立法會 Legislative Council

LC Paper No. CB(4)575/17-18 (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 November 2017, at 2:30 pm in Conference Room 3 of the Legislative Council Complex

Members present: Hon Charles Peter MOK, JP (Chairman)

Dr Hon Elizabeth QUAT, BBS, JP (Deputy Chairman)

Hon James TO Kun-sun

Hon WONG Ting-kwong, GBS, JP Hon Starry LEE Wai-king, SBS, JP Hon CHAN Kin-por, GBS, JP

Hon Mrs Regina IP LAU Suk-yee, GBS, JP

Hon Paul TSE Wai-chun, JP

Hon Michael TIEN Puk-sun, BBS, JP

Hon YIU Si-wing, BBS

Hon MA Fung-kwok, SBS, JP

Hon CHAN Chi-chuen

Hon Martin LIAO Cheung-kong, SBS, JP Ir Dr Hon LO Wai-kwok, SBS, MH, JP

Hon CHUNG Kwok-pan Hon Alvin YEUNG Hon CHU Hoi-dick Hon YUNG Hoi-yan Hon CHAN Chun-ying Hon HUI Chi-fung

Members absent : Hon Claudia MO

Hon CHAN Han-pan, JP

Hon Christopher CHEUNG Wah-fung, SBS, JP

Dr Hon Junius HO Kwan-yiu, JP

Public officers attending

: Agenda item IV

Commerce and Economic Development Bureau

Ms Julina CHAN, JP

Deputy Secretary for Commerce and Economic Development (Communications and Creative Industries)

Mr Victor TSANG Head of Create Hong Kong

Mr Wellington FUNG Assistant Head of Create Hong Kong (2)

Agenda item V

Innovation and Technology Bureau

Dr David CHUNG Wai-keung, JP Under Secretary for Innovation and Technology

Ir Allen YEUNG, JP Government Chief Information Officer

Mr Victor LAM Wai-kiu, JP Deputy Government Chief Information Officer (Infrastructure and Operations)

Mr Ricky CHONG Kwok-man Principal Assistant Secretary for Innovation and Technology

Miss Donna CHAN Fung-kwan Assistant Government Chief Information Officer (Governance and Resources)

Agenda item VI

Innovation and Technology Bureau

Mr Nicholas W YANG, GBS, JP Secretary for Innovation and Technology Mr CHEUK Wing-hing, JP Permanent Secretary for Innovation and Technology

Mrs Millie NG KIANG Mei-nei, JP Deputy Secretary for Innovation and Technology

Office of the Government Chief Information Officer

Ir Allen YEUNG, JP Government Chief Information Officer

Mr Davey CHUNG Pui-hong, JP Deputy Government Chief Information Officer (Policy and Industry Development)

Mr Victor LAM Wai-kiu, JP Deputy Government Chief Information Officer (Infrastructure and Operations)

Efficiency Unit

Mr Kim Anthony SALKELD, JP Head, Efficiency Unit

Development Bureau

Mr Ivan CHUNG Man-kit Principal Assistant Secretary (Planning & Lands)5

Civil Engineering and Development Department

Mr Ambrose CHEONG Siu-yau, JP Project Manager (NTW)

Mr LAU Wing-kam Chief Engineer/NTW1(NTW)

Clerk in attendance: Mr Daniel SIN

Chief Council Secretary (4)3

Staff in attendance

: Mr Ambrose LEUNG

Senior Council Secretary (4)3

Ms Peggy CHUNG Council Secretary (4)3

Ms Cynthia TAM

Legislative Assistant (4)3

<u>Action</u>

I. Confirmation of minutes of meeting

(LC Paper No. CB(4)116/17-18

-- Minutes of meeting held on 12 October 2017)

The minutes of the meeting held on 12 October 2017 were confirmed.

II. Information paper(s) issued since the last meeting

(LC Paper No. CB(4)49/17-18(01)

-- Hon Tommy CHEUNG Yuyan's letter dated 16
October 2017 on withdrawal of membership

(Chinese version only)

LC Paper No. CB(4)63/17-18(01)

-- Dr Hon CHIANG Laiwan's letter dated 18

October 2017 on withdrawal of membership

(Chinese version only)

LC Paper No. CB(4)90/17-18(01)

-- Hon Jimmy NG Wing-ka's

letter dated 24 October 2017 on withdrawal of membership (Chinese

version only)

LC Paper No. CB(4)90/17-18(02) -- Hon K

- Hon Kenneth LAU Ipkeung's letter dated 24 October 2017 on withdrawal of membership

(Chinese version only)

Action - 5 -

LC Paper No. CB(4)97/17-18(01) Hon Steven HO Chun-yin's dated 24 October letter 2017 on withdrawal of membership (Chinese version only) LC Paper No. CB(4)97/17-18(02) Hon LEUNG Che-cheung's letter dated 24 October on withdrawal of 2017 membership (Chinese version only) LC Paper No. CB(4)97/17-18(03) Hon **POON** Siu-ping's dated 24 October letter 2017 on withdrawal of membership (Chinese version only) Hon Holden CHOW Ho-LC Paper No. CB(4)97/17-18(04) ding's letter dated 24 October 2017 withdrawal of membership (Chinese version only) LC Paper No. CB(4)108/17-18(01) Hon Wilson OR Chongshing's letter dated 24 October 2017 on withdrawal of membership (Chinese version only) LC Paper No. CB(4)174/17-18(01) Hon Jeffrey LAM Kinfung's letter dated 6 November 2017 on withdrawal of membership (Chinese version only))

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

Action - 6 -

III. Date of next meeting and items for discussion

(LC Paper No. CB(4)187/17-18(01) -- List of outstanding items for discussion)

Regular meeting on 11 December 2017

- 3. <u>Members</u> noted that the next regular Panel meeting would be held on Monday, 11 December 2017 at 2:30 pm to discuss the following items:
 - (a) Role of Cyberport in Nurturing the Information and Communications Technology Ecosystem in Hong Kong; and
 - (b) An update on the implementation of Digital Terrestrial Television Broadcasting.

IV. Film Development Fund Review

(LC Paper No. CB(4)187/17-18(02) -- Administration's paper on Film Development Fund Review

LC Paper No. CB(4) 187/17-18(03) -- Paper on Film
Development Fund Review
prepared by the Legislative
Council Secretariat
(Updated background
brief))

Presentation by the Administration

4. At the invitation of the Chairman, <u>Deputy Secretary for Commerce and Economic Development (Communications and Creative Industries)</u> ("DS(CCI)") briefed members on the Film Development Fund ("FDF") Review. Details of the briefing were set out in the paper provided by the Administration (LC Paper No. CB(4)187/17-18(02)).

Action - 7 -

Discussion

Eligibility for support under the Film Development Fund

- 5. Mr Alvin YEUNG commented that the application thresholds for subsidies or financing film productions under FDF were quite high. The "First Feature Film Initiative" ("FFFI") was introduced to support new directors but funding was provided on competition basis. There were other funding sources offered by the private sector to support local film projects, but eligible productions would have to conform to certain prescribed themes. Mr YEUNG asked if the Administration would consider to provide financial support for small-scale and low-budget microfilms, which might be released solely online, and made by relatively inexperienced directors and producers.
- 6. <u>DS(CCI)</u> replied that the criteria for subsidies or financing under FDF were not, in fact, stringent. Film financing under FDF was available for eligible small-to-medium budget film projects with a production budget of not more than \$25 million each, whereas subsidies could be offered for film projects with a production budget of not more than \$13 million each. <u>DS(CCI)</u> supplemented that FDF had been set up to support films intended for commercial theatrical release in Hong Kong; microfilms might not fit into this policy framework and funding scope.
- 7. The Chairman added that some film productions were only released on the Internet instead of being screened in cinemas. He suggested that the consultant should be invited to examine whether theatrical exhibition should remain as the key consideration. Mr CHAN Chi-chuen and Mr CHAN Chun-ying expressed similar views. DS(CCI) said that the consultant, who was commissioned to conduct a review of the operation of FDF and the effectiveness of its various funding schemes, would also study and identify the latest market development trend. After incorporating the views of the industry and the Hong Kong Film Development Council ("FDC"), the Administration would consider if there was a case for expanding the scope of FDF to cover microfilms and/or other productions which were distributed in other platforms.
- 8. Mr CHAN Chi-chuen commented that the Administration should provide information about the titles, amount of financing and subsidies received, as well as the box office receipts of films supported by FDF. DS(CCI) said that as per the established practice, the requested details would be provided in the Administration's regular report to the Panel on the work of Create Hong Kong ("CreateHK"), or in the context of the Administration's response to Members' questions on the Estimates during special meetings of the Finance Committee in scrutinizing the Budget. The Chairman suggested that the Administration

Action - 8 -

should provide the relevant information for Panel members' reference when available.

(*Post-meeting notes*: The Administration's supplementary information was circulated to members vide LC Paper No. CB(4)383/17-18(01) on 18 December 2017.)

- 9. <u>Mr CHAN Chi-chuen</u> noted that, to be eligible for application under FDF, a film project must be a feature drama or animation film intended for commercial theatrical release in Hong Kong. He asked what the minimum requirement was to satisfy this criterion. <u>Assistant Head of CreateHK (2)</u> informed the Panel that a film project would meet the criterion of "commercial theatrical release" if it was screened in cinemas for at least five sessions in a week.
- Mr Alvin YEUNG noted that the relative share of resources from FDF 10. films to participate in supporting local international on competitions/festivals was small. He enquired about the Administration's strategy in redressing the imbalance. Mr YEUNG also noted that FDC had instituted a rigorous process in selecting local film projects for support to participate in international film competitions/festivals. However, many of these films turned out to suffer low box office receipt. Mr YEUNG asked whether the consultant would review the selection mechanism and whether Administration had initial views on how the mechanism should be adjusted.
- 11. Assistant Head of CreateHK (2) advised that local films participating in international film competitions/festivals were funded under FDF according to the tier of the particular film festivals which the Hong Kong participants were invited to attend. Under this funding scheme, international film festivals were grouped into three tiers, each was subject to a different reimbursement ceiling. These international film festivals were categorized according to their significance, in terms of public recognition of their previous activities. Candidates for prominent festivals would be granted a higher reimbursement, because the costs involved in such events were usually higher. As for consideration of funding film production projects, potential box office receipt was not the major consideration. When FDF's vetting committee assessed and selected the film projects, members would look into whether there were creative elements, whether the production budgets were reasonable, their market value and the presence of local elements in the films.

Nurturing film talents

- 12. Mr CHAN Chun-ying commented that more resources should be allocated on film production, including talent nurturing, rather than on marketing and promotion. He enquired on the amount of funding earmarked for talent nurturing under the Film Professional Training Programme ("FPTP") and the Young Film Professionals Overseas Training Program ("YFPOTP"). Mr YIU Si-wing said that it was not unusual for films produced in the Mainland or the US to have a large budget on promotion and distribution efforts. He agreed that the consultant should be invited to consider, given the current resources available, whether FDF was effective in helping local film producers.
- 13. <u>DS(CCI)</u> responded that about \$8.2 million would be allocated for FPTP and around \$4 million for YFPOTP. FPTP would offer 200 places of professional training for frontline workers of the film industry. Six successful applicants from YFPOTP have been offered overseas training opportunities in advanced film industries to develop their skills. The total amount approved for the above programmes would be around \$12 million. <u>Mr CHAN Chun-ying</u> commented that more resources of FDF were being spent on supporting marketing and promotion efforts, he suggested that the Administration should review whether a larger share of the resources should be devoted to supporting film production instead.
- 14. Mr CHAN Chun-ying suggested that the Administration should arrange the funded film projects to be released through the television channels of Radio Television Hong Kong after they had been screened in local cinemas, in order to increase their exposure among local audience. Assistant Head of CreateHK (2) responded that how a local production should be screened was a matter for the corresponding distributors or directors to decide. The Administration would not interfere with the films' distribution.

Expanding new markets

15. Mr YIU Si-wing considered that promoting Hong Kong's films and productions to the countries along the Belt and Road route might be difficult to succeed. However, there were opportunities for collaboration with Mainland film producers in the Guangdong-Hong Kong-Macao Bay Area ("Bay Area") in producing or distributing films. Mr YIU asked whether the consultant would explore opportunities in the Bay Area market and the timetable for the review and subsequent implementation plan. He added that the consultant should also study the aspects on vetting and approval of films co-produced by Hong Kong and the Mainland, and the feasibility to simplify the application procedures.

<u>Action</u> - 10 -

- 16. <u>DS(CCI)</u> advised that CreateHK had organized visits in 2017 with the film production sector to Iran and Malaysia, being countries along the Belt and Road route, to promote Hong Kong's post-production and special effects services. The visits received positive feedback which suggested that there might be opportunities for Hong Kong's film production industry in the countries along the Belt and Road route. In addition, the Administration had set up platforms for regular dialogue and cooperation on films and television productions with stakeholders in Guangdong and Macao. The consultant was tasked to further identify new opportunities for the local film industry in the Bay Area and the Belt and Road countries.
- 17. Mr CHAN Chi-chuen enquired more information about the visits conducted in Iran and Malaysia in 2017 and the approach of the Administration to explore other countries along the Belt and Road route. Assistant Head of CreateHK (2) responded that distributing local films to other countries might be difficult at times due to cultural barriers. Instead, the Administration aimed at exporting techniques, especially in action, stunt and visual effects, to countries like Iran and Malaysia. Indeed, a stunt demonstration had been made to and well-received by overseas visitors who attended the 2017 FILMART, an annual event held in Hong Kong for promoting the local film industry. CreateHK considered that the next target country for promoting the stunt/special effect techniques would likely be India.
- 18. Mrs Regina IP commented that exporting post-production services and talents to other markets would not contribute meaningfully to Hong Kong's film development. She said that the Administration should identify new opportunities for collaboration with other markets, and help the sector to explore new themes for film productions and develop new services. Mrs IP asked how the Administration would secure Cantonese-speaking markets in the Bay Area and Guangxi province. Assistant Head of CreateHK (2) advised that a Memorandum of Understanding had been signed between Hong Kong and Guangdong Province to strengthen mutual cooperation in co-production and financing of film productions. There was a close relationship and cooperation across the Pearl River Delta region, where Hong Kong had the talents, Guangdong provided the market and Macao had the platform for financing productions.
- 19. <u>Mr MA Fung-kwok</u> declared that he was Chairman of FDC. He commented that FDF had played a different role at different times throughout the film development in Hong Kong, from providing funding to maintain minimum film productions to sustain the industry, to focusing on nurturing talents in recent years. Looking into the future, <u>Mr MA</u> held the view that the local film industry should remain externally-oriented and should direct towards

Action - 11 -

> producing films with local characteristics to reach out to Chinese markets in the Mainland and Southeast Asia while opening up new markets in the countries along the Belt and Road route. Mr MA said that local film production talents should be equipped to adapt to different production environments in different markets. He added that the consultant should address these issues in the review.

Computerization Projects under New Administrative Computer V. **Systems**

(LC Paper No. CB(4)187/17-18(04) -- Administration's

paper on Computerization **Projects** under New Administrative

Computer Systems

LC Paper No. CB(4)187/17-18(05)

-- Paper on Capital Works Reserve Fund Head 710 Computerization Subhead A007GX (Block Allocation) New Administrative Computer Systems prepared by the Legislative Council Secretariat (Updated background brief))

Presentation by the Administration

20. At the invitation of the Chairman, Under Secretary for Innovation and Technology ("US for IT") briefed members on the 2018-2019 funding requirement for the implementation of computerization projects under the Capital Works Reserve Fund ("CWRF") Head 710 Computerization Subhead A007GX ("Block Allocation") - New Administrative Computer Systems. US for IT sought members' support for the proposed Block Allocation of about \$1,060 million, which was about \$70 million (about 7.1%) higher than the provision of \$990 million for 2017-2018. Details of the funding requirement, breakdown of the expenditure items and new projects to be funded by the Block Allocation were set out in the Administration's paper (LC Paper No. CB(4)187/17-18(04)).

<u>Action</u> - 12 -

Discussion

Public sector information, big data and artificial intelligence

- 21. Mr Alvin YEUNG enquired whether the Administration would step up its work on opening up public sector information ("PSI") with the proposed Block Allocation. He commented that the Administration should disseminate datasets of PSI in suitable formats so as to facilitate wider use. Government Chief Information Officer ("GCIO") said that the Office of the Government Chief Information Officer ("OGCIO") had established a project team to facilitate various Bureaux/Departments ("B/Ds") to release government data. Deputy Government Chief Information Officer (Infrastructure and Operations) ("DGCIO") said that through the "data.gov.hk" portal, datasets were released in machine-readable format, such as JSON for public access. The portal also provided various Application Programming Interfaces to facilitate data searching and filtering.
- 22. <u>Ir Dr LO Wai-kwok</u> expressed support for the Block Allocation in principle. <u>Ir Dr LO</u> expressed concerns about the policy direction of opening up PSI and big data. He said that the information available in the Territorial Population and Employment Data Matrix ("TPEDM"), which served as a basis for Hong Kong's long-term and strategic planning, was restricted only to the Government and unauthorized access and used by government contractors would be subject to penalty. The information was equally useful in planning and design of private development projects. Although the Administration had conceded to open up the information, data were aggregated into 26 larger districts when they were released in March 2017. <u>Ir Dr LO</u> said that the available data were not sufficient for planning and engineering use and he requested the Administration to open up more datasets of TPEDM. <u>US for IT</u> said that he would reflect Ir Dr LO's views to the relevant B/D for consideration.
- 23. <u>US for IT</u> said that as open data and data analytics were key initiatives for smart city development, the Administration would brief members in this regard at the Panel meeting scheduled for January 2018. <u>DGCIO</u> said that the aggregated TPEDM data were already available on the "data.gov.hk" portal for public access. To take forward the work on open data and data analytics, the Administration would submit a proposal for creating a permanent post of Chief Systems Manager in OGCIO to the Establishment Subcommittee and Finance Committee for consideration.
- 24. Referring to paragraph 7(b)(iii) of the Administration's paper (LC Paper No. CB(4)187/17-18(04)), Mr CHAN Chun-ying noticed that the Efficiency Unit ("EU") would implement Chatbot service with application of artificial

<u>Action</u> - 13 -

intelligence ("AI"). He pointed out that at present, AI was widely applied and at rapid pace in various areas, such as transport, health care and mechanical manufacturing. Mr CHAN commented that Hong Kong lagged behind the Mainland and many developed countries in the development and use of AI. Mr CHAN enquired about the Administration's strategies and investment to expedite the development of AI technologies in Hong Kong.

25. <u>US for IT</u> said that to dovetail the global trend, the Administration was mindful of the need to press ahead with the development of AI technologies in Hong Kong. <u>DGCIO</u> illustrated the development by quoting the example on big data application where the Transport Department collaborated with the Hong Kong Observatory to apply big data analytics to examine how weather would affect traffic situation. As announced in the Policy Address, the Administration would build a big data analytics platform to facilitate B/Ds to adopt new information technology ("IT"). Citing EU's Chatbot service as an example, <u>DGCIO</u> explained that the use of big data analytics and AI technology were closely interrelated. Some ten projects of various B/Ds with elements of big data analytics or AI technology would be initiated.

Information security

- 26. Referring to a hacking incident of a local travel agency, Mr YIU Si-wing expressed concern about the information security measures of the Government to cope with increasing number and complexity of cyber security threats. He also enquired about the cooperation between OGCIO, the Security Bureau and the Cyber Security and Technology Crime Bureau of the Hong Kong Police Force ("the Police") to better support the business sector, especially the small and medium enterprises, in strengthening their cyber resilience.
- 27. <u>DGCIO</u> stressed that the Administration attached great importance to cyber security. He said that more than 40 new projects, accounting for around 17% of the funding requirement of the proposed Block Allocation, were related to IT security. OGCIO, the Police and the Hong Kong Computer Emergency Response Team Coordination Centre ("HKCERT") had established a tripartite collaboration mechanism to provide different sectors with support in relation to cyber security. The Administration had maintained constant dialogue with different stakeholders, such as schools, universities and IT security companies, to enhance public awareness of cyber security and share intelligence on cyber attacks. As regards the said hacker intrusion incident, OGCIO and HKCERT had provided information to facilitate the public to take appropriate protective and preventive measures in a timely manner.

E-Government services

- 28. The Deputy Chairman supported the funding proposal for the Block Allocation. To better track the progress of e-Government services, she commented that the Administration should illustrate clearly the enhancement measures of existing projects as well as those new initiatives and services to be launched by B/Ds. GCIO took note of the Deputy Chairman's view.
- 29. As regards the government forms that had been digitized, the Deputy Chairman noticed that there were common fields (such as name and address) in these forms. Consideration should be given to creating a common database that collected and sharing them by relevant B/Ds. This would save time and efforts of members of public when submitting different forms online. The Deputy Chairman also urged the Administration to formulate target and timeline to complete the digitizing process of online submission of government forms.
- 30. <u>DGCIO</u> said that around 90% of government forms had been digitized at present. It was the Administration's target that about 99% of government forms be digitized in 2018-2019. For collecting and sharing personal information among B/Ds, <u>DGCIO</u> explained that the Administration had to abide by the Personal Data (Privacy) Ordinance (Cap. 486). To allow the personal information to be shared across B/Ds, consent would have to be sought afresh from the data subject. <u>The Chairman</u> and <u>Deputy Chairman</u> said that the Administration could allow users to give authorization for the information to be shared among B/Ds, and they asked the Administration to provide more convenient e-Government services to the public while ensuring adequate protection of personal information.
- 31. <u>GCIO</u> reiterated that OGCIO would continue to work with relevant B/Ds to digitize the remaining government forms which were amenable to electronic submission. With the launch of electronic identity ("eID") service, it would enhance efficiency and improve the experience of members of the public in using e-Government services. <u>The Chairman</u> reminded members that the Administration would discuss the development of eID and e-Government services with the Panel later.

Procurement policy and funding approval

32. Noting that the Chief Executive had announced in her recent Policy Address that the Administration would explore the inclusion of innovation and technology as one of the criteria in assessing a tender bid for government procurement contract, <u>Mr Alvin YEUNG</u> enquired whether the arrangement

<u>Action</u> - 15 -

would apply to projects funded under the Block Allocation. <u>The Chairman</u> also asked if there was any timetable for implementing this new procurement policy.

- 33. <u>GCIO</u> advised that when formulating tender specifications and preparing procurement arrangements for new projects to be initiated in future, the Administration would explore incorporating innovation and technology as an additional criterion. <u>DGCIO</u> added that apart from IT-related projects, if applicable, the Administration would also incorporate these changes to the procurement of other products and solutions.
- 34. Noting that computerization projects costing \$10 million or above were subject to the approval of the Finance Committee ("FC") of the Legislative Council, the Deputy Chairman was of the view that the financial ceiling should be lifted to \$30 million in line with the arrangements for public works projects. She asked the Administration to review the funding approval mechanism to enhance the efficiency of project delivery. The Chairman concurred with the Deputy Chairman's views. DGCIO said that the current threshold of \$10 million for a computerization project to be submitted to FC for approval was set in the 1990s. GCIO said that the Administration would take into account members' views when reviewing the threshold.
- 35. <u>The Chairman</u> enquired about the difference in projects charged to CWRF and TechConnect respectively. <u>US for IT</u> clarified that projects funded by CWRF were mostly for administrative computer systems, while items funded by TechConnect were related to innovation and technology in general and not confined to IT.

Conclusion

36. <u>The Chairman</u> concluded that the Panel supported in principle the proposed Block Allocation for endorsement by the Public Works Subcommittee.

VI. Re-organization of the Innovation and Technology Bureau and Creation of New Directorate Posts

(LC Paper No. CB(4)187/17-18(06)

- Administration's paper on re-organization of the Innovation and Technology Bureau and Creation of New Directorate Posts) <u>Action</u> - 16 -

Presentation by the Administration

37. At the invitation of the Chairman, <u>Secretary for Innovation and Technology</u> ("S for IT") briefed members on the re-organization of the Innovation and Technology Bureau and Creation of New Directorate Posts. Details of the briefing were set out in the paper provided by the Administration (LC Paper No. CB(4)187/17-18(06)).

Discussion

Scope of work of the Innovation and Technology Bureau

- 38. The Deputy Chairman queried if the proposed increase in establishment in Innovation and Technology Bureau ("ITB") was sufficient to deal with the anticipated increase in workload arising from the new initiatives such as the implementation of the Smart City Blueprint and the Hong Kong-Shenzhen Innovation and Technology Park ("the Park") at the Lok Ma Chau Loop ("the Loop").
- 39. Permanent Secretary for Innovation and Technology ("PS(IT)") said that the establishment of I&TB would be significantly increased if the staffing proposals were approved. The increase in the strength of Administrative Officers, both at directorate and non-directorate levels, should enable the Bureau to cope with the workload in the next few years. S for IT added that many of the additional posts were to be transferred from the Efficiency Unit ("EU") and the Business Facilitation Division ("BFD") (currently under the Economic Analysis and Business Facilitation Unit). It was expected that ITB could leverage on the expertise and experience of EU to drive technology application, foster innovation and collaboration, streamline procedures to assist bureaux and departments ("B/Ds") to improve services, effectiveness and service innovation and foster smart city development.
- 40. The Deputy Chairman queried whether the Administration would consider creating two permanent Administrative Officer, Staff Grade C ("AOSGC") posts rather than supernumerary posts for five years, as the tasks involved were likely to be on-going for the years ahead. Mr CHAN Chun-ying, Ir Dr LO Wai-kwok and Mr Yiu Si-wing expressed similar views. Furthermore, Mr CHAN Chun-ying said that there had been cases where a supernumerary post had expired and the post-holder had left the post before the permanent post was created, and, as a result, the Administration suffered a loss of continuity.

<u>Action</u> - 17 -

- 41. <u>PS(IT)</u> said that the proposed creation of two five-year supernumerary AOSGC posts rather than permanent posts was in line with the Administration's prudent management discipline. The Administration would initiate the process of regularizing a supernumerary post if considered necessary well before it expired and the chance of losing continuity as a result of the expiry of a supernumerary post should be small. <u>PS(IT)</u> agreed to consider members' suggestion of making the two AOSGC posts permanent.
- 42. <u>Ir Dr LO Wai-kwok</u> said that the policy portfolio of I&TB should be widened to cover creative industries and intellectual property protection. <u>PS(IT)</u> said that creative industries included a wide range of economic activities from film production, fashion design to logistics, etc. The promotion of creative industries was conducive to economic growth. It was considered appropriate for the policy on creative industry to be put under the purview of the Commerce and Economic Development Bureau ("CEDB").
- 43. As regards intellectual property protection, <u>PS(IT)</u> said that providing legal protection for innovation in technologies and scientific discoveries to encourage innovations and creativity was only one of the many aspects of intellectual property protection. Protecting the copyrights of film, trade-marks and product designs were also within the scope of intellectual property protection. The Administration considered it more appropriate for intellectual property rights protection to be put under the policy purview of CEDB.
- 44. <u>Mr Yiu Si-wing</u> queried whether it was an oversight of the Administration not to have incorporated EU when I&TB was formed. He also asked if there would likely be another re-organization in future. <u>PS(IT)</u> said that when the bureau was formed in 2015, its establishment was considered sufficient to handle the workload for the initial period of operation. <u>PS(IT)</u> added that there was no further plan for re-organization of the bureau in the short-term further to the current proposal.

Proposed Chief Engineer post

45. Mr CHU Hoi-dick asked whether the proposed Chief Engineer post in the Civil Engineering and Development Department would be responsible for the infrastructure and associated works that promoted "re-industrialization" in designated sites other than the Park. Mr CHU noted that in certain major infrastructure development, the Administration had established dedicated office to manage and coordinate the projects. He asked whether ITB would set up similar offices to implement key innovation and technology infrastructure projects.

- 46. <u>PS(IT)</u> said that the proposed Chief Engineer post would only be responsible for the overall project management and coordination of the infrastructure and associated works in connection with the implementation of the Park in the Loop. <u>PS(IT)</u> said that the scale of the Park project was large and its nature was complex. It would take a long time to carry out the site formation and infrastructural works from initial design phase to completion of full development. A permanent post of Chief Engineer was necessary as the workload associated with the implementation of the Park project was unlikely to be absorbed within existing departmental resources. As regards other innovation and technology projects, <u>PS(IT)</u> said that there seemed no special need to set up dedicated offices for preparing or implementing the requisite infrastructure.
- 47. <u>PS(IT)</u> said that ITB was responsible for the overall coordination in the implementation of the Park project, including staffing resources. In line with the usual practice, ITB would take the lead in seeking support from the Panel and Finance Committee on staffing proposals. However, the Development Bureau would be responsible for subsequent follow-up tasks such as carrying out public consultation on works details and seeking funding for necessary infrastructure and associated works.
- 48. In response to the further enquiry from Mr CHAN Chi-chuen, <u>PS(IT)</u> said that the proposed Chief Engineer post was part of the funding proposal to be submitted for approval by the Finance Committee. <u>Mr CHAN</u> expressed reservation on the arrangement.

Hong Kong-Shenzhen Innovation and Technology Park

- 49. Mr MA Fung-kwok asked how the private sectors could participate in the planning and development of the Park. Mr MA also asked how the Park would support the culture and creative industry sectors. S for IT said that the Park would provide space and facilities for companies of the cultural and creative industry sectors which would adopt new technologies, such as virtual reality, for their development and operations.
- 50. <u>Mrs Regina IP</u> asked whether advanced technologies such as autonomous vehicles ("AV") would be used in the Park. <u>S for IT</u> responded that AV could be a potential technology area that could be developed in the Park.

<u>Action</u> - 19 -

Smart city development

- 51. Mr MA Fung-kwok asked which B/Ds would be involved in the smart city development and whether the proposed AOSGC post would be directly responsible for liaison and coordination with the relevant B/Ds in the implementation of smart city. S for IT said that health, transport, education and environment were some of the focus areas of smart city development, and the implementation would involve multiple bureaux and departments. The Smart City Office to be set up and headed by the proposed AOSGC post would undertake the liaison, coordination and monitoring tasks involved.
- 52. Mr Yiu Si-wing asked whether data collected from smart city infrastructure or services, such as smart lampposts and electronic identity, would be shared with the commercial sector. Government Chief Information Officer ("GCIO") said that data gathered from smart lampposts were mostly city data such as passenger and traffic flow, air quality or weather information. Suitable information would be made available to the public through the government open data portal (data.gov.hk).
- Mrs Regina IP asked if the Administration would share experience with Mainland authorities under the Guangdong-Hong Kong-Macao Bay Area Development Plan on development of financial technology ("Fintech"). Sofor IT said that the Administration would maintain a dialogue with Mainland authorities on development on various fronts, including Fintech.
- 54. As regards "Smart Government", <u>Mrs Regina IP</u> suggested that the Administration should improve accountability and transparency by listing out email addresses of bureau directors in the Government-directory. <u>S for IT</u> agreed to reflect Mrs IP's views to the Administration for consideration.

Conclusion

55. <u>The Chairman</u> concluded that the Panel supported in principle the Administration's staffing proposals and agreed that they be submitted to the Establishment Subcommittee/Finance Committee for consideration/approval.

VII. Any other business

56. There being no other business, the meeting ended at 4:29 pm.

<u>Action</u> - 20 -

Council Business Division 4
<u>Legislative Council Secretariat</u>
6 February 2018