立法會
Legislative Council

Ref : CB1/PL/ITB

Panel on Information Technology and Broadcasting

**Minutes of meeting
held on Monday, 11 November 2019, at 2:30 pm
in Conference Room 3 of the Legislative Council Complex**

Members present : Hon Charles Peter MOK, JP (Chairman)
Hon CHAN Kin-por, GBS, JP
Dr Hon Priscilla LEUNG Mei-fun, SBS, JP
Hon Claudia MO
Hon YIU Si-wing, BBS
Hon MA Fung-kwok, SBS, JP
Hon Martin LIAO Cheung-kong, GBS, JP
Ir Dr Hon LO Wai-kwok, SBS, MH, JP
Hon SHIU Ka-fai, JP
Hon YUNG Hoi-yan, JP
Hon CHAN Chun-ying, JP

Members absent : Hon Elizabeth QUAT, BBS, JP (Deputy Chairman)
Hon James TO Kun-sun
Hon WONG Ting-kwong, GBS, JP
Hon Mrs Regina IP LAU Suk-yee, GBS, JP
Hon CHAN Chi-chuen
Hon CHAN Han-pan, BBS, JP
Hon CHUNG Kwok-pan
Hon Alvin YEUNG
Hon CHU Hoi-dick
Hon HUI Chi-fung

Public officers attending : <u>Agenda item IV</u>

<u>Innovation and Technology Bureau</u>

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

Ms Eva YAM Ya-ling
Principal Assistant Secretary for Innovation and Technology (3)

<u>Office of the Government Chief Information Officer</u>

Mr Victor LAM Wai-kiu, JP
Government Chief Information Officer

Mr Kingsley WONG King-man
Assistant Government Chief Information Officer (Governance & Resources)

Mr Gavin WAH Kwok-kee
Chief Systems Manager (Governance & Resources)

<u>Agenda item V</u>

<u>Commerce and Economic Development Bureau</u>

Mr Edward YAU, GBS, JP
Secretary for Commerce and Economic Development

Mr Clement LEUNG, JP
Permanent Secretary for Commerce and Economic Development (Communications and Creative Industries)

Mr Edward TO, JP
Deputy Secretary for Commerce and Economic Development (Communications and Creative Industries) (Special Review)

Mr Tony YIP
Principal Assistant Secretary for Commerce and Economic Development (Communications and Creative Industries) (Special Review)

Office of the Communications Authority

Mr Chaucer LEUNG
Director-General of Communications

Clerk in attendance **:** Mr Daniel SIN
Chief Council Secretary (1)6

Staff in attendance **:** Ms Mandy LI
Senior Council Secretary (1)6

Mr Patrick CHOI
Council Secretary (1)6

Miss Yolanda CHEUK
Legislative Assistant (1)6

Action

I.   Confirmation of minutes of meeting

(LC Paper No. CB(1)55/19-20   -- Minutes of meeting held on 17 October 2019)

The minutes of the meeting held on 17 October 2019 were confirmed.

II.   Information papers issued since the last meeting

(LC Paper No. CB(1)57/19-20(01)   -- Letter dated 24 October 2019 from Hon Alvin YEUNG on issues relating to the pilot scheme for Installation of Radio Base Stations at Selected Government Venues (Chinese version only)

LC Paper No. CB(1)107/19-20(01) -- Administration's response to the letter dated 24 October 2019 from Hon Alvin YEUNG on issues relating to the pilot scheme for Installation of Radio Base Stations at Selected Government Venues (Chinese version only))

2.   Members noted the information papers issued since the last meeting held on 17 October 2019.

3.   The Chairman referred to a letter from Hon Alvin YEUNG concerning the pilot scheme for Installation of Radio Base Stations at Selected Government Venues and how the Administration would solve the problem of the fifth generation mobile communications ("5G") restriction zone in Tai Po. He said that the Administration would update members on the subject matters at the regular meetings scheduled for April and May 2020 respectively.

III.   Date of next meeting and items for discussion

(LC Paper No. CB(1)120/19-20(01) -- List of outstanding items for discussion)

4.   The Chairman informed members that he and the Deputy Chairman had met with the Secretary for Innovation and Technology, and Secretary for Commerce and Economic Development on 29 October 2019 to discuss the work plan of the Panel for the 2019-2020 session. The Panel's list of outstanding items for discussion had been updated to reflect members' suggestions made at the Panel meeting on 17 October 2019 and the discussion with the Administration at the work plan meeting.

Regular meeting on 9 December 2019

5.   Members noted that the next regular Panel meeting would be held on Monday, 9 December 2019 at 2:30 pm to discuss the following items:

(a)   Annual work progress of Cyberport; and

(b)   Public Payphone Review and free Wi-Fi hotspots in public telephone kiosks.

IV.   Capital Works Reserve Fund Head 710 Computerization Subhead A007GX (Block Allocation) – New Administrative Computer Systems: 2020-2021 Estimates of Expenditure

(LC Paper No. CB(1)120/19-20(02)   --   Administration's paper on Capital Works Reserve Fund Head 710 Computerization Subhead A007GX (Block Allocation) – New Administrative Computer Systems: 2020-2021 Estimates of Expenditure

LC Paper No. CB(1)120/19-20(03)   --   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))

Briefing by the Administration

6.   At the invitation of the Chairman, Under Secretary for Innovation and Technology ("US for IT") briefed members on the 2020-2021 funding proposal for implementing computerization projects under the Capital Works Reserve Fund Head 710 Computerization Subhead A007GX (Block Allocation) ("the Block Allocation") – New Administrative Computer Systems. The Administration estimated that a Block Allocation of $1,300 million would be required under Subhead A007GX for 2020-2021, which was $180 million (or 16.1%) higher than the provision of $1,120 million in 2019-2020. Details of the funding proposal were set out in the paper provided by the Administration (LC Paper No. CB(1)120/19-20(02)).

7.   The Chairman reminded members that in accordance with Rule 83A and Rule 84 of the Rules of Procedure of the Legislative Council ("LegCo"), they should disclose the nature of any direct or indirect pecuniary interests relating to the subjects under discussion at the meeting before they spoke on the item.

Discussion

Funding requirement for 2020-2021

8.　　Mr CHAN Chun-ying noted from Annex A to the Administration's paper (LC Paper No. CB(1)120/19-20(02)) that the project estimates for the items of "contingency" and "others" under the Block Allocation for 2020-2021 had increased by 19.7% and 23.1% respectively. He enquired why the proposed percentage increase of the said two items was significantly higher than that of the other categories, particularly the "others" category which had the highest increase by percentage. He further sought details of the items under the "others" category.

9.　　Government Chief Information Officer ("GCIO") explained that the proposed percentage increases in the provision for "contingency" and "others" were higher than those of other categories due to the relatively small base values of provision for the two items. The estimates for "contingency" for 2020-2021 were $85 million, which represented an increase by 19.7% from the approved provision of $71 million for 2019-2020. The percentage change in the estimates for "contingency" was in fact similar to the growth of other categories. Similarly, the estimates for "others" category for 2020-2021 amounted to $64 million, representing an increase of 23.1% as compared with the allocation of $52 million in 2019-2020. This category covered various expenditure items arising from site preparation, communication network and cabling works, etc. GCIO also highlighted that, taking into consideration the increasing adoption of cloud services by government departments, the proposed allocation for the "implementation services" category had increased significantly from $388 million in 2019-2020 to $455 million in 2020-2021.

10.　　The Chairman was aware that projects costing more than $10 million were required to be submitted to the Finance Committee ("FC") for funding approval. He noted that among the projects proposed to be implemented under the Block Allocation, some 30 of them were having an estimated cost at around $9.8 million. He said that the Administration might need to clarify possible query whether project proponents had artificially budgeted the larger projects to below $10 million so as to circumvent scrutiny by FC. The Chairman was concerned that the quality of the proposed projects might suffer if they were given insufficient funds for their implementation.

11.　　GCIO said that the project estimates of all proposed projects were quite evenly distributed, with many of them costing less than $3 million. The Office of the Government Chief Information Officer ("OGCIO") would examine whether the cost estimate of each project was reasonable and realistic. To avoid cost over-run in the course of implementation, departments concerned were

required to report to OGCIO the spending position and take follow-up actions if there were discrepancies between the planned and actual spending.

New projects to be initiated in 2020-2021

12.   Ms Claudia MO referred to the incident in 2017 where two computers containing voters' information and the recent loss of about 12 000 application forms for the Caring and Sharing Scheme, under which each eligible members of the public would be granted a sum of up to $4,000. She queried whether the two incidents were left unsettled, and why the Administration did not accept electronic applications for the Caring and Sharing Scheme.

13.   Ms Claudia MO noted that the Administration was seeking approval for a Block Allocation of $1,300 million in 2020-2021 which would be required to enable the Government to make use of information technology ("IT") to improve services and operational efficiency, as well as strengthen system security. She asked the Administration to provide a breakdown of how much of the proposed Block Allocation would be spent on facial recognition technology, and the number of government departments, including the Hong Kong Police Force ("Police Force"), which were using facial recognition technology in their operations. Ms MO also asked in which of the public facilities, including smart lampposts, was facial recognition system installed.

14.   GCIO stressed that smart lampposts did not carry any facial recognition function. Among the 267 proposed new projects, no item would involve the application of facial recognition technology. GCIO added that government departments, for example, the Immigration Department, that were using facial recognition technology had to comply with the personal data protection requirements under the Personal Data (Privacy) Ordinance (Cap. 486). In response to a further enquiry from Ms Claudia MO on whether the Police Force was currently using facial recognition technology, GCIO said that he did not have such information.

15.   The Chairman asked the Administration to provide information regarding the projects such as upgrade of e-leave system and development of Non-Civil Service Contract Staff Leave Recording and Calculation System, which involved the use of personal information and where the Administration would conduct privacy impact assessments. For the projects implemented/to be implemented under the Block Allocation in 2019-2020 and 2020-2021, the Chairman asked the Administration to specify the types of technologies that would be adopted, such as blockchain, artificial intelligence ("AI"), facial recognition technology, big data analytics, robotic technology, etc. The Chairman requested that such supplementary information should be made available for Members' reference before the relevant proposals were submitted

to the Public Works Subcommittee for consideration.

> (*Post-meeting note*: The Administration's response was circulated to members vide LC Paper No. CB(1)220/19-20(01) on 4 December 2019.)

16.   GCIO said that OGCIO had uploaded quarterly progress reports on the approved IT projects to its website for public access. While it might be possible for the Administration to indicate at the current stage whether technologies such as big data analytics and robotics would likely be adopted in individual projects, the specific type of technology to be adopted in a project would only be confirmed at its implementation stage. GCIO undertook to provide the information requested as far as possible, and he suggested that further details would be provided when the Administration briefed the Panel on the progress of e-Government later in this session. GCIO also agreed to provide supplementary information on the projects for which privacy impact assessments would be conducted, for reference by Members.

Development of electronic payment systems

17.   Mr CHAN Chun-ying noted that some government departments had adopted the Faster Payment System ("FPS") and common QR codes launched by the Hong Kong Monetary Authority to facilitate convenient payments of tax, rates, government rents, and water charges. He welcomed the Administration's initiative to extend this service to other government departments progressively, including the Transport Department ("TD"), the Leisure and Cultural Services Department and the Customs and Excise Department. Mr CHAN asked about the number of government services which had not yet adopted FPS, and the timetable for full adoption of FPS in government services.

18.   GCIO advised that, depending on the public acceptance of FPS and its usage in government fees payments, the Administration might extend FPS to other government services. While the Administration did not have a definite timetable on the full adoption of FPS in government services, shroff counters of three government departments would accept FPS payments starting from the first half of 2020.

19.   Noting that TD would enhance the Vehicles and Drivers Licensing Integrated Data V System to support FPS, Mr MA Fung-kwok enquired whether other government departments would likewise adopt FPS in their services. He also queried why the Administration should wait until the feedback had been received from the community before extending FPS to other government departments. Mr MA urged other government departments to adopt FPS as early as possible so as to provide the public with greater convenience in paying government bills.

20.   GCIO replied that the Administration had already provided various online payment options to facilitate payment of government bills and fees by the public with credit cards, PPS, e-cheque and e-wallet, including Apple Pay and Google Pay. It might not be practical for e-Government services to accept all available electronic payment methods, as that would involve substantial additional resources for making necessary changes to the existing systems. Besides, it might not be cost-effective to introduce new payment services if a variety of electronic payment means were already available and widely adopted by the public. GCIO added that FPS would provide convenience to the public for payment of tax, rates, government rents and water charges as the public could pay these bills by simply scanning the barcodes on the bills and make payments using FPS. Subject to the feedback received, the Administration would consider expediting the implementation of FPS in more public services.

e-Government

21.   Mr CHAN Chun-ying noted that since the Smart City Blueprint for Hong Kong had been published in December 2017, the Administration provided funding to support about 70 technology projects proposed by 28 departments through the TechConnect to promote the use of technology to enhance operational efficiency and improving public services. He recalled that the Financial Services and the Treasury Bureau had explored possible modifications to its current system to facilitate the granting of rates concession. Mr CHAN asked whether the Administration had any plans to implement the system enhancement works and what the progress was regarding computer support systems for connecting different user departments.

22.   GCIO replied that the Administration had attached due importance to driving the development of cross-departmental services and building digital infrastructure and facilities. For example, OGCIO was establishing the Next Generation Government Cloud Infrastructure ("Next Generation GovCloud") to enable bureaux/departments ("B/Ds") to share resources and enhance operational efficiency. OGCIO was also promoting the adoption of "iAM Smart" among B/Ds to enable the public to log in and use various e-Government services through a single authentication means.

23.   Ms YUNG Hoi-yan noticed that the Administration would implement 25 projects costing a total of around $40 million under the Block Allocation for developing e-leave systems in various government departments. She queried whether a centralized, cloud-based e-leave system should instead be developed to improve efficiency among B/Ds in handling leave applications.

24.   <u>Assistant Government Chief Information Officer (Governance & Resources)</u> advised that the Civil Service Bureau had developed a core system for processing of leave applications. As individual government departments might have adopted different working patterns and leave deduction arrangements, user requirements for e-leave systems might differ slightly from department to department. Departments concerned might need to customize the core e-leave application according to their own policies and practices. Nevertheless, departments could put their e-leave systems on the Next Generation GovCloud platform for centralized management.

25.   <u>Mr YIU Si-wing</u> asked whether the Administration would provide advice and support to government departments to adopt latest technologies, and to equip civil servants, especially the technical personnel, with the necessary technical skills.

26.   <u>GCIO</u> advised that OGCIO conducted regular seminars and workshops to update B/Ds, particularly IT staff, on the latest technologies, including AI, blockchain technology, cloud computing and big data analytics. OGCIO also disseminated information through intranet on software upgrade and various software compatibility issues.

27.   <u>GCIO</u> added that about 1 600 IT systems and 8 500 software products were in use within the Government. About half of the software products would reach end-of-support in the next three years and the departments concerned had already devised concrete plans to replace more than 90% of these software products. OGCIO would assist individual departments in replacing the outdated software in a timely manner.

Enhancing public services

28.   <u>Ms YUNG Hoi-yan</u> noted that the Efficiency Office intended to implement three projects, namely, "Replacement of IT Infrastructure and System in 1823", "Upgrade of Mission Critical Systems in 1823" and "Expansion of 1823 Chatbot and Extension to Tell me@1823 Mobile App" in 2020-2021. <u>Ms YUNG</u> asked whether the Administration would enhance the capability of the 1823 service in handling emergency situations.

29.   <u>GCIO</u> responded that as one of the means to help the public deal with emergency situation, the 1823 call centre would refer any emergency cases to individual B/Ds for follow-up as necessary. The Efficiency Office would continue to enhance the IT systems for 1823. For example, the 1823 call centre would pilot the use of chatbot soon to facilitate enquiries and reporting by the public.

System technology refresh

30.   Mr YIU Si-wing noted that many government departments had not budgeted for the replacement of their aging IT hardware. He asked whether the Administration would build-in a system where a piece of IT equipment would be scraped after having been used for a fixed period of time. This would alleviate the need for individual departments to apply funding under the Block Allocation.

31.   GCIO responded that the normal lifespan of personal computers was five to seven years, whereas large-scale computer systems could generally be used for seven to 10 years. At present, many departments would replace their hardware according to these timeframes. However, any plan to replace existing systems or equipment must be justified on ground of cost-effectiveness. Departments concerned could submit funding applications for updating and revamping existing systems, and OGCIO would review whether the proposed upgrading of IT equipment was cost-effective and would enhance operational efficiency.

Conclusion

32.   The Chairman concluded that the Panel supported in principle the funding proposal.

V.   Review of telecommunications regulatory framework

   (LC Paper No. CB(1)120/19-20(04) -- Administration's paper on review of telecommunications regulatory framework

   LC Paper No. CB(1)120/19-20(05) -- Paper on review of telecommunications regulatory framework prepared by the Legislative Council Secretariat (updated background brief))

Briefing by the Administration

33.   At the invitation of the Chairman, Principal Assistant Secretary for Commerce and Economic Development (Communications and Creative Industries) (Special Review) briefed members the results of the public consultation on the review of telecommunications regulatory framework ("the review") and the way forward. Secretary for Commerce and Economic

Development ("SCED") highlighted the four legislative proposals that were introduced to embrace the arrival of 5G and Internet of Things technologies and to facilitate the trade. He added that the industry was generally supportive of the directions of these legislative proposals. The Administration would continue with the drafting of the amendment bill, and would engage stakeholders on other proposals received during the public consultation. Details of the briefing were set out in the paper provided by the Administration (LC Paper No. CB(1)120/19-20(04)).

(*Post-meeting note*: A set of the power-point presentation materials (Chinese version only) was issued to members vide LC Paper No. CB(1)140/19-20(01) on 11 November 2019.)

Discussion

Legislative proposals to enhance the telecommunications regulatory framework

34. The Chairman noted that the legislative proposals were generally supported by the public during consultation. As regards the proposal for the protection of underground telecommunications infrastructure, the Chairman noted that the Administration would draw reference from existing codes of practice related to the protection of electricity supply lines and gas pipes and prepare guidelines to set out appropriate works procedures and protection measures. The Chairman asked when the draft guidelines would be available and when the Administration would consult the relevant sectors.

35. SCED and Permanent Secretary for Commerce and Economic Development (Communications and Creative Industries) responded that relevant stakeholders, including the construction sector and the telecommunications sector, would be consulted on the draft guidelines while the amendment bill was being drafted, such that the industries would have a better grasp of the guidelines when the amendment bill was introduced. Details on the respective responsibilities of both the construction and the telecommunications sectors would be included in the proposed guidelines as appropriate.

36. The Chairman noted that there had been proposals during the review that certain conditions of licence, which restricted telecommunications operators from disclosing anonymous customer data for research purposes, should be removed. However, some members of the public were concerned that if such conditions were removed, their personal data and privacy would be vulnerable. The Chairman said that as there was no consensus in the community on the issue, it might not be the opportune time to amend the legislation to allow telecommunications operators to open up or sell anonymous data. Meanwhile, the Administration should continue to communicate with relevant stakeholders

and to look into relevant practice and development in the international arena. SCED said that such proposal was not included in the current legislative amendment exercise. The Administration would continue to listen to the views of the public.

Hong Kong's information and Internet freedom

37.   The Chairman said that the public was concerned whether Hong Kong's information and Internet freedom could be adequately protected under the law amidst speculations in the community about restraints on personal freedom to be imposed under the Emergency Regulations Ordinance (Cap. 241) in connection with the recent spate of protests and social incidents. The Chairman added that he had expressed the concern to the Chief Executive ("CE"), and that he considered the reply from CE's Office was positive. The CE's Office had indicated that the Administration had no current plan to invoke further Cap. 241 to introduce any other emergency regulations. He appealed to the Administration to help safeguard information and Internet freedom as it was important for the social, financial and economic development of Hong Kong. SCED concurred with the views expressed by CE's Office.

Way forward

38.   The Chairman concluded that the Panel had no further comments on the Administration's paper on the review. The Administration would then proceed with the drafting of the relevant legislation for submission to LegCo in due course.

VI.   Any other business

Proposed visit to Smart Government Innovation Lab and Hong Kong Applied Science and Technology Research Institute

39.   The Chairman invited members' views on whether the Panel should conduct a visit to the Smart Government Innovation Lab and Hong Kong Applied Science and Technology Research Institute, which was tentatively scheduled for January 2020. The Chairman also sought members' views on whether the visit should be open to the media. Members had no objection to the proposed visit and the related arrangements.

> (*Post-meeting note*: Members were notified vide LC Paper No. CB(1)202/19-20 issued on 29 November 2019 that with the concurrence of the Chairman, the proposed visit was rescheduled for Tuesday,

11 February 2020.)

40.   There being no other business, the meeting ended at 3:44 pm.

Council Business Division 1
Legislative Council Secretariat
13 December 2019