

**For discussion on
12 June 2017**

**Legislative Council
Panel on Information Technology and Broadcasting**

Innovation and Technology Fund for Better Living and Digital Inclusion

Purpose

This paper briefs Members of the newly launched Innovation and Technology Fund for Better Living (“FBL”) and the progress of the Government’s work on digital inclusion (“DI”).

Background

2. With the rapid advance in technology, entrepreneurs have made use of innovations in technology, such as the Internet, artificial intelligence, big data, Internet of Things and virtual reality/augmented reality, to develop various kinds of groundbreaking products and services including mobile devices, electric vehicles, drones, e-commerce and social media platforms, etc. This has not only created enormous business opportunities, but has also brought significant changes to our daily life. However, some innovative ideas have not been transformed into projects that benefit the public as they may not be profitable in the short run or lack startup capital.

3. On the other hand, with the rapid development of technology, some people (including the elderly and the underprivileged groups), due to the lack of opportunity in using technology products and services, are more vulnerable to the impacts of digital divide. Therefore, the Government has been actively promoting DI to achieve the vision of “empowering everyone through technology”.

Innovation and Technology Fund for Better Living

4. As announced in the 2016 Policy Address, the Government would set aside \$500 million to set up the FBL to finance innovation and technology (“I&T”) projects which improve the quality of people’s daily living. The FBL was launched for application on 31 May this year.

Scope of funding

5. Eligible projects for the FBL should aim at improving people's daily living or benefiting specific community groups through the use of I&T. Deliverables of the projects can be in form of mobile app, product, tool, service, software or any other forms. To encourage participation from different sectors of the community, the projects may be on various themes, such as daily living, health, transport, education, safety, environmental protection and specific needs, etc. The projects shall primarily be developed and implemented in Hong Kong with a view to implementing the concept of "local innovation applied for the good of the local community". During the funding period, the projects should not be run for profit.

6. For the purpose of the FBL, daily living can be improved by (a) making life more convenient, e.g. information is shared more efficiently, or waiting time for service is reduced; (b) making life healthier and more comfortable, e.g. quality of life or healthiness is improved, or hardship of performing a task or delivering a service is reduced; and (c) making life safer, e.g. risks in connection with performing of a task/activity or delivering/receiving a service is reduced. The FBL also encourages projects that can improve the general well-being of specific groups, e.g. helping elderly persons to integrate into the community, improving the accessibility of disabled persons, etc.

Eligibility of applicants and form of grant

7. The FBL will generally accept applications from the following organisations-

- (a) subvented non-governmental organisations ("NGOs") under the Social Welfare Department;
- (b) public bodies (excluding Government departments, the Executive Council and the Legislative Council);
- (c) professional bodies; and
- (d) trade associations.

Applicants should either be companies registered under the Companies Ordinance (Cap. 622) or the former Companies Ordinance (Cap. 32), or statutory corporations established under any other ordinances in Hong Kong.

8. According to their needs, applicants may develop projects in partnership with research and development institutions or technology companies, but the lead applicants must be the organisations mentioned in paragraph 7 above.

9. Applicants may submit more than one application. However, to avoid concentration of funding on a single organisation, priority will be given to those applicants which have not been subsidised by the FBL before.

10. The maximum grant for each approved project is 90% of the total eligible costs¹ of the project or \$5 million, whichever is the less. The rest of the project expenditure should be borne by the applicant through such funding sources as internal resources from the organisation or funding from its parent organisation, third party sponsorship, sales proceeds, or income generated from the intellectual property rights created in or via the project (please refer to paragraph 15 below), etc.

11. The development of a project should generally be completed within 12 months and the project should be run for at least 2 years, except for projects that are one-off in nature (such as free distribution or sales of a product). The maximum funding period for a project is 3 years.

Monitoring and Control

12. Successful applicants will be required to sign a funding agreement with the Government. Disbursement of the grant will be made by the FBL by installments subject to the fulfillment of project milestones as agreed in the funding agreement. Successful applicants have to keep a separate and proper set of books and records for the project and submit a progress report at each agreed project milestone with a financial report to the FBL Secretariat (“Secretariat”) for scrutiny.

Assessment Process and Criteria

13. Applicants should submit applications to the Secretariat, which will assess whether the applications meet the eligibility criteria. The FBL Assessment Panel (“AP”), comprising representatives from the I&T sector, academia, social services sector, relevant industries and government

¹ Total eligible costs are approved project costs, which include direct expenses incurred for the development, implementation and running of project deliverables, as well as administrative overheads. Other cost items which are not directly related to the project, such as entertainment and transportation expenses, will not be funded.

departments, has been set up to assess all eligible applications. The membership list of the AP is in Annex A. The first meeting was held in early May and determined the implementation details of the FBL.

14. The AP will assess all eligible applications according to the following criteria:

- (a) Benefits brought to the public or specific community groups by the project, including whether it will make the life of people more convenient, more comfortable and safer; or whether it can address the specific needs of the target beneficiary group; the number of people to be benefited and the degree of benefits;
- (b) I&T content of the project, including whether the project involves the use of new I&T, the kind and degree of innovative application of technologies, the difference with similar projects, if any, in the market;
- (c) The feasibility and sustainability of the project, including technical feasibility of the project; the viability of the methodology/approach to deliver the intended outcomes; whether the performance indicators are meaningful, quantifiable and realistic; and the sustainability of the project;
- (d) Financial considerations, including whether the budget plan is reasonable and realistic; and the cost-effectiveness of the project; and
- (e) Technical and management capability of the applicant, including the track record of the applicant in implementing community projects; whether the applicant understands the specific needs of the public or target beneficiary group(s); the capability of the applicant to promote and encourage the public or target beneficiary group(s) to use the project deliverable; and the technical and management capability of the project team.

Intellectual Property Rights

15. Any intellectual property rights (“IPRs”) created in or via the funded projects will be vested with the applicants concerned, who are encouraged to make the IPRs available for use by other organisations for free during the funding period, so that more products and services can be

developed for the benefit of more community groups. That said, after consulting the AP, we have come to the view that it is necessary to provide flexibility in how IPRs are to be made available in order not to hinder innovation. To this end, we would allow applicants to make their IPRs available under certain conditions (including charging of licence fees), but the income thus generated should be ploughed back into the project accounts and that the FBL grant for the project concerned will be deducted correspondingly.

Latest Position

16. Upon the launch of the FBL, the Secretariat distributed promotional flyers (Annex B) to eligible organisations to introduce the Fund and encourage application. The Secretariat has also prepared an online application guide and set up an enquiry hotline. Besides, the Secretariat will conduct four briefing sessions on 14 and 15 June respectively to explain the details of the FBL to the organisations concerned. Arrangements will continue to be made in the future as necessary.

17. Response from different sectors has been positive since the launch of the FBL on 31 May. As at 5 June, the Secretariat had received a total of 184 enquiries, which were mostly related to the content of the briefing sessions and the eligibility of application for the FBL. We will process applications received in accordance with the prescribed procedures. It is hoped that approved projects can be rolled out as soon as possible to benefit the community.

Digital Inclusion

18. In the past few years, the Office of the Government Chief Information Officer (“OGCIO”) introduced various DI initiatives for the elderly and different underprivileged groups. Details are set out in the ensuing paragraphs.

DI Mobile Applications

19. Since 2012, the Government has provided funding support for non-profit social service organisations to develop a total of 17 mobile apps that address the needs of specified community groups. Details are set out at Annex C. More than 105 000 downloads have been recorded for these mobile apps.

20. To raise public awareness and encourage persons in need to download and use these mobile apps, OGCIO organises promotion activities for the newly developed mobile apps in conjunction with the funded organisations, including promotion through NGOs' networks, the media, social media and the Internet, as well as display of posters and distribution of leaflets at public venues.

21. The scheme has been subsumed under the FBL, which will continue to support the relevant organisations in developing DI mobile apps.

Web / Mobile App Accessibility Campaign

22. Since 2012, OGCIO has required all government websites to meet the Level AA standard of the Web Content Accessibility Guidelines Version 2.0 promulgated by the World Wide Web Consortium ("W3C"). All 534 government websites now meet the W3C Level AA standard to enable persons of different disabilities to access the website contents through alternative solutions. In addition, all websites of statutory and public bodies are equipped with web accessibility functions, of which 77% conform to more stringent international standards or guidelines, such as Level AA standard of W3C.

23. In 2018, the Hong Kong Internet Registration Corporation Limited will launch a new round of the Web Accessibility Recognition Scheme. We expect to leverage on its extensive customer network to more effectively promote the adoption of accessibility design on websites and mobile apps by enterprises and organisations. OGCIO will also continue to organise briefing sessions for different sectors of the community (including tertiary students and SME practitioners), and publish more guidelines (including practical guidelines for accessible mobile apps) on the thematic portal (<http://www.webforall.gov.hk>) for free download.

ICT Outreach Programme for the Elderly

24. Since 2014, OGCIO has implemented two rounds of ICT Outreach Programme for the Elderly. Through various activities including computer training courses, competitions and sharing sessions, the programme helped institutionalised elders, "hidden" elders, and those receiving day-care services and home-care services to experience the use of information and communications technology ("ICT") to broaden their social circles and improve their quality of life. One of the funded organisations arranged music therapy activity for elders in residential care homes whereby elders were taught to play music with mobile app which helped them express their

emotions through music, arouse their interest in ICT and enhance their ability to communicate with others. A summary of the results of the programme is at [Annex D](#).

25. OGCIO will launch the third round of the programme in the second half of 2017 with an implementation period of 12 months.

Internet Learning Support Programme

26. OGCIO launched a five-year Internet Learning Support Programme (“ILSP”) in 2011 to help eligible families acquire affordable home broadband services and computer equipment, and to provide students and parents with free technical advice and computer checking services, as well as training and social support. Last year, we obtained support from the Finance Committee of the Legislative Council to extend the ILSP for two years up to the 2017/18 school year, so as to continue to help students from low-income families undertake web-based learning at home. As at March 2017, some 360 000 times of services have been delivered to about 58 000 eligible families. A summary of the services provided and the latest position is set out at [Annex E](#).

27. After the completion of the ILSP, we will look into the way forward together with the two implementation organisations, and review the demand of students from low-income families, service utilisation of the programme and support to students in undertaking web-based learning provided by schools and different organisations, as a basis for considering suitable measures to continue to support students from low-income families on their web-based learning needs.

Advice Sought

28. Members are invited to note the content of this paper.

**Innovation and Technology Bureau
Office of the Government Chief Information Officer
June 2017**

Assessment Panel of the Innovation and Technology Fund for Better Living

Chairman

Permanent Secretary for Innovation and Technology

Members

Ir Prof CHAN Ling Ming, Andros

Dr LAW Sui Chun, Teresa

Ms LAW Suk Kwan, Lilian, JP

Dr LEE Ching Yee, Jane, JP

Prof LEE Tak Chi

Ms LEUNG, Nisa Bernice Wing Yu, JP

Prof LO Yuk Ming, Dennis, SBS

Prof LOO Pui Ying, Becky

Mr MA Siu Leung, BBS, MH

Ir NG Kwok Ho, Victor

Prof WONG Kam Fai, MH

Mr WONG Kwong Yeung, Simon

Ex-officio Members

Commissioner for Innovation and Technology (or representative)

Government Chief Information Officer (or representative)

Secretary

Chief Executive Officer (Fund for Better living)



INNOVATION AND TECHNOLOGY
FUND FOR BETTER LIVING
創科生活基金



Objective

- Fund innovation and technology projects which will make people's daily living more convenient, comfortable and safer, or projects that address the needs of specific community groups



創新及科技局
Innovation and Technology Bureau



Eligible Applicants

- Subvented non-governmental organisations (NGOs)
- Public bodies
- Professional bodies
- Trade associations



Project Requirements

- Able to benefit the public at large or specific groups, and in line with government policies
- Involve the innovative application of technologies
- Not profit-making during the funding period
- Roll out within 12 months
- Run for at least 2 consecutive years after roll-out (except for project which is one-off in nature)
- Project deliverables can be in the form of mobile apps, products, tools, services, software, etc.
- Primarily developed within Hong Kong



Assessment Criteria

- Benefits brought to the public or specific community groups
- Innovation and technology content
- Feasibility and sustainability
- Financial considerations
- Applicant's technical and management capability



Amount of Grant

- Maximum grant for each approved project will be 90% of the total project cost or \$5 million, whichever is the less
- Applicants have to bear no less than 10% of the total project cost by self-financing or other funding sources



Application Method

- Application Form and Application Guide are available at <http://www.itb.gov.hk/en/fbl/>
- Applications can be submitted through the Innovation and Technology Fund for Better Living Administrative System or by post / in person to the Secretariat



Application Period

Throughout the year



Enquiry

FBL Secretariat
Innovation and Technology Bureau
26/F, Central Government Offices,
2 Tim Mei Avenue, Tamar, Hong Kong

Tel : 3655 4826 **Fax :** 2530 2018
Email : fblenq@itb.gov.hk

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Digital Inclusion Mobile Apps

Beneficiary Groups	Mobile Apps / Non-profit Social Service Organisation Partner	Functions
Elderly	AngeLINK* Hong Kong Young Women's Christian Association	Assist elderly persons to produce life memorable booklets
	eElderly Activity Search Hong Kong Society for the Aged	A platform for the elderly to search activities in over 190 local elderly centres
	One Click to Know Dementia Jockey Club Centre for Positive Ageing	Provide dementia patients with cognitive training and practical tools to seek emergency assistance when they get lost
Persons with disabilities	Barrier-Free Travel Guide Hong Kong Federation of Handicapped Youth	A barrier-free travel guide for persons with physical disabilities, detailing the accessibility facilities in tourist spots of Hong Kong
	Searching & Exploring with Speech Augmented Map Information (SESAMI) Hong Kong Blind Union	Provide speech augmented map information and indoor venue facility information to visually impaired persons
	SignChat Hong Kong Association of the Deaf	Maintain a library of sign languages to enable persons with hearing impairment to communicate in sign language when using instant messaging applications
	Silence Sign Language Interpretation App* Silence Limited	Provide instant sign language interpretation service for persons with hearing impairment through video communication
	Tap My Dish* Hong Kong Blind Union	Provide speech augmented food menu information for persons with visual impairment

Annex C

Beneficiary Groups	Mobile Apps / Non-profit Social Service Organisation Partner	Functions
Children with disabilities or special educational needs	Articulation Screening and Training Tool Hong Kong Society for the Deaf	Assess and train phonological abilities of persons with hearing impairment
	Auditory and Speech Training App Hong Kong Society for the Deaf	Cantonese speech recognition training kits for children with hearing impairment
	Early Literacy* SAHK	Provide training on reading and writing skills for children with learning difficulties
	“Learn smart” teaching material publishing platform Hong Kong Lutheran Social Service	Training kits and a publishing platform of teaching materials for students with cognitive impairment
	HOPE Chinese Character Game Hong Kong Young Women’s Christian Association	Assist children with dyslexia in learning the structure of Chinese characters by decoding method
	MathAid Ebenezer School and Home for the Visually Impaired	A teaching tool that reinforces the learning of core mathematical skills for students with visual impairment
	Smart and Fit DS Kids* Hong Kong Down Syndrome Association	Provide training on muscular and co-ordination abilities for children with Down Syndrome
	Stories for Social Skills Made Easy SAHK	Educational kits on social learning for children with autism

Annex C

Beneficiary Groups	Mobile Apps / Non-profit Social Service Organisation Partner	Functions
Ethnic minorities	HK Easy Yang Memorial Methodist Social Service	Chinese learning platform for ethnic minorities to learn vocabularies and Cantonese pronunciation

*Released in February 2017

**Results of the Second Round of
the ICT Outreach Programme for the Elderly**

	Number of Elderly Units Visited
(a) Residential care homes	41
(b) Day care centres	22
Total:	63
	Number of Elderly Engaged
(a) Institutionalised elderly	1 042
(b) “Hidden” elderly	173
(c) Elderly receiving day care services	685
(d) Elderly receiving home care services	171
Total:	2 071

Internet Learning Support Programme

Service Item	Result as at March 2017
1. Number of eligible families served	58 508
2. Total number of services rendered	366 453
(a) Number of training services provided for eligible parents and students	118 770
(b) Number of social support services rendered	97 135
(c) Number of technical support services rendered	119 484
(d) Number of computer equipment sale services	12 115
(e) Number of Internet package sale services	18 949