digital infrastructure and application of Internet of Things ("IoT") in the development of smart city. GCIO said that the consultant would map out an appropriate digital infrastructure, including: digital platforms and infrastructure for data collection, storage, distribution, transfer, sharing, analysis and applications; technical standards suitable for Hong Kong; communications and network infrastructure required to support smart city development; and mechanisms to ensure information security, privacy protection, scalability and interoperability among components of the infrastructure. City-related data and personal data so collected should be processed and stored separately in order to ensure protection of personal data privacy.

52. Regarding IoT, <u>GCIO</u> said that some government departments as well as public and private organizations had been adopting sensors and related technologies in various fields to achieve their respective policy and business objectives through IoT technologies. As an early adoptor of IoT technologies, Hong Kong was well-positioned to pursue smart city development with its advanced information and communications technology infrastructure.

#### Other issues

53. Mr YIU Si-wing expressed concern about the shortage of provision of electronic signs, directives, restaurant guides and Wi-Fi services (including QR codes) at tourist hotspots and enquired about measures to be taken to improve such services. GCIO said that the Administration would formulate a blueprint for smart city development in Hong Kong through the consultancy study, and would liaise with different sectors, stakeholders and industries to determine the priorities of implementing the relevant initiatives for different sectors. I&TB would co-ordinate the efforts by different government departments in implementing the relevant initiatives.

# Summing up

- 54. The Chairman expressed support for the Administration's initiative to building Hong Kong as a smart city. She also expressed concern about the plan and the timeframe for implementing the smart city initiatives, and the coordination with EKEO and other government departments on implementation. She queried the effectiveness of the co-ordination committee to oversee implementation of smart city initiatives, and enquired about the measures to be taken by the Administration to ensure that relevant government departments would accord high priority to implement measures for smart city development in Hong Kong.
- 55. <u>US for IT</u> responded that the smart city initiatives would be implemented as early as possible. I&TB had accorded high priority to smart city development in Hong Kong, and would endeavour to enhance interdepartmental co-operation on implementing the relevant measures in accordance with the recommendations provided in the consultancy report. The Administration would brief the Panel on specific measures formulated for such purpose in due course.

### V. Any other business

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

Council Business Division 4
<u>Legislative Council Secretariat</u>
26 July 2016