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Replies to initial questions raised by Legislative Council Members in examining the Estimates of Expenditure 2023-24

Director of Bureau : Secretary for Innovation, Technology and Industry Session No. : 17

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		William		
ITIB252	2984	WONG Kam-fai,	47	(2) IT Infrastructure and
TEXT 2.72	2007	William	4.5	Standards
<u>ITIB253</u>	2985	WONG Kam-fai,	47	(3) IT in the Community
ITIDO5 4	220	WONG Vine he	47	(2) IT in the Comment
<u>ITIB254</u>	320	WONG Ying-ho,	47	(3) IT in the Community
ITID255	1615	Kennedy VIM Kong	47	(2) IT Infrostmentum and
<u>ITIB255</u>	1615	YIM Kong	4/	(2) IT Infrastructure and Standards
ITIB256	1616	YIM Kong	47	(3) IT in the Community
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Reply Serial	Question	Name of Member	Head	Programme
No.	Serial No.			
<u>ITIB257</u>	416	YUNG Hoi-yan	47	(1) Use of Information
				Technology (IT) in
				Government
<u>ITIB258</u>	430	YUNG Hoi-yan	47	(2) IT Infrastructure and
				Standards
<u>ITIB259</u>	431	YUNG Hoi-yan	47	(2) IT Infrastructure and
				Standards
<u>ITIB260</u>	432	YUNG Hoi-yan	47	(3) IT in the Community
<u>ITIB261</u>	439	YUNG Hoi-yan	47	(2) IT Infrastructure and
				Standards
<u>ITIB262</u>	442	YUNG Hoi-yan	47	
<u>ITIB263</u>	1061	LUK Chung-hung	111	

ITIB001

(Question Serial No. 2875)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (2) Innovation and Technology

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

The Financial Secretary has mentioned that an International GreenTech Week would be organised at the end of this year to pool together representatives, enterprises and investors from the green technology industries around the world. Please set out the estimated manpower requirement and the estimate of expenditures for the International GreenTech Week.

Asked by: Hon CHAN Chun-ying (LegCo internal reference no.: 23)

Reply:

The Government will organise an International GreenTech Week at the end of this year to pool together representatives, enterprises and investors from the green technology industries around the world. The Innovation, Technology and Industry Bureau, together with relevant bureaux/departments is formulating a concrete plan and will make timely announcement. Through the International GreenTech Week, we hope to promote the application of green technologies, facilitate exchanges among professionals and enterprises both inside and outside the sector on the latest developments in green technologies, and at the same time let enterprises and investors learn more about the business opportunities generated by green technologies, with a view to fostering more investment matching.

ITIB002

(Question Serial No. 0482)

<u>Head</u>: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (2) Innovation and Technology

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

Director of Bureau: Secretary for Innovation, Technology and Industry

Question:

- 1. In the past 3 years, what was the Government's total capital injection into the Science Park and Cyberport in support of innovation and entrepreneurship? What are the investment arrangements for the incubation and accelerator programmes of the Science Park and Cyberport? How much economic growth has been generated by the Government's investment in innovation and start-ups and how is the effectiveness measured?
- 2. What are the specific criteria adopted in shortlisting start-ups for government funding under the incubation programmes of the Science Park and Cyberport? Is the selection process transparent and competitive? What measures have been taken to ensure the proper use of taxpayers' money?
- 3. What are the indicators for assessing whether the start-ups receiving government funding under the incubation programmes of the Science Park and Cyberport are successful or not? What are the percentages of successful and unsuccessful start-ups respectively?

Asked by: Hon CHAN Hak-kan (LegCo internal reference no.: 34)

Reply:

The Hong Kong Science Park (Science Park) and Cyberport, as Hong Kong's innovation and technology (I&T) flagships, have been committed to providing start-ups with infrastructure, incubation programmes and one-stop support. The Hong Kong Science and Technology Parks Corporation (HKSTPC) and Cyberport provide pre-incubation support for entrepreneurial technology talent through various incubation programmes, including subsidised office space and shared facilities, financial aid package, technical and management

assistance, promotion and development assistance and business support, with a view to helping them bring their innovative ideas to life. Our reply to the various parts of the question is as follows:

1. & 3. The HKSTPC rolled out different incubation programmes as early as in 2001, and launched the Incubation Programme and the Incu-Bio Incubation Programme in July 2021 to provide incubatees with rental subsidy of \$1.3 million and \$6 million respectively, grant and targeted funding for technology and business development, as well as services such as mentorship support and investor matching. Over the past three years, the expenditure of the HKSTPC on the I&T incubation programmes is approximately \$660 million, with no investment component therein. As at end-January 2023, a cumulative total of about 1 300 technology enterprises have participated in the I&T incubation programmes. Over 930 enterprises have successfully graduated, among which about 80% are still in operation. By now, the HKSTPC has nurtured four unicorns.

Over the years, Cyberport has launched a number of funding schemes to offer appropriate support to start-ups at different stages of development. Among others, the Cyberport Incubation Programme (CIP), implemented since 2005, has provided comprehensive financial, technical and business advisory supports to technology start-ups to help them turn their creative ideas into business undertakings or commercial products. As at January 2023, the CIP has admitted a total of 1 112 technology start-ups, of which 81% have survived for 3 years or more after graduation. Over the past three years, Cyberport's expenditure on CIP is approximately \$188 million, with no investment component therein.

Since the launch of different support schemes, the I&T ecosystem in Hong Kong has become increasingly vibrant. For example, the tech start-ups of Science Park and Cyberport raised almost \$50 billion in capital for business development in 2021-22, and the value added of I&T industry has doubled in the past 10 years to \$24.39 billion in 2021, reflecting that various I&T initiatives are gradually taking effect.

2. Applications for the incubation programmes received by the HKSTPC and Cyberport are subject to a rigorous selection and assessment process and a series of assessment criteria. For instance, the HKSTPC will assess the applications by start-ups for admission to the incubation programmes based on criteria such as competence of the management team, business potential, innovative elements, content of the research concerned, business viability, etc. of the applicant enterprises. Such applications will be assessed by an assessment panel comprising the HKSTPC delegates, experienced investors, representatives of technology enterprises and scholars. After admission, incubatees will have to undergo a total of 6 milestone assessments within 3 years and be provided with funding according to each milestone. Incubatees failing to achieve the pre-set targets or submit convincing proposals to meet the milestones may be asked to discontinue their participation in the programmes.

As for applications for the CIP, they are processed in accordance with the established assessment procedures from preliminary vetting to assessment, as well as to final approval. The assessment is conducted by an independent outside vetting team,

whereby successful applications will be recommended to the Enterpreneurship Committee under the Cyberport Board of Directors for final endorsement. In addition, all projects applying for the funding must fall under digital technology-related areas, and not be provided with similar funding before and concurrently. The applications will be shortlisted after a comprehensive assessment based on open and transparent criteria and merit-based selection principles, with the focus placed on the projects only and not on the individuals, the shareholders and/or directors of the companies.

- End -

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB003

(Question Serial No. 0409)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (2) Innovation and Technology

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

To tie in with the policy of developing smart city and digital economy, the Budget will earmark \$265 million for Cyberport to launch a dedicated incubation programme for smart living start-ups, under which a maximum grant of \$500,000 as well as targeted professional support and counselling will be provided. People in the industry have reflected that while it is very important for the Government to provide funding for start-ups, start-ups still face a lot of difficulties, such as keen market competition, difficulty in gaining customers' trust, and even difficulty in opening bank accounts. In this connection, will the Government advise this Committee of:

- a. whether it will consider solving operational issues other than funding for start-ups, such as how to open bank accounts;
- b. whether it will consider the views that the Government should take the initiative in using local innovation and technology products and services, so as to increase social confidence and the popularity of start-ups?

Asked by: Hon CHAN Kin-por (LegCo internal reference no.: 17)

Reply:

Our consolidated reply to various parts of the question is set out below-

Supporting start-ups is an essential element in enhancing the innovation and technology (I&T) industry chain. Apart from encouraging investment funds and the private sector to increase investments in local start-ups, supporting their continuous innovation and assisting them to explore more business opportunities are also of utmost importance. The Hong Kong Science and Technology Parks Corporation (HKSTPC) and Cyberport have been offering

comprehensive support to technology enterprises at different stages of development through various schemes. For example, the HKSTPC's Incubation Programme provides technology start-ups with comprehensive support such as research and development (R&D) support, mentorship and investor matching. The Cyperport Incubation Programme provides support such as business mentoring, business consultation, network building and global business networking to help enterprises transform innovative ideas into substantive businesses or commercial products.

The Government has also been actively introducing and applying I&T products and services from local start-ups with a view to playing a leading role. The major measures in recent years are as follows:

- (i) The Public Sector Trial Scheme under the Innovation and Technology Fund provides eligible local companies/organisations with funding support for production of prototypes or samples and conducting trials of R&D results in the public sector (including government departments), so as to facilitate the realisation and commercialisation of R&D results. As at the end of February 2023, the scheme has funded 414 projects with a total funding of about \$830 million, benefiting over 190 different organisations to conduct more than 560 trials;
- (ii) The Smart Government Innovation Lab (Smart Lab) promotes and invites industry players to assist government departments in adopting information technology solutions, creating more business opportunities for local start-ups as well as small and medium enterprises (SMEs). In the past 4 years, the Smart Lab matched solutions with over 70 business needs from different departments, and arranged over 100 thematic workshops during the process. Proof-of-concept trials for more than 50 technology solutions were conducted in collaboration with the departments concerned, among which over 30 projects have been planned or are in pilot application;
- (iii) The E&M InnoPortal of the Electrical and Mechanical Services Department lists the technology-related needs of government departments, public sector and Electrical and Mechanical (E&M) trades. Organisations such as start-ups and academic institutions can propose I&T solutions via the portal for matching. In the past 5 years, about 430 I&T wishes and about 1 100 I&T solutions were collected via the portal. During the period, trials of about 170 I&T projects were launched; and
- (iv) The I&T Solution Day is organised to encourage and help government departments introduce and apply I&T products and solutions from local start-ups and SMEs, facilitating more business matching to achieve a win-win situation.

The Government and I&T parks will continue to proactively offer comprehensive support for local start-ups to flourish.

ITIB004

(Question Serial No. 0410)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (2) Innovation and Technology

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

As mentioned in the Budget Speech, the Advanced Manufacturing Centre (AMC) was opened in 2022. Tenants which have already moved in include enterprises engaged in the manufacturing of civilian satellites and advanced materials as well as provision of smart logistics-related services. To tie in with the policy objectives of attracting strategic enterprises to establish a presence in Hong Kong and promoting new industrialisation, the Government will plan ahead to provide more advanced manufacturing space. The Hong Kong Science and Technology Parks Corporation (HKSTPC) is currently conducting a study on setting up the second AMC. In this connection, please advise this Committee on the following:

a. apart from setting up AMCs, what strategies the Government has in place to push forward the policy of new industrialisation at an accelerated pace?

Asked by: Hon CHAN Kin-por (LegCo internal reference no.: 18)

Reply:

The Government promulgated the Hong Kong Innovation and Technology Development Blueprint in December 2022 setting out key strategies under 4 broad development directions, one of which being enhancing the innovation and technology (I&T) ecosystem and promoting "new industrialisation" in Hong Kong. By implementing specific facilitation policies on technology industries, the focus will be on promoting technology industries with a competitive edge and of strategic significance to develop in Hong Kong, in particular the development of such industries as life and health technology, artificial intelligence and data science, advanced manufacturing and new energy, etc. In recent years, the Government has been actively promoting the development of advanced manufacturing, which is based on new technologies and smart production and is less land- or labour-intensive, with a view to

creating quality employment opportunities for young people and fostering the diversification of economic development in Hong Kong. Capitalising on Hong Kong's strong capabilities in scientific research and advantages such as internationalisation and being highly market-oriented, the Government adopts a multi-pronged approach in promoting "new industrialisation". The Innovation, Technology and Industry Bureau (ITIB) has proposed the creation of the post of Commissioner for Industry (Innovation and Technology) to co-ordinate and steer the strategy for new industrialisation and assist the manufacturing sector in upgrading and transformation by making use of I&T.

The ITIB has been promoting "new industrialisation" in the 5 major areas of infrastructure, talent, capital, technology and scientific research:

- In terms of infrastructure, the Hong Kong Science and Technology Parks Corporation (HKSTPC) is developing the Microelectronics Centre in Yuen Long InnoPark, which is expected to commence operation in 2024. The Advanced Manufacturing Centre (AMC) in Tseung Kwan O InnoPark commenced operation in 2022. To tie in with the policy objectives of attracting strategic enterprises to establish a presence in Hong Kong and promoting "new industrialisation", the Government will plan ahead to provide more advanced manufacturing space. The HKSTPC is currently conducting a technical feasibility study on the setting up of the second AMC. Besides, the San Tin Technopole under planning will also create a critical mass of I&T facilities with greater economy of scale and provide land for technology industries including advanced manufacturing industries.
- In respect of talent, the Government will continue to take forward the Re-industrialisation and Technology Training Programme to subsidise local companies on a matching basis for their staff to receive training in advanced technologies, especially trainings related to "Industry 4.0". From the launch of the Programme in August 2018 up to end-February 2023, around 8 200 training grant applications were approved with about 26 400 trainings in advanced technologies subsidised, involving a total funding amount of over \$290 million.
- Regarding capital, the Government launched the Re-industrialisation Funding Scheme (RFS) in July 2020, which subsidises manufacturers on a matching basis to set up new smart production lines in Hong Kong. As at mid-March 2023, the RFS Vetting Committee has supported 30 applications (excluding 8 applications supported by the Vetting Committee but withdrawn afterwards by the applicants for individual reasons), involving a total of 50 smart production lines covering projects from traditional industries such as food manufacturing and processing, construction materials, textiles and garment, etc. We hope to subsidise the setting up of more smart production lines in Hong Kong under the RFS, with the target of increasing the cumulative number of smart production lines to over 130 by 2027.
- In respect of technology, we will strengthen the collaboration with the Hong Kong Productivity Council (HKPC) to support enterprises in upgrading to smart production. For instance, a wide range of training courses and seminars will be organised, which include the implementation of the Industry 4.0 Upgrade and Recognition Programme in collaboration with the Fraunhofer Institute for Production Technology of Germany (the Institute). Through the INC Invention Centre ("the Hatch"), a joint project also with

the Institute, accelerate the adoption of innovative industrial technologies by the industries to promote the development of smart industry and digital manufacturing. In addition, the HKPC also operates the "Inno Space" and the "Digital@HKPC (Digital Transformation)" to promote "new industrialisation". The HKPC will continue to assist various sectors in setting up smart production lines in Hong Kong, including establishing fully automatic and digital production systems for enhanced productivity. It will also organise Hong Kong Industry Network Clusters consultation sessions to conduct discussions with major chambers of commerce, industry support organisations, government representatives and enterprises on the needs of the industries in response to technological innovation, and to introduce the latest technological solutions.

• As for scientific research, the 5 Research and Development (R&D) Centres established by the Government (namely the Hong Kong Applied Science and Technology Research Institute, the Logistics and Supply Chain MultiTech R&D Centre, the Nano and Advanced Materials Institute, the Hong Kong Research Institute of Textiles and Apparel, as well as the Automotive Platforms and Application Systems R&D Centre) will also continue to carry out R&D work related to "new industrialisation" and facilitate the commercialisation of R&D results in close collaboration with the relevant industries. Furthermore, it was announced in the Budget this year that the Government will support the establishment of a Microelectronics Research and Development Institute, aiming to make it one of the leading organisations for supporting microelectronics development in the Asia-Pacific region. The Institute will be tasked with strengthening collaboration with universities, R&D centres and the industry in carrying out high quality R&D work and expediting the "1 to N" transformation of technological outcomes.

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB005

(Question Serial No. 1347)

<u>Head</u>: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (2) Innovation and Technology

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is mentioned in the Budget that the Innovation, Technology and Industry Bureau will commence preparation for the Smart City Blueprint for Hong Kong 3.0. In this connection, please inform this Committee of the following:

- (1) the estimated expenditure and manpower involved in commencing the work on the Smart City Blueprint for Hong Kong 3.0;
- (2) the timetable for finalising the Smart City Blueprint for Hong Kong 3.0;
- (3) the projects being carried out or planned under the Smart City Blueprint for Hong Kong 2.0, the responsible departments, the current implementation situation and the expected progress in 2023-24;
- (4) whether the Government will consider working out the implementation priority and timetable in respect of the development strategies mapped out in the Smart City Blueprint for Hong Kong 3.0 according to their urgency and importance, and setting the key performance indicator (KPI) for the projects; if yes, the details; if not, the reasons for that.

Asked by: Hon CHAN Siu-hung (LegCo internal reference no.: 27)

Reply:

Since the release of the Smart City Blueprint for Hong Kong 2.0 in December 2020, bureaux/departments (B/Ds) concerned have been actively taking forward their related smart city initiatives. As of end-January 2023, around 70% of the initiatives have been completed or are ongoing, such as the implementation of Traffic Data Analytics System, enhancement

of services to adopt "iAM Smart", and promotion on wider use of digital payment in the financial and other industries. The remaining initiatives are in progress. They are mainly long-term initiatives such as establishing "bicycle-friendly" new towns and new development areas, taking forward the initiatives set out in the Climate Action Plan 2050, etc.

Looking ahead, relevant B/Ds will continue to implement the smart city initiatives underway and the Innovation, Technology and Industry Bureau (ITIB) will continue to closely liaise with various stakeholders (including the Subcommittee on Matters Relating to the Development of Smart City, trade associations and industry groups) regarding the development of smart city in Hong Kong. ITIB will consolidate the views and suggestions collected and discuss with the relevant B/Ds with a view to formulating measures that meet the future development needs of Hong Kong and drive forward the next stage of smart city development.

The coordination of the above work has been part of ITIB's responsibilities. As such, the expenditure involved cannot be separately singled out and itemised. Relevant B/Ds will take forward their smart city initiatives with their own resources and manpower. We do not maintain the relevant information.

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB006

(Question Serial No. 1352)

<u>Head</u>: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): (000) Operational expenses

<u>Programme</u>: (2) Innovation and Technology

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

Director of Bureau: Secretary for Innovation, Technology and Industry

Question:

It is stated in paragraph 76 of the Budget Speech that to further enhance basic research in frontier technology fields such as artificial intelligence and quantum technology and to better realise our basic technology research capabilities in making breakthroughs out of the blue, \$3 billion will be earmarked to promote the development of relevant facilities, in particular, to leverage Hong Kong's unique advantage as a platform for international scientific research collaboration and attract leading innovation and technology talents, research teams and enterprises from the Mainland and overseas to Hong Kong, thereby promoting cross-sectoral research cooperation. In this connection, will the Government inform this Committee of the following:

- (1) The Government has earmarked \$3 billion to promote the development of relevant facilities. What are the estimated manpower to be engaged and the expenditure involved?
- (2) What are the specific measures? How will the resources be allocated?
- (3) Has the Government set key performance indicators and reviewed the effectiveness in this regard? If yes, what are the details? If not, what are the reasons?

Asked by: Hon CHAN Siu-hung (LegCo internal reference no.: 32)

Reply:

Our consolidated reply to the various parts of the question is set out below-

To further enhance basic research in frontier technology fields such as artificial intelligence and quantum technology and to better realise our basic technology research capabilities in making breakthroughs out of the blue, the Financial Secretary announces in the 2023-24 Budget that \$3 billion will be earmarked to promote the development of relevant facilities, in particular, to leverage Hong Kong's unique advantage as a platform for international scientific research collaboration and attract leading I&T talents, research teams and enterprises from the Mainland and overseas to Hong Kong, thereby promoting cross-sectoral research cooperation. We are now examining the specific arrangements of the project, and details are yet to be finalised.

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB007

(Question Serial No. 1356)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: Not Specified

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

As mentioned in the Budget Speech, digitisation plays a crucial role in the course of achieving high-quality development. To speed up the process of digital economy development in Hong Kong, the Digital Economy Development Committee (DEDC) chaired by the Financial Secretary is undertaking in-depth studies on 4 major areas to explore, namely, the digital infrastructure needed to promote the development of digital economy, cross-boundary data transfer in a convenient, efficient and secure manner, digital transformation of enterprises and human resources support. The 4 sub-groups under the DEDC will provide specific recommendations to the Government this year.

In this connection, please advise this Committee on the following:

- (1) the civil service establishment, annual emoluments and operational expenses for supporting the DEDC in the last financial year; and
- (2) the estimated civil service establishment, annual emoluments and operational expenses for supporting the DEDC in 2023-24.

Asked by: Hon CHAN Siu-hung (LegCo internal reference no.: 37)

Reply:

The research work of the Digital Economy Development Committee and its four sub-groups is mainly undertaken by the Members and Co-opted Members. The Innovation, Technology and Industry Bureau and the Office of the Government Economist provide relevant secretariat support with their existing manpower and resources respectively. The expenses involved cannot be broken down separately.

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB008

(Question Serial No. 1380)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (3) Efficiency Office

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

Director of Bureau: Secretary for Innovation, Technology and Industry

Question:

It is mentioned in the Estimates that the Efficiency Office (EffO) of the Innovation and Technology Bureau will continue to promote the adoption of innovation and technology (I&T) by bureaux and departments to improve government services during 2023-24. In this connection, please inform this Committee of the following:

- (1) What were the government departments to which the EffO promoted the adoption of I&T in the past 3 years? What were the I&T items and expenditures involved respectively?
- (2) How effective was the adoption of these I&T items in terms of saving public money and enhancing efficiency in government operations?
- (3) In 2023-24, which fields will be the foci of the EffO in promoting the application of I&T? What are the specific measures and timetable?

Asked by: Hon CHAN Siu-hung (LegCo internal reference no.: 16)

Reply:

(1) The Government is committed to promoting the adoption of I&T by bureaux and departments (B/Ds) to enhance operational efficiency and continuously improve public services. In the past 3 years, the EffO worked with the 45 B/Ds participating in the "Be the Smart Regulator" and the "Streamlining of Government Services" Programmes in proposing nearly 600 business facilitation and streamlining measures, covering nearly 950 licences and services. About 80% of the improvement measures involved the adoption of I&T, with a view to providing more electronic services for the trade and the

These include provision of online application services through "iAM general public. Smart", establishment of various electronic payment channels, development of chatbots to facilitate the handling of enquiries, and provision of end-to-end electronic services for licences, etc. We have also implemented a series of support measures to departments, such as organising the I&T Solution Expo. Through the Hong Kong Science and Technology Parks Corporation, Cyberport and other platforms, we showcased the latest I&T solutions for departments, and arranged business matching for interested departments and companies to help the departments further explore or test whether the relevant solutions are suitable for their services. Moreover, we have launched the InnoGov Portal, an intranet website introducing the latest I&T solutions and providing matching services to departments. Currently, the website covers a total of about 150 I&T solutions in 12 categories. We took forward the relevant work with existing manpower and resources.

- (2) B/Ds make use of I&T to enhance public services, mainly with a view to providing more business-friendly and convenient options to the public. Generally speaking, B/Ds will flexibly redeploy the savings achieved to improve their existing services or to cope with new service demand.
- (3) In 2023-24, the EffO will continue to assist B/Ds in the wider adoption of technology, and in reviewing and enhancing related processes to make licensing and government services involving application and approval more business-friendly and convenient to the public, more efficient and transparent, as well as achieving the target of turning all government services online by mid-2024 as set out in the 2022 Policy Address.

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB009

(Question Serial No. 1388)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (3) Efficiency Office

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is stated in the Estimates that the Efficiency Office (EffO) provides consultancy services to bureaux and departments (B/Ds) and assists them to obtain external consultancy services as appropriate. In this connection, will the Government inform this Committee of:

- (1) the current staff establishment and expenditure involved in the co-ordination of the above services;
- (2) whether the EffO has gathered feedback from B/Ds on the provision of consultancy services/engagement of external consultancy services in 2022-23? If yes, what are the details? If no, what are the reasons?

Asked by: Hon CHAN Siu-hung (LegCo internal reference no.: 24)

Reply:

- (1) Providing consultancy services to B/Ds and assisting them to obtain external consultancy services as appropriate is one of the core areas of work of the EffO; there are no separate breakdowns on the staff establishment and expenditure involved.
- (2) Generally speaking, the Stores and Procurement Regulations provide for a monitoring mechanism under which B/Ds can effectively evaluate the performance of consultants and ensure service provision in accordance with contracts and in compliance with the relevant terms. There is, therefore, no additional requirement for B/Ds to provide feedback to the EffO on the consultancy services/engagement of external consultancy services.

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB010

(Question Serial No. 2958)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (3) Efficiency Office

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

During 2023-24, one of the matters requiring special attention in respect of the Efficiency Office (EffO) is to further improve the service of 1823. In this connection, please advise this Committee on:

- 1. the establishment, emoluments and actual operational expenses of the 1823 contact centre in the past 4 years (i.e. from 2019 to 2022), as well as its establishment and the estimate of the amounts for emoluments and operational expenses in 2023-24;
- 2. the number and brief description of the complaints received on the service in the past 3 years; and
- 3. the Government's plan to improve the service of the 1823 contact centre in 2023-24.

Asked by: Hon CHAN Wing-kwong (LegCo internal reference no.: 34)

Reply:

1. The establishment, salary and actual operational expenditure of 1823 in the past 4 years (i.e. from 2019-20 to 2022-23), as well as the relevant estimate in 2023-24 are tabulated below:

Year	Strength of civil servants	Strength of Non-Civil Service Contract staff		Salary Expenditure	Operational Expenditure
		Full time	Part time	(\$ million)	(including staff costs) (\$ million)
2019-20	8	440	120	134	168
2020-21	8	463	160	141	183
2021-22	9	493	126	137	177
2022-23	9	463	140	134	170
2023-24	9	473	142	150	176

- 2. From 2020 to 2022, 1823 received 647, 670 and 730 complaints from the public about its services, each representing 0.01% of the total number of incoming calls and written contacts received in the respective years. The complaints were mainly concerned with call waiting time, staff attitude, reply quality, etc.
- 3. 1823 has been actively adopting technologies in various areas to enhance its service and save manpower resources. For example, speech recognition technology is used to identify the names of departments and service areas enquired in the incoming calls. Various electronic services such as chatbot service, mobile application and web forms are provided for use by the public. From 2022 onwards, 1823 has successively rolled out a number of new projects on the application of technologies to further enhance its service and efficiency with an estimated additional expenditure of around \$13 million. Examples include a newly designed mobile application and a platform for departments to give their replies to cases. Work is underway to upgrade the telephone system by updating the call distribution system to the latest version and launching a smart interactive voice response system with the adoption of artificial intelligence (AI) technology, through which members of the public can use voice to input the required options without pressing any button. AI speech synthesis technology will also be used in the new system to make the information broadcast sounds more like a human voice. We also plan to add a function of sending SMS messages automatically in the system to facilitate the provision of information. Moreover, 1823 plans to extend the application of chatbot service on its website to provide more information about participating On internal processes, 1823 also plans to apply AI speech-to-text solutions to convert voicemail messages from the public into text so that 1823 staff can handle public enquiries and complaints more efficiently and effectively. 1823 will continue to keep a close watch on the latest technological development and actively explore the possibility of further use of innovative technologies like AI, natural language processing and machine learning in various areas through collaborating with start-ups and universities to enhance service efficiency and user experience of 1823. Furthermore, 1823 will continue to strengthen recruitment and replenish manpower, and continue to optimise its business process and knowledge base to drive operational Recommendations will continue to be made to departments for strengthening dissemination of information and improving their communication with the public so as to reduce avoidable enquiries and complaints at source.

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB011

(Question Serial No. 2959)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): (000) Operational expenses

<u>Programme</u>: (2) Innovation and Technology

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

The Innovation, Technology and Industry Bureau will continue to provide secretariat support to the Digital Economy Development Committee (DEDC) in 2023-24. In this connection, will the Government inform this Committee of:

- (1) the establishment for the task and financial expenditure involved last year and the establishment arrangements and estimated expenditure in 2023;
- (2) the total number of meetings held by the DEDC since its establishment last year; and
- (3) whether the DEDC has drawn up key performance indicators; if yes, the details; if no, the reasons for that.

Asked by: Hon CHAN Wing-kwong (LegCo internal reference no.: 35)

Reply:

The Digital Economy Development Committee (the DEDC) has set up sub-groups to undertake in-depth studies on four major areas, namely cross-boundary data flow, digital infrastructure, digital transformation and talent development, in order to put up specific recommendations to the Government by 2023 for expediting the process of digital economy development in Hong Kong. The Government will formulate appropriate policies and initiatives to promote high-quality economic development in Hong Kong with reference to the DEDC's recommendations.

So far the DEDC has held five meetings and one visit, while its four sub-groups have held a total of 17 working meetings, 23 interview sessions with different experts, academics and industry representatives and one visit.

The research work of the DEDC and its four sub-groups is mainly undertaken by the Members and Co-opted Members. The Innovation, Technology and Industry Bureau and the Office of the Government Economist provide relevant secretariat support with their existing manpower and resources respectively.

- End -

ITIB012

(Question Serial No. 2146)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: Not Specified

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Streamlined Clearance Arrangements

The Chief Executive said that streamlined clearance arrangements for talent would be duly considered and that the Loop would be the first pilot area. In this connection, will the Government inform this Committee of the progress of liaison with the Mainland and the expected time for announcing the framework arrangement?

<u>Asked by</u>: Hon CHAN Yuet-ming (LegCo internal reference no.: 30)

Reply:

The HKSAR Government has been in close liaison with relevant Central Government ministries and the Guangdong Provincial Government on policy initiatives applicable to the Hong Kong-Shenzhen Innovation and Technology Park, to actively explore measures to facilitate convenient cross-boundary flow of innovation elements such as talent, materials, capital, information, etc. Meanwhile, to jointly attract talents and investment to the Shenzhen-Hong Kong Innovation and Technology Co-operation Zone (Co-operation Zone), the governments of Hong Kong and Shenzhen signed a co-operation arrangement in 2021 for the development of the Co-operation Zone and put forward a joint policy package covering support measures on facilitating flow of talent and scientific research resources and business development, etc.

The HKSAR Government will continue to explore actively with relevant Mainland authorities measures facilitating cross-boundary flow of talents between the two places, in particular innovation and technology talents working in the Loop in future. We will announce the details in due course.

ITIB013

(Question Serial No. 0045)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (2) Innovation and Technology

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

Director of Bureau: Secretary for Innovation, Technology and Industry

Question:

The Bureau will "continue to press ahead with the development of the Hong Kong-Shenzhen Innovation and Technology Park (HSITP) in the Lok Ma Chau Loop, with the target to complete the first eight buildings in phases from end-2024, and to explore expediting the development of HSITP and optimising its functions with a view to attracting enterprises and talent to Hong Kong in collaboration with the Office for Attracting Strategic Enterprises (OASES)" in the coming year.

- 1. What are the details and plans of the development of HSITP?
- 2. Please set out the manpower and expenditure involved for the development of HSITP in the coming 2 years.
- 3. How is the collaboration with the OASES going and what are the future plans for this?

Asked by: Hon CHAN Yung (LegCo internal reference no.: 17)

Reply:

The consolidated reply to parts 1. to 3. of the question is as follows:

In the 2021-22 financial year, the Legislative Council approved a total of HK\$32.5 billion to support the public works projects in the Loop and the Phase 1 Batch 1 construction works of the Hong Kong-Shenzhen Innovation and Technology Park (HSITP) which involves 8 buildings. The construction works of 3 of the buildings have already commenced, and will be completed in phases from end-2024 as scheduled. The Innovation, Technology and Industry Bureau (ITIB) will take forward the development of the HSITP in the coming 2 years

with existing manpower and resources. Please refer to the Estimates of "Head 135 - Government Secretariat: Innovation, Technology and Industry Bureau" for details.

In his 2022 Policy Address announced in October last year, the Chief Executive set the objective of promoting technology industry development through attracting enterprises and talents to Hong Kong, primarily focusing on technology industries in which we enjoy clear advantages and with strategic significance such as life and health technology, artificial intelligence and data science, advanced manufacturing and new energy technology, etc. The goal is to attract not less than 100 high potential or representative innovation and technology (I&T) enterprises to set up or expand their businesses in Hong Kong in the coming 5 years, including at least 20 top notch I&T enterprises.

The ITIB is now following up in full swing in collaboration with the Office for Attracting Strategic Enterprises. We have been contacting various Mainland and overseas I&T enterprises from key industries to introduce the advantages and latest development of the I&T industry in Hong Kong and invite them to set up their businesses in Hong Kong. Promoting the development of the technology industry requires the concerted efforts and collaboration of different stakeholders in the society. The ITIB and its departments, as well as I&T parks that have close connection with the industry, such as the Hong Kong Science and Technology Park and Cyberport, etc., will also leverage the network of our various I&T stakeholders to jointly attract enterprises and investment, and proactively reach out to enterprises from the Mainland and overseas to tell the good stories of Hong Kong.

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB014

(Question Serial No. 2482)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): (000) Operational expenses

<u>Programme</u>: (2) Innovation and Technology

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

The Government has earmarked \$3 billion to promote the development of relevant facilities, in particular, to leverage Hong Kong's unique advantage as a platform for international scientific research collaboration and attract leading I&T talents, research teams and enterprises from the Mainland and overseas to Hong Kong, thereby promoting cross-sectoral research cooperation. In this connection, will the Government inform this Committee of the following:

- 1. Whether any policies and initiatives have been developed to attract leading I&T talents, research teams and enterprises from the Mainland and overseas; and which I&T sectors these talents, research teams and enterprises are expected to come from? If yes, what are the details? If no, what are the reasons?
- 2. Whether performance indicators have been drawn up for the scheme to examine if the spending could achieve the intended objectives. If yes, what are the details? If no, what are the reasons?
- 3. The current progress of the scheme.

Asked by: Hon CHEN Chung-nin, Rock (LegCo internal reference no.: 38)

Reply:

Our consolidated reply to the various parts of the question is set out below-

To further enhance basic research in frontier technology fields such as artificial intelligence and quantum technology and to better realise our basic technology research capabilities in making breakthroughs out of the blue, the Financial Secretary announces in the 2023-24

Budget that \$3 billion will be earmarked to promote the development of relevant facilities, in particular, to leverage Hong Kong's unique advantage as a platform for international scientific research collaboration and attract leading innovation and technology talents, research teams and enterprises from the Mainland and overseas to Hong Kong, thereby promoting cross-sectoral research cooperation. We are now examining the specific arrangements of the project, and details are yet to be finalised.

- End -

ITIB015

(Question Serial No. 1128)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: Not Specified

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

As stated in the Budget, the Government will set aside \$6 billion out of the \$10 billion earmarked for the development of life and health technology as announced in the last Budget to provide subsidies for universities and research institutes to set up thematic research centres on life and health. In this connection.

- 1. How will the provision of \$6 billion be allocated among universities and research institutes? How many universities and research institutes will be expected to receive the subsidies?
- 2. What is the earliest time to invite proposals from universities and research institutes interested in setting up life and health technology research institutes? What specific requirements does the Government have for the new thematic research centres in terms of talent, capital, places for conducting research projects and collaborating parties? What are the approving authority as well as the procedures, criteria and processing time for vetting and approving the proposals?
- 3. Will the Government provide targeted support measures to encourage and attract relevant research institutes to employ Mainland or overseas experts in the industry to participate in research work in Hong Kong? What support will be provided for these experts upon their arrival in Hong Kong?

Asked by: Hon CHIU Duncan (LegCo internal reference no.: 13)

Reply:

The consolidated reply to the various parts of the question is as follows:

As announced in the 2022-23 Budget, the HKSAR Government has earmarked \$10 billion to provide comprehensive support for the development of life and health scientific research in Hong Kong in the long run, including hardware, talent, clinical trials and data application, as well as strengthening the industrial chain. In the 2023-24 Budget, the HKSAR Government announced that \$6 billion would be set aside out of the earmarked provision to provide subsidies for universities and research institutes to set up life and health technology research institutes, so as to foster cross-university, cross-institutional and multi-disciplinary cooperation, in a bid to facilitate development in the transformation of research and development (R&D) outcomes as well as R&D activities related to life and health technology.

The HKSAR Government will invite universities and research institutes interested in setting up life and health technology research institutes to submit proposals in 2023-24. We are conducting further study on the specific arrangements of the project, including the setting up of a working group for assessing the proposals as well as setting the criteria and supporting measures. We will announce the details once they are confirmed.

ITIB016

(Question Serial No. 1129)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): (000) Operational expenses

<u>Programme</u>: (2) Innovation and Technology

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is announced in the Budget that \$3 billion will be earmarked to promote the development of relevant facilities for the basic research in frontier technology fields such as artificial intelligence and quantum technology. How will the Government select the research directions of frontier technologies? Will the relevant research results be examined regularly and, in view of the latest advancements in technologies, the research directions of such frontier technologies be adjusted appropriately?

Asked by: Hon CHIU Duncan (LegCo internal reference no.: 14)

Reply:

To further enhance basic research in frontier technology fields such as artificial intelligence and quantum technology and to better realise our basic technology research capabilities in making breakthroughs out of the blue, the Financial Secretary announces in the 2023-24 Budget that \$3 billion will be earmarked to promote the development of relevant facilities, in particular, to leverage Hong Kong's unique advantage as a platform for international scientific research collaboration and attract leading innovation and technology talents, research teams and enterprises from the Mainland and overseas to Hong Kong, thereby promoting cross-sectoral research cooperation. We are now examining the specific arrangement of the projects and details are yet to be finalised.

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB017

(Question Serial No. 1132)

<u>Head</u>: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: Not Specified

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is stated in the Budget that the Government will plan ahead to provide more advanced manufacturing space to tie in with the policy objectives of attracting strategic enterprises to establish a presence in Hong Kong and promoting new industrialisation. In this regard:

- 1. What are the prerequisites of good advanced manufacturing space in light of the Government's objectives?
- 2. What are the specific plans of the Government in the aspects of policy initiatives, financing, land provision and regulations and which bureaux and departments will be involved mainly? Apart from attracting enterprises to establish a presence in Hong Kong, will these plans also consider ways to encourage enterprises to stay in Hong Kong for development afterwards?
- 3. Have resources been earmarked for supporting the related plans in the 2023-24 financial year? If yes, what are the estimated expenditure and manpower involved?
- 4. Will amendment of legislation be necessary according to preliminary assessment? If yes, which ordinances will be involved mainly and what is the timetable of the amendment exercise?

Asked by: Hon CHIU Duncan (LegCo internal reference no.: 17)

Reply:

The consolidated reply concerning each part of the question is as follows:

A complete innovation and technology (I&T) ecological chain has to be backed by industries. Hong Kong needs to strive to nurture more technology industries and attract quality enterprises of new industries conducive to the real economy to set up operations in Hong Kong, so as to promote the local development of "new industrialisation". The Government promulgated the Hong Kong Innovation and Technology Development Blueprint in December last year to set out major policies under 4 broad development directions, including to enhance the I&T ecosystem and promote "new industrialisation" in Hong Kong.

Different I&T industries have different requirements on the design and supporting facilities of advanced manufacturing space, so it is difficult to generalise the requirements. Broadly speaking, advanced manufacturing space has higher design requirements in terms of ceiling height, column spacing and floor loading capacity than an ordinary factory building, and provides a clean-room enabled environment for advanced automated production of precision assemblies. Regarding supporting facilities, advanced manufacturing space generally requires adequate provision of high power industrial electrical supply, chilled water supply, dangerous goods storage, cargo lifts, goods vehicles parking spaces and loading/unloading facilities, etc. to meet the needs of advanced production processes and highly customised production.

With Hong Kong's strong capabilities in research and development and advantages of being international and highly market-oriented, the Government is taking a multi-pronged approach to actively promote "new industrialisation" to develop the advanced manufacturing industry, which is less land- or labour-intensive, based on new technologies and smart production. It is conducive to creating quality employment opportunities for young people, and fostering the diversification of economic development in Hong Kong. The Innovation, Technology and Industry Bureau (ITIB) proposes to create a post of Commissioner for Industry (Innovation and Technology) to co-ordinate and steer the strategy for "new industrialisation" and assist the manufacturing sector in upgrading and transformation by making use of I&T.

In addition, the Government is focusing on promoting the development of technology industries with an edge and strategic significance from a strategic and forward-looking perspective, as well as attracting Mainland and overseas technology enterprises, especially the leading ones, to set up business in Hong Kong. We will collaborate with the Office for Attracting Strategic Enterprises and make use of the \$5 billion Strategic Tech Fund as well as the land space provided for I&T uses starting from 2024 in the Hong Kong-Shenzhen Innovation & Technology Park in the Lok Ma Chau Loop so as to attract strategic technology enterprises with an edge and talents to Hong Kong, primarily focusing on industries such as life and health technology, artificial intelligence and data science, as well as advanced manufacturing and new energy technology. At this stage, we are not aware of any need for introducing legislative amendments to facilitate the promotion of "new industrialisation". With regard to promoting the development of "new industrialisation", the Government will provide more advanced manufacturing space in the future. For example, the Hong Kong Science and Technology Parks Corporation is currently conducting a feasibility study on setting up the second Advanced Manufacturing Centre. We will review the arrangements from time to time to promote the sustainable development of the local technology industry.

Promoting the development of I&T industries is part and parcel of our regular work. The ITIB is taking forward the said work using existing manpower and resources. A breakdown of the expenditure involved for each work item is not available.

- End -

ITIB018

(Question Serial No. 1176)

<u>Head</u>: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: Not Specified

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

The Northern Metropolis serves as an important base for promoting the development of innovation and technology industries, supporting Hong Kong in establishing a new industry pattern of "South-North dual engine (finance-innovation and technology)". It also facilitates high-quality economic co-operation between Hong Kong and the Guangdong-Hong Kong-Macao Greater Bay Area. In this connection:

- 1. Will the Government allocate provision in the financial year 2023-24 for conducting feasibility studies on the development of a Hong Kong data industrial park and the construction of a supercomputing centre in the Northern Metropolis? If yes, what are the details including the expenditure, manpower and timetable involved? If no, what are the reasons and will the Government conduct related studies in the future?
- 2. Will the Government consider and explore adopting a public-private partnership approach in the construction of a large-scale data centre, which will be jointly developed by Hong Kong and Shenzhen and meet the design requirements of Tier 4 standard, in the Hong Kong-Shenzhen Innovation and Technology Park in the Lok Ma Chau Loop? If yes, what are the details including the expenditure, manpower and timetable involved? If no, what are the reasons and will the Government conduct related studies in the future?

Asked by: Hon CHIU Duncan (LegCo internal reference no.: 28)

Reply:

The consolidated reply to questions 1. and 2. is as follows:

The Government has announced in the 2023-24 Budget that it will conduct a feasibility study on the development of an Artificial Intelligence (AI) Supercomputing Centre. On 23

February 2023, the Office of the Government Chief Information Officer (OGCIO) invited consultancy proposals for the feasibility study. Consulting firms are required to assess the actual demand for AI supercomputing services in Hong Kong and make proposals on the scale of the investment required, best operational model and implementation strategy of the AI Supercomputing Centre. The deadline for submission of consultancy proposals is on 6 April. The consultancy study is envisaged to commence in May for completion in 2023-24. The concrete development plan and implementation details of the AI Supercomputing Centre are subject to the findings and recommendations of the consultancy study.

In his 2022 Policy Address announced in October last year, the Chief Executive set the objective of promoting technology industry development through attracting enterprises and talents to Hong Kong, primarily focusing on technology industries in which we enjoy clear advantages and with strategic significance such as life and health technology, artificial intelligence and data science, advanced manufacturing and new energy technology, etc. Innovation, Technology and Industry Bureau (ITIB) is currently working on this in full steam in collaboration with the Office for Attracting Strategic Enterprises (OASES). been contacting various Mainland and overseas I&T enterprises from key industries to introduce the advantages and latest development of the I&T industry in Hong Kong and invite them to set up their businesses in Hong Kong at sites including the Hong Kong-Shenzhen Innovation and Technology Park in the Lok Ma Chau Loop. In response to the latest planning and market developments in Hong Kong and Shenzhen, the Government and Hong Kong-Shenzhen Innovation and Technology Park Limited are now exploring plans to expedite and optimise the relevant development, in particular different modes of development (e.g. co-operating with I&T enterprises, research and development institutions and universities) of the land in Phase 1 development, with a view to attracting different I&T projects, such as data centres, to establish a presence in Hong Kong.

In parallel, the ITIB plans to commence a consultancy study in the second quarter of the year on the development of a site in San Tin covering about 150 hectares of new land for I&T uses. We will explore I&T areas or industries suitable for development at the site as well as the required infrastructure and ancillary facilities (e.g. a data centre).

The above studies will be undertaken by existing manpower of the OGCIO and ITIB.

ITIB019

(Question Serial No. 1182)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: Not Specified

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

The Government promulgated the Hong Kong Innovation and Technology Development Blueprint at the end of last year to map out the broad development directions and major strategies of future innovation and technology (I&T) development from the perspective of top-level planning, with a view to charting Hong Kong in moving full steam towards the vision of an international I&T centre. In this connection, does the Government have any plan to have discussions with the Ministry of Science and Technology on establishing state laboratories in Hong Kong or attracting the Mainland's major high-end upstream research and development (R&D) projects to be conducted in Hong Kong? If yes, what are the details, including whether the related work has been commenced, the estimated resources and manpower involved, whether the related funding has been earmarked in the Budget, what technology areas are expected to be covered, the earliest anticipated time for completing the state laboratories, and what benefits are expected to be brought towards drawing in R&D capital by establishing the state laboratories in Hong Kong? If no, what are the reasons and will the Government proactively explore the above proposal in future?

Asked by: Hon CHIU Duncan (LegCo internal reference no.: 34)

Reply:

The Hong Kong Innovation and Technology Development Blueprint promulgated in December 2022 sets out the macro innovation and technology (I&T) development targets for Hong Kong in the next 5 to 10 years. One of the major strategies is to deepen I&T co-operation with the Mainland for better integration into the overall national development.

The Central Government has all along been supporting Hong Kong in interfacing with the national institutional set-up for innovation, including the approval of establishing 16 State Key Laboratories and 6 Hong Kong Branches of Chinese National Engineering Research

Centres in Hong Kong, as well as the introduction and implementation of a series of science and technology policies benefitting Hong Kong. On national scientific and research development, the HKSAR Government will strive to rally support from the Central Government to consider providing the local scientific research sector and tertiary institutions with more opportunities with respect to the institutional development of state laboratories, especially in the research of life and health sciences, so that they can fully leverage their strengths and make contribution to the country.

For better co-ordination of communication among relevant departments in the Mainland and Hong Kong on I&T policies and resources, etc., and to rationalise relevant arrangements and formulate specific actions, with a view to expediting the development of Hong Kong into an international I&T centre, the HKSAR Government will continue to actively dovetail with the Ministry of Science and Technology in relevant policy formulation work.

Furthermore, the HKSAR Government will continue to enhance the I&T ecosystem of Hong Kong. In addition to consolidating our strengths in upstream basic research, we will also strive to build a global collaborative innovation platform for industries, academia and research, accelerate the transformation and realisation of midstream research and development outcomes, support the development of downstream industries, attract Mainland and overseas technology enterprises with an edge to set up operations in Hong Kong, and facilitate the coordinated development of the industry, academic and research sectors.

The Innovation, Technology and Industry Bureau and the Innovation and Technology Commission will take forward the work using the existing manpower and resources. We do not have a breakdown of the expenditure involved in this respect.

ITIB020

(Question Serial No. 0715)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): (000) Operational expenses

<u>Programme</u>: (2) Innovation and Technology

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

Director of Bureau: Secretary for Innovation, Technology and Industry

Question:

The work of the Innovation, Technology and Industry Bureau includes fostering the development of innovation and technology and related industries in Hong Kong. It is mentioned in Matters Requiring Special Attention in 2023-24 that the Bureau will actively promote Hong Kong's new opportunities to the Mainland and overseas, including collaboration with the Office for Attracting Strategic Enterprises to attract high-potential or representative innovation and technology (I&T) enterprises to set up or expand their businesses in Hong Kong and top-notch I&T talents to bring with them their business or research and development outcomes to Hong Kong. In this connection, will the Government inform this Committee of the following:

- 1. For the attraction of I&T enterprises to Hong Kong, how many I&T enterprises have been successfully engaged (with letters of intent signed) or have expressed intention to invest in Hong Kong (at preliminary negotiation stage) so far? What are countries or regions involved? What are the major categories of industries involved?
- 2. For the recruitment of top-notch I&T talents to Hong Kong, how many talents have been involved so far? What are the businesses or research and development outcomes brought with them?
- 3. For the promotion of Hong Kong's new opportunities in I&T development to the Mainland and overseas, what specific promotional activities will be organised in 2023-24? What will be the manpower and expenditure involved?

Asked by: Hon CHOW Man-kong (LegCo internal reference no.: 6)

Reply:

In his 2022 Policy Address announced in October last year, the Chief Executive set the objective of promoting technology industry development through attracting enterprises and talents to Hong Kong, primarily focusing on technology industries in which we enjoy clear advantages and with strategic significance such as life and health technology, artificial intelligence and data science, as well as advanced manufacturing and new energy technology. The goal is to attract not less than 100 high potential or representative innovation and technology (I&T) enterprises to set up or expand their businesses in Hong Kong in the coming 5 years, including at least 20 top-notch I&T enterprises. Our consolidated reply to the question is as follows:

1. and 2. The Innovation, Technology and Industry Bureau (ITIB) is now making all-out efforts on this front in collaboration with the Office for Attracting Strategic We have been contacting various Mainland and overseas I&T Enterprises. enterprises from key industries to introduce the advantages and latest development of our I&T industry and invite them to set up their businesses in Hong Kong. Promoting the development of the technology industry requires the concerted efforts and collaboration of different stakeholders in the society. We will bring the whole society together to attract business and investment with a view to achieving the goal set in the Policy Address. The ITIB and its departments, as well as I&T parks that have close connection with the industry such as the Hong Kong Science and Technology Park and Cyberport, will leverage the network of our various I&T stakeholders, assisting to outreach to enterprises from the Mainland and overseas to tell the good stories of Hong Kong. We will report the work progress to the relevant Panel of the Legislative Council in a timely manner.

> The Government has been proactive in formulating various measures to attract I&T talents from the Mainland and overseas to come to Hong Kong for development. For example, the Technology Talent Admission Scheme expedites the admission of overseas and Mainland technology talents to undertake research and development work in Hong Kong. As at end-February 2023, a total of 725 quota applications were approved under the scheme. The Global STEM Professorship Scheme supports local universities in recruiting internationally renowned I&T scholars and their teams to conduct research and teaching activities in Hong Kong. The scheme has supported over 80 outstanding scholars so far. The *InnoHK* Research Clusters initiative has brought some 2 000 researchers from all over the world to conduct world-class and impactful collaborative scientific A vibrant I&T ecosystem is the promising path for pooling together The Government will continue with its efforts in developing Hong Kong into an international I&T centre, and also review and enhance different measures on I&T talent in a timely manner.

3. A series of major I&T events will be held in Hong Kong this year, including the InnoEX, the Digital Economy Summit, the Hong Kong Laureate Forum and the 22nd Asia Pacific Information and Communications Technology Alliance Awards. These events are meant for telling the world Hong Kong's I&T edges and opportunities, hence attracting more I&T talents and enterprises from around the world to set foot in Hong Kong. Different types of I&T activities will also be

organised by local public I&T quangos to promote collaboration and exchanges. The ITIB will take forward the work in collaboration with its departments using existing manpower and resources.

- End -

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB021

(Question Serial No. 0716)

<u>Head</u>: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): (000) Operational expenses

<u>Programme</u>: (2) Innovation and Technology

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is stated in the Programme that one of the Matters Requiring Special Attention of the Innovation, Technology and Industry Bureau during 2023-24 is to continue to support local universities to develop facilities for scientific research. In this connection, will the Government inform this Council of:

- 1. the list of names of specific facilities (projects) and the institutions to which the facilities belong;
- 2. the estimated manpower and expenditure involved?

Asked by: Hon CHOW Man-kong (LegCo internal reference no.: 7)

Reply:

The Government announced in last year's Budget that \$10 billion had been earmarked to provide comprehensive support to the development of life and health scientific research in Hong Kong in the long run, including hardware, talent, clinical trials and data application, with the aim of strengthening the industrial chain. The Government further announced in the 2023-24 Budget that \$6 billion will be set aside out of the earmarked provision to provide subsidies for universities and research institutes to set up life and health technology research institutes, so as to foster cross-university, cross-institutional and multi-disciplinary cooperation, in a bid to facilitate development in the transformation of research and development (R&D) outcomes as well as R&D activities related to life and health technology. The Government will invite universities and institutes interested in setting up life and health technology research institutes to submit proposals in 2023-24. Announcement of the universities and institutes granted with subsidies will be made in due course upon completion of the assessment.

In addition, to further enhance basic research in frontier technology fields such as artificial intelligence and quantum technology and to better realise our basic technology research capabilities in making breakthroughs out of the blue, the Government announced in the 2023-24 Budget that \$3 billion will be earmarked as the subsidies for universities/research institutes to promote the development of relevant facilities, in particular, to leverage Hong Kong's unique advantage as a platform for international scientific research collaboration and attract leading I&T talents, research teams and enterprises from the Mainland and overseas to Hong Kong, thereby promoting cross-sectoral research cooperation. We are studying the specific arrangements of the project, and the details are yet to be confirmed.

The Innovation, Technology and Industry Bureau is taking forward the above work through its existing manpower and resources. We do not have a breakdown of the expenditure involved.

ITIB022

(Question Serial No. 3051)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (2) Innovation and Technology

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Regarding the Hong Kong Innovation and Technology Development Blueprint (the Blueprint) and Hong Kong Smart City Blueprint 2.0 (Blueprint 2.0), please inform this Committee of the following:

- 1. please set out the specific projects and estimated expenditures for 2023-24 for the implementation of the 8 major strategies and recommendations put forth in the Blueprint;
- 2. what specific measures are included in the Blueprint to facilitate the development of local small and medium enterprises (SMEs) and start-ups;
- 3. Blueprint 2.0 released in December 2020 has put forth over 130 initiatives in the 7 smart areas of "Use of I&T in Combating COVID-19", "Smart Mobility", "Smart Living", "Smart Environment", "Smart People", "Smart Government" and "Smart Economy". Please set out the expenditures on these 7 smart areas in 2020-21, 2021-22 and 2022-23, as well as the estimated expenditure for 2023-24.

<u>Asked by</u>: Hon HO King-hong, Adrian Pedro (LegCo internal reference no.: 34) <u>Reply</u>:

1. The HKSAR Government promulgated the Hong Kong Innovation and Technology Development Blueprint (the Blueprint) on 22 December to establish a clear development path and formulate systematic strategic planning for Hong Kong's innovation and technology (I&T) development over the next 5 to 10 years, charting Hong Kong in moving full steam towards the vision of an international I&T centre. We have formulated the Blueprint from the perspective of top-level planning and design, and set

out 4 broad development directions and 8 major strategies as well as a series of key recommendations for promoting I&T development in Hong Kong. The Blueprint has provided an important basis for specific I&T-related initiatives which might be proposed in the Policy Address and Budget in the coming years.

A number of initiatives proposed in the Budget this year closely follow the development directions and major strategies outlined in the Blueprint to facilitate the implementation of relevant recommendations therein. The related initiatives include:

- Earmarking a sum of about \$200 million to enhance the "iAM Smart" platform, so as to provide more convenient one-stop digital services and improve user experience, thereby further promoting "Smart Government" and digital transformation of the whole society.
- Setting aside \$500 million for Cyberport to launch a Digital Transformation Support Pilot Programme, under which subsidies will be provided on a one-to-one matching basis to assist small and medium enterprises (SMEs) to enhance competitiveness through digitalisation;
- Allocating \$50 million to expedite the Web3 ecosystem development in Hong Kong;
- Setting aside \$6 billion out of the \$10 billion earmarked for promoting the development of life and health technology to provide subsidies for universities and research institutes to set up thematic research centres;
- Earmarking \$3 billion to promote the development of relevant facilities for frontier technology fields such as artificial intelligence and quantum technology;
- Earmarking \$265 million for Cyberport to launch a dedicated incubation programme for smart living start-ups; and
- Extending the IT Innovation Lab in Secondary Schools Programme by allocating \$300 million to provide subsidies for publicly-funded secondary schools in the next 3 school years for organising of information technology-related extra-curricular activities.

We are working on the detailed arrangements for implementing relevant initiatives.

2. Technology enterprises, including start-ups and SMEs, are one of the key stakeholders in the I&T ecosystem. The Blueprint sets out a series of key recommendations under the 4 broad development directions and 8 major strategies to support the development of local technology start-ups and SMEs for enhancing the I&T industry chain.

In respect of financial support, the Innovation and Technology Commission is reviewing the operation of the Innovation and Technology Venture Fund to explore room for further enhancement, streamline procedures and allow greater flexibility to empower local start-ups with more financing support. This can help nurture strategic emerging industries, promote diversification of Hong Kong's industry structure and enhance our competitiveness.

On the other hand, the Government will step up with the connection between government departments and the I&T industry, especially local start-ups and SMEs, via the existing platforms, including the Smart Government Innovation Lab, the E&M InnoPortal of the Electrical and Mechanical Services Department and the InnoGov

Portal of the Efficiency Office, etc. We will also continue to organise I&T solution expos and other solution matching events to encourage and help government departments to introduce and utilise I&T products and solutions of local start-ups and SMEs, facilitating more business matching to achieve a win-win situation.

The Government will also continue to assist local technology enterprises, especially starts-ups, via the Public Sector Trial Scheme by offering different settings to try out in the public sector the new I&T products and solutions they have developed, so as to support realisation and commercialisation of more R&D outcomes.

The Hong Kong Science and Technology Parks Corporation (HKSTPC) and Cyberport have all along been offering comprehensive assistance to technology enterprises at their different stages of development through various funding schemes, including investing in start-ups in the Hong Kong Science Park and Cyberport on a matching basis through the Corporate Venture Fund and the Cyberport Macro Fund respectively. The Government will encourage Cyberport and the HKSTPC to continue the organisation of their various I&T-related activities, such as the Cyberport Venture Capital Forum and the Elevator Pitch Competition organised by them respectively, to offer the industry and start-ups opportunities to exchange and co-operate with local, Mainland and overseas experts and investors.

The Government has set up the new Committee on Innovation and Technology Industry Development to provide advice on strategic development issues of I&T in Hong Kong under the Blueprint, and will continue to listen to the opinions from different sectors of the society for formulating appropriate policies and support measures.

3. The co-ordination work of implementing the Hong Kong Smart City Blueprint 2.0 (Blueprint 2.0) is being absorbed by the existing manpower and resources of the Innovation, Technology and Industry Bureau (ITIB) and there is no separate breakdown of the expenditure involved. As for the implementation of over 130 smart initiatives set out in the Blueprint 2.0, the relevant bureaux/departments will deploy the necessary resources and manpower to take forward related work. The ITIB does not maintain relevant information.

-End-

ITIB023

(Question Serial No. 3052)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (2) Innovation and Technology

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is mentioned in paragraph 79 of the Budget that \$265 million will be earmarked for Cyberport to launch an incubation programme for providing support and counselling to smart living start-ups, and \$500 million to launch a Digital Transformation Support Pilot Programme. In other words, the Government has in this year's Budget alone earmarked no less than \$765 million for Cyberport. In this connection, will the Government inform this Committee of the total amount of funding allocated to Cyberport in the past 5 financial years, and provide details of the programmes involved and expenditure incurred, as well as the effectiveness achieved?

Asked by: Hon HO King-hong, Adrian Pedro (LegCo internal reference no.: 35)

Reply:

In 2018-19, Cyberport was allocated \$200 million to enhance the support for start-ups and promote the development of digital technology ecosystem and \$100 million to promote the development of the e-sports industry.

On the support for start-ups, Cyberport provides funding support of up to \$500,000 to start-ups through the Cyberport Incubation Programme, which benefitted more than 717 incubatees as at the end of January 2023. Cyberport has also launched the Easy Landing Scheme and the Overseas/Mainland Market Development Support Scheme. The former attracts multinational corporations to set up offices and research and development units in Cyberport through rental concessions for promoting the development of digital technology ecosystem. The latter offers a financial subsidy of up to \$200,000 to assist start-ups in conducting market research and promotion, participating in trade fairs outside Hong Kong, expanding into overseas markets and attracting investors. As at the end of January 2023, Cyberport has approved a total of 175 applications.

On the promotion of the development of the e-sports industry, the new dedicated e-sports competition venue set up in the Cyberport Arcade was opened in July 2019. Moreover, the E-Sports Industry Facilitation Scheme and the E-Sports Internship Scheme were introduced in April 2019. As at the end of January 2023, the above schemes supported 126 projects and successfully matched 51 internship positions.

In addition, in June 2021, the Finance Committee of the Legislative Council approved a funding of \$3,834 million and a guarantee for a commercial loan amounting to \$1,191 million to Cyberport for the development of Cyberport 5. The relevant works have already commenced and it is expected that the gross floor area will increase by over 40% within 4 years.

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB024

(Question Serial No. 2586)

<u>Head</u>: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (2) Innovation and Technology

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

In the planning of the Northern Metropolis, the Government has proposed to vigorously develop the innovation and technology (I&T) industry, which includes construction of the Hong Kong-Shenzhen Innovation and Technology Park (HSITP) in the Lok Ma Chau Loop and San Tin Technopole. In this connection, will the Government advise this Committee of the following:

- a) What are the respective positionings and functions of the HSITP in the Lok Ma Chau Loop and San Tin Technopole envisaged in the Government's planning of the I&T industrial parks in the Northern Metropolis?
- b) Does the Government have a comprehensive planning and division of functions for I&T industries in the whole Northern Metropolis? What are the details?
- c) Given the anticipated completion of the HSITP in the Lok Ma Chau Loop in 2024, has the Government formulated any plan and timetable for attracting Mainland and overseas I&T enterprises to set up presence there? What are the details?

Asked by: Hon HO Kwan-yiu, Junius (LegCo internal reference no.: 4)

Reply:

The consolidated reply to the various parts of the question is as follows:

In his 2022 Policy Address announced in October last year, the Chief Executive set the objective of promoting technology industry development through attracting enterprises and talents to Hong Kong, primarily focusing on technology industries in which we enjoy clear

advantages and with strategic significance such as life and health technology, artificial intelligence and data science, advanced manufacturing and new energy technology.

Under the Northern Metropolis Development Strategy, the San Tin Technopole will provide about 240 hectares (ha) of land for uses related to innovation and technology (I&T), including the Hong Kong-Shenzhen Innovation and Technology Park (HSITP) in the Loop of 87 ha and other land of about 150 ha around San Tin. In the financial year 2021-22, a total of HK\$32.5 billion was approved by the Legislative Council (LegCo) for the public works projects in the Loop and the Batch 1 development of Phase 1 of the HSITP, which involves 8 buildings in The construction works of 3 of the buildings have already commenced and will be completed in phases from end-2024 onwards as scheduled. We plan to set up the InnoLife Healthtech Hub in the HSITP to pool together top-notch research teams from all over the world and focus our efforts on research and development work as well as global research collaboration in the field of life and health sciences. The Hub is expected to be moved into the HSITP upon the gradual completion of the first batch of buildings. Regarding the new land for I&T uses around San Tin, the Development Bureau will commence consultation on the development proposals and land use planning of San Tin Technopole in the second quarter It is estimated that subject to funding approval by the LegCo, the works departments will commence the site formation works of the first batch of new land for I&T Meanwhile, the Innovation, Technology and Industry Bureau (ITIB) also plans to commence a consultancy study on the new land for I&T uses in the second quarter this year for exploring I&T fields or industries suitable for development there, as well as the required infrastructure and supporting facilities.

The ITIB is now following up in full swing on attracting Mainland and overseas I&T enterprises in close collaboration with the Office for Attracting Strategic Enterprises. We have been contacting various Mainland and overseas I&T enterprises from key industries to introduce the advantages of Hong Kong and the latest development of the I&T industry in the city and invite them to set up their businesses in Hong Kong (including the Loop). Promoting the development of the technology industry requires the concerted efforts and collaboration of different stakeholders in the society. The ITIB and its departments, as well as I&T parks that have close connection with the industry, such as the Hong Kong Science and Technology Park and Cyberport, will also leverage the network of our I&T stakeholders, joining forces with them to attract businesses and investment and reach out to enterprises from the Mainland and overseas to tell the good stories of Hong Kong.

ITIB025

(Question Serial No. 1003)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (2) Innovation and Technology

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

As stated in this Programme, the Digital Economy Development Committee is undertaking in-depth studies on 4 major areas to explore, namely, the digital infrastructure needed to promote the development of digital economy, cross-boundary data transfer in a convenient, efficient and secure manner, digital transformation of enterprises and human resources support. It is said that many Mainland cities have already set up data exchanges, but owing to various constraints, the performance of cross-boundary data transfer transactions is not very successful. In this connection, please inform this Committee whether the Government would consider setting up a data exchange in Hong Kong to facilitate the development of innovation and technology industries and smart city in Hong Kong as well as the establishment of a Hong Kong-Shenzhen cross-boundary data exchange to promote the co-development of various smart cities in the Guangdong-Hong Kong-Macao Greater Bay Area.

Asked by: Hon HONG Wen, Wendy (LegCo internal reference no.: 16)

Reply:

The Digital Economy Development Committee (the DEDC) is undertaking in-depth studies on four major areas, namely cross-boundary data flow, digital infrastructure, digital transformation and talent development, in order to put up specific recommendations to the Government by 2023 for expediting the process of digital economy development in Hong Kong. The Government will formulate appropriate policies and initiatives to promote high-quality economic development in Hong Kong with reference to the DEDC's recommendations.

ITIB026

(Question Serial No. 2465)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (2) Innovation and Technology

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

One of the matters requiring special attention in 2023-24 under this Programme is to press ahead with the development of the Hong Kong-Shenzhen Innovation and Technology Park (HSITP) in the Lok Ma Chau Loop, with the target to complete the first 8 buildings in phases from end-2024, and to explore expediting the development of HSITP and optimising its functions with a view to attracting enterprises and talents to Hong Kong in collaboration with the Office for Attracting Strategic Enterprises (OASES). In this connection, please advise this Committee on the following: 1) Given that the Joint Policy Package for the Shenzhen-Hong Kong Innovation and Technology Co-operation Zone (Co-operation Zone) in the Loop was announced in 2021, how does it facilitate the development progress of the "one zone, two parks" of the Co-operation Zone in the Loop? 2) Will the Bureau consider setting up a "special data zone" at the HSITP in the Loop for launching a pilot scheme on the management of cross-boundary data flow security to explore the mechanism of cross-border data transfer?

Asked by: Hon HONG Wen, Wendy (LegCo internal reference no.: 17)

Reply:

In the 2021-22 financial year, the Legislative Council approved a total of HK\$32.5 billion to support the public works projects in Lok Ma Chau Loop (the Loop) and the Phase 1 Batch 1 construction works of the Hong Kong-Shenzhen Innovation and Technology Park (HSITP) which involves 8 buildings. The construction works of 3 buildings have commenced and are expected to be completed in phases starting from the end of 2024 as scheduled.

The governments of Hong Kong and Shenzhen signed the "Co-operation Arrangement on the Establishment of 'One Zone, Two Parks' in the Shenzhen-Hong Kong Innovation and Technology Co-operation Zone at the Lok Ma Chau Loop" (Co-operation Arrangement) at the Hong Kong/Shenzhen Co-operation Meeting 2021, setting out the direction of co-

operation for the development of the Co-operation Zone, including supporting the development of the Shenzhen branch of the Hong Kong Science Park (the branch) in the Shenzhen Innovation and Technology Zone by the Hong Kong Science and Technology Parks Corporation (HKSTPC). The construction works of the branch are underway and the branch is expected to be commissioned in the first half of 2023 to allow institutions and enterprises interested in setting up business in the Greater Bay Area (GBA) to establish a presence there first. In addition, the HKSTPC launched the GBA InnoAcademy and the GBA InnoExpress in July 2022 to provide comprehensive services for innovation and technology (I&T) talents of both sides with respect to the 3 important functions as a resource centre, a training hub, and an exchange platform, and business development support services for Hong Kong and Mainland I&T enterprises as well, thus fulfilling Hong Kong's role in "attracting foreign In addition to hardware facilities, the Co-operation investment" and "going global". Arrangement also includes putting forward a joint policy package covering support measures on facilitating flow of talents and scientific research resources, setting up business, etc. to jointly attract talents and investments to the Co-operation Zone.

Furthermore, the Hong Kong Special Administrative Region (HKSAR) Government has been in close liaison with the relevant ministries of the Central Government and the Guangdong Provincial Government to actively explore measures to facilitate convenient cross-boundary flow of innovation elements between the two places, including actively providing facilitation to non-Chinese nationals residing in Hong Kong to travel to other cities of the GBA for business, research, exchanges and visits, etc. The HKSAR Government will continue to explore actively with relevant Mainland authorities facilitation measures including those involving cross-boundary data for enterprises establishing a presence in the Loop. We will make announcements in due course.

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB027

(Question Serial No. 2488)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (2) Innovation and Technology

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Regarding taking forward the development of the Hong Kong-Shenzhen Innovation and Technology Park (HSITP) in the Lok Ma Chau Loop under this Programme, please advise on the following:

- 1. Are there any plans and timetable for the relocation of the Emergency Hospital and Mobile Cabin Facility located in the Lok Ma Chau Loop? If yes, what are the details? If no, what are the reasons?
- 2. In order to give full play to the synergy of the HSITP, it is necessary to minimise the policy obstacles to the flow of factors of production between Hong Kong and Shenzhen. What is the current progress of the work undertaken by the Government in facilitating the flow of capital, goods, personnel and data between the 2 places? What other aspects will be targeted for seeking continuous breakthroughs in the future?
- 3. Regarding the HSITP and the Shenzhen Innovation and Technology Zone, in terms of planning, how to better leverage the strengths and synergy of both zones through division of labour and co-operation between the 2 places in the future?

Asked by: Hon HONG Wen, Wendy (LegCo internal reference no.: 6)

Reply:

1. In the 2021-22 financial year, the Legislative Council approved a total of \$32.5 billion to support the public works projects in the Lok Ma Chau Loop (the Loop) and the Batch 1 construction works of Phase 1 of the Hong Kong-Shenzhen Innovation and Technology Park (HSITP). This batch of development involves 8 buildings in total.

The construction works of 3 buildings have commenced and are expected to be completed in phases starting from end- 2024 as scheduled.

For the other sites in the Loop which have been used for the Emergency Hospital as well as the community isolation and treatment facilities, as the epidemic further subsides, the Chief Executive has assigned the Deputy Financial Secretary (DFS) to co-ordinate deliberations over the future arrangement of the community isolation and treatment facilities. The related work has commenced. The DFS will, in collaboration with the relevant policy bureaux and departments, conduct thorough analysis and studies. The details and arrangements concerned will be announced in due course after a decision is made.

- 2. In addition to hardware facilities, on the front of policy initiatives, the Hong Kong Special Administrative Region (HKSAR) Government has been in close liaison with the relevant Central Government ministries and the Guangdong Provincial Government to actively explore measures to facilitate convenient cross-boundary flow of innovation elements such as talents, materials, capital and information, including actively providing facilitation to non-Chinese nationals residing in Hong Kong to travel to other cities of the Greater Bay Area for business, research, exchanges and visits, etc. Meanwhile, in order to jointly attract talents and investment to the Co-operation Zone, the governments of Hong Kong and Shenzhen signed a co-operation agreement in 2021 for the development of the Co-operation Zone and put forward a joint policy package covering support measures on facilitating flow of talents and scientific research resources and business development, etc. The HKSAR Government will continue to explore actively with relevant authorities in the Mainland measures facilitating cross-boundary flow of talent between the 2 places, in particular innovation and technology (I&T) talents working in the Loop in the future. We will announced the details in due course.
- 3. In response to the latest planning and market developments in Hong Kong and Shenzhen, the HKSAR Government and Hong Kong-Shenzhen Innovation and Technology Park Limited are now exploring plans to expedite and optimise the relevant development. In particular, different development modes, increase of plot ratio and inclusion of more I&T uses for the land in Phase 1 development are being explored, with a view to maximising its benefits. We will announce the relevant details in due course. As for the future development of I&T parks in Hong Kong and Shenzhen, the HKSAR Government has been co-ordinating related matters through existing mechanism of meeting and communication. We will enhance the co-operation between the two places and implement dedicated measures in the future to promote the development of I&T parks in both sides.

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB028

(Question Serial No. 0850)

<u>Head</u>: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (3) Efficiency Office

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Of all the Programmes under Head (135) Government Secretariat: Innovation, Technology and Industry Bureau, Programme (3) Efficiency Office (EffO) has been allocated the largest amount of the financial provision and has the largest number of staff. In this regard, will the Government inform this Committee of the following:

- 1. What are the key performance indicators for assessing the performance of the EffO?
- 2. What specific measures were implemented by the EffO to achieve productivity gains in the Government in the past 3 years? What are the details of the measures and the expenditures involved? What are the departments benefited from the measures?
- 3. How will the EffO promote the wider adoption of innovation and technology by the Government? What are the details of the projects and the expenditures involved?

Asked by: Hon IP LAU Suk-yee, Regina (LegCo internal reference no.: 11)

Reply:

The main work areas of the Efficiency Office (EffO) include providing citizen-centric services such as operating the 1823 contact centre and the Social Innovation and Entrepreneurship Development Fund (SIE Fund), providing consultancy services for bureaux/departments (B/Ds), promoting business facilitation measures and promoting the adoption of innovation and technology (I&T) in the Government to improve public services. In 2023-24, more than 60% of the provision for the EffO is for the operation of the 1823 contact centre and meeting the expenditure required by projects funded by the SIE Fund.

On key performance indicators (KPIs), 1823 provides direct service for the public by answering enquiries related to 23 government departments and receiving complaints about any area of government services. It also supports the anti-epidemic work of the Government by additionally providing support for a number of epidemic-related hotlines. KPIs have been developed for 1823 in respect of the speed of answering calls, customer satisfaction rate and the percentage of callers that have their enquiries resolved at the first time of calling. In 2022, as the service performance of 1823 was affected by the fifth wave of COVID-19 epidemic, the actual percentage for calls that can be answered within 12 seconds is 61%, while the target percentage is 80%. The target score for customer satisfaction is 4.0, with the actual score being 4.5. The target percentage for callers that have their enquiries immediately resolved is 95%, with the actual percentage being 99%. The EffO will continue to improve the service of 1823.

The SIE Fund is committed to tackling poverty and social exclusion as well as fostering the well-being and cohesion of the society by promoting social innovation and entrepreneurship. The SIE Fund is overseen by the SIE Fund Task Force under the Commission on Poverty, and the Task Force Secretariat is established under the EffO. As at February 2023, a total of 466 projects have been funded, including 400 Innovative Programmes, 52 research projects and 14 Capacity Building projects, benefiting more than 320 000 people. We will continue to promote social innovation and social entrepreneurship through the SIE Fund, enabling more ideas, products and services of social entrepreneurs to address social needs and create greater and more lasting social impact.

On improvement of government services, we have been driving B/Ds to enhance licensing and government services involving application and approval on a continuous basis through adoption of I&T, streamlining administrative procedures and strengthening co-ordination among departments under the "Be the Smart Regulator" (BTSR) and the "Streamlining of Government Services" (SGS) Programmes. These Programmes cover about 1 400 licences and services under 45 B/Ds. Participating B/Ds are required to, on an annual basis, propose and implement business facilitation and streamlining measures, and report the implementation progress and effectiveness of the proposed projects.

Having regard to the needs of B/Ds, the EffO will also provide them with consultancy services, such as studies on business process re-engineering, knowledge management and change management, or assist them to obtain external consultancy services as appropriate. The studies will recommend, inter alia, streamlining of business processes, enhancement of user experience and wider adoption of technology to improve public services and efficiency in operations.

In the past 3 years, B/Ds participating in the BTSR and SGS Programmes co-ordinated by the EffO have completed over 500 business facilitation and streamlining measures. Concerning the enhancement of productivity in the Government, these measures help shorten the time for processing and approval, reduce departments' manpower efforts in processing applications and lower administrative costs. We will continue to assist departments in the wider adoption of technology, and in reviewing and enhancing related processes to make licensing and government services involving application and approval more business-friendly and convenient to the public, more efficient and transparent, as well as achieving the target of turning all government services online by mid-2024 as set out in the 2022 Policy Address.

We have also implemented a series of support measures to departments, including organising the I&T Solution Expo. Through the Hong Kong Science and Technology Parks Corporation, Cyberport and other platforms, we showcased the latest I&T solutions for departments, and arranged business matching for interested departments and companies to help the departments further explore or test whether the relevant solutions are suitable for their services. Moreover, we have launched the InnoGov Portal, an intranet website introducing the latest I&T solutions and providing matching services to departments. Currently, the website covers a total of about 150 I&T solutions in 12 categories.

In addition, the EffO collaborated with the Civil Service College to incorporate the "Innovation and Technology Awards" (I&T Awards) into the "Civil Service Outstanding Service Award Scheme" in 2022 to give recognition to B/Ds that are proactive in implementing innovative measures and impactful technology solutions, with the aim to encourage wider adoption of I&T by B/Ds to improve government services. The I&T Awards comprise 3 categories, namely Best Use of Technology, Best Citizen-centric Innovation and Best Stakeholder Collaboration. A total of 35 entries were received from various government departments for the I&T Awards in 2022, covering different technological areas such as Internet of Things, robotics, digital service platform and building information modelling.

We take forward the aforementioned work with existing manpower and resources.

ITIB029

(Question Serial No. 1689)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (1) Director of Bureau's Office

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

Director of Bureau: Secretary for Innovation, Technology and Industry

Question:

1) Regarding the provision of secretariat support to the Digital Economy Development Committee, what are the expenditures, including those on establishment, involved in the relevant support service?

2) In implementing the recommendations provided by the 4 sub-groups, how will the financial resources required be allocated to various bureaux/departments? Have indicators and mechanisms been established to monitor the implementation of recommendations and the policy effect?

Asked by: Hon KAN Wai-mun, Carmen (LegCo internal reference no.: 14)

Reply:

The Digital Economy Development Committee (the DEDC) has set up respective sub-groups to undertake in-depth studies on four major areas, namely cross-boundary data flow, digital infrastructure, digital transformation and talent development, in order to put up specific recommendations to the Government by 2023 for expediting the process of digital economy development in Hong Kong. The Government will formulate appropriate policies and initiatives to promote high-quality economic development in Hong Kong with reference to the DEDC's recommendations.

The research work of the Committee and its four sub-groups is mainly undertaken by the Members and Co-opted Members. The Innovation, Technology and Industry Bureau and the Office of the Government Economist provide relevant secretariat support with their existing manpower and resources respectively. If additional resources will be required for implementing the DEDC's recommendations, the relevant bureaux and departments will apply for resources according to the established procedures.

ITIB030

(Question Serial No. 1464)

<u>Head</u>: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): (000) Operational expenses

<u>Programme</u>: (3) Efficiency Office

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Regarding the operation of the 1823 contact centre, please advise this Committee on the following:

1. Please tabulate figures on the staff establishment and strength of the 1823 contact centre in the past 3 years, with a breakdown of the expenditures involved.

2. Please tabulate figures on the public calls and emails received by the 1823 contact centre in each of the past 3 years, with a breakdown by department of the respective numbers and percentages.

Asked by: Hon KOON Ho-ming, Peter Douglas (LegCo internal reference no.: 28)

Reply:

1. The staff establishment, strength and salary expenditure in the past 3 financial years are as follows:

Year	Establishment of civil	Strength of civil servants	Strength of Non-Civil Service Contract staff		Salary Expenditure
	servants		Full time	Part time	(\$ million)
2020-21	8	8	463	160	141
2021-22	9	9	493	126	137
2022-23	9	9	463	140	134

2. The numbers of calls and written contacts (including those sent by mobile application, online forms, emails, etc.) from the public received by 1823 in the past 3 years are as follows:

	2020	2021	2022
call	4 743 772	4 648 551	6 472 280
Written contact	498 344	640 999	712 147

The numbers of enquiry and complaint cases 1823 handled for various departments in the past 3 years are as follows $^{\text{Note}}$:

Department	No. of cases in 2020 (and respective percentage of the total caseload)		No. of cases in 2021 (and respective percentage of the total caseload)		No. of cases in 2022 (and respective percentage of the total caseload)	
	No.	%	No.	%	No.	%
Hong Kong Housing Authority and Housing Department	260 088	11%	341 144	12%	290 083	11%
Transport Department	199 301	8%	198 945	7%	195 546	7%
Labour Department	211 798	9%	247 381	9%	178 014	7%
Food and Environmental Hygiene Department	161 078	7%	193 523	7%	153 746	6%
Working Family and Student Financial Assistance Agency	153 608	7%	175 988	6%	122 126	4%
Hongkong Post	100 228	4%	125 814	4%	100 046	4%
Rating and Valuation Department	70 085	3%	86 002	3%	62 510	2%
Highways Department	52 862	2%	60 491	2%	54 373	2%
Buildings Department	47 901	2%	59 184	2%	44 145	2%
Department of Health - Tobacco and Alcohol Control Office	12 171	1%	12 336	1%	36 934	1%
Leisure and Cultural Services Department	44 417	2%	42 874	2%	34 710	1%
Lands Department	32 726	2%	39 120	1%	31 730	1%

Department	No. of cases in 2020 (and respective percentage of the total caseload)		No. of cases in 2021 (and respective percentage of the total caseload)		No. of cases in 2022 (and respective percentage of the total caseload)	
	No.	%	No.	%	No.	%
Agriculture, Fisheries and Conservation Department	31 020	2%	33 738	1%	28 785	1%
Companies Registry	25 920	1%	31 901	1%	22 139	1%
Social Welfare Department	26 500	1%	20 879	1%	20 690	1%
Office of the Government Chief Information Officer	7 463	0%	16 443	1%	15 978	1%
Electrical and Mechanical Services Department	10 925	0%	11 377	0%	8 787	0%
Drainage Services Department	7 374	0%	8 160	0%	6 190	0%
Civil Engineering and Development Department	1 112	0%	1 369	0%	1 531	0%
Architectural Services Department	1 407	0%	1 735	0%	1 474	0%
Land Registry	1 706	0%	2 324	0%	1 376	0%
Marine Department	754	0%	900	0%	765	0%
Development Bureau - Greening, Landscape and Tree Management Section	251	0%	455	0%	430	0%
1823 and non- participating departments	350 644	15%	357 533	12%	398 279	15%
Cases related to COVID-19	535 055	23%	819 105	28%	884 190	33%
Total	2 346 394	100%	2 888 721	100%	2 694 577	100%

Note: One single case could involve multiple calls or written contacts from the public. On the other hand, the public could file multiple cases through a single call or written contact. Thus, there could be discrepancies between the number of cases and the number of calls and written contacts.

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB031

(Question Serial No. 1798)

<u>Head</u>: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (2) Innovation and Technology

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is stated under the Programme that the Innovation, Technology and Industry Bureau will continue to implement the "Global STEM Professorship Scheme" to strengthen support for local universities to attract world-renowned STEM scholars as well as their teams to work in Hong Kong. In this connection, please advise this Committee of the following:

- a) What were the manpower and expenditures involved in the various initiatives to promote Science, Technology, Engineering and Mathematics (STEM) education in primary schools, secondary schools and post-secondary institutions in the past 3 years?
- b) Regarding the Government's support measures for STEM-related education in primary schools, secondary schools and post-secondary institutions in the past 2 years, what were the target beneficiaries, as well as the manpower and expenditures involved?
- c) Regarding the "Global STEM Professorship Scheme", what were the number of participating schools/institutions, number of student beneficiaries as well as the expenditures and manpower involved as at 31 January 2023?

Asked by: Hon KWOK Ling-lai, Lillian (LegCo internal reference no.: 28)

Reply:

The Government has been adopting a multi-pronged approach to enlarge the innovation and technology (I&T) talent pool through actively attracting, nurturing and retaining talents with a series of initiatives. On nurturing talents, it is essential to cultivate students' interest in I&T from a young age. The Education Bureau (EDB) has stepped up the promotion of STEM/STEAM education (Science, Technology, Engineering and Mathematics/Science, Technology, Engineering, the Arts and Mathematics) in primary and secondary schools and

tertiary institutions by implementing a series of support measures on STEM/STEAM education. The Innovation, Technology and Industry Bureau (ITIB) has also launched several programmes and schemes to nurture I&T talents beyond the curriculum from primary school to university levels. Relevant work of the two bureaux is summarised below:

a) and b)

The EDB's support measures to promote STEM/STEAM education include renewing curriculum, enhancing professional development of teachers, enriching student learning activities, as well as providing resources support.

Primary and secondary schools

- On school curriculum, apart from the continuous teaching of STEM/STEAM-related knowledge and skills in class through the curricula for science, mathematics, technology, etc. (including the Science, Information and Communication Technology, Mathematics and primary General Studies subjects), the EDB has also implemented "hands-on and minds-on" cross-disciplinary learning activities beyond the classroom, such as scientific investigation, design and production and project-based learning. Schools may enhance the pedagogical design of STEM/STEAM education learning activities within and beyond the classroom to tie in with the knowledge of students gained from the curricula for science, mathematics, technology, etc. This can enhance students' interest and abilities in science and I&T, thereby encouraging their integration and application of cross-disciplinary knowledge, as well as enhancing their problemsolving skills and creative thinking. As announced in the 2022 Policy Address, the EDB will incorporate more I&T learning elements in the curriculum, including developing the "Enriched Module on Coding Education for Upper Primary Level" and "Module on Artificial Intelligence for Junior Secondary Level". In addition to implementing enriched coding education at the upper primary level and incorporating artificial intelligence curriculum at the junior secondary level, the EDB also launched the "Enhancing Science and Technology Learning at the Upper Primary Level" pilot scheme in this school year to strengthen students' scientific thinking and "hands-on and minds-on" ability, and enable them to build a solid foundation of science and technology from an early age.
- To implement STEM/STEAM education effectively, the EDB will strengthen teacher professional training to enhance the professional capacity of schools' leadership and coordination of STEAM education in tandem, and build a teaching force keeping abreast of the latest development of I&T. Starting from the current school year, all publicly-funded schools are required to designate co-ordinators to enhance the holistic planning of STEAM education within and beyond the classroom. Schools are also required to make arrangements for teachers to undergo professional training on I&T in an orderly manner. The target is to have at least three-quarters of publicly-funded primary and secondary schools participating in such training by the 2023/24 school year. The EDB will organise specific training programmes for co-ordinators of STEAM education continuously to equip teachers with the professional capacity of leading STEAM education, as well as professional development programmes for teachers to enhance the learning and teaching effectiveness of STEAM-related areas.

In the 2023-24 Budget, the Financial Secretary proposed to inject an additional \$600 million into the Gifted Education Fund for generating extra investment returns to enhance the support for gifted education in Hong Kong and nurture talents. expects that the Fund can further encourage various gifted education service providers (including tertiary institutions) for provision of more quality Off-school Advanced Learning Programmes in STEAM-related areas in particular for gifted students so that more students with potential can have an opportunity of advanced study and showcase their talents. The EDB will also step up efforts in supporting the Hong Kong Academy for Gifted Education (HKAGE) to roll out more and wider gifted student activities, including collaborating with various organisations to conduct, train or send representatives to participate in more territory-wide /cross-territory/ national/ international competitions and activities related to science and I&T so as to provide more opportunities for gifted students to unleash their talents. More quality and challenging advanced programmes specific to STEAM-related areas will be offered for those exceptionally gifted. Besides, the HKAGE will also enhance the support services provided for teachers and parents (including organising seminars and workshops) and expand its collaboration with schools to support teachers in identifying and nurturing gifted students.

The EDB will continue to introduce I&T elements into the school curriculum and further promote I&T learning for all, so that I&T education can keep abreast of the times. Moreover, by strengthening primary and secondary students' knowledge base in science, mathematics and technology, more students with potential will be encouraged to study STEAM-related disciplines in local funded universities and become the driving force in scientific research and I&T in future.

The EDB's expenditure involved in the promotion of STEM/STEAM education in primary and secondary schools (including special schools) is subsumed under its overall expenditure. Therefore, a breakdown is not available.

Post-secondary institutions

- On post-secondary institutions, the University Grants Committee (UGC)-funded universities have been actively promoting STEM education in recent years. In the 2022-25 triennium, more than 10 STEM-related undergraduate programmes will be introduced by the UGC-funded universities. They also offer innovative transdisciplinary programmes by infusing STEM elements into programmes from other disciplines, such as FinTech, ArtTech, Education Technology and Digital Humanities, so as to nurture STEM talents possessing transdisciplinary knowledge. Under the existing regime, the UGC allocates recurrent grants to the 8 UGC-funded universities in the form of a block grant so that they can flexibly deploy the grants to meet different expenditures. As such, the EDB cannot provide a breakdown on the expenditure for the promotion of STEM education.
- In addition, the UGC has implemented the Targeted Taught Postgraduate Programmes Fellowships Scheme on a pilot basis for 5 cohorts since the 2020/21 academic year, providing fellowships for local students taking targeted taught postgraduate programmes in the 8 UGC-funded universities. The scheme aims to attract more meritorious local

students to pursue further studies in priority areas (including STEM) conducive to the development of Hong Kong. Funding for the Fellowships Scheme is provided outside of the block grant. The UGC has disbursed around \$300 million to universities for awarding fellowships to the first 3 cohorts of students.

- With regard to the self-financing post-secondary education sector, the EDB launched the Enhancement and Start-up Grant Scheme for Self-financing Post-secondary Education with a funding of \$1.26 billion in December 2020. It aims to support eligible self-financing post-secondary institutions to develop and enhance programmes that meet market needs but require high start-up costs, and help alleviate the institutions' need to fully recover the set-up costs from tuition fees, thus relieving the financial burden on students. In 2020-21 and 2021-22, 3 STEM-related projects covering programmes in the areas of FinTech, ArtTech, innovative technology, building management, etc. were approved respectively, involving a total grant of about \$55 million and approximately \$91 million in each year respectively.
- Professions/Sectors to subsidise students pursuing designated programmes and encourage the self-financing post-secondary education sector to offer programmes in selected disciplines, including STEM-related disciplines, to nurture talent in support of specific industries with keen demand for human resources. In the 2020/21, 2021/22 and 2022/23 (up to February 2023) academic years, the grants for the programmes relating to architecture and engineering, computer science, FinTech, as well as testing and certification were about \$84 million, \$78 million and \$69 million respectively.

In the long run, the EDB will build on the existing foundation of promoting STEM/STEAM education and strengthen collaboration with the I&T sector, post-secondary institutions, professional bodies and different policy bureaux to enhance the strategies for supporting STEAM education through a multi-pronged approach.

In addition, **the Innovation**, **Technology and Industry Bureau** launched the "IT Innovation Lab in Secondary Schools" Programme, the "Knowing More About IT" Programme and the STEM Internship Scheme for primary, secondary and tertiary students to provide more support and promote I&T education beyond the curriculum.

- The Office of the Government Chief Information Officer launched the "IT Innovation Lab in Secondary Schools" Programme and the "Knowing More About IT" Programme in the 2020/21 and 2021/22 school years respectively to provide funding support for primary and secondary schools in organising information technology (IT)-related extracurricular activities. The 2 programmes, targeting all publicly-funded secondary schools and primary schools in Hong Kong respectively, have received overwhelming response from schools and relevant stakeholders since their launch in the 2020/21 and 2021/22 school years respectively. Nearly 90% of secondary schools and about 60% of primary schools have submitted applications, of which 430 secondary schools and 289 primary schools have their applications approved and the amount of funding involved is about \$260 million and \$8 million respectively.
- With regard to the "STEM Internship Scheme" launched by the Innovation and Technology Commission (ITC) in 2020, as at end-January 2023, more than 8 200 short-

term internship positions have been offered to students taking STEM-related programmes in local universities, involving a total funding of around \$200 million. The scheme will be expanded in 2023-24 to offer local I&T internship opportunities to students taking STEM-related programmes at Greater Bay Area campuses established by designated local universities. The ITC will also co-ordinate with the 5 government-funded research and development centres and the Hong Kong Productivity Council to offer internship opportunities to students pursuing STEM programmes in local and non-local universities, especially Hong Kong students studying abroad.

c)

The Government launched the Global STEM Professorship Scheme in June 2021 to support 8 UGC-funded local universities in recruiting internationally renowned I&T scholars. The UGC Secretariat offers secretarial support to the scheme. The Assessment Panel (the Panel) of the scheme has examined more than 250 nominations from the universities under the first 4 tranches, while the assessment of nominations under the fifth tranche is expected to be conducted in the second quarter of this year. Upon the Panel's recommendations, the Government supported over 80 outstanding scholars (involving 6 participating universities) in the first 4 tranches under the scheme, of which about 40 scholars have brought along their research teams to take up their posts in Hong Kong, while the remaining scholars will also be arriving gradually. The scheme was estimated to cost \$2 billion and about \$1.2 billion has been committed as at end-February 2023

ITIB032

(Question Serial No. 2158)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (2) Innovation and Technology

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

In recent years, the Government has launched various funds and initiatives to encourage the development of the innovation and technology (I&T) ecosystem in Hong Kong. Regarding these initiatives, would the Government please inform this Committee of the following:

- (1) the number of relevant funds and funding schemes under the Innovation, Technology and Industry Bureau (ITIB) and the Innovation and Technology Commission (ITC) at present; the number of applications approved under these funds and funding schemes in 2022-23, the contents of the funded projects, the titles of the companies whose applications were approved and the amount of funding involved; and
- (2) further to question (1) above, the current balances and the financial positions of the funds; and whether further injections to the funds will be considered by the Government; if so, what are the details?

Asked by: Hon LAM Chun-sing (LegCo internal reference no.: 12)

Reply:

The consolidated reply to various parts of the question is as follows:

To promote the development of innovation and technology (I&T) ecosystem in Hong Kong, the Government has been providing comprehensive support to stakeholders including research institutes, technology enterprises (including start-ups), as well as I&T talents through different funds and funding schemes. The funds and major funding schemes under the Innovation, Technology and Industry Bureau (ITIB) and the Innovation and Technology Commission (ITC) are as follows:

Innovation and Technology Fund

The Innovation and Technology Fund (ITF), which is administered by the ITC, covers 5 areas, namely supporting research and development, facilitating technology adoption, nurturing I&T talents, supporting technology start-ups, and fostering an I&T culture. Since its launch in 1999, it has been a major tool for the Government to upgrade Hong Kong's technology level and promote innovation. At present, there are 17 funding schemes under the ITF, each has its own objective, scope and modus operandi. To further promote the "1 to N" transformation of outcomes and industry development, the Government will set up a \$10 billion "Research, Academic and Industry Sectors One-plus Scheme" under the ITF this year with the aim of incentivising collaboration among the industry, academic and research sectors. The ITF funded some 13 700 projects in 2022-23 (as at January 2023), involving a total funding amount of about \$4.66 billion. The balance, amount of government injection, investment or other incomes, and total amount of expenditure of the ITF in 2021-22 are as follows:

Financial	Balance	Commitment	Government	Investment	Expenditure
year	(\$billion)	that has been	injection	or	(\$billion)
		approved yet	(\$billion)	other	
		pending		incomes	
		disbursement		(\$billion)	
		(\$billion)			
2021-22	25.819 (note)	6.6	5.175	1.288	3.647

Note: The balance includes a total of \$6.6 billion of commitment that has been approved yet pending disbursement under the ITF. The grant will be disbursed according to related mechanism subject to the project progress.

As at the end of December 2022, a total commitment of \$4.4 billion has been approved under the ITF in 2022-23. If excluding the six funding items allocated with dedicated provisions, namely the "Innovation and Technology Venture Fund Corporation", the "Research centres/laboratories for establishment of research clusters" and four research centres, the uncommitted balance of the ITF as at the end of December 2022 is about \$11.8 billion which is expected to be sufficient for the ITF to continue its operation until the second half of 2024.

Summaries of approved projects under the ITF funding schemes (including the names of the funded organisations and companies, project titles and amounts of funding) are provided on the ITF website for public inspection.

Global STEM Professorship Scheme

The Government launched the Global STEM Professorship Scheme in June 2021 to support local universities in recruiting internationally renowned STEM scholars. The Assessment Panel of the scheme has examined over 250 nominations from universities under the first 4 tranches, while the assessment of nominations under the fifth tranche is expected to be conducted in the second quarter of this year. Upon the Assessment Panel's recommendations, the Government supported over 80 outstanding scholars in the first 4 tranches under the scheme. The scheme was estimated to cost \$2 billion and about \$1.2 billion has been committed as at end-February 2023.

"IT Innovation Lab in Secondary Schools" Programme and "Knowing More About IT" Programme

The "IT Innovation Lab in Secondary Schools" Programme and the "Knowing More About IT" Programme, launched in the 2020/21 and 2021/22 school years respectively, provide funding for secondary and primary schools to organise Information Technology (IT)-related extra-curricular activities. In the 2022/23 school year (as at February 2023), these two programmes provided funding support for 69 secondary schools and 94 primary schools respectively, with total approved funding of over \$60 million and over \$30 million respectively.

In the 2023-24 Budget, it is proposed that an additional funding of \$300 million will be allocated to extend the existing "IT Innovation Lab in Secondary Schools" programme by continuing to provide funding support of up to \$1 million to each publicly-funded secondary school in the next three school years (i.e. 2023/24 to 2025/26) for organising IT-related extracurricular activities and procuring IT equipment and professional services required for the activities. It is expected that 90% of eligible secondary schools will apply for the funding.

"TechConnect (block vote)"

The ITIB set up the "TechConnect (block vote)" (TechConnect) in mid-2017 to support government departments in planning and implementing technology projects (including pilot schemes and researches), so as to enhance operational efficiency, the quality of public services, as well as the capability to safeguard public safety. Regarding the technology projects receiving funding support, the technologies involved included Internet of Things, big data, artificial intelligence, machine learning, blockchain, robotics, unmanned aerial vehicles, radio-frequency identification, augmented reality, virtual reality, 3D printing, Geographic Information System, etc. In 2022-23, the TechConnect supported a total of 22 funding applications on applied technology projects or studies proposed by 14 government departments, with a total approved funding amount of about \$80 million.

The Government will review the operation and financial position of various I&T-related funds and funding schemes in a timely manner, and inject funds as and when necessary.

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB033

(Question Serial No. 2706)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: Not specified

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Hong Kong has to better capitalise on its advantage as an international innovation and technology (I&T) centre. How much funding does the Government plan to allocate for promoting the integration of I&T development between Hong Kong and the Mainland?

Asked by: Hon LAM Shun-chiu, Dennis (LegCo internal reference no.: 7)

Reply:

The flow of innovation elements between the Mainland and Hong Kong is crucial to our innovation and technology (I&T) development. Not only will it facilitate our integration into the national innovation system, but also enhance our overall I&T competitiveness. In recent years, a number of important science and technology measures benefitting Hong Kong have been launched by Mainland authorities to facilitate the effective cross-boundary flow of innovation elements such as research and development (R&D) materials, capital, data and talent between the two places.

To further promote the I&T development in Hong Kong, the HKSAR Government will continue to maintain close liaison and communication with different ministries of the Central Government to rally support for more measures to promote the cross-boundary flow of various innovation elements, such that Hong Kong talent, enterprises and R&D institutions can better serve national needs. Regarding the flow of capital, as of end-June 2022, the Ministry of Science and Technology (MOST), the National Natural Science Foundation of China and different Mainland provinces and municipalities have approved around RMB¥670 million of R&D funding in form of cross-boundary remittance for Hong Kong's universities and R&D institutions to conduct over 300 R&D projects, and provided support for the establishment of 19 Guangdong-Hong Kong-Macao Joint Laboratories and the Hong Kong Branch of 2 laboratories. The HKSAR Government will continue to maintain close liaison

with different ministries of the Central Government to explore further facilitation measures to encourage Hong Kong technology institutions or enterprises to set up business in the Mainland.

To further dovetail with the national institutional set-up for innovation, the HKSAR Government will continue our active liaison and interaction with the MOST for better coordination of communication among relevant departments in the Mainland and Hong Kong on such matters as I&T policies and resources, etc., and to rationalise relevant arrangements and formulate specific actions, with a view to expediting the development of Hong Kong into an international I&T centre.

The Innovation, Technology and Industry Bureau is taking forward the work in collaboration with the departments under its purview using existing manpower and resources. We do not have a breakdown of the expenditure involved in individual work items.

ITIB034

(Question Serial No. 2709)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: Not Specified

Controlling Officer: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

As mentioned in the Budget Speech, the Government will promote the development of life and health technology in Hong Kong. How many universities and institutes have expressed interest in setting up life and health technology research institutes so far?

Asked by: Hon LAM Shun-chiu, Dennis (LegCo internal reference no.: 8)

Reply:

As announced in the 2022-23 Budget, the HKSAR Government has earmarked \$10 billion to provide comprehensive support for the development of life and health scientific research in Hong Kong in the long run, including hardware, talent, clinical trials and data application, as well as strengthening the industrial chain. In the 2023-24 Budget, the HKSAR Government announced that \$6 billion would be set aside out of the earmarked provision to provide subsidies for universities and research institutes to set up life and health technology research institutes, so as to foster cross-university, cross-institutional and multi-disciplinary cooperation, in a bid to facilitate development in the transformation of research and development (R&D) outcomes as well as R&D activities related to life and health technology.

In recent years, the Government has learnt from members of the academia on different occasions that they are interested in enhancing the research of life and health technology, including setting up research institutes in this regard. The HKSAR Government will invite universities and research institutes interested in setting up life and health technology research institutes to submit proposals in 2023-24.

ITIB035

(Question Serial No. 1339)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: Not Specified

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is announced in the Budget that \$6 billion will be set aside to provide subsidies for universities and research institutes to set up thematic research centres, in a bid to enhance support for the research and development activities related to life and health technology. The aim is to foster cross-university, cross-institutional and multi-disciplinary co-operation. Universities and research institutes interested in setting up life and health technology research institutes will be invited to submit proposals in 2023-24. With the arrival of the post-epidemic era, governments around the world have increased their investment in the life and health technology and made efforts to recruit talent. In this connection, will the Government inform this Committee whether Mainland and overseas universities and institutes will also be invited and whether they will be requested to join hands with local institutes for achieving synergy effect through in-depth co-operation? If yes, what are the details? If no, what are the reasons?

Asked by: Hon LAM Tzit-yuen, David (LegCo internal reference no.: 32)

Reply:

As announced in the 2022-23 Budget, the HKSAR Government has earmarked \$10 billion to provide comprehensive support for the development of life and health scientific research in Hong Kong in the long run, including hardware, talent, clinical trials and data application, as well as strengthening the industrial chain. In the 2023-24 Budget, the HKSAR Government announced that \$6 billion would be set aside out of the earmarked provision to provide subsidies for universities and research institutes to set up life and health technology research institutes, so as to foster cross-university, cross-institutional and multi-disciplinary cooperation, in a bid to facilitate development in the transformation of research and development (R&D) outcomes as well as R&D activities related to life and health technology.

The HKSAR Government will invite universities and research institutes interested in setting up life and health technology research institutes to submit proposals in 2023-24. We are conducting further study on the specific arrangements of the project, such as how to enhance the collaboration among different parties like the Mainland and overseas universities and research institutes, as well as local universities and institutes. We will announce the details once they are confirmed.

ITIB036

(Question Serial No. 1340)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): (000) Operational expenses

<u>Programme</u>: (2) Innovation and Technology

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

The Financial Secretary has specially earmarked \$3 billion to promote basic research in frontier technology fields to leverage Hong Kong's unique advantage as a platform for international scientific research collaboration. Similarly, the third group study session of the Political Bureau of the Communist Party of China Central Committee has also focused on strengthening basic research, with special emphasis placed on building a platform for international cooperation on basic research, setting up a global-oriented scientific research fund, stepping up the opening-up of national science and technology programmes to the outside world, and broadening and deepening joint scientific research between China and foreign countries. In this connection, will the Government inform this Committee whether the provision earmarked in the Budget will be globally engaged and whether collaboration with relevant funding from the Mainland authorities will be deepened? If yes, what are the details? If no, what are the reasons?

Asked by: Hon LAM Tzit-yuen, David (LegCo internal reference no.: 33)

Reply:

To further enhance basic research in frontier technology fields such as artificial intelligence and quantum technology and to better realise our basic technology research capabilities in making breakthroughs out of the blue, the Financial Secretary announces in the 2023-24 Budget that \$3 billion will be earmarked to promote the development of relevant facilities, in particular, to leverage Hong Kong's unique advantage as a platform for international scientific research collaboration and attract leading innovation and technology talents, research teams and enterprises from the Mainland and overseas to Hong Kong, thereby promoting cross-sectoral research cooperation. We are now examining the specific arrangements of the project, and details are yet to be finalised.

ITIB037

(Question Serial No. 2058)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: Not Specified

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Innovation and technology is a priority to which the Government attaches great importance. To enhance the country's strength in basic research, the third group study session of the Political Bureau of the Communist Party of China Central Committee has made significant planning, which includes encouraging diversified investment from the community such as establishing science funds and making techdonation, improving the effectiveness of financial support, and setting up an enhanced investment mechanism for basic research featuring a combination of competitive support and stable support. In this connection, will the Government inform this Committee whether relevant mechanism will be set up to encourage community engagement in providing funding support for the science sector and whether a system featuring a combination of competitive support and stable support will be put in place under the funding system of the Government? If yes, what are the details? If no, what are the reasons?

Asked by: Hon LAM Tzit-yuen, David (LegCo internal reference no.: 39)

Reply:

As the foundation of innovation and technology (I&T), basic research is fundamental to nurturing various technology industries. In December last year, the Government promulgated the Hong Kong Innovation and Technology Development Blueprint, which sets out 8 major strategies under 4 broad development directions, including enhancing the I&T ecosystem and promoting interactive development of the upstream, midstream and downstream sectors, as well as consolidating Hong Kong's research and development (R&D) strengths and strengthening universities' capacity on breakthrough researches. The Government has been proactively promoting local I&T development. Various policies and initiatives including those on promoting R&D have achieved good progress, making the overall I&T ecosystem in Hong Kong more vibrant. Hong Kong has solid R&D

foundations, with 5 world top-70 universities and 2 world top-40 medical schools. According to the results of the Research Assessment Exercise 2020 conducted by the University Grants Committee (UGC), over 70% of the research projects of local universities, with many being R&D projects, were "internationally excellent" or above, among which 25% were "world-leading". Many experts have also won numerous awards on the international stage. It can thus be seen that the quality of the basic research of Hong Kong's universities is internationally recognised.

The Government has been implementing various initiatives to support basic research with an extensive coverage. Funding support has also been provided to address the unique requirements of different R&D institutes through a mechanism combining competitive and stable support.

For instance, the Innovation and Technology Commission (ITC) endeavours to promote and support applied R&D activities which can contribute to exploitation of creative ideas as well as upgrading of technology levels by industries. It provides funding support to applied R&D projects through 6 of such funding schemes under the Innovation and Technology Fund (ITF) (including the Innovation and Technology Support Programme, the Mainland-Hong Kong Joint Funding Scheme, the Guangdong-Hong Kong Technology Cooperation Funding Scheme, the Partnership Research Programme, the Enterprise Support Scheme and the R&D Cash Rebate Scheme). Applications are subject to internal selection or assessment by a vetting panel composed of independent experts from the I&T sector. In the past 3 years (i.e. from the 2020-21 to 2022-23 financial years (as at January 2023)), programmes/schemes under the ITF have supported some 1 130 projects, involving a total commitment of around Among which, most have imposed a requirement regarding the percentage \$3.06 billion. of project sponsorship by the industry, so as to ensure that the R&D projects meet the needs The ITC has also set up the *InnoHK* Research Clusters to promote global research collaboration, and 28 research laboratories have been admitted after a rigorous selection and assessment process. Moreover, the UGC provides more funding support to top quality academic research projects through its competitive funding schemes. funds that support R&D projects in different fields, such as the Green Tech Fund and the Health and Medical Research Fund, also adopt a rigorous vetting process to select the best research projects.

On the other hand, we will also provide stable resources for universities and research institutes to conduct R&D work. For example, a maximum annual funding of \$440 million is allocated to the 16 State Key Laboratories in Hong Kong and 6 Hong Kong Branches of Chinese National Engineering Research Centres for them to conduct R&D activities, nurture talent and enhance their co-operation and exchanges with Mainland organisations. Besides, we will provide each designated university with an annual subsidy of \$16 million under the Technology Start-up Support Scheme for Universities to facilitate their realisation of R&D outcomes with stable resources. The UGC also provides recurrent grants to the 8 UGC-funded universities in the form of a block grant to promote the research development of local universities.

The Government will continue to closely monitor the I&T development in Hong Kong and introduce more appropriate initiatives in a timely manner to consolidate our R&D capabilities.

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB038

(Question Serial No. 0916)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: Not Specified

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Apart from setting aside \$6 billion to set up new thematic research centres, will the Government consider providing dedicated funding for encouraging and nurturing local talent, thereby facilitating the promotion of research and development projects on life and health technology, as well as the upward mobility of local talent?

Asked by: Hon LAU Chi-pang (LegCo internal reference no.: 1)

Reply:

On enlarging the innovation and technology (I&T) talent pool, the Government has been adopting a multi-pronged approach by attracting, nurturing and retaining talents with a series of initiatives to support I&T development in Hong Kong, which includes promoting life and health scientific research. Relevant initiatives include:

- the "IT Innovation Lab in Secondary Schools" Programme and "Knowing More About IT" Programme were launched in 2020 and 2021 respectively to provide funding support to secondary and primary schools for organising information technology (IT)-related extra-curricular activities. Up to now, these two programmes have received applications from more than 780 schools, with a total approved funding of more than \$340 million;
- the STEM Internship Scheme launched in 2020 has provided over 8 200 short term internship opportunities to university students taking STEM-related (science, technology, engineering and mathematics) programmes as at January 2023, with a total funding of about \$200 million;

- the eligibility for the Research Talent Hub (RTH) was extended in 2021 to include holders of a bachelor's or master's degree in a STEM-related discipline awarded by a well-recognised non-local institution. About 7 500 research talents have been employed under this scheme in the past 5 years, with a total funding of about \$4.1 billion;
- the Innovation and Technology Scholarship subsidises outstanding university students to take part in overseas exchange, local internships, mentorship programmes, etc., annually, with a view to nurturing future leaders in the I&T sector. It has benefited 300 universities students as at end-2022; and
- the Reindustrialisation and Technology Training Programme (RTTP) was launched in 2018 to subsidise staff of local companies to receive training in advanced technologies on a matching basis. As at the end of February 2023, the RTTP has approved over 8 200 applications and subsidised about 26 400 people to attend the training in advanced technologies, with a total funding of more than \$290 million.

Looking forward, we will keep enhancing various initiatives in nurturing local I&T talents, including:

- in the 2023-24 Budget, it is proposed that the existing "IT Innovation Lab in Secondary Schools" programme be extended with an additional funding of \$300 million to continue providing subsidies of up to \$1 million for each of the some 500 publicly-funded secondary schools in the 3 academic years from 2023-24 to 2025-26 for organising IT-related extra-curricular activities and procurement of IT equipment and professional services necessary for the activities. It is anticipated that 90% of the eligible schools will apply for the subsidies;
- the STEM Internship Scheme will be expanded in 2023-24 with a view to offering local I&T internship opportunities to university students studying STEM-related programmes at the Greater Bay Area campuses established by designated local universities. We will also coordinate with the 5 government-funded research and development (R&D) centres and the Hong Kong Productivity Council for offering internship opportunities to STEM students (especially those from Hong Kong) of local and non-local universities; and
- the financial support under the RTH to R&D firms/organisations engaging research talents has been increased in April 2023. The maximum monthly allowances for research talents with a bachelor degree, a master degree and a doctoral degree have been increased by about 10% respectively and a living allowance of \$10,000 per month will be provided to doctoral degree holders under RTH for a maximum period of 3 years.

The Government will continue to make full efforts to nurture and retain different types of I&T talents for Hong Kong, and attract more talents to join our I&T industry so as to create stronger impetus for I&T growth in Hong Kong.

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB039

(Question Serial No. 0520)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (2) Innovation and Technology

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry Bureau

Question:

As stated in Matters Requiring Special Attention in 2023-24, the Innovation, Technology and Industry Bureau will continue to implement the "Global STEM Professorship Scheme" to strengthen support for local universities to attract world-renowned STEM scholars as well as their teams to work in Hong Kong. In this connection:

- a) What is the total number of applications received under the scheme thus far? What are the criteria adopted by the assessment panel for vetting candidates?
- b) What is the total number of scientific research talents who have been admitted to Hong Kong for development under the scheme?

Asked by: Hon LAU Kwok-fan (LegCo internal reference no.: 12)

Reply:

The consolidated reply to the various parts of the question is as follows:

The Government launched the Global STEM Professorship Scheme (the Scheme) in June 2021 to support local universities in recruiting internationally renowned STEM scholars. The Assessment Panel (the Panel) of the Scheme has examined over 250 nominations from the universities under the first 4 tranches, while the assessment of nominations under the fifth tranche is expected to be conducted in the second quarter of this year. The assessment criteria include the candidates' experiences, research capabilities, achievements and the merits and potential impact of their research projects, etc., in STEM-related academic disciplines.

Upon the Panel's recommendations, the Government supported over 80 outstanding scholars in the first 4 tranches under the Scheme. As at February 2023, about 40 scholars have brought along their research teams to take up their posts in Hong Kong, while the remaining scholars will also be arriving gradually.

- End -

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB040

(Question Serial No. 0521)

<u>Head</u>: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (3) Efficiency Office

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

In 2023-24, the Efficiency Office will provide overall direction and enhancement services for 1823. In this connection:

- a) please tabulate figures on the requests and enquiries received by 1823 in each of the past 3 years, with a breakdown of the enquiries and complaints that were related to the epidemic;
- b) please advise on the manpower increased and the expenditure involved as calls from the public increased substantially by 39%, as compared with 2021, due to the fifth wave of the epidemic; and
- c) please advise whether the Government will consider introducing artificial intelligence technology to expedite the handling process; if so, of the details; if not, the detailed reasons.

Asked by: Hon LAU Kwok-fan (LegCo internal reference no.: 19)

Reply:

a) 1823 supports the anti-epidemic work of the Government. Apart from answering hotlines for participating departments, it also supports for a number of anti-epidemic-related hotlines, including the COVID-19 hotline, the CuMask+TM hotline, the Universal Community Testing Programme hotline, the Return2hk and Come2hk hotlines, the Cash Payout Scheme hotline, the COVID-19 Vaccination Programme hotline and the Hong Kong Health Code hotline.

From 2020 to 2022, the number of cases received by 1823 are listed below:

No. of cases (Note)	2020	2021	2022
(Rounded to the nearest thousand)			
Enquiries: All cases	1 869 000	2 298 000	2 178 000
Cases related to the epidemic	513 000	796 000	867 000
Complaints: All cases	477 000	590 000	517 000
Cases related to the epidemic	22 000	23 000	17 000

Note: A single case may involve multiple calls and written contacts from the citizen concerned.

- b) The fifth wave of the epidemic straddled the two financial years in 2021-22 and 2022-23. The expenditure of 1823 in these two years was \$177 million and \$170 million (revised estimate), and the average manpower was 553 and 524 respectively. To cope with the increased workload arising from the fifth wave of the epidemic, 1823 stepped up recruitment effort and employed nearly 400 staff members during the peak of the epidemic in the first half of 2022. However, owing to the severe epidemic situation and upsurge in workload, many staff members also left during the same period. 1823 also acquired nearly 60 staff members redeployed from the Efficiency Office and other departments to assist in answering calls between March and May 2022. No additional expenditure was incurred.
- 1823 has been actively adopting technologies in various areas to enhance its service and c) save manpower resources. For example, speech recognition technology is used to identify the names of departments and service areas enquired in the incoming calls. Various electronic services such as chatbot service, mobile application and web forms are provided for use by the public. From 2022 onwards, 1823 has successively rolled out a number of new projects on the application of technologies to further enhance its service and efficiency with an estimated additional expenditure of around \$13 million. Examples include a newly designed mobile application and a platform for departments to give their replies to cases. Work is underway to upgrade the telephone system by updating the call distribution system to the latest version and launching a smart interactive voice response system with the adoption of artificial intelligence (AI) technology, through which members of the public can use voice to input the required options without pressing any button. AI speech synthesis technology will also be used in the new system to make the information broadcast sounds more like a human voice. We also plan to add a function of sending SMS messages automatically in the system to facilitate the provision of information. Moreover, 1823 plans to extend the application of chatbot service on its website to provide more information about participating On internal processes, 1823 also plans to apply AI speech-to-text solutions to convert voicemail messages from the public into text so that 1823 staff can handle public enquiries and complaints more efficiently and effectively. continue to keep a close watch on the latest technological development and actively explore the possibility of further use of innovative technologies like AI, natural language processing and machine learning in various areas through collaborating with start-ups and universities to enhance service efficiency and user experience of 1823.

ITIB041

(Question Serial No. 1056)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (2) Innovation and Technology

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

The Government announced in 2022-23 the establishment of the Digital Economy Development Committee (DEDC) to speed up the process of digital economy development in Hong Kong. In this connection, would the Government please inform this Committee of the following:

1. So far, how many meetings have been convened by the DEDC?

2. Whether the Bureau will conduct research on the development of digital economy? If yes, what are the details and the estimated expenditure to be involved; if not, what are the reasons for that?

Asked by: Hon LAU Kwok-fan (LegCo internal reference no.: 16)

Reply:

The Digital Economy Development Committee (the DEDC) is undertaking in-depth studies on four major areas, namely cross-boundary data flow, digital infrastructure, digital transformation and talent development, in order to put up specific recommendations to the Government by 2023 for expediting the process of digital economy development in Hong Kong. The Government will formulate appropriate policies and initiatives to promote high-quality economic development in Hong Kong with reference to the DEDC's recommendations.

So far the DEDC has held five meetings and one visit, while its four sub-groups have held a total of 17 working meetings, 23 interview sessions with different experts, academics and industry representatives and one visit.

The research work of the DEDC and its four sub-groups is mainly undertaken by the Members and Co-opted Members. The Innovation, Technology and Industry Bureau and the Office of the Government Economist provide relevant secretariat support with their existing manpower and resources respectively.

- End -

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB042

(Question Serial No. 2716)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (2) Innovation and Technology

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Provision of \$114,359,000 under TechConnect (block vote) is for the funding support to bureaux/departments for implementing projects costing over \$200,000 but not exceeding \$10 million each with a view to improving the quality, efficiency or effectiveness of public services by the adoption of technology or to make use of technology to improve operations that will bring benefits to members of the public. In this connection, will the Government inform this Committee of:

- 1. the specific projects to be implemented;
- 2. the projects funded in the past year and the relevant details; and
- 3. the desired targets and outcomes, as well as the ways to improve the quality, efficiency or effectiveness of public services.

Asked by: Hon LEE Hoey Simon (LegCo internal reference no.: 3)

Reply:

Our consolidated reply to the questions is set out below -

The Innovation, Technology and Industry Bureau (ITIB) set up the "TechConnect (block vote)" (TechConnect) in mid-2017 to support government departments in planning and implementing technology projects (including pilot schemes and researches), so as to enhance operational efficiency, the quality of public services, as well as the capability to safeguard public safety. As at early March 2023, the TechConnect has provided funding support to a total of 130 applied technology projects or studies proposed by 32 government departments. The technologies involved included Internet of Things (IoT), big data, artificial intelligence

(AI), machine learning, blockchain, robotics, unmanned aerial vehicles (UAV), radio-frequency identification, augmented reality (AR), virtual reality (VR), 3D printing, Geographic Information System (GIS), etc.

In 2022-23, the TechConnect supported a total of 22 funding applications on applied technology projects or studies proposed by 14 government departments, the details of which are set out at **Annex 1**.

In 2023-24, the TechConnect received a total of 30 funding applications from 16 government departments. In considering the number and priority of the projects under application to be funded, the ITIB has taken into account factors such as the nature, effectiveness, technologies adopted and estimated expenditure of the projects, as well as the resources earmarked for such projects. As at early March 2023, 9 of the technology projects proposed by 7 government departments have obtained funding approval (details at **Annex 2**), and the remaining applications are under processing.

Annex 1

TechConnect (Block Vote) Technology Projects Funded in 2022-23

Department	Project title	Technologies adopted	Expected benefits	Estimated amount (\$ million)
Agriculture, Fisheries and Conservation Department	Video-Analytics System for Cape D'Aguilar Marine Reserve	AI/ machine learning/ video analytics/ GIS	To monitor suspected illegal activities in the Cape D'Aguilar Marine Reserve for ensuring safety therein	2.4
Antiquities and Monuments Office, Development Bureau	Using drone and artificial intelligence algorithms to assist the inspection of roof of heritage buildings and conditions of sites of archaeological interest	UAV/ AI/ machine learning/ video analytics/ GIS/ Global Positioning System (GPS)	To enhance the efficiency of inspection of roof of heritage buildings and heritage conservation work	2.2
	To launch a pilot project to produce virtual tours for 18 declared monuments / graded historic buildings in the 18 districts in Hong Kong	AR/ GIS	To produce virtual tours for enhancing public awareness of conservation of monuments	3.6
Civil Engineering and Development Department	Establishment of a Digital Aerial Photograph Interpretation system for enhancing slope safety management and infrastructure planning in Hong Kong	GPS/ remote sensing	To enhance slope safety management and infrastructure planning	6.5
	Feature Extraction from Coloured Point Clouds Data for Production of Topographic and Tree Survey Plan	AI/ machine learning/ UAV/ GIS	To expedite the identification of natural slopes with potential risks	1.4
Correctional Services Department	"Contactless Vital Sign Monitoring System" in all padded protected rooms of correctional institutions (including Siu Lam Psychiatric Centre, Lai Chi Kok Reception Centre, Lo Wu Correctional Institution,	Automated monitoring/ultra- wide-band wireless communication technology	To help monitor the behaviour of inmates for ensuring safety of the protected rooms of correctional institutions	5.4

Department	Project title	Technologies adopted	Expected benefits	Estimated amount (\$ million)
	Pak Sha Wan Correctional Institution, Pik Uk Correctional Institution, Stanley Prison, Shek Pik Prison and Tai Lam Centre for Women)			(\$ 2222022)
	"Video Analytic Monitoring System with Movement and Location Tracking Function" in Lai Chi Kok Reception Centre	AI/ machine learning/ video analytics/ tracking technology of Closed Circuit Television (CCTV)	To help supervise the behaviour of inmates in the reception centre to protect their safety	4.0
Drainage Services Department	Application of Optical Fibre Sensing and Artificial Intelligence Technologies for Low Voltage Switchboards Temperature Monitoring	AI/ big data/ optical fiber sensing	To reduce abnormalities in sewage treatment works or sewage pumping stations when low voltage switchboards are near full load condition	0.9
	Trial on Unmanned Aerial System Drone- Based Survey for Major Rivers/Channels in New Territories	UAV/ GIS/ GPS	To step up monitoring of main rivers/ drainage for public safety	2.5
	Study on Antimicrobial Admixture for Concrete Corrosion Control of Sewerage Systems in Hong Kong	Advanced materials	To minimise corrosion-induced repair works so as to extend the service life of concrete sewage treatment systems	2.9
Efficiency Office	Adoption of Advanced Speech Technologies in 1823 Telephony System	AI/ machine learning/ natural language processing	To enhance the service quality and operational efficiency of 1823	9.5
Electrical and Mechanical Services Department	Smart Lifts and Escalators Design Approval Platform	Robotic process automation/ AI/ machine learning/ optical character recognition	To make use of an e-platform to enhance the efficiency and effectiveness of approval process and facilitate the	3.8

Department	Project title	Technologies adopted	Expected benefits	Estimated amount (\$ million)
			industry's checking of the approval status and the public's verification of information	
	Novel Solar Energy Management System with AI and Digital Twin	AI/ machine learning/ big data/ Digital Twins technology	To strengthen the management of solar energy system and foster the achievement of carbon neutrality in Hong Kong	0.9
	Adoption of 3D point cloud technology for AI analysis of railway infrastructure condition	AI/ machine learning/ video analytics/ big data	To facilitate the inspection of railway infrastructure and enhance the efficiency and effectiveness of inspection	2.4
Environmental Protection Department	Development of Smart Inventory Management System for designated garbage bags and designated labels under the municipal solid waste charging	AR/ IoT/ sensors/ GPS	To monitor the sales and inventory levels of designated garbage bags and designated labels in the logistics chain to facilitate public purchase	7.1
Food and Environmental Hygiene Department	Remote monitoring of the operation of waste collection facilities through the application of Internet of Things technology	IoT/ sensors	To facilitate the management of waste collection facilities and long-term planning	1.0
Hong Kong Police Force	Cryptocurrency Tracing and Analytics Platform (Project CryptoTrace)	Machine learning/ blockchain	To create a safe environment for virtual currency trading	6.0
Highways Department	Fast-set self-compacting materials for backfilling utility trenches in Hong Kong	Nanotechnology	To shorten the duration of road closure and maintenance of underground utilities	2.6

Department	Project title	Technologies adopted	Expected benefits	Estimated amount (\$ million)
Lands Department	Deep learning based 3D reconstruction of underground utilities database from point cloud	AI/ machine learning/ GIS	To promote the development of underground utilities in Hong Kong	3.3
Transport Department (TD)	Application of video analytics and Artificial Intelligence to Convert TD's Existing CCTV Video Images to Traffic Data for Traffic Monitoring and Planning	AI/ machine learning/ video analytics/ big data	To capture and analyse real-time traffic data for public use, so as to assist the public in better planning of their journeys	2.5
Water Supplies Department	AI Enhanced Automatic Chemical Dosing System in Water Treatment Works	Sensors/ AI/ big data/ machine learning	To strengthen control of the drinking water treatment process to safeguard water quality	6.4
	Machine learning based point cloud data processing and quality checking for water mains laying works	Machine learning/ GIS/ big data	To reduce road closures and shorten delays of construction works	2.6

TechConnect (Block Vote) Technology Projects Funded in 2023-24 (as at early March 2023)

Department	Project title	Estimated amount (\$ million)
Agriculture, Fisheries and Conservation Department	Application of AI and robotics technologies for Detection of Hill Fires in Country Parks	8.9
Architectural Services Department	Smart Diagnosis for Critical Electric Switchboard in Government Building	0.9
Buildings Department	Develop Building Information Modelling automatic checking tools and standard general building plan submission templates; and a feasibility study for a 3D assessment tool for sustainable building design guidelines	9.0
Civil Engineering and Development Department	Use of hyperspectral images for screening vegetation cover in the consideration of landscape values in remote or inaccessible areas	1.4
Drainage Services Department	Catalytic Deodorizer for Odor Control in Drainage Infrastructures	2.2
Electrical and Mechanical Services Department	Analyzing health conditions of critical lift/escalator components with the use of AI assisted image analytics - (suspension rope and brake)	4.2
	Underground Gas Pipe Leakage Detection using Optical Fibre Sensing & Artificial Intelligence Technology	0.7
Fire Services Department	Prototype development for Fireman In-door Locating Equipment	7.3
	Development of Artificial Intelligence assisted Drone Image Analysis Software for Mountain Search and Rescue Operation in Fire Services Department	4.8

ITIB043

(Question Serial No. 1973)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (3) Efficiency Office

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Regarding the management of the Management Services Officer (MSO) grade, please inform this Committee of the following:

1. the age distribution of grade members in the past 3 years in tabular form:

	2022								
	18-25	26-30	31-35	36-40	41-45	46-50	51-55	56-60	61-65
	years								
Ch MSO	count								
Sr MSO									
MSO I									
MSO II									

2. the wastage situation of grade members in the past 3 years in tabular form:

	2022		
	Natural wastage	Unnatural wastage	Total wastage
Ch MSO			
Sr MSO			
MSO I			
MSO II			

3. Does the Government have any plans to conduct a grade structure review on the grade? If yes, what are the details? If no, what are the reasons?

Asked by: Hon LEUNG Hei, Edward (LegCo internal reference no.: 37)

Reply:

1. The age distribution of members of the Management Services Officer (MSO) grade in the past 3 years is tabulated as follows:

As at 31 December 2020									
	18-25	26-30	31-35	36-40	41-45	46-50	51-55	56-60	61-65
	years								
Ch MSO	0	0	0	0	1	9	11	3	0
Sr MSO	0	0	4	3	7	21	11	3	0
MSO I	0	5	17	9	2	3	2	2	0
MSO II	10	23	3	0	0	1	0	0	0

As at 31 December 2021									
	18-25	26-30	31-35	36-40	41-45	46-50	51-55	56-60	61-65
	years								
Ch MSO	0	0	0	0	0	9	10	4	0
Sr MSO	0	0	5	5	5	22	13	6	0
MSO I	0	3	18	7	2	4	2	1	0
MSO II	5	19	3	0	0	1	0	0	0

As at 31 December 2022									
	18-25	26-30	31-35	36-40	41-45	46-50	51-55	56-60	61-65
	years								
Ch MSO	0	0	0	0	0	8	8	6	0
Sr MSO	0	0	6	9	1	20	13	6	0
MSO I	0	5	16	6	3	4	1	2	0
MSO II	7	20	6	0	0	1	0	0	0

2. The wastage situation of members of the MSO grade in the past 3 years is tabulated as follows:

	Natural wastage			Unnatural wastage			Total wastage		
Year	2020	2021	2022	2020	2021	2022	2020	2021	2022
Ch MSO	1	0	1	1	0	2	2	0	3
Sr MSO	4	0	1	0	0	2	4	0	3
MSO I	0	0	0	0	0	1	0	0	1
MSO II	0	0	0	0	6	3	0	6	3

3. As for the grade structure, the MSO grade, like other civil service grades, will review the recruitment and retention situation, as well as the work nature, job duties and complexity of responsibilities regularly. It will improve human resource management in the light of the circumstances and consider the need for a grade structure review if necessary.

ITIB044

(Question Serial No. 1199)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (2) Innovation and Technology

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Under Programme (2): Innovation and Technology, the Bureau states that in 2022-23, the Bureau "continued to monitor the implementation of smart city initiatives in the Smart City Blueprint for Hong Kong 2.0". In Matters Requiring Special Attention in 2023-24, it is mentioned that the Bureau "will commence preparation for the Smart City Blueprint for Hong Kong 3.0". In this connection, would the Government please inform this Committee of the following:

- 1. Among the over 130 initiatives set out in the Smart City Blueprint for Hong Kong 2.0, (a) how many have been completed; (b) how many are being carried out; (c) how many are yet to be implemented or have ceased to be implemented and the reasons for that;
- 2. Regarding the Smart City Blueprint for Hong Kong 3.0, (a) when it will be published; (b) the manpower and expenditure involved in its compilation; (c) how to ensure that it will tie in with the initiatives in Blueprint 0, especially those projects that have not yet been completed; (d) how to ensure its content keeps abreast of the latest developments in innovation and technology and is in line with the latest planning of our country;
- 3. Considering that while the social distancing measures for preventing the spread of the COVID-19 virus increased the popularity of a digital, remote and smart lifestyle in the past 3 years, underprivileged groups (such as the elderly in residential care homes and tenants of subdivided units) usually cannot enjoy the benefit, whether the Bureau will introduce additional measures in the future to enhance the digital knowledge and digital confidence of the underprivileged groups in order to bridge the digital gap?

Asked by: Hon LEUNG Tsz-wing, Dennis (LegCo internal reference no.: 15)

Reply:

- 1. Since the release of the Smart City Blueprint for Hong Kong 2.0 in December 2020, bureaux/departments (B/Ds) concerned have been actively taking forward their related smart city initiatives. As of end-January 2023, around 70% of the initiatives have been completed or are ongoing, such as the implementation of Traffic Data Analytics System, enhancement of services to adopt "iAM Smart", and promotion on wider use of digital payment in the financial and other industries. The remaining initiatives are in progress. They are mainly long-term initiatives such as establishing "bicycle-friendly" new towns and new development areas, taking forward the initiatives set out in the Climate Action Plan 2050, etc.
- 2. Looking ahead, relevant B/Ds will continue to implement the smart city initiatives underway and the Innovation, Technology and Industry Bureau (ITIB) will continue to closely liaise with various stakeholders (including the Subcommittee on Matters Relating to the Development of Smart City, trade associations and industry groups) regarding the development of smart city in Hong Kong. ITIB will consolidate the views and suggestions collected and discuss with the relevant B/Ds with a view to formulating measures that meet the future development needs of Hong Kong and drive forward the next stage of smart city development.

The coordination of the above work has been part of ITIB's responsibilities. As such, the expenditure involved cannot be separately singled out and itemised. Relevant B/Ds will take forward their smart city initiatives with their own resources and manpower. We do not maintain the relevant information.

3. The Office of the Government Chief Information Officer (OGCIO) has implemented the ICT Outreach Programme for the Elderly (the Outreach Programme) since 2014. non-profit-making organisations are engaged to organise visits to the elderly across the territory, including those living in residential care homes, receiving day care and home care services as well as the hidden elderly etc. by leveraging their service network. encourage the elderly to make greater use of digital technology, various activities have been organised for them to experience digital living. Some 23 000 elderly people have benefited from the Outreach Programme so far. Starting from end-2021, service organisations under the Outreach Programme have set up mobile outreach service stations at various community locations (such as parks, shopping malls and the neighbourhood of housing estates) on a pilot basis to introduce mobile apps to the elderly and address their enquiries about the use of smartphones. We will launch a new round of the Outreach Programme in 2023-24 and set up more outreach service stations, with a view to further promoting digital inclusion in the community.

The OGCIO has implemented the "Enriched ICT Training Programme for the Elderly" since 2019. Through subsidising 11 Elder Academies (EAs), the Programme has organised about 200 free ICT advanced training courses for the elderly with basic knowledge of digital technology. Topics covered include e-government services, smart healthcare, online shopping, mobile payment, e-wallet and cyber security, etc. Upon completion of these training courses, the elderly participants may even serve as teaching assistants to assist their peers in understanding and using technology products and services. So far, a total of around 5 500 elderly people have participated in the

Programme. In 2023-24, we will continue to offer free ICT advanced training courses to the elderly with basic knowledge of digital technology through the district networks of the EAs.

Besides, the Social Innovation and Entrepreneurship Development Fund has granted \$13 million of funding in October 2021 to support 4 innovative projects to promote inter-generational digital inclusion by engaging young people to assist the elderly in learning and adopting digital technologies, including digital outreach rehabilitation services, teaching the elderly the basic operations of tablet computers or smartphones, as well as the operation of mobile apps. It is expected that more than 3 700 elderly persons will benefit from these services.

- End -

ITIB045

(Question Serial No. 1200)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (2) Innovation and Technology

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is mentioned under Matters Requiring Special Attention in 2023-24 of Programme (2) Innovation and Technology that the Bureau will continue to press ahead with the development of the Hong Kong-Shenzhen Innovation and Technology Park (HSITP) in the Lok Ma Chau Loop, with the target to complete the first 8 buildings in phases from end-2024, and to explore expediting the development of HSITP and optimising its functions with a view to attracting enterprises and talent to Hong Kong in collaboration with the Office for Attracting Strategic Enterprises (OASES). In this connection, will the Government inform this Committee of the following:

- 1. (a) the latest cost estimate of the entire HSITP; (b) currently, (i) the manpower involved in overseeing the development of the HSITP in the Bureau and (ii) their respective ranks and the payroll cost involved; and
- 2. for the first 8 buildings to be completed in late 2024, (a) the total floor area to be provided; (b) the types of business to be attracted in particular; (c) the estimated number of enterprises to be accommodated; (d) the estimated employment opportunities to be offered?

Asked by: Hon LEUNG Tsz-wing, Dennis (LegCo internal reference no.: 16)

Reply:

The consolidated reply to Parts 1. and 2. of the question is as follows:

In the 2021-22 financial year, the Legislative Council approved a total of \$32.5 billion for the public works projects in the Lok Ma Chau Loop (the Loop) and the Batch 1 development in Phase 1 of the Hong Kong-Shenzhen Innovation and Technology Park (HSITP). This batch

of development involves 8 buildings in total, with an estimated floor area of 116 550 square metres to be provided. The construction works of 3 of the buildings has commenced and is expected to be completed in phases starting from the end of 2024 as scheduled. According to the Economic Impact Analysis Study carried out by the consultant engaged by the Hong Kong-Shenzhen Innovation and Technology Park Limited in 2019, the economic contribution of Batch 1 development of the HSITP to Hong Kong can reach about \$5.5 billion per annum (including direct, indirect and induced impacts) and create about 4 800 local jobs.

In his 2022 Policy Address announced in October last year, the Chief Executive set the objective of promoting technology industry development through attracting enterprises and talents to Hong Kong, primarily focusing on technology industries in which we enjoy clear advantages and with strategic significance such as life and health technology, artificial intelligence and data science, advanced manufacturing and new energy technology, etc. The Innovation, Technology and Industry Bureau (ITIB) is now following up in full swing in collaboration with the Office for Attracting Strategic Enterprises. We have been contacting various Mainland and overseas innovation and technology (I&T) enterprises from key industries to introduce the advantages and latest development of the I&T industry in Hong Kong and invite them to set up their businesses in Hong Kong (including the HSITP). Promoting the development of the technology industry requires the concerted efforts and collaboration of different stakeholders in the society. The ITIB and its departments, as well as I&T parks that have close connection with the industry, such as the Hong Kong Science and Technology Park and Cyberport, etc., will leverage the network of our various I&T stakeholders, join hands in attracting enterprises and investment, and outreach to enterprises from the Mainland and overseas to tell the good stories of Hong Kong. The overall goal of the Government is to attract not less than 100 high potential or representative I&T enterprises to set up or expand their businesses in Hong Kong in the coming 5 years, including at least 20 top notch I&T enterprises.

In the coming 2 years, the ITIB will take forward the work related to the development of the HSITP through its existing manpower and resources. Please refer to "Head 135 - Government Secretariat: Innovation, Technology and Industry Bureau" of the Estimates for details.

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB046

(Question Serial No. 0562)

<u>Head</u>: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (3) Efficiency Office

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

The Social Innovation and Entrepreneurship Development Fund (SIE Fund) launched a Payfor-Success (PFS) project, namely "Start from the beginning - Chinese Supporting Scheme for Non-Chinese Speaking Students in Kindergarten".

- 1. What is the number of student beneficiaries under this project? What are the funding and administrative expenses involved?
- 2. Apart from the above project, will the Government take forward other PFS projects? If yes, what are the projects and the expenditures involved?

Asked by: Hon LI Sai-wing, Stanley (LegCo internal reference no.: 17)

Reply:

The consolidated reply to the various parts of the question is as follows:

The Social Innovation and Entrepreneurship Development Fund (the Fund) has been exploring new funding models and piloting Hong Kong's first "Pay-for-Success" (PFS), an innovative public-private partnership financing model, which engages investors in risk-sharing and funding innovative social services under performance-based contractual arrangements. The investors will provide the capital for implementing the project and the Fund will repay the investors such costs if the expected social outcomes can be achieved by the service providers, or even with financial returns depending on the degree to which outcomes improve.

The first PFS project, namely "Start from the Beginning - Chinese Supporting Scheme for Non-Chinese Speaking Students (NCS) in Kindergarten", has commenced in September

2020. It seeks to help NCS kindergarten students improve their Chinese proficiency and learning motivation and enhance kindergarten teachers' capability of teaching NCS students Chinese, thereby relieving the poverty and social exclusion issues of NCS students in the long The project supports 74 kindergartens that admit NCS students, which accounts for one-fifth of similar kindergartens in Hong Kong, benefitting over 1 300 NCS kindergarten students with more than 120 teachers completed the relevant professional training, thereby contributing to the enhancement of both teaching and learning. In addition, the curriculum and teaching kit (including picture books and nursery rhymes) developed under the project for teaching Chinese as a second language, and the resources for supporting NCS students' learning and their moving on to primary schools have also been uploaded to its dedicated online resource platform (https://kgcsl.edu.hku.hk/) for free sharing with all teachers and parents in Hong Kong. The Fund will determine the final amount of subsidies according to the achievement of performance indicators with the ceiling capped at \$28,808,000. It will continue to promote the development of the PFS model so as to bring in more private investment to fund innovative social projects.

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB047

(Question Serial No. 0036)

<u>Head</u>: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (2) Innovation and Technology

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

Director of Bureau: Secretary for Innovation, Technology and Industry

Question:

The Innovation, Technology and Industry Bureau is responsible for taking forward the planning of the setting up of InnoLife Healthtech Hub (the Hub) in the Hong Kong-Shenzhen Innovation and Technology Park. In this connection, please advise this Committee:

- 1. whether the Government has clearly defined the mission, objectives and scope of the Hub and drawn up the implementation timetable; if yes, the details; if not, the reasons; and
- 2. of the resources and manpower expected to be deployed in 2023-24 by the Government for the planning of the Hub.

Asked by: Hon LO Wai-kwok (LegCo internal reference no.: 11)

Reply:

A consolidated reply to various parts of the question is set out below:

As announced in the 2022-23 Budget, the HKSAR Government has earmarked \$10 billion to provide more comprehensive support for the development of life and health scientific research in Hong Kong in the long run, including hardware, talent, clinical trials and data application, as well as strengthening the industrial chain. One of our plans is to set up the InnoLife Healthtech Hub (the Hub) in the Hong Kong-Shenzhen Innovation and Technology Park (HSITP) to pool together top-notch research teams from all over the world and focus our efforts on research and development (R&D) work as well as global research collaboration in the field of life and health sciences.

The positioning of the Hub is initially set to encourage top-notch local, Mainland and overseas research teams to move in, focus on the translational research in the field of life and health sciences and provide research facilities for the promotion of multi-faceted collaboration in scientific R&D and the development of related industries.

It is expected that research teams of the Hub can be admitted after the buildings in the Batch 1 of Phase 1 of the HSITP are completed in phases. According to the current plan, the buildings involved are expected to be completed in phases starting from the end of 2024.

In 2023-24, the Innovation, Technology and Industry Bureau and the departments under its purview will study and plan the implementation details of the Hub through the existing manpower and resources. We do not have a breakdown of the expenditure involved in this respect.

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB048

(Question Serial No. 0037)

<u>Head</u>: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (2) Innovation and Technology

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

In collaboration with the Shenzhen Municipal People's Government (SMPG), the Innovation, Technology and Industry Bureau (ITIB) is responsible for the promotion of the development of the "one zone, two parks" of the Shenzhen/Hong Kong Innovation and Technology Co-operation Zone (the Co-operation Zone), which comprises the Hong Kong-Shenzhen Innovation and Technology Park (HSITP) and the Shenzhen Innovation and Technology Zone (SITZ), in the Lok Ma Chau Loop, including the set-up of the Shenzhen branch of Hong Kong Science Park in SITZ. In this connection, please inform this Committee of:

- 1. the total amount of resources deployed by the Government for the development of the Co-operation Zone, including the set-up of the Shenzhen branch of Hong Kong Science Park, and the major progress achieved in the past 2 financial years; and
- 2. apart from the development of hardware infrastructure, whether the Government has expedited the discussion with the SMPG and the relevant Mainland authorities to facilitate the flow of capital, talents and resources in the Co-operation Zone, so as to tie in with the latest policy objectives of competing for enterprises and talents; if yes, what are the details; if not, what are the reasons?

Asked by: Hon LO Wai-kwok (LegCo internal reference no.: 13)

Reply:

1. In the 2021-22 financial year, the Legislative Council approved a total of HK\$32.5 billion for the public works projects in the Lok Ma Chau Loop (the Loop) and the Batch 1 construction works of Phase 1 of the Hong Kong-Shenzhen Innovation and Technology Park. This batch of development involves 8 buildings in total. The

construction works of 3 buildings have commenced and are expected to be completed in phases starting from the end of 2024 as scheduled.

The governments of Hong Kong and Shenzhen signed the "Co-operation Arrangement on the Establishment of 'One Zone, Two Parks' in the Shenzhen-Hong Kong Innovation and Technology Co-operation Zone at the Lok Ma Chau Loop" (Co-operation Arrangement) at the Hong Kong/Shenzhen Co-operation Meeting 2021, setting out the direction of co-operation for the development of the Co-operation Zone. measures include leasing and managing some building spaces in the Shenzhen Innovation and Technology Zone by the Hong Kong Science and Technology Parks Corporation (HKSTPC), in order to allow institutions and enterprises interested in setting up business in the Greater Bay Area (GBA) to establish a presence there early. Currently, the development of the Shenzhen branch of the Hong Kong Science Park by the HKSTPC in Futian, Shenzhen is underway and is expected to be commissioned in the first half of 2023. In addition, the HKSTPC also set up the GBA InnoAcademy in July 2022 as a resource centre, a training hub and an exchange platform for talents, and the GBA InnoExpress was also launched to nurture start-ups and support innovation and technology (I&T) enterprises in going global and attracting foreign investment. Moreover, the HKSTPC has been collaborating actively with the local universities having campuses in the GBA to establish incubator networks including signing Memorandum of Understanding with the Hong Kong University of Science and Technology and The Chinese University of Hong Kong to support I&T talent and startups development in the GBA, and planning to initiate discussion with more local universities for co-operation this year. The expenditure on the above measures is borne by the HKSTPC with no available breakdown.

2. In addition to hardware facilities, the Co-operation Arrangement also includes putting forward a joint policy package covering support measures on facilitating flow of talent and scientific research resources, setting up business, etc. to jointly attract talent and investments to the Co-operation Zone. Furthermore, The Hong Kong Special Administrative Region (HKSAR) Government has been in close liaison with the relevant ministries of the Central Government and the Guangdong Provincial Government to actively explore measures to facilitate convenient cross-boundary flow of innovation elements between the two places, including actively providing facilitation to non-Chinese nationals residing in Hong Kong to travel to other cities of the GBA for business, research, exchanges and visits, etc. The HKSAR Government will continue to explore actively with relevant Mainland authorities measures facilitating cross-boundary flow of personnel of enterprises establishing a presence in the Loop and talents between the two places. We will make announcements in due course.

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB049

(Question Serial No. 0038)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (2) Innovation and Technology

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

The Innovation, Technology and Industry Bureau is responsible for implementing the Global STEM Professorship Scheme to attract world-renowned STEM scholars as well as their teams to work in Hong Kong, and overseeing the operation of the Technology Talent Admission Scheme to facilitate enterprises' engagement of overseas and Mainland research and development talents. In this connection, please inform this Committee:

- 1. of the respective numbers of relevant talents who have been attracted to Hong Kong since the launch of the two schemes and whether the Government's original expectations have been met; and
- 2. whether follow-up work has been done in respect of the talents admitted to Hong Kong through the two schemes so as to learn about the assistance they need as well as make improvements to the schemes and complementary measures; if so, of the details; if not, the reasons for that.

Asked by: Hon LO Wai-kwok (LegCo internal reference no.: 15)

Reply:

Our consolidated reply to the various parts of the question is as follows:

The Global STEM Professorship Scheme (the Scheme) was launched in June 2021 to step up efforts to support local universities funded by the University Grants Committee in attracting research and development (R&D) talents and their teams to work in Hong Kong. The target is to recruit 100 world-renowned innovation and technology scholars to conduct teaching and research activities related to STEM (Science, Technology, Engineering and Mathematics) in Hong Kong. In the first 4 tranches of the Scheme, over 250 nominations were received and

the Government has supported a total of more than 80 outstanding scholars. As at the end of February 2023, about 40 awarded scholars have taken up their posts in Hong Kong while the remaining scholars are expected to be arriving gradually. It is expected that the Assessment Panel will examine the nominations received in the fifth tranche in the second quarter of this year. Relevant universities will keep following up on the situation of the awarded scholars according to their personnel management mechanisms. The Government will maintain close contact with the universities and review the implementation of the Scheme in a timely manner.

The Innovation and Technology Commission (ITC) launched the Technology Talent Admission Scheme (TechTAS) in June 2018 to provide a fast-track arrangement for admitting overseas and Mainland technology talents to undertake R&D work in Hong Kong. With the quotas allotted by the ITC, applicant companies are allowed to admit technology talents meeting their specific requirements, and are provided with certainty to proceed with their recruitment work. As at the end of February 2023, the ITC has allotted a total of 725 quotas and the Immigration Department has approved a total of 354 visa/entry permit applications in accordance with the relevant quotas. The ITC will review the TechTAS and collect feedback from technology companies from time to time. Enhancement measures were implemented in January 2020 and December 2022 to provide administrative convenience and incorporate emerging technology areas into the TechTAS for timely response to the needs of the technology sector.

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB050

(Question Serial No. 1085)

<u>Head</u>: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: Not Specified

Controlling Officer: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is mentioned in paragraph 27 of the Budget Speech that "the first three buildings of the Hong Kong-Shenzhen Innovation and Technology Park (HSITP) in the Lok Ma Chau Loop will be gradually completed from end-2024 onwards and the site formation works of the first batch of new land for I&T uses at San Tin Technopole will commence in the same year." In this connection, will the Government please inform this Committee of:

- 1. the respective positionings of the HSITP and San Tin Technopole;
- 2. (a) the estimated gross floor areas to be provided at the HSITP and San Tin Technopole respectively and (b) their expected dates of completion and full commissioning;
- 3. (a) the total project costs of the HSITP and San Tin Technopole and (b) the contribution ratios of the HKSAR Government to them respectively; and
- 4. (a) the manpower and (b) the expenditure on emoluments of the Government for steering the development of the HSITP and San Tin Technopole?

Asked by: Hon NG Chau-pei, Stanley (LegCo internal reference no.: 26)

Reply:

The consolidated reply to the various parts of the question is as follows:

In his 2022 Policy Address announced in October last year, the Chief Executive set the objective of promoting technology industry development through attracting enterprises and talents to Hong Kong, primarily focusing on technology industries in which we enjoy clear

advantages and with strategic significance such as life and health technology, artificial intelligence and data science, advanced manufacturing and new energy technology.

Under the Northern Metropolis Development Strategy, the San Tin Technopole will provide about 240 hectares (ha) of land for uses related to innovation and technology (I&T), including the Hong Kong-Shenzhen Innovation and Technology Park (HSITP) in the Loop of 87 ha and other land around San Tin/Lok Ma Chau of 150 ha. According to the Northern Metropolis Development Strategy published in October 2021, the development scale of the land around San Tin/Lok Ma Chau will be equivalent to 13.5 Hong Kong Science Park in number in terms of gross floor area that can be accommodated.

In the financial year 2021-22, a total of HK\$32.5 billion was approved by the Legislative Council (LegCo) for the public works projects in the Loop and the Batch 1 development of the first phase of the HSITP, involving 8 buildings in total with 116 550 square meters of floor area to be provided. The construction works of 3 of the buildings have already commenced and will be completed in phases from end-2024 onwards as scheduled. In response to the latest planning and market developments in Hong Kong and Shenzhen, the HKSAR Government and Hong Kong-Shenzhen Innovation and Technology Park Limited are now exploring plans to expedite and optimise the relevant development, in particular, different development modes, the increase of plot ratio and the inclusion of more I&T uses for the land in Phase 1 development, with a view to maximising the benefits of the HSITP. We will announce the relevant details in due course.

Regarding the new land for I&T uses around San Tin/Lok Ma Chau, the Development Bureau is conducting investigation study on the San Tin/Lok Ma Chau development node with a view to formulating development proposals and detailed method statement. Consultation on the development proposals and land use planning of the San Tin Technopole will be commenced in the second quarter this year. Subject to funding approval by the LegCo, it is estimated that the works departments can commence the site formation works of the first batch of new land for I&T uses in 2024. Meanwhile, the Innovation, Technology and Industry Bureau (ITIB) also plans to commence a consultancy study on the new land for I&T uses in the second quarter of this year for exploring I&T fields or industries suitable for development there, as well as the required infrastructure and supporting facilities.

The ITIB will monitor the development of the San Tin Technopole with existing manpower and resources. For details, please see Head 135 – Government Secretariat: Innovation, Technology and Industry Bureau.

ITIB051

(Question Serial No. 0061)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (3) Efficiency Office

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Under this Programme, one of the key areas of work of the Efficiency Office is to provide overall direction and enhancement services for the 1823 contact centre. It was mentioned that in 2022, 1823 provided additional support to various COVID-19 related hotlines including the Department of Health COVID-19 hotline, COVID-19 vaccination programme hotline, the Return2hk scheme and Come2hk scheme hotline and Hong Kong Health Code Due to the fifth wave of the epidemic, the calls from the public increased substantially by 39 per cent as compared with 2021 while the manpower of 1823 was seriously affected, especially in the first half of 2022. 1823 had taken various measures to address the issue, including increasing manpower, streamlining work flow and adoption of technology. Please advise this Committee on the respective expenditure and manpower involved in the What is the increase as compared to the previous year? 1823 service in 2021 and 2022. What is the estimated expenditure to be involved in the new financial year? plans does the Government have to further improve the 1823 service? Will the Government introduce more artificial intelligence technology to enhance the relevant services and reduce manpower?

Asked by: Hon NG Kit-chong, Johnny (LegCo internal reference no.: 12)

Reply:

During the fifth wave of the epidemic in 2022, 1823 received a large number of enquiries and service requests related to the epidemic, for instance, requests for early admission to hospitals or isolation facilities, requests for early release of COVID-19 test results and issuance of isolation orders, etc. Meanwhile, a large number of 1823 staff members were unable to report duty due to various reasons including infection. To maintain the service of 1823 and cope with the substantially increased workload, the Efficiency Office redeployed its staff and acquired additional hands from other government departments to assist 1823 in handling calls from the public. In the first half of 2022, 1823 also recruited nearly 400 staff members

during the peak of the epidemic. However, owing to the severe epidemic situation and upsurge in workload, many staff also left during the same period. Regarding the adoption of technology in operation, 1823 launched a newly designed mobile application with artificial intelligence chatbot service in July 2022. The application also provides electronic forms for specific topics that facilitates easy submission of photos and videos by the public, and use of the map and location service for case submission. 1823 has also set up a case reply platform for departments to directly reply to the citizens concerned, without manual handling by 1823. Apart from increasing manpower and adoption of technology, 1823 also analyses calls from the public and actively liaise with relevant departments to make suggestions for improving information dissemination. It is hoped that by ensuring provision of clear and user-friendly information and necessary services for the public in a timely manner, unnecessary enquiries and complaints would be reduced at source.

The fifth wave of the epidemic straddled the two financial years in 2021-22 and 2022-23. The expenditure of 1823 in these two years was \$177 million and \$170 million (revised estimate), and the average manpower was 553 and 524 respectively. To cope with the increased workload arising from the fifth wave of the epidemic, 1823 also acquired nearly 60 staff members redeployed from the Efficiency Office and other departments to assist in answering calls between March and May 2022. No additional expenditure was incurred. For 2023-24, the estimated expenditure of 1823 is \$176 million.

1823 has been actively adopting technologies in various areas to enhance its services and save For example, speech recognition technology is used to identify the manpower resources. names of departments and service areas enquired in the incoming calls. Various electronic services such as chatbot service, mobile application and web forms are provided for use by the public. From 2022 onwards, 1823 has successively rolled out a number of new projects on the application of technologies to further enhance its service and efficiency with an estimated additional expenditure of around \$13 million. Examples include a newly designed mobile application and a platform for departments to give their replies to cases. underway to upgrade the telephone system by updating the call distribution system to the latest version and launching a smart interactive voice response system with the adoption of artificial intelligence (AI) technology, through which members of the public can use voice to input the required options without pressing any button. AI speech synthesis technology will also be used in the new system to make the information broadcast sounds more like a human We also plan to add a function of sending SMS messages automatically in the system to facilitate the provision of information. Moreover, 1823 plans to extend the application of chatbot service on its website to provide more information about participating departments. On internal processes, 1823 also plans to apply AI speech-to-text solutions to convert voicemail messages from the public into text so that 1823 staff can handle public enquiries and complaints more efficiently and effectively. 1823 will continue to keep a close watch on the latest technological development and actively explore the possibility of further use of innovative technologies like AI, natural language processing and machine learning in various areas through collaborating with start-ups and universities to enhance service efficiency and user experience of 1823. Furthermore, 1823 will continue to optimise its business process and knowledge base to drive operational efficiency. Recommendations will continue to be made to departments for strengthening dissemination of information and improving their communication with the public so as to reduce avoidable enquiries and complaints at source.

ITIB052

(Question Serial No. 0062)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (3) Efficiency Office

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Under this Programme, the Matters Requiring Special Attention in 2023-24 of the Efficiency Office of the Innovation, Technology and Industry Bureau include continuing to supervise and support the operation of the "Gerontechnology Platform" by the appointed intermediary for fostering the development and application of gerontechnology in Hong Kong. Please inform this Committee of the Government's expenditure and the work done and its effectiveness with regard to fostering the development, application and popularisation of gerontechnology in 2022-23. What are the estimated expenditure, the specific work plan and the anticipated effectiveness in 2023-24?

<u>Asked by</u>: Hon NG Kit-chong, Johnny (LegCo internal reference no.: 13)

Reply:

Having consulted the Labour and Welfare Bureau, our reply is as follows:

To promote the use of innovative technologies among service providers, the Government earmarked \$1 billion for setting up the Innovation and Technology Fund for Application in Elderly and Rehabilitation Care (I&T Fund) in December 2018 to subsidise eligible elderly and rehabilitation service units to procure, rent or try out technology products, with a view to improving the quality of life of service users, and reducing the burden and pressure on care staff and carers. Thus far, the I&T Fund has approved a total of around \$470 million for around 1 500 elderly and rehabilitation service units to procure or rent over 12 000 items of technology products.

At present, 41 District Elderly Community Centres and 172 Neighbourhood Elderly Centres (altogether the Elderly Centres) in Hong Kong provide a range of support services to elderly persons at district level. The Elderly Centres provide assistance to the elderly members

when they encounter difficulties in using digital technology (for example, smart phones, tablets and applications). The Government will include the promotion of gerontechnology in the service scope of Elderly Centres in the fourth quarter of 2023, and increase the number of beneficiaries of Community Care Service Voucher for the Elderly (CCSV) in the third quarter of this year from 8 000 at present to 12 000 in 2025-26. It will also expand the coverage of the CCSV to the rental of assistive technology products, in order to support frail elderly persons to rent these products to enhance their quality of life and reduce the pressure on their carers.

In addition, the Social Innovation and Entrepreneurship Development Fund (SIE Fund) allocated about \$49 million in January 2021 to engage an intermediary to operate the "Gerontechnology Platform". The platform promotes the development and application of gerontechnology by linking up different stakeholders on the supply and demand sides and enhancing synergy by way of engagement, cross-sector partnership and collaboration, such as strengthening user experience sharing on the use of gerontechnology, which allows suppliers to connect and obtain with user feedback directly; establishing an advisory panel comprising the elderly, the disabled and carers to provide users feedback; enhancing support services for product testing and improving product functions to address product deficiencies and users' needs, etc. The platform has so far organised about 60 diversified exchange activities (such as sharing sessions/talks, workshops, organisation visits and online study tours), attracting more than 4 900 participants from different sectors to keep the community and the industry abreast of the development and application of gerontechnology. Moreover, the SIE Fund allocated \$13 million in October 2021 to support four innovative projects to promote inter-generational digital inclusion which enabled young people to assist the elderly in learning and using digital technologies, including digital outreach rehabilitation services. The projects will last for 1.5 to 2.5 years. It is expected that more than 3 700 elderly persons and nearly 450 youths will be benefitted.

ITIB053

(Question Serial No. 0063)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (3) Efficiency Office

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Under this Programme, one of the matters requiring special attention in 2023-24 for the Efficiency Office is to continue to promote the adoption of innovation and technology (I&T) by bureaux and departments (B/Ds) to improve government services. Please inform this Committee the expenditure incurred by the Government for promoting the relevant work in the past financial year. What is the specific outcome of the efforts made to promote the use of I&T by B/Ds to enhance their services? What are the specific work plans for 2023-24? What are the expenditure involved and the expected outcomes?

Asked by: Hon NG Kit-chong, Johnny (LegCo internal reference no.: 11)

Reply:

The Government is committed to promoting wider adoption of innovation and technology (I&T) by bureaux/departments (B/Ds) to enhance operational efficiency and continuously improve public services. In 2022-23, the Efficiency Office worked with the 45 B/Ds participating in the "Be the Smart Regulator" and the "Streamlining of Government Services" Programmes in proposing more than 180 business facilitation and streamlining measures, covering nearly 400 licences and services. More than 80% of the improvement measures involved the adoption of I&T, with a view to providing more electronic services for the trade and the general public. These include the provision of online application services through "iAM Smart", the establishment of various electronic payment channels, the development of chatbots to facilitate the handling of enquiries and the provision of end-to-end electronic services for licences, etc.

We have also implemented a series of support measures, including organising the I&T Solution Expo. Through the Hong Kong Science and Technology Parks Corporation, Cyberport and other platforms, we showcased the latest I&T solutions for government

departments, and arranged business matching for interested departments and companies to help the departments further explore or test whether the relevant solutions are suitable for their services. Moreover, we have launched the InnoGov Portal, an intranet website introducing the latest I&T solutions and providing matching services to departments. Currently, the website provides a total of about 150 I&T solutions in 12 categories. In 2023-24, we will continue to assist departments in the wider adoption of technology, and in reviewing and enhancing related processes with a view to further improving the convenience, efficiency and transparency of public services, as well as achieving the target of turning all government services online by mid-2024 as set out in the 2022 Policy Address. We took forward the relevant work with existing manpower and resources.

Furthermore, the Government has earmarked \$600 million for conducting a service-wide e-Government audit and implementing the digital government initiatives recommended in the audit. The e-Government audit for all B/Ds is expected to be completed before end-2023, and the target is to use advanced information technology to implement no less than 100 new digital government initiatives before end-2025 to provide more convenient services for the general public and the trade.

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB054

(Question Serial No. 0071)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

Programme: Not Specified

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

The Financial Secretary mentioned in paragraph 75 of the Budget Speech that \$10 billion was earmarked last year to further promote the development of life and health technology in Hong Kong. What were the expenditure involved in the relevant work in the past year and the results achieved? Please provide a detailed breakdown. In addition, what are the specific work plan and estimated expenditure for the coming year?

Asked by: Hon NG Kit-chong, Johnny (LegCo internal reference no.: 5)

Reply:

As announced in the 2022-23 Budget, the HKSAR Government has earmarked \$10 billion to provide comprehensive support for the development of life and health scientific research in Hong Kong in the long run, including hardware, talent, clinical trials and data application, as well as strengthening the industrial chain. In the 2023-24 Budget, the HKSAR Government announced that \$6 billion would be set aside out of the earmarked provision to provide subsidies for universities and research institutes to set up life and health technology research institutes, so as to foster cross-university, cross-institutional and multi-disciplinary cooperation, in a bid to facilitate development in the transformation of research and development (R&D) outcomes as well as R&D activities related to life and health technology. The HKSAR Government will invite universities and research institutes interested in setting up life and health technology research institutes to submit proposals in 2023-24.

In addition, the HKSAR Government also has plans to set up the InnoLife Healthtech Hub in the Hong Kong-Shenzhen Innovation and Technology Park (HSITP) to pool together topnotch research teams from all over the world and focus our efforts on R&D work as well as global research collaboration in the field of life and health sciences. It is expected that

research teams of the InnoLife Healthtech Hub can be admitted after the buildings in the Batch 1 of Phase 1 of the HSITP are completed in phases starting from the end of 2024.

In 2022-23 and 2023-24, the Innovation, Technology and Industry Bureau will take forward the related work in collaboration with relevant departments through its existing manpower and resources. We do not have a breakdown of the expenditure involved in this respect.

- End -

ITIB055

(Question Serial No. 1274)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: Not Specified

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

The Financial Secretary mentioned in paragraph 63 of the Budget Speech that "The Government will organise an International GreenTech Week at the end of this year to pool together representatives, enterprises and investors from the green technology industries around the world." Please inform this Committee of the expenditure to be incurred by the event. What are the details of the plan? What are the expected results of the event on promoting green technology in Hong Kong?

Asked by: Hon NG Kit-chong, Johnny (LegCo internal reference no.: 18)

Reply:

The Government will organise an International GreenTech Week at the end of this year to pool together representatives, enterprises and investors from the green technology industries around the world. The Innovation, Technology and Industry Bureau, together with relevant bureaux/departments is formulating a concrete plan and will make timely announcement. Through the International GreenTech Week, we hope to promote the application of green technologies, facilitate exchanges among professionals and enterprises both inside and outside the sector on the latest developments in green technologies, and at the same time let enterprises and investors learn more about the business opportunities generated by green technologies, with a view to fostering more investment matching.

ITIB056

(Question Serial No. 0118)

<u>Head</u>: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (2) Innovation and Technology

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

According to Programme (2), the Innovation, Technology and Industry Bureau will continue to press ahead with the development of the Hong Kong-Shenzhen Innovation and Technology Park (HSITP) in the Lok Ma Chau Loop in the coming year, with the target to complete the first 8 buildings in phases from end-2024, and to explore expediting the development of HSITP and optimising its functions. What is the expected completion time of the exploratory work? What is the Government's plan for expediting the development? What are the manpower and expenditure involved for the exploratory work? Is the current construction progress of HSITP in line with expectations?

Asked by: Hon NG Wing-ka, Jimmy (LegCo internal reference no.: 10)

Reply:

In the financial year 2021-22, the Legislative Council approved a total of HK\$32.5 billion to support the public works projects in the Lok Ma Chau Loop, as well as Batch 1 development of the Hong Kong-Shenzhen Innovation and Technology Park (HSITP) which involves 8 buildings in total. The construction works of 3 of the buildings have commenced and will be completed in phases from end-2024 as scheduled.

In response to the latest planning and market developments in Hong Kong and Shenzhen, the HKSAR Government and Hong Kong-Shenzhen Innovation and Technology Park Limited are now exploring plans to expedite and optimise the relevant development. In particular, different development modes (e.g. collaboration with innovation and technology (I&T) enterprises, research and development institutions and universities etc.), the increase of plot ratio and the inclusion of more I&T uses for the land in Phase 1 development are explored, with a view to maximising the benefits of the HSITP. We will announce the relevant details in due course.

The Innovation, Technology and Industry Bureau will take forward the relevant work with existing manpower and resources. Please refer to "Head 135 – Government Secretariat: Innovation, Technology and Industry Bureau" of the Estimates for details.

- End -

ITIB057

(Question Serial No. 0120)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (2) Innovation and Technology

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is mentioned under Programme (2) that the Innovation, Technology and Industry Bureau promulgated the Hong Kong Innovation and Technology Development Blueprint to set out major policies under 4 broad development directions in the year. The Blueprint sets targets for the next 5 and 10 years with indicators such as research and development expenditure, number of start-ups, number of innovation and technology (I&T) talents and development of the manufacturing industry. Will the Government include more indicators for gauging I&T development, such as I&T outputs and efficiency targets, to reflect more fully Hong Kong's capability in I&T development? If yes, what are the details; if not, what are the reasons?

Asked by: Hon NG Wing-ka, Jimmy (LegCo internal reference no.: 13)

Reply:

In the 2022 Policy Address announced in October last year, it set out a series of indicators (including performance indicators) for Hong Kong's development into an international innovation and technology (I&T) centre to facilitate the tracking of the progress and effectiveness of policy initiatives and the making of timely improvements. The Hong Kong Innovation and Technology Development Blueprint (the Blueprint) promulgated in December last year outlined the macro I&T development targets for Hong Kong in the coming 5 to 10 years and put forth reference development indicators covering 4 areas, namely research and development, start-ups, talent and industry development, to facilitate the review of the implementation of various strategies in the Blueprint. We will continue to listen to opinions from different sectors of the community, formulate suitable policies and support measures with reference to the latest I&T development in the Mainland and overseas. We will also timely review the relevant indicators, leading Hong Kong in realising its vision as an international I&T centre.

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB058

(Question Serial No. 0126)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (2) Innovation and Technology

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is stated under Programme 2 that the Innovation, Technology and Industry Bureau will continue to implement the "Global STEM Professorship Scheme" in the next financial year. What are the total numbers of applications received and approved since the launch of the scheme? Please provide the number of innovation and technology scholars as well as their teams who have come to work in Hong Kong under the scheme by their research area. How many of them have requested subsidy for setting up laboratories? How did the Government provide assistance in this regard? Will the Government consider increasing the amount of subsidy under the scheme? If so, what are the details; if not, what are the reasons for that?

Asked by: Hon NG Wing-ka, Jimmy (LegCo internal reference no.: 16)

Reply:

The Government launched the Global STEM Professorship Scheme (the Scheme) in June 2021 to support local universities in recruiting internationally renowned STEM scholars. The Assessment Panel (the Panel) of the Scheme has examined over 250 nominations from the universities under the first 4 tranches, while the assessment of nominations under the fifth tranche is expected to be conducted in the second quarter of this year.

Upon the Panel's recommendations, the Government supported over 80 outstanding scholars in the first 4 tranches under the Scheme, who specialise mainly in 3 research areas, namely computer science and engineering (about 45%), medicine and life science (about 28%) as well as natural sciences and others (about 27%). As at February 2023, about 40 scholars have brought along their research teams to take up their posts in Hong Kong, while the remaining scholars will also be arriving gradually.

On laboratories, the Hong Kong Jockey Club Charities Trust (the Trust) launched the JC STEM Lab initiative for universities to apply for funding for setting up the laboratories for the selected scholars under the Scheme. Most of the selected scholars have indicated their intention to apply for the Trust's funding. As at February this year, the Trust has granted funding approval for 19 applications while 8 applications are being processed.

The Scheme currently provides subsidies, including those for remuneration, to each selected scholar for a maximum period of 5 years, while the Research Talent Hub programme provides subsidies for each scholar to recruit up to 4 research team members to assist in the R&D work for a period of 3 years. Scholars who have commenced employment in Hong Kong under the Scheme may also apply through existing mechanism and their universities for various research funding, such as schemes of the Innovation and Technology Fund and the Research Grants Committee. The Government will maintain close liaison with the universities and review the implementation of the Scheme as and when appropriate.

ITIB059

(Question Serial No. 0131)

<u>Head</u>: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (2) Innovation and Technology

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Under Programme (2), one of the main responsibilities of the Innovation, Technology and Industry Bureau is to formulate policies to augment the pool of innovation and technology (I&T) talents. The Government indicated that it would proactively liaise with the industry to include I&T talents with local supply shortage in the Talent List. In this regard, will the Government take into consideration the views of the commercial and industrial sectors to include technical personnel and practical talents like artisans in the Talent List? If yes, what are the details; if no, what are the reasons?

Asked by: Hon NG Wing-ka, Jimmy (LegCo internal reference no.: 21)

Reply:

Promoting the development of innovation and technology (I&T) is the work focus of the current-term Government. The Government promulgated the Hong Kong Innovation and Technology Development Blueprint at the end of last year to lay out the general directions and major strategies for Hong Kong's I&T development in the coming 5 to 10 years from a top-level planning perspective. The Blueprint sets out major policy suggestions under 4 broad development directions, which include enlarging the I&T talent pool to create strong impetus for growth.

In respect of I&T, we will leverage our edge as an international city and actively bring in scientific research talent, research and development teams, leading figures in technology, as well as various kinds of professional and technical personnel from the Mainland and overseas to jointly build a global collaborative innovation platform for the industry, academic and research sectors, so as to develop Hong Kong into an international talent hub.

In addition, the Government has drawn up the Talent List with a view to attracting high-quality talent from different industries and professional fields (including I&T) in a more effective and focused manner so as to support Hong Kong's development into a high value-added and diversified economy. To reflect the latest shortage situation in various professions, the Labour and Welfare Bureau (LWB) is co-ordinating a new round of review of the Talent List following the promulgation of the 2022 Policy Address. Bureaux are required to conduct review and consult industry bodies and stakeholders of their respective sectors to come up with suggestions on the coverage of the Talent List. The LWB is now consolidating the latest suggestions received. As for I&T, the Innovation, Technology and Industry Bureau has been liaising closely with the I&T industry to understand their manpower needs and will take into account their views.

ITIB060

(Question Serial No. 0132)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (2) Innovation and Technology

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

Director of Bureau: Secretary for Innovation, Technology and Industry

Question:

It is mentioned under Programme (2) that one of the main responsibilities of the Innovation, Technology and Industry Bureau is to encourage collaboration among institutions in developing innovation and technology. In order to facilitate effective cross-boundary flow of innovation elements, the Bureau is studying further facilitation measures to encourage Hong Kong technology institutions or enterprises to set up business in the Mainland. When is the relevant study expected to be completed? What are the manpower and expenditure involved in the study? Does the scope of the study cover the establishment of foothold in the Mainland cities of the Greater Bay Area for the 5 research and development centres so that they can coordinate with the Mainland factories more effectively in testing, production and other processes? If yes, what are the details; if not, what are the reasons?

Asked by: Hon NG Wing-ka, Jimmy (LegCo internal reference no.: 22)

Reply:

The flow of innovation elements between the Mainland and Hong Kong is crucial to our innovation and technology (I&T) development. Not only will it facilitate our integration into the national innovation system, but also enhance our overall I&T competitiveness. In recent years, a number of important science and technology measures benefitting Hong Kong have been launched to facilitate the effective cross-boundary flow of innovation elements such as research and development (R&D) materials, capital, data and talent between the two places.

To further promote the I&T development in Hong Kong, the HKSAR Government will continue to maintain close liaison and communication with different ministries of the Central Government to rally support for more measures to promote the cross-boundary flow of various innovation elements, such that Hong Kong talent, enterprises and R&D institutions

can better serve national needs. Regarding the flow of capital, as of end-June 2022, the Ministry of Science and Technology (MOST), the National Natural Science Foundation of China and different Mainland provinces and municipalities have approved around RMB 670 million of R&D funding in form of cross-boundary remittance for Hong Kong's universities and R&D institutions to conduct over 300 R&D projects, and provided support for the establishment of 19 Guangdong-Hong Kong-Macao Joint Laboratories and the Hong Kong Branch of 2 laboratories. The HKSAR Government will continue to maintain close liaison with different ministries of the Central Government to explore further facilitation measures to encourage Hong Kong technology institutions or enterprises to set up business in the Mainland.

For better co-ordination of communication among relevant departments in the Mainland and Hong Kong on I&T policies and resources, etc., and to rationalise relevant arrangements and formulate specific actions, with a view to expediting the development of Hong Kong into an international I&T centre, the HKSAR Government will continue to actively dovetail with MOST in relevant policy formulation work.

Meanwhile, the HKSAR Government will continue to encourage collaboration among institutions, including the 5 government-funded R&D centres, in promoting I&T development, with exchange and co-operation with Mainland cities as part of the efforts. recent years, the 5 government-funded R&D centres have, through collaboration with their partners in the Greater Bay Area (GBA), participated in various R&D projects (e.g. discussions have been carried out between the Automotive Platforms and Application Systems R&D Centre and the China Automotive Technology and Research Center Automotive Test Center (Guangzhou) Co., Ltd. on co-operation in areas such as charging technologies, parameters and venues for autonomous vehicle road testing, etc.), signed Memoranda of Understanding (e.g. the Hong Kong Applied Science and Technology Research Institute signed a Memorandum of Understanding with the Southern University of Science and Technology in Shenzhen in 2022 to co-operate in the next 5 years to establish a joint laboratory, with priority to promote the R&D as well as application of advanced semiconductors, next-generation communications, etc.) and organised seminars, exchanges and promotional activities, so as to enhance I&T co-operation with the GBA and encourage the related sectors and enterprises to learn more about the work of the R&D centres, thereby promoting the development of the R&D centres in the GBA. On the other hand, the Hong Kong Productivity Council has been striving to help small and medium enterprises in Hong Kong grasp the opportunities brought about by the development of the GBA and assisting Hong Kong enterprises in the GBA to upgrade and transform in various areas, including smart manufacturing, artificial intelligence, advanced materials and robotics, so that they can integrate into the overall development of the country.

The Innovation, Technology and Industry Bureau is taking forward the work in collaboration with relevant departments using its existing manpower and resources. We do not have a breakdown of the expenditure involved in this respect.

ITIB061

(Question Serial No. 0137)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (2) Innovation and Technology

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Under Programme 2, one of the responsibilities of the Innovation, Technology and Industry Bureau is to formulate policies to augment the pool of innovation and technology (I&T) talents. The Government will build more accommodation facilities for I&T talents, including to explore the development of a new InnoCell near Science Park. What are the estimated number of accommodation units to be provided and the estimated time of completion? The Government also intends to provide additional accommodation for I&T talents in the future San Tin Technopole. Has the Government set any target for providing additional accommodation? What are the manpower and expenditure to be involved in coordinating accommodation for I&T talents in the coming year?

Asked by: Hon NG Wing-ka, Jimmy (LegCo internal reference no.: 32)

Reply:

Addressing the accommodation problem is crucial to attracting and retaining innovation and technology (I&T) talents. Following the completion and commissioning of the first InnoCell in the Hong Kong Science Park (providing around 500 residential units), the Hong Kong Science and Technology Parks Corporation will conduct a technical feasibility study on the development of a new InnoCell near the Science Park, which is expected to be completed in 2023. Meanwhile, the first 3 buildings of the Hong Kong-Shenzhen Innovation and Technology Park in the Lok Ma Chau Loop (the Loop) will be completed in phases from the end of 2024 onwards, including an InnoCell capable of providing about 100 residential units.

The target of the San Tin Technopole (including 87 hectares of land in the Loop and other land of about 150 hectares around San Tin) is to become an integrated community which can attract I&T talents and provide them with facilitation to work and settle in. To follow up on

the relevant recommendations in the Northern Metropolis Development Strategy, the Development Bureau, in conducting the San Tin/Lok Ma Chau Development Node - Investigation, will take into account the accommodation needs of I&T talents and provide flexibility in land planning.

The work on enhancing accommodation for I&T talents will be met by existing manpower of the Innovation, Technology and Industry Bureau and its departments, so no relevant breakdown of expenditure is available.

- End -

ITIB062

(Question Serial No. 0139)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (2) Innovation and Technology

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Under Programme 2, one of the responsibilities of the Innovation, Technology and Industry Bureau is to promote "new industrialisation" through the development of smart production and high value-added industries. The post of Commissioner for Industry will be created to co-ordinate and steer the strategy on re-industrialisation and assist the manufacturing sector in upgrading and transformation by the use of innovation and technology. When will the Government announce the candidate for the post? What is the rank of the Commissioner for Industry and what will be the emolument? Will the functions of the Commissioner include providing adequate support to Hong Kong enterprises which have set up their production bases outside Hong Kong? If so, what are the details? If not, what are the reasons?

Asked by: Hon NG Wing-ka, Jimmy (LegCo internal reference no.: 36)

Reply:

The Innovation, Technology and Industry Bureau has scheduled to consult the Legislative Council Panel on Commerce, Industry, Innovation and Technology on the creation of the post of Commissioner for Industry (Innovation and Technology) (C for I (I&T)) in March 2023. Subject to Members' views, it will then seek the support of the Establishment Sub-committee and the approval of the Finance Committee. Upon approval of the proposal, an open recruitment-cum-in-service appointment exercises will be conducted.

According to the current proposal, the C for I (I&T) post will be remunerated at Directorate Pay Scale Point 4, incurring a notional annual salary cost at mid-point of \$2,998,800. C for I (I&T) and his team will follow the directions and strategies set out in the Hong Kong Innovation and Technology Development Blueprint to promote the development of technology industries and put forth new industrialisation in Hong Kong. C for I (I&T) will closely liaise with the industries and other stakeholders to formulate appropriate policies and

measures to assist the manufacturing sector in upgrading and transformation by the use of I&T.

ITIB063

(Question Serial No. 3091)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (3) Efficiency Office

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Under Programme (3), the 1823 contact centre aims for having 80% of calls answered within 12 seconds, but it turns out only to have 71% and 61% of calls answered on target in 2021 and 2022 respectively. For the remaining calls, what was the average waiting time before they could be answered? Regarding the measures taken by the 1823 contact centre in 2022 to address the issue, including increasing manpower, streamlining work flow and adoption of technology, what were their details as well as the respective manpower and expenditures involved? Will extra staff be employed in the coming year? If yes, what are the details; if not, what are the reasons? What were the respective staff wastage rates of the 1823 contact centre in the past 5 years? Were the vacancies filled within the respective year?

Asked by: Hon NG Wing-ka, Jimmy (LegCo internal reference no.: 43)

Reply:

During the fifth wave of the epidemic in 2022, 1823 received a large number of enquiries and service requests related to the epidemic, for instance, requests for early admission to hospitals or isolation facilities, requests for early release of COVID-19 test results and issuance of isolation orders, etc. Meanwhile, a large number of 1823 staff members were unable to report duty due to various reasons including infection. To maintain the service of 1823 and cope with the substantially increased workload, the Efficiency Office redeployed its staff and acquired additional hands from other government departments to assist 1823 in handling calls from the public. In the first half of 2022, 1823 also recruited nearly 400 staff members during the peak of the epidemic. However, owing to the severe epidemic situation and upsurge in workload, many staff also left during the same period. Regarding the adoption of technology in operation, 1823 launched a newly designed mobile application with artificial intelligence chatbot service in July 2022. The application also provides electronic forms for specific topics that facilitates easy submission of photos and videos by the public, and use of

the map and location service for case submission. 1823 has also set up a case reply platform for departments to directly reply to the citizens concerned, without manual handling by 1823. Apart from increasing manpower and adoption of technology, 1823 also analyses calls from the public and actively liaise with relevant departments to make suggestions for improving information dissemination. It is hoped that by ensuring provision of clear and user-friendly information and necessary services for the public in a timely manner, unnecessary enquiries and complaints would be reduced at source. The revised estimated expenditure of 1823 for 2022-23 on manpower and adoption of technology is \$150 million, which covers staff cost and recurrent expenditure on information technology system, such as licences, regular maintenance and system upgrade expenses.

"Having at least 80% of calls answered within 12 seconds" is one of the three indicators to measure 1823's performance. The achievement of the target is affected by various external factors (such as the number, distribution and complexity of incoming calls and written contacts) and internal factors (such as staff recruitment and wastage position). Due to the fifth wave of the epidemic, the performance of this indicator dropped from 71% in 2021 to 61% in 2022. With the easing of the epidemic, the indicator improved from 49% in the first half of 2022 to 72% in the second half of the year. The average waiting time for calls from the public in 2021 and 2022 were 30 and 59 seconds respectively.

In the past 5 years, the respective staff wastage rates of 1823 were 48%, 37%, 19%, 57% and 46%. In 2023, 1823 will continue to step up recruitment efforts, increase manpower, strengthen training, and optimise its business process and knowledge base to drive work efficiency. 1823 will continue to provide departments with recommendations for strengthening information dissemination and improving communication with the public so as to reduce avoidable enquiries and complaints at source. 1823 will also further enhance its work efficiency through streamlining work flow and adoption of technology.

ITIB064

(Question Serial No. 0493)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (2) Innovation and Technology

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is set out in the Hong Kong Smart City Blueprint 2.0 that the Government will not increase the gross domestic expenditure on research and development as a ratio to Gross Domestic Product to 2% until 2032, which may undermine local technological research capabilities. Please advise this Committee of the specific timetable for increasing the ratio; whether the Government will adjust the timetable to achieve the target ahead of schedule.

Asked by: Hon QUAT Elizabeth (LegCo internal reference no.: 2)

Reply:

Promoting research and development (R&D) is an indispensable part of innovation and technology (I&T) development. The Government has been proactively promoting the I&T development of Hong Kong. Various policies and initiatives, including measures for promoting R&D, have achieved good progress, notably enhancing the overall I&T ecosystem in Hong Kong. Despite the impact on Hong Kong brought about by various challenges in recent years, such as the COVID-19 pandemic, the gross domestic expenditure on R&D (GERD) increased from around \$19.7 billion in 2016 to around \$27.8 billion in 2021. While the ratio of the GERD to Gross Domestic Product had hovered at around 0.74% over the past decade or so, it increased to 0.97% in 2021. Hong Kong has a robust capability in basic R&D. With 5 world top-70 universities and 2 world top-40 medical schools in the territory, there are many research talents in Hong Kong. Besides, a good few of our experts have won numerous awards on the international stage and their achievements made speak for themselves.

As for supporting R&D work by universities and public research institutes, the flagship project "*InnoHK* research clusters" has successfully attracted over 30 world-renowned universities and research institutes to collaborate with local universities and research institutes

in setting up 28 research laboratories in the Hong Kong Science Park. Local universities have also established close collaborative relationships with research institutions in the Mainland over the years through various research programmes. These initiatives are all conducive to the development of Hong Kong into a global research collaboration hub. In addition, the Government amended the Inland Revenue Ordinance in 2018 to provide enhanced tax deduction for qualifying R&D expenditure incurred by enterprises on or after 1 April 2018. The deduction is 300% for the first \$2 million of the aggregate amount of the relevant expenditure, and 200% for the remaining amount. There is no cap on the amount of the relevant tax deduction. Among the tax returns received as at 28 February 2023, the claims for tax deduction on R&D expenditure for the year of assessment 2021-22 has reached about \$3.24 billion. For the year of assessment 2020-21, the claims for tax deduction on R&D expenditure amounted to about \$2.58 billion, representing an increase of more than 54% as compared with \$1.67 billion in the year of assessment 2017-18 (prior to the implementation of the measure).

To further promote R&D, it is announced in this year's Budget that of the \$10 billion earmarked for promoting the development of life and health technology in Hong Kong as announced in the last Budget, \$6 billion will be set aside to provide subsidies for universities and research institutes to set up thematic research centres, with the aim of fostering cross-university, cross-institutional and multi-disciplinary co-operation. The Government will invite universities and research institutes interested in setting up life and health technology research institutes to submit proposals in 2023-24. Moreover, it is announced in this year's Budget that \$3 billion will be earmarked to promote the development of facilities for the basic research in frontier technology fields such as artificial intelligence and quantum technology, so as to better realise our basic technology research capabilities in making breakthroughs out of the blue, leverage Hong Kong's unique advantage as a platform for international scientific research collaboration, and attract leading I&T talents, research teams and enterprises from the Mainland and overseas to Hong Kong, thereby promoting cross-sectoral research cooperation.

Furthermore, the Government will support the establishment of a Microelectronics Research and Development Institute to promote microelectronics development in Hong Kong, aiming to make it one of the leading organisations for supporting microelectronics development in the Asia-Pacific region. The Institute will be tasked with strengthening collaboration with universities, R&D centres and the industry and expediting the "1 to N" transformation of technological outcomes. This will help pool together Mainland and overseas talents in relevant fields and strengthen the nurturing of local R&D talents, thereby further enhancing the I&T ecosystem.

The Government will continue to closely monitor the latest I&T development in Hong Kong, introduce appropriate measures and devise relevant performance indicators in a timely manner.

CONTROLLING OFFICER'S REPLY

ITIB065

(Question Serial No. 0496)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (2) Innovation and Technology

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

As announced in the Budget last year, \$10 billion would be earmarked to further promote the development of life and health technology in Hong Kong. Out of this provision, \$6 billion will be set aside to provide subsidies for universities and research institutes to set up thematic research centres, with the aim of fostering cross-university, cross-institutional and multi-disciplinary co-operation. What are the details of the mechanism for allocating the provision?

Asked by: Hon QUAT Elizabeth (LegCo internal reference no.: 5)

Reply:

As announced in the 2022-23 Budget, the HKSAR Government has earmarked \$10 billion to provide comprehensive support for the development of life and health scientific research in Hong Kong in the long run, including hardware, talent, clinical trials and data application, as well as strengthening the industrial chain. In the 2023-24 Budget, the HKSAR Government announced that \$6 billion would be set aside out of the earmarked provision to provide subsidies for universities and research institutes to set up life and health technology research institutes, so as to foster cross-university, cross-institutional and multi-disciplinary cooperation, in a bid to facilitate development in the transformation of research and development (R&D) outcomes as well as R&D activities related to life and health technology. The HKSAR Government will invite universities and research institutes interested in setting up life and health technology research institutes to submit proposals in 2023-24. We are conducting further study on the specific arrangements of the project, and will announce the details once they are confirmed.

CONTROLLING OFFICER'S REPLY

ITIB066

(Question Serial No. 3028)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): (000) Operational expenses

<u>Programme</u>: (2) Innovation and Technology

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

One of the main responsibilities of the Innovation, Technology and Industry Bureau is to continue to implement the "Global STEM Professorship Scheme" to strengthen support for local universities to attract world-renowned Science, Technology, Engineering and Mathematics (STEM) scholars as well as their teams to work in Hong Kong. Will the Government advise this Committee of the following:

- 1. What were the figures on the flow of such academic personnel and the effectiveness of the Scheme in the last financial year and what are the estimated figures and effectiveness of the Scheme in the coming year?
- 2. To support Hong Kong to develop into an international innovation and technology (I&T) centre, which areas need to enhance the training of I&T talent for Hong Kong in the long run and the number involved? What are the specific measures to further promote STEM education in more primary and secondary schools and to attract more university students to enrol in I&T-related programmes?
- 3. Is there any comprehensive review of the performance and effectiveness of the implementation of the existing measures in relation to talent development for I&T? If yes, what are the results? Has consideration been given to integrating some of the measures for implementation?
- 4. What are the anticipated changes in the demand and supply of I&T talent in the next 3 years? In response to such changes, what measures will be taken? What are the details and expenditures of these measures?

Asked by: Hon SHANG Hailong (LegCo internal reference no.: 9)

Reply:

The relevant policy bureaux and departments have been enlarging the innovation and technology (I&T) talent pool through attracting, nurturing and retaining talents with a series of initiatives. Our reply to the various parts of the question is as follows:

1.

The Government launched the Global STEM Professorship Scheme (the Scheme) in June 2021 to support local universities in recruiting internationally renowned I&T scholars. The Assessment Panel (the Panel) of the Scheme has examined over 250 nominations from the universities under the first 4 tranches, while the assessment of the nominations under the fifth tranche is expected to be conducted in the second quarter of this year. Upon the Panel's recommendations, the Government supported over 80 outstanding scholars in the first 4 tranches under the Scheme. As at February 2023, about 40 scholars have brought along their research teams to take up their posts in Hong Kong, while the remaining scholars will also be arriving gradually.

2. & 3.

In order to develop into an international I&T centre, more technology industries in various fields will be nurtured in Hong Kong in a holistic manner. The demand for talents in different technology areas will thus continue to increase. The Government has launched various programmes to create a better I&T learning or studying environment for students in different learning stages, so as to cultivate their interest in I&T.

The Education Bureau (EDB) has implemented a series of support measures to promote STEM/STEAM (Science, Technology, Engineering and Mathematics/Science, Technology, Engineering, the Arts and Mathematics) education, which include renewing curriculum, enhancing professional development of teachers, enriching student learning activities, as well as providing resources support, so as to step up the promotion of STEM/STEAM education in primary and secondary schools, as well as I&T learning for all.

On school curriculum, apart from the continuous teaching of STEM/STEAM-related knowledge and skills in class through the curricula for science, mathematics, technology, etc. (including the Science, Information and Communication Technology, Mathematics and primary General Studies subjects), the EDB has also implemented "hands-on and minds-on" cross-disciplinary learning activities beyond the classroom, such as scientific investigation, design and production and project-based learning. Schools may enhance the pedagogical design of STEM/STEAM education learning activities within and beyond the classroom to tie in with the knowledge of students gained from the curricula for science, mathematics, technology, etc. This can enhance students' interest and abilities in science and I&T, thereby encouraging their integration and application of cross-disciplinary knowledge, as well as enhancing their problem-solving skills and creative thinking. As announced in the 2022 Policy Address, the EDB will incorporate more I&T learning elements in the curriculum, including developing the "Enriched Module on Coding Education for Upper Primary Level" and

"Module on Artificial Intelligence for Junior Secondary Level". In addition to implementing enriched coding education at the upper primary level and incorporating artificial intelligence curriculum at the junior secondary level, the EDB also launched the "Enhancing Science and Technology Learning at the Upper Primary Level" pilot scheme in this school year to strengthen students' scientific thinking and "hands-on and minds-on" ability, and enable them to build a solid foundation of science and technology from an early age.

To implement STEM/STEAM education effectively, the EDB will strengthen teacher professional training to enhance the professional capacity of schools' leadership and coordination of STEAM education in tandem, and build a teaching force keeping abreast of the latest development of I&T. Starting from the current school year, all publicly-funded schools are required to designate co-ordinators to enhance the holistic planning of STEAM education within and beyond the classroom. Schools are also required to make arrangements for teachers to undergo professional training on I&T in an orderly manner. The target is to have at least three-quarters of publicly-funded primary and secondary schools participating in such training by the 2023/24 school year. The EDB will organise specific training programmes for co-ordinators of STEAM education continuously to equip teachers with the professional capacity of leading STEAM education, as well as professional development programmes for teachers to enhance the learning and teaching effectiveness of STEAM-related areas.

In addition, the Office of the Government Chief Information Officer launched the "IT Innovation Lab in Secondary Schools" Programme and the "Knowing More About IT" Programme in the 2020/21 and 2021/22 school years respectively to provide funding support for primary and secondary schools in organising information technology (IT)-related extracurricular activities. The 2 programmes, targeting all publicly-funded secondary schools and primary schools in Hong Kong respectively, have received overwhelming response from schools and relevant stakeholders since their launch. Nearly 90% of secondary schools and about 60% of primary schools have submitted applications, of which 430 secondary schools and 289 primary schools have their applications approved. The 2023-24 Budget has proposed to allocate an additional funding of \$300 million to extend the existing "IT Innovation Lab in Secondary Schools" Programme and continue the provision of funding support of up to \$1 million to each of the around 500 publicly-funded secondary schools for organising IT-related extra-curricular activities and procurement of the necessary IT equipment and professional services for the relevant activities for three school years from 2023/24 to 2025/26. It is anticipated that 90% of the eligible secondary schools will apply for the subsidies.

In the long run, the EDB will build on the existing foundation of promoting STEM/STEAM education and strengthen collaboration with the I&T sector, post-secondary institutions, professional bodies and different policy bureaux to enhance the strategies for supporting STEAM education through a multi-pronged approach. The EDB will also continue to introduce I&T elements into the school curriculum and further promote I&T learning for all, so that the I&T education can keep abreast of the times. Moreover, by strengthening primary and secondary students' knowledge base in science, mathematics and technology, more students with potential will be encouraged to study STEAM-related disciplines in local funded universities and become the driving force in scientific research and I&T in future.

On post-secondary institutions, the Government has been encouraging University Grants Committee (UGC)-funded universities to offer programmes meeting the development needs of Hong Kong, while providing support for the self-financing post-secondary education sector to strengthen the talent pool in key areas such as I&T, with a view to enhancing the competitiveness of Hong Kong.

- The UGC-funded universities have been actively promoting STEM education in recent years. In the 2022-25 triennium, more than 10 STEM-related undergraduate programmes will be introduced by the UGC-funded universities. They also plan to offer innovative transdisciplinary programmes by infusing STEM elements into programmes from other disciplines, such as FinTech, ArtTech, Education Technology and Digital Humanities, so as to nurture STEM talents possessing transdisciplinary knowledge. The Planning Exercise for the 2025-28 triennium will commence within this year. The UGC will tie in with the Government's policy direction and conduct a review with the 8 universities to encourage them to continuously and actively respond to the community's aspirations for I&T development and the market needs.
- In addition, the UGC has implemented the Targeted Taught Postgraduate Programmes Fellowships Scheme on a pilot basis for 5 cohorts since the 2020/21 academic year, providing fellowships for local students taking targeted taught postgraduate programmes in the 8 UGC-funded universities. The scheme aims to attract more meritorious local students to pursue further studies in priority areas (including STEM) conducive to the development of Hong Kong.
- With regard to the self-financing post-secondary education sector, the EDB launched the Enhancement and Start-up Grant Scheme for Self-financing Post-secondary Education with a funding of \$1.26 billion in December 2020. It aims to support eligible self-financing post-secondary institutions to develop and enhance programmes that meet market needs but require high start-up costs, and help alleviate the institutions' need to fully recover the set-up costs from tuition fees, thus relieving the financial burden on students. In 2020-21 and 2021-22, 3 STEM-related projects covering programmes in the areas of FinTech, ArtTech, innovative technology, building management, etc. were approved respectively, involving a total grant of about \$55 million and approximately \$91 million in each year respectively.
- Moreover, the Government launched the Study Subsidy Scheme for Designated Professions/Sectors (SSSDP) through the EDB to subsidise students pursuing designated programmes and encourage the self-financing post-secondary education sector to offer programmes in selected disciplines, including STEM-related disciplines, to nurture talent in support of specific industries with keen demand for human resources. In the 2023/24 academic year, the STEM-related programmes under the SSSDP cover the areas of architecture and engineering, computer science, FinTech, as well as testing and certification.

With regard to the "STEM Internship Scheme" launched by the Innovation and Technology Commission (ITC) in 2020, as at end-January 2023, more than 8 200 short-term internship positions have been offered to students taking STEM-related programmes in local universities, involving a total funding of around \$200 million. The Scheme will be expanded in 2023-24 to offer local I&T internship opportunities to students taking STEM-

related programmes at Greater Bay Area campuses established by designated local universities. The ITC will also co-ordinate with the 5 government-funded research and development (R&D) centres and the Hong Kong Productivity Council to offer internship opportunities to students pursuing STEM programmes in local and non-local universities, especially Hong Kong students studying abroad.

The Government will maintain close liaison with different stakeholders to review the implementation of the Scheme in a timely manner and introduce enhancement measures.

4.

The Report on Manpower Projection to 2027 released in end-2019 has indicated that Hong Kong has a keen demand for I&T talent which surpasses that of other industries. The Labour and Welfare Bureau will commence a new round of manpower projections and the key findings will be available in 2024. According to the estimates made in the "2022 Manpower Survey Report (Innovation and Technology Sector)" of the Vocational Training Council, the manpower requirement of the IT and the R&D sectors will continue to rise. With the gradual availability and completion of land and infrastructure for I&T uses, more Mainland and overseas I&T enterprises will establish a presence in Hong Kong and create high-quality jobs. As I&T talent will be in great demand to cater for the upgrading and transformation across industries, the long-term demand for I&T manpower in Hong Kong will probably increase further.

The I&T ecosystem in Hong Kong has become increasingly vibrant in recent years. The number of employees in the I&T sector has increased from around 35 000 in 2014 to over 46 000 in 2021. Meanwhile, the number of R&D personnel has also risen from around 29 000 to over 37 000. The Government will continue to implement various measures related to I&T talent, with a view to nurturing and attracting local, Mainland and overseas talents. According to the Hong Kong Innovation and Technology Development Blueprint released in December last year, our long term target is to have the number of I&T practitioners exceeding 100 000 by 2032.

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB067

(Question Serial No. 3043)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): (000) Operational expenses

<u>Programme</u>: (2) Innovation and Technology

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Commercialisation of research and development (R&D) results is the adoption of commercialised models to extract and convert the value of innovative inventions into economic value. Promoting economic development through technological achievements has become one of the important economic development strategies of advanced countries in recent years. Up to 2021, the Hong Kong Government's expenditure on research only accounted for 0.99% of the Gross Domestic Product (GDP), ranking second last among the 11 cities in the Greater Bay Area. In this connection, will the Government inform this Committee of the following:

- 1. In order to encourage local academia/research institutes to commercialise research results, will the Government undertake to optimise procurement procedures in the future, so as to improve the problem involving inadequate procurement of locally developed technologies or innovative products by government agencies?
- 2. According to the data recently released by the National Bureau of Statistics, in 2022, China's research and experimental development funds continued to maintain a double-digit growth, with the total input exceeding RMB 3 trillion and the input intensity (ratio of R&D funds to GDP) reaching 2.55%. Will the Government consider following the Motherland in the continuous improvement of the technological reward and incentive mechanism? Will the R&D input intensity be enhanced comprehensively in the future? If yes, what is the target? If not, what are the reasons?
- 3. Will the Government consider stepping up the role of R&D centres in Hong Kong in promoting cross-sector liaison and the transformation of R&D results?
- 4. The allocation and approval of R&D funds of the respective government subvented organisations are based on their individual visions and objectives. To facilitate R&D entities' application for funds, will the Government consider putting in place an

- overarching strategy or platforms, so as to provide applicants with guidance on the application for R&D funds and integrate fragmented sources of R&D resources?
- 5. Will the Government establish Innovation and Enterprise platforms bringing together stakeholders across the Government, industry, academia and research sectors, so as to provide them with a platform to share knowledge, expertise and technology, and support industries to accelerate the transformation of R&D results into market-ready products and applicable business solutions for the benefits of more enterprises?

Asked by: Hon SHANG Hailong (LegCo internal reference no.: 24)

Reply:

Promoting research and development (R&D) is a crucial part of innovation and technology (I&T) development. The Government has been proactively promoting local I&T development. Various policies and initiatives, including those on promoting R&D, have made good progress, making the overall I&T ecosystem in Hong Kong increasingly vibrant. The R&D quality of Hong Kong's universities is internationally recognised. Hong Kong has 5 world top-70 universities and two medicine schools ranked within the top 40 in the world. According to the results of the University Grants Committee Research Assessment Exercise 2020, over 70% of the research projects of Hong Kong's universities have reached the level of "international excellence" or above, among which 25% have even entered the rank of "world leading". Many of them are R&D projects. A lot of our renowned experts have won numerous awards on the international stage. All these bear testimony that we have no shortage of R&D talents. Our consolidated reply to questions 1. to 5. is as follows:

In recent years, the Government has introduced various measures to support R&D, such as injecting capital into the Research Endowment Fund to increase research grants for post-secondary institutions; facilitating the research development of local universities through recurrent grants and various research funding schemes under the University Grants Committee (UGC); subsidising various R&D projects through different funding schemes of the Innovation and Technology Fund; setting up the InnoHK Research Clusters to promote global research collaboration; providing funding support for the development of life and health scientific research; making use of the Green Tech Fund to support R&D projects which aim to help Hong Kong decarbonise and enhance environmental protection; and supporting local medical and health research through the Health and Medical Research Fund. These various measures cater to the needs and characteristics of different stakeholders of I&T ecosystem, and support R&D in a flexible manner. Despite the impact of different challenges in recent years, Hong Kong's gross domestic expenditure on R&D (GERD) increased from about \$19.7 billion in 2016 to about \$27.8 billion in 2021. The GERD as a ratio to the Gross Domestic Product (GDP) increased to 0.97% in 2021 from hovering around 0.74% over the past decade or so. The Hong Kong Innovation and Technology Development Blueprint, which was promulgated at the end of last year, has put forth reference development indicators with the target of increasing GERD as a ratio to GDP to 2% by 2032.

The 5 R&D centres set up by the Government have been in liaison with various parties. These R&D centres play an important role in creating a vibrant I&T ecosystem and act as a focal point for technology collaboration among the Government, industry, academia and

research sectors. For example, the Hong Kong Applied Science and Technology Research Institute has promoted its R&D outcomes to enterprises through various channels, leading to successful cases in integrated circuits, next generation communications technologies, smart manufacturing and health technologies. The Nano and Advanced Materials Institute has jointly developed and transferred various technologies with partners. Examples include long lasting battery for high power Internet of Things devices. The Innovation Hub@HK of the Innovation and Technology Commission aims at showcasing R&D outcomes of Hong Kong's public research institutes to facilitate commercialisation and technology transfer to the industry.

On the other hand, the Government has been actively introducing and applying I&T products and services from local start-ups with a view to playing a leading role. The major measures in recent years are as follows:

- (i) The Public Sector Trial Scheme under the Innovation and Technology Fund provides eligible local companies/organisations with funding support for production of prototypes or samples and conducting trials of R&D outcomes in the public sector (including government departments), so as to facilitate the realisation and commercialisation of R&D outcomes. As at the end of February 2023, the scheme has funded 414 projects with a total funding of about \$830 million, benefiting over 190 different organisations to conduct more than 560 trials;
- (ii) The Smart Government Innovation Lab (Smart Lab) promotes and invites industry players to assist government departments in adopting information technology solutions, creating more business opportunities for local start-ups as well as small and medium enterprises (SMEs). In the past 4 years, the Smart Lab matched over 70 business needs from different departments with solutions, and arranged over 100 thematic workshops. The Smart Lab also collaborated with relevant departments to conduct proof-of-concept testing for more than 50 technology solutions, among which more than 30 projects have been planned or are in the progress of pilot implementation;
- (iii) The E&M InnoPortal of the Electrical and Mechanical Services Department lists the technology-related needs of government departments, public sector and Electrical and Mechanical (E&M) trades. Organisations such as start-ups and academic institutions can propose I&T solutions via the portal for matching. In the past 5 years, about 430 I&T wishes and about 1 100 I&T solutions were collected via the portal. During the period, trials of about 170 I&T projects were launched; and
- (iv) The I&T Solution Day is organised to encourage and help government departments introduce and apply I&T products and solutions from local start-ups and SMEs, facilitating more business matching to achieve a win-win situation.

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB068

(Question Serial No. 1596)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (2) Innovation and Technology

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is mentioned in Matters Requiring Special Attention in 2023-24 that the Innovation, Technology and Industry Bureau will "commence preparation for the Smart City Blueprint for Hong Kong 3.0". In this connection, would the Government advise this Committee on the following:

- 1. Released in 2020, the Smart City Blueprint for Hong Kong 2.0 set out more than 130 smart city initiatives and suggested measures. What resources have been provided by the Government in this regard? What initiatives and suggested measures have been implemented in the past 2 years and what are the major achievements?
- 2. What are the details, the estimated total expenditure and the detailed breakdown of such, the manpower required and the timetable of the specific work plan for the Smart City Blueprint for Hong Kong 3.0 which is expected to be taken forward in 2023-24?
- 3. Is there a specific work plan for 2023-24 to press ahead with the implementation of smart city development in Hong Kong? If yes, what are the specific details, the estimated expenditure involved and the estimated effectiveness? If not, what are the reasons?

Asked by: Hon SO Cheung-wing (LegCo internal reference no.: 28)

Reply:

Since the release of the Smart City Blueprint for Hong Kong 2.0 in December 2020, bureaux/departments (B/Ds) concerned have been actively taking forward their related smart city initiatives. As of end-January 2023, around 70% of the initiatives have been completed or are ongoing, such as the implementation of Traffic Data Analytics System, enhancement

of services to adopt "iAM Smart", and promotion on wider use of digital payment in the financial and other industries. The remaining initiatives are in progress. They are mainly long-term initiatives such as establishing "bicycle-friendly" new towns and new development areas, taking forward the initiatives set out in the Climate Action Plan 2050, etc.

Looking ahead, relevant B/Ds will continue to implement the smart city initiatives underway and the Innovation, Technology and Industry Bureau (ITIB) will continue to closely liaise with various stakeholders (including the Subcommittee on Matters Relating to the Development of Smart City, trade associations and industry groups) regarding the development of smart city in Hong Kong. ITIB will consolidate the views and suggestions collected and discuss with the relevant B/Ds with a view to formulating measures that meet the future development needs of Hong Kong and drive forward the next stage of smart city development.

The coordination of the above work has been part of ITIB's responsibilities. As such, the expenditure involved cannot be separately singled out and itemised. Relevant B/Ds will take forward their smart city initiatives with their own resources and manpower. We do not maintain the relevant information.

CONTROLLING OFFICER'S REPLY

ITIB069

(Question Serial No. 1597)

<u>Head</u>: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (2) Innovation and Technology

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

Director of Bureau: Secretary for Innovation, Technology and Industry

Question:

Regarding one of the responsibilities of the Innovation, Technology and Industry Bureau, namely "took forward the development of the Hong Kong-Shenzhen Innovation and Technology Park (HSITP) in the Lok Ma Chau Loop", will the Government inform this Committee of:

- 1. the resources allocated, major works undertaken, progress and key achievements with regard to "take forward the planning of the setting up of InnoLife Healthtech Hub in HSITP, which will focus on aspects related to life and health disciplines" over the past year. What are the details of the specific work plans, estimated expenditure involved and implementation timetable for taking forward the relevant work in 2023-24?
- 2. the resources allocated, major works undertaken, progress and key achievements with regard to taking forward the work of HSITP over the past 2 years. What are the details of the specific work plans, estimated expenditure involved and implementation timetable for taking forward the relevant work and the anticipated outcomes in 2023-24?
- 3. whether there are any specific work plans or initiatives on local promotion and enhanced collaboration with the Shenzhen Municipal People's Government for expediting the development of HSITP and optimising its functions and infrastructure. If yes, what are the specific details, estimated expenditure involved and timetable? If no, what are the reasons?
- 4. whether there are any specific work plans or initiatives to attract enterprises and talent to HSITP so as to bring the benefits of linked development into full play. If yes, what are the specific details, amount of estimated expenditure involved, anticipated outcomes and timetable? If no, what are the reasons?

Asked by: Hon SO Cheung-wing (LegCo internal reference no.: 29)

Reply:

Our consolidated reply to various parts of the question is set out below:

As announced in the 2022-23 Budget, the HKSAR Government has earmarked \$10 billion to provide more comprehensive support for the development of life and health scientific research in Hong Kong in the long run, including hardware, talent, clinical trials and data application, as well as strengthening the industrial chain. One of our plans is to set up the InnoLife Healthtech Hub in the Hong Kong-Shenzhen Innovation and Technology Park (HSITP) located in the Lok Ma Chau Loop (the Loop) to pool together top-notch research teams from all over the world and focus our efforts on research and development work as well as global research collaboration in the field of life and health sciences.

Regarding the HSITP, the Legislative Council approved a total of \$32.5 billion in the 2021-22 financial year for the public works projects in the Loop and the Batch 1 construction works of Phase 1 of the HSITP, which involves 8 buildings in total. The construction works of 3 buildings has commenced and is expected to be completed in phases starting from the end of 2024 as scheduled. It is expected that research teams of the InnoLife Healthtech Hub can be admitted after the buildings in the Batch 1 of Phase 1 of the HSITP are completed in phases.

In response to the latest planning and market developments in Hong Kong and Shenzhen, the HKSAR Government and Hong Kong-Shenzhen Innovation and Technology Park Limited are now exploring plans to expedite and optimise the relevant development, in particular the land in Phase 1 development and efforts are being made to look into different development modes, increase plot ratio and incorporate more innovation and technology (I&T) uses, with a view to maximising its benefits. We will announce the relevant details in due course. As for the future development of I&T parks in Hong Kong and Shenzhen, the HKSAR Government has been co-ordinating related matters through existing mechanism of meeting and communication. We will enhance the co-operation between the two places and implement dedicated measures in the future to promote the development of I&T parks in both sides.

The Innovation, Technology and Industry Bureau (ITIB) is now working in full steam to attract Mainland and overseas I&T enterprises in collaboration with the Office for Attracting Strategic Enterprises. We have been contacting various Mainland and overseas I&T enterprises from key industries to introduce the advantages and latest development of the I&T industry in Hong Kong and invite them to set up their businesses in Hong Kong (including the HSITP). Promoting the development of the technology industry requires the concerted efforts and collaboration of different stakeholders in the society. The ITIB and its departments, as well as I&T parks that have close connection with the industry, such as the Hong Kong Science and Technology Park and Cyberport, etc., will leverage the network of our various I&T stakeholders, join hands in attracting enterprises and investment, and outreach to enterprises from the Mainland and overseas to tell the good stories of Hong Kong. The overall goal of the Government is to attract not less than 100 high potential or representative I&T enterprises to set up or expand their businesses in Hong Kong in the coming 5 years, including at least 20 top-notch I&T enterprises.

In 2023-24, the ITIB will take forward the above work by its existing manpower and resources.

CONTROLLING OFFICER'S REPLY

ITIB070

(Question Serial No. 1598)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (2) Innovation and Technology

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Regarding the promotion of innovative research work by the Innovation, Technology and Industry Bureau, will the Government inform this Committee of the following:

- 1. As mentioned in the Budget Speech, \$6 billion will be set aside to provide subsidies for universities and research institutes to set up thematic research centres related to life and health technology. What are the details and timetable of the specific work plan, detailed breakdown of the estimated expenditure and anticipated effectiveness? Will key performance indicators be set accordingly to measure the research performance of such research centres?
- 2. As mentioned in the Budget Speech, \$3 billion will be earmarked to promote basic research in frontier technology fields such as artificial intelligence and quantum technology. What are the details and timetable of the specific work plan, detailed breakdown of the estimated expenditure and anticipated effectiveness?
- 3. Are there any specific facilitation measures or collaboration with sectors or organisations to further recruit more incoming elite research talents for Hong Kong on one hand, and attract local young people to take part in the promotion of innovative research on the other, so as to nurture a sufficient pool of reserved talents locally? If yes, what are the details, the estimated expenditure involved and the timetable? If no, what are the reasons?

Asked by: Hon SO Cheung-wing (LegCo internal reference no.: 30)

Reply:

As the foundation of innovation and technology (I&T), basic research is fundamental to nurturing various technology industries. With our robust research and development (R&D) capability, Hong Kong has the ability to make breakthroughs out of the blue. We have 5 world top-70 universities and many scholars and experts winning top awards, who are well recognised both nationally and internationally. The Government has been consolidating and strengthening Hong Kong's R&D capability through different measures. Our reply to the various parts of the question is as follows:

- 1. In the 2023-24 Budget, the Financial Secretary announced that \$6 billion would be set aside out of the earmarked provision to provide subsidies for universities and research institutes to set up life and health technology research institutes, so as to foster crossuniversity, cross-institutional and multi-disciplinary co-operation, in a bid to facilitate development in the transformation of R&D outcomes as well as R&D activities related to life and health technology. The Government plans to invite universities and research institutes interested in setting up life and health technology research institutes to submit We are conducting further study on the specific arrangements proposals in 2023-24. of the projects, including formulating application details and assessment criteria, and setting up a working group to assess the proposals and oversee the progress and effectiveness of the projects. We will announce the details once ready. Regarding the indicators for measuring the progress and performance of the projects, they will be determined subject to the type of projects under application by universities and research institutes and considered by the assessment panel when examining the proposals, and recommendations will be made as and when appropriate.
- 2. To further enhance basic research in frontier technology fields such as artificial intelligence and quantum technology and to better realise our basic technology research capabilities in making breakthroughs out of the blue, the Financial Secretary announced in the 2023-24 Budget that \$3 billion will be earmarked to promote the development of relevant facilities, in particular, to leverage Hong Kong's unique advantage as a platform for international scientific research collaboration and attract leading I&T talents, research teams and enterprises from the Mainland and overseas to Hong Kong, thereby promoting cross-sectoral research co-operation. We are now examining the specific arrangements of the project, and details are yet to be finalised.
- 3. The Government has been adopting a multi-pronged approach to enlarge the I&T talent pool through attracting, nurturing and retaining talents with a series of initiatives. On attracting Mainland and overseas I&T talents to come to Hong Kong for development, the Technology Talent Admission Scheme provides a fast-track arrangement for admitting technology talents to conduct R&D work in Hong Kong; the Global STEM Professorship Scheme assists local universities in recruiting world-renowned I&T scholars and their teams to undertake research and teaching activities in Hong Kong; and the "InnoHK Research Clusters" pool together local and non-local researchers to conduct world-class and impactful collaborative scientific researches.

On nurturing and retaining local I&T talents, the "IT Innovation Lab in Secondary Schools" programme and "Knowing More About IT" programme provide funding support for secondary and primary schools to organise information technology (IT)-

related extra-curricular activities; the STEM Internship Scheme offers short-term internship opportunities to students taking STEM-related programmes (science, technology, engineering and mathematics) in local universities; the Innovation and Technology Scholarship subsidises outstanding university students to take part in overseas exchange, local internships, mentorship programmes, etc., annually; the Research Talent Hub (RTH) provides funding support for engaging research talents to conduct R&D work; and the Reindustrialisation and Technology Training Programme subsidises staff of local companies to receive training in advanced technologies.

Looking forward, the Government will keep enhancing various initiatives on I&T talents, including:

- the Innovation, Technology and Industry Bureau will collaborate with the Office for Attracting Strategic Enterprises in providing targeted special facilitation measures and one-stop facilitation services to attract top-notch I&T talents to bring with them their businesses or R&D outcomes to Hong Kong;
- more accommodation facilities for I&T talents will be built, including exploring the development of a new InnoCell near the Science Park and accommodation facilities for talents at the Hong Kong-Shenzhen Innovation and Technology Park. Besides, in support of the development of the San Tin Technopole, we will allow greater planning flexibility to provide additional accommodation for I&T talents:
- the existing "IT Innovation Lab in Secondary Schools" programme will be extended to continue providing subsidies of up to \$1 million for each of the some 500 publicly-funded secondary schools in Hong Kong in the 3 academic years from 2023/24 to 2025/26 for organising IT-related extra-curricular activities and procurement of IT equipment and professional services necessary for the related activities;
- the STEM Internship Scheme will be expanded in 2023-24 with a view to offering local I&T internship opportunities to university students studying STEM-related programmes at the Greater Bay Area campuses established by designated local universities. We will also coordinate with the 5 government-funded R&D centres and the Hong Kong Productivity Council for offering internship opportunities to STEM students (especially those from Hong Kong) of local and non-local universities; and
- the financial support under the RTH to R&D firms/organisations engaging research talents have been enhanced in April 2023. The maximum monthly allowances for research talents with a bachelor's degree, a master's degree and a doctoral degree have been increased by about 10% respectively and a living allowance of \$10,000 per month will be provided to doctoral degree holders under the RTH for a maximum period of 3 years.

A thriving I&T ecosystem is the promising path for pooling together I&T talents. The Government will continue with its efforts in developing Hong Kong into an international

I&T centre, and also review and enhance different measures on I&T talents in a timely manner.
-End-

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB071

(Question Serial No. 1849)

<u>Head</u>: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (2) Innovation and Technology

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is stated under Programme (2) that in the coming financial year, the Government will continue to attract top-notch innovation and technology (I&T) talents to bring with them their business or research and development outcomes to Hong Kong, and continue to implement the Global STEM Professorship Scheme to strengthen support for local universities to attract world-renowned Science, Technology, Engineering and Mathematics (STEM) scholars as well as their teams to work in Hong Kong. In this connection, will the Government advise this Committee of the following:

- 1. It was proposed in the 2020 Policy Address to launch the Global STEM Professorship Scheme for a period of 5 years at a cost of \$2 billion to support universities in recruiting internationally renowned I&T scholars and their teams to conduct teaching and research activities in Hong Kong. As at March this year, what is the amount used for the Scheme? What are its actual uses?
- 2. Further to the above, what is the current progress of the Scheme? How many scholars and their teams have been recruited to conduct academic and research activities in Hong Kong? What academic and I&T fields are involved?
- 3. Does the HKSAR Government have any plans to allocate more resources to the Scheme or to extend it in order to promote I&T development in Hong Kong?
- 4. In order to promote the development of the International I&T Centre, apart from attracting top and leading I&T talents, it is equally important to nurture local I&T and industrial professionals. In this respect, what are the specific plans for building up for Hong Kong a pool of I&T and industrial talents, such as technical talents who have professional knowledge as well as the expertise in mastering the operation of smart production lines?

Asked by: Hon TAN Sunny (LegCo internal reference no.: 5)

Reply:

1. to 3.

The Government launched the Global STEM Professorship Scheme (the Scheme) in June 2021 to support local universities in recruiting internationally renowned STEM scholars. The Scheme provides subsidies, including those for remuneration, to each selected scholar for a maximum period of 5 years while the Research Talent Hub programme provides a subsidies for each scholar to recruit up to 4 research team members to assist in the research and development work for a period of 3 years. On laboratories, the Hong Kong Jockey Club Charities Trust launched the JC STEM Lab initiative for universities to apply for funding for setting up the laboratories for the selected scholars under the Scheme. The Assessment Panel (the Panel) of the Scheme has examined over 250 nominations from the universities under the first 4 tranches, while the assessment of nominations under the fifth tranche is expected to be conducted in the second quarter of this year.

Under the Panel's recommendations, the Government supported over 80 outstanding scholars in the first 4 tranches under the Scheme, who specialise mainly in 3 research areas, namely computer science and engineering (about 45%), medicine and life science (about 28%) as well as natural sciences and others (about 27%). As at February 2023, about 40 scholars have brought along their research teams to take up their posts in Hong Kong, while the remaining scholars will also be arriving gradually. The Scheme was estimated to cost \$2 billion and about \$1.2 billion has been committed as at end-February 2023

The Government will maintain close liaison with the universities and review the implementation of the Scheme as and when appropriate.

4.

Various kinds of internship schemes, vocational and professional education and training (VPET) programmes as well as vocational training measures in Hong Kong can help young people master new technologies and nurture local talents for the innovation and technology (I&T) and new technology industries.

On internship schemes, the Innovation and Technology Commission (ITC) launched the STEM Internship Scheme in 2020. As at end-January 2023, the scheme has provided more than 8 200 short-term internship opportunities for university students studying STEM-related programmes in Hong Kong, involving a total funding amount of about \$200 million.

On VPET, the Vocational Training Council (VTC) has been providing diversified programmes relating to information and technology (IT) and engineering, including higher diplomas and undergraduate programmes, through its member institutions. Apart from contents on the latest development of related industries and applied technologies, these programmes also include compulsory workplace attachment training to equip graduates with practical skills and knowledge valued in actual workplace before graduation.

To support related programmes, the VTC established the VTC STEM Education Centre in 2017, the VTC Innovation and Technology Co-creation Centre and Cybersecurity Centre in

2019, as well as the Smart City Innovation Centre in 2021 to provide VTC students with industry-related I&T knowledge and interdisciplinary learning platforms. The aim is to integrate the latest technological knowledge into teaching and learning and nurture talents for the I&T industry in the future.

In respect of on-the-job training, the ITC launched the Reindustrialisation and Technology Training Programme in August 2018 to subsidy local enterprises on a 2 (Government):1 (enterprise) matching basis to train their staff in advanced technologies. The programme covers different technology areas including IT, electronics systems, biotechnology and mechanical systems, and also training courses that assist the upgrading and transformation of traditional manufacturing industries. Examples of the technology training received by staff of subsidised enterprises under the programme includes training relating to "Industry 4.0" procedures, automated retail and production lines, blockchain, artificial intelligence, data analytics and cybersecurity as well as building information modelling. As at end-February 2023, 8 200 applications for training grant were approved under the Programme and about 26 400 training sessions for the staff of local enterprises were subsidised, involving a total funding amount of over \$290 million.

CONTROLLING OFFICER'S REPLY

ITIB072

(Question Serial No. 1850)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (2) Innovation and Technology

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

Director of Bureau: Secretary for Innovation, Technology and Industry

Question:

It is mentioned in paragraph 85 of the Budget Speech that the Government will promote "new industrialisation" and "to tie in with the policy objectives of attracting strategic enterprises to establish a presence in Hong Kong and promoting new industrialisation, the Government will plan ahead to provide more advanced manufacturing space, including to support the setting up of the second Advanced Manufacturing Centre, on which the Hong Kong Science and Technology Parks Corporation is currently conducting a feasibility study." The Hong Kong Innovation and Technology Development Blueprint clearly states that it is necessary to promote "new industrialisation" in Hong Kong, to enhance the I&T ecosystem, and to promote technology industry development. In this connection, would the Government inform this Committee of the following:

- 1. What specific work and strategies will the Government adopt in the coming years to further promote and assist the upgrading and transformation of traditional industries, and to promote "new industrialisaion" through the twin-track approach?
- 2. The Government has been stepping up efforts in promoting smart production, and supporting local enterprises to shift to high value-added, technology-intensive and sustainable production modes. In fact, many traditional industries have potential and interest in setting up smart production lines in Hong Kong, including relocating some of their manufacturing and production procedures back to Hong Kong. How will the Government support and assist different traditional industries in setting up smart production lines in Hong Kong?
- 3. In 2023-24, the estimated expenditure under Programme (2) Innovation and Technology is \$221 million, representing an increase of 11.1% as compared with the revised expenditure in 2022-23 and a decrease of 5.3% as compared with the original estimate in 2022-23. What are the reasons?

- 4. As regards the provision of advanced manufacturing space, will the Government consider the industries' suggestion of reserving some space for traditional industries to set up smart production lines, so as to promote "new industrialisation" in Hong Kong?
- 5. There are many significant top-notch enterprises which intensively apply I&T in the textile, garment and fashion industry both locally and overseas. Will the Government include the textile, garment and fashion industry in the target list when formulating the strategies for attracting leading enterprises in order to attract more top-notch enterprises of the industry to expand their businesses in Hong Kong, including setting up research and development centres, design centres or regional headquarters in Hong Kong, thereby improving the ecosystem of I&T and the industry?

Asked by: Hon TAN Sunny (LegCo internal reference no.: 6)

Reply:

The Government promulgated the Hong Kong Innovation and Technology Development Blueprint in December 2022 setting out key strategies under 4 broad development directions, one of which being enhancing the innovation and technology (I&T) ecosystem and promoting "new industrialisation" in Hong Kong. The focus will be on promoting technology industries with a competitive edge and of strategic significance to develop in Hong Kong, in particular the development of such industries as life and health technology, artificial intelligence (AI) and data science, advanced manufacturing and new energy, etc. Government has been actively promoting "new industrialisation" to develop advanced manufacturing, which is based on new technologies and smart production and is less land- or labour-intensive, with a view to creating quality employment opportunities for young people and fostering the diversification of economic development in Hong Kong. Capitalising on Hong Kong's strong capabilities in scientific research and advantages such as internationalisation and being highly market-oriented, the Government adopts a multipronged approach in promoting "new industrialisation". The Innovation, Technology and Industry Bureau (ITIB) has proposed the creation of the post of Commissioner for Industry (Innovation and Technology) to co-ordinate and steer the strategy for new industrialisation and assist the manufacturing sector in upgrading and transformation by making use of I&T. Our reply to the various parts of the question is as follows:

1.&2. The ITIB promotes "new industrialisation" in the 5 major areas of infrastructure, talent, capital, technology and scientific research:

In terms of infrastructure, the Hong Kong Science and Technology Parks Corporation (HKSTPC) is developing the Microelectronics Centre in the Yuen Long InnoPark, which is expected to commence operation in 2024. The Advanced Manufacturing Centre (AMC) in the Tseung Kwan O InnoPark commenced operation in 2022. To tie in with the policy objectives of attracting strategic enterprises to establish a presence in Hong Kong and promoting "new industrialisation", the Government will plan ahead to provide more advanced manufacturing space. The HKSTPC is currently conducting a technical feasibility study on the setting up of the second AMC. Besides, the San Tin Technopole under planning will also create a critical mass of I&T

facilities with greater economy of scale and provide land for technology industries including advanced manufacturing industries.

In respect of talent, the Government will continue to take forward the Reindustrialisation and Technology Training Programme to subsidise local enterprises on a matching basis for their staff to receive training in advanced technologies, especially those related to "Industry 4.0". The funding ceiling for each eligible enterprise in each financial year is \$500,000. From the launch of the Programme in August 2018 up to end-February 2023, over 8 200 applications for grant were approved under the Programme and about 26 400 attendees were subsidised to receive training in advanced technologies, involving a total funding amount of over \$290 million.

Regarding capital, the Government launched the Re-industrialisation Funding Scheme (RFS) in July 2020, which subsidises manufacturers on a matching basis to set up new smart production lines in Hong Kong. As at mid-March 2023, the RFS Vetting Committee has supported 30 applications (excluding 8 applications supported by the Vetting Committee but withdrawn afterwards by the applicants for individual reasons), involving a total of 50 smart production lines covering projects from traditional industries such as food manufacturing and processing, construction materials, textiles and garment, etc. We welcome the traditional manufacturing sector to apply for the By setting up new smart production lines to enhance smart application in their manufacturing process, the existing mode of production will be supported and upgraded, thereby increasing their operational efficiency and competitiveness. food manufacturing and processing industry, for example, the local food manufacturer Luen Tai Hong Kong Fresh Liquid Eggs Limited has made use of the RFS funding to set up a smart production line for the production of fresh liquid egg products, so as to enhance the original production efficiency and capacity to supply local restaurants and food manufacturers with fresh liquid eggs. Another enterprise, Luk Yeung Restaurant Limited, will also set up a real-time data-driven smart production line for mooncake products with the RFS funding to increase productivity. The products will mainly be sold in the local market, and also be exported to other markets. to subsidise the setting up of more smart production lines in Hong Kong under the RFS, with the target of increasing the cumulative number of smart production lines to over 130 by 2027.

In respect of technology, we will strengthen the collaboration with the Hong Kong Productivity Council (HKPC) to support enterprises in upgrading to smart production. For instance, a wide range of training courses and seminars will be organised, which include the implementation of the Industry 4.0 Upgrade and Recognition Programme in collaboration with the Fraunhofer Institute for Production Technology of Germany (the Institute) and the setting up of the INC Invention Centre ("the Hatch"), a joint project also with the Institute, to accelerate the adoption of innovative industrial technologies by the industries to promote the development of smart industry and digital manufacturing. In addition, the HKPC also operates the "Inno Space" and the "Digital@HKPC (Digital Transformation)" to promote "new industrialisation". The HKPC will continue to assist various sectors in setting up smart production lines in Hong Kong, including establishing fully automatic and digital production systems for enhanced productivity. It will also organise Hong Kong Industry Network Clusters consultation sessions to conduct discussions with major chambers of commerce,

industry support organisations, government representatives and enterprises on the needs of the industries in response to technological innovation, and to introduce the latest technological solutions.

As for scientific research, the 5 Research and Development (R&D) Centres established by the Government (namely the Hong Kong Applied Science and Technology Research Institute, the Logistics and Supply Chain MultiTech R&D Centre, the Nano and Advanced Materials Institute, the Hong Kong Research Institute of Textiles and Apparel (HKRITA), as well as the Automotive Platforms and Application Systems R&D Centre) will also continue to carry out R&D work related to "new industrialisation" and facilitate the commercialisation of R&D results in close collaboration with the relevant industries. Furthermore, it was announced in the Budget this year that the Government will support the establishment of a Microelectronics Research and Development Institute (the Institute), aiming to make it one of the leading organisations for supporting microelectronics development in the Asia-Pacific region. The Institute will be tasked with strengthening collaboration with universities, R&D centres and the industry in carrying out high quality R&D work and expediting the "1 to N" transformation of technological outcomes.

- 3. Under Programme (2) of the ITIB, the revised estimate for 2022-23 is \$34.5 million lower than the original estimate for 2022-23. This is mainly due to the lower-than-expected cash flow requirement for the TechConnect (block vote) of around \$33 million and the lower-than-expected operational expenses of the ITIB of around \$1.5 million. The estimate for 2023-24 is \$22.1 million higher than the revised estimate for 2022-23, mainly due to the increased cash flow requirement for the TechConnect (block vote) of around \$8.05 million and the increased provision for operational expenses of around \$14 million.
- 4. The Government has been striving to assist the traditional manufacturing sector in Hong Kong to upgrade and transform with the use of I&T to achieve smart production, and promote the development of "new industrialisation" with advanced technology as the foundation. To this end, the HKSTPC develops specialised, highly efficient multi-storey industrial buildings in the 3 InnoParks under its purview, thereby encouraging manufacturers to set up their production bases in Hong Kong, promoting smart production and attracting high value-added technology industries and manufacturing processes suitable for Hong Kong. The HKSTPC will select suitable grantees and tenants for admission to the 3 InnoParks under a rigorous assessment mechanism, so as to dovetail with the development direction of driving "new industrialisation" through I&T.
- 5. To accelerate the overall development of Hong Kong's technology industries, the Government is focusing on, from a strategic and forward-looking perspective, promoting the development of technology industries with an edge and of strategic importance and attracting Mainland and overseas technology enterprises, in particular top-notch enterprises, to establish their presence in Hong Kong. In the formulation of facilitation policies for technology industries, we consider that the relevant industries should be able to:

- (i) yield high value-added returns by application of advanced technologies, leverage the advantages of Hong Kong and have the market potential to enable Hong Kong to assume a leading position in Asia and even in the world;
- (ii) help drive the growth of Gross Domestic Product;
- (iii) facilitate the creation of quality employment opportunities to pool Mainland and overseas technology talent; and
- (iv) dovetail with the 14th Five-Year Plan to integrate into the overall development of the country and serve national needs.

Based on the criteria above, we are focusing on promoting the development of strategic technology industries with an edge such as life and health technology, AI and data science, advanced manufacturing and new energy technology, etc. On the other hand, we welcome all I&T enterprises interested in establishing a presence or expanding their businesses in Hong Kong to contact us, with a view to promoting the development of downstream industries and enhancing the I&T ecosystem.

In addition, the Government supported the setting up of the 5 R&D Centres (including the HKRITA) in April 2006 with the aim of harnessing Hong Kong's advantages in applied research, intellectual property protection, business-friendly environment and proximity to the manufacturing bases in the Greater Bay Area, to thrive as a regional technology service hub. Among them, the HKRITA strives to drive and co-ordinate applied R&D in textiles and apparel and to promote commercialisation of R&D results and technology transfer. The Government will review the R&D Centres from time to time, thereby improving the ecosystem of I&T and the industry.

CONTROLLING OFFICER'S REPLY

ITIB073

(Question Serial No. 1852)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (2) Innovation and Technology

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

Director of Bureau: Secretary for Innovation, Technology and Industry

Question:

In order to facilitate Hong Kong's development into a platform for global innovative collaboration amongst the industry, academic and research sectors, the Government will earmark \$10 billion to launch a "Research, Academic and Industry Sectors One-plus Scheme" (RAISe+ Scheme) in 2023. It will fund, on a matching basis, at least 100 research teams in universities which have good potential to become start-ups. Each team should complete its project in 2 stages: the first stage for the transformation and realisation of research and development (R&D) outcomes within 3 years and the second stage for the commercialisation of R&D outcomes within the subsequent 2 years. The aim is to incentivise collaboration among industry, academic and research sectors to further promote the "from 1 to N" transformation of R&D outcomes and the industry development. In this connection, please advise this Committee on the following:

- 1. There have been reports that the RAISe+ Scheme will be open for application this year. What is the actual implementation progress of the Scheme? When will applications be formally invited? What are the eligibility criteria to be met by applicants concerning the requirement of "research teams in universities which have good potential to become start-ups"?
- 2. Apart from providing research teams with financial assistance, what specific support measures will be implemented to assist the research teams in the transformation and realisation of R&D outcomes?
- 3. Supporting the transformation, realisation and extensive commercialisation of R&D outcomes is an important element in promoting "new industrialisation". Apart from the RAISe+ Scheme, what other specific actions and measures have been taken to promote the commercialisation of R&D outcomes of other stakeholders including enterprises and research institutions?

4. In the Hong Kong Innovation and Technology Development Blueprint, the Government puts forward 2 proposals relating to its work "to step up efforts to incentivise the transformation and realisation of R&D outcomes", namely "stepping up efforts to encourage universities to deepen their collaboration with local, Mainland and overseas enterprises, conduct more impactful and translational research projects and attach importance to the technology transfer culture, thereby incentivising more R&D personnel in universities to engage in innovation and entrepreneurship" and "encouraging universities to improve their existing mechanisms for transformation of R&D outcomes and facilitate proactive transformation and realisation of outstanding R&D outcomes by removal of bureaucratic and institutional barriers". Regarding the above 2 policy proposals, how will the Government take relevant actions in the coming year?

<u>Asked by</u>: Hon TAN Sunny (LegCo internal reference no.: 8)

Reply:

The Innovation, Technology and Industry Bureau (ITIB) promulgated the Hong Kong Innovation and Technology Development Blueprint at the end of 2022 to establish a clear development path and formulate systematic strategic planning for Hong Kong's innovation and technology (I&T) development over the next 5 to 10 years, charting Hong Kong in moving full steam towards the vision of an international I&T centre. The Blueprint sets out 4 broad development directions including, among others, the enhancement of the I&T ecosystem and promotion of interactive development of the upstream, midstream and downstream sectors and proposes stepping up efforts to incentivise the transformation and realisation of research and development (R&D) outcomes. Our reply to various parts of the question is as follows:

- 1., To promote commercialisation of R&D outcomes, the Chief Executive announced in
- 2. the 2022 Policy Address that \$10 billion would be earmarked to launch the "Research, and Academic and Industry Sectors One-plus Scheme" (RAISe+ Scheme). It will fund,
- 4. on a matching basis, at least 100 research teams in universities which have good potential to become start-ups to complete their projects starting from 2023 to incentivise collaboration among industry, academic and research sectors to further promote the "from 1 to N" transformation of R&D outcomes and the industry development.

The Innovation and Technology Commission (ITC) is formulating the implementation details of the RAISe+ Scheme and will submit a funding proposal to the Finance Committee of the Legislative Council (LegCo) upon consultation with the LegCo Panel on Commerce, Industry, Innovation and Technology, with a view to launching the Scheme within 2023. Under the proposed RAISe+ Scheme, the ITC, in assessing whether the R&D team has good potential to become start-ups, will take into account a number of factors, for example, whether the applicant team has an excellent original breakthrough R&D outcome which has reached a certain "Technological Readiness Level", a clear business plan to transform the R&D outcomes concerned and move towards the commercialisation stage, and the

capability to attract a certain level of capital investment and/or in-kind support from the industry and the respective university.

As the funding of the RAISe+ Scheme is provided on a matching basis, the applicant team has to attract a certain level of capital investment and/or in-kind support from the industry and the respective university. This will encourage universities to deepen their collaboration with enterprises and attach importance to the technology transfer culture. In order to encourage universities to improve their existing mechanisms for transformation of R&D outcomes, we will set requirements on the distribution of intellectual property benefit (derived from the R&D work of the team) that the universities and their teams may receive under the RAISe+ Scheme, so as to promote more proactive engagement of R&D teams in innovation and entrepreneurship, as well as the transformation, realisation and commercialisation of their R&D outcomes.

3. Apart from the RAISe+ Scheme, the Government has also adopted a series of other measures to promote the transformation of R&D outcomes. The Technology Start-up Support Scheme for Universities set up under the Innovation and Technology Fund supports universities teams in starting technology businesses and commercialising their R&D results. An enhancement measure will be introduced under the Scheme in the 2023-24 financial year, doubling the funding ceiling for each university from \$8 million to \$16 million per year. The increased funding support will be provided to start-ups of universities with private investments on a matching basis of 1 to 1.

The 5 R&D centres set up by the Government also promote cooperation on various fronts. For example, the Hong Kong Applied Science and Technology Research Institute has promoted its R&D outcomes to enterprises through various channels, recording successful cases in integrated circuits, next generation communications technologies, smart manufacturing, health technologies, etc. The Nano and Advanced Materials Institute has joined hands with its partners to develop and transfer technologies with examples like long lasting batteries for high power Internet of Things devices. The ITC has also set up the Innovation Hub@HK website, which aims at showcasing the R&D outcomes of Hong Kong's public research institutes to facilitate commercialisation and technology transfer to the industry.

On the other hand, the Hong Kong Science and Technology Parks Corporation collaborates with its partners to provide integrated services to I&T enterprises covering such areas as industry chain establishment, R&D collaboration and commercialisation of R&D outcomes. The Hong Kong Productivity Council also provides a platform of integrated support services and exchange for small to medium, as well as start-up enterprises, so as to promote the realisation, transformation and commercialisation of technological outcomes.

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB074

(Question Serial No. 2848)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (2) Innovation and Technology

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is stated in paragraph 39 of the 2022 Policy Address that the post of Commissioner for Industry (Innovation and Technology) (C for I (I&T)) will be created to co-ordinate and steer the strategy on new industrialisation and assist the manufacturing sector in upgrading and transformation by making use of I&T. In this connection, will the Government inform this Committee of the following:

- What is the progress of the recruitment exercise for the post of C for I (I&T)? What is the expected earliest time for completion of the exercise and assumption of office?
- According to a paper tabled at the Legislative Council by the Innovation, Technology and Industry Bureau, the C for I (I&T) will form a new team with the Principal Assistant Secretary for Innovation, Technology and Industry (New Industry) and 4 non-directorate officers. What is the estimated annual expenditure for the new team?
- What attributes of the applicants will be given priority consideration for appointment to the post of C for I (I&T)?
- With the promulgation of the Hong Kong Innovation and Technology Development Blueprint, the Government has clearly indicated the need to promote "new industrialisation" in Hong Kong, enhance the I&T ecosystem and take forward the development of technology industry. As such, the C for I (I&T) will be charged with a heavy responsibility and has to cope with an enormous workload. Will the Administration further consider plans to recruit or deploy additional manpower to support the work of the C for I (I&T) and assist with the co-ordination of "new industrialisation"?
- What standards or criteria will the Administration adopt to evaluate the performance of the C for I (I&T), such as setting performance indicators?

Asked by: Hon TAN Sunny (LegCo internal reference no.: 42)

Reply:

Regarding the proposal to create the post of Commissioner for Industry (Innovation and Technology) (C for I (I&T)), the Innovation, Technology and Industry Bureau (ITIB) has scheduled to consult the Panel on Commerce, Industry, Innovation and Technology of the Legislative Council in March 2023 and will, subject to the views of the Panel members, submit the proposal to the Establishment Subcommittee for consideration and to the Finance Committee for approval. After obtaining the approval for the proposal, the ITIB will conduct an open recruitment-cum-in-service appointment exercise.

According to the current proposal, the C for I(I&T) post will be remunerated at Directorate Pay Scale Point 4, incurring a notional annual salary cost at mid-point of HK\$2,998,800. In addition, the ITIB will create 1 Personal Secretary I post to provide secretarial support for C for I(I&T), incurring a notional annual salary cost at mid-point of HK\$474,720. We also plan to redeploy 1 Principal Assistant Secretary and 3 non-directorate civil service posts, including 1 Administrative Officer post, 1 Senior Executive Officer post and 1 Personal Secretary I post to support C for I(I&T). The proposed redeployment is cost-neutral.

The C for I(I&T) is required to have professional background, experience and vision to lead the team in working together with other bureaux/departments, exploring initiatives that can facilitate technological upgrading and development of the industries, as well as mapping out, overseeing the implementation of, and advocating the policy on new industry development. He/she is expected to stay on top of the latest technological developments on the global, regional and national level, and should have the foresight to identify challenges and opportunities and the ability to come up with well-considered and actionable measures. He/she should also have the network and status to serve as the Government's adviser and the point person for non-Government stakeholders on the subject matters.

ITIB will review its deployment of manpower and other resources to assist C for I(I&T) in carrying out his duties.

The overall target of the Government is to attract not less than 100 high-potential or representative innovation and technology (I&T) enterprises to set up or expand their businesses in Hong Kong in the coming 5 years, including at least 20 top-notch I&T enterprises. This will bring in more than \$10 billion of investment and create thousands of local job opportunities. Meanwhile, the Hong Kong Innovation and Technology Development Blueprint sets out the macro I&T development targets for Hong Kong in the next 5 to 10 years, including putting forth a reference indicator that the GDP percentage share of the manufacturing sector be increased from 1% to 5% in the next 10 years. The ITIB and the family departments, as well as the Hong Kong Science and Technology Parks Corporation and Cyberport under its purview that have close connection with the industry, will leverage the network of our various I&T stakeholders and pool the efforts of the whole society to attract enterprises and investment.

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB075

(Question Serial No. 2849)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (2) Innovation and Technology

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is stated in paragraph 53 of the 2023-24 Budget Speech that to further expedite the pace of digital transformation of enterprises, \$500 million will be set aside for Cyberport to launch a Digital Transformation Support Pilot Programme, under which subsidies will be provided on a one-to-one matching basis to assist small and medium enterprises (SMEs) in applying ready-to-use basic digital solutions. In this connection, will the Government inform this Committee of the following:

- What is the implementation timetable of the Digital Transformation Support Pilot Programme? How many SMEs are expected to benefit from it?
- What are the implementation details of the Digital Transformation Support Pilot Programme? What is the maximum amount of subsidy for each SME? What are the criteria that have to be met before an approval can be granted? What is the expected average processing time for approving the applications?
- Regarding the work to support SMEs' digital transformation, apart from the Digital Transformation Support Pilot Programme, what other concrete measures and resources of the Government will be put in place to facilitate the progress of digital transformation?
- Paragraph 54 of the Budget Speech reads "the Government also spares no efforts in supporting enterprises to use technologies to enhance productivity and upgrade or transform their business processes. For example, the Technology Voucher Programme, which is widely received by industries, has supported over 20 000 applications since launch". Will the Government consider any plans for enhancing the Technology Voucher Programme, such as increasing the amount of subsidies and streamlining the application process, so as to attract more applications from SMEs?

Asked by: Hon TAN Sunny (LegCo internal reference no.: 43)

Reply:

In consultation with the Innovation and Technology Commission (ITC), our consolidated reply to the above question is as follows:

The Digital Economy Development Committee (DEDC), set up in June last year under the leadership of the Financial Secretary, is undertaking in-depth studies on four major areas, namely, cross-boundary data transfer, digital infrastructure, digital transformation and talent development. It aims to submit to the Government in 2023 specific recommendations on speeding up the process of digital economy development in Hong Kong. The Government will make reference to the recommendations of the DEDC in formulating appropriate policies and measures to push forward Hong Kong's economy towards high-quality development.

Among others, the Government has been working in collaboration with the sub-group on digital transformation established under the DEDC to devise feasible measures to drive digital transformation across industries, with a view to accelerating the development of Hong Kong's digital economy. It is announced in the Budget to earmark \$500 million for Cyberport to launch a Digital Transformation Support Pilot Programme (the Pilot Programme), which will provide subsidies on a one-to-one matching basis to assist small and medium enterprises (SMEs) that have little or no prior exposure to digital technology in adopting ready-to-use basic digital solutions, thus expediting the realisation of digital transformation.

The DEDC will prioritise the relevant industries to be supported through the Pilot Programme. We envisage that each company can apply for a solution package of up to \$100,000, thus receiving a maximum subsidy of \$50,000. We envisage that at least 8 000 eligible SMEs will be benefitted.

Cyberport is finalising the details of the Pilot Programme. We will consult the Panel on Information Technology and Broadcasting as soon as possible and seek approval of funding from the Finance Committee for the implementation of the Programme.

In addition, in the past 3 years, the Hong Kong Productivity Council (HKPC) has provided technical support to SMEs through consultancy services, online forums, training, etc. A series of services include:

- (a) introducing a free one-stop digital transformation solutions platform Digital DIY Portal (DDIY) in 2022 that brings together digital transformation solutions, digital and innovation and technology information, as well as successful cases of digital transformation in industries, in order to assist local SMEs to embark on digital transformation;
- (b) assisting SMEs to streamline work processes, minimise labour-intensive processes and enhance operational efficiency through the adoption of big data consultancy, service robots, Internet of Things, smart operation, system integration, etc.;
- (c) organising online forums to help SMEs to adapt to new modes of business operation, overcome geographic constraints and explore new clientele, adopt digital technologies and online business; and

(d) HKPC Academy holding physical and online training activities to assist around 30 000 trainees in mastering new technologies and knowledge management. The courses cover digital and management skills under the framework of FutureSkills.

On the other hand, the Technology Voucher Programme (TVP) under the Innovation and Technology Fund also renders support to the digital transformation of SMEs. The TVP aims to support enterprises in using technological services and solutions to improve productivity, or upgrade or transform their business processes. At present, three-quarters of the project cost for each approved project can be funded up to a cumulative funding of up to \$600,000. As at end-February 2023, 21 365 applications have been approved under the TVP, of which about 95% are SMEs, involving a total approved funding of around \$3.63 billion.

The ITC attaches high importance to the feedbacks on the TVP from the industry, and reviews its funding arrangement and introduces enhancement measures from time to time to encourage and facilitate the utilisation of the TVP by the industry. Since the launch of the TVP in 2016, the ITC has implemented a series of enhancement measures having regard to its operational experience and the feedbacks from the industry. Among which, from April 2020 onwards, the cumulative funding ceiling of each enterprise/organisation has increased from the initial \$200,000 to \$600,000, whereas the maximum number of projects funded has increased from 3 to 6. The Government funding ratio has also been raised from two-thirds to three-quarters.

Following the ITC's introduction of various enhancement measures in April 2020, there was a substantial increase in the number of applications, which far exceeded ITC's manpower capacity. To expedite the processing of applications, the ITC appointed the HKPC to be the secretariat of the TVP on 8 June 2021, making use of the human resources and rich experience to enhance the efficiency in processing applications.

Furthermore, the ITC and the HKPC introduced the TVP electronic procurement platform in October 2022 to offer enterprises/organisations a brand new and convenient procurement means in addition to the traditional channel, which allows applicants to obtain quotations of competitive prices in a completely open, fair and transparent manner. At the same time, it provides opportunities for more service providers to participate in the TVP projects by way of fair competition.

The ITC will continue to closely monitor the implementation of the TVP and the feedbacks from the industry and introduce enhancements in a timely manner in order to assist more enterprises in upgrading and transformation.

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB076

(Question Serial No. 1893)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (2) Innovation and Technology

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

The Government earmarked \$10 billion in last year's Budget to further promote the development of life and health technology in Hong Kong. Please inform this Committee of the following:

- 1) What is the current use of the earmarked provision?
- 2) Please provide information on the funding support projects, funding amounts and project progress.
- 3) It is announced in this year's Budget that \$6 billion will be set aside out of the earmarked provision to provide subsidies for universities and research institutes to set up thematic research centres. Does the Government have any plan to approve and supervise the funds and projects, so as to ensure the optimisation of resources?

Asked by: Hon TAN Yueheng (LegCo internal reference no.: 8)

Reply:

The consolidated reply to the various parts of the question is as follows:

As announced in the 2022-23 Budget, the HKSAR Government has earmarked \$10 billion to provide comprehensive support for the development of life and health scientific research in Hong Kong in the long run, including hardware, talent, clinical trials and data application, as well as strengthening the industrial chain. In the 2023-24 Budget, the HKSAR Government announced that \$6 billion would be set aside out of the earmarked provision to provide subsidies for universities and research institutes to set up life and health technology research institutes, so as to foster cross-university, cross-institutional and multi-disciplinary co-

operation, in a bid to facilitate development in the transformation of research and development (R&D) outcomes as well as R&D activities related to life and health technology. The HKSAR Government will invite universities and research institutes interested in setting up life and health technology research institutes to submit proposals in 2023-24. We are conducting further study on the specific arrangements of the project, such as setting up a working group for assessing proposals and overseeing project progress. We will announce the details once they are confirmed.

The HKSAR Government also plans to set up the InnoLife Healthtech Hub in the Hong Kong-Shenzhen Innovation and Technology Park (HSITP) to pool together top-notch research teams from all over the world and focus our efforts on R&D work as well as global research collaboration in the field of life and health sciences. It is expected that research teams of the InnoLife Healthtech Hub can be admitted after the buildings in the Batch 1 of Phase 1 of the HSITP are completed in phases starting from the end of 2024.

In 2022-23 and 2023-24, the Innovation, Technology and Industry Bureau will take forward the related work in collaboration with relevant departments through its existing manpower and resources. We do not have a breakdown of the expenditure involved in this respect.

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB077

(Question Serial No. 2537)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (2) Innovation and Technology

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Talents are of prime importance for Hong Kong to better capitalise on its advantage as an international I&T centre and promote I&T development. Apart from admitting talents, we also have to nurture local talents of high, middle and fundamental levels. Please inform this Committee by setting out in table the I&T talent development programmes organised in the recent 5 years, the amounts involved and their effectiveness. Please also set out the I&T talent development programmes, the budgets and the projected targets in 2023-24.

Asked by: Hon TANG Fei (LegCo internal reference no.: 24)

Reply:

Relevant government bureaux and departments have been adopting a multi-pronged approach to enlarge the innovation and technology (I&T) talent pool by attracting, nurturing and retaining talents with a series of initiatives. On nurturing local I&T talents, the progress of the relevant initiatives and the amount of provisions involved are as follows:

- the "IT Innovation Lab in Secondary Schools" Programme and "Knowing More About IT" Programme were launched in 2020 and 2021 respectively to provide funding support to secondary and primary schools for organising information technology (IT)-related extra-curricular activities. Up to now, these two programmes have received applications from more than 780 schools, with a total approved funding of more than \$340 million;
- the STEM Internship Scheme launched in 2020 has provided over 8 200 short term internship opportunities to university students taking STEM-related (science, technology, engineering and mathematics) programmes as at January 2023, with a total funding of about \$200 million;

- the eligibility for the Research Talent Hub (RTH) was extended in 2021 to include holders of a bachelor's or master's degree in a STEM-related discipline awarded by a well-recognised non-local institution. About 7 500 research talents have been employed under this scheme in the past 5 years, with a total funding of about \$4.1 billion;
- the Innovation and Technology Scholarship subsidises outstanding university students to take part in overseas exchange, local internships, mentorship programmes, etc., annually, with a view to nurturing future leaders in the I&T sector. It has benefited 300 universities students as at end-2022; and
- the Reindustrialisation and Technology Training Programme (RTTP) was launched in 2018 to subsidise staff of local companies to receive training in advanced technologies on a matching basis. As at the end of February 2023, the RTTP has approved over 8 200 applications and subsidised about 26 400 people to attend the training in advanced technologies, with a total funding of more than \$290 million.

Looking forward, we will keep enhancing various initiatives in nurturing local I&T talents, including:

- in the 2023-24 Budget, it is proposed that the existing "IT Innovation Lab in Secondary Schools" programme be extended with an additional funding of \$300 million to continue providing subsidies of up to \$1 million for each of the some 500 publicly-funded secondary schools in the 3 academic years from 2023-24 to 2025-26 for organising IT-related extra-curricular activities and procurement of IT equipment and professional services necessary for the activities. It is anticipated that 90% of the eligible schools will apply for the subsidies;
- the STEM Internship Scheme will be expanded in 2023-24 with a view to offering local I&T internship opportunities to university students studying STEM-related programmes at the Greater Bay Area campuses established by designated local universities. We will also coordinate with the 5 government-funded research and development (R&D) centres and the Hong Kong Productivity Council for offering internship opportunities to STEM students (especially those from Hong Kong) of local and non-local universities; and
- the financial support under the RTH to R&D firms/organisations engaging research talents has been increased in April 2023. The maximum monthly allowances for research talents with a bachelor degree, a master degree and a doctoral degree have been increased by about 10% respectively and a living allowance of \$10,000 per month will be provided to doctoral degree holders under RTH for a maximum period of 3 years.

The Government will continue to make full efforts to nurture and retain different types of I&T talents for Hong Kong, and attract more talents to join our I&T industry so as to create stronger impetus for I&T growth in Hong Kong.

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB078

(Question Serial No. 2539)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: Not Specified

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Since the Government launched the "Global STEM Professorship Scheme" in 2020, many Mainland and world-renowned STEM scholars as well as their teams have been attracted to work in Hong Kong. Please set out in detail the number of scholars who have come to work in Hong Kong under the scheme since 2020, their qualifications, the posts they have taken up in Hong Kong, as well as the estimated number of scholars who will be attracted to Hong Kong through the scheme in the future.

Asked by: Hon TANG Fei (LegCo internal reference no.: 26)

Reply:

The Government launched the Global STEM Professorship Scheme (the Scheme) in June 2021 to support local universities in recruiting internationally renowned STEM scholars. The Assessment Panel (the Panel) of the Scheme has examined over 250 nominations from the universities under the first 4 tranches, while the assessment of nominations under the fifth tranche is expected to be conducted in the second quarter of this year.

Upon the Panel's recommendations, the Government supported over 80 outstanding scholars in the first 4 tranches under the Scheme. All selected scholars are doctoral degree holders as well as veteran academics and researchers, and most come to Hong Kong to take up the posts of university Professors or Chair Professors. As at February 2023, about 40 scholars have brought along their research teams to take up their posts in Hong Kong, while the remaining scholars will also be arriving gradually.

The Government will maintain close liaison with the universities and review the implementation of the Scheme as and when appropriate.

CONTROLLING OFFICER'S REPLY

ITIB079

(Question Serial No. 2540)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: Not Specified

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

In the past financial year, what were the details about the Government's work in promoting and fostering the continued development of the local innovation and technology industry to complement the development of our country? What were the expenditure involved and the outcomes? In the new 2023-24 financial year, what are the specific work plans? What is the estimated expenditure to be incurred? Please explain with examples.

Asked by: Hon TANG Fei (LegCo internal reference no.: 27)

Reply:

The National 14th Five-Year Plan (the Plan) promulgated in March 2021 sets out in its prologue the target of developing our country into an innovative nation with strong science and technology by putting forward the development pattern of "dual circulation", which takes the domestic market as the mainstay while enabling domestic and foreign markets to interact positively with each other. The Plan displays clear support for Hong Kong's development into an international innovation and technology (I&T) centre and, for the first time, includes the Shenzhen-Hong Kong Loop as a major platform of co-operation in the Guangdong-Hong Kong-Macao Greater Bay Area (GBA), fully demonstrating the Central Government's unwavering support for Hong Kong's I&T development. Hong Kong will make good use of the unique advantages under "One Country, Two Systems" and its solid science and technology foundation to seize the opportunities brought about by the development of the GBA, to integrate into national development and continue to leverage its strengths to serve the country's needs.

The Chief Executive mentioned in the Policy Address last year that I&T provides key impetus for Hong Kong's high-quality economic development. The development of I&T can help promote sustained and diversified economic and social development, drive the upgrading and

transformation of the overall economic structure, enhance Hong Kong's competitiveness, as well as improve people's quality of life. Subsequently in late 2022, the Innovation, Technology and Industry Bureau (ITIB) promulgated the Hong Kong Innovation and Technology Development Blueprint (the Blueprint) to establish a clear development path and formulate systematic strategic planning for Hong Kong's I&T development over the next 5 to 10 years, charting the path for Hong Kong to move towards the vision of an international I&T centre. It is announced in the Blueprint that the Government will promote Hong Kong's I&T development under 4 broad development directions, namely "to enhance the I&T ecosystem and promote 'new industrialisation' in Hong Kong"; "to enlarge the I&T talent pool to create strong impetus for growth"; "to promote digital economy development and develop Hong Kong into a smart city"; and "to proactively integrate into the overall development of the country and consolidate our role as a bridge connecting the Mainland and the world".

To promote sustained and diversified socio-economic development, the Government is committed to developing I&T, in order to drive the upgrading and transformation of our overall economic structure, thereby enhancing Hong Kong's competitiveness and improving people's quality of life. The Government has been actively implementing a series of measures to enhance the local I&T ecosystem in different ways, with some major initiatives as follows:

- Developing I&T infrastructure including moving full steam ahead with the construction of the Hong Kong-Shenzhen Innovation and Technology Park in the Lok Ma Chau Loop; expediting the development of San Tin Technopole in the Northern Metropolis, the Ma Liu Shui reclamation project and the relocation of the Sha Tin Sewage Treatment Works to caverns for provision of land for I&T uses; as well as taking forward Phase 2 of the Science Park Expansion Programme and Cyberport 5 development;
- Promoting research and development (R&D) including setting up *InnoHK* Research Clusters, supporting universities in conducting scientific research through the Research Grants Council, sustaining 17 funding schemes (such as the Innovation and Technology Support Programme and the Enterprise Support Scheme) under the Innovation and Technology Fund (ITF), earmarking funding to promote the development of life and health technology in Hong Kong, and launching the Research, Academic and Industry Sectors One-plus Scheme to promote the transformation of R&D outcomes and the industry development;
- Supporting start-ups and technology investments including supporting start-ups through incubation programmes of the Hong Kong Science and Technology Parks Corporation (HKSTPC) and Cyberport, their Corporate Venture Fund and the Cyberport Macro Fund respectively and the Strategic Tech Fund, as well as assisting enterprises in setting up smart production lines through the Re-industrialisation Funding Scheme;
- Promoting technology adoption and nurturing I&T culture through different funding schemes (such as the General Support Programme and the Technology Voucher Programme), the TechConnect (block vote), the Innovation and Technology Fund for Application in Elderly and Rehabilitation Care, the Smart Traffic Fund and the Social Innovation and Entrepreneur Development Fund; and

• Nurturing and attracting I&T talent – through the funding schemes under the ITF (such as Research Talent Hub and the Re-industrialisation and Technology Training Programme), the Technology Talent Admission Scheme, the IT Innovation Lab in Schools, the Global STEM Professorship Scheme and the Knowing More About IT Programme, as well as enhancing accommodation support for I&T talents.

Since the establishment of the ITIB (formerly known as the Innovation and Technology Bureau) in end-2015, the Government has invested/earmarked considerable amount of resources in taking forward the above on-going initiatives on I&T development. The resources committed for developing I&T infrastructure and promoting R&D alone have already amounted to over \$100 billion. The I&T ecosystem in Hong Kong has become increasingly vibrant in recent years, with the number of start-ups increasing from around 1 000 in 2014 to around 4 000 in 2022 and the number of people employed rising substantially from around 2 400 to around 15 000 in the same period. There is also satisfactory growth in the number of employees in the I&T sector from around 35 000 in 2014 to over 46 000 in 2021, and the number of R&D personnel from around 29 000 to over 37 000 in the same period. The gross domestic expenditure on R&D in Hong Kong increased from around \$19.7 billion in 2016 to around \$27.8 billion in 2021. Hong Kong is now the Asia's largest and the world's second-largest fundraising hub for biotechnology. As at end-January 2023, 56 pre-revenue or pre-profit biotechnology companies have listed in Hong Kong under the new listing regime, raising more than \$116 billion.

Looking ahead, the 2023-24 Budget has further announced that more resources would be allocated to enhance Hong Kong's I&T ecosystem, so as to support Hong Kong's development into an international I&T centre:

- on developing digital infrastructure and promoting digital transformation, the Government will conduct a feasibility study on the development of an Artificial Intelligence (AI) Supercomputing Centre, earmark a sum of about \$200 million to enhance the "iAM Smart" platform, set aside \$500 million for Cyberport to launch a Digital Transformation Support Pilot Programme, as well as allocate \$50 million to expedite the Web3 ecosystem development in Hong Kong;
- on consolidating Hong Kong's strengths in scientific research and promoting the development of technology industries, the Government will set aside \$6 billion to provide subsidies for universities and research institutes to set up thematic research centres related to life and health technology, as well as earmark \$3 billion to promote the development of frontier technology fields such as AI and quantum technology. We also plan to establish a Microelectronics Research and Development Institute;
- On nurturing technology start-ups and talents, the HKSTPC will inject \$400 million into its Corporate Venture Fund and allocate \$110 million to launch the Co-acceleration Programme in collaboration with co-operation partners. A provision of \$265 million has been earmarked for Cyberport to launch a dedicated incubation programme for smart living start-ups, and a funding of \$300 million to extend the IT Innovation Lab in Secondary Schools Programme; and
- On developing I&T Infrastructure and promoting new industrialisation, we have invited the HKSTPC to conduct a feasibility study on the setting up of the second Advanced

Manufacturing Centre. Moreover, the first 3 buildings of the Hong Kong-Shenzhen Innovation and Technology Park in the Lok Ma Chau Loop will be gradually completed from the end of next year onwards, while the consultation on the development proposals and land use planning of San Tin Technopole will begin in the second quarter of this year for commencement of site formation works in 2024.

By further enhancing the entire value chain and the I&T ecosystem, these initiatives will complement the Plan, allowing Hong Kong to capitalise on the unique advantage under "One Country, Two Systems", seize the unprecedented I&T opportunities brought about by the national development, develop into a world-famous international I&T centre and contribute to our country's high-level technological self-reliance

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB080

(Question Serial No. 2977)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (2) Innovation and Technology

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Out of the \$10 billion earmarked in last year's Budget to further promote the development of life and health technology in Hong Kong, \$6 billion will be set aside to provide subsidies for universities and research institutes to set up thematic research centres so as to foster cross-university, cross-institutional and multi-disciplinary co-operation. Universities and research institutes which are interested in setting up life and health technology research institutes will be invited to submit proposals in 2023-24. In this connection, will the Government please inform this Committee:

- 1. whether universities and research institutes will be allowed to submit proposals jointly as a way of fostering cross-university, cross-institutional and multi-disciplinary cooperation;
- 2. apart from funding support, whether sites will be provided for applicants to set up thematic research centres; and
- 3. whether the thematic research centres are allowed to be set up at the Shenzhen branch of the Hong Kong Science Park in Futian of Shenzhen as the construction of relevant facilities in the Lok Ma Chau Loop has not been completed yet?

Asked by: Hon WONG Kam-fai, William (LegCo internal reference no.: 3)

Reply:

The consolidated reply to the various parts of the question is as follows:

As announced in the 2022-23 Budget, the HKSAR Government has earmarked \$10 billion to provide comprehensive support for the development of life and health scientific research in

Hong Kong in the long run, including hardware, talent, clinical trials and data application, as well as strengthening the industrial chain. In the 2023-24 Budget, the HKSAR Government announced that \$6 billion would be set aside out of the earmarked provision to provide subsidies for universities and research institutes to set up life and health technology research institutes, so as to foster cross-university, cross-institutional and multi-disciplinary co-operation, in a bid to facilitate development in the transformation of research and development (R&D) outcomes as well as R&D activities related to life and health technology.

The HKSAR Government will invite universities and research institutes interested in setting up life and health technology research institutes to submit proposals in 2023-24. We are conducting further study on the specific arrangements of the project, such as how to enhance the collaboration among different parties like the Mainland and overseas universities and research institutes, as well as local universities and institutes on joint submission of proposals. We will announce the details once they are confirmed.

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB081

(Question Serial No. 2982)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (3) Efficiency Office

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

The Efficiency Office (EffO) will continue to promote the adoption of innovation and technology (I&T) by bureaux and departments (B/Ds) to improve government services. In this connection, will the Government advise this Committee:

- 1. of the number of B/Ds assisted, as well as the number of services enhanced/newly introduced and the respective expenditures involved in each of these service items in the past year;
- 2. whether the EffO has taken the initiative to review the progress of B/Ds in the implementation of electronic services and the need for further improvement and if yes, the B/Ds reviewed in the past year; and whether the EffO has proactively offered assistance to these B/Ds and if yes, the kinds of assistance provided;
- 3. whether the EffO has identified local I&T companies for B/Ds to assist them in improving their services; if yes, the number of service items of B/Ds matched in the past year and the respective expenditures involved; and
- 4. of the ways the EffO has adopted to assess the effectiveness of implementation of electronic services and whether it has collected users' feedback regularly; if no, whether it will consider providing funding for such work in 2023-24?

Asked by: Hon WONG Kam-fai, William (LegCo internal reference no.: 8)

Reply:

The Government is committed to promoting the adoption of I&T by B/Ds to enhance operational efficiency and continuously improve public services. In 2022-23, the EffO worked with the 45 B/Ds participating in the "Be the Smart Regulator" and the "Streamlining of Government Services" Programmes in proposing over 180 business facilitation and streamlining measures, covering nearly 400 licences and services. More than 80% of the improvement measures involved the adoption of I&T, with a view to providing more electronic services for the trade and the general public. These include provision of online application services through "iAM Smart", establishment of various electronic payment channels, development of chatbots to facilitate the handling of enquiries, and provision of end-to-end electronic services for licences, etc. The EffO has also implemented a series of support measures for government departments, including organising the I&T Solution Expo. Through the Hong Kong Science and Technology Parks Corporation, Cyberport and other platforms, the EffO has showcased the latest I&T solutions, including those from local I&T companies, to government departments, facilitating interested departments to directly connect with the companies concerned. When necessary, the EffO arranged matching sessions for departments to help them further explore or test whether the relevant solutions are suitable for their services. Moreover, the EffO has also launched the InnoGov Portal, an intranet website introducing the latest I&T solutions, including those from local I&T companies, and providing matching services to government departments as appropriate. website covers about 150 I&T solutions in 12 categories, most of which come from local I&T The EffO took forward the relevant work with existing manpower and companies. resources.

On digitalisation of government services, the Office of the Government Chief Information Officer has engaged consultancy firms to conduct an e-Government audit (EGA) for all B/Ds and take forward the digital government initiatives recommended by the EGA. The audit for B/Ds is expected to be completed by end 2023. The target is to use advanced information technology to implement at least 100 new digital government initiatives by end 2025, so as to provide more business-friendly and convenient services to the trade and the public. The EffO will timely provide advice on the enhancement proposals in respect of streamlining processes and the use of I&T. On assessing the efficiency of services upon digitalisation, the EffO has all along been encouraging and assisting departments to apply design thinking in designing electronic services to enhance user experience, and to regularly collect user feedback on electronic services for continuous service improvement.

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB082

(Question Serial No. 2993)

<u>Head</u>: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (2) Innovation and Technology

Controlling Officer: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

The Government stated that the provision of \$114,359,000 under TechConnect (block vote) is for the funding support to bureaux/departments for implementing projects costing over \$200,000 but not exceeding \$10 million each with a view to improving the quality, efficiency or effectiveness of public services by the adoption of technology or to make use of technology to improve operations that will bring benefits to members of the public. In this connection, will the Government inform this Committee of:

- 1. the projects funded in 2022-23. Please list out by bureau/department and their expenditures; and
- 2. the estimated number of projects to be funded in 2023-24. Please list out by bureau/department and their expenditures.

Asked by: Hon WONG Kam-fai, William (LegCo internal reference no.: 11)

Reply:

- 1. In 2022-23, the Innovation, Technology and Industry Bureau (ITIB) provided funding support for a total of 22 applied technology projects or studies proposed by 14 government departments through the TechConnect (block vote) (TechConnect), the details of which are set out at **Annex 1**.
- 2. In 2023-24, the TechConnect received a total of 30 funding applications from 16 government departments. In considering the number and priority of the projects under application to be funded, the ITIB has taken into account factors such as the nature, effectiveness, technologies adopted and estimated expenditure of the projects, as well as the resources earmarked for such projects. As at early March 2023, 9 of the

technology projects proposed by 7 government departments have obtained funding approval (details at **Annex 2**), and the remaining applications are under processing.

TechConnect (Block Vote) Technology Projects Funded in 2022-23

Department	Project title	Estimated amount (\$ million)		
Agriculture, Fisheries and Conservation Department	Video-Analytics System for Cape D'Aguilar Marine Reserve	2.4		
Antiquities and Monuments Office, Development	ments Office, assist the inspection of roof of heritage buildings and conditions of sites of archaeological interest			
Bureau				
Civil Engineering and Development Department	Establishment of a Digital Aerial Photograph Interpretation system for enhancing slope safety management and infrastructure planning in Hong Kong	6.5		
	Feature Extraction from Coloured Point Clouds Data for Production of Topographic and Tree Survey Plan	1.4		
Correctional Services Department	"Contactless Vital Sign Monitoring System" in all padded protected rooms of correctional institutions (including Siu Lam Psychiatric Centre, Lai Chi Kok Reception Centre, Lo Wu Correctional Institution, Pak Sha Wan Correctional Institution, Pik Uk Correctional Institution, Stanley Prison, Shek Pik Prison and Tai Lam Centre for Women)	5.4		
	"Video Analytic Monitoring System with Movement and Location Tracking Function" in Lai Chi Kok Reception Centre	4.0		
Drainage Services Department	Application of Optical Fibre Sensing and Artificial Intelligence Technologies for Low Voltage Switchboards Temperature Monitoring	0.9		
	Trial on Unmanned Aerial System Drone-Based Survey for Major Rivers/Channels in New Territories	2.5		
	Study on Antimicrobial Admixture for Concrete Corrosion Control of Sewerage Systems in Hong Kong	2.9		
Efficiency Office	Adoption of Advanced Speech Technologies in 1823 Telephony System	9.5		
Electrical and Mechanical	Smart Lift and Escalator Design Approval Platform	3.8		

Department	Project title	Estimated amount (\$ million)
Services Department	Novel Solar Energy Management System with AI and Digital Twin	0.9
	Adoption of 3D point cloud technology for AI analysis of railway infrastructure condition	2.4
Environmental Protection Department	Development of Smart Inventory Management System for Designated Garbage Bags and Designated Labels under Municipal Solid Waste Charging	7.1
Food and Environmental Hygiene Department	Remote monitoring of the operation of waste collection facilities through the application of Internet of Things technology	1.0
Hong Kong Police Force	CryptocurrencyTracing and Analytics Platform (Project CryptoTrace)	6.0
Highways Department	Fast-set self-compacting materials for backfilling utility trenches in Hong Kong	2.6
Lands Department	Deep-learning based 3D Reconstruction of Underground Utilities Database from Point Clouds	3.3
Transport Department	Application of Video Analytic and Artificial Intelligence to Convert TD's Existing CCTV Video Images to Traffic Data for Traffic Monitoring and Planning	2.5
Water Supplies Department	AI Enhanced Automatic Chemical Dosing System in Water Treatment Works	6.4
	Machine learning based point cloud data processing and quality checking for water mains laying works	2.6

TechConnect (Block Vote) Technology Projects Funded in 2023-24 (as at early March 2023)

Department	Project title	Estimated amount (\$ million)
Agriculture,	Application of AI and robotics technologies for	8.9
Fisheries and	Detection of Hill Fires in Country Parks	
Conservation	·	
Department		
Architectural	Smart Diagnosis for Critical Electric Switchboard	0.9
Services	in Government Building	
Department		
Buildings	Develop Building Information Modelling	9.0
Department	automatic checking tools and standard general	
	building plan submission templates; and a	
	feasibility study for a 3D assessment tool for	
	sustainable building design guidelines	
Civil Engineering	Use of hyperspectral images for screening	1.4
and Development	vegetation cover in the consideration of landscape	
Department	values in remote or inaccessible areas	
Drainage Services	Catalytic Deodorizer for Odor Control in Drainage	2.2
Department	Infrastructures	
Electrical and	Analyzing health conditions of critical lift/escalator	4.2
Mechanical	components with the use of AI assisted image	
Services	analytics - (suspension rope and brake)	
Department	Underground Gas Pipe Leakage Detection using	0.7
	Optical Fibre Sensing & Artificial Intelligence	
	Technology	
Fire Services	Prototype development of Fireman In-door	7.3
Department (FSD)	Locating Equipment	
	Development of AI assisted Drone Image Analysis	4.8
	Software for Mountain Search and Rescue	
	Operation in Fire Services Department	

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB083

(Question Serial No. 0308)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: Not Specified

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

With regard to the proposal in the Budget of driving development through innovation and technology and making use of technology to upgrade and transform and enhance productivity, will the Government inform this Committee of:

1. the projected changes in per capita Gross Domestic Product in the next 10 years (at two-year intervals) effected by using technology to enhance productivity; and

2. the impact of using technology to enhance productivity on manpower demand?

<u>Asked by</u>: Hon WONG Kwok, Kingsley (LegCo internal reference no.: 11) Reply:

The consolidated reply concerning each part of the question is as follows:

A complete innovation and technology (I&T) ecological chain has to be backed by industries. Hong Kong should strive to nurture more technology industries and attract quality enterprises of new industries conducive to the real economy to set up operations in Hong Kong, so as to promote the local development of "new industrialisation". The Government promulgated the Hong Kong Innovation and Technology Development Blueprint (the Blueprint) in December last year to set out major policies under 4 broad development directions, and one of the directions is to enhance the I&T ecosystem and promote "new industrialisation" in Hong Kong, which aim at creating quality employment opportunities for young people and driving the diversified development of the Hong Kong economy by way of developing advanced manufacturing, that is less land or labour-intensive and based on new technologies and smart production.

Hong Kong has strong capabilities in research and development (R&D) and advantages of internationalisation and being highly market-oriented. The Government is taking a multipronged approach to promote "new industrialisation", including increasing I&T land supply and upgrading supporting infrastructure, bringing in top-notch enterprises, strengthening support for strategic industries, achieving internationalisation and promoting R&D in technology, with a view to promoting the development of local technology industries, creating Hong Kong I&T brands, and assisting traditional industries to upgrade and transform with the use of I&T to achieve smart production.

In the past few years, the Government has devoted substantial resources in infrastructure development, promoting R&D, strengthening our talent pool, and supporting technology start-ups. In fact, the value added of I&T industry has doubled in the past 10 years to \$24.39 billion in 2021. The Blueprint also sets out reference development indicators, including the number of start-ups and unicorn enterprises in Hong Kong rising from around 4 000 and over 10 at present to around 7 000 and 30 by 2032 respectively. Where the global growth momentum has slowed down, I&T have become an important engine of economic development. They boost productivity to allow the society to continue to prosper and move forward.

In terms of creating quality employment opportunities, the I&T ecosystem in Hong Kong has also become increasingly vibrant in recent years, with the number of start-ups increasing three times from 2014 to around 4 000 in 2022, and that of their employees rising significantly from around 2 400 to around 15 000 in the same period. There was satisfactory growth in the number of employees in the I&T sector from around 35 000 in 2014 to around 46 000 in 2021, as well as the number of R&D personnel from around 29 000 to around 37 000 in the same period. Looking ahead, the Blueprint puts forth the reference development indicator for the number of I&T practitioners, which will increase from 45 000 in 2022 to no less than 100 000 in 2032. As I&T become more popular, various industries also need to recruit a large number of I&T talents. In addition, with the gradual completion of I&T infrastructure, it is believed that Hong Kong's long-term demand for I&T manpower will increase further.

CONTROLLING OFFICER'S REPLY

ITIB084

(Question Serial No. 0313)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: Not Specified

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

The Digital Economy Development Committee is undertaking in-depth studies on 4 major areas to explore, namely, the digital infrastructure needed to promote the development of digital economy, cross-boundary data transfer in a convenient, efficient and secure manner, digital transformation of enterprises and human resources support.

1. How will the studies be conducted? Will the studies include commissioning relevant organisations to conduct survey and research? What are the specific arrangements and estimated expenditure for the relevant work? What are the work progress and schedule after putting forward concrete proposals within this year?

Asked by: Hon WONG Ying-ho, Kennedy (LegCo internal reference no.: 4)

Reply:

The Digital Economy Development Committee (the DEDC) is undertaking in-depth studies on four major areas, namely cross-boundary data flow, digital infrastructure, digital transformation and talent development, in order to put up specific recommendations to the Government by 2023 for expediting the process of digital economy development in Hong Kong. The Government will formulate appropriate policies and initiatives to promote high-quality economic development in Hong Kong with reference to the DEDC's recommendations.

The research work of the DEDC and its four sub-groups is mainly conducted by the Members and Co-opted Members. The Innovation, Technology and Industry Bureau and the Office of the Government Economist provide relevant secretariat support with their existing manpower and resources respectively.

CONTROLLING OFFICER'S REPLY

ITIB085

(Question Serial No. 0321)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (2) Innovation and Technology

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

When will the Government commence the preparatory work relating to the implementation of the Smart City Blueprint for Hong Kong 3.0, and what are the details, scale and estimated expenditures of the work?

Asked by: Hon WONG Ying-ho, Kennedy (LegCo internal reference no.: 12)

Reply:

The Innovation, Technology and Industry Bureau (ITIB) has been maintaining close liaison with all stakeholders (including the Legislative Council Subcommittee on Matters Relating to the Development of Smart City, trade associations and organisations) in promoting smart city development of Hong Kong. The ITIB will collate and consolidate the views and suggestions collected for deliberation with relevant bureaux/departments, with a view to formulating initiatives to meet future development needs of Hong Kong and press ahead with the next phase of smart city development. The related work is being absorbed by existing manpower and resources of the ITIB, and the expenses involved cannot be broken down separately.

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB086

(Question Serial No. 0322)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (2) Innovation and Technology

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Regarding the development of the Hong Kong-Shenzhen Innovation and Technology Park (HSITP) in the Lok Ma Chau Loop, is it still on target to complete the first 8 buildings in phases from end-2024 with the construction costs kept on budget? What are the details of it? Is it necessary to advertise HSITP for leasing, and when will such advertising and leasing exercises be carried out? Are there any companies already applying for admission to HSITP?

The Government states that it is exploring expediting the development of HSITP and optimising its functions. What are the preliminary results of the exploratory work? What is the anticipated time for fully completing such work and announcing the results? What is the expenditure involved for such work?

Asked by: Hon WONG Ying-ho, Kennedy (LegCo internal reference no.: 13)

Reply:

In the financial year 2021-22, the Legislative Council approved a total of HK\$32.5 billion to support the public works projects in the Lok Ma Chau Loop, as well as Phase 1 Batch 1 development of the Hong Kong-Shenzhen Innovation and Technology Park (HSITP) which, involves 8 buildings in total. The construction works of 3 of the buildings have commenced and will be completed in phases from end-2024 as scheduled. In response to the latest planning and market developments in Hong Kong and Shenzhen, the HKSAR Government and Hong Kong-Shenzhen Innovation and Technology Park Limited are now exploring plans to expedite and optimise the relevant development. In particular, different development modes, the increase of plot ratio and the inclusion of more I&T uses for the land in Phase 1 development are explored, with a view to maximising the benefits of the HSITP. We will announce the relevant details in due course.

In his 2022 Policy Address delivered in October last year, the Chief Executive set out the objective of promoting the development of technology industry with the focus on attracting technology enterprises with comparative advantages and strategic significance, such as life and health technology, artificial intelligence and data science, and advanced manufacturing and new energy technology, and talent to Hong Kong. The Innovation, Technology and Industry Bureau is following up in full swing. We closely collaborate with the Office for Attracting Strategic Enterprises to contact various Mainland and overseas I&T enterprises from key industries, introducing the advantages of Hong Kong and latest development of the I&T industry in the city to them and inviting them to set up their businesses in Hong Kong (including the HSITP). We also leverage the network of our I&T stakeholders, joining forces with them to attract businesses and investment and reach out to enterprises from the Mainland and overseas to tell the good stories of Hong Kong. The overall target of the Government is to attract not less than 100 high potential or representative I&T enterprises, including at least 20 top-notch I&T enterprises, to set up or expand their businesses in Hong Kong in the coming 5 years.

CONTROLLING OFFICER'S REPLY

ITIB087

(Question Serial No. 0323)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: Not Specified

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

The Digital Economy Development Committee undertakes in-depth studies on 4 major areas to explore, namely, the digital infrastructure needed to promote the development of digital economy, cross-boundary data transfer in a convenient, efficient and secure manner, digital transformation of enterprises and human resources support. In this connection, will the Government consider allocating additional resources to establish the post of commissioner and a task force dedicated to e-commerce development to promote the development of digital networks and e-commerce platforms and actively participate in the formulation of regional e-commerce trade rules, thereby establishing a longer-term value basis for e-commerce development?

Asked by: Hon WONG Ying-ho, Kennedy (LegCo internal reference no.: 14)

Reply:

The Digital Economy Development Committee (the DEDC) is undertaking in-depth studies on four major areas, namely cross-boundary data flow, digital infrastructure, digital transformation and talent development, in order to put up specific recommendations to the Government by 2023 for expediting the process of digital economy development in Hong Kong. The Government will formulate appropriate policies and initiatives to promote high-quality economic development in Hong Kong with reference to the DEDC's recommendations.

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB088

(Question Serial No. 0324)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (2) Innovation and Technology

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

A number of new sites earmarked for innovation and technology uses in the development planning include the San Tin Technopole and new land provided by the Ma Liu Shui reclamation project and relocation of Sha Tin Sewage Treatment Works, etc. Please set out the latest progress of the development planning of these new sites; the anticipated time for completion of the planning and when the sites will be available for use; and the planning works, usable areas and amounts of expenditure required for each site.

<u>Asked by</u>: Hon WONG Ying-ho, Kennedy (LegCo internal reference no.: 15)

Reply:

In view of the increasing land use demand for scientific research and new industries in Hong Kong, the Government has been actively identifying land for short, medium and long term uses to provide the industries with the space necessary for their development, including those from the San Tin Technopole and the Ma Liu Shui reclamation project. In addition to the development of suitable lands, we are also committed to leveraging the clustering effect and synergistic development of the relevant projects whilst ensuring adequate ancillary facilities for building a comfortable community environment besides meeting the demand for innovation and technology (I&T) land uses.

For the Ma Liu Shui reclamation project, most of the 88 hectares (ha) of land, which is to be provided by the reclamation project and the relocation of the Sha Tin Sewage Treatment Works to caverns, will be reserved for I&T development. The Civil Engineering and Development Department commenced the Engineering Study for Ma Liu Shui Reclamation in July 2022. Meanwhile, the Innovation, Technology and Industry Bureau invited the Hong Kong Science and Technology Parks Corporation to conduct the Preliminary Planning Study for Land Development and Preliminary Engineering Feasibility Study, which commenced

early this year. Upon the scheduled completion of the studies in 2024, more information on the implementation programme and project estimate will be available.

Under the Northern Metropolis Development Strategy, the San Tin Technopole will provide about 240 ha of land for I&T-related uses, including the Hong Kong-Shenzhen Innovation and Technology Park (the Park) in the Loop of 87 ha and other land of around 150 ha in San Tin. In the financial year 2021-22, a total amount of HK\$32.5 billion was approved by the Legislative Council (LegCo) for the public works projects in the Loop and the Batch 1 development of the Phase 1 project of the Park, which involves 8 buildings in total. The construction works of 3 of the buildings have already commenced and will be completed in phases from end-2024 onwards as scheduled. As for the 150 ha of new land for I&T uses in San Tin, the Development Bureau will commence consultation on the development proposals and land use planning of San Tin Technopole in the second quarter this year. It is estimated that subject to funding approval by the LegCo, the works departments will commence the site formation works of the first batch of new land for I&T uses in 2024.

CONTROLLING OFFICER'S REPLY

ITIB089

(Question Serial No. 0325)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (3) Efficiency Office

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is stated that 1823 failed to meet the target of answering calls within 12 seconds last year because of the need to provide additional support to various COVID-19 related hotlines, including the Department of Health COVID-19 hotline, COVID-19 vaccination programme hotline, the Return2hk scheme and Come2hk scheme hotline and Hong Kong Health Code hotline. Due to the fifth wave of the epidemic, the calls from the public increased substantially by 39% as compared with 2021 while the manpower of 1823 was seriously affected, especially in the first half of 2022. In response, 1823 took various measures to address the issue, including increasing manpower, streamlining work flow and adoption of technology. What is the expenditure required for increasing manpower and adopting technology? Will the Government seek to enhance the efficiency by adopting more technological facilities based on experience learnt? If yes, what are the details?

<u>Asked by</u>: Hon WONG Ying-ho, Kennedy (LegCo internal reference no.: 16)

Reply:

During the fifth wave of the epidemic in 2022, 1823 received a large number of enquiries and service requests related to the epidemic, for instance, requests for early admission to hospitals or isolation facilities, requests for early release of COVID-19 test results and issuance of isolation orders, etc. Meanwhile, a large number of 1823 staff members were unable to report duty due to various reasons including infection. To maintain the service of 1823 and cope with the substantially increased workload, the Efficiency Office redeployed its staff and acquired additional hands from other government departments to assist 1823 in handling calls from the public. In the first half of 2022, 1823 also recruited nearly 400 staff members during the peak of the epidemic. However, owing to the severe epidemic situation and upsurge in workload, many staff also left during the same period. Regarding the adoption of technology in operation, 1823 launched a newly designed mobile application with artificial

intelligence chatbot service in July 2022. The application also provides electronic forms for specific topics that facilitates easy submission of photos and videos by the public, and use of the map and location service for case submission. 1823 has also set up a case reply platform for departments to directly reply to the citizens concerned, without manual handling by 1823. Apart from increasing manpower and adoption of technology, 1823 also analyses calls from the public and actively liaise with relevant departments to make suggestions for improving information dissemination. It is hoped that by ensuring provision of clear and user-friendly information and necessary services for the public in a timely manner, unnecessary enquiries and complaints would be reduced at source. The revised estimated expenditure of 1823 for 2022-23 on manpower and adoption of technology is \$150 million, which covers staff cost and recurrent expenditure on information technology system, such as licences, regular maintenance and system upgrade expenses.

1823 has been actively adopting technologies in various areas to enhance its service and save manpower resources. For example, speech recognition technology is used to identify the names of departments and service areas enquired in the incoming calls. Various electronic services such as chatbot service, mobile application and web forms are provided for use by the public. From 2022 onwards, 1823 has successively rolled out a number of new projects on the application of technologies to further enhance its service and efficiency with an estimated additional expenditure of around \$13 million. Examples include a newly designed mobile application and a platform for departments to give their replies to cases. Work is underway to upgrade the telephone system by updating the call distribution system to the latest version and launching a smart interactive voice response system with the adoption of artificial intelligence (AI) technology, through which members of the public can use voice to input the required options without pressing any button. AI speech synthesis technology will also be used in the new system to make the information broadcast sounds more like a human We also plan to add a function of sending SMS messages automatically in the system to facilitate the provision of information. Moreover, 1823 plans to extend the application of chatbot service on its website to provide more information about participating departments. On internal processes, 1823 also plans to apply AI speech-to-text solutions to convert voicemail messages from the public into text so that 1823 staff can handle public enquiries and complaints more efficiently and effectively. 1823 will continue to keep a close watch on the latest technological development and actively explore the possibility of further use of innovative technologies like AI, natural language processing and machine learning in various areas through collaborating with start-ups and universities to enhance service efficiency and user experience of 1823.

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB090

(Question Serial No. 0326)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (3) Efficiency Office

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

The Efficiency Office states that, on one hand, it will work with the Social Innovation and Entrepreneurship Development Fund (SIE Fund) Task Force to supervise and support the implementation of innovative programmes by a new batch of intermediaries, and that the estimate for 2023-24, on the other hand, will be \$83 million (18.4%) lower than that for the previous year mainly due to the decreased cash flow requirements for the SIE Fund. What are the reasons for that?

Asked by: Hon WONG Ying-ho, Kennedy (LegCo internal reference no.: 17)

Reply:

The annual funding requirement for the Social Innovation and Entrepreneurship Development Fund (SIE Fund) is estimated on the basis of the funding commitment created upon funding approval for the projects. Even though the projects may straddle more than one financial year, the funding requirement is fully reflected in the financial year which the funding is approved. The estimate for the SIE Fund in terms of commitment in 2023-24 is estimated to be about \$60.4 million, about \$84.8 million lower than the revised estimate for 2022-23. This is mainly due to the greater amount of funding approved for the projects for the two financial years from 2021-22 to 2022-23, including the Pay-for-Success project focusing on non-Chinese speaking early childhood education, the Gerontechnology Platform, as well as providing support to intermediaries to administer innovative programmes and providing grant to the relevant projects. Therefore, there is a greater cash flow requirement for the two financial years and the relevant projects will continue to be carried out in 2023-24 as planned. Sufficient funding provision has been earmarked in the estimate for 2023-24 to meet the expenditure of the projects under the SIE Fund, with due consideration given to factors such as progress of the ongoing and future initiatives, the number of funding applications and amount of funding to be approved. The relevant estimate has also been reflected in the estimated provision under Programme (3).

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB091

(Question Serial No. 0343)

<u>Head</u>: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: Not Specified

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

The Government will set aside \$500 million to further expedite the pace of digital transformation of small and medium enterprises (SMEs) through applying ready-to-use basic digital solutions. In this regard, please inform this Committee of:

- 1. the number of local SMEs that were assisted by the Government in digital transformation over the past 3 years, with a breakdown by trade; and
- 2. the amount of the said \$500 million to be involved in the procurement of goods and services from local innovation and technology enterprises.

Asked by: Hon WONG Ying-ho, Kennedy (LegCo internal reference no.: 34)

Reply:

Regarding the above question, after consultation with the Innovation and Technology Commission (ITC), our consolidated reply is as follows:

The Distance Business (D-Biz) Programme and the Technology Voucher Programme (TVP) under the ITC have rendered strong support to the digital transformation of small and medium enterprises (SMEs). The time-limited D-Biz Programme, launched by the ITC under the Anti-epidemic Fund in May 2020, aims to support enterprises to continue their business and provide services during the pandemic through the adoption of IT solutions. The application period for the D-Biz Programme ended on 31 October 2020, and a total of 23 560 applications have completed the projects. Among them, 96% were SMEs, involving total funding of around \$1.53 billion. A breakdown of beneficiary enterprises by sector is tabulated below:

Beneficiary	Number of	Number of	Amount of funding
enterprise sectors	applications	beneficiary	disbursed
•	completed	enterprises	(\$m)
Administrative	-	_	
and support			
services	613	522	36.38
Construction	696	592	44.82
Creative			
industries	442	357	28.27
Education and			
training	1 574	1 301	105.73
Environmental			
services	92	77	6.29
Catering and			
hospitality	1 760	1 550	135.68
Import and export			
trade	2 135	1 765	129.23
Manufacturing	680	571	42.65
Media printing			
and publishing	361	290	23.44
Professional			
services	1 709	1 478	103.37
Retail	4 927	3 991	338.68
Services	2 311	1 913	159.26
Technology			
development and			
services	737	636	37.66
Transportation			
and logistics	565	486	39.25
Others	2 529	2 111	154.52
More than one			
sector	2 429	2 425	148.99
Total	23 560	20 065	1,534.22

On the other hand, the TVP under the Innovation and Technology Fund is a regular programme which aims to support enterprises in using technological services and solutions to improve productivity, or upgrade or transform their business processes. At present, three quarters of the project cost for each approved project can be funded up to a cumulative funding of \$600,000. In the past 3 years (i.e. from 2020-21 to end February 2023), 19 385 applications were approved under the TVP and 19 037 enterprises had benefited. The major types of business involved are tabulated below:

Major types of	Number of	Number of	Amount of
business ^{Note}	applications	beneficiary	funding approved
	approved	enterprises	(\$m)
Wholesale and			
retail	6 939	6 838	1,205.99
Restaurants and			
hotels	1 655	1 629	254.20
Engineering	1 265	1 249	230.52
Personal care			
services	1 079	1 065	183.76
Import and export			
trade	967	945	168.36
Education services	905	892	150.34
Transportation and			
logistics	710	699	126.98
Advertising, sales			
and marketing	600	588	104.43
Professional			
services (including			
legal and			
accounting			
services)	596	591	94.90
Banking insurance			
and other financial			
services	462	455	78.51

Note: The above table shows 10 major types of business. Applicants may engage in more than one type of business.

Meanwhile, the Government is working with the sub-group on digital transformation under the Digital Economy Development Committee to explore practicable measures to promote digital transformation across different industries, with a view to expediting the development process of digital economy in Hong Kong. It is announced in the Budget that \$500 million will be set aside for Cyberport to launch a Digital Transformation Support Pilot Programme (Pilot Programme), under which subsidies will be provided on a one-to-one matching basis to assist SMEs with little or no exposure to digital technology in applying ready-to-use basic digital solutions, thus accelerating their digital transformation.

Cyberport is finalising the specific details of the Pilot Programme, and we will consult the Panel on Information Technology and Broadcasting on the details and seek funding support from the Finance Committee to implement the programme as soon as possible.

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB092

(Question Serial No. 1614)

<u>Head</u>: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (1) Director of Bureau's Office

Controlling Officer: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

Director of Bureau: Secretary for Innovation, Technology and Industry

Question:

It is mentioned in the Budget that we need to persistently drive development through innovation and technology; create new growth impetus through institutional enhancements and policy innovations; and progress towards green transformation by vigorously promoting the development of green and low-carbon technology and industries.

In this connection, please advise: in addition to giving the green light to attract talent, does the Government have any practicable and specific policies in the areas of taxation and land policy to encourage the development of innovation and technology industry?

Asked by: Hon YIM Kong (LegCo internal reference no.: 12)

Reply:

To achieve carbon neutrality by 2050 and expedite the development of green transformation in Hong Kong, the Government has drawn up the Hong Kong's Climate Action Plan 2050 to implement a series of measures through the Environment and Ecology Bureau (EEB). On the other hand, the Government promulgated the Hong Kong Innovation and Technology Development Blueprint in December 2022 setting out key strategies under 4 broad development directions, which include, among others, enhancing the innovation and technology (I&T) ecosystem and promoting "new industrialisation" in Hong Kong. To this end, the Government will increase I&T land supply, upgrade supporting infrastructure and diversify venture financing channels to support the development of start-ups and industries, so as to promote the overall I&T development in Hong Kong. The measures implemented concern with different technology areas, including green technology and industries. In consultation with the EEB, our consolidated reply to the question is as follows:

On promoting the development of green and low-carbon technology and industries, the EEB set up the Green Tech Fund (GTF) in 2020 to provide better and more focused funding support for research and development (R&D) projects which can help Hong Kong decarbonise and enhance environmental protection. The Government has allocated a total of \$400 million to the GTF, which will be primarily used to subsidise projects in priority areas such as net-zero electricity generation, energy saving and green buildings, green transport, and waste reduction in the community. Furthermore, the Innovation and Technology Fund administered by the Innovation and Technology Commission has been actively supporting the R&D across all technology areas, including green technology.

In addition, to encourage more enterprises to conduct R&D activities on various technology areas in Hong Kong, the Government amended the Inland Revenue Ordinance in 2018 to introduce enhanced tax deduction for qualifying R&D expenditure incurred by enterprises on or after 1 April 2018. The deduction is 300% for the first \$2 million of the aggregate amount of the relevant expenditure, and 200% for the remaining amount. There is no cap on the amount of the relevant tax deduction. The EEB will also continue to explore and introduce different new technologies to Hong Kong.

Regarding land provision for the overall I&T development, in view of the increasing demand of Hong Kong for land dedicated to scientific research and new industries, the Government has been proactively identifying land to provide the industry with the necessary space for its development in the short, medium and long term, which includes the land in the San Tin Technopole and the Ma Liu Shui reclamation project.

CONTROLLING OFFICER'S REPLY

ITIB093

(Question Serial No. 1620)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (1) Director of Bureau's Office

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

Director of Bureau: Secretary for Innovation, Technology and Industry

Question:

It is mentioned in the Budget Speech that \$10 billion was earmarked in last year's Budget to further promote the development of life and health technology in Hong Kong. In a bid to enhance support for the transformation of research and development (R&D) outcomes as well as R&D activities related to life and health technology, the Government will set aside \$6 billion out of the above provision to provide subsidies for universities and research institutes to set up thematic research centres. The aims are to foster cross-university, cross-institutional and multi-disciplinary co-operation. Universities and research institutes interested in setting up life and health technology research institutes will be invited to submit proposals in 2023-24.

In this connection, will the Government advise whether priority consideration has been given to relevant co-operation involving the State Key Laboratories in Hong Kong under the said initiative?

Asked by: Hon YIM Kong (LegCo internal reference no.: 18)

Reply:

As announced in the 2022-23 Budget, the HKSAR Government has earmarked \$10 billion to provide comprehensive support for the development of life and health scientific research in Hong Kong in the long run, including hardware, talent, clinical trials and data application, as well as strengthening the industrial chain. In the 2023-24 Budget, the HKSAR Government announced that \$6 billion would be set aside out of the earmarked provision to provide subsidies for universities and research institutes to set up life and health technology research institutes, so as to foster cross-university, cross-institutional and multi-disciplinary cooperation, in a bid to facilitate development in the transformation of research and development (R&D) outcomes as well as R&D activities related to life and health technology.

The HKSAR Government will invite universities and research institutes interested in setting up life and health technology research institutes to submit proposals in 2023-24. We are conducting further study on the specific arrangements of the project, such as how to enhance the collaboration among different parties like the Mainland and overseas universities and research institutes, as well as local universities and institutes/laboratories. We will announce the details once they are confirmed.

- End -

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB094

(Question Serial No. 0415)

Head: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (3) Efficiency Office

<u>Controlling Officer</u>: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Regarding the Efficiency Office (EffO), will the Government inform this Committee of the following:

- 1. the breakdown of the existing 94 EffO staff by rank, and the percentages of permanent and supernumerary posts;
- 2. the establishment and ranks of its staff assigned for the promotion of e-Government, and the relevant expenditure;
- 3. the number of innovation and technology (I&T) deliverables adopted by the EffO in the past 3 years; the percentages of the use of local and non-local research and development (R&D) technology in such deliverables, and the relevant expenditure; the fields covered by such technologies and the government departments that use such technologies;
- 4. the estimated expenditure for promoting the commercialisation of R&D results in 2023-24 as well as the number, details and expected results of the projects involved; and
- 5. the estimated expenditure for promoting e-Government in 2023-24 as well as the number, details and expected results of the projects involved.

Asked by: Hon YUNG Hoi-yan (LegCo internal reference no.: 5)

Reply:

Our consolidated reply to the various parts of the question is set out below:

As at 31 March 2024, the establishment of the Efficiency Office (EffO) is 94 posts, including 9 directorate posts and 85 non-directorate posts. All are permanent posts.

The EffO is committed to promoting the adoption of innovation and technology (I&T) by bureaux and departments (B/Ds) to enhance operational efficiency and continuously improve public services, as well as driving the digitalisation of government services. years, the EffO worked with the 45 B/Ds participating in the "Be the Smart Regulator" and the "Streamlining of Government Services" programmes in proposing nearly 600 business facilitation and streamlining measures, covering nearly 950 licences and services. 80% of the improvement measures involved the adoption of I&T, with a view to providing more electronic services for the trade and the general public. These include the provision of online application services through "iAM Smart", establishment of various electronic payment channels, development of chatbots to facilitate the handling of enquiries and provision of end-to-end electronic services for licences, etc. The EffO has also implemented a series of support measures for departments, such as organising I&T Solution Expo. Through the Hong Kong Science and Technology Parks Corporation, Cyberport and other platforms, the EffO showcased the latest I&T solutions, including those from local I&T companies, to departments, and arranged business matching sessions for interested departments and companies to help departments further explore or test whether the solutions are suitable for their services. In addition, the EffO has launched the InnoGov Portal, an intranet portal introducing the latest I&T solutions to departments. Currently, the portal covers about 150 I&T solutions in 12 categories, most of which come from local I&T companies.

In 2023-24, the EffO will continue to assist departments in the wider adoption of technology, and in reviewing and enhancing related processes for further improving the convenience, efficiency and transparency of public services, as well as achieving the target of turning all government services online by mid-2024 as set out in the 2022 Policy Address. The EffO assists departments in taking forward the relevant work with existing manpower and resources. We have not maintained separate breakdowns of the staff establishment and expenditure involved.

In 2023-24, the Innovation and Technology Commission (ITC) will continue to fund applied research and development (R&D) projects through the various funding schemes under the Innovation and Technology Fund (ITF) to encourage commercialisation of R&D outcomes. In the past 3 years (i.e. 2020-2022), more than 1 190 projects have been approved under the 6 funding schemes supporting R&D 1, involving a total funding of \$3.3 billion. On encouraging the application of technology, the Public Sector Trial Scheme (PSTS) under the ITF provides funding to R&D projects under the ITF, incubatees and graduate tenants of the Hong Kong Science and Technology Parks Corporation and Cyberport, and technology

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Including Innovation and Technology Support Programme, Mainland-Hong Kong Joint Funding Scheme, Guangdong-Hong Kong Technology Cooperation Funding Scheme, Partnership Research Programme, Enterprise Support Scheme and R&D Cash Rebate Scheme.

companies conducting R&D activities in Hong Kong for producing prototypes/samples of their R&D outcomes and conducting trials in the public sector (including government departments) so as to promote the realisation and commercialisation of R&D outcomes. In the past 3 years, nearly 180 projects have been approved under PSTS, involving a total funding of \$390 million.

Besides, the Technology Start-up Support Scheme for Universities under the ITF provides support to teams in universities in starting technology businesses and commercialising their R&D outcomes. In the past 3 financial years (i.e. 2020-21 to 2022-23), there were 184 start-ups funded involving a total funding of \$143 million. ITC also plans to launch a new "Research, Academic and Industry Sectors One-plus Scheme" (RAISe+ Scheme) in 2023-24 to fund, on a matching basis, research teams from universities which have good potential to become successful start-ups, in order to incentivise collaboration among industry, academic and research sectors to further promote the transformation of R&D outcomes "from 1 to N" and the industry development.

When implementing administrative computer projects, including the digitisation of government services, departments can submit funding applications to the Administrative Computer Projects Committee under the Office of the Government Chief Information Officer (OGCIO).

The Chief Executive announced in his 2022 Policy Address the initiative to expedite the building of a smart government, including turning all government services online by 2024, and promoting the use of the "iAM Smart" platform to provide one-stop digital services by government departments by 2025, so as to realise the goal of "single portal for online The Financial Secretary has earmarked a sum of about \$200 million government services". in the 2023-24 Budget to enhance the operation of the "iAM Smart" platform, so as to provide members of the public with more convenient one-stop digital services and to improve user The Office of the Government Chief Information Officer introduced the detailed proposal on enhancing the "iAM Smart" platform to realise "single portal for online government services" to the Panel on Information Technology and Broadcasting of the Legislative Council in March this year, including simplifying the registration processes, updating application design and functions, improving user interfaces and streamlining service workflow, strengthening system capacity, performance and security, etc. funding approval from the Finance Committee for implementing the project, with a view to commencing the tendering process in the second half of this year. The new features of "iAM Smart" are expected to be rolled out in phases over the next two years. It is expected that by upgrading the "iAM Smart" platform, we will adopt a more systematic organisation and categorisation approach to integrate the existing e-government services that are more commonly used and simplify the access procedures, so as to provide one-stop e-government services to enhance user experience and achieve the goal of "single portal for online government services". In addition, the Government has reserved \$600 million for the egovernment audit work and the implementation of digital government initiatives recommended in the audit. The audit for all B/Ds is expected to be completed by end-2023, with the aim of implementing 100 digital government initiatives with the use of advanced information technology by end-2025 for providing more services that bring benefits and convenience to the general public and the business sector..

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB095

(Question Serial No. 0418)

<u>Head</u>: (135) Government Secretariat: Innovation, Technology and Industry

Bureau

Subhead (No. & title): ()

<u>Programme</u>: (3) Efficiency Office

Controlling Officer: Permanent Secretary for Innovation, Technology and Industry

(Eddie MAK)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Regarding the 1823 service, please inform this Committee of the following:

- 1. the current staff establishment (for handling telephone and non-telephone enquiries/complaints), ranks and relevant expenditure involved for providing the service, and the respective percentages of permanent and supernumerary posts;
- 2. the figures on enquires and complaints received by each government department in the past 3 years, and the respective figures on cases completed and still under processing;
- 3. the average time needed by the 1823 service for handling a telephone enquiry/complaint and a non-telephone enquiry/complaint respectively;
- 4. the figures on public calls not answered by the 1823 service in the past 3 years;
- 5. the numbers of questionnaires received in the past 3 years regarding customer satisfaction on the 1823 service, and the respective numbers of questionnaires scoring 5 points and 0 point; and
- 6. as the Government has indicated its plan to further enhance the 1823 service, the details of the plan including the number of initiatives involved, their content and the relevant expenditure.

Asked by: Hon YUNG Hoi-yan (LegCo internal reference no.: 8)

Reply:

The consolidated reply on the 1823 service is as follows:

1823 mainly employs Non-Civil Service Contract (NCSC) staff to handle telephone and non-telephone enquiries and complaints. The staff establishment and strength of 1823 as at February 2023 and its revised salary expenditure for 2022-23 are set out below:

Establishment of Civil Servants	Strength of Civil Servants (percentage)	Number of NCSC Staff (including full- time staff and part-time staff (in full-time equivalent)) (percentage)	Salary Expenditure
9 (Note)	9 (Note) (2%)	526 (98%)	\$134 million

Note: Including 1 Chief Executive Officer, 1 Chief Management Services Officer, 1 Senior Management Services Officer, 1 Executive Officer I, 2 Management Services Officers I, 2 Management Services Officers II and 1 Assistant Clerical Officer.

1823 answers public enquiries on the services of 23 participating departments and receives public complaints about all bureaux and departments. Members of the public can make enquiries or complaints to 1823 through various channels such as telephone, mobile application, web form and email.

1823 received 1.9 million, 2.3 million and 2.2 million enquiries and 480 000, 590 000 and 520 000 complaints in the 3 years from 2020 to 2022 respectively. As at end of February 2023, the number of enquiries and complaints that are still being processed are 19 000 (0.3%) and 89 000 (5.6%) respectively, including repeated enquiries and complaints from the public.

The average time for 1823 to handle a phone call and a written contact in 2022 was 522 seconds and 353 seconds respectively.

1823 provided additional support to a number of epidemic-related hotlines between 2020 and 2022. The volume of calls from the pubic increased significantly amid the five waves of the epidemic, especially during the four waves in 2020 and the fifth wave in 2022. Moreover, as many 1823 staff members were not able to report duty due to factors like infection, the service of 1823 was affected, with some of the calls unanswered. Members of the public concerned might need to call again or contact 1823 via other channels such as web form or mobile application.

There are four waves of the epidemic affecting Hong Kong in January, March, July and December 2020. During the year, 1823 handled 2.64 million calls, accounting for 56% of the total number of calls received. About 2.1 million (44%) calls, including calls abandoned by the callers, were not answered immediately and the callers might need to contact 1823

In 2021, by the end of the fourth wave at the beginning of the year, and 3.48 million calls were handled, representing 75% of the total number of calls received. million (25%) calls were not answered immediately and the callers might need to contact 1823 again. In 2022, Hong Kong experienced the most severe fifth wave of the epidemic and many 1823 staff members were unable to report duty due to various reasons including To maintain the service of 1823 and cope with the substantially increased workload, the Efficiency Office redeployed its staff and acquired additional hands from other government departments to assist 1823 in handling calls. In the first half of the year, 1823 also recruited nearly 400 staff members during the peak of the fifth wave of the epidemic. However, owing to the severe epidemic situation and upsurge in workload, many staff members also left during the same period. Although various measures had been adopted, 1823 still could not fully meet the extremely huge service demand. In 2022, 1823 handled 3.13 million calls, accounting for 48% of the total number of calls received, and 3.3 million (52%) calls were not answered immediately. With the easing of the epidemic, the percentage of calls that were not answered immediately, giving rise to the need for the callers to contact 1823 again, dropped from 65% in the first half of 2022 to 21% in the second half of the year.

1823 conducts customer satisfaction surveys and keeps the survey records for the past 24 months. According to the available records, a total of 75 000 respondents participated in the surveys from March 2021 to February 2023. On a 5-point scale with 5 being the highest score and 1 being the lowest, 39 000 and 1 100 respondents gave a score of 5 and 1 respectively.

1823 has continued to improve its service. Regarding the application of technologies, 1823 has been actively enhancing its service by adopting technologies in various areas. example, speech recognition technology is used to identify the names of departments' service areas enquired in the incoming calls, various electronic services such as chatbot service, mobile application and web forms are provided for use by the public. From 2022 onwards, 1823 has successively rolled out a number of new projects on the application of technologies to further enhance its service and efficiency with an estimated expenditure of around \$13 Examples include a newly designed mobile application and a platform for million. departments to give their replies to cases. Work is underway to upgrade the telephone system by updating the call distribution system to the latest version and launching a smart interactive voice response system with the adoption of artificial intelligence (AI) technology, through which members of the public can use voice to input the required options without pressing any button. AI speech synthesis technology will also be used in the new system to make the information broadcast sounds more like a human voice. We also plan to add a function of sending SMS messages automatically in the system to facilitate the provision of Moreover, 1823 plans to extend the application of chatbot service on its website to provide more information about participating departments. processes, 1823 also plans to apply AI speech-to-text solutions to convert voicemail messages from the public into text so that 1823 staff can handle public enquiries and complaints more efficiently and effectively. 1823 will continue to keep a close watch on the latest technological development and actively explore the possibility of further use of innovative technologies like AI, natural language processing and machine learning in various areas through collaborating with start-ups and universities to enhance service efficiency and user experience of 1823.

Furthermore, 1823 will continue to optimise its business process and knowledge base to drive operational efficiency. Recommendations will continue to be made to departments for strengthening dissemination of information and improving their communication with the public so as to reduce avoidable enquiries and complaints at source.

- End -

CONTROLLING OFFICER'S REPLY

ITIB096

(Question Serial No. 1257)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title): ()

<u>Programme</u>: (2) Promotion of Technological Entrepreneurship

<u>Controlling Officer</u>: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Regarding the implementation of the Enterprise Support Scheme and the Technology Start-up Support Scheme for Universities, please list in tabular form the number of funded projects approved and their details (including the funding amounts) in the past 3 years. What is the progress in taking forward the relevant project plans? How many products realised from the projects have been rolled out and how many funded companies are still in operation? When will the Government review the above schemes and monitor their effectiveness?

Asked by: Hon CHAN Han-pan (LegCo internal reference no.: 36)

Reply:

To encourage private companies to conduct in-house research and development (R&D), the Innovation and Technology Commission (ITC) launched the Enterprise Support Scheme (ESS) in 2015 to provide dollar-for-dollar matching funding of up to \$10 million for private companies to carry out in-house R&D projects. The number of projects supported and the funding amount involved in the past 3 financial years are provided as follows:

Financial year	Number of projects supported Note	Funding amount for the projects supported (\$ million)
2020-21	33	81.1
2021-22	29	67.96
2022-23 (as at end-February)	23	75.68
Total	85	225

Note: In the 2020-21, 2021-22 and 2022-23 (as at end-February) financial years, there were 8, 8 and 1 projects being withdrawn by the applicants respectively after the support was granted. The number has excluded these projects.

As at end-February 2023, the R&D work of 125 projects was completed, among which 75 were completed for over 24 months. We conducted a survey with the relevant companies

about the progress of commercialising the project deliverables. 31 companies (35 projects involved) responded and 28 of them (32 projects in total) indicated that they had already created at least 153 posts and commercialised the project deliverables with income generated. A total of 144 patent applications were filed or granted patent rights for the projects concerned. Moreover, among the 32 projects above, 10 of them had attracted new fund injection, involving a total amount of over \$335 million.

ITC launched the Technology Start-up Support Scheme for Universities (TSSSU) in 2014, providing funding support to professors, graduates and students from 6 universities (viz. City University of Hong Kong, Hong Kong Baptist University, The Chinese University of Hong Kong, The Hong Kong Polytechnic University, The Hong Kong University of Science and Technology and The University of Hong Kong) in starting technology businesses and commercialising their R&D outcomes. The provision of funding support in the past 3 financial years is provided as follows:

Financial Year	Number of start-ups supported	Total amount of funding involved (\$ million)
2020-21	93	47.23
2021-22	87	48
2022-23	91	48
Total	271	143

Funded start-ups have to submit a report on the development of their businesses during the funding period to ITC via their associated universities. Since the launch of the TSSSU in 2014-15 to 2021-22, a total of 334 start-ups have been funded. According to the information provided by the universities, during the funding period of these start-ups, 209 (around 63%) had successfully rolled out nearly 380 products or services in the market; 167 (around 50%) had generated income from their businesses; and 204 (around 61%) had generated some 1 700 intellectual property rights from their R&D outcomes. In addition, 249 (around 75%) had successfully attracted capital injections, involving a total investment amount of over \$1.761 billion, of which over \$1.447 billion (around 82%) was private investment. The universities will collect and verify the information in relation to the funded start-ups in 2022-23 after the end of the financial year and subsequently submit it to ITC.

ITC will continue to monitor the implementation of the above 2 schemes and introduce enhancement measures in a timely manner. For example, starting from 2020-21, a new measure for disbursing partial funding in advance for projects funded by the ESS has been introduced to ease the cash-flow requirements faced by small and medium-sized enterprises and start-ups in carrying out the funded projects. Furthermore, starting from the financial year 2023-24, the annual maximum amount of subsidy for each university, funded by the TSSSU, will be doubled to \$16 million. The additional subsidy will be provided to university start-ups with private investments on a matching basis of one to one. Each start-up can receive an annual subsidy of up to \$1.5 million.

CONTROLLING OFFICER'S REPLY

ITIB097

(Question Serial No. 1258)

<u>Head</u>: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title): ()

Programme: (3) Planning for Innovation and Technology Development

Controlling Officer: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Regarding the City I&T Grand Challenge, please advise on the amount of funds used by the Government on this activity and its effectiveness, the innovation and technology projects found which are both with potential and feasible, and the way to follow up these projects.

Asked by: Hon CHAN Han-pan (LegCo internal reference no.: 37)

Reply:

In order to inspire the atmosphere and culture of innovation and technology (I&T) in Hong Kong and promote the use of I&T to tackle problems faced by the people in their daily lives, the Innovation and Technology Commission launched the first City I&T Grand Challenge (Grand Challenge) in December 2020. Under the theme of "Innovating for Hong Kong's New Normal", the Grand Challenge openly invited all sectors of the community to put forward I&T solutions focusing on 2 topics, namely environmental sustainability and social connectivity. The competition was divided into 4 categories, i.e. primary school, secondary school, university/tertiary institute and open group. The estimated expenditure is around \$59 million.

Despite the rampant epidemic at that time, the public response was enthusiastic and more than 740 submissions were received from over 1 250 contestants on an individual or team basis. The competition underwent multiple phases, including online judging, a five-day semi-pitch to shortlist a total of 120 solutions to enter the Grand Pitch held in October 2021 and the Finale on the following day. During this period, we provided a series of online seminars, training workshops and visits to participants. Over 20 local university scholars were also invited to provide guidance to participants from the primary school and secondary school categories. On this account, the participants have all benefited from the competition process regardless of the results.

25 winners from the university/tertiary institute and open groups received financial resources for research and development. After over half a year's training and continuous refinement and enhancement of their I&T solutions, the winning teams have created prototypes for trials

at over 50 organisations and community groups, involving more than 4 260 end users. The inaugural City I&T Grand Challenge: The Showcase was staged for 9 days at the Hong Kong Science Park in October 2022. Prototypes of winning solutions were revealed to the public for the first time through real-life scenarios and the public could also try out the solutions in person. Brief descriptions of the 25 winning solutions are set out in the <u>Annex</u>.

Currently, the winning teams are forming start-up companies progressively and they may join the incubation programmes of the Hong Kong Science and Technology Parks Corporation or Cyberport to receive entrepreneurship support such as mentorship and investor matching. Depending on the progress of the winning team, we will offer appropriate funding support to assist them in developing markets.

Winning solutions of the City I&T Grand Challenge

Sub-theme

• Social Connectivity

1. Solution: SmartPresenter Riseverse Tech Limited

Group: University/ Tertiary Institute

SmartPresenter is an easy-to-use educational app that helps users improve subtle presentation weak spots, thereby adding value to speeches. SmartPresenter analyzes user's verbal and physical performance in real-time, such as eye contact, voice volume, speech rate, filler words, facial expressions, and body language. It points out areas that users can improve through visual data and reports. In addition to analysis tools, SmartPresenter includes tools such as teleprompter, random topic practice, daily pronunciation training, and learning materials from professional instructors to help users better prepare for their presentations.



SmartPresenter - Present Smarter!

2. Solution: GUIDi AI Guided Limited

Group: University/ Tertiary Institute

GUIDi, AI haptic guiding system, aims to enhance the individual mobility for everyone including the visually impaired and the elderly during navigation. This smart wearable features:

- Environmental visualization with machine vision for creating a 3D virtual map
- AI programming for identifying and analyzing obstacles and dangers, and planning an obstaclefree path
- Real-time 4D haptic actuation for dynamic navigation, providing the most direct response with high accuracy



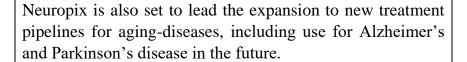
3. Solution: Neuropix Technologies

Neuropix Technologies

Group: Open

Neuropix brings disruptive medical technology to digital healthcare solutions for treating major brain disorders including depression, migraine and epilepsy, which are said to be affecting over 1.6 million people just in Hong Kong.

Using novel bioelectrical medicines, our portable medical devices connect wirelessly to a patient's smart device for medical analytics, providing up to date progressive health data analysis.





Meuropix

4. Solution: Point Fit Sweat Sensor

Point Fit Technology Limited

Group: University/ Tertiary Institute

PointFit aims to bring non-invasive, real-time and continuous health monitoring through sweat.

The device is an ultra-thin skin patch that tracks user health condition from sweat biomarkers and transmits that in real-time to your mobile app.

It can bring convenience, and improve the possibility of remote monitoring for our elderly community such that they can be monitored more closely for better health & social connectivity.



5. Solution: "SENtoR" Project SENtoR Education Company Limited Group: University/ Tertiary Institute

SENtoR aims to create a nurturing and supportive community for children with special education needs (SEN) and also their families.

"R" stands for rehabilitation and resources. This platform is designed to develop the competency of trained private tutors or interest class teachers and pair them up with the SEN families. Through screening and data analytics, tailor-made teaching materials can be identified from the database, providing individualized learning experience. It also allows therapists or social workers to provide supervision and outreach services.



6. Solution: Smart Lift Monitoring System Ergatian Limited

Group: Open

The digitalized smart lift monitoring system is designed for lift contractors, property management office, and passengers (particularly the elderly and persons with disabilities) who are interested in the health condition of their daily-used/managed lifts. By leveraging the cutting-edge IoT and AI technologies, this system allows the users to track the operation status and potential risks of the concerned lifts through their personal mobile phones, anytime and anywhere, thus ensuring the lift safety.



7. Solution: StoryTellAR

ConnectAR Limited Group: Open

StoryTellAR is a blended learning platform which integrates technology and digital media with traditional instructor-led classroom activities, giving students flexibility to customize their learning experiences.

With a user-friendly interface and intuitive DIY-AR technology, teachers can create associating online teaching materials on mobile phones upon traditional learning materials without turning into a big digital conversion project.

Parents and students can interact with corresponding digital content by scanning physical classroom materials with mobile devices, making the online learning experience seamless, personalised and effective.

StoryTellAR has over 10 different usages, including Homework Assistant, Blended Learning, Virtual Art Exhibition, Beautifying Campus, and SEN support.



8. Solution: WeVoice Glasses

INNOSPIRE TECHNOLOGY LIMITED

Group: Open

WeVoice Glasses is smart glasses that complement with WeVoice Plus mobile app. The duo provides advanced visual assistance for visually impaired and seniors with low vision, promoting better social integration.

The user can simply make use of WeVoice Plus at the mobile phone to connect to WeVoice Glasses. With the support of Wi-fi and Bluetooth technology, the camera on WeVoice Glasses provides an accurate view of the users while the bone conduction feature provides excellent audio quality to the volunteer at WeVoice Plus for necessary support.



WeVoice Glasses is now being tested and will be available on the market soon.

9. Solution: MahjongMate

Monde Tech Limited

Group: University/ Tertiary Institute

MahjongMate aims to connect users with their loved ones and enjoy cognitively stimulating gameplay.

With the initial concept of creating a physical mahjong set that could connect via the Internet, this simplified proof-ofconcept is developed as the trial model.

MahjongMate now features four pieces of game card with each piece connected wirelessly to a mobile application. A small screen that displays different letters, symbols or patterns is embedded on each game card. User can have interaction by adjusting the card's position or flipping over.

Users can play together in real time by connecting two sets of MahjongMate for a friendly competition.

The capabilities of MahjongMate will continue to be developed and expanded.



10. Solution: Vitals: Camera-based Health and Wellness Monitoring Solution PanopticAI Limited

Group: University/ Tertiary Institute

Vitals, powered by PanopticAI, is a camera-based health and wellness monitoring solution that combines the latest AI computer vision and signal processing techniques to provide users with a holistic analysis of their health.

Simply using the camera of their digital devices, users can measure, interpret and manage health data such as heart rate, respiratory rate, heart rate variability, stress index, and more, all within 30 seconds.



11. Solution: *LoYauYau* SDR Design Limited Group: Open

LoYauYau, a TV-based video chat box, aims to improve the social life of people with limited mobility and/or digital skills.

Unlike video chat apps in the market, this device requires no social media account registration or setting up on mobile phones. Users simply switch it "On/Off" to start or finish a video conversation. Video chat schedules can be remotely managed by a family member or a friend, making it possible for any homebound seniors/carers to connect with their friends, families, and social workers.



12. Solution: Smart FIT Station

FIoTBlock Limited

Group: University/ Tertiary Institute

Smart FIT Station is a healthcare system that helps seniors with no regular exercise or suffering from pain exercise safely, correctly and effectively.

This is a cross-discipline project, including sports, engineering and information technology. With IoT, Big Data, Drive, and AI technology, the system can follow up on seniors' health in the long term and leverage fun games to keep them motivated to exercise.



Users or caretakers can also create personal accounts and generate reports by using the mobile app.

There are currently two prototype trials in the public housing under Hong Kong Housing Society.

13. Solution: Hollo - DigiACT for Cancer

Hollo Limited

Group: University/ Tertiary Institute

DigiACT for Cancer is a behavioural therapy developed by digitally transforming an evidence-based intervention.

Cancer patients suffer from many physical symptoms of Cancer as well as their treatment such as loss of sleep or appetite, lowered social activity, and higher stress. This can cause emotional difficulties such as depression and anxiety. Apart from medical attention, psychological support is the key on the road to recovery.

Through Acceptance Commitment Therapy (ACT) and gamifying the experience for patients, DigiACT for Cancer seeks to improve quality of life for patients; provide key data insights for medical providers and caretakers; and improve patient outcomes.

DigiACT for Cancer is piloted with patients in controlled settings and ready for clinical trials.



14. Solution: IMEDDY Medical Platform IMEDDY R&D LIMITED

Group: University/ Tertiary Institute

iMeddy is a one-stop medical platform that provides comprehensive services to both users and doctors.

Users can book appointments online for offline doctor consultations, video consultations and drug delivery services, making finding suitable doctor and appropriate medical resources easier.

On the other hand, iMeddy also creates an efficient and intelligent clinic management system for doctors, increasing the efficiency of doctors' consultation and making distance consultation possible.

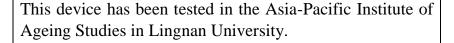


15. Solution: Home-Based Lifestyle System

WBD101 Limited Group: Open

Home-Based Lifestyle System is designed for elderly to encourage active ageing and a healthy lifestyle.

Five key bio-signals can be measured with just two sensors (a FDA approved Blood Pressure monitor and an in-ear sensor). The bio-sensing earbud is equipped with audio features, allowing users and healthcare providers to conduct tele-health sessions while healthcare providers access to users' real-time bio-signals. They can also upload rehabilitation exercise videos and assign exercises to users through the device.





Sub-theme

• Environmental Sustainability

1. Solution: ch00ze.club Circular City Limited

Group: Open

ch00ze.club offers Food & Beverage outlets, caterers, and property management a new choice for customers and tenants to ditch disposables. Our unique ecosystem enables accessible and convenient borrow and returns of coffee cups and food containers, and a growing network of F&B outlets and return points. Every item is tracked through each touch point, so you can see yours and the whole ch00ze community's impact in real time. Make everyday a ch00zeday!



2. Solution: Smart Mobile Farm

Farmacy HK Limited

Group: Open

Farmacy HK is the first urban farming technology company in Asia creating Smart Mobile Farms with cloud-based control capabilities for highly urbanized cities.

Farmacy HK carries the mission of "Enabling ecological farming of safe and fresh product right in the heart of the city" across premium supermarkets, restaurants, hotels, clubhouses, schools and households to 100+ plant species, customized to every sector.



3. Solution: Eatchy

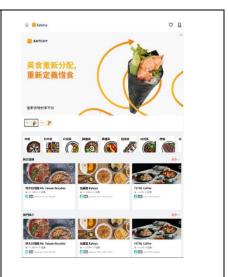
Eatchy Technology Limited

Group: University/ Tertiary Institute

Eatchy is a B2C (Business to Customer) food platform aiming to achieve a win-win-win solution for businesses, consumers, and the society.

The platform connects businesses with surplus food to consumers who are looking for near-expired products. The perfect match helps consumer to save 40-60% on meal budget while businesses can recover food costs, improve brand images, and develop a new marketing channel.

Ultimately, Eatchy aims to nurture a food saving culture and achieve sustainable consumption and production behavior.



4. Solution: Plastic category sorting with NIR

PLAPER (HK) Limited

Group: University/ Tertiary Institute

PLAPER is developing a new-generation *reverse vending machine* (RVM) which makes class-based plastic sorting easy and accurate.

Conventional RVMs identify PET bottles (type 1) through bar-code scanning, limiting the type of plastics to be collected and recycled.

PLAPER's RVM adopts NIR (Near-Infrared) technology together with a designated database for class-based plastic pre-sorting. A unique spectral "fingerprint" of a plastic product is revealed under the excitation of designated NIR wavelength, reducing the limitation of plastic classification.



5. Solution: Bread beer

Breer Limited

Group: University/ Tertiary Institute

Breer is a food upcycling startup that collects unsold, uneaten bread and pizza base, and utilizes it in the brewing of bread beer in order to reduce waste.



6. Solution: Soilable Straw Jetwell GreenTech Limited Group: Open

Soilable Straw is an innovative green solution to reduce plastic wastes in the Food & Beverage Industry and help prevent landfills from saturation in Hong Kong.

Made of paper with patented product design and manufacturing technology, Soilable Straw is ultra-durable for over 3 hours without turning soggy. It is glueless so users may enjoy the original taste of their drinks, and printable for customized branding.

Simply rinse a Soilable Straw after use and recycle them with normal waste paper. As the only truly recyclable straw in the market, Soilable Straw hopes to create a circular economy together in Hong Kong and beyond.



7. Solution: incrEDIBLE! Cutlery

Planeteers HK Limited

Group: University/ Tertiary Institute

incrEDIBLE! is an edible cutlery that provides a sustainable and superior culinary experience.

Aiming to tackle the environmental challenges posed by single-use plastic and wooden disposable cutlery, incrEDIBLE! straws, spoons, cups and ice cream spoons are 100% biodegradable and come in a variety of flavours designed to complement your meal.



8. Solution: Food TranSmarter

AEL (International Holdings) Limited

Group: Open

Food TranSmarter is a food waste pre-treatment system, liquidizing food waste into slurry and filtering out undesirable substances.

Comparing to the traditional food waste processing, Food TranSmarter can handle impurities without affecting its normal operation, saving manpower from sorting food waste. Its automatic operation also allows a flexible infeed schedule.



Slurry can be transported by tankers, replacing the inefficient and costly conventional mobile garbage bins and box trucks.

Food TranSmarter is a fully enclosed system equipped with odor management, minimizing hygiene nuisance to the environment.

It also utilizes IoT modules and wireless communication where real-time operational data is available on an online platform.

9. Solution: FEEDSPRESSO

Ergotek Limited Group: Open

FEEDSPRESSO is an "IoT food waste to feed" transformation system embedded in a shipping container, converts food waste collected from agriculture, aquaculture and households into low-cost but high-quality fertilisers and animal feeds. The solution aims to:



- Decentralise food waste management facility
- Reduce carbon and greenhouse gas emission
- Build a sustainable green community

One FEEDSPRESSO unit can process up to 8 tonnes of food waste and mitigate up to 100 tonnes of CO2-e (carbon dioxide equivalent) emissions daily, or about 36,500 tonnes of CO2-e emissions yearly.

10. Solution: Clearbot Open Ocean Engineering Group: Open

Open Ocean Engineering is a robotics and tech company that innovates AI-enabled self-driving robotic boats *Clearbot* that runs on alternative and efficient sources of energy i.e. electricity and solar energy. Clearbot is completely unmanned and can operate autonomously thus, revolutionising transportation in the marine environment, making it possible to reduce carbon emissions and attain

carbon neutrality with net zero emissions.



CONTROLLING OFFICER'S REPLY

ITIB098

(Question Serial No. 1259)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title): ()

<u>Programme</u>: (5) Quality Support

<u>Controlling Officer</u>: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Regarding the promotion of the development of the testing and certification (T&C) sector in Hong Kong, what are the amount of funding to be invested by the Government in this area in 2023-24 and the details of the relevant work? What are the number of companies in Hong Kong responsible for T&C work, their T&C business and area of work? How many of them are T&C businesses newly introduced to Hong Kong in the past 3 years?

Asked by: Hon CHAN Han-pan (LegCo internal reference no.: 38)

Reply:

The overall budgeted provision under Programme (5): Quality Support for 2023-24 is \$130 million (covering the salaries of the personnel concerned, recurrent and non-recurrent The aim of Programme (5) is to promote internationally accepted departmental expenses). standards and conformity assessment services to underpin technological development and international trade, and the development of the testing and certification (T&C) sector in Hong The Innovation and Technology Commission (ITC) achieves this aim through the operation of (i) the Hong Kong Accreditation Service, (ii) the Standards and Calibration Laboratory and (iii) the Secretariat of the Hong Kong Council for Testing and Certification. The major areas of work in this regard include enhancing accreditation services continuously, providing calibration and proficiency testing services, and supporting the T&C industry to explore new opportunities through the promotion of Hong Kong's T&C services to users in different industrial sectors as well as the Mainland and overseas markets. With a view to fostering the manpower development of the industry, ITC will continue to administer the T&C Sector Job Creation Scheme to encourage private T&C organisations to attract talents for cultivating the T&C talent pool. ITC will also organise the 2023-24 T&C Manpower Development Award Scheme to commend T&C organisations which attach great importance to manpower training and professional development, while also acclaiming outstanding T&C practitioners who strive for excellence in continuous learning and make distinguished contributions to improving service quality.

According to the currently available statistics from the surveys conducted by the Census and Statistics Department, the numbers of establishments engaging in testing, inspection and certification activities are as follows:

	2019	2020	2021
Private independent	770	800	820
establishments^			
Manufacturers and	40	45	45
exporters with in-house			
laboratories for			
conducting testing			
activities			
Laboratories in	60	60	60
government departments/			
public organisations*			
Total	870	905	925

[^] Private independent establishments provide testing, inspection and certification services for different industries, including medical, toys and games, textiles, clothing and footwear, electrical products and construction materials, etc.

^{*} For example, the Government Laboratory, the Public Health Laboratory Services Branch under the Centre for Health Protection.

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB099

(Question Serial No. 1406)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title): ()

<u>Programme</u>: (2) Promotion of Technological Entrepreneurship

<u>Controlling Officer</u>: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Under Matters Requiring Special Attention in 2023-24 of Programme (2), it is indicated that the Government will take forward the "Research, Academic and Industry Sectors One-plus Scheme" (RAISe+ Scheme). In this connection, will the Government inform this Committee of the following:

- 1. The RAISe+ Scheme will fund, on a matching basis, university research teams with potential to become innovation and technology (I&T) start-ups. What are the criteria for the Government to assess potential projects and please give some examples for reference?
- 2. It is learnt that a project has to be completed in 2 stages. The first stage is for the transformation and realisation of research and development (R&D) outcomes within 3 years and the second stage for the commercialisation of R&D outcomes within the subsequent 2 years. What is the number of I&T projects, funded by the Government in the last 5 years, which have been successfully developed and realised within 5 years?
- 3. It was announced in last year's Policy Address that at least 100 research teams in universities which have good potential to become start-ups would be funded starting from this year. Has the Government evaluated the economic benefits to be brought about in the future by the realisation and commercialisation of the projects 5 years later?

Asked by: Hon CHAN Hok-fung (LegCo internal reference no.: 21)

Reply:

1. In order to unleash the potential of local universities in transforming research and development (R&D) outcomes, the Chief Executive announced in the Policy Address promulgated in October 2022 the launch of a \$10 billion "Research, Academic and Industry Sectors One-plus Scheme" (RAISe+ Scheme). The Innovation and Technology Commission (ITC) is formulating the implementation details of the RAISe+ Scheme. Under the proposed RAISe+ Scheme, the applicant teams should possess excellent original breakthrough R&D outcomes which have reached a certain "Technology Readiness Level", as well as clear business plans for transforming their R&D outcomes and moving towards the commercialisation stage. They should also

be able to attract a certain level of capital investment and/or in-kind support from the industry and the respective universities. An applicant team has to submit application to ITC via the respective university(ies). The recommended applications will first be subject to ITC's preliminary assessment, and then be submitted to an expert committee comprising members from different sectors including academic and relevant industries The assessment criteria include the innovation and technology component of the project, commercial viability of project outcomes, technical and management capability of the team, relevance of the project with government policies or how far it is in overall interest of the community and financial considerations of the project (such as the reasonableness and financial viability of the estimated expenditure We consulted the Panel on Commerce, and the level of industry sponsorship). Industry, Innovation and Technology of the Legislative Council (LegCo) in March this year and received valuable advice and support from the Members. We will submit a funding application to the Finance Committee of LegCo in the second quarter with a view to launching the RAISe+ Scheme as early as possible within this year. Hence, examples for reference are not available at the moment.

- 2. The RAISe+ Scheme aims to give impetus to potential research teams to transform their original R&D outcomes with a certain level of technology readiness to products or services for entry into the commercialisation stage and launch their products/services in the market within the funding period of around 5 years (Note 1). Regarding the Innovation and Technology Fund (ITF), there are currently 17 funding schemes to support 5 innovation and technology (I&T) areas, namely supporting applied R&D, facilitating technology adoption, nurturing I&T talent, supporting technology start-ups, and fostering an I&T culture. As each funding scheme has its own objective, scope and modus operandi, ITC has not requested all the ITF beneficiaries to regularly report on whether their projects have been successfully developed for realisation and commercialisation upon completion of the project/after the funding period. supporting technology start-ups, a total of 241 start-ups have been funded under the Technology Start-up Support Scheme for Universities in the past 5 financial years from 2017-18 to 2021-22, of which 147 (about 61%) have rolled out their products or services in the market during the funding period. On the other hand, ITC commissioned an independent consultant in 2019 to carry out a study of 5 schemes under the ITF to examine their respective effectiveness. According to the estimate of the consultant, the percentages of projects with commercialisation income under the Enterprise Support Scheme and the Innovation and Technology Support Programme (ITSP) were 53% and 33% (Note 2) respectively.
- 3. We expect that upon the launch of the RAISe+ Scheme, it can encourage more private companies to participate or invest in R&D projects and technopreneur activities, realise more R&D outcomes of deep technology from university teams, provide long-term and comprehensive support for applied R&D activities in Hong Kong, and further promote the collaboration among the Government, industry, academic and research sectors and encourage universities, private companies and R&D communities in Hong Kong, the Mainland and overseas to conduct more R&D collaborations and exchanges, thereby supporting the development of Hong Kong into an international I&T centre. The economic benefits to be brought by the RAISe+ Scheme to Hong Kong will depend on the technology area, product positioning, expected market condition and other factors of the projects approved under the RAISe+ Scheme.

Note 1: As the time required for the transformation of R&D outcomes into products or services for different technology areas may vary, or some projects may have a higher level of technology readiness, we will handle individual applications flexibly.

Note 2: ITSP projects are mainly seed and platform projects that belong to relatively upstream (exploratory in nature) and midstream R&D, which are far from the commercialisation stage. The above outcomes did not come easy.

- End -

CONTROLLING OFFICER'S REPLY

ITIB100

(Question Serial No. 3494)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title): ()

<u>Programme</u>: Not Specified

<u>Controlling Officer</u>: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is mentioned in the Budget that the Advanced Manufacturing Centre (AMC) was opened in 2022. Tenants which have already moved in include enterprises engaged in the manufacturing of civilian satellites and advanced materials as well as provision of smart logistics-related services. To tie in with the policy objectives of attracting strategic enterprises to establish a presence in Hong Kong and promoting new industrialisation, the Government will plan ahead to provide more advanced manufacturing space, including to support the setting up of the second AMC, on which the Hong Kong Science and Technology Parks Corporation (HKSTPC) is currently conducting a feasibility study. In this connection, will the Government advise this Committee on:

- a. the current number of tenants which have already moved into the AMC and the specific sectors they engage in; whether all the units at the AMC have been leased out; and whether the HKSTPC has evaluated its effectiveness; and
- b. the time of completion of the feasibility study and implementation of the plan for the second AMC; and whether there is any plan to set up a third AMC?

Asked by: Hon CHAN Kin-por (LegCo internal reference no.: 18)

Reply:

A reply to the respective parts of the question is provided as follows:

(a) The Advanced Manufacturing Centre (AMC) was opened in April 2022. As at February 2023, a total of 7 enterprises have moved in, including those engaging in the manufacturing of medical supplies, civilian satellites, smart security products and advanced materials as well as providing smart logistics-related services. The occupancy rate is about 40%. The Hong Kong Science and Technology Parks Corporation (HKSTPC) is having discussions with various enterprises and expects to lease out almost all units in 2025-26. In vetting tenant applications, the HKSTPC will assess the economic benefits to be brought by the applicant enterprises and their contributions to the innovation and technology ecosystem.

(b) The HKSTPC is conducting a technical feasibility study on the construction of the second AMC to determine the development parameters, the project cost estimate and timetable. The study is expected to be completed by the end of 2023. We will closely monitor the demand for advanced manufacturing sites and plan ahead in a timely manner.

- End -

CONTROLLING OFFICER'S REPLY

ITIB101

(Question Serial No. 1348)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title): ()

<u>Programme</u>: (3) Planning for Innovation and Technology Development

<u>Controlling Officer</u>: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is mentioned in the Budget that the Innovation and Technology Commission will continue to administer the Re-industrialisation and Technology Training Programme (RTTP) and monitor the progress of the funded projects in 2023-24. It is understood that the total funding amount of the RTTP was approximately \$240 million with 3 660 public training programmes registered, and 7 218 funding applications for training approved to subsidise staff members of local companies to receive 22 800 trainings since the launch of the RTTP 5 years ago. In this connection, will the Government advise on the indicators to assess the effectiveness of the RTTP in subsiding on a matching basis staff members of local companies to receive trainings with a view to promoting the upgrading and transformation of traditional manufacturing industries.

Asked by: Hon CHAN Siu-hung (LegCo internal reference no.: 28)

Reply:

The Innovation and Technology Commission (ITC) launched the Re-industrialisation and Technology Training Programme (RTTP) in August 2018 to subsidise local companies on a 2(Government):1(company) matching basis for training their staff in advanced technologies, especially trainings related to "Industry 4.0". The funding ceiling for each eligible company is \$500,000 in each financial year.

ITC has commissioned the Vocational Training Council (VTC) to administer the RTTP and serve as the Secretariat. RTTP is overseen by the Innovation and Technology Training Board of the VTC with the responsibility for determining the technology training courses eligible for subsidy under the RTTP such that the courses could better suit the needs of enterprises. The Secretariat has been maintaining liaison with trade associations, industry organisations, professional bodies and course providers to keep abreast of the latest trend in technology training; and has been encouraging course providers to enhance communication with enterprises and industry bodies, etc., and to take into account trainees' feedback. The Secretariat has also conducted regular surveys to gauge the feedback of participating enterprises on the RTTP and review its effectiveness, and the responses are highly positive.

The latest round of survey showed that almost 90% of the respondents agreed that the courses under the RTTP had a positive impact in enhancing the knowledge and skills of their employees, and over 80% agreed that the RTTP could help enhance their productivity. ITC will continue to make assessments and adjustments to the RTTP so as to continuously optimise the RTTP.

- End -

ITIB102

(Question Serial No. 1130)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title): ()

<u>Programme</u>: Not Specified

<u>Controlling Officer</u>: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is announced in the Budget that the Government will support the establishment of a Microelectronics Research and Development Institute (Institute) to promote microelectronics development in Hong Kong, aiming to make it a leading organisation for supporting microelectronics development in the Asia-Pacific region. In this connection,

- 1. will public-private partnership be adopted by the Institute and whether the Government will provide special arrangement and complementary measures, including the provision of subsidy and comprehensive support with a view to attracting leading international microelectronics experts to participate in the research work in Hong Kong; if yes, what are the specific details and various measures?
- 2. has any evaluation been made in respect of the actual benefits to be brought about to the local innovation and technology (I&T) development and the economy as a whole by establishing the Institute; and what are the specific ways of collaboration between the Institute and universities, research centres and the industry with a view to expediting the "1 to N" transformation of technological outcomes?
- 3. has any review been conducted in respect of the development of the industries and ecosystem related to the local microelectronics sector; if yes, what are the results (including whether enhancement will be made to the microelectronics ecosystem and comprehensive planning of the overall development of the local microelectronics industry will be carried out, etc.)?
- 4. has any evaluation been made in respect of whether the current number of microelectronics talents in Hong Kong is adequate to meet the future development needs of the local microelectronics industry; if yes, what are the results, which kind of microelectronics talents is in acute shortage, and what specific measures will be implemented to fill that shortage?
- 5. what are the specific timetable and construction cost required to establish the Institute?

Asked by: Hon CHIU Duncan (LegCo internal reference no.: 15)

Reply:

A consolidated reply to the various parts of the question is as follows:

Given the rapid growth in global demand for microelectronics at present, there is ample room for development. To seize this opportunity and promote microelectronics development in Hong Kong, the Government will support the establishment of a Microelectronics Research and Development Institute (Institute) with the aim to make it one of the leading organisations for supporting microelectronics development in the Asia-Pacific region. The Institute will strengthen collaboration with universities, research and development (R&D) centres and the industry, conduct high-quality R&D work and expedite the "1 to N" transformation of technological outcomes, with a view to attracting Mainland and overseas talents in relevant fields and strengthening the nurture of local R&D talents to make the Institute a hub for pooling together talents from Hong Kong, the Mainland and overseas, thereby further enhancing the innovation and technology ecosystem of Hong Kong.

Hong Kong possesses a remarkable upstream scientific research foundation and capability, a robust intellectual property protection regime and international networks, enterprises can fully utilise the stable supply chain and advanced manufacturing capability in the Greater Bay Area to realise mass production. The Institute will liaise with stakeholders like the local and overseas industry, universities and research centres to form partnerships, understand market needs and identify cooperation opportunities on R&D projects, commence innovative and applied R&D in microelectronics, assist the industry to solve problems, as well as plan to conduct small scale pilot production, with a view to promoting technology transfer and realising commercialisation of outcomes. The Institute will also play a leading role as a research institute by promoting technological innovation and assisting the industry to enhance efficiency in order to upgrade and transform.

The universities in Hong Kong and the Hong Kong Applied Science and Technology Research Institute possess a number of world-class microelectronics scholars and researchers with strong research capabilities that specialise in microelectronics areas like electronic design automation, advanced packaging, and design of third-generation semiconductors. With a view to encouraging and attracting quality talents continuously, the Government has launched the Global STEM Professorship Scheme, introduced the Top Talent Pass Scheme and optimised the Technology Talent Admission Scheme. The establishment of the Institute can further pool together world-leading scholars and researchers, serving as an important drive for our microelectronics development.

The establishment of the Institute would require detailed planning and an estimate on the scale of the Institute, expenditure and manpower is not available at the current stage. We will invite experts to offer advice and assess the requirements on manpower, operating equipment, etc. as well as the directions of R&D projects, with a view to completing the required planning as soon as possible. We aim to report to the Legislative Council on the timetable and progress of the preparatory work for the establishment of the Institute within the 2023-24 year.

ITIB103

(Question Serial No. 2015)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title): ()

<u>Programme</u>: (1) Support for Research and Development

<u>Controlling Officer</u>: Commissioner for Innovation and Technology (Ms Rebecca PUN)

Director of Bureau: Secretary for Innovation, Technology and Industry

Question:

It is mentioned in the Budget that the Government will support the establishment of a Microelectronics Research and Development Institute (Institute) to promote microelectronics development in Hong Kong, aiming to make it a leading organisation for supporting microelectronics development in the Asia-Pacific region. Please advise on the following:

- 1. What are the preliminary details of the relevant plan of the Government and the work timetable;
- 2. What are the manpower required and resources involved in the relevant work; and
- 3. The Institute is also tasked with strengthening collaboration with universities, research and development (R&D) centres and the industry and expediting the transformation of technological outcomes. This will help pool together Mainland and overseas talents in relevant fields and strengthen the nurturing of local R&D talents. What are the specific details of the plan of the Government in relation to the various aspects mentioned above?

Asked by: Hon CHOW Ho-ding, Holden (LegCo internal reference no.: 8)

Reply:

Given the rapid growth in global demand for microelectronics at present, there is ample room for development. To seize this opportunity and promote microelectronics development in Hong Kong, the Government will support the establishment of a Microelectronics Research and Development Institute (Institute) with the aim to make it one of the leading organisations for supporting microelectronics development in the Asia-Pacific region. The Institute will strengthen collaboration with universities, research and development (R&D) centres and the industry, conduct high-quality R&D work and expedite the "1 to N" transformation of technological outcomes, with a view to attracting Mainland and overseas talents in relevant fields and strengthening the nurture of local R&D talents to make the Institute a hub for pooling together talents from Hong Kong, the Mainland and overseas, thereby further enhancing the innovation and technology ecosystem of Hong Kong.

The establishment of the Institute would require detailed planning and an estimate of the resources involved is not available at the current stage. We will invite experts to offer advice

and assess the requirements on manpower, operating equipment, etc. as well as the directions of R&D projects, with a view to completing the required planning as soon as possible and reporting to the Legislative Council on the progress of the preparatory work for the establishment of the Institute within this year.

- End -

ITIB104

(Question Serial No. 2042)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title): ()

<u>Programme</u>: (6) Subvention: Hong Kong Productivity Council, Hong Kong

Applied Science and Technology Research Institute Company

Limited

Controlling Officer: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

The Hong Kong Productivity Council (HKPC) is an organisation established by statute in Hong Kong to promote productivity excellence through relentless drive of world-class advanced technologies and innovative service offerings to support Hong Kong enterprises. Being a key enabler of Industry 4.0 and Enterprise 4.0, the HKPC strives to facilitate Hong Kong's new industrialisation development, as well as bolstering Hong Kong to be an international innovation and technology hub and a smart city.

Will the Government advise on the numbers of new research and development projects initiated by the HKPC each year from 2020 to 2022?

Asked by: Hon CHOW Ho-ding, Holden (LegCo internal reference no.: 35)

Reply:

The expertise and knowledge of the Hong Kong Productivity Council (HKPC) cover various disciplines. Throughout the years, the HKPC engages in active collaboration with local industries and enterprises, facilitating the research and development (R&D) of novel technologies through product and process innovation. Advanced manufacturing, smart mobility, green technology, food technology, and gerontech are some examples of the applications covered which help lay the sound foundation of "new industrialisation".

From 2020 to 2022, there were 79, 102 and 106 new R&D projects initiated by the HKPC in 2020, 2021 and 2022 respectively, the majority of which were funded under the Innovation and Technology Fund.

ITIB105

(Question Serial No. 2043)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title): ()

<u>Programme</u>: (6) Subvention: Hong Kong Productivity Council, Hong Kong

Applied Science and Technology Research Institute Company

Limited

Controlling Officer: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

The Hong Kong Productivity Council (HKPC) is a multi-disciplinary organisation established by statute in Hong Kong to promote productivity excellence through relentless drive of world-class advanced technologies and innovative service offerings to support Hong Kong enterprises.

Will the Government advise on the numbers of scientific research projects carried out by the HKPC in collaboration with research institutions from the Mainland and overseas each year from 2020 to 2022?

Asked by: Hon CHOW Ho-ding, Holden (LegCo internal reference no.: 36)

Reply:

The Hong Kong Productivity Council (HKPC) has all along been developing scientific research projects and conducting consultancy projects, training courses, promotional activities and demonstration projects in collaboration with world-class research and development institutions from Hong Kong, the Mainland and overseas. Regarding the scientific research projects carried out by the HKPC in collaboration with research institutions from the Mainland and overseas, there were 6, 7 and 1 in 2020, 2021 and 2022 respectively.

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB106

(Question Serial No. 2044)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title): ()

<u>Programme</u>: (6) Subvention: Hong Kong Productivity Council, Hong Kong

Applied Science and Technology Research Institute Company

Limited

Controlling Officer: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

The Hong Kong Productivity Council (HKPC) is a multi-disciplinary organisation established by statute in Hong Kong to promote productivity excellence through relentless drive of world-class advanced technologies and innovative service offerings to support Hong Kong enterprises.

Will the Government advise on the numbers of patents for scientific research which were applied by the HKPC each year from 2020 to 2022?

Asked by: Hon CHOW Ho-ding, Holden (LegCo internal reference no.: 37)

Reply:

The Hong Kong Productivity Council (HKPC) has all along been fostering the development of high value-added industries and innovative technologies in Hong Kong, with a view to protecting the research and development results developed by the HKPC through patent registration.

From 2020 to 2022, there were 87, 58 and 66 patents filed, either with the HKPC as the applicant or co-applicant, in 2020, 2021 and 2022 respectively. During the same period, there were 29, 59 and 47 patents granted in 2020, 2021 and 2022 respectively.

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB107

(Question Serial No. 2476)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title): ()

<u>Programme</u>: (6) Subvention: Hong Kong Productivity Council, Hong Kong

Applied Science and Technology Research Institute Company

Limited

Controlling Officer: Commissioner for Innovation and Technology (Ms Rebecca PUN)

Director of Bureau: Secretary for Innovation, Technology and Industry

Question:

Being a key enabler of Industry 4.0 and Enterprise 4.0, the Hong Kong Productivity Council (HKPC) promotes productivity excellence to support Hong Kong enterprises.

Will the Government advise on the numbers of enterprises inside Hong Kong to which the HKPC provided services each year from 2020 to 2022? What was the relevant income each year? What was the ratio of such income to the total amount of service charges in that year?

Asked by: Hon CHOW Ho-ding, Holden (LegCo internal reference no.: 39)

Reply:

The Hong Kong Productivity Council (HKPC) is the key enabler in facilitating Hong Kong's new industrialisation empowered by Industry 4.0 and Enterprise 4.0, focusing on technology research and development, Internet of Things, big data analytics, artificial intelligence and robotic technology development, smart manufacturing and other advanced areas to help enterprises and industries lower operating costs, increase productivity and enhance competitiveness.

The numbers of enterprises inside Hong Kong being provided with services of the HKPC, the relevant incomes and the ratios of such incomes to the total service incomes in each of the past 3 years are tabulated as follows:

Financial year	2020-21	2021-22	2022-23
			(as at end-February)
Number of enterprises inside Hong	534	473	436
Kong being provided with services			
Relevant income	194	217	227
(\$ million)			
Ratio of such income to the total	36	35	35
service income of the HKPC in the			
relevant year (%)			

- End -

ITIB108

(Question Serial No. 2477)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title): ()

<u>Programme</u>: (6) Subvention: Hong Kong Productivity Council, Hong Kong

Applied Science and Technology Research Institute Company

Limited

Controlling Officer: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

The Hong Kong Productivity Council (HKPC) is a multi-disciplinary organisation established by statute in Hong Kong to promote productivity excellence through relentless drive of world-class advanced technologies and innovative service offerings to support Hong Kong enterprises.

Will the Government advise on the numbers of research and development outcomes successfully commercialised by the HKPC each year from 2020 to 2022?

Asked by: Hon CHOW Ho-ding, Holden (LegCo internal reference no.: 40)

Reply:

The Hong Kong Productivity Council (HKPC) actively promotes the commercialisation and practical application of technologies and supports the upgrading and transformation of traditional industries in Hong Kong through the use of innovative smart technologies. From 2020-21 to 2022-23 (as at end-January), the HKPC assisted their industrial and commercial clients in conducting 1 280, 1 433 and 1 346 technological projects for industrial adoption respectively.

At the same time, the HKPC actively engages in technological research and development. From 2020-21 to 2022-23 (as at end-January), the HKPC possessed a number of patented technologies that led to the commencement of new technological projects for industrial adoption or technology licensing. The numbers were 22, 27 and 18 in the relevant years respectively.

ITIB109

(Question Serial No. 2588)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title): ()

<u>Programme</u>: (4) Infrastructural Support

<u>Controlling Officer</u>: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is pointed out in the Budget that the Hong Kong Science and Technology Parks Corporation (HKSTPC) is currently conducting a feasibility study on the setting up of the second Advanced Manufacturing Centre(AMC). Please advise on:

- 1. the manpower resources and expenditures involved in the relevant feasibility study;
- 2. the details of the expected work timetable of the study;
- 3. the current details of the preliminary plan of the second AMC;
- 4. whether in terms of planning, there is any division of work on the types of strategic innovation and technology industry to be critically promoted in Hong Kong and/or associated pattern between the second AMC planned in the Tai Po InnoPark and the AMC in Tseung Kwan O InnoPark which has already commenced operation. If not, what is the difference between the 2 AMCs apart from their geographical locations, and what is the specific plan?

Asked by: Hon CHOW Ho-ding, Holden (LegCo internal reference no.: 6)

Reply:

To tie in with the policy objectives of attracting strategic enterprises to establish a presence in Hong Kong and promoting new industrialisation, the Government will plan ahead to provide more advanced manufacturing space. The Hong Kong Science and Technology Parks Corporation (HKSTPC) is conducting a technical feasibility study on the construction of the second Advanced Manufacturing Centre to determine the development parameters, the project cost estimate and timetable. Pending the completion of the study which is expected to be by the end of 2023, the Government will provide the relevant details in a timely manner.

ITIB110

(Question Serial No. 2824)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title): ()

<u>Programme</u>: (3) Planning for Innovation and Technology Development

<u>Controlling Officer</u>: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

The Reindustrialisation and Technology Training Programme (RTTP) was launched under the Innovation and Technology Fund to subsidise, on a 2:1 matching basis, local companies to train their staff in advanced technologies. Please advise on:

- 1. the numbers of applications for registering public courses approved under the RTTP, the numbers of staff benefitted and the total funding amounts each year since the launch of the RTTP in August 2018; and
- 2. whether the Government will consider enhancing the RTTP, including the increase of the categories of recognised courses with a view to providing in-depth and tailor-made techniques as well as knowledge required by traditional manufacturing industries in their course of upgrading and transformation to smart production, and allowing enterprises to arrange overseas training courses organised by non-local organisations for their staff so that more employers can provide an enhanced continuing study ladder to their in-service staff.

Asked by: Hon CHOW Ho-ding, Holden (LegCo internal reference no.: 46)

Reply:

The Innovation and Technology Commission launched the Re-industrialisation and Technology Training Programme (RTTP) in August 2018 to subsidise local companies on a 2(Government):1(company) matching basis for training their staff in advanced technologies, especially trainings related to "Industry 4.0". The funding ceiling for each eligible company is \$500,000 in each financial year. The numbers of applications for registering public courses and trainings for staff of local enterprises subsidised to participate in such courses, and the total funding amount under the RTTP in each of the past 5 years are tabulated as follows:

Year	Number of applications for	Number of trainings for staff	Total funding
	registering public courses	of local enterprises subsidised	amount
2018	171	261	\$1,703,303
2019	347	1 535	\$9,888,589
2020	722	1 782	\$11,101,167
2021	1 515	5 958	\$47,366,203
2022	1 680	11 883	\$157,864,766
Total	4 435	21 419	\$227,924,028

ITC has commissioned the Vocational Training Council (VTC) to administer the RTTP and serve as the Secretariat. RTTP is overseen by the Innovation and Technology Training Board of the VTC with the responsibility for determining the technology training courses eligible for subsidy under the RTTP such that the courses could better suit the needs of The Secretariat has been maintaining liaison with trade associations, industry organisations, professional bodies and course providers to keep abreast of the latest trend in technology training; and has been encouraging course providers to enhance communication with enterprises and industry bodies, etc., and to take into account trainees' feedback. courses approved under the RTTP include trainings that assist the upgrading and transformation of traditional manufacturing industries. For instance, the training course of the Hong Kong Productivity Council Academy (HKPC Academy) on "Future Skills in Scientific Molding" introduces scientific molding skills to trainees so as to establish or refine the injection molding processes of enterprises. Approved public courses also cover overseas training courses, including an overseas training course by the HKPC Academy that arranges trainees to visit Germany to participate in a series of on-site field studies at multiple enterprises of their smart manufacturing systems and processes, intelligent measurement and quality control techniques and solutions, with a view to letting the participants understand the various technologies adopted in an in-depth manner.

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB111

(Question Serial No. 3095)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title): ()

<u>Programme</u>: (3) Planning for Innovation and Technology Development

<u>Controlling Officer</u>: Commissioner for Innovation and Technology (Ms Rebecca PUN)

Director of Bureau: Secretary for Innovation, Technology and Industry

Question:

Please provide the numbers of applications for setting up smart production lines approved each year since the launch of the Re-industrialisation Funding Scheme in July 2020, as well as the average funding amount, the highest and lowest funding amounts for a single application respectively and the industry type of applicant enterprises.

Asked by: Hon CHOW Ho-ding, Holden (LegCo internal reference no.: 47)

Reply:

The Innovation and Technology Commission (ITC) launched the Re-industrialisation Funding Scheme (RFS) in July 2020 to subsidise manufacturers, on a 1 (Government): 2 (enterprise) matching basis, to set up new smart production lines in Hong Kong. The funding ceiling is one-third of the total cost of an approved project or \$15 million, whichever is lower.

The number of applications received by ITC under the RFS in 2020-21, 2021-22 and 2022-23 (as at mid-March) were 13, 21 and 15 respectively (49 in total). As at mid-March 2023, 30 applications were supported by the the RFS Vetting Committee (excluding 8 applications which were withdrawn by the applicant companies due to changes in the business environment after support had been given by the Vetting Committee). The average funding amount for each project was around \$9 million. The highest funding amount was \$15 million and the lowest was around \$0.3 million. The industrial sector of the relevant projects is tabulated as follows:

Industrial sector	Applications supported by the vetting committee
Food manufacturing and processing (including health food)	14
Medical device	2
Construction materials	2
Biotechnology	2
Nanofiber materials	2
Pharmaceutical production (including Chinese medicine)	2
Equipment and parts	2
Textiles and clothing	1
Electronics	1
Others	2
Total	30

ITIB112

(Question Serial No. 0717)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title): ()

<u>Programme</u>: (1) Support for Research and Development

<u>Controlling Officer</u>: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Question:

The Innovation and Technology Commission (ITC) launched the Innovation Hub@HK in August 2022 with an aim of showcasing the research and development (R&D) outcomes of universities and research institutes of Hong Kong. The website provides a one-stop platform to connect universities, research institutes and the industry to facilitate commercialisation and technology transfer of R&D outcomes. As shown in the Programme, the Matters Requiring Special Attention from ITC in 2023-24 include promoting the Innovation Hub@HK, enhancing the website with more functions and enriching its contents with more R&D outcomes. In this connection, will the Government inform this Committee of the following:

- 1. What are the numbers of R&D outcomes that have been showcased since the launch of the website and among them, those being enquired or intended to be used by the industry?
- 2. What are the Government's plan and details thereof in relation to the promotion of the website? What are the estimated manpower and expenditure involved?
- 3. What are the Government's plan and details thereof in relation to the enhancement of the website with more functions? What are the estimated manpower and expenditure involved?

Asked by: Hon CHOW Man-kong (LegCo internal reference no.: 8)

Reply:

A consolidated reply to Questions (1) to (3) is as follows:

The Innovation Hub@HK (www.innovationhub.hk) is developed and launched by the Innovation and Technology Commission (ITC), which aims at showcasing research and development (R&D) outcomes of Hong Kong's public research institutes to facilitate commercialisation and technology transfer to the industry. Currently, the website covers research deliverables of 6 universities (viz. City University of Hong Kong, Hong Kong

Baptist University, The Chinese University of Hong Kong, The Hong Kong Polytechnic University, The Hong Kong University of Science and Technology and The University of Hong Kong) and 6 research institutes (viz. Automotive Platforms and Application Systems, Hong Kong Applied Science and Technology Research Institute, Hong Kong Productivity Council, Logistics and Supply Chain MultiTech R&D Centre, Nano and Advanced Materials Institute, and The Hong Kong Research Institute of Textiles and Apparel), showcasing a total of around 370 R&D outcomes, and involving 29 technology areas and 35 industrial sectors.

Through the website, users can learn about the applied R&D outcomes of researchers in Hong Kong, get in touch directly with the relevant project teams, and explore how their research deliverables could help upgrade and transform enterprises or develop new products, thereby facilitating collaboration opportunities. Since the launch of the website in mid-August 2022, more than 70 enquiries have been referred to the relevant organisations via the website for follow-up. Users can also contact the concerned organisations directly for individual projects and ITC does not have the relevant statistics.

ITC has been promoting the website through different channels, including:

- (i) promoting the website to the local enterprises and Hong Kong enterprises in the places concerned through the networks of the Hong Kong Economic and Trade Offices in the Mainland and overseas, the Guangdong-Hong Kong-Macao Greater Bay Area (GBA) Development Office, the Belt and Road Office, the Trade and Industry Department and the Hong Kong Trade Development Council;
- (ii) sending emails via the Hong Kong Productivity Council to enterprise users and issuing letters to business organisations to introduce the website to their members; and
- (iii) publishing online advertorials to promote the website to GBA users.

ITC will continue to promote the website through different channels, including publishing advertorials and posting banner advertisements to make business owners in the GBA better understand and adopt the technologies developed in Hong Kong, with a view to further facilitating the realisation and commercialisation of local R&D outcomes.

ITC will enhance the website from time to time, including strengthening its search and content management functions to enable the industry to obtain information of the latest and suitable R&D outcomes through the website more conveniently. ITC will also progressively incorporate the deliverables of the 28 research laboratories under the InnoHK Research Clusters starting from the second quarter of 2023, so as to achieve greater synergy and transfer the R&D outcomes to application level.

The website is a collaborative project between ITC and the 6 research institutes. They jointly bear the development cost of \$350,000, including the 2-year expenditure for website management. ITC will support the relevant work of the website with its existing manpower and resources. As at March 2023, the expenditure for the promotion and publicity of the website was about \$240,000.

ITIB113

(Question Serial No. 0718)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title): (000) Operational expenses

<u>Programme</u>: (2) Promotion of Technological Entrepreneurship

<u>Controlling Officer</u>: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is indicated in the Programme that in order to incentivise collaboration among industry, academic and research sectors to further promote the transformation of research and development outcomes "from 1 to N" and the industry development, the Innovation and Technology Commission will launch a new "Research, Academic and Industry Sectors Oneplus Scheme" (RAISe+ Scheme) in 2023-24. In this connection, will the Government inform this Committee of the following:

- 1. When will the RAISe+ Scheme be officially open for application? If it has already started, how many applications have been received so far? What is the estimated number of university research teams applying for the RAISe+ Scheme in 2023-24?
- 2. What are the estimated additional manpower and expenditures involved in launching the RAISe+ Scheme?

Asked by: Hon CHOW Man-kong (LegCo internal reference no.: 9)

Reply:

In order to unleash the potential of local universities in transforming research and development (R&D) outcomes, the Chief Executive announced in the Policy Address promulgated in October 2022 the launch of a \$10 billion "Research, Academic and Industry Sectors One-plus Scheme" (RAISe+ Scheme).

The Innovation and Technology Commission (ITC) proposes to fund, on a matching basis, at least 100 research teams from universities which have good potential to become successful start-ups to commercialise their excellent original breakthrough basic R&D outcomes within around 5 years starting from 2023-24. We consulted the Panel on Commerce, Industry, Innovation and Technology of the Legislative Council (LegCo) on the RAISe+ Scheme in March this year and received valuable advice and support from the Members. We are formulating the implementation details of the RAISe+ Scheme and will submit a funding application to the Finance Committee of LegCo in the second quarter with a view to launching the RAISe+ Scheme as early as possible within 2023. The number of applications to be received in 2023-24 cannot be estimated at the moment.

ITC will set up a secretariat comprising 7 staff members to carry out the administrative work related to the RAISe+ Scheme, for instance, preparation of guide to application, forms, funding and administrative guidelines, preliminary assessment of the applications, arrangement of expert committee meetings, disbursement of funds, review of the operation of the RAISe+ Scheme, etc. The estimated total expenditure on salary in 2023-24 is approximately \$7.2 million. Given the RAISe+ Scheme is very large in scale and it involves deep technology, as well as the rapid technology development, the complexity and technicality of the applications cannot be underestimated. It is very likely that ITC needs to engage external experts and/or consultants to assist in vetting the applications and monitoring the progress of the approved projects.

- End -

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB114

(Question Serial No. 2486)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title):

<u>Programme</u>: Not Specified

<u>Controlling Officer</u>: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Under the Programme, the Innovation, Technology and Industry Bureau will oversee the implementation of the Re-industrialisation Funding Scheme (RFS) as well as the development of the Microelectronics Centre and the second Advanced Manufacturing Centre (AMC) to expedite new industrialisation. In this connection, please advise this Committee on:

- 1. the vacancy rate, number of enterprise tenants and industrial sector of the enterprises at the AMC in Tseung Kwan O;
- 2. whether leasing work has already been started for the Microelectronics Centre in Yuen Long, which is expected to be completed in 2023 and commmissioned in 2024; if yes, what is the leasing position; if not, when will the leasing work be expected to commence; and
- 3. the number of approved projects and funding amount approved since the launch of the RFS (please list by industrial sector).

Asked by: Hon HONG Wen, Wendy (LegCo internal reference no.: 3)

Reply:

A reply to the respective parts of the question is provided as follows:

- 1. The Advanced Manufacturing Centre (AMC) was opened in April 2022. As at February 2023, a total of 7 enterprises have moved in, including those engaging in the manufacturing of medical supplies, civilian satellites, smart security products and advanced materials as well as providing smart logistics-related services. The occupancy rate is about 40%.
- 2. The leasing work of the Microelectronics Centre has not yet commenced. The Hong Kong Science and Technology Parks Corporation will formulate the admission criteria and leasing plans in due course with a view to attracting relevant enterprises.
- 3. The Innovation and Technology Commission (ITC) launched the Re-industrialisation Funding Scheme (RFS) in July 2020 to subsidise manufacturers, on a 1 (Government): 2 (enterprise) matching basis, to set up new smart production lines in Hong Kong. The

funding ceiling is one-third of the total cost of an approved project or \$15 million, whichever is lower. As at mid-March 2023, 30 applications involving a total of 50 smart production lines were supported by the RFS Vetting Committee (excluding 8 applications which were withdrawn by the applicant due to changes in the business environment after support had been given by the Vetting Committee), involving a total project amount of approximately \$1 billion. The total funding amount of the RFS was about \$270 million and the matching fund from applicant companies was about \$730 million. The funding amount listed by industrial sector is tabulated as follows:

Industrial sector	Applications supported by the Vetting Committee	Funding amount (approximate)
Food manufacturing and processing (including health food)	14	\$120.80 million
Medical device	2	\$30 million
Nanofiber materials	2	\$27.8 million
Pharmaceutical production (including Chinese medicine)	2	\$19.9 million
Equipment and parts	2	\$18.8 million
Construction materials	2	\$8.8 million
Biotechnology	2	\$8.6 million
Textiles and clothing	1	\$15 million
Electronics	1	\$5.4 million
Others	2	\$17.7 million
Total	30	\$270 million

ITIB115

(Question Serial No. 3132)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title): ()

<u>Programme</u>: (3) Planning for Innovation and Technology Development

<u>Controlling Officer</u>: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Regarding digital transformation and the Technology Voucher Programme (TVP), please advise on:

- 1) the similarity and difference between the Digital Transformation Support Pilot Programme (Pilot Programme) to which \$500 million has been set aside and the TVP which has already been implemented; whether enterprises which have been funded by the TVP are still eligible to apply for the Pilot Programme;
- 2) the number of applications and total funding amount of the TVP so far; the mechanism for processing and monitoring the 10 732 applications and 17 927 projects being monitored; the details of the expenditures involved and the related establishment;
- 3) whether the Government can monitor effectively the enormous number of funded projects in view of the increasing number of applications; and the technology-related and smart measures of the Government to carry out the monitoring work;
- 4) whether the Government knows the number of enterprises which had been funded by the TVP but no longer have any substantive business or have ceased operation and the total funding amount involved; whether there is any mechanism to prevent a person from being the directors of different enterprises with a view to obtaining more subsidies; and
- 5) the remaining amount of the provision earmarked for the TVP and the performance indicators of the TVP before its roll-out; and whether any evaluation has been made on whether the TVP has already achieved the original policy objective or calculation been carried out in respect of the economic benefits the TVP has brought about?

Asked by: Hon KAN Wai-mun, Carmen (LegCo internal reference no.: 48)

Reply:

1) The Innovation and Technology Commission (ITC) launched the Technology Voucher Programme (TVP) in November 2016, with an aim to support local enterprises/organisations in using technological services and solutions to improve productivity, or upgrade or transform their business processes. The TVP provides enterprises with funding for the procurement of technology consultancy to assist in formulating relevant technological services or solutions targeting the needs of the

enterprise, as well as the purchase, rental or subscription of customised equipment/hardware, software and technological services or solutions, instead of merely procuring off-the-shelf/readily available ones. The Guidance Notes for Applications of the TVP specifies that expenditure under an approved TVP project shall not receive funding support from other local public funding sources, in other words, the same project will not be double funded.

On the other hand, the Government notes that many small and medium-sized enterprises (SMEs) have no or little access to digital technology. In the absence of support or guidance, SMEs may encounter difficulties in identifying their service needs and choosing the right digital solutions. It was announced in the 2023-24 Budget that \$500 million has been earmarked to launch the Digital Transformation Support Pilot Programme (Pilot Programme) by Cyberport to provide SMEs with pre-assessed, certified and ready-to-use basic digital solution packages, so that they can make their first step in digital transformation. Cyberport is finalising the specific details of the Pilot Programme. The Government will consult the Panel on Information Technology and Broadcasting on the details as soon as possible.

2) As at end-February 2023, a total of 27 112 TVP applications were received (excluding the 5 481 applications which were subsequently withdrawn or were unable to be processed due to ineligibility or missing supporting documents). Among the 21 716 applications assessed by the TVP Committee (Committee), 21 365 applications were approved, involving an aggregate funding amount of \$3.631 billion.

ITC introduced various enhancement measures in 2020, including the increase of the Government funding ratio of each approved project from two-thirds to three-fourths and the cumulative funding ceiling to \$600,000 for each enterprise/organisation. The upper limit of the number of approved projects was also raised to 6. Since then, the number of TVP applications has increased substantially and far exceeded ITC's manpower capacity. ITC appointed the Hong Kong Productivity Council (HKPC) to be the Secretariat of the TVP in June 2021. HKPC's expenditure for implementing the TVP in 2022 was approximately \$56 million, which covered staff remuneration, system enhancement and maintenance, organisation of promotional event and promotional expenses, etc. As at February 2023, the establishment for the implementation of the TVP in HKPC is 107 staff in total. For ITC, the implementation of the TVP is undertaken by 8 staff (2 of them have to carry out other duties as well), involving a total salary cost of around \$6.91 million. They are mainly responsible for the policy issues of the TVP, monitoring the progress of some of the projects, assessing and approving their final project reports, as well as monitoring the work of the Secretariat, etc.

For the application processing procedures, the Secretariat will, upon receipt of an application, check the eligibility of the applicant and conduct a preliminary screening. The Secretariat may seek clarification or supplementary information from the applicant if necessary. Eligible applications will be considered by the Committee while ineligible ones will be returned to the applicant. Applications supported by the Committee will be submitted to the Commissioner for Innovation and Technology (CIT) for approval of funding. Successful applicants may be required to revise the application in order to fulfill the conditions for approval set by the Committee (if any), and enter into a funding agreement with the Secretariat.

In respect of monitoring project implementation, an approved TVP project is required to be carried out strictly in accordance with the funding agreement and the application as approved by CIT. Requests for changes to approved projects as a result of unexpected circumstances will require prior approval by the Secretariat. Depending on the extent of the requested changes and the impact of the proposed changes on the outcome of the project, recommendations by the Committee may be sought before approval is granted by the Secretariat. The Secretariat will also conduct random onsite checks on individual TVP projects to ensure that the projects are completed in accordance with the approved application. Successful applicants are required to keep a proper and separate set of accounts and records for each TVP project for 7 years after the completion of the project, and provide such accounts and records for checking by the Secretariat upon request.

Within 2 months after completion of the project, the applicant should submit to the Secretariat a final project report, evidence of deliverables, invoices and corresponding receipts in relation to the payment for each expenditure item and an audited statement of income and expenditure (if the approved funding exceeds \$50,000)/a final statement of income and expenditure prepared by the applicant (if the approved funding is \$50,000 or below). The final payment will be made to the applicant upon project completion and the Committee's acceptance of the final project report.

- 3) In the past year, there was a substantial increase in the number of TVP applications. To enhance the efficiency in processing applications, improve the quality of service provided by the Secretariat and strengthen the monitoring of projects, the Secretariat has enhanced the functions of the administration system of the TVP in the past year, such as:
 - (a) introduced an online appointment function for signing funding agreements, facilitating the Secretariat to follow up on projects that had been approved but have not yet signed the funding agreement;
 - (b) written communication between the Secretariat and the applicants are saved in the system so that the responsible Secretariat staff can process the case in question in the system;
 - (c) reminders on the due date for reply and submission of documents are sent automatically by the system to the applicant in advance;
 - (d) developed a number of control and management reports to monitor regularly the progress of every work process of the Secretariat; and
 - (e) utilised Robotic Process Automation (RPA) technology to replace some manual and repetitive tasks (e.g. batch update of the approval status of applications after approval is given by ITC), thereby speeding up the application processing and reducing human errors.
- 4) Enterprises/organisations applying for the TVP are required, at the time of application, to have substantive business operations in Hong Kong and submit the relevant supporting documents. Before the disbursement of the final payment of the TVP project, the applicants are also required to provide the Secretariat with documents such as a valid Business Registration Certificate to prove that the enterprise/organisation concerned is still in operation. ITC does not collect information on whether the funded enterprises have ceased operation thereafter.

In response to industry demands, ITC has relaxed the restrictions on related entities with effect from August 2020. Enterprises/organisations set up as different legal entities but having the same individual(s) holding 30% or more ownership in each entity are no longer treated as one single entity for the purpose of calculating the cumulative funding amount under the TVP, thus benefitting more applicant enterprises/organisations and expediting digital transformation.

5) The Government announced in the 2016-17 Budget the launch of a \$500 million TVP under the Innovation and Technology Fund (ITF) on a pilot basis for 3 years to support local SMEs in using technological services and solutions to improve productivity, or upgrade or transform their business processes. No performance indicators have been established prior to the roll-out of the TVP. In view of the popularity of the TVP in the industry, with effect from 27 February 2019, the TVP has been converted into a regular funding programme under the ITF with no separate approved commitment.

effectiveness of TVP, ITC To assess the the requires applicant enterprises/organisations to submit evaluation reports 6 months after project completion on whether the project could achieve the objectives of improving productivity, or upgrading or transforming their business processes. As at end-2022, 1 963 funded enterprises/organisations have already completed their projects and submitted evaluation reports to ITC. 99% of the funded enterprises/organisations were of the view that the projects were conducive to enhancing their competitiveness, saving manpower, time and/or cost, or upgrading/transforming/streamlining their business The remaining 1% conveyed that similar projects have become mainstream in the market involving maintenance costs, or that they implemented the projects mainly to enhance efficiency of the business processes or save costs rather than to enhance competitiveness beneficiary or increase profits. Almost all of the enterprises/organisations indicated that ITC should continue to implement the TVP.

ITIB116

(Question Serial No. 1800)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title): ()

<u>Programme</u>: (3) Planning for Innovation and Technology Development

<u>Controlling Officer</u>: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

In the Programme, the Innovation and Technology Commission indicates that it has administered the STEM Internship Scheme (the Scheme) to provide allowance to students studying STEM (Science, Technology, Engineering and Mathematics) programmes in universities funded by the University Grants Committee to undertake short-term full-time internships in innovation and technology (I&T)-related work. In this connection, please inform this Committee of the following:

- a) What were the numbers of participating institutions and beneficiary students, as well as the amount of expenditure and manpower involved in the Scheme as at 31 January 2023;
- b) What were the number of students who experienced I&T-related work through undertaking short or medium-term full-time internships under the Scheme as well as the number of companies or organisations which participated in the Scheme by opening up their internship opportunities in the past 3 years; and
- c) What was the percentage of graduates who engaged in related occupations and work after undertaking short or medium-term full-time internships under the Scheme in the past 3 years?

Asked by: Hon KWOK Ling-lai, Lillian (LegCo internal reference no.: 30)

Reply:

The Innovation and Technology Commission (ITC) launched the STEM Internship Scheme (the Scheme) in May 2020 and the participating universities include City University of Hong Kong, Hong Kong Baptist University, The Chinese University of Hong Kong, The Education University of Hong Kong, The Hong Kong Polytechnic University, The Hong Kong University of Science and Technology and The University of Hong Kong. Lingnan University will participate in the Scheme starting from 2023-24.

ITC implements and coordinates the Scheme with its existing manpower, and no breakdown of the expenditure is available. The participating universities are responsible for administering the Scheme, which includes seeking suitable innovation and technology (I&T)-related internship opportunities, matching eligible students with the I&T related placements

available and assisting ITC in disbursing internship allowance to students, etc. ITC will provide the universities with an overhead equivalent to 15% of the total allowance disbursed to student interns to cover their administrative expenses.

As at end-February 2023, the Scheme has provided over 8 270 internship opportunities for university students. The numbers of participating interns and participating companies or organisations as well as the Government's funding amount each year are tabulated as follows:

Financial year	Number of	Number of	Government's funding
	participating	participating	amount
	interns	companies or	(including administrative
		organisations	overheads to universities)
2020-21	1 685	1 053	36.39 million
2021-22	3 076	1 552	76.09 million
2022-23	3 516	1 689	88.04 million
(as at end-February 2023)			

According to the surveys conducted by the participating universities after the end of the student internships, more than 95% of the students expressed upon completion of the internships that they would consider pursuing a career in I&T after graduation. As for the post-graduation employment situation of the students who took part in the Scheme, due to the unsatisfactory response rate to the relevant surveys conducted by the universities, statistics with much reference value are not available. We will continue to explore with the universities feasible ways to collect the relevant information in the future.

ITIB117

(Question Serial No. 1801)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title): ()

<u>Programme</u>: (6) Subvention: Hong Kong Productivity Council, Hong Kong

Applied Science and Technology Research Institute Company

Limited

Controlling Officer: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

The Innovation and Technology Commission indicates in the Programme that it will continue to contribute to the development of local high-technology human capital by recruiting local engineering graduates as research fellows under the Research Talent Hub (RTH) of the Innovation and Technology Fund (ITF). In this connection, please advise this Committee on:

- a) the number of local engineering graduates recruited as research fellows under the RTH of the ITF and the expenditure involved in the past 3 years; and
- b) the turnover rate of local engineering graduates who were recruited as research fellows under the RTH of the ITF in the past 3 years.

Asked by: Hon KWOK Ling-lai, Lillian (LegCo internal reference no.: 31)

Reply:

The Research Talent Hub (RTH) under the Innovation and Technology Fund aims to encourage university graduates to pursue careers in the innovation and technology (I&T) field and nurture more I&T talents. It provides funding for eligible organisations/companies to recruit up to 4 bachelor's/master's/doctoral degree graduates in a science, technology, engineering and mathematics (STEM)-related discipline awarded by a local university or a well-recognised non-local institution to conduct research and development (R&D) work, with a maximum funding period of 3 years. All research talents receiving funding support must be Hong Kong permanent residents or persons permitted by the Immigration Department to work in Hong Kong.

Among the new applications with funding support under the RTH in the past 3 years (2020-2022), there were around 2 450 research talents with Hong Kong permanent resident status, involving a funding amount of approximately \$1.1 billion. We have been inviting research talents who received funding support (including research talents who were Hong Kong permanent residents or persons permitted by the Immigration Department to work in Hong

Kong) to submit evaluation reports after the completion of their engagement periods to collect information on the employment situation of the research talents engaged. From the evaluation reports collected in 2022, about 70% of the research talents had secured R&D-related jobs, while another 20% expressed that they decided to further their studies or were still searching for jobs and about 10% expressed that they had secured jobs not related to R&D.

- End -

ITIB118

(Question Serial No. 2156)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title): ()

<u>Programme</u>: (2) Promotion of Technological Entrepreneurship

<u>Controlling Officer</u>: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is learnt that local universities do not lack quality innovation and technology (I&T) talents. Launched by the Government since 2014, the Technology Start-up Support Scheme for Universities (TSSSU) has been providing funding to 6 universities to support their teams in starting technology businesses and commercialising their research and development (R&D) outcomes. Currently, the Government plans to introduce an enhancement measure with effect from the 2023-24 financial year to provide dollar-to-dollar matching funds to those start-ups which have demonstrated good growth potential through securing investment from the private sector. In this connection, please advise this Committee on:

- (1) the following information concerning the TSSSU from the past 3 years up to the present:
- (i) the number of projects approved and the total expenditure;
- (ii) the responsible institutions of the approved projects;
- (iii) the R&D products or types of technology of the approved projects; and
- (iv) the number of applications being rejected and the major reasons for that;
- (2) whether an estimation has been made regarding the possible additional expenditure to be incurred from the introduction of the enhancement measure under the TSSSU and the amount involved; if yes, what are the details; if not, what are the reasons?
- (3) At present, how many investment entities have the TSSSU successfully liaised to participate in the fund matching and how far is it different from the target number; and whether non-local private investments have been identified for this purpose; if yes, what are the details; if not, what are the reasons?
- (4) What is the current progress in taking forward the "Research, Academic and Industry Sectors One-plus Scheme"?

Asked by: Hon LAM Chun-sing (LegCo internal reference no.: 10)

Reply:

(1) The Innovation and Technology Commission (ITC) has launched the Technology Start-up Support Scheme for Universities (TSSSU) since 2014 to provide funding to 6 universities (viz. City University of Hong Kong, Hong Kong Baptist University, The Chinese University of Hong Kong, The Hong Kong Polytechnic University, The Hong

Kong University of Science and Technology and The University of Hong Kong) for supporting university teams to start technology businesses and commercialise their research and development (R&D) outcomes. The number of start-ups funded and the funding amount for each university in the 3 financial years from 2020-21 to 2022-23 are set out in the following table:

University that submitted recommendations to ITC	Number of start-ups funded	Total funding amount approved (\$ million)
City University of Hong Kong	26	24
Hong Kong Baptist University	13	23.23
The Chinese University of Hong Kong	33	24
The Hong Kong Polytechnic University	19	24
The Hong Kong University of Science and Technology	44	24
The University of Hong Kong	49	24
Total	184	143.23

These 184 start-ups mainly engaged in the technology areas of biotechnology (34%), information and communications technology (25%), and advanced manufacturing/process development (8%), involving a wide range of R&D products, which includes nanoparticle-based tools for medical imaging and nano-diagnostics, clay reef tiles made by the combined technologies of 3D printing and material science, microencapsulation technology with mushroom cells as wall materials, immunity-enhancing supplements that help to restore microbiome balance, colorectal cancer risk prediction test kits, a highly precise analogue-digital-convertors chip product with low power consumption, a microfluidic platform and nucleic acid detection kits, etc.

Each participating university has established an assessment panel comprising different experts and industry representatives to select suitable start-up teams in accordance with their assessment mechanisms and then make recommendations to ITC. The latter will review the eligibility of the teams (such as the year of establishment of the start-up and its scope of business) and the reasonableness of their budgets before approving their applications and the funding amounts. In the past 3 years, ITC rejected 1 application recommended by a university since the start-up concerned was unable to resolve a potential legal compliance problem.

- (2) Starting from the 2023-24 financial year, the annual maximum amount of subsidy for each university will be doubled from \$8 million to \$16 million. The increased subsidy will be provided to start-ups of universities with private investments on a matching basis of one to one. The additional subsidy ceiling for the 6 participating universities is \$48 million each year.
- (3) For fund matching, the start-up and/or the respective university have/has to seek private investments on their/its own. Private investments should come from an independent third party, including local or non-local angel funds, venture capital funds, private enterprises or individual investors. The enhancement measure under the

TSSSU will be implemented in 2023-24. As the applications are still under vetting by ITC and the work is expected to be completed by end-April 2023, no information on the private investments is available at this moment.

(4) We consulted the Panel on Commerce, Industry, Innovation and Technology of the Legislative Council (LegCo) on the Research, Academic and Industry Sectors Oneplus Scheme (RAISe+ Scheme) in March this year and received valuable advice and support from the Members. ITC is formulating the implementation details of the RAISe+ Scheme and will submit a funding application to the Finance Committee of LegCo in the second quarter of this year with a view to launching the RAISe+ Scheme as early as possible within this year.

- End -

ITIB119

(Question Serial No. 2157)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title): ()

<u>Programme</u>: (3) Planning for Innovation and Technology Development

<u>Controlling Officer</u>: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

A number of Hong Kong industrialists moved their production lines northward in the early years. With technological advancement, it is hopeful that certain production processes can be completed locally, and re-industrialisation has also been proactively promoted in Hong Kong in recent years. Since 2020, the Government has launched the Re-industrialisation Funding Scheme (RFS) which aims to subsidise manufacturers, on a matching basis, to set up new smart production lines in Hong Kong. Regarding the RFS, please advise this Committee on:

- (1) (i) the number of applications and (ii) the number of approved projects since the launch of the RFS, as well as (a) the names of the enterprises; (b) the project information; (c) the industry sectors involved; and (d) the funding amount of each project in detail; and
- (2) whether there are other measures, apart from the RFS, to facilitate traditional industries in Hong Kong to upgrade and transform, and encourage them to tackle enterprise issues and enhance production capacity and efficiency with the proactive use of innovation and technology; if yes, what are the details; if not, what are the reasons?

Asked by: Hon LAM Chun-sing (LegCo internal reference no.: 11)

Reply:

1. The Innovation and Technology Commission (ITC) launched the Re-industrialisation Funding Scheme (RFS) in July 2020 to subsidise manufacturers, on a 1 (Government): 2 (enterprise) matching basis, to set up new smart production lines in Hong Kong. The funding ceiling is one-third of the total cost of the approved project or \$15 million, whichever is lower.

The numbers of applications under the RFS in 2020-21, 2021-22 and 2022-23 (as at mid-March) were 13, 21 and 15 respectively (49 in total). As at mid-March 2023, 30 applications were supported by the RFS Vetting Committee (excluding 8 applications which were withdrawn by the applicant companies due to changes in the business environment after support had been given by the Vetting Committee), involving a total project costs of approximately \$1 billion. The total funding amount of the RFS was

about \$270 million, and the average amount of funding for a project was around \$9 million.

The funding amounts involved in the 30 applications supported by the Vetting Committee are set out as follows:

Financial Year	Number of applicant companies ^{Note1}	Total project cost (approximate)	Matching fund from applicant companies (approximate)	Funding amount (approximate)
2020-2021	7	135 million	95 million	40 million
2021-2022	13	451 million	337 million	115 million
2022-2023 (as at mid- March 2023)	10	416 million	298 million	118 million
Total	30	1 billion	730 million	270 million

Note 1: As at mid-March 2023, a total of 30 applications were supported by the Vetting Committee, of which 24 have signed the funding agreements. applicants and industrial sectors of the projects are: Taron Solutions(biological agent), Chewy International Foods (rice packaging), CK One (food processing), So Li Ah (coupler friction welding for steel reinforcement bars), Hong Kong Beer (beer production), Nanoshields Technology (electrospinning for nanofiber filter material), Nissin Foods (cup and bowl-type instant noodle products), Casetagram (CASETiFY production line), 2 Plus 3 (HK) Industrial (vegetable juice), Luen Tai Hong Kong Fresh Liquid Eggs (fresh liquid egg products), Focus Industries (nanofiber HEPA filter materials), Johnson Electric Industrial Manufactory (resin-bonded graphite bushing manufacturing), Lee Kum Kee (Hong Kong) Foods (oyster sauce manufacturing), Smart (Technology) Global (rebar precast parts), Catalo Natural Health Foods (supplements), Vita Green Pharmaceutical (HK) (tea capsules), Amoy Food (sauce sachets), Johnson Electric International (smart carbon brush), Luk Yeung Restaurant (mooncake products), Ping's Production (soup, sauce, food and beverage), Wai Yuen Tong Medicine (Chinese medicine production), American Unicorn Laboratories (oral solid dosage), Profit Royal Pharmaceutical (nano-coated fabric and nanofiber respirator) and Sew Solution (knitwear). Information of the respective projects is uploaded to the website of the Innovation and Technology Fund (ITF) https://www.itf.gov.hk/tc/project-search/index.html for public viewing.

For the other 6 applications which the Vetting Committee has agreed to support, the Secretariat is following up on the comments of the Vetting Committee on the applications with the applicant companies, so as to finalise the details of their plans and the contents of the funding agreements. After the applicant company concerned signed

- the funding agreement, the information of the project will be uploaded to the website of the Innovation and Technology Fund for public viewing.
- 2. In addition to the RFS, ITC launched the Reindustrialisation and Technology Training Programme (RTTP) in August 2018, which subsidises, on a 2 (Government):1 (enterprise) matching basis, local enterprises for training their staff in advanced technologies, including trainings that assist the upgrading and transformation of traditional manufacturing industries. The RTTP imposes no restriction on the industry of the applicant company. ITC also launched the Technology Voucher Programme (TVP) in November 2016 to support local enterprises/organisations in using technological services and solutions to improve productivity, or upgrade or transform their business processes. Currently, the funding ratio of the Government for each approved project is three-quarters. Subject to the cumulative funding ceiling of \$600,000, up to 6 projects from an enterprise/organisation may be approved. On the other hand, the Hong Kong Productivity Council (HKPC) will continue to provide consultancy services, online forums and training etc., to expedite efforts in supporting the digitalisation of small and medium-sized enterprises.

ITIB120

(Question Serial No. 2187)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title): ()

<u>Programme</u>: (1) Support for Research and Development

<u>Controlling Officer</u>: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

In respect of the 5 research and development (R&D) Centres, namely the Automotive Platforms and Application Systems R&D Centre (APAS), Hong Kong Applied Science and Technology Research Institute (ASTRI), Hong Kong Research Institute of Textiles and Apparel (HKRITA), Logistics and Supply Chain MultiTech R&D Centre (LSCM) and Nano and Advanced Materials Institute (NAMI) under the Innovation and Technology Commission, please advise this Committee on:

- (1) the respective information below of the 5 Centres in the past 3 years:
- (i) the operation cost and R&D expenditure respectively;
- (ii) the level of industry income (if able to provide);
- (iii) the breakdown of commercialisation incomes, listed by contract services, those arising from licensing and royalty (if able to provide); and
- (iv) the number of participating R&D projects;
- (2) the number of R&D projects successfully commercialised since the launch of the 5 R&D Centres, R&D details and its percentage to the total number of R&D projects; and the number of R&D projects failed in commercialisation since the launch of the 5 R&D Centres, R&D details and the major reasons for the failure; and
- (3) whether regular reviews have been conducted with respect to the operations of the 5 R&D Centres and their effectiveness in commercialising the R&D outcomes; if yes, what are the details; if not, what are the reasons?

Asked by: Hon LAM Chun-sing (LegCo internal reference no.: 39)

Reply:

The Government has set up the 5 Research and Development (R&D) Centres, namely the Hong Kong Applied Science and Technology Research Institute ("ASTRI"), Hong Kong Research Institute of Textiles and Apparel ("HKRITA"), Logistics and Supply Chain MultiTech R&D Centre ("LSCM"), Nano and Advanced Materials Institute ("NAMI"), and Automotive Platforms and Application Systems R&D Centre ("APAS") since April 2006 to drive and coordinate applied R&D in selected focus areas.

In the past 3 financial years (i.e. from 2019-20 to 2021-22), the operating expenditure, R&D expenditure, level of industry income, commercialisation and other incomes, and number of new projects commenced of the 5 R&D Centres are tabulated as follows:

Table 1: Operating Expenditure

		Operating Expenditure (\$ million)		
		2019-20 2020-21 2021-22		
APAS		20.6	19.7	23.8
ASTRI		170.2	174.0	181.8
HKRITA		39.2	42.2	41.2
LSCM		42.5	45.6	66.6
NAMI		78.7	79.8	96.0
	Total:	351.2	361.3	409.4

Table 2: R&D Expenditure

		R&D Expenditure (\$ million)		
		2019-20 2020-21 2021-22		
APAS		48.7	49.9	77.9
ASTRI		358.6	333.2	298.7
HKRITA		82.2	59.2	68.8
LSCM		96.7	86.7	112.4
NAMI		120.0	128.9	146.3
	Total:	706.2	657.9	704.1

Table 3: Number of New Projects Commenced

		Number of New Projects Commenced		
		2019-20 2020-21 2021-22		
APAS		16	19	21
ASTRI		46	34	42
HKRITA		12	22	20
LSCM		25	25	25
NAMI		43	42	52
	Total:	142	142	160

Table 4: Commercialisation and Other Income and Level of Industry Income Note 1

	2019-20	2020-21	2021-22
APAS			
Commercialisation and Other Income	2,630	2,200	3,400 Note 2
(\$'000)			
Licensing fees and royalties	30	200	300
Contract service	2,600	1,200	1,600
Others	-	800	1,600
Level of industry income	44%	41%	41%
ASTRI		_	_
Commercialisation and Other Income (\$'000)	25,900	10,000	43,300
Licensing fees and royalties	2,100	3,000	10,400
Contract service	23,700	7,000	32,900
Others	100	-	-
Level of industry income	33%	34%	50%
HKRITA			
Commercialisation and Other Income (\$'000)	29,300	5,600	13,000
Licensing fees and royalties	600	2,200	4,700
Contract service	26,800	2,200	6,900
Others	1,900	1,200	1,400
Level of industry income	79%	31%	47%
LSCM			
Commercialisation and Other Income (\$'000)	16,000	24,100	21,100
Licensing fees and royalties	300	300	200
Contract service	15,600	23,800	20,800
Others	100	-	100
Level of industry income	94%	65%	105%
NAMI			
Commercialisation and Other Income (\$'000)	12,300	17,800	14,100 Note 2
Licensing fees and royalties	3,100	2,800	4,100
Contract service	8,000	12,800	7,300
Others	1,200	2,200	2,600
Level of industry income	47%	42%	43%

Note 1: The level of industry income is calculated as follows:

Industry Contribution Pledged + Other Sources of Financial Contribution

Pledged + Commercialisation and Other Income x 100%

Approved R&D Project Expenditure

Note 2: The figures may not add up to the total due to rounding.

The Innovation and Technology Commission (ITC) attaches great importance to the technology transfer and commercialisation work of the R&D Centres. The R&D Centres not only carry out industry-driven R&D work that suits the needs of the market but also transfer technologies to the industry through contract researches and licensing arrangement to commercialise their R&D outcomes. Since the establishment of the 5 R&D Centres, a total of around 810 licensing agreements have been signed. In 2021-22, the commercialisation and other income of the 5 R&D Centres was approximately \$94.9 million, increased by about 59% over that of 2020-21. It should be noted that a new technology takes a long time to develop, from upstream R&D which is exploratory in nature at the early stage, through midstream R&D in collaboration with the industry, to downstream R&D approaching the product development stage. The market demand is also constantly changing. Therefore, the time for different R&D outcomes to be ready for entering the commercialisation stage varies. The R&D Centres will continue to strengthen cooperation with the industry and step up the commercialisation of their R&D outcomes.

ITC has formulated performance indicators for the R&D Centres to assess their work progress and performance in various aspects. Since 2017-18, the following 6 performance indicators have been adopted to assess the performance of the R&D Centres in various aspects:

- (a) Level of industry income;
- (b) Number of on-going projects involving industry participation;
- (c) Number of companies participating in on-going projects;
- (d) Number of organisations benefitting from the Public Sector Trial Scheme;
- (e) Number of researchers engaged under the Research Talent Hub; and
- (f) Number of patents filed and granted.

Amongst others, ITC has set a target of 30% on the level of industry income for the R&D Centres. The R&D Centres have all exceeded the 30% target in 2021-22. To encourage the R&D Centres to strengthen cooperation with the industry, ITC proposed earlier to raise the target to 35% to facilitate the R&D Centres to conduct technology transfer to the industry and promote the commercialisation of R&D results. Nevertheless, various sectors in Hong Kong had been conservative over R&D investment as they were coping with the uncertainty arising from the changes in global supply chain and economy brought about by the COVID-19 epidemic. ITC will keep in view the development of the economy this year before hammering out the implementation timetable for adopting the new target. ITC will continue to review the performance indicators of the R&D Centres as appropriate and make timely addition and amendment in order to facilitate the work of the R&D Centres in areas such as technology transfer and commercialisation.

ITIB121

(Question Serial No. 3539)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title):

<u>Programme</u>: Not Specified

<u>Controlling Officer</u>: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

What is the amount of funding intended to be used by the Government for the establishment of a Microelectronics Research and Development Institute?

Asked by: Hon LAM Shun-chiu, Dennis (LegCo internal reference no.: 8)

Reply:

Given the rapid growth in global demand for microelectronics at present, there is ample room for development. To seize this opportunity and promote microelectronics development in Hong Kong, the Government will support the establishment of a Microelectronics Research and Development Institute (Institute) with the aim to make it one of the leading organisations for supporting microelectronics development in the Asia-Pacific region. The Institute will strengthen collaboration with universities, research and development (R&D) centres and the industry, conduct high-quality R&D work and expedite the "1 to N" transformation of technological outcomes, with a view to attracting Mainland and overseas talents in relevant fields and strengthening the nurture of local R&D talents to make the Institute a hub for pooling together talents from Hong Kong, the Mainland and overseas, thereby further enhancing the innovation and technology ecosystem of Hong Kong.

The establishment of the Institute would require detailed planning and an estimate on the expenditure involved is not available at the current stage. We will invite experts to offer advice and assess the requirements on manpower, operating equipment, etc. as well as the directions of R&D projects, with a view to completing the required planning as soon as possible and reporting to the Legislative Council on the progress of the preparatory work for the establishment of the Institute within this year.

ITIB122

(Question Serial No. 0270)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title): ()

<u>Programme</u>: Not Specified

<u>Controlling Officer</u>: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is mentioned in paragraph 72 of the Budget Speech that "Hong Kong has to better capitalise on its advantage as an international I&T centre". Please inform this Committee of the following:

- 1. The Government plans to establish a Microelectronics Research and Development Institute (Institute), what are its scale, area and relevant budget; and
- 2. Have any timetable and performance indicators been set on the progress of the establishment of the Institute? If yes, what are they? If not, what are the reasons and what measures will the Government take to monitor its progress?

Asked by: Hon LAM Siu-lo, Andrew (LegCo internal reference no.: 30)

Reply:

Given the rapid growth in global demand for microelectronics at present, there is ample room for development. To seize this opportunity and promote microelectronics development in Hong Kong, the Government will support the establishment of a Microelectronics Research and Development Institute (Institute) with the aim to make it one of the leading organisations for supporting microelectronics development in the Asia-Pacific region. The Institute will strengthen collaboration with universities, research and development (R&D) centres and the industry, conduct high-quality R&D work and expedite the "1 to N" transformation of technological outcomes, with a view to attracting Mainland and overseas talents in relevant fields and strengthening the nurture of local R&D talents to make the Institute a hub for pooling together talents from Hong Kong, the Mainland and overseas, thereby further enhancing the innovation and technology ecosystem of Hong Kong.

The establishment of the Institute would require detailed planning and an estimate on the scale of the Institute and expenditure involved is not available at the current stage. We will invite experts to offer advice and assess the requirements on manpower, operating equipment etc. as well as the directions of R&D projects, with a view to completing the required planning as soon as possible and reporting to the Legislative Council on the progress of the preparatory work for the establishment of the Institute within this year. We will also work with the

Institute to jointly formulate the assessment mechanism and key performance indicators	so as
to evaluate its service performance.	

ITIB123

(Question Serial No. 1341)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title): ()

<u>Programme</u>: (2) Promotion of Technological Entrepreneurship

<u>Controlling Officer</u>: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

The Budget put forward that the Government will step up investment in technology start-ups. In this regard, financial support from the Government should act as a catalyse to further attract community resources to empower enterprises. To attract community investment in start-ups has all along been difficult and hence government support in different places also varies. The 2023 Budget of Singapore has included investment promotion of enterprises as a supportable activity eligible for subsidy to help attract investment for enterprises. In this connection, will the Government advise this Committee on whether, by imitating Singapore, a certain amount of subsidy will be set aside to assist enterprises in carrying out promotion? If yes, what are the details; if not, what are the reasons?

Asked by: Hon LAM Tzit-yuen, David (LegCo internal reference no.: 34)

Reply:

The Government, the Hong Kong Science and Technology Parks Corporation (HKSTPC) and Cyberport have all along been implementing different measures to support the development of technology start-ups in Hong Kong. The consolidated reply of the Innovation, Technology and Industry Bureau and the Innovation and Technology Commission (ITC) to various parts of the question is as follows:

ITC has launched the Technology Start-up Support Scheme for Universities (TSSSU) since 2014 to provide funding support to 6 universities (viz. City University of Hong Kong, Hong Kong Baptist University, The Chinese University of Hong Kong, The Hong Kong Polytechnic University, The Hong Kong University of Science and Technology and The University of Hong Kong) for their teams in starting technology businesses and commercialising their research and development (R&D) outcomes. The expenditures of the relevant start-ups on promotional activities and the marketing of their R&D deliverables, products or services are also covered by the funding. As at 2022-23, a total funding of about \$305 million has been approved for 382 start-ups under the TSSSU. Starting from the 2023-24 financial year, the annual maximum amount of subsidy for each university will be doubled from \$8 million to

\$16 million. The increased subsidy will be provided to start-ups of universities with private investments on a matching basis of one to one.

Moreover, the Innovation and Technology Venture Fund (ITVF) managed by ITC has currently selected a total of 16 venture capital (VC) funds as co-investment partners (CPs), co-investing in local innovation and technology (I&T) start-ups at a matching ratio of approximately 1 (Government): 2 (CPs). Since the beginning of co-investment in 2019 up to end-February 2023, the ITVF has invested about \$207 million in 27 local I&T start-ups, whose business areas include supply chain management, e-commerce, financial technology, biotechnology and artificial intelligence, etc., attracting over \$2.1 billion of private investment. With the support and participation of venture capitalists, I&T start-ups can enrich their professional management and business knowledge as well as expand their marketing network.

Furthermore, the HKSTPC has all along been introducing various measures to provide allround support to start-ups. Among them, the Ideation Programme of the HKSTPC provides \$100,000 of seed funding to early stage entrepreneurs to cover their operational expenses such as marketing and sales. The HKSTPC has also launched the Incubation Programme and Incu-Bio Programme, which provide incubatees with rental subsidy, grant and funding specifically for technology and business development (including marketing) amounting to about \$1.3 million and \$6 million respectively as well as services such as mentorship support and investor matching. On the other hand, the Acceleration Programme provides funding support for marketing, business expansion and business development to outstanding incubatees and companies which have completed the incubation programmes. Programme provides subsidies to technology enterprises which have growth potential and will expand their R&D activities in the Science Park on a matching basis, and provides business development support to enterprises (including business matching with local and international partners and arranging them to participate in exhibitions, product launches and The Corporate Venture Fund of the HKSTPC co-invests with angel interviews, etc.). investors or VC funds on a matching basis in start-ups which are currently located in the Science Park or have participated in its incubation programmes, and provides a dedicated platform connecting technology start-ups and investors with a view to opening up more financing opportunities for start-ups.

In addition, Cyberport has launched a number of funding schemes over the years to offer appropriate support to start-ups at different stages of development. Among them, the Cyberport Incubation Programme was commissioned in 2005, providing comprehensive financial, technical and business advisory support to technology start-ups to help them turn their creative ideas into business undertakings or commercial products. Each incubatee can receive up to \$500,000 of financial assistance to cover the expenses on marketing, professional services and training, etc. Cyberport also introduced the Overseas/Mainland Market Development Support Scheme in 2018, under which a financial subsidy of up to \$200,000 is provided to start-ups to assist them in conducting market research and promotion, participating in trade fairs outside Hong Kong, expanding into overseas markets and attracting investors.

ITIB124

(Question Serial No. 2722)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title): ()

<u>Programme</u>: Not Specified

<u>Controlling Officer</u>: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Launched in November 2016, the Technology Voucher Programme (TVP) aims to subsidise local enterprises/organisations to use technological services and solutions to improve productivity, or to upgrade and transform their business processes. In this connection, will the Government inform this Committee of the following:

What were the numbers of applications approved each year since the launch of the TVP; what was the industry distribution of the successful applicant that were small and medium-sized enterprises; what was the establishment cost of the BIZ Expands Easy online platform; and what was the number of applications successfully processed by the above platform since its launch?

Asked by: Hon LEE Hoey Simon (LegCo internal reference no.: 9)

Reply:

The Innovation and Technology Commission (ITC) launched the Technology Voucher Programme (TVP) in November 2016. As at end-February 2023, the numbers of applications approved under the TVP each year are tabulated below:

Year	Number of applications approved
2016	0
2017	246
2018	693
2019	813
2020	1 536
2021	3 787
2022	12 387
2023 (as at end-February)	1 903
Total	21 365

Among the 21 365 applications approved, 20 604 (96%) were from small and medium-sized enterprises (SMEs) and their major types of business are tabulated below:

Type of business	Number of applications approved for SMEs Note 1 2
Wholesale and Retail	7 240
Restaurants and Hotels	1 653
Engineering	1 302
Import and Export Trade	1 229
Personal Care Services	1 118
Education Services	965
Transportation and Logistics	735
Professional Services	699
Advertisement, Sales and Marketing	645
Banking, Insurance and Other Financial	494
Services	

Note 1: SMEs refer to manufacturing enterprises which employ fewer than 100 persons or non-manufacturing enterprises which employ fewer than 50 persons in Hong Kong.

Note 2: The above table lists the 10 major business types. Each applicant may engage in more than 1 type of business.

Launched in September 2022 by the Hong Kong Productivity Council (HKPC), the BIZ Expands Easy (BEE) provides a one-stop online platform on information of the various Government funding schemes and application channel for enterprises and institutions. The BEE ePass of the BEE platform provides a single account function, allowing users to apply for and manage the 6 Government funding schemes (including the TVP) of which the HKPC serves as the Secretariat with just a single account. The establishment cost of BEE was around \$1.7 million.

There are over 200 000 views since the launch of BEE in September 2022 and about 600 registered accounts for the BEE ePass of the platform. The HKPC does not have information on the number of successful applications for Government funding schemes through the BEE platform. The HKPC will continue to promote this platform to SMEs in order to enhance the digital development of the industry.

ITIB125

(Question Serial No. 1207)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title): ()

<u>Programme</u>: (1) Support for Research and Development

<u>Controlling Officer</u>: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is mentioned in the Matters Requiring Special Attention that the Government will support the activities of the 5 Research and Development (R&D) Centres with emphasis on commercialisation and technology transfer of funded projects. Will the Government advise this Committee on:

- (a) the total number of new research projects commenced in the past 2 years;
- (b) the details of the on-going research projects;
- (c) whether any R&D indicators have been set and the way to assess whether the research projects have met the valid indicators; and
- (d) the total number of researchers engaged by the R&D Centres and the percentage of the local talents concerned.

Asked by: Hon LEUNG Tsz-wing, Dennis (LegCo internal reference no.: 24)

Reply:

The Government has set up the 5 Research and Development (R&D) Centres, namely the Hong Kong Applied Science and Technology Research Institute ("ASTRI"), Hong Kong Research Institute of Textiles and Apparel ("HKRITA"), Logistics and Supply Chain MultiTech R&D Centre ("LSCM"), Nano and Advanced Materials Institute ("NAMI"), and Automotive Platforms and Application Systems R&D Centre ("APAS") since April 2006 to drive and coordinate applied R&D in selected focus areas. The focus technology areas of the 5 R&D Centres are briefly introduced below:

- ASTRI: Intelligent manufacturing, financial technologies, digital health, smart city, application specific integrated circuits and metaverse
- HKRITA: Textile and apparel technology (e.g. development of new materials, applied research on manufacturing systems)
- LSCM: Logistics and supply chain related technology (e.g. development and application of multi-tech such as the flow of goods, people, information and capital, etc.)
- NAMI: Nanotechnology and advanced materials (e.g. development of nanotechnology products)

• APAS: Automotive technology (e.g. new energy vehicles, autonomous driving and smart mobility)

In the past 2 years, a total of around 250 R&D projects were completed by the 5 R&D Centres and there are over 380 on-going projects.

The Innovation and Technology Commission (ITC) has formulated performance indicators for the R&D Centres to assess their work progress and performance in various aspects. Since 2017-18, the following 6 performance indicators have been adopted to assess the performance of the R&D Centres in various aspects:

- (a) Level of industry income;
- (b) Number of on-going projects involving industry participation;
- (c) Number of companies participating in on-going projects;
- (d) Number of organisations benefitting from the Public Sector Trial Scheme;
- (e) Number of researchers engaged under the Research Talent Hub; and
- (f) Number of patents filed and granted.

Amongst others, ITC has set a target of 30% on the level of industry income for the R&D Centres. The R&D Centres have all exceeded the 30% target in 2021-22. To encourage the R&D Centres to strengthen cooperation with the industry, ITC proposed earlier to raise the target to 35% to facilitate the R&D Centres to conduct technology transfer to the industry and promote the commercialisation of R&D results. Nevertheless, various sectors in Hong Kong had been conservative over R&D investment as they were coping with the uncertainty arising from the changes in global supply chain and economy brought about by the COVID-19 epidemic. ITC will keep in view the development of the economy this year before hammering out the implementation timetable for adopting the new target. ITC will continue to review the performance indicators of the R&D Centres as appropriate and make timely addition and amendment in order to facilitate the work of the R&D Centres in areas such as technology transfer and commercialisation.

As at the end of 2021-22, the number of researchers engaged by the 5 R&D Centres and the percentage of local talents ^{note} are tabulated as follows:

R&D Centres	Number of researchers	Number of local talents
		(% Percentage)
APAS	23	20 (87%)
ASTRI	392	258 (66%)
HKRITA	76	69 (91%)
LSCM	131	115 (88%)
NAMI	215	145 (67%)
Total	837	607 (73%)

Note: Local talents refer to the persons who have acquired permanent resident status in Hong Kong.

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB126

(Question Serial No. 1209)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title): (000) Operational expenses

<u>Programme</u>: Not Specified

<u>Controlling Officer</u>: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

The establishment ceiling in 2023-24 represents an estimated 313 non-directorate posts as at 31 March 2023, rising by 14 posts, to 327 posts as at 31 March 2024. Will the Government inform this Committee of the estimated establishment and total expenditure in 2023-24?

Asked by: Hon LEUNG Tsz-wing, Dennis (LegCo internal reference no.: 26)

Reply:

The establishment of the Innovation and Technology Commission in 2023-24 is expected to be 337 posts, including 10 directorate posts. The estimated total expenditure on personal emoluments and personnel related expenses is \$308,002,000.

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB127

(Question Serial No. 1211)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title): ()

<u>Programme</u>: (3) Planning for Innovation and Technology Development

<u>Controlling Officer</u>: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Regarding the Technology Talent Admission Scheme, will the Government advise this Committee on:

- (a) the specific details of the Scheme;
- (b) the total number of overseas and Mainland research and development (R&D) talents engaged by enterprises through the Scheme in the past; and
- (c) the resources and manpower expected to be allocated to the Scheme in 2023-24.

Asked by: Hon LEUNG Tsz-wing, Dennis (LegCo internal reference no.: 28)

Reply:

The Innovation and Technology Commission (ITC) launched the Technology Talent Admission Scheme (TechTAS) in June 2018, providing a fast-track arrangement for admitting overseas and Mainland technology talents to undertake research and development (R&D) work in Hong Kong. By allotting applicant companies with quotas to admit talents with specific requirements, ITC provides certainty for them to proceed with their recruitment. Furthermore, TechTAS streamlines and shortens the procedures to expedite the processing of visa for non-local technology talents, enabling them to be in a post at an early opportunity. Currently, the TechTAS covers 14 designated technology areas, i.e. biotechnology, artificial intelligence, cybersecurity, robotics, data analytics, financial technologies, material science, advanced communication technologies, Internet-of-Things, integrated circuit design, microelectronics, digital entertainment, green technology and quantum technology.

The technology areas covered under TechTAS are the ones with tremendous growth potential around the world nowadays which can also be applied in many industries.

As at end February 2023, a total of 725 quotas was allotted by ITC and the Immigration Department approved a total of 354 visa/entry permit applications in accordance with the relevant quotas. The breakdown of the number of non-local persons approved for entry under TechTAS is as follows:

	Number of non-local persons approved for entry under TechTAS
Mainland persons	237
Overseas persons	117
Total	354

TechTAS is part of the work under Programme (3) Planning for Innovation and Technology Development. No breakdown of expenditures for the individual work items is available. In 2023-24, we will continue to implement TechTAS with our existing human resources.

ITIB128

(Question Serial No. 0998)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title): ()

<u>Programme</u>: (3) Planning for Innovation and Technology Development

<u>Controlling Officer</u>: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is pointed out in the Matters Requiring Special Attention in 2023-24 that the Innovation, Technology and Industry Bureau (ITIB) will administer the General Support Programme, Technology Voucher Programme (TVP), Re-industrialisation Funding Scheme, Innovation and Technology Fund for Better Living and Reindustrialisation and Technology Training Programme, and monitor the progress of the funded projects. In this connection, please inform this Committee of the following:

- 1. While the success rate of the applications for innovation and technology (I&T)-related funds, such as the HKSTP Incubation Programme and the Cyberport Creative Micro Fund, has kept decreasing since 2015-16, the Innovation and Technology Commission has also been criticised in the Director of Audit's report for the prolonged vetting time of the TVP applications. Has the Government reviewed the reasons for the long vetting time? If yes, what are the details; if not, what are the reasons?
- 2. What are the ways to minimise the vetting time as far as possible, so that young people who are interested to work in the I&T field will not miss the opportunities?

<u>Asked by</u>: Hon LIAO Cheung-kong, Martin (LegCo internal reference no.: 4) Reply:

The Government has all along been offering comprehensive support to technology enterprises (including start-ups) and innovation and technology (I&T) talents through various funding schemes, the operation of which are reviewed from time to time.

The Hong Kong Science and Technology Parks Corporation (HKSTPC) launched various incubation programmes for start-ups as early as in 2001. After consolidation, the Incubation Programme and Incu-bio Programme were launched in July 2021 to provide incubatees with

rental subsidy, grant and funding specifically for technology and business development as well as services such as mentorship support and investor matching. The HKSTPC will assess applications from start-ups for admission to the incubation programmes based on criteria such as the competence of the applicant enterprise's management team, business potential, innovative elements, content of the research concerned, and business viability, etc. The applications will be assessed by an assessment panel comprising representatives from the HKSTPC, experienced investors, representatives from technology companies and academia. As at February 2023, the success rates of applications for the Incubation Programme and Incubio Programme were 56% and 54% respectively, representing an increase of around 18% and 6% as compared with those in the past year.

The Cyberport Creative Micro Fund (CCMF) was launched in 2009 to provide a seed funding for each selected project to help participants turn their innovative ideas into prototypes. Applications for the CCMF are processed in accordance with the established assessment procedures from preliminary vetting to assessment, as well as to final approval. Assessment of applications is conducted by an external independent vetting team, whereby the successful applications will be recommended to the Entrepreneurship Committee under the Cyberport Board of Directors for final endorsement. Nearly 100 applications have been approved under the CCMF of Cyberport in each of the past 3 years, and the success rates were around 15%. We have not noticed any significant decrease in the success rate of the applications.

After the Innovation and Technology Commission (ITC) introduced various enhancement measures in April 2020, the number of applications for Technology Voucher Programme (TVP) increased almost 3 times from 2 302 in 2019 to 6 310 in 2020 and 5 672 in 2021, which far exceeded ITC's manpower capacity. Coupled with the adverse impact brought about by the COVID-19 pandemic on normal operation, there was a sizable backlog of TVP applications pending processing between 2020 and 2021 (i.e. within the period covered by the value for money audit of the Audit Commission). To expedite the processing of backlogged applications, ITC appointed the Hong Kong Productivity Council (HKPC) as the implementation partner of the TVP in June 2021 and served as its Secretariat, utilising HKPC's existing and enhanced increased manpower resources as well as its experience to increase the processing capacity. With the concerted efforts of ITC and the HKPC, the processing of all applications received by end-2021 have been completed by end-April 2022 and submitted to the TVP Committee for assessment. In 2022, a total of 12 387 TVP applications were approved. Compared with the 1 536 and 3 787 applications approved in 2020 and 2021 respectively, there was a significant increase in the processing capacity. processing time of the applications depends on the completeness of the information submitted by applicants and the complexity of the projects, etc. We will continue to monitor closely the operation of the various funding schemes and introduce enhancement measures in a timely manner.

ITIB129

(Question Serial No. 0793)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title): ()

<u>Programme</u>: (1) Support for Research and Development

<u>Controlling Officer</u>: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is stated in paragraph 77 of the Budget Speech that the Government will support the establishment of a Microelectronics Research and Development Institute to promote microelectronics development in Hong Kong, aiming to make it a leading organisation for supporting microelectronics development in the Asia-Pacific region. In this connection, please advise:

- 1. What are the resources expected to be provided by the Government for this? Are there any initial ideas about the main research direction and implementation timetable of the Institute? If yes, what are the details? If no, what are the reasons?
- 2. Noting that the Institute will be positioned as "a leading organisation for supporting microelectronics development in the Asia-Pacific region", will the Government seek to enhance collaboration with universities, research institutions and relevant sectors in the Guangdong-Hong Kong-Macao Greater Bay Area right from the beginning so as to achieve the synergy effect of joining hands of the research, academic and industry sectors in the region? If yes, what are the details? If no, what are the reasons?

Asked by: Hon LO Wai-kwok (LegCo internal reference no.: 35)

Reply:

Given the rapid growth in global demand for microelectronics at present, there is ample room for development. To seize this opportunity and promote microelectronics development in Hong Kong, the Government will support the establishment of a Microelectronics Research and Development Institute (Institute) with the aim to make it one of the leading organisations for supporting microelectronics development in the Asia-Pacific region. Hong Kong has a high concentration of world-class scientific research talents, a remarkable upstream scientific research foundation and capability, a robust intellectual property protection regime and international networks, enterprises can fully utilise the stable supply chain and advanced manufacturing capability in the Greater Bay Area to realise mass production. One of the missions of the Institute is to strengthen collaboration with universities, research and development (R&D) centres and the industry, conduct high-quality R&D work and expedite the "1 to N" transformation of technological outcomes, play a leading role of a research

institute to promote innovation and technology, and assist the industry to enhance efficiency in order to upgrade and transform, with a view to attracting Mainland and overseas talents in relevant fields and strengthen the nurture of local R&D talents to make the Institute a hub for pooling together talents from Hong Kong, the Mainland and overseas, thereby further enhancing the innovation and technology ecosystem of Hong Kong.

The establishment of the Institute would require detailed planning and an estimate on the scale of the Institute and expenditure involved is not available at the current stage. We will invite experts to offer advice and assess the requirements on manpower, operating equipment, etc. as well as the directions of R&D projects, with a view to completing the required planning as soon as possible. We aim to report to the Legislative Council on the timetable and progress of the preparatory work for the establishment of the Institute within the 2023-24 year.

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB130

(Question Serial No. 0794)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title): ()

<u>Programme</u>: (1) Support for Research and Development

<u>Controlling Officer</u>: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

To assist more local technology companies in realising and commercialising their research and development (R&D) outcomes, the scope of funding of the Public Sector Trial Scheme (PSTS) has been extended to cover all technology companies conducting R&D activities in Hong Kong since March 2020. In this connection, please advise on:

- 1. the number of companies involved for the projects funded and being monitored in 2021 and 2022 and the major areas of application of the projects; and whether the Government has evaluated the effectiveness of the funded projects; and
- 2. the reasons for the far lower estimated number of projects funded and being monitor in 2023-24 compared with the above 2 years; has the Government considered that this will affect the support it offers to the industry which is just starting to recover from the epidemic; if yes, what are the details; if not, what are the reasons?

Asked by: Hon LO Wai-kwok (LegCo internal reference no.: 36)

Reply:

The Public Sector Trial Scheme (PSTS) provides funding to research and development (R&D) projects under the Innovation and Technology Fund, incubatees and graduate tenants of the Hong Kong Science and Technology Parks Corporation and Cyberport, and further extended to cover technology companies conducting R&D activities in Hong Kong since March 2020 for producing prototypes/samples of their R&D outcomes and conducting trials in the public sector (including government departments). The number of companies and the major technology areas involved in the projects funded and being monitored in 2021 and 2022 are tabulated below:

Year	Number of companies	Technology areas involved in the projects
2021	56	Information technologyEnvironmental technologyBiotechnologyMaterials science
2022	56	Same as above

Public sector organisations participating in PSTS are required to evaluate the effectiveness of the projects upon completion. Overall speaking, they are all satisfied with the relevant prototypes/samples and/or the results of the trials. The feedback helps technology companies improve their products at the development stage and increase the opportunities for realising and commercialising their R&D outcomes. We will continue to encourage public sector organisations to utilise more local R&D outcomes.

To combat the public health crisis arising from the Coronavirus Disease 2019 (COVID-19) epidemic, the Innovation and Technology Commission (ITC) launched a special and one-off call for PSTS projects in 2020 to support product development and application of technologies for the prevention and control of the epidemic. 63 projects were approved under the special call, and as a result a larger number of projects were funded and monitored under PSTS in the past 3 years. The estimated number of projects to be funded and monitored under PSTS in 2023 is 82, which is projected with reference to past figures. There is however no ceiling set on the number of applications.

ITC welcomes PSTS applications from more technology companies, and will continue to monitor the implementation of PSTS and introduce enhancement measures as appropriate.

ITIB131

(Question Serial No. 0795)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title): ()

<u>Programme</u>: (5) Quality Support

<u>Controlling Officer</u>: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

The Innovation and Technology Commission is tasked with pursuing further liberalisation measures relevant to the testing and certification (T&C) sector under the Mainland and Hong Kong Closer Economic Partnership Arrangement. In this connection, please advise on:

- 1. the major progress that has been achieved through negotiations by both sides in the past 2 years and the major difficulties remain to be resolved; and
- 2. whether the Hong Kong Special Administrative Region Government will set objectives and action plans to develop Hong Kong into a regional T&C centre and discuss, in collaboration with the industry, with the Mainland to develop more new professional T&C services and promote the alignment of the T&C services in the Greater Bay Area with those in the international community. If yes, what are the details; if not, what are the reasons?

Asked by: Hon LO Wai-kwok (LegCo internal reference no.: 37)

Reply:

The Innovation and Technology Commission (ITC) is committed to exploring more 1. business opportunities for the testing and certification (T&C) sector through the Mainland and Hong Kong Closer Economic Partnership Arrangement (CEPA). Since the signing of Supplement VII to CEPA, the Mainland has been gradually opening up its T&C market to Hong Kong. The latest amendment agreement to the Agreement on Trade in Services under CEPA has been implemented since 1 June 2020, and the new measures concerning the T&C sector include: (1) qualified Hong Kong testing organisations, in collaboration with designated Mainland organisations, may undertake testing for China Compulsory Certification (CCC) products processed or manufactured in any place (including places outside China); (2) qualified Hong Kong testing organisations, in collaboration with designated Mainland organisations, may undertake CCC factory inspection by assigning inspectors to carry out CCC factory inspection for factories manufacturing CCC products in the whole Mainland; and (3) under the CCC system, qualified Hong Kong testing organisations may undertake new tasks, that is to monitor the selection of post-certification test samples in the whole Mainland.

We have been maintaining close liaison with the Central Authorities, relevant authorities of the Guangdong Province and Shenzhen Municipality, and are actively exploring the introduction of more liberalisation measures under CEPA through the mechanism established between the Trade and Industry Department and the Ministry of Commerce. We will continue to strive to introduce more liberalisation measures under the framework of CEPA, thereby creating more favourable conditions for Hong Kong T&C organisations to enter the Mainland market.

- 2. ITC has been promoting the development of Hong Kong into a T&C hub in the region through the following areas of work:
 - i. by taking the initiative to reinforce the branding of "Tested in Hong Kong, Certified in Hong Kong" and participating in trade shows organised by the Hong Kong Trade Development Council locally and in the Mainland as well as overseas, we reach out to potential users with our publicity drive on the strengths of Hong Kong's T&C services for attracting their use of the relevant services.
 - through the high-quality and internationally-recognised accreditation services ii. provided by the Hong Kong Accreditation Service (HKAS) under ITC, not only the capability of accredited organisations to conduct testing, inspection and certification activities in accordance with international standards is ensured, the recognition of the T&C results issued by them are also enhanced. In accordance with the multilateral mutual recognition arrangements administered by the Asia Pacific Accreditation Cooperation (APAC), the International Laboratory Accreditation Cooperation (ILAC) and the International Accreditation Forum (IAF), as at March 2023, endorsed reports and accredited certificates issued by HKAS-accredited organisations are recognised by 117 economies in total, including Hong Kong's major trading partners. Currently, the mutual recognition arrangements concluded by the HKAS cover testing (medical and non-medical), calibration, inspection, reference material producer, proficiency testing provider, quality management system certification, environmental management system certification, food safety management system certification, energy management system certification, occupational health and safety management system certification, product certification and greenhouse gas validation and verification.
 - iii. we publicise Hong Kong's T&C services in the Guangdong-Hong Kong-Macao Greater Bay Area (GBA). Owing to the constraints imposed by the Coronavirus Disease 2019 (COVID-19) epidemic during the past two years, our work on promoting Hong Kong's T&C services was mainly carried out in an online mode. In this regard, we had launched 3 rounds of digital advertising campaigns at various junctures with advertisements placed by a targeted approach on a number of popular digital platforms in the Mainland. Upon the epidemic under control and the resumption of market activities, we will step up our online and offline promotion efforts, targeting manufacturers and traders in the GBA cities, with the focus on the competitive edges of Hong Kong's T&C services i.e. high level of integrity, robust intellectual property protection and mature international network which would add value to GBA products in reaching other parts of the world.

It is mentioned in the National 14th Five-Year Plan that it needs to actively take forward the development of the GBA and support Hong Kong's integration into the overall national development. Based on the principle of "Institution-led, market-driven, benchmarking against international standards"(機構主導、市場驅動、對標國際), the State Administration for Market Regulation (SAMR) has invited practitioners in Guangdong, Hong Kong and Macao to participate in taking forward the GBA Certification Scheme (灣區認證). The GBA Certification Alliance (灣區認證聯盟) was established in September 2022 by accredited certification bodies in the 3 places to launch a voluntary product certification scheme on the basis of international standards and GBA product standards, and to formulate the implementation rules for product certification. Among the first group of organisation members of the Alliance are a number of accredited T&C bodies in Hong Kong, which have proven business and technical capabilities with extensive experience in implementing voluntary certification schemes. ITC will continue to encourage and coordinate the active participation in the Certification Scheme from practitioners in Hong Kong and disseminate to the industry the technical specifications on product standards of the Certification Scheme and latest information in taking forward of the same in a timely manner, with a view to contributing to the development of the brand GBA Certification Scheme.

ITIB132

(Question Serial No. 0796)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title): ()

<u>Programme</u>: (6) Subvention: Hong Kong Productivity Council, Hong Kong

Applied Science and Technology Research Institute Company

Limited

Controlling Officer: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

The work of the Hong Kong Productivity Council includes providing green technology support to drive smart and green living and contribute to carbon neutrality. In this connection, please advise on the following:

- 1. What are the resources allocated to this area and major progress achieved in the past 3 years; and
- 2. Will additional resources be allocated to this area to assist the industry in expediting post-pandemic recovery in 2023-24; if yes, what are the details; if not, what are the reasons?

Asked by: Hon LO Wai-kwok (LegCo internal reference no.: 38)

Reply:

The Government has formulated the Hong Kong's Climate Action Plan 2050 for the implementation of a series of measures through the Environment and Ecology Bureau (EEB) with an aim to achieve carbon neutrality by 2050 and expedite the development of green transformation in Hong Kong. On the other hand, the Government promulgated the Smart City Blueprint for Hong Kong 2.0 in December 2020 to facilitate the development of Hong Kong into a smart city (including Smart Environment) through the use of advanced and innovative technologies. The Hong Kong Productivity Council (HKPC) has been dovetailing with the above plans and is committed to providing support services in green technologies, in order to bolster and promote the research and development (R&D) of green technologies with a view to taking forward smart and green living. In consultation with the EEB, our replies to the questions are as follows:

1. In the past 3 years, the HKPC endeavoured to complement the various initiatives of the Government and actively respond to the demands of the industry and the community, driving Hong Kong in pursuit of a green and smart city with innovative technologies and high-quality services:

(a) Fully dovetailing with the Government by providing support to the industry

Appointed by the EEB, the HKPC assists the industry in achieving green development through undertaking the secretariat work of the Cleaner Production Partnership Programme (Partnership Programme) and the Recycling Fund. From 2020-21 to 2022-23 (as at February 2023), over 500 projects have been approved under the Partnership Programme, involving a funding amount of over \$100 million, supporting about 400 Hong Kong-invested factories in Hong Kong and Guangdong Province to adopt cleaner production technologies and practices to improve the environmental hygiene in the region. Regarding the Recycling Fund, over 2 100 applications have been approved with a total funding amount of about \$490 million to support the operation and development of more than 1 000 recycling enterprises in Hong Kong.

(b) Promoting green innovation to enhance industry standard with advanced technologies

From 2020-21 to 2022-23 (as at February 2023), the innovative environmental technologies developed by the HKPC have been commended with over 20 international and local awards in total, including the R&D 100 Awards. In addition, more than 20 patents were obtained in the past 3 years, providing an array of green technologies and services for over 300 enterprises every year.

The HKPC provides practical solutions to solve the problems faced by enterprises by targeting their operational difficulties. For instance, to tackle the problem of food waste disposal, the HKPC has developed a pioneering technology in the industry - the "Food TranSmarter" to substantially reduce manual work, resolve odour and hygiene problems as well as significantly lower carbon emissions and operational costs. After the technology was successfully rolled out for trial at The Chinese University of Hong Kong for 1 year, the HKPC licensed this technology to its partners for adoption and joint promotion in May 2022. 10 "Food TranSmarter" systems with different capacities will be commissioned in Hong Kong within this year. At the same time, the HKPC has been promoting the related technology in the Mainland and overseas, enabling green technologies in Hong Kong to go global.

(c) Expanding the connections of the industry to foster multilateral co-operations and interactions

The HKPC has been organising seminars and forums on different topics such as climate change and carbon neutrality, inviting different industry practitioners to join. In the past 3 years, the HKPC organised over 400 green training courses with over 15 000 participants. Meanwhile, the HKPC attaches great importance to strengthening cooperation and liaison with universities, research institutions, chambers of commerce and Mainland organisations. In 2022, the HKPC signed Memorandums of Understanding with the Vocational Training Council, City University of Hong Kong, The Chinese Manufacturers' Association of Hong Kong and the Shenzhen Academy of Environmental Sciences respectively, with a view to further promoting the development of green technologies and environmental protection.

2. The Government will continue to provide better and focused funding support through the Green Tech Fund (GTF) to R&D projects which can help Hong Kong decarbonise and enhance environmental protection. The Government has injected a total of \$400 million into the GTF, providing dedicated support to R&D projects which can help promote net-zero electricity generation, energy saving and green buildings, green transport, and waste reduction, etc. On the other hand, the expert group of the HKPC is dedicated to applied R&D, testing, training and related services of green technologies. To assist the industry in expediting post-pandemic recovery, the HKPC will continue to step up the R&D work of innovative green technologies and the realisation of R&D outcomes, enhance the quality and standard of services and better serve the community For example, the HKPC will explore with the Environmental Protection Department the adoption for real-life application of the Chemical Treatment Technology for Landfill Leachate, which was awarded a Gold Medal at the Geneva International Exhibition of Inventions, with a view to reducing the pollution caused by landfill waste to the environment.

ITIB133

(Question Serial No. 0070)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title): ()

<u>Programme</u>: (1) Support for Research and Development

<u>Controlling Officer</u>: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

The Financial Secretary mentioned in paragraph 77 of the Budget Speech that "the Government will support the establishment of a Microelectronics Research and Development Institute (Institute) to promote microelectronics development in Hong Kong, aiming to make it a leading organisation for supporting microelectronics development in the Asia-Pacific region". What is the amount of expenditure involved? What is the timetable for the establishment of the Institute, and whether performance indicators have been set for its future work?

Asked by: Hon NG Kit-chong, Johnny (LegCo internal reference no.: 4)

Reply:

Given the rapid growth in global demand for microelectronics at present, there is ample room for development. To seize this opportunity and promote microelectronics development in Hong Kong, the Government will support the establishment of a Microelectronics Research and Development Institute (Institute) with the aim to make it one of the leading organisations for supporting microelectronics development in the Asia-Pacific region. The Institute will strengthen collaboration with universities, research and development (R&D) centres and the industry, conduct high-quality R&D work and expedite the "1 to N" transformation of technological outcomes, with a view to attracting Mainland and overseas talents in relevant fields and strengthening the nurture of local R&D talents to make the Institute a hub for pooling together talents from Hong Kong, the Mainland and overseas, thereby further enhancing the innovation and technology ecosystem of Hong Kong.

The establishment of the Institute would require detailed planning and an estimate on the expenditure involved is not available at the current stage. We will invite experts to offer advice and assess the requirements on manpower, operating equipment, etc. as well as the directions of R&D projects, with a view to completing the required planning as soon as possible. We aim to report to the Legislative Council on the progress of the preparatory work for the establishment of the Institute within this year and will also work with the Institute

to jointly formulate the assessment mechanism and key performance indicators so as to evaluate its service performance.

ITIB134

(Question Serial No. 0081)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title): ()

<u>Programme</u>: (3) Planning for Innovation and Technology Development

<u>Controlling Officer</u>: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Under Programme 2, the Innovation, Technology and Industry Bureau will continue to oversee the implementation of the Re-industrialisation Funding Scheme (RFS) in the coming year. The RFS subsidises manufacturers to set up smart production lines in Hong Kong. Will the Government consider expanding the coverage of the RFS to include subsidising enterprises to improve existing manufacturing facilities, so as to enhance the operational efficiency of traditional manufacturing industries? Will the Government relax the restrictions of the RFS by allowing enterprises to concurrently undertake more than 1 funded project, and at the same time increasing the Government's funding ratio? If yes, what are the details; if not, what are the reasons?

Asked by: Hon NG Wing-ka, Jimmy (LegCo internal reference no.: 8)

Reply:

The Innovation and Technology Commission (ITC) launched the Re-industrialisation Funding Scheme (RFS) in July 2020 to subsidise manufacturers, on a 1 (Government): 2 (enterprise) matching basis, to set up new smart production lines in Hong Kong. The funding ceiling is one-third of the total cost of an approved project or \$15 million, whichever is lower.

As at mid-March 2023, 30 applications involving a total of 50 smart production lines were supported by the RFS Vetting Committee (excluding 8 applications which were withdrawn by the companies due to changes in the business environment after support had been given by the Vetting Committee).

Traditional manufacturing industries are welcome to apply for the RFS to increase smart application in the production processes through the setting up of new smart production lines in order to support and upgrade their existing production modes and enhance their operational efficiency and competitiveness. An example from the food manufacturing and processing sector is a local food manufacturer, funded under the RFS, sets up smart production lines for producing fresh egg liquid products to improve its production efficiency and capacity in

supplying fresh egg liquid to local restaurants and food manufacturers. Another food enterprise, also funded under the RFS, sets up real time data-driven smart production lines for mooncake products to enhance its production capacity. The products will be sold mainly in the local market but also export to other markets.

Currently, there is no upper limit to the total number of approved projects for each enterprise but the enterprise concerned must complete the approved project before applying for subsidy for a new project. We will review the overall arrangements in the light of operational experience and introduce in due course enhancement measures to better support the establishment of more smart production lines in Hong Kong, including those for the traditional manufacturing sector.

ITIB135

(Question Serial No. 0119)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title): ()

<u>Programme</u>: (3) Planning for Innovation and Technology Development

<u>Controlling Officer</u>: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Under Programme 3, the Innovation and Technology Commission will continue to organise promotional and educational activities to enhance public awareness of innovation and technology development in the coming year. Will the Government discuss with the Leisure and Cultural Services Department to open the exhibition halls and Space Theatre of the Hong Kong Space Museum to the public for free with a view to promoting science education for all and broadening the horizons of students and the public by making use of science-related exhibition venues? If yes, what are the details; if no, what are the reasons?

<u>Asked by</u>: Hon NG Wing-ka, Jimmy (LegCo internal reference no.: 11) Reply:

To enhance public understanding of innovation and technology (I&T), the Innovation and Technology Commission (ITC) has all along been organising on its own and jointly with various sectors of the community and other government departments different types of I&T activities, such as the InnoCarnival as an annual flagship event organised by ITC with over 50 programme partners. The 9-day InnoCarnival held at the Hong Kong Science Park is free of charge and has been popular among students and families. The InnoCarnival 2022 had a total of 37 on-site exhibition booths, around 145 I&T workshops covering a wide range of topics as well as about 40 webinars given by experts and scholars, attracting about 240 000 visits in total.

To mark our country's first open recruitment of payload specialists in Hong Kong last year, an Aerospace Showcase was set up at the InnoCarnival for the first time to showcase, among others, precision space instruments used in the country's space exploration missions, which were locally developed and produced by The Hong Kong Polytechnic University. The Information Services Department subsequently arranged the aerospace exhibition content to be displayed in different districts so that the public can understand more about Hong Kong's contribution to the aerospace development of our country.

With a view to enhancing the promotion of science and astronomical knowledge among students and the public, the Leisure and Cultural Services Department has made a series of arrangements in respect of the opening of the exhibition halls of the Hong Kong Space Museum (Space Museum) to the public. At present, the exhibition halls of the Space Museum are open for public visit free of charge on Wednesdays; on other days, a standard ticket is priced at \$10, while full-time students, holders of valid Museum Pass and children under 4 years old accompanied by an adult with a ticket can enjoy free admission; people with disabilities and senior citizens aged 60 or above are entitled to a half-price concession. As for the Space Theatre, there are 2 types of tickets priced at \$24 and \$32 respectively, while full-time students, people with disabilities and senior citizens aged 60 or above are entitled to a half-price concession on any days. The relevant admission fees are set at an affordable level for the general public. The LCSD will also make good use of the Hong Kong Science Museum and its educational facilities to organise more and different kinds of popular science activities, with a view to enhancing civic literacy in science.

We will continue to liaise with different stakeholders, including relevant government bureaux and departments, to organise promotional and educational activities to enhance the understanding of I&T among students and the public.

ITIB136

(Question Serial No. 0121)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title): ()

<u>Programme</u>: (2) Promotion of Technological Entrepreneurship

<u>Controlling Officer</u>: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Under Programme 2, the Innovation and Technology Commission (ITC) will continue to administer the Innovation and Technology Venture Fund (ITVF), including the appointment of new co-investment partners in the coming year. ITC is reviewing the operation of the ITVF with a view to exploring room for further enhancement and streamlining procedures so as to empower local start-ups with more financing support. What are the progress and details of the review? When will the review be expected to complete? What are the respective manpower and expenditures involved in the review? In each of the past 5 years, how many local innovation and technology start-ups have the ITVF invested in and what are the respective amounts of investment?

Asked by: Hon NG Wing-ka, Jimmy (LegCo internal reference no.: 14)

Reply:

The Innovation and Technology Venture Fund (ITVF) aims to encourage venture capital (VC) funds to invest in local innovation and technology (I&T) start-ups. The Innovation and Technology Commission (ITC) has selected 6 VC funds as co-investment partners (CPs) since the third quarter of 2018, and after another 2 rounds of selection, a total of 16 VC funds have been selected as CPs at present to co-invest at a matching ratio of approximately 1(Government): 2(CPs).

ITC is reviewing the operation of the ITVF, which includes streamlining the co-investment process and optimising the handling of additional investment requirements of ITVF's invested local I&T start-ups, with a view to exploring room for further enhancement so as to empower local I&T start-ups with more support. Currently, the ITVF mainly invests in local I&T start-ups with I&T business in Hong Kong. To attract non-local I&T start-ups to Hong Kong, we will not rule out the possibility of co-investing with our CPs in non-local I&T start-ups, after assessing their specific development plans in Hong Kong. This is conducive to promoting the I&T ecosystem in Hong Kong. As the review is carried out by the existing manpower of ITC, no additional manpower and expenditure is involved. The review is expected to be completed in the second quarter of this year.

Since the completion of the first co-investment in April 2019 and up to end-February 2023, the ITVF has completed capital injection into 36 investment projects and invested a total of about \$207 million in 27 local I&T start-ups (investee companies) whose business areas include supply chain management, e-commerce, financial technology, biotechnology and artificial intelligence, attracting over \$2.1 billion private investment.

The numbers of injected investment projects and new investee companies, as well as the investment amounts each year of ITVF are provided in the table below:

Year	Number of	Number of new	Investment amounts
	injected investment	investee companies	(\$million)*
	projects		
2019	7	6	49.6
2020	15	13	51.9
2021	7	4	70.1
2022	6	4	31.2
2023	1	-	3.9
(as at end-February)			
Total	36	27	206.7

^{*}The investment amounts are rounded to one decimal place.

ITIB137

(Question Serial No. 0125)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title): ()

<u>Programme</u>: (3) Planning for Innovation and Technology Development

<u>Controlling Officer</u>: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Under Programme 3, the Innovation and Technology Commission will promote an innovation and technology (I&T) culture and popular science to the general public and nurture more young innovators in the coming year. To foster an I&T culture and reinforce the I&T atmosphere in the community, the relevant departments will continue to strengthen their liaison with district organisations, including Area Committees, District Fire Safety Committees and District Fight Crime Committees, etc., to promote popular science among residents of the districts concerned, with a view to strengthening the engagement of district organisations in the promotion of popular science. What are the manpower and expenditure involved in strengthening liaison this year? Have any key performance indicators (KPIs) been developed for the relevant work? If yes, what are the details? What are the manpower and expenditure involved in organising the second City I&T Grand Challenge?

Asked by: Hon NG Wing-ka, Jimmy (LegCo internal reference no.: 15)

Reply:

The Innovation, Technology and Industry Bureau promulgated in the Hong Kong Innovation and Technology Development Blueprint last December that the Government will continue to strengthen its liaison with district organisations (including Area Committees, District Fire Safety Committees, District Fight Crime Committees and other resident organisations, etc.) and make good use of community resources to promote popular science among residents of the districts concerned, with a view to strengthening the engagement of district organisations in the promotion of popular science.

To enhance public understanding of innovation and technology (I&T), the Innovation and Technology Commission (ITC) has all along been organising on its own and jointly with various sectors of the community and other government departments different types of I&T activities, such as the InnoCarnival - an annual flagship event organised by ITC with over 50 programme partners. Moreover, the General Support Programme (GSP) under the Innovation and Technology Fund (ITF) administered by ITC supports projects that contribute to the fostering of an I&T culture as well as promotion of popular science, including

conferences, exhibitions, seminars, workshops, promotional events, popular science activities, etc. These projects include large-scale popular science activities targeting the general public, such as the Gerontech and Innovation Expo cum Summit hosted by the Hong Kong Council of Social Service and the InnoTech Expo hosted by Our Hong Kong Foundation. The GSP has been well-received since its launch and supported a total of 122 projects in the past 3 years, involving a total funding amount of about \$262 million. It is expected that about 2.9 million people have participated or would participate in the relevant activities.

ITC has set up a GSP Supported Event Calendar on the ITF website to facilitate public access to the details of and participation in the latest funded events. ITC will, through the GSP, continue to support various sectors (including district organisations) to organise popular science activities to enhance public understanding of I&T.

ITC has earmarked a total of \$80 million in 2023-24 and 2024-25 for organising the second City I&T Grand Challenge, with an aim to promote the use of I&T for tackling problems faced by the people in their daily lives and inspire a fervid I&T atmosphere. The Hong Kong Science and Technology Parks Corporation is the organising partner of the City I&T Grand Challenge. ITC administers the relevant work with 3 staff.

ITIB138

(Question Serial No. 0127)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title): ()

<u>Programme</u>: (3) Planning for Innovation and Technology Development

<u>Controlling Officer</u>: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Under Programme 3, the Innovation and Technology Commission will continue to administer the STEM Internship Scheme (the Scheme) in the coming year and expand its coverage to offer local innovation and technology-related internship opportunities to students studying STEM (Science, Technology, Engineering and Mathematics)-related programmes at Greater Bay Area campuses established by designated local universities, as well as in other local and non-local universities. What are the relevant details? Will the Scheme be expanded to cover students studying STEM programmes in local private universities? If not, what are the reasons? How many students have participated in the Scheme each year since its launch? As the monthly allowance has remained the same, i.e. \$10,500 since the launch of the Scheme, will the Government increase it? If yes, what are the details; if not, what are the reasons?

Asked by: Hon NG Wing-ka, Jimmy (LegCo internal reference no.: 17)

Reply:

The Innovation and Technology Commission (ITC) launched the STEM Internship Scheme (the Scheme) in May 2020 with an aim to support undergraduates and postgraduates taking full-time STEM (Science, Technology, Engineering and Mathematics)-related programmes in universities funded by the University Grants Committee (UGC) to enrol in short-term internships, gain innovation and technology (I&T)-related work experience and foster their interests in pursuing a career in I&T after graduation, so as to enlarge the local I&T talent pool.

ITC will take forward the expansion of the coverage of the Scheme, which includes the offering of local I&T-related internship opportunities to students studying STEM-related programmes at Greater Bay Area (GBA) campuses established by designated local universities as well as coordinating the 5 government-funded research and development (R&D) Centres (viz. Automotive Platforms and Application Systems R&D Centre, Hong Kong Applied Science and Technology Research Institute, Hong Kong Research Institute of Textiles and Apparel, Logistics and Supply Chain MultiTech R&D Centre and Nano and

Advanced Materials Institute) and the Hong Kong Productivity Council in offering internship opportunities to STEM students of local and non-local universities.

ITC will review from time to time the coverage of the Scheme so as to progressively include more institutions as appropriate. If local non-UGC-funded institutions are interested to participate in the Scheme, they are welcome to contact ITC.

Since its launch in May 2020 to end-February 2023, the Scheme has provided over 8 270 internship opportunities for university students, the numbers of which are listed as follows:

Financial year	Number of
	participating interns
2020-21	1 685
2021-22	3 076
2022-23	3 516
(as at end-February 2023)	

The level of allowance of the Scheme is determined having regard to government internship programmes (such as the Administrative Service Internship Programme). By making reference to the changes in the level of allowance under these programmes, we intend to increase the allowance under the Scheme to around \$11,200 per month in 2023-24.

ITIB139

(Question Serial No. 0142)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title): ()

<u>Programme</u>: (2) Promotion of Technological Entrepreneurship

<u>Controlling Officer</u>: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Under Programme 2, the Innovation and Technology Commission will take forward the "Research, Academic and Industry Sectors One-plus Scheme" (RAISe+ Scheme) to fund, on a matching basis, at least 100 research teams in universities which have good potential to become start-ups in the coming year. Each team should complete its project in two stages. When will the application for the RAISe+ Scheme be expected to open? What is the expected average vetting time for each application? What are the respective manpower and expenditure involved in processing the applications?

Asked by: Hon NG Wing-ka, Jimmy (LegCo internal reference no.: 12)

Reply:

In order to unleash the potential of local universities in transforming research and development (R&D) outcomes, the Chief Executive announced in the Policy Address promulgated in October 2022 the launch of a \$10 billion "Research, Academic and Industry Sectors One-plus Scheme" (RAISe+ Scheme).

The Innovation and Technology Commission (ITC) proposes to fund, on a matching basis, at least 100 research teams from universities which have good potential to become successful start-ups to commercialise their excellent original breakthrough basic R&D outcomes within around 5 years starting from 2023-24. We consulted the Panel on Commerce, Industry, Innovation and Technology of the Legislative Council (LegCo) on the RAISe+ Scheme in March this year and received valuable advice and support from the Members. We are formulating the implementation details of the RAISe+ Scheme, including the vetting procedures and time, and will submit a funding application to the Finance Committee of LegCo in the second quarter with a view to launching the RAISe+ Scheme as early as possible within 2023.

ITC will set up a secretariat comprising 7 staff members to carry out the administrative work related to the RAISe+ Scheme, for instance, preparation of guide to application, forms, funding and administrative guidelines, preliminary assessment of the applications,

arrangement of expert committee meetings, disbursement of funds, review of the operation of the RAISe+ Scheme, etc. The estimated total expenditure on salary in 2023-24 is approximately \$7.2 million. Given the RAISe+ Scheme is very large in scale and it involves deep technology, as well as the rapid technology development, the complexity and technicality of the applications cannot be underestimated. It is very likely that ITC needs to engage external experts and/or consultants to assist in vetting the applications and monitoring the progress of the approved projects.

- End -

ITIB140

(Question Serial No. 0492)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title):

<u>Programme</u>: (1) Support for Research and Development

<u>Controlling Officer</u>: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

The Government is planning to establish a Microelectronics Research and Development Institute to promote microelectronics development in Hong Kong. In this connection, please advise this Committee on:

1. the specific work plans and timetable; and

2. the estimated expenditure and manpower involved.

Asked by: Hon QUAT Elizabeth (LegCo internal reference no.: 1)

Reply:

Given the rapid growth in global demand for microelectronics at present, there is ample room for development. To seize this opportunity and promote microelectronics development in Hong Kong, the Government will support the establishment of a Microelectronics Research and Development Institute (Institute) with the aim to make it one of the leading organisations for supporting microelectronics development in the Asia-Pacific region. The Institute will strengthen collaboration with universities, research and development (R&D) centres and the industry, conduct high-quality R&D work and expedite the "1 to N" transformation of technological outcomes, with a view to attracting Mainland and overseas talents in relevant fields and strengthening the nurture of local R&D talents to make the Institute a hub for pooling together talents from Hong Kong, the Mainland and overseas, thereby further enhancing the innovation and technology ecosystem of Hong Kong.

The establishment of the Institute would require detailed planning and an estimate on the expenditure and manpower involved is not available at the current stage. We will invite experts to offer advice and assess the requirements on manpower, operating equipment etc. as well as the directions of R&D projects, with a view to completing the required planning as soon as possible and reporting to the Legislative Council on the progress of the preparatory work for the establishment of the Institute within this year.

ITIB141

(Question Serial No. 3031)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title): ()

<u>Programme</u>: (3) Planning for Innovation and Technology Development

<u>Controlling Officer</u>: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

The Financial Secretary stated in his Budget Speech that the Government also spares no efforts in supporting enterprises to use technologies to enhance productivity and upgrade or transform their business processes. For example, the Technology Voucher Programme (TVP), which is widely received by industries, has supported over 20 000 applications since launch. To assist enterprises in better developing digital support facilities as well as carrying out upgrade and transformation, the Hong Kong Productivity Council (HKPC) launched the Biz Expands Easy one-stop online platform last September in order to make the funding application process smoother. However, the Audit Commission has published an Audit Report on the vetting and approval of TVP applications by the Innovation and Technology Commission (ITC) and pointed out that it took a long time to process TVP applications. In 2022, the average time elapsed from the receipt of applications to completion of vetting and approval was close to 1 year. It also took 1 applicant enterprise 16 months to have its application approved due to the need to clarify its documents. In this connection, will the Government inform this Committee of the following:

- 1. In respect of the Audit Commission's recommendation to speed up the vetting and assessment of applications, has the Government introduced any enhancement measures in the past year? If not, does the Government have any plans to introduce any improvement measures in the future?
- 2. It was also mentioned in the Audit Report that among members of the TVP Committee, which is responsible for steering and monitoring the Programme, the attendance rate in committee meetings of the non-official members from the business sector, technology sector and professional services sector was relatively low. Has the Government taken any measures to encourage members to avoid being absent from committee meetings and remind them to submit declarations of interest in a timely manner?
- 3. The effectiveness of the TVP in commercialising research and development outcomes and creating economic values; and what is the specific amount created?

4. Will the Government consider revitalising the scope of the TVP? For instance, when the Government completes the establishment of a "Supercomputing Centre" in the future, will private enterprises be allowed to use TVP funding to pay the charge of using the Centre?

Asked by: Hon SHANG Hailong (LegCo internal reference no.: 12)

Reply:

1. After the Innovation and Technology Commission (ITC) introduced various enhancement measures in April 2020, the number of applications for Technology Voucher Programme (TVP) increased almost 3 times from 2 302 in 2019 to 6 310 in 2020 and 5 672 in 2021, which far exceeded ITC's manpower capacity. Coupled with the adverse impact brought about by the COVID-19 pandemic on normal operation, there was a sizable backlog of TVP applications pending processing between 2020 and 2021 (i.e. within the period covered by the value for money audit of the Audit Commission). To expedite the processing of the backlogged applications, ITC, after reporting to the Legislative Council (LegCo) in April 2021, appointed the Hong Kong Productivity Council (HKPC) as the implementation partner of the TVP and served as its Secretariat in June 2021, utilising HKPC's existing and enhanced manpower resources as well as its experience to increase the processing capacity. concerted efforts of ITC and the HKPC, the processing of all applications received by end-2021 have been completed by end-April 2022 and submitted to the TVP Committee for assessment. In 2022, a total of 12 387 applications were approved. Compared with the 1 536 and 3 787 applications approved in 2020 and 2021 respectively, there was a significant increase in the processing capacity.

To increase the efficiency in processing applications and improve the service quality of the Secretariat, the Secretariat has enhanced the functions of the administration system of the TVP in the past year, including:

- (a) developed a number of control and management reports to monitor regularly the progress of every work process of the Secretariat;
- (b) reminders on the due date for reply and submission of documents are sent automatically by the system to the applicant in advance;
- (c) written communications between the Secretariat and the applicants are saved in the system so that the responsible Secretariat staff can process the case in question in the system; and
- (d) utilised Robotic Process Automation (RPA) technology to replace some manual and repetitive tasks (e.g. batch update of the approval status of applications after approval is given by ITC), thereby speeding up the application processing and reducing human errors.
- 2. ITC and the HKPC have all along been closely monitoring the attendance rate of non-official members of the TVP Committee. If members are unable to attend the meetings in person, they can join the meetings online through video conferencing. To encourage members to attend committee meetings, the Secretariat will issue the latest attendance record before each meeting for members' reference, and regularly call those with a relatively low attendance rate for follow-up. The TVP Committee held 9 meetings in 2022, of which most have attendance rates of non-official members higher than 70%, which had improved compared to the period covered by the Audit Report.

Upon the commencement of the new term of membership in mid-October 2022, all the non-official members (20 in nos.) have submitted their annual declarations of interest on or before the first meeting held in late November 2022. At every subsequent TVP Committee meeting, the Secretariat had asked the Chairman to remind members to check whether they had declared interest in respect of the applications covered by that meeting. The Secretariat would also check in advance the list of applicants against members' annual declarations of interest and urge the members concerned to pay attention. If there are interests involved with the project applicant, the member concerned should declare the conflict of interest to the Chairman and, at the Chairman's discretion, refrain from the assessment of such application or withdraw from the meeting.

- 3. The projects funded by the TVP do not involve research and development (R&D) work and commercialisation of R&D results. The TVP aims to support local enterprises/organisations in using technological services and solutions to improve productivity, or upgrade or transform their business processes. Among the approved applications, around 95% came from small and medium-sized enterprises. As at end-2022, 1 963 funded enterprises/organisations have already completed their projects and submitted evaluation reports to ITC. 99% of them were of the view that the projects were conducive to enhancing their competitiveness, saving their manpower, time and/or cost, or upgrading/transforming/streamlining their business processes.
- 4. The Office of the Government Chief Information Officer (OGCIO) invited consultancy proposals for the feasibility study on the development of an Artificial Intelligence (AI) Supercomputing Centre on 23 February 2023. The consultant is required to assess the actual demand for AI supercomputing services in Hong Kong, and make recommendations on the scale of investment, the optimal operational model as well as the implementation strategy of the supercomputing centre. OGCIO plans to commence the consultancy study in May this year with a view to completing the study in 2023-24. Details of the development approach and implementation plan will be subject to the findings and recommendations of the consultancy study. funding can be used by enterprises for technological consultancy services as well as the purchase, rent or procure customised hardware, software and technological solutions to enhance business productivity. ITC will follow up with OGCIO to explore the feasibility of allowing enterprises to pay for the use of the AI Supercomputing Centre with TVP funding upon finalisation of the details of the AI Supercomputing Centre.

ITIB142

(Question Serial No. 2091)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title): ()

<u>Programme</u>: (6) Subvention: Hong Kong Productivity Council, Hong Kong

Applied Science and Technology Research Institute Company

Limited

Controlling Officer: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

During 2023-24, the Hong Kong Productivity Council will provide integrated services to small and medium-sized enterprises (SMEs) and start-ups through the SME ReachOut and SME One. In this connection, will the Government provide the details, plan, timetable and estimated expenditure of the relevant work?

Asked by: Hon SHIU Ka-fai (LegCo internal reference no.: 34)

Reply:

With a view to enhancing the capabilities of small and medium-sized enterprises (SMEs) including start-ups, the Hong Kong Productivity Council (HKPC) provides integrated services for them through funding scheme matching and technical support to assist them in applying for government subsidies. In consultation with the Trade and Industry Department (TID), the consolidated reply is as follows:

The TID sets up a dedicated service team entitled "SME ReachOut", operated by the HKPC, in January 2020. The SME ReachOut supports SMEs through meetings to help identify suitable government funding schemes, while answering questions relating to the application process. From January 2020 to end-February 2023, the SME ReachOut has handled about 15 000 enquiries and organised or participated in over 200 outreach activities.

The Financial Secretary announced in the 2023-24 Budget that the allocation of \$100 million to the HKPC to enhance the related services in the next 5 years. The TID expects to enhance the services of the SME ReachOut starting from October 2023, which include arranging more visits to chambers of commerce, industrial and commercial buildings and co-working spaces as well as enhancing publicity through social media to step up the promotion of government funding schemes. At the same time, the SME ReachOut will provide more one-on-one consultation sessions to assist SMEs in applying for government subsidies, and arrange one-on-one technical or business know-how consultation sessions to assist SMEs in enhancing

their competitiveness. The estimated expenditure of the SME ReachOut to be borne by the Government in 2023-24 is \$15.3 million.

Moreover, the HKPC has set up an SME service centre entitled "SME One". The SME One, commissioned in July 2012, organises activities regularly and provides one-stop business information and assistance for Hong Kong SMEs, including the various support schemes available to industry sectors, financing proposals and latest information technology solutions of the Hong Kong Special Administrative Region Government and the Mainland to assist SMEs in enhancing their operational efficiency. In 2023-24, the SME One plans to enhance the activities of the InnoPreneur Network platform to attract SMEs from different sectors and those that are interested in the related services, and will continue to organise workshops to facilitate the upgrading and transformation of SMEs. The SME One will continue to be administered with the existing manpower, involving an estimated expenditure of about \$970,000.

ITIB143

(Question Serial No. 2095)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title): ()

<u>Programme</u>: (5) Quality Support

<u>Controlling Officer</u>: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

During 2023-24, the Innovation and Technology Commission will continue to provide support to the Hong Kong Council for Testing and Certification in implementing measures to support the development of the testing and certification (T&C) sector, administering the T&C Sector Job Creation Scheme, and organising the 2023-24 T&C Manpower Development Award Scheme. In this connection, will the Government advise on the details of the relevant work, the estimated number of jobs to be created and the breakdown of the estimated expenditure?

Asked by: Hon SHIU Ka-fai (LegCo internal reference no.: 38)

Reply:

T&C Sector Job Creation Scheme

The T&C Sector Job Creation Scheme (Job Creation Scheme) is launched under the Anti-Epidemic Fund 6.0, aiming to encourage private testing and certification (T&C) organisations to create more job opportunities and attract talent to join the T&C sector, so as to enrich Hong Kong's T&C talent pool. Under the Job Creation Scheme, each private T&C organisation with valid accreditation status given by the Hong Kong Accreditation Service may apply for a monthly subsidy for up to 5 eligible job positions. For each approved position, the applicant employer will receive a monthly subsidy of \$10,000 or 50% of the salary of the position, whichever is lower, for 12 months.

The Job Creation Scheme was launched by the Innovation and Technology Commission (ITC) on 24 August 2022, with the application period ending on 31 July 2023. As at 30 March 2023, 84 job positions in 38 private T&C organisations have been subsidised under the Job Creation Scheme, involving a total annual funding of approximately \$8.8 million. We anticipate that the Job Creation Scheme can create around 100 job positions for the T&C sector.

T&C Manpower Development Award Scheme

With a view to commending T&C organisations which attach great importance to the manpower training and professional development while also acclaiming outstanding T&C practitioners who strive for excellence in continuous learning or make distinguished contribution to improving service quality, ITC will organise the 2023-24 T&C Manpower Development Award Scheme (Award Scheme). There are 2 categories of awards under the Award Scheme, namely the T&C Manpower Development Corporate Award and the Excellent T&C Professional Award.

ITC is now formulating the overall implementation arrangements of the Award Scheme, including the assessment criteria, selection process, as well as inviting different stakeholders of the T&C industry (such as industry associations, professional bodies and tertiary institutions) to be the supporting organisations of the Award Scheme. We plan to start accepting applications in the second quarter of this year. Apart from promoting the Award Scheme through different means and channels (such as newspapers and social media), we will also encourage eligible T&C organisations in the industry to submit applications and/or nominate their staff members to participate in the Award Scheme through direct contact or the assistance of supporting organisations. For the applications received pursuant to the 2 categories of awards under the Award Scheme, we will verify the information provided and conduct assessments in the third quarter of 2023 to decide on the respective lists of awardees, with a view to organising the award presentation ceremony of the Award Scheme before end of this year. The total estimated expenditure for the Award Scheme is about \$1.2 million (not including the salaries of ITC staff as covered by the existing resources).

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB144

(Question Serial No. 1638)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title): ()

<u>Programme</u>: Not Specified

<u>Controlling Officer</u>: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

One of the duties of the Innovation, Technology and Industry Bureau is to "monitor the implementation of funding schemes and support programmes under the Innovation and Technology Fund". In this connection, will the Government inform this Committee of the following:

- 1. Please list the estimated amount of annual funding and actual expenditure with a breakdown by funding scheme/laboratory under the Innovation and Technology Fund in the past 3 years.
- 2. Please provide a breakdown by university, under the Technology Start-up Support Scheme for Universities (TSSSU) in the past 3 years, (i) the total number of start-ups applying for the TSSSU, (ii) the total number of start-ups with application approved, (iii) the success rate of applications, (iv) the total funding amount approved, (v) the number of patents, (vi) the number of products successfully transformed from research and development (R&D) outcomes and their categories, and (vii) the number of start-ups still in operation.
- 3. Are/is there any specific new measures or enhancement of existing funding schemes, or creation of more fund matching opportunities between the R&D side and the private investment side, with a view to further promoting the commercialisation of R&D outcomes, deepening the collaboration among the Government, industry, academic and research sectors, and the development of the ecosystem for industries? If yes, what are the specific details, estimated expenditure involved and timetable; if not, what are the reasons?

Asked by: Hon SO Cheung-wing (LegCo internal reference no.: 31)

Reply:

1. The revised estimates and actual expenditures for the 17 funding schemes supporting the 5 innovation and technology (I&T) areas, namely supporting applied research and development (R&D), facilitating technology adoption, nurturing I&T talent, supporting technology start-ups and fostering an I&T culture, under the Innovation and Technology

Fund (ITF) in the past 3 years (i.e. 2020-21 to 2022-23 financial years) are tabulated as follows:

	2020-21		202	2022-23	
Subheads under the ITF	Revised estimate (\$ million)	Actual amount of expenditure (\$ million)	Revised estimate (\$ million)	Actual amount of expenditure (\$ million)	Revised estimate (\$ million)
Subhead 090 Midstream	40.6	38.8	15.2	15.2	-
Research Programme for					
Universities (block vote)					
(subsumed into the Innovation					
and Technology Support					
Programme since June 2021)					
Subhead 101 Innovation					
and Technology (block vote)					
(Note)					
Innovation and Technology	778.2	733.0	709.6	704.1	676.1
Support Programme					
Partnership Research	83.5	62.7	133.4	101.4	125.8
Programme					
Guangdong-Hong Kong	15.1	18.4	30.3	22.8	29.9
Technology Cooperation					
Funding Scheme					
Mainland-Hong Kong Joint	4.0	-	20.2	26.5	26.6
Funding Scheme					
Enterprise Support Scheme	89.9	92.1	96.4	88.1	64.7
Research and Development	155.0	152.9	142.0	121.3	109.4
Cash Rebate Scheme					
Public Sector Trial Scheme	130.7	136.1	104.7	93.4	135.3
General Support	50.8	59.2	104.6	97.6	110.0
Programme					
Patent Application Grant	37.7	15.0	39.9	31.1	40.5
Research Talent Hub	414.3	346.8	346.2	341.4	343.0
Reindustrialisation and	11.2	11.2	11.9	62.4	49.6
Technology Training					
Programme					
STEM Internship Scheme	30.7	23.5	81.2	66.9	94.4
Technology Voucher	148.8	95.4	332.4	319.4	934.7
Programme					
Technology Start-up	52.7	46.3	49.3	47.8	49.6
Support Scheme for					
Universities					
Re-industrialisation	-	-	-	-	7.8
Funding Scheme					
Innovation and Technology	-	-	22.4	13.1	10.3
Fund for Better Living					
Subhead 110 Innovation	90.0	33.2	31.0	27.6	25.0
and Technology Venture Fund					
Corporation					
Total	2,133.2	1,864.6	2,270.7	2,180.1	2,832.7

Note: Subhead 101 Innovation and Technology (block vote) also includes the funding for the 7 technology transfer offices of universities, 16 State Key Laboratories and 6 Hong Kong Branches of Chinese National Engineering Research Centres, as well as that for

the R&D projects of the R&D centres/laboratories established under the InnoHK Research Clusters.

2. The figures⁽¹⁾ of the Technology Start-up Support Scheme for Universities (TSSSU) with a breakdown by university in the past 3 years (i.e. 2020-21 to 2022-23 financial years) are provided as follows:

University that submitted recommendations	Number of start-ups funded	Average success rate of applications	Total amount of funding approved (\$ million)	Number of start- ups still in operation	Number of intellectual property rights generated ⁽⁴	Number of start- ups with products rolled out	Number of products rolled out (4)(5)
City University of Hong Kong	26	27.2%	24	26	51	9	20
Hong Kong Baptist University	13	32.6%	23.23	13	24	4	7
The Chinese University of Hong Kong	33	57.3%	24	33	185	13	35
The Hong Kong Polytechnic University	19	25.0%	24	19	67	10	23
The Hong Kong University of Science and Technology	44	33.7%	24	44	113	16	34
The University of Hong Kong	49	46.0%	24	49	75	19	49
Total	184	36.9%	143.23	184	515	71	168

Note⁽¹⁾: The universities only have to report the numbers of applications received to the Innovation and Technology Commission (ITC) without submitting the list of applications. As the same start-up may submit applications in different years, the total number of start-ups which have submitted applications cannot be confirmed.

Note⁽²⁾: The statistical figures in this column refer to the average of the application success rates of those 3 financial years.

Note⁽³⁾: As at end-December 2022.

Note⁽⁴⁾: The universities will collect and verify the information in relation to the funded start-ups in 2022-23 after the end of the financial year and subsequently submit it to ITC. Therefore, the statistical figures in these columns only refer to the intellectual property rights (including patents, copyrights and registered trademarks/designs) generated and products rolled out by the funded start-ups during the funding period in the 2020-21 and 2021-22 financial years.

Note⁽⁵⁾: The information on the product category is not available.

3. Starting from the 2023-24 financial year, the annual maximum amount of subsidy for each university under the TSSSU will be doubled from \$8 million to \$16 million. The additional subsidy will be provided to start-ups of universities with private investments on a matching basis of one to one. As there are 6 participating universities, the additional subsidy amount is \$48 million each year. On the other hand, the Chief

Executive announced in the 2022 Policy Address that to incentivise collaboration among industry, academic and research sectors to further promote the "from 1 to N" transformation of R&D outcomes and the industry development, \$10 billion will be earmarked to launch the "Research, Academic and Industry Sectors One-plus Scheme" (RAISe+ Scheme) to fund, on a matching basis, at least 100 research teams in universities which have good potential to become start-ups for the transformation and realisation as well as commercialisation of R&D outcomes. ITC is formulating the implementation details of the RAISe+ Scheme. Upon consulting the Panel on Commerce, Industry, Innovation and Technology of the Legislative Council (LegCo), a funding application will be submitted to the Finance Committee of LegCo with a view to launching the Scheme within 2023.

ITIB145

(Question Serial No. 1868)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title): ()

<u>Programme</u>: (3) Planning for Innovation and Technology Development

<u>Controlling Officer</u>: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

The Re-industrialisation Funding Scheme (RFS) was launched in July 2020 to subsidise manufacturers, on a 1 (Government): 2 (company) matching basis, to set up new smart production lines in Hong Kong. The funding ceiling is one-third of the total cost of an approved project or \$15 million. In this connection, will the Government inform this Committee of the following:

- 1. Will the Government provide the numbers of RFS applications in each of the past 3 years, numbers of approved applications, total project costs of the approved applications, average funding amounts for each approved project, and average processing time?
- 2. Please set out in tabular form the funding amounts of the approved projects under the RFS since its launch in July 2020:

Year	Manufacturer	Industrial	Project	Total	Matching	Funding
	with projects	sector	information	project	fund from	amount
	approved			cost	manufacturer	approved
2020-						
2021						
2021-						
2022						
2022-						
2023						

- 3. How many approved applications are related to the textiles and clothing industry since the launch of the RFS in July 2020? If there is/are any, will the Government provide the project details?
- 4. Some manufacturers reflected that if they had to complete their entire projects with their final project reports and final audited accounts accepted before the funding would be disbursed by the Government on a reimbursement basis, some enterprises might hesitate to apply due to worry of insufficient cash flow or the funding would not be disbursed eventually. Does the Government have plan or would it consider to enhance the RFS, such as relaxing the funding ratio, expediting the vetting process and streamlining the application procedures, with a view to attracting more enterprises to submit RFS applications?

5. The 2022 Policy Address proposed to subsidise the setting up of more smart production lines in Hong Kong under the RFS, with the target of increasing the cumulative number of smart production lines by 4 times from about 30 at present to over 130 in 5 years. Furthermore, it would strengthen the collaboration with the Hong Kong Productivity Council to support enterprises in upgrading to smart production". What are the concrete plans and work of the Government to substantially increase the cumulative number of smart production lines to over 130 in 5 years?

Asked by: Hon TAN Sunny (LegCo internal reference no.: 9)

Reply:

1. The Innovation and Technology Commission (ITC) launched the Re-industrialisation Funding Scheme (RFS) in July 2020 to subsidise manufacturers, on a 1 (Government): 2 (enterprise) matching basis, to set up new smart production lines in Hong Kong. The funding ceiling is one-third of the total cost of the approved project or \$15 million, whichever is lower.

The numbers of applications under the RFS in 2020-21, 2021-22 and 2022-23 (as at mid-March) were 13, 21 and 15 respectively (49 in total). As at mid-March 2023, 30 applications were supported by the RFS Vetting Committee (excluding 8 applications which were withdrawn by the applicant companies due to changes in the business environment after support had been given by the Vetting Committee), involving a total project costs of approximately \$1 billion. The total funding amount of the RFS was about \$270 million, and the average amount of funding for a project was around \$9 million. The time between receiving all required information from applicant companies and informing them of the vetting results from the Vetting Committee is about 60 working days.

2&3. The funding amounts involved in the 30 applications supported by the Vetting Committee are set out in the table below. Among these applications, 1 of them is related to the textiles and clothing industry. The project is from the Sew Solution Limited on setting up a digital knitwear smart production line. The total estimated cost of the project is about \$49 million, with an approved funding of \$15 million.

Financial Year	Number of applicant companies	Total project cost (approximate)	Matching fund from applicant companies (approximate)	Funding amount (approximate)
2020-2021	7	135 million	95 million	40 million
2021-2022	13	451 million	337 million	115 million
2022-2023 (as at mid- March 2023)	10	416 million	298 million	118 million
Total	30	1 billion	730 million	270 million

Note 1: As at mid-March 2023, a total of 30 applications were supported by the Vetting Committee, of which 24 have signed the funding agreements. applicants and industrial sectors of the projects are: Taron Solutions (biological agent), Chewy International Foods (rice packaging), CK One (food processing), So Li Ah (coupler friction welding for steel reinforcement bars), Hong Kong Beer (beer production), Nanoshields Technology (electrospinning for nanofiber filter material), Nissin Foods (cup and bowl-type instant noodle products), Casetagram(CASETiFY production line), 2 Plus 3 (HK) Industrial (vegetable juice), Luen Tai Hong Kong Fresh Liquid Eggs (fresh liquid egg products), Focus Industries (nanofiber HEPA filter materials), Johnson Electric Industrial Manufactory (resin-bonded graphite bushing manufacturing), Lee Kum Kee (Hong Kong) Foods (oyster sauce manufacturing), Smart (Technology) Global (rebar precast parts), Catalo Natural Health Foods (supplements), Vita Green Pharmaceutical (HK) (tea capsules), Amoy Food (sauce sachets), Johnson Electric International (smart carbon brush), Luk Yeung Restaurant (mooncake products), Ping's Production (soup, sauce, food and beverage), Wai Yuen Tong Medicine (Chinese medicine production), American Unicorn Laboratories (oral solid dosage), Profit Royal Pharmaceutical (nano-coated fabric and nanofiber respirator) and Sew Solution (knitwear).

For the other 6 applications which the Vetting Committee has agreed to support, the Secretariat is following up on the comments of the Vetting Committee on the applications with the applicant companies, so as to finalise the details of their plans and the contents of the funding agreements. After the applicant company concerned signed the funding agreement, the information of the project will be uploaded to the website of the Innovation and Technology Fund for public viewing.

4&5. To ease the liquidity pressure of enterprises, the ITC will provide interim payment not exceeding 50% of the approved funding amount for project with a duration of over 12 months under the RFS, with the actual amount determined having regard to its progress and actual recognisable expenditures.

As at mid-March 2023, the Vetting Committee has supported 30 applications involving a total of 50 smart production lines. Our target is to subsidise a total of over 130 smart production lines under the RFS by 2027. We will continue to proactively promote the RFS to the industry through different channels and introduce enhancement measures in due course.

ITIB146

(Question Serial No. 1882)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title): ()

<u>Programme</u>: (1) Support for Research and Development

<u>Controlling Officer</u>: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

The aim of the Innovation and Technology Commission is to promote and support applied research and development (R&D) activities which can contribute to innovation and technology (I&T) upgrading in industry. The R&D projects carried out by the 5 R&D Centres, namely the Automotive Platforms and Application Systems R&D Centre (APAS), Hong Kong Applied Science and Technology Research Institute (ASTRI), Hong Kong Research Institute of Textiles and Apparel (HKRITA), Logistics and Supply Chain MultiTech R&D Centre (LSCM) and Nano and Advanced Materials Institute (NAMI), except for those contract researches the full costs of which are borne by sponsoring companies, are funded mainly by the Innovation and Technology Fund (ITF). In this connection, will the Government inform this Committee of the following:

- In promoting commercialisation of R&D outcomes, will the Government consider further supporting R&D centres, such as HKRITA, to set up pilot smart production lines and customised product production lines in Hong Kong by measures like increasing the funding amount and reserving lands at the Northern Metropolis? If yes, what are the details; if not, what are the reasons?
- Will the Government consider exploring the setting up of operational branches and footholds at cities in the Greater Bay Area on behalf of R&D centres, such as HKRITA, as well as allowing their operations to cross the border so that technical personnel hired from the Mainland or stationed there can coordinate the testing and production processes with Mainland factories more directly and efficiently? If yes, what are the details; if not; what are the reasons?
- It is mentioned in paragraph 62 of the Budget that we must accelerate the development of Hong Kong into an international centre for green technology and finance and to proceed in 5 directions, one of which is to build a green technology ecosystem. Over the years, HKRITA has spared no effort in promoting innovation and technology, including green technology capable of enhancing the functions of materials and upcycling. Please inform this Committee of the ways the Government are going to support and make use of the R&D organisations, such as HKRITA, to better promote the development of green technology.

Asked by: Hon TAN Sunny (LegCo internal reference no.: 27)

Reply:

The Government has set up 5 Research and Development (R&D) Centres, namely the Hong Kong Applied Science and Technology Research Institute ("ASTRI"), Hong Kong Research Institute of Textiles and Apparel ("HKRITA"), Logistics and Supply Chain MultiTech R&D Centre ("LSCM"), Nano and Advanced Materials Institute ("NAMI") and Automotive Platforms and Application Systems R&D Centre ("APAS") since April 2006 to drive and coordinate applied R&D in selected focus areas. In 2021-22, the commercialisation and other income of the 5 R&D Centres was approximately \$94.9 million, representing an increase of about 59% compared to that in 2020-21. The R&D projects conducted by the R&D Centres should meet the needs of the industry and the R&D Centres are striving to transform the R&D outcomes into products. The Innovation and Technology Commission (ITC) will continue to support the R&D Centres in stepping up their technology transfer and commercialisation work.

In terms of supporting the development of advanced manufacturing industry, the Advanced Manufacturing Centre (AMC) was commissioned in 2022. The Hong Kong Science and Technology Parks Corporation is currently conducting a feasibility study on setting up the second AMC to provide more space for advanced manufacturing. The planned San Tin Technopole in the Northern Metropolis will also enable a greater clustering effect for the technology sectors and provide land for them, including the advanced manufacturing industry.

ITC will continue to support the R&D Centres, through the Innovation and Technology Fund (ITF), for conducting applied R&D projects that bolster innovation and technology (I&T) development of the industry. For example, the ITF provides funding support for The Open Lab project being prepared by HKRITA to promote collaboration among the Government, industry, academia and research institutes. By scaling up the application of relevant R&D outcomes in industrial scale and showcasing to the industry the future of textile and garment recycling through the setting up of the pilot smart production line in Hong Kong, the overall competitiveness of the industry can be enhanced. The pilot production line separates and recycles local blended textile waste materials originated from the industry and other partners, thereby promoting the R&D realisation and adoption of green technologies.

ITC will continue to encourage the 5 R&D Centres to exchange and link with the Mainland The 5 R&D Centres have participated jointly in R&D projects with their Greater Bay Area (GBA) partners in recent years (e.g. APAS has discussed with the Automotive Inspection Centre in Guangzhou of the China Automotive Technology and Research Centre Co. Ltd. on cooperation in respect of charging technology, and testing parameters and venues for autonomous driving), signed Memorandums of Understanding (e.g. ASTRI will cooperate with the Southern University of Science and Technology in Shenzhen to establish a joint laboratory in the next 5 years, promote with priority R&D work, and develop application of advanced semiconductors, next-generation communications, etc.), and organised promotional activities like seminars and exchange sessions, with a view to strengthening the I&T cooperation in the GBA and promoting the R&D Centres among peers and enterprises so as to facilitate the development of the R&D Centres in the GBA. The R&D Centres will formulate appropriate strategies for their development in the GBA, including exploring the establishment of a foothold in the Mainland cities in the GBA, taking into account the needs of their respective industries and their operational plans.

The ITF has been actively supporting the R&D across all technology areas, including "Green Development". Under the various ITF funding schemes supporting R&D, there have been around 110 R&D projects relevant to green technologies approved so far, with a total funding of around \$330 million. The R&D Centres are also involved in these projects. HKRITA has developed for the industry novel high-performance textile materials and advanced textile recycling technologies e.g. water-resistant and biodegradable regenerated leather, removal of indigo dye in denim plant wastewater by macroalgae, and extra long staple cotton grown by eco-friendly hydroponic cultivation. These projects not only enhance the competitiveness of the industry, but also bring benefits to the society as a whole. NAMI has developed new materials and technologies that contribute to the green ecosystem and energy saving e.g. microalgae green walls for air purification, a durable lithium-ion battery that can operate in a wide temperature range, and NanoSponge for thermal insulation to reduce energy consumption of cooling system, etc. ITC will continue to support projects conducive to the development of green technology through the ITF.

ITIB147

(Question Serial No. 3563)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title): ()

<u>Programme</u>: (1) Support for Research and Development

<u>Controlling Officer</u>: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

The Government indicated in the Legislative Council last year that it has been actively encouraging departments and the public sector to adopt innovation and technology (I&T) solutions developed by the local I&T sector (including universities and start-ups), acting as a focal point for technology collaboration among the Government, industry, academia and research sectors, and driving the commercialisation of research and development (R&D) results. This includes the Public Sector Trial Scheme (PSTS) under the Innovation and Technology Commission (ITC) which provides all technology companies conducting R&D activities in Hong Kong with additional funding for the production of prototypes for trials in the public sector. Please provide the numbers of applications, numbers of applications approved, average amounts of funding approved, and the project areas in each of the past 3 years.

Will the Government propose to enhance the PSTS to facilitate and promote the realisation and commercialisation of R&D outcomes of the projects under the Innovation and Technology Fund?

Asked by: Hon TAN Sunny (LegCo internal reference no.: 19)

Reply:

The Public Sector Trial Scheme (PSTS) provides funding to research and development (R&D) projects under the Innovation and Technology Fund, incubatees and graduate tenants of the Hong Kong Science and Technology Parks Corporation and Cyberport, and technology companies conducting R&D activities in Hong Kong for producing prototypes/samples of their R&D outcomes and conducting trials in the public sector (including government departments) so as to promote the realisation and commercialisation of R&D outcomes. The number of applications, number of applications approved, average amount of funding approved, and the major technology areas of the approved projects under PSTS in the past 3 years are tabulated below:

Year	Number of applications	Number of applications approved	Average amount of funding approved (\$'000)	Technology areas involved in the projects
2020	370	104	2,080	- Information technology
	(332)*	(63)*	(1,620)*	- Environmental technology
				- Biotechnology
				- Materials science
2021	40	32	2,210	Same as above
2022	60	40	2,590	Same as above

^{*} The Innovation and Technology Commission (ITC) launched a special and one-off call for PSTS projects in March to April 2020 to combat the public health crisis arising from the Coronavirus Disease 2019 (COVID-19) epidemic. The figures inside the brackets indicate the number of projects related to the special call.

ITC will continue to monitor the implementation of PSTS, conduct reviews in a timely manner and introduce enhancement measures as appropriate.

ITIB148

(Question Serial No. 1809)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title): ()

<u>Programme</u>: (1) Support for Research and Development

<u>Controlling Officer</u>: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is mentioned in the Budget that the Government will support the establishment of a Microelectronics Research and Development Institute (Institute). Please advise on the following:

- 1) Will consultation or feasibility studies be conducted for the relevant project?
- 2) What are the plans for the preparatory work, as well as its programme and timetable?
- 3) What is the amount of provision to be earmarked by the Government for the establishment of the Institute?

Asked by: Hon TAN Yueheng (LegCo internal reference no.: 9)

Reply:

Given the rapid growth in global demand for microelectronics at present, there is ample room for development. To seize this opportunity and promote microelectronics development in Hong Kong, the Government will support the establishment of a Microelectronics Research and Development Institute (Institute) with the aim to make it one of the leading organisations for supporting microelectronics development in the Asia-Pacific region. The Institute will strengthen collaboration with universities, research and development (R&D) centres and the industry, conduct high-quality R&D work and expedite the "1 to N" transformation of technological outcomes, with a view to attracting Mainland and overseas talents in relevant fields and strengthening the nurture of local R&D talents to make the Institute a hub for pooling together talents from Hong Kong, the Mainland and overseas, thereby further enhancing the innovation and technology ecosystem of Hong Kong.

The establishment of the Institute would require detailed planning and an estimate on the expenditure involved is not available at the current stage. We will invite experts to offer advice and assess the requirements on manpower, operating equipment, etc. as well as the directions of R&D projects, with a view to completing the required planning as soon as possible and reporting to the Legislative Council on the progress of the preparatory work for the establishment of the Institute within this year.

ITIB149

(Question Serial No. 2054)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title): ()

<u>Programme</u>: Not Specified

<u>Controlling Officer</u>: Commissioner for Innovation and Technology (Ms Rebecca PUN)

Director of Bureau: Secretary for Innovation, Technology and Industry

Question:

There are many small and medium-sized enterprises in Hong Kong actively seeking digital transformation. Please advise on:

- 1) the numbers of applications received and approved as a whole under the Technology Voucher Programme (TVP) of the Innovation and Technology Fund, as well as the average funding amount for each application and the total funding approved in the past year; and
- 2) whether the Government plans to relocate the newly introduced BIZ Expands Easy online platform to "iAM Smart" so as to consolidate resources, with a view to allowing enterprises to apply for subsidy more smoothly, develop complementary digital measures and seek digital upgrading and transformation in a better way?

Asked by: Hon TAN Yueheng (LegCo internal reference no.: 6)

Reply:

- 1. The Innovation and Technology Commission launched the Technology Voucher Programme (TVP) in November 2016. The TVP has been well-received and the number of applications has been ever increasing. In the past year (from January 2022 to end-February 2023), a total of 14 510 applications were received under the TVP (excluding the 1 415 applications which were subsequently withdrawn or were unable to be processed due to ineligibility or missing supporting documents). In the same period, the TVP Committee vetted 12 640 applications, of which 12 583 were approved, involving a total funding amount of around \$2.267 billion and an average funding amount of around \$180 000 for each application.
- 2. Launched in September 2022 by the Hong Kong Productivity Council (HKPC), the BIZ Expands Easy (BEE) one-stop online platform provides information of the various Government funding schemes and an application channel in one-stop for enterprises and institutions. The BEE ePass of the platform provides a single account function allowing users to apply for and manage the 6 Government funding schemes of which the HKPC serves as the Secretariat with just a single account.

The "iAM Smart" mobile app provides one-stop personalised digital services platform, which enables users to log in and use online services by their personal mobile phones in a smart and convenient way.

To tie in with the Government to develop digital service platform, the HKPC plans to add a new function at BEE ePass to include logging-in through "iAM Smart" within 2023-24 so that enterprises can apply for subsidy more smoothly.

- End -

ITIB150

(Question Serial No. 2536)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title): ()

<u>Programme</u>: (3) Planning for Innovation and Technology Development

<u>Controlling Officer</u>: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Will the Government inform this Committee of the numbers of eligible companies or institutes for which the Technology Talent Admission Scheme (TechTAS) has admitted overseas and Mainland technology talents to work in Hong Kong every year since the launch of TechTAS in 2019? Which sectors are mainly involved?

Asked by: Hon TANG Fei (LegCo internal reference no.: 23)

Reply:

The Innovation and Technology Commission (ITC) launched the Technology Talent Admission Scheme (TechTAS) in June 2018. As at end- February 2023, a total of 725 quotas was allotted by ITC and the Immigration Department approved a total of 354 visa/entry permit applications upon receipt of applications from 139 companies or institutes with quotas allotted under TechTAS. No statistics on the industries of the applicant companies and institutes are available. The technology areas of non-local persons approved for entry under TechTAS are categorised as follows:

	Number of non-local persons approved for entry under TechTAS #					
Technology area	2018-19 (from June 2018)	2019-20	2020-21	2021-22	2022-23 (as at end February 2023)	
Artificial intelligence	10	14	26	17	11	
Biotechnology	2	6	17	8	15	
Cybersecurity	3	5	8	1	1	

Data analytics	4	8	15	6	5
Financial technologies	14	10	14	3	13
Material science	10	11	13	5	14
Robotics	5	8	11	3	0
Advanced communication technologies ^ (formerly known as 5G communications)		0	11	4	0
Digital entertainment	Not	0	0	0	6
Green technology	applicable*	0	1	2	3
Integrated circuit design		0	2	3	0
Internet-of-Things		0	4	1	1
Microelectronics		0	0	0	0
Quantum technology	Not applicable^				0
Total	48	62	122	53	69

[#] The number of applicants with visas/entry permits granted actually coming to Hong Kong will be affected by the economic situation, business development and recruitment plans of individual companies, etc.

^{*} ITC expanded the coverage of TechTAS in January 2020 to include 6 new technology areas (i.e. 5G communications, digital entertainment, green technology, integrated circuit design, Internet-of-Things and microelectronics).

[^] ITC further added one technology area (i.e. quantum technology) in December 2022 and renamed 5G communications as advanced communication technologies.

ITIB151

(Question Serial No. 2975)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title): ()

<u>Programme</u>: (1) Support for Research and Development

<u>Controlling Officer</u>: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

The Government will support the establishment of a Microelectronics Research and Development Institute (Institute). In this connection, will the Government advise this Committee on:

- 1. the timetable for the establishment of the Institute and the expected time for its official commissioning;
- 2. the amount of provision earmarked for its establishment;
- 3. whether the Government will make a provision for the setting up of a Preparatory Committee in advance for the Institute to commence operation as early as possible in view of the time required for the preparatory work and that it may take years before the Institute can be officially commissioned; and
- 4. the way of collaboration and division of work between the Institute and the Microelectronics Technology Consortium under the Hong Kong Applied Science and Technology Research Institute as well as the Microelectronics Centre in Yuen Long InnoPark, with a view to achieving the optimal result?

Asked by: Hon WONG Kam-fai, William (LegCo internal reference no.: 1)

Reply:

A consolidated reply to the various parts of the question is as follows:

Given the rapid growth in global demand for microelectronics at present, there is ample room for development. To seize this opportunity and promote microelectronics development in Hong Kong, the Government will support the establishment of a Microelectronics Research and Development Institute (Institute) with the aim to make it one of the leading organisations for supporting microelectronics development in the Asia-Pacific region. The Institute will strengthen collaboration with universities, research and development (R&D) centres and the industry, conduct high-quality R&D work and expedite the "1 to N" transformation of technological outcomes, with a view to attracting Mainland and overseas talents in relevant fields and strengthening the nurture of local R&D talents to make the Institute a hub for

pooling together talents from Hong Kong, the Mainland and overseas, thereby further enhancing the innovation and technology ecosystem of Hong Kong.

The establishment of the Institute would require detailed planning and an estimate on the scale of the Institute, expenditure and manpower required is not available at the current stage. We will invite experts to offer advice and assess the requirements on manpower, operating equipment, etc. as well as the directions of R&D projects, with a view to completing the required planning as soon as possible and reporting to the Legislative Council on the timetable and progress of the preparatory work for the establishment of the Institute within the 2023-24 year.

The Institute will liaise with stakeholders like the local and overseas industry, universities and research centres to form partnerships. In preparing the establishment of the Institute, we will review the synergy effect between the Institute and the Hong Kong Applied Science and Technology Research Institute as well as collaborate with members of the Microelectronics Technology Consortium, and make good use of the Microelectronics Centre under construction in the Yuen Long InnoPark so as to facilitate small scale pilot production, in order for the Institute to play a leading role in promoting innovation and application in the microelectronics industry.

ITIB152

(Question Serial No. 2989)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title): ()

<u>Programme</u>: (2) Promotion of Technological Entrepreneurship

<u>Controlling Officer</u>: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is mentioned in the Budget that the Innovation and Technology Commission will continue to administer the Enterprise Support Scheme (ESS) and the Technology Start-up Support Scheme for Universities (TSSSU), including the enhancement measure under the TSSSU to provide matching funds to those start-ups which have secured private investments. In this connection, will the Government advise this Committee on:

- 1. the information of the enhancement measure;
- 2. the respective numbers of cases with matching funds provided to start-ups of which private investments have been secured in the past 2 years; and the list of cases ranked in the order of the investment amount secured; and
- 3. the number of research and development outcomes successfully commercialised since the launch of the TSSSU.

Asked by: Hon WONG Kam-fai, William (LegCo internal reference no.: 19)

Reply:

- 1&2. Under the enhancement measure for the Technology Start-up Support Scheme for Universities (TSSSU), starting from the 2023-24 financial year, the annual maximum amount of subsidy for each university will be doubled from \$8 million to \$16 million. The increased subsidy will be provided to start-ups of universities with private investments on a matching basis of one to one. As the related applications are still under vetting by the Innovation and Technology Commission (ITC) and the work is expected to be completed by end-April 2023, no information on the private investments is available at this moment.
- 3. According to the information provided by the universities, since the implementation of the TSSSU in 2014-15 up to 2021-22, a total of 334 start-ups have already been funded. During the funding period, 209 of these start-ups (around 63%) have rolled out nearly 380 products or services in the market and 167 of them (around 50%) have generated income from their businesses. The universities will collect and verify the information

in relation to the funded start-ups in 2022-23 after the end of the financial year and subsequently submit it to ITC.

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB153

(Question Serial No. 2990)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title): ()

<u>Programme</u>: (3) Planning for Innovation and Technology Development

<u>Controlling Officer</u>: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is mentioned in the Budget that to promote re-industrialisation in Hong Kong, the Innovation and Technology Commission administers the Re-industrialisation Funding Scheme (RFS) which aims to subsidise manufacturers, on a matching basis, to set up new smart production lines in Hong Kong. In this connection, will the Government inform this Committee of the number of new smart production lines set up in the past 2 years? Please list by the industrial sector of the production lines.

Asked by: Hon WONG Kam-fai, William (LegCo internal reference no.: 20)

Reply:

The Innovation and Technology Commission (ITC) launched the Re-industrialisation Funding Scheme (RFS) in July 2020 to subsidise manufacturers, on a 1 (Government): 2 (enterprise) matching basis, to set up new smart production lines in Hong Kong. The funding ceiling is one-third of the total cost of an approved project or \$15 million, whichever is lower.

As at mid-March 2023, 30 applications involving a total of 50 smart production lines were supported by the RFS Vetting Committee (excluding 8 applications which were withdrawn by the applicant companies due to changes in the business environment after support had been given by the Vetting Committee). The industrial sectors of the relevant projects are tabulated as follows:

Industrial sector	Applications supported by the Vetting Committee
Food manufacturing and processing (including health food)	14
Medical device	2
Construction materials	2
Biotechnology	2
Nanofiber materials	2
Pharmaceutical production (including Chinese medicine)	2
Equipment and parts	2
Textiles and clothing	1
Electronics	1
Others	2
Total	30

ITIB154

(Question Serial No. 2992)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title):

<u>Programme</u>: (4) Infrastructural Support

<u>Controlling Officer</u>: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

The Government will, "together with Shenzhen Municipal People's Government, continue to promote the development of the Co-operation Zone, including the set up of the Shenzhen branch of Hong Kong Science Park in the Shenzhen Innovation and Technology Zone". In this connection, will the Government advise this Committee on the following information in respect of the Shenzhen branch:

- 1. the occupancy rate;
- 2. the number of companies setting up offices there;
- a. please list by their major development projects, such as healthcare technologies, big data and artificial intelligence, robotics, new material, microelectronics, sustainable development technologies and financial technology;
- b. please list by their company type, namely Mainland company, Hong Kong company, foreign company or joint venture; and
- 3. the number of staff undertaking innovation and technology-related work there.

Asked by: Hon WONG Kam-fai, William (LegCo internal reference no.: 10)

Reply:

The Hong Kong Science and Technology Parks Corporation is setting up the Shenzhen branch of the Hong Kong Science Park (HKSP) in the Shenzhen Innovation and Technology Zone, so that institutes and enterprises which are interested in starting their business in the Greater Bay Area can establish a presence in advance. The renovation work of the Shenzhen branch of the HKSP has entered the final stage and the building inspection is in progress. It is expected to commence operation in the first half of 2023. The information on the occupancy rate, number of admitted companies and staff will be available after the commissioning of the Shenzhen branch of the HKSP.

ITIB155

(Question Serial No. 0429)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title): ()

<u>Programme</u>: (1) Support for Research and Development

<u>Controlling Officer</u>: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

In respect of the establishment of a Microelectronics Research and Development Institute (Institute), please inform this Committee of the following:

- 1. the establishment, rank and relevant expenditure involved of the staff responsible for the establishment of the Institute;
- 2. the location and area of the Institute, as well as the expenditure required and timetable for its construction;
- 3. the estimated number of scientific researchers required for the Institute; and
- 4. the estimated number, contents and expenditure involved of the collaborative projects between the Institute and universities, research and development centres and the industry each year upon its establishment.

Asked by: Hon YUNG Hoi-yan (LegCo internal reference no.: 19)

Reply:

Given the rapid growth in global demand for microelectronics at present, there is ample room for development. To seize this opportunity and promote microelectronics development in Hong Kong, the Government will support the establishment of a Microelectronics Research and Development Institute (Institute) with the aim to make it one of the leading organisations for supporting microelectronics development in the Asia-Pacific region. The Institute will strengthen collaboration with universities, research and development (R&D) centres and the industry, conduct high-quality R&D work and expedite the "1 to N" transformation of technological outcomes, with a view to attracting Mainland and overseas talents in relevant fields and strengthening the nurture of local R&D talents to make the Institute a hub for pooling together talents from Hong Kong, the Mainland and overseas, thereby further enhancing the innovation and technology ecosystem of Hong Kong.

The establishment of the Institute would require detailed planning and an estimate on the scale of the Institute as well as the expenditure and manpower involved is not available at the current stage. We will invite experts to offer advice and assess the requirements on manpower, operating equipment etc. as well as the directions of R&D projects, with a view

to completing the required planning as soon as possible and reporting to the Legislative Council on the timetable and progress of the preparatory work for the establishment of the Institute within the 2023-24 year.

The Innovation and Technology Commission (ITC) is currently responsible for the preparatory work of the Institute and the relevant work will be carried out by the existing establishment. As the manpower concerned will concurrently execute other duties under ITC, we do not have a breakdown of the manpower and expenditure.

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB156

(Question Serial No. 0440)

Head: (155) Government Secretariat: Innovation and Technology

Commission

Subhead (No. & title): ()

<u>Programme</u>: (3) Planning for Innovation and Technology Development

<u>Controlling Officer</u>: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

In respect of the Technology Voucher Programme (TVP), please inform this Committee of the following:

- 1. the respective numbers of applications and those approved under the TVP, as well as the number of enterprises involved and their respective business sectors in the past 3 years and the 2023-24 Estimates of Expenditure;
- 2. the types of technological services supported by the TVP and their related expenditures in the past 3 years and the 2023-24 Estimates of Expenditure;
- 3. details of the technological services used by the successful applicant enterprises or organisations and the data in relation to the change in their productivity after their applications were approved in the past 3 years; and
- 4. the staffing establishment, rank and expenditure involved of the staff responsible for the TVP among the 59 staff responsible for the planning for innovation and technology development in the Innovation and Technology Commission, as well as the ratio of permanent post to supernumerary post.

Asked by: Hon YUNG Hoi-yan (LegCo internal reference no.: 30)

Reply:

1. In the past 3 years, under the Technology Voucher Programme (TVP), the number of application and those approved, as well as the number of enterprises involved and their major types of business are tabulated as follows:

Year	Number of applications Note 1	Number of applications approved	Number of enterprises involved in the applications approved	Major types of business for the applications approved (number of enterprises Note 2)
2020-21 to 2022-23 (as at end- February)	23 669	19 385	19 037	Wholesale and retail (6 838) Restaurants and hotels (1 629) Engineering (1 249) Personal care services (1 065) Import and export trade (945) Education services (892) Transportation and logistics (699) Professional services (including legal and accounting services) (591) Advertisement, sales and marketing (588) Banking, Insurance and Other Financial Services (455)

Note 1: Excluding the 3 492 applications which were subsequently withdrawn or were unable to be processed due to ineligibility or missing supporting documents.

Note 2: The 10 major types of businesses are listed in the table above.

In the 2023-24 Estimates of Expenditure, we expect that 10 200 applications will be received and processed under the TVP in 2023. We have not made an estimation on the number of enterprises applying for the TVP and their types of business in 2023-24.

2 and 3. The major technological services or solutions involved in the projects approved, the numbers of projects approved and the amounts of funding approved in the past 3 years are tabulated as follows:

Major technological	2020-21 to 2022-23 (as at end-February)			
service or solution	Number of applications approved Note 3	Amount of funding approved (\$ million)		
Enterprise Resource	13 600	2,453.75		
Planning Solution				
Point-of-Sales System	7 363	1,258.14		
Electronic Inventory	1 145	196.30		
Management System				
Appointment	1 144	189.62		
Scheduling and Queue				
Management System				
Document	900	155.45		
Management and				
Mobile Access System				

Note 3: Each approved project may involve more than one technological service or solution.

We have not made an estimation on the types of technological services supported by the TVP and their related expenditure in 2023-24.

To assess the effectiveness of the TVP, applicant enterprises are required to submit an evaluation report to the Innovation and Technology Commission (ITC) 6 months after project completion on whether the project could achieve the objectives of enhancing productivity, or upgrading or transforming its business processes. As at end-2022, 1 963 funded enterprises/organisations have already completed their projects and submitted evaluation reports to ITC. 99% of them were of the view that the projects were conducive to enhancing their competitiveness, saving their manpower, time and/or upgrading/transforming/streamlining their business processes. Almost all of the beneficiary enterprises/organisations indicated that ITC should continue to implement the TVP.

4. After ITC introduced various enhancement measures in April 2020, there was a substantial increase in the number of applications. As the increase far exceeded ITC's manpower capacity, in order to expedite the processing of the applications, ITC appointed the Hong Kong Productivity Council (HKPC) to be the secretariat of the TVP in June 2021, making use of the human resources and abundant experience of the HKPC to enhance the efficiency in processing the applications. Among the 59 staff responsible for the planning for innovation and technology development (Programme (3)) in the 2023-24 Estimates of Expenditure of ITC, 3.7 of them are responsible for the TVP. All of the posts concerned are timelimited permanent posts, involving an estimated annual expenditure of around \$2.7 million.

ITIB157

(Question Serial No. 2877)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (3) Information Technology in the Community

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Under the Programme, the provision for 2023-24 is \$143.0 million higher than the revised estimate for 2022-23, representing an increase of over 147%. This is due to the increased provision for departmental expenses and personal emoluments as well as additional cash flow requirement for the non-recurrent item of Expediting the Web3 ecosystem development in Hong Kong. Will the Government advise this Committee of the following:

- 1. the respective increases in the provision for departmental expenses and personal emoluments; and
- 2. the estimated expenditure for expediting the Web3 ecosystem development.

<u>Asked by</u>: Hon CHAN Chun-ying (LegCo internal reference no.: 25) <u>Reply</u>:

- 1. Under the Programme "Information Technology in the Community" in the estimate for 2023-24, departmental expenses and personal emoluments will increase by about \$100.7 million and \$2.3 million respectively, which are mainly due to the increase in allocation for the provision and management of free public Wi-Fi services.
- 2. In view of the overall development trend of Web3, Cyberport established the Web3 Hub@Cyberport early this year. At present, Cyberport has a community of over 1 900 start-ups and technology companies, including a number of Web3-related technology companies such as Fintech, smart living and digital entertainment companies. It is announced in the 2023-24 Budget that we will allocate \$50 million to support Cyberport in accelerating the development of the Web3 ecosystem that will in turn enable the industry, enterprises and young people in Hong Kong to better grasp this frontier development. Cyberport is finalising relevant details for consulting the Panel on Information Technology and Broadcasting as soon as possible.

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB158

(Question Serial No. 2878)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): (000) Operational expenses

<u>Programme</u>: (1) Use of Information Technology in Government

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Under this Programme, the provision for 2023-24 is \$71.1 million lower than the revised estimate for 2022-23. This is mainly due to the decreased provision for departmental expenses, partly offset by the increased requirement for personal emoluments. There will also be a net increase of 26 posts in 2023-24 under this Programme. Please advise this Committee of the following:

- 1. reasons for the decreased provision for departmental expenses, as well as the amount of the decreased provision for expenses;
- 2. posts proposed to be created and the total amount of expenses; and
- 3. posts to be deleted and the total amount of savings in expenses.

Asked by: Hon CHAN Chun-ying (LegCo internal reference no.: 27)

Reply:

1. Under the Programme "Use of Information Technology in Government" in the estimate for 2023-24, departmental expenses is about \$110 million lower than the revised estimate for the previous year. This is mainly due to the reduced provision of about \$210 million for the various anti-epidemic measures against COVID-19, partly offset by the increased requirement of about \$100 million mainly for the operation of government data centre complex and the full implementation of Electronic Recordkeeping System.

2. and 3. Under the Programme "Use of Information Technology in Government", details of the net increase of 26 posts in 2023-24 are provided as follows:

Rank	Number of posts	Estimated annual expenditure based on notional annual mid-point salary value (\$ million)
Senior Systems Manager	1	15.3
Systems Manager	2	
Senior Computer Operator	4	
Computer Operator I	11	
Computer Operator II	14	
Assistant Clerical Officer	2	
Clerical Officer	1	
Workman II	1	
Senior Systems Manager	(1)	5.6
Analyst/Programmer II	(6)	
Data Processor	(3)	
Total	26	

⁽⁾ The figure in brackets denotes the number of posts to be deleted

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB159

(Question Serial No. 2879)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): (700) General non-recurrent

<u>Programme</u>: (2) Information Technology Infrastructure and Standards

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Under this Programme, provision for 2023-24 is \$242.7 million (over 60%) higher than the revised estimate for 2022-23. This is mainly due to the increased cash flow requirement for the non-recurrent item of Enriched IT Programme in Schools and provision for departmental expenses. In this connection, please advise on the following:

- 1. the content, expenditure and results of the various projects under the Enriched IT Programme in Schools in the past 3 years;
- 2. the reasons for the increased cash flow which is required for the Enriched IT Programme in Schools in the coming year; and
- 3. the total amount of increased provision for departmental expenses.

Asked by: Hon CHAN Chun-ying (LegCo internal reference no.: 28)

Reply:

1. The increase in expenditure under the "Enriched IT Programme in Schools" programme is mainly due to the implementation of "IT Innovation Lab in Secondary Schools" and "Knowing More About IT" programmes. The programmes are targeted at all publicly-funded secondary and primary schools in Hong Kong. These schools will be subsidised to organise information technology (IT)-related extra-curricular activities with a view to arousing students' interests in IT, helping students acquire IT knowledge and skills, and fostering the learning atmosphere of IT in the school community. Since the launch of the 2 programmes in the 2020/21 and 2021/22 school years respectively, around 90% of secondary schools and 60% of primary schools have applied for the funding. The details are as follows:

	Number of Eligible	Number of Applied	Number of Schools	Number of Schools with Application	Number of Schools Not Yet
	Schools	Schools	Approved	in Progress	Applied
"IT Innovation Lab	513	459	430	29	54
in Secondary					
Schools"					
programme					
"Knowing More	537	323	289	34	214
About IT"					
programme					

"IT Innovation Lab in Secondary Schools" programme:

School Year	Increase in Number of Schools with Approved Applications	Number of Funded Activities	Activities (examples)	Approved Amount (\$ million)	Estimated Number of Students Benefited
2020/21	119	294	Courses, workshops and competitions in artificial intelligence, coding, drones, robotics, augmented reality/virtual reality, Internet of Things, etc.	46	27 000
2021/22	242	1 012	Courses, workshops and competitions in artificial intelligence, coding, drones, robotics, augmented reality/virtual reality, Internet of Things, etc.	152	78 600
2022/23 (as at February 2023)	69	528	Courses, workshops and competitions in artificial intelligence, coding, drones, robotics, augmented reality/virtual reality, Internet of Things, blockchain, etc.	64	35 300
Total	430	1 834		262	140 900

"Knowing More About IT" programme:

School Year	Increase in Number of	Number of Funded	Activities (examples)	Approved Amount	Estimated Number of
	Schools with Approved Applications	Activities		(\$ million)	Students Benefited
2020/21	n/a	n/a	n/a	n/a	n/a
2021/22	195	545	Courses, workshops and competitions in artificial intelligence, coding, drones, robotics, augmented reality/virtual reality, Internet of Things, etc.	46	44 000
2022/23 (as at February 2023)	94	432	Courses, workshops and competitions in artificial intelligence, coding, drones, robotics, augmented reality/virtual reality, Internet of Things, blockchain, etc.	35	37 700
Total	289	977		81	81 700

2. and 3. The estimated total expenditure for 2023-24 under the Programme of "IT Infrastructure and Standards" is \$610 million, which is \$240 million higher than the revised estimates of the previous year. This is mainly caused by the increase in cash flow requirement of general non-recurrent project Item 894 (viz. "Enriched IT Programme in Schools") of about \$210 million and the increase in provision for departmental expenses of about \$30 million. The increase in the cash flow requirement of the "Enriched IT Programme in Schools" is caused by the extra school grants arising from the proposed extension of the existing "IT Innovation Lab in Secondary Schools" programme, and more primary and secondary schools are expected to apply for the "Knowing More About IT" and "IT Innovation Lab in Secondary Schools" programmes in the coming year as the pandemic eases and our community is gradually resuming normalcy. For the increase in departmental expenses, it is mainly used to promote and publicise the "iAM Smart" platform, strengthen the "iAM Smart" registration service, and incentivise the industries to develop online services with "iAM Smart".

ITIB160

(Question Serial No. 0471)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (2) Information Technology Infrastructure and Standards

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

The total estimated provision of the Office of the Government Chief Information Officer (OGCIO) for 2023-24 has increased significantly by over 65% as compared with last year's revised estimate. In this connection, will the Government advise this Committee of the following:

- 1. In OGCIO's revised estimate for the last financial year, a reduction of 35% was made to the original estimate. What was the original use of the sum of \$216 million being reduced? What were the reasons for the reduction seen in the revised estimate?
- 2. Under subhead 47-700, the total general non-recurrent expenditure in the Estimate 2023-24 has increased significantly, as compared with the actual expenditure and revised estimate of the past few years. What are the reasons and its expected uses?

Asked by: Hon CHAN Hak-kan (LegCo internal reference no.: 20)

Reply:

- 1. The total expenditure of revised estimate for 2022-23 under the Programme of "Information Technology (IT) Infrastructure and Standards" is \$370 million, which is about \$210 million (37%) lower than the original estimate. This is mainly due to the extra-curricular activities of the primary and secondary schools were affected during the pandemic, and thus leading to the decrease in cash flow requirement of a general non-recurrent project Item 894 (viz. the Enriched IT Programme in Schools) for providing support to these schools to organise extra-curricular activities.
- 2. The estimated general non-recurrent expenditure for 2023-24 is about \$450 million, which is higher than the actual expenditure and the revised estimate over the past few years. This is mainly due to the increased cash flow requirement for the Enriched IT

Programme in Schools in 2023-24 following the full resumption of extra-curricular activities in primary and secondary schools. The cash flow requirement for the Enriched IT Programme in Schools for 2023-24 is increased by about \$210 million, together with the additional cash flow requirement of \$40 million for expediting the Web3 ecosystem development in Hong Kong, the estimate is therefore about \$250 million higher than the revised estimate for the previous year.

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB161

(Question Serial No. 0483)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (2) Information Technology Infrastructure and Standards

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Regarding "iAM Smart", please advise on the following:

1. How many users have downloaded and installed "iAM Smart"?

- 2. What is the number of active users of "iAM Smart"? How much time in average they spend on using "iAM Smart"?
- 3. What are the specific plan and the details of expenditure in relation to the \$200 million earmarked to enhance the operation of the "iAM Smart" platform?

Asked by: Hon CHAN Hak-kan (LegCo internal reference no.: 35)

Reply:

- 1. Since the launch of the "iAM Smart" platform in December 2020, over 1.8 million citizens have registered as "iAM Smart" users.
- 2. Since the launch of this service, more than 33 million accesses to the required online services were made through "iAM Smart". We do not maintain the information such as usage counts and time of users.
- 3. The Financial Secretary has earmarked a sum of about \$200 million in the 2023-24 Budget to enhance the operation of the "iAM Smart" platform, so as to provide members of the public with more convenient one-stop digital services and to improve user experience. The wider use of "iAM Smart" will further promote "Smart Government" and the digital transformation of the whole society.

The Office of the Government Chief Information Officer introduced the detailed proposal on enhancing the "iAM Smart" platform to realise "single portal for online government services" to the Panel on Information Technology and Broadcasting of the Legislative Council in March this year, including simplifying the registration processes, updating application design and functions, improving user interfaces and streamlining service workflow, strengthening system capacity, performance and security, etc. We will seek funding approval from the Finance Committee for implementing the project, with a view to commencing the tendering process in the second half of this year. The new features of "iAM Smart" are expected to be rolled out in phases over the next 2 years.

- End -

ITIB162

(Question Serial No. 3501)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

Programme: (3) Information Technology in the Community

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

To tie in with the policy of developing smart city and digital economy, it is earmarked in the Budget a sum of \$265 million for Cyberport to launch a dedicated incubation programme for smart living start-ups, under which a maximum grant of \$500,000 as well as targeted professional support and counselling will be provided. Industry players have reflected that while the Government's funding support is very important to the start-ups, there are still a lot of difficulties these start-ups are facing, such as keen market competition, difficulty in gaining customers' trust, and even the difficulty in opening bank accounts. In this connection, will the Government advise this Committee of:

- 1. the specific details of the incubation programme for smart living start-ups and its launch date; and
- 2. how smart living is defined in assessing applications for the programme as smart living covers a broad spectrum of areas.

Asked by: Hon CHAN Kin-por (LegCo internal reference no.: 17)

Reply:

As regards the incubation programme dedicated for smart living start-ups, Cyberport anticipates that around 90 smart living start-ups will benefit from the programme every year within the coming 5 years, including the provision of a maximum grant of \$500,000 for each of them. Cyberport will also provide tailored entrepreneurial and technical training for these start-ups, including recruiting mentors from relevant industries to advise them on product development and business planning.

Cyberport is finalising the relevant details of the programme. We will consult the Panel on Information Technology and Broadcasting and seek funding approval from the Finance Committee for implementation of the programme as soon as possible.

ITIB163

(Question Serial No. 1350)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (2) Information Technology Infrastructure and Standards

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

The Government will earmark \$200 million to enhance the operation of the "iAM Smart" platform to improve user experience. In this connection, please advise this Committee of the following:

- (1) How many resources have actually been allocated to "iAM Smart" since its launch? What are the results?
- (2) What is the expected percentage of public services connected to the platform over all government services in the coming 3 years? What will be the number and types of services available?
- (3) What are the expenditure breakdown and manpower required for enhancing the operation of the "iAM Smart" platform in 2023-24?

<u>Asked by</u>: Hon CHAN Siu-hung (LegCo internal reference no.: 30)

Reply:

(1) Since the launch of the "iAM Smart" platform in December 2020, over 1.8 million citizens have registered as "iAM Smart" users, and more than 33 million accesses to the required online services were made through "iAM Smart". At present, 46 Bureaux/Departments and public organisations, as well as 12 private organisations, have adopted "iAM Smart", providing than 260 online services (please more refer https://www.iamsmart.gov.hk/en/e-service.html for the service list). The expenditures for "iAM Smart" in 2018-19, 2019-20, 2020-21 and 2021-22 were \$6 million, \$20 million, \$65 million and \$72 million respectively, while the estimated expenditure in 2022-23 is \$76 million.

- (2) The Chief Executive announced in his 2022 Policy Address the initiative to expedite the building of a smart government, including turning all government services online by 2024, and promoting the use of the "iAM Smart" platform to provide one-stop digital services by government departments by 2025, so as to realise the goal of "single portal for online government services". To this end, the Financial Secretary has earmarked a sum of about \$200 million in the 2023-24 Budget to enhance the operation of the "iAM Smart" platform, so as to provide members of the public with more convenient one-stop digital services and to improve user experience.
- (3) The Office of the Government Chief Information Officer introduced the detailed proposal on enhancing the "iAM Smart" platform to realise "single portal for online government services" to the Panel on Information Technology and Broadcasting of the Legislative Council in March this year, including simplifying the registration processes, updating application design and functions, improving user interfaces and streamlining service workflow, strengthening system capacity, performance and security, etc. We will seek funding approval from the Finance Committee for implementing the project, with a view to commencing the tendering process in the second half of this year. The new features of "iAM Smart" are expected to be rolled out in phases over the next 2 years.

ITIB164

(Question Serial No. 1386)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (2) Information Technology Infrastructure and Standards

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is stated in the Budget that in 2023-24 the Innovation, Technology and Industry Bureau oversaw the planning for and implementation of smart city infrastructure projects, including "iAM Smart" Platform, Multi-functional Smart Lampposts and the Next Generation Government Cloud Infrastructure/Big Data Analytics Platform. In this connection, please advise this Committee of the following:

- 1. What was the expenditure for implementing the Multi-functional Smart Lampposts pilot scheme in 2022-23? What were the staffing establishment and emoluments involved?
- 2. What was the number of smart lampposts installed with remote sensing devices to monitor air quality in 2022-23? How many of them have been put into operation and how many have yet to be put into operation? What are the reasons for not putting all of them into full operation?
- 3. The Multi-functional Smart Lampposts pilot scheme has been implemented for 3 years. What are the numbers of smart lampposts installed, their locations and the types of sensing devices on them?

Asked by: Hon CHAN Siu-hung (LegCo internal reference no.: 22)

Reply:

Under the Multi-functional Smart Lampposts Pilot Scheme (Pilot Scheme), some 400 smart lampposts with smart devices will be installed in phases in 4 urban locations (namely Central and Admiralty, Wan Chai district, Yau Tsim Mong district and Kwun Tong/Kai Tak Development Area) with higher pedestrian and vehicular flow, with a view to collecting real-time city data such as air quality and traffic flow as well as supporting the development of digital infrastructure for 5G services.

At present, over 100 smart lampposts have been put into operation in Kwun Tong district, Kowloon City district, Kai Tak Development Area, Yau Tsim Mong district and Wan Chai district. The numbers of lampposts installed and put into operation by district are provided below:

District	No. of Lampposts	Type of Sensors and Devices
Kwun Tong/Kai Tak	About 70	LED lighting, meteorological
Development Area		sensors, air quality sensors,
Yau Tsim Mong District	About 30	thermal detectors, radio-
		frequency identification tags,
Wan Chai District	About 10	Geo-QR codes, Bluetooth
		beacons and Light Detection
Central/Admiralty	0	and Ranging (LiDAR)

Under the Pilot Scheme, about 10 air quality sensors are expected to be installed and 1 of them has come into operation. The rest of the air quality sensors will be gradually installed during the implementation period of the Pilot Scheme. Having regard to actual circumstances, the Office of the Government Chief Information Officer (OGCIO) and the Highways Department will take forward the installation in phases, with a view to completing the installation works of the remaining some 300 smart lampposts by 2023.

As of December 2022, the expenditure for the Pilot Scheme is around \$50 million, covering the procurement and installation of smart lampposts and smart devices, management of smart devices and data transmission systems, telecommunications network connection facilities, ancillary road works as well as the operating expenditure. Under the Pilot Scheme, a total of 13 time-limited civil service posts are created in the Environmental Protection Department, Highways Department and Transport Department, whereas the manpower required by OGCIO is met by internal deployment.

ITIB165

(Question Serial No. 2965)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (2) Information Technology Infrastructure and Standards

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is stated in the Budget that the Government will earmark a sum of about \$200 million to enhance the operation of the "iAM Smart" platform, so as to provide members of the public with more convenient one-stop digital services and improve user experience. In this connection, please inform this Committee of the following:

- (1) What is the plan of the Government to use the sum of about \$200 million earmarked effectively? Please give the details.
- (2) What are the usage counts of the "iAM Smart" platform and the government, public and private services it provides respectively since its launch?
- (3) What are the desired effects to be achieved after enhancing the operation of the "iAM Smart" platform?
- (4) After the enhancement of the platform, will the Government formulate any assessment indicators to evaluate its effectiveness on a regular basis?

<u>Asked by</u>: Hon CHAN Wing-kwong (LegCo internal reference no.: 36) Reply:

(1) The Office of the Government Chief Information Officer introduced the detailed proposal on enhancing the "iAM Smart" platform to realise "single portal for online government services" to the Panel on Information Technology and Broadcasting of the Legislative Council in March this year, including simplifying the registration processes, updating application design and functions, improving user interfaces and streamlining service workflow, strengthening system capacity, performance and security, etc. We will seek funding approval from

the Finance Committee for implementing the project, with a view to commencing the tendering process in the second half of this year. The new features of "iAM Smart" are expected to be rolled out in phases over the next 2 years.

- Since the launch of the "iAM Smart" platform in December 2020, over 1.8 million citizens have registered as "iAM Smart" users, and more than 33 million accesses to the required online services were made through "iAM Smart". At present, 46 Bureaux/Departments and public organisations, as well as 12 private organisations, have adopted "iAM Smart", providing more than 260 online services (please refer to https://www.iamsmart.gov.hk/en/e-service.html for the service list).
- (3) and (4) The Chief Executive announced in his 2022 Policy Address the initiative to expedite the building of a smart government, including turning all government services online by 2024, and promoting the use of the "iAM Smart" platform to provide one-stop digital services by government departments by 2025, so as to realise the goal of "single portal for online government services". Moreover, key performance indicators for the promotion of "iAM Smart" are also set out in the 2022 Policy Address, aiming to increase the annual usage of "iAM Smart" (total transactions) from 5 million in 2021 to 17.5 million in 2025. By upgrading the "iAM Smart" platform, we will adopt a more systematic organisation and categorisation approach to integrate the e-Government services that are more commonly used and simplify the access procedures, so as to provide one-stop e-Government services to enhance user experience and achieve the goal of "single portal for online government services". The wider use of "iAM Smart" will further promote "Smart Government" and digital transformation of the whole society.

ITIB166

(Question Serial No. 0043)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (1) Use of Information Technology in Government

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

In the coming year, the Bureau will "continue to collaborate with other bureaux and departments, particularly the Health Bureau and the Department of Health, to support and facilitate various anti-epidemic related initiatives with technology, including the latest isolation and quarantine arrangements, the "LeaveHomeSafe" and the "QR Code Verification Scanner" mobile applications for the "Vaccine Pass" and "Red/Amber Code" arrangements, various booking systems for community vaccination programmes, health code system for cross boundary travel with Guangdong Province and Macao, and dissemination of electronic consumption vouchers".

In view of the gradual resumption of normalcy in the Mainland and Hong Kong, will the resources involved for the "Vaccine Pass" and mobile applications such as the "LeaveHomeSafe" and the "QR Code Verification Scanner" be reduced? If yes, what are the manpower and expenditure expected to be decreased?

Asked by: Hon CHAN Yung (LegCo internal reference no.: 13)

Reply:

Following the Government's announcement of lifting the requirement of scanning venue QR code, Vaccine Pass, Red Code/Amber Code and wearing electronic wristbands, etc., in December 2022, alongside with the gradual relaxation or lifting of various anti-epidemic measures, the systems of "StayHomeSafe", "LeaveHomeSafe" and "QR Code Verification Scanner" have ceased operations and their mobile apps will not be further updated. Therefore, no manpower and expenditure are required for the Vaccine Pass and the above-mentioned mobile apps in 2023-24.

ITIB167

(Question Serial No. 0055)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (1) Use of Information Technology in Government

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

The aim of the Bureau in the coming year is to "enable government policy initiatives, internal efficiency, transparency and public engagement by innovative use of information and communications technology (ICT)".

- 1. To support the modernisation of the Government's governance, will the ICT equipment of government departments be replaced? If yes, what is the expenditure involved?
- 2. Will the Bureau work with other bureaux to update the ICT used in the Government? If yes, what are the organisations involved and the amount of provision to be earmarked?

Asked by: Hon CHAN Yung (LegCo internal reference no.: 12)

Reply:

- 1. The Office of the Government Chief Information Officer (OGCIO), as the information technology adviser to the Government, has promulgated relevant guidelines advising government bureaux/departments (B/Ds) to regularly upgrade/replace information systems and equipment having regard to their actual needs so as to enhance their efficiency and the quality of government services. B/Ds will regularly review their computer systems and formulate upgrade/replacement plans and timetables according to their actual needs. Relevant B/Ds will, taking into account their needs, submit funding applications to the Finance Committee of the Legislative Council or the OGCIO's Administrative Computerisation Project Committee in order to proceed with the upgrade/replacement projects. The relevant funding reserved under Capital Works Reserve Fund Head 710 Computerisation in 2023-24 is about \$2.3 billion.
- 2. To encourage and facilitate a wider adoption of innovation and technology across the Government, OGCIO established in April 2019 the Smart Government Innovation Lab

(Smart Lab) which serves to match the business needs of different departments with technology solutions as well as arrange thematic workshops. The Smart Lab will also collaborate with relevant departments to conduct proof-of-concept testing for solutions with potential, and promote relevant technologies and equipment to the departments for assisting them in streamlining workflow, increasing work efficiency and improving services. Such projects will be implemented by the departments concerned with their own resources and manpower according to their respective priority. OGCIO does not maintain the relevant information.

- End -

ITIB168

(Question Serial No. 0828)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (2) Information Technology Infrastructure and Standards

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is stated in paragraph 139 of the Budget Speech that an additional funding of \$300 million will be made to subsidise secondary schools to organise IT-related extra-curricular activities in the next three academic years. In this connection, will the Government advise this Committee of the number of applications received and the funding made in 2020, 2021 and 2022 under the "IT Innovation Lab in Secondary Schools" Programme and "Knowing More About IT" Programme? Please tabulate the details by item, beneficiary, funding amount involved and funding balance, etc.

Asked by: Hon CHEUNG Yu-yan, Tommy (LegCo internal reference no.: 23)

Reply:

The "IT Innovation Lab in Secondary Schools" and "Knowing More About IT" programmes are targeted at all publicly-funded secondary and primary schools in Hong Kong. Since the launch of the 2 programmes in the 2020/21 and 2021/22 school years respectively, around 90% of secondary schools and 60% of primary schools have applied for the funding. The details are as follows:

	Number of Eligible Schools	Number of Applied Schools	Number of Schools Approved	Number of Schools with Application in Progress	Number of Schools Not Yet Applied
"IT Innovation Lab in Secondary Schools" programme	513	459	430	29	54

	Number of Eligible Schools	Number of Applied Schools	Number of Schools Approved	Number of Schools with Application in Progress	Number of Schools Not Yet Applied
"Knowing More About IT"	537	323	289	34	214
programme					

The implementation status of the 2 programmes is as follows:

"IT Innovation Lab in Secondary Schools" programme:

School Year	Increase in Number of Schools with Approved Applications	Number of Funded Activities	Activities (examples)	Approved Amount (\$ million)	Estimated Number of Students Benefited
2020/21	119	294	Courses, workshops and competitions in artificial intelligence, coding, drones, robotics, augmented reality/virtual reality, Internet of Things, etc.	46	27 000
2021/22	242	1 012	Courses, workshops and competitions in artificial intelligence, coding, drones, robotics, augmented reality/virtual reality, Internet of Things, etc.	152	78 600
2022/23 (as at February 2023)	69	528	Courses, workshops and competitions in artificial intelligence, coding, drones, robotics, augmented reality/virtual reality, Internet of Things, blockchain, etc.	64	35 300
Total	430	1 834		262	140 900

"Knowing More About IT" programme:

School	Increase in	Number	Activities	Approved	Estimated
Year	Number of	of Funded	(examples)	Amount	Number
	Schools with	Activities		(\$ million)	of
	Approved				Students
	Applications				Benefited
2020/21	n/a	n/a	n/a	n/a	n/a
2021/22	195	545	Courses, workshops and competitions in artificial intelligence, coding, drones, robotics, augmented reality/virtual reality, Internet of Things, etc.	46	44 000
2022/23 (as at February 2023)	94	432	Courses, workshops and competitions in artificial intelligence, coding, drones, robotics, augmented reality/virtual reality, Internet of Things, blockchain, etc.	35	37 700
Total	289	977		81	81 700

ITIB169

(Question Serial No. 0923)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (2) Information Technology Infrastructure and Standards

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is stated in the Budget that "the availability of adequate computing infrastructure is a prerequisite for promoting the development of scientific research and artificial intelligence (AI) industries in Hong Kong." The Government will conduct a feasibility study, which will be completed in 2023-24, on the development of an AI Supercomputing Centre. In this connection, please advise on the following:

- 1. Regarding "adequate computing infrastructure", what is the definition of "adequate"? Are there any specific standards and objectives? If yes, what are the details and what basis and criteria are adopted in setting these standards and objectives? Will the feasibility study be conducted by the Government or undertaken by a contractor engaged? Will the innovation and technology sector and organisations be consulted and invited to participate in the study?
- 2. Has the Government formulated any specific development directions, objectives and performance indicators for the Supercomputing Centre? If yes, what are the details? Will the Government consider adopting a "public-private partnership approach" in the development?
- 3. What are the main areas covered in the feasibility study? What is the anticipated earliest time to commence and complete the study and to publish the results? What are the breakdown of the respective estimated expenditure and manpower involved?

Asked by: Hon CHIU Duncan (LegCo internal reference no.: 1)

Reply:

As regards the various parts of the question, a consolidated reply is provided as follows:

The Office of the Government Chief Information Officer (OGCIO) invited consultancy proposals for the feasibility study on the development of an Artificial Intelligence (AI) Supercomputing Centre on 23 February 2023. The consultant is required to assess the actual demand for AI supercomputing services in Hong Kong, and make recommendations on the scale of investment, the optimal operation model as well as the implementation strategy of the supercomputing centre. The consultant will also consult local universities and research institutes, relevant government departments and the industry on the development of the AI industry, and conduct surveys to project the computing power demands of relevant industry sectors in the next 7 years to ensure that the infrastructure facilities of the supercomputing centre are of sufficient capacities to cope with the demands. Details of the development approach and implementation plan of the supercomputer centre will be subject to the findings and recommendations of the consultancy study.

The deadline for submission of proposals is 6 April 2023. We plan to commence the consultancy study in May with a view to completing the study in 2023-24. The related work will be implemented with the existing resources of OGCIO.

ITIB170

(Question Serial No. 1117)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (2) Information Technology Infrastructure and Standards

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is announced in the Budget that a sum of about \$200 million will be earmarked to enhance the operation of the "iAM Smart" platform. In this connection, please advise on the following:

- 1. Is full flow of data the Government's goal? If yes, is the sum earmarked sufficient for the Government to achieve the goal?
- 2. Will the Government fully use blockchain technology on the "iAM Smart" platform? If no, what are the reasons?
- 3. Will the Government continue to deploy the staff of the Office of the Government Chief Information Officer to undertake the management and operation of the platform, or engage a contractor from the innovation and technology sector and enterprises to undertake the work? If the existing team continues to be responsible for the work, will the manpower be increased?

Asked by: Hon CHIU Duncan (LegCo internal reference no.: 2)

Reply:

1. Launched in September 2020 by the Office of the Government Chief Information Officer (OGCIO), the Next Generation Government Cloud efficiently provides the Bureaux/Departments (B/Ds) with the information technology (IT) resources required in accelerating their development of e-Government services, and facilitates data interchange and sharing among B/Ds. A number of online services implemented earlier relating to the anti-epidemic work and the measures that boost the economy, such as application for electronic consumption vouchers and making appointment for COVID-19 vaccination, have leveraged the relevant facilities of the Next Generation

Government Cloud which enable effective data interchange between IT systems of different B/Ds to shorten the processing time.

To provide citizens with greater convenience and promote further data sharing among B/Ds, OGCIO is implementing a Consented Data Exchange Gateway (CDEG) which is targeted to link up with the Commercial Data Interchange (CDI) of the Hong Kong Monetary Authority (HKMA) by end of 2023 in order to facilitate data interchange between government departments and financial institutions with the authorisation by their enterprise clients. The CDEG will be rolled out by end of 2024 for use by B/Ds to facilitate inter-departmental data sharing. The HKMA is now discussing with individual B/Ds such as the Companies Registry on the detailed arrangement for data interchange so that the financial institutions, with the authorisation by their clients, may obtain the data of their clients stored in government systems and databases for client authentication. OGCIO is also working in collaboration with the Efficiency Office on exploring with individual B/Ds on the pilot arrangement of data interchange so that citizens may authorise the exchange of their personal data among relevant systems of government departments, and thus they are no longer required to submit their information repeatedly in their application for government services. The design of the CDEG will comply with the Personal Data (Privacy) Ordinance while facilitating data sharing among B/Ds to promote the development of more e-Government services. The estimated cost for implementing the CDEG is about \$18 million which will be funded by the Capital Works Reserve Fund Head 710 Computerisation. B/Ds generally implement their data sharing initiatives with their existing manpower and resources. If necessary, B/Ds can apply funding through the Capital Works Reserve Fund Head 710 Computerisation for the development or enhancement of the related systems.

- 2. OGCIO will actively explore any suitable technical solutions (including blockchain technology and other innovative technologies) to meet the service requirements during the upgrade of the "iAM Smart" platform.
- 3. OGCIO introduced the detailed proposal on enhancing the "iAM Smart" platform to realise "single portal for online government services" to the Panel on Information Technology and Broadcasting of the Legislative Council in March this year, including simplifying the registration processes, updating application design and functions, improving user interfaces and streamlining service workflow, strengthening system capacity, performance and security, etc. We will seek funding approval from the Finance Committee for implementing the project, with a view to commencing the tendering process in the second half of this year. OGCIO continues to be responsible for managing and operating the "iAM Smart" platform, while contractors will be engaged through service contracts to provide system development, maintenance and support services. We will create 6 time-limited posts for a term of 3 years in 2023-24 to assist in the coordination work such as promoting the "iAM Smart" platform upgrade and driving departments to consolidate their online services and make them available on the "iAM Smart" platform.

ITIB171

(Question Serial No. 1119)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (3) Information Technology in the Community

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is stated in the Budget that, to further expedite the pace of digital transformation of enterprises, the Government will set aside \$500 million for Cyberport to launch a Digital Transformation Support Pilot Programme, under which subsidies will be provided on a one-to-one matching basis to assist small and medium enterprises (SMEs) in applying ready-to-use basic digital solutions. In this connection, please advise this Committee of the following:

- 1. What are the specific arrangements and details of the Pilot Programme, including the eligibility for application, scope of digital transformation, whether applications should be made by users or suppliers, scope and requirements of ready-to-use basic digital solutions and implementation timetable, etc?
- 2. What is the number of SMEs expected to participate in the Programme? What is the number of target enterprises to be benefited? What are the measures to be taken by the Government on promoting the Programme among SMEs to attract more participation from them and facilitate their digitalisation?
- 3. Regarding subsidies on a matching basis, will the Government or Cyberport provide participating SMEs with other appropriate support in addition to funding, such as cloud platform, software support, etc? If yes, what are the details?
- 4. What mechanism will be set up by the Government to monitor the implementation and effectiveness of the Programme?

Asked by: Hon CHIU Duncan (LegCo internal reference no.: 4)

Reply:

The HKSAR Government has been working in collaboration with the sub-group on digital transformation established under the Digital Economy Development Committee (DEDC) to devise feasible measures to drive digital transformation across industries with a view to accelerating the development of Hong Kong's digital economy. It is announced in the 2023-24 Budget to earmark \$500 million for Cyberport to launch the Digital Transformation Support Pilot Programme (the Pilot Programme), which will provide subsidies on a one-to-one matching basis to assist small and medium enterprises (SMEs) that have little or no prior exposure to digital technology in adopting ready-to-use basic digital solutions, thus expediting the realisation of digital transformation.

The DEDC will prioritise the relevant industries to be supported through the Pilot Programme. We expect that each company can apply for a solution of up to \$100,000, thus receiving a maximum subsidy of \$50,000. We expect that at least 8 000 eligible SMEs will be benefitted.

Cyberport is finalising the details of the Pilot Programme. We will consult the Panel on Information Technology and Broadcasting and seek funding approval from the Finance Committee for the implementation of the programme as soon as possible.

ITIB172

(Question Serial No. 1120)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (3) Information Technology in the Community

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is mentioned in the Budget that the third generation Internet (Web3), currently in its startup period, has huge potential. Hong Kong must keep up with the times and seize this golden opportunity to spearhead innovation development. In this connection, please advise on the following:

- 1. Will the Government enhance in-house training to enable more civil servants and government employees to have a better understanding and knowledge of Web3 and to keep abreast of the latest changes in related technologies, so as to help them formulate policies and measures to promote the development of Web3 with a more forward-looking and breakthrough mindset? If yes, what are the details of the in-house training, the expenditure and manpower required, as well as the implementation timetable? Will the industry players and organisations in the innovation and technology sector be invited to participate in the training?
- 2. Will any resources be allocated in the financial year 2023-24 to conduct a strategic study on the development of Web3 or even formulate a comprehensive development blueprint? If yes, what are the details, including the expenditure and manpower involved, as well as the implementation timetable? If no, what are the reasons and whether it will be conducted in the future?

Asked by: Hon CHIU Duncan (LegCo internal reference no.: 5)

Reply:

Our reply to the various parts of the question is as follows:

1. In order to strengthen staff members' skills and knowledge in various technology areas, the Office of the Government Chief Information Officer (OGCIO) has arranged more than

50 internal training courses and seminars in the past year, covering various Web3 related technologies such as Internet of Things, blockchain, big data and artificial intelligence. Around 820 staff members have attended. The relevant work was carried out with existing manpower and many of the trainers of these training courses were recruited from the innovation and technology industry. The expenditure involved was about \$1.4 million. OGCIO will continue to organise relevant training in the future.

2. The Government has been closely monitoring the latest development and applications in various technology areas, and will formulate policies and implement measures in a timely manner to create an environment conducive to promote the development of local innovation and technology industry. It is announced in the 2023-24 Budget that we will allocate \$50 million to support Cyberport in accelerating the development of the Web3 ecosystem that will in turn enable the industry, enterprises and young people in Hong Kong to better grasp this frontier development. Cyberport is finalising relevant details for consulting the Panel on Information Technology and Broadcasting as soon as possible.

ITIB173

(Question Serial No. 1121)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (3) Information Technology in the Community

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is stated in the Budget that a sum of \$50 million will be allocated to expedite the Web3 ecosystem development. In this connection, please advise this Committee of the following:

- 1. How will the sum of \$50 million be allocated? What are the activities and programmes to be organised with this provision? What are the expenditure and manpower involved and what is the implementation timetable?
- 2. Given the rapid development of the internet related technology and the changing ecosystem of Web3, has the Government taken any reference from other countries' experiences in developing Web3 and conducted an in-depth study of Web3 development opportunities in its formulation of the future development direction and strategy to be adopted in Hong Kong for Web3? If yes, in light of other countries' experiences, what can Hong Kong learn from them? What are the opportunities for Hong Kong? Has the Government determined the best way forward and formulated specific development strategies and goal for the Web3 ecosystem?
- 3. What measures will be taken by the Government in monitoring the latest global development of Web3 and its related technology, and evaluating the areas for enhancement and improvement of Hong Kong's Web3 ecosystem? If yes, what are the details of these measures, the expenditure and manpower involved and the implementation timetable?

Asked by: Hon CHIU Duncan (LegCo internal reference no.:6)

Reply:

In view of the overall development trend of Web3, Cyberport established the Web3 Hub@Cyberport early this year. At present, Cyberport has a community of over 1 900 start-ups and technology companies, including a number of Web3-related technology companies such as Fintech, smart living and digital entertainment companies. It is announced in the 2023-24 Budget that we will allocate \$50 million to support Cyberport in accelerating the development of the Web3 ecosystem that will in turn enable the industry, enterprises and young people in Hong Kong to better grasp this frontier development. Cyberport is finalising relevant details for consulting the Panel on Information Technology and Broadcasting as soon as possible.

Moreover, Hong Kong has an excellent information and communications technology environment and a robust infrastructure, such as high-speed communication networks and a thriving cloud computing service market, etc., which facilitates local industries and research institutions to develop Web3-related technologies such as network security technologies and blockchain applications, and to explore related applications. The Government will continue to closely monitor the latest developments in the Web3 ecosystem and various technology areas with a view to formulating relevant policies and measures in a timely manner to promote the development of more innovative applications in the industry.

ITIB174

(Question Serial No. 1131)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (3) Information Technology in the Community

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is announced in the Budget that \$265 million will be earmarked for Cyberport to launch a dedicated incubation programme for smart living start-ups, under which a maximum grant of \$500,000 will be provided. It is anticipated that about 90 eligible start-ups will benefit from the programme in each of the next 5 years. In this connection, please advise on the following:

- 1. Will the programme be launched as soon as possible? What are the earliest launching date and the specific timetable?
- 2. What are the specific areas of "smart living" targeted by the programme? What are the approval procedures and scoring criteria?
- 3. Will the funded enterprises be put on the Government's procurement list? If no, what are the reasons?
- 4. In addition to the maximum grant of \$500,000, what other support will the Government and Cyberport provide for the participating enterprises?

Asked by: Hon CHIU Duncan (LegCo internal reference no.: 16)

Reply:

As regards the incubation programme dedicated for smart living start-ups, Cyberport anticipates that around 90 smart living start-ups will benefit from the programme every year within the coming 5 years, including the provision of a maximum grant of \$500,000 for each of them. Cyberport will also provide tailored entrepreneurial and technical training for these start-ups, including recruiting mentors from relevant industries to advise them on product development and business planning.

Cyberport is finalising the relevant details of the programme. We will consult the Panel on Information Technology and Broadcasting and seek funding approval from the Finance Committee for the implementation of the programme as soon as possible.

- End -

ITIB175

(Question Serial No. 1141)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (2) Information Technology Infrastructure and Standards

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

As stated in the Budget, an additional funding of \$300 million will be made to continue providing subsidies of up to \$1 million for each publicly-funded secondary school in the next 3 academic years for organisation of information technology (IT)-related extra-curricular activities. In this connection, please advise on the following:

- 1. Has the Government set clear and specific standards for "IT-related extra-curricular activities"?
- 2. What is the regulatory mechanism in place to ensure that students can learn more up-to-date and advanced IT from extra-curricular activities?

Asked by: Hon CHIU Duncan (LegCo internal reference no.: 27)

Reply:

- 1. The Office of the Government Chief Information Officer (OGCIO) has drawn up reference lists of information technology (IT) equipment and sample IT activities for schools' reference, and set up an advisory committee comprising experts from the IT industry, academia and education sector to provide advice and recommendations on the programmes, including the reference lists of equipment as well as the nature and types of IT-related extra-curricular activities to assist schools in designing suitable extra-curricular activities having regard to their actual circumstances and students' needs.
- 2. OGCIO regularly co-organises solution days with different organisations including Cyberport, Hong Kong Productivity Council, Hong Kong Science and Technology Park, etc. with a view to keeping schools abreast of the latest IT-related activities and developments in the market, thus strengthening the exchange and collaboration between

the academia and the industry. Moreover, all applications will be vetted by a vetting committee comprising experts from the education sector and IT industry to ensure that the approved funding will be used in line with the programme objectives.

- End -

ITIB176

(Question Serial No. 0714)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (2) Information Technology Infrastructure and Standards

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is stated in the Budget that a sum of about \$200 million will be earmarked to enhance the operation of the "iAM Smart" platform, so as to provide members of the public with more convenient one-stop digital services and improve user experience. It is stated in the Programme that one of the tasks in 2022-23 was to oversee the planning for and implementation of smart city infrastructure projects and will continue to oversee the implementation of "iAM Smart" Platform in 2023-24. In this connection, will the Government advise this Committee of the following:

- 1. In the past year, what are the increased numbers of registered users and active users (using relevant services through the platform) of "iAM Smart" and "iAM Smart+"? What is the increased number of services provided by the private and public organisations on the platform? What is the increased number of transactions?
- 2. Moreover, the Government has earmarked \$200 million to enhance the operation of the "iAM Smart" platform. Which areas of enhancement are expected to be made? What is the expenditure involved?

<u>Asked by</u>: Hon CHOW Man-kong (LegCo internal reference no.: 5)

Reply:

1. Since the launch of the "iAM Smart" platform in December 2020, over 1.8 million citizens have registered as "iAM Smart" users, of which 650 000 are "iAM Smart+" users. More than 33 million accesses to the required online services were made through "iAM Smart". In the past year (from March 2022 to February 2023), the numbers of "iAM Smart" and "iAM Smart+" users have increased by about 360 000 and 260 000 respectively. At present, 46 Bureaux/Departments and public organisations, as well as 12 private organisations, have adopted "iAM Smart",

- providing more than 260 online services (please refer to https://www.iamsmart.gov.hk/en/e-service.html for the service list).
- 2. The Financial Secretary has earmarked a sum of about \$200 million in the 2023-24 Budget to enhance the operation of the "iAM Smart" platform, so as to provide members of the public with more convenient one-stop digital services and to improve user experience. The wider use of "iAM Smart" will further promote "Smart Government" and the digital transformation of the whole society.

The Office of the Government Chief Information Officer introduced the detailed proposal on enhancing the "iAM Smart" platform to realise "single portal for online government services" to the Panel on Information Technology and Broadcasting of the Legislative Council in March this year, including simplifying the registration processes, updating application design and functions, improving user interfaces and streamlining service workflow, strengthening system capacity, performance and security, etc. We will seek funding approval from the Finance Committee for implementing the project, with a view to commencing the tendering process in the second half of this year. The new features of "iAM Smart" are expected to be rolled out in phases over the next 2 years.

ITIB177

(Question Serial No. 3487)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (2) Information Technology Infrastructure and Standards

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is stated in the Chief Executive's 2022 Policy Address that the Government will step up the promotion of STEAM (Science, Technology, Engineering, Arts and Mathematics) education "for all", "for fun" and "for diversity" in primary and secondary schools, so as to build a solid foundation for students in support of the direction of promoting I&T development in Hong Kong, such as more learning elements of I&T to be incorporated in the curriculum. The Financial Secretary has mentioned in paragraph 139 of the Budget Speech that an additional funding of \$300 million will be made to continue providing a funding of up to \$1 million for each publicly-funded secondary school in the next 3 school years for organising IT-related extra-curricular activities. In this connection, will the Government advise this Committee of the following:

- 1. In each the past 3 school years (2020/21, 2021/22 and 2022/23), what were the numbers of secondary schools whose funding applications had been approved? Please provide the specific details on these secondary schools, including the school names, amount of funding approved, usage of funding and the number of student beneficiaries.
- 2. The Financial Secretary proposed in his 2021-22 Budget Speech the launch of the "IT Innovation Lab" Programme, under which the Office of the Government Chief Information Officer (OGCIO) would provide a funding support of up to \$400,000 in the 3 school years from 2021/22 to 2023/24 for each publicly funded primary school to organise IT-related activities, and procure IT equipment or professional services required for the extra-curricular activities. What were the numbers of primary schools whose funding applications had been approved in each of the past 2 school years (2021/22 and 2022/23)? Please provide the specific details on these primary schools, including the school names, amount of funding approved, usage of funding and the number of student beneficiaries. Also, whether the effectiveness of the initiatives mentioned above has been reviewed?

Asked by: Hon CHOW Man-kong (LegCo internal reference no.: 21)

Reply:

The "IT Innovation Lab in Secondary Schools" and "Knowing More About IT" programmes are targeted at all publicly-funded secondary and primary schools in Hong Kong. Since the launch of the 2 programmes in the 2020/21 and 2021/22 school years respectively, around 90% of secondary schools and 60% of primary schools have applied for the funding. The details are as follows:

	Number of Eligible Schools	Number of Applied Schools	Number of Schools Approved	Number of Schools with Application in Progress	Number of Schools Not Yet Applied
"IT Innovation Lab in Secondary Schools" programme	513	459	430	29	54
"Knowing More About IT" programme	537	323	289	34	214

The implementation status of the 2 programmes is as follows:

"IT Innovation Lab in Secondary Schools" programme:

School Year	Increase in Number of Schools with Approved Applications	Number of Funded Activities	Activities (examples)	Approved Amount (\$ million)	Estimated Number of Students Benefited
2020/21	119	294	Courses, workshops and competitions in artificial intelligence, coding, drones, robotics, augmented reality/virtual reality, Internet of Things, etc.	46	27 000
2021/22	242	1 012	Courses, workshops and competitions in artificial intelligence, coding, drones, robotics, augmented reality/virtual reality, Internet of Things, etc.	152	78 600

School Year	Increase in Number of Schools with Approved Applications	Number of Funded Activities	Activities (examples)	Approved Amount (\$ million)	Estimated Number of Students Benefited
2022/23 (as at February 2023)	69	528	Courses, workshops and competitions in artificial intelligence, coding, drones, robotics, augmented reality/virtual reality, Internet of Things, blockchain, etc.	64	35 300
Total	430	1 834		262	140 900

"Knowing More About IT" programme:

School	Increase in	Number	Activities	Approved	Estimated
Year	Number of	of Funded	(examples)	Amount	Number
	Schools with	Activities		(\$ million)	of
	Approved				Students
	Applications				Benefited
2020/21	n/a	n/a	n/a	n/a	n/a
2021/22	195	545	Courses, workshops and competitions in artificial intelligence, coding, drones, robotics, augmented reality/virtual reality, Internet of Things, etc.	46	44 000
2022/23 (as at February 2023)	94	432	Courses, workshops and competitions in artificial intelligence, coding, drones, robotics, augmented reality/virtual reality, Internet of Things, blockchain, etc.	35	37 700
Total	289	977		81	81 700

The lists of primary and secondary schools with approved applications and the content of their proposed activities have been posted on the thematic portal of the programmes:

https://www.it-lab.gov.hk/en/approved_application.php https://www.it-lab.gov.hk/en/approved_application_know-it.php

According to the results of a survey conducted from July 2022 to January 2023, around 95% of school respondents agreed that the programmes could help create an information technology (IT) learning atmosphere, arouse students' interests in IT, and help students acquire IT knowledge and skills. At the same time, 80% of the participating students agreed that the content of the activities was attractive and creative, and could enhance their IT knowledge. We will continue to encourage more primary and secondary schools to participate in the programmes and assess the effectiveness of the activities through surveys. We will also review the programme arrangement in due course in the light of the implementation experiences of the 2 programmes and the latest development of the STEAM education in primary and secondary schools with a view to continuously fostering an IT learning atmosphere at schools.

ITIB178

(Question Serial No. 2439)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (2) Information Technology Infrastructure and Standards

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

The HKSAR Government has repeatedly emphasised the need to promote the development of "Smart Government", especially the "iAM Smart" platform. In this connection, please inform this Committee of the following:

- a. What were the annual usage rates of "iAM Smart" in the past 3 years?
- b. What were the key performance indicators for providing electronic services to the public through "iAM Smart" by government departments in the past 3 years?
- c. One of the Indicators for Specified Tasks set out in the 2022 Policy Address is to increase the annual usage of "iAM Smart" to 17.5 million in 2025. What is the Government's estimated expenditure for achieving this target? What are the details?

<u>Asked by</u>: Hon FOK Kai-kong, Kenneth (LegCo internal reference no.: 9) <u>Reply</u>:

- a. Since the launch of the "iAM Smart" platform in December 2020, over 1.8 million citizens have registered as "iAM Smart" users, and more than 33 million accesses to the required online services were made through "iAM Smart". "iAM Smart" recorded an annual usage of about 11 million and 19 million in 2021 and 2022 respectively, of which recurrent service usage unrelated to anti-epidemic services attributed to about 5 million and 14 million in 2021 and 2022 respectively.
- b. At present, 46 Bureaux/Departments (B/Ds) and public organisations, as well as 12 private organisations, have adopted "iAM Smart", providing more than 260 online services (please refer to https://www.iamsmart.gov.hk/en/e-service.html for the service

- list). We will continue to promote the adoption of "iAM Smart" in B/Ds as well as public and private organisations. It is estimated that about 50 new online services will adopt "iAM Smart" by end of 2023.
- c. The Chief Executive announced in his 2022 Policy Address the initiative to expedite the building of a smart government, including turning all government services online by 2024, and promoting the use of the "iAM Smart" platform to provide one-stop digital services by government departments by 2025, so as to realise the goal of "single portal for online government services".

The Financial Secretary has earmarked a sum of about \$200 million in the 2023-24 Budget to enhance the operation of the "iAM Smart" platform, so as to provide members of the public with more convenient one-stop digital services and to improve user experience. The wider use of "iAM Smart" will further promote "Smart Government" and the digital transformation of the whole society.

The Office of the Government Chief Information Officer introduced the detailed proposal on enhancing the "iAM Smart" platform to realise "single portal for online government services" to the Panel on Information Technology and Broadcasting of the Legislative Council in March this year, including simplifying the registration processes, updating application design and functions, improving user interfaces and streamlining service workflow, strengthening system capacity, performance and security, etc. We will seek funding approval from the Finance Committee for implementing the project, with a view to commencing the tendering process in the second half of this year. The new features of "iAM Smart" are expected to be rolled out in phases over the next 2 years. The estimated expenditures for "iAM Smart" in 2022-23, 2023-24 and 2024-25 are \$76 million, \$94 million and \$97 million respectively.

ITIB179

(Question Serial No. 2440)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (3) Information Technology in the Community

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is mentioned in paragraph 53 of the Budget Speech that, "to further expedite the pace of digital transformation of enterprises, the Government will set aside \$500 million for Cyberport to launch a Digital Transformation Support Pilot Programme, under which subsidies will be provided on a one-to-one matching basis to assist small and medium enterprises (SMEs) in applying ready-to-use basic digital solutions, thus facilitating their digitalisation." Will the Government advise this Committee of the following:

- a. the implementation timetable of the Pilot Programme; and
- b. the details of the Pilot Programme, such as eligibility for application, target SMEs and the number of enterprises which can benefit from the Programme.

Asked by: Hon FOK Kai-kong, Kenneth (LegCo internal reference no.: 10)

Reply:

The HKSAR Government has been working in collaboration with the sub-group on digital transformation established under the Digital Economy Development Committee (DEDC) to devise feasible measures to drive digital transformation across industries with a view to accelerating the development of Hong Kong's digital economy. It is announced in the 2023-24 Budget to earmark \$500 million for Cyberport to launch the Digital Transformation Support Pilot Programme (the Pilot Programme), which will provide subsidies on a one-to-one matching basis to assist small and medium enterprises (SMEs) that have little or no prior exposure to digital technology in adopting ready-to-use basic digital solutions, thus expediting the realisation of digital transformation.

The DEDC will prioritise the relevant industries to be supported through the Pilot Programme. We expect that each company can apply for a solution of up to \$100,000, thus receiving a

maximum subsidy of \$50,000. We expect that at least 8 000 eligible SMEs will be benefitted.

Cyberport is finalising the details of the Pilot Programme. We will consult the Panel on Information Technology and Broadcasting and seek funding approval from the Finance Committee for the implementation of the programme as soon as possible.

- End -

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB180

(Question Serial No. 3509)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (3) Information Technology in the Community

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is mentioned in paragraph 79 of the Budget that the Government will earmark \$265 million for Cyberport to launch an incubation programme for smart living start-ups under which support and counselling will be provided. Also, the Government will set aside \$500 million for Cyberport to launch a Digital Transformation Support Pilot Programme. In other words, the Government has earmarked no less than \$765 million for Cyberport in this year's Budget alone. In this connection, please inform this Committee of the following:

- 1. It is stated in the Budget that the provision of \$765 million in total will benefit about 90 eligible start-ups in each of the next 5 years and expedite the pace of digital transformation of enterprises. What are the specific work plans and how the Government will coordinate and monitor the implementation of such work?
- 2. What are the estimated expenditure and the detailed breakdown for the next 5 financial years?

<u>Asked by</u>: Hon HO King-hong, Adrian Pedro (LegCo internal reference no.: 35)

Reply:

The Government has been dedicated to supporting enterprises to undergo digital transformation through different channels. We have been working in collaboration with the sub-group on digital transformation established under the Digital Economy Development Committee (DEDC) to devise feasible measures to drive digital transformation across industries with a view to accelerating the development of Hong Kong's digital economy. It is announced in the 2023-24 Budget to earmarked \$500 million for Cyberport to launch the Digital Transformation Support Pilot Programme (the Pilot Programme), which will provide subsidies on a one-to-one matching basis to assist small and medium enterprises (SMEs) that

have little or no prior exposure to digital technology in adopting ready-to-use basic digital solutions, thus expediting the realisation of digital transformation.

The DEDC will prioritise the relevant industries to be supported through the Pilot Programme. We expect that each company can apply for a solution of up to \$100,000, thus receiving a maximum subsidy of \$50,000. We expect that at least 8 000 eligible SMEs will be benefitted.

At the same time, to tie in with the Government's policy of smart city and digital economy development, the Government has earmarked \$265 million for Cyberport to launch a incubation programme dedicated for smart living start-ups to provide tailored support for their development.

It is anticipated that the incubation programme can support around 90 smart living start-ups every year within the coming 5 years, including the provision of a maximum funding support of up to \$500,000 to each relevant start-up. Cyberport will also provide tailored entrepreneurial and technical training for relevant start-ups, including recruiting mentors from relevant industries to advise them on product development and business planning.

Cyberport is finalising the details of the above programme. We will consult the Panel on Information Technology and Broadcasting as soon as possible.

ITIB181

(Question Serial No. 1020)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (3) Information Technology in the Community

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is stated in the Budget Speech that \$500 million will be set aside to launch a "Digital Transformation Support Pilot Programme". In this connection, please inform this Committee of the following:

- a. the specific details and implementation timetable of the programme;
- b. the expected number of benefiting small and medium enterprises; and
- c. the operation of the "one-to-one matching basis" as mentioned in the Budget Speech.

Asked by: Hon HO Kwan-yiu, Junius (LegCo internal reference no.: 2)

Reply:

The HKSAR Government has been working in collaboration with the sub-group on digital transformation established under the Digital Economy Development Committee (DEDC) to devise feasible measures to drive digital transformation across industries with a view to accelerating the development of Hong Kong's digital economy. It is announced in the 2023-24 Budget to earmark \$500 million for Cyberport to launch the Digital Transformation Support Pilot Programme (the Pilot Programme), which will provide subsidies on a one-to-one matching basis to assist small and medium enterprises (SMEs) that have little or no prior exposure to digital technology in adopting ready-to-use basic digital solutions, thus expediting the realisation of digital transformation.

The DEDC will prioritise the relevant industries to be supported through the Pilot Programme. We expect that each company can apply for a solution of up to \$100,000, thus receiving a maximum subsidy of \$50,000. We expect that at least 8 000 eligible SMEs will be benefitted.

Cyberport is finalising the details of the Pilot Programme. We will consult the Panel on Information Technology and Broadcasting and seek funding approval from the Finance Committee for the implementation of the programme as soon as possible.

- End -

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB182

(Question Serial No. 1026)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (2) Information Technology Infrastructure and Standards

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

Director of Bureau: Secretary for Innovation, Technology and Industry

Question:

It is stated in the Budget that the Government will earmark a sum of about \$200 million to enhance the operation of the "iAM Smart". In this connection, please advise this Committee of the following:

- a) the current number of "iAM Smart" users;
- b) the details of the public services which can be currently covered by "iAM Smart"; and
- c) the specific future plan and timetable for enhancing the "iAM Smart".

<u>Asked by</u>: Hon HO Kwan-yiu, Junius (LegCo internal reference no.: 12) Reply:

- a) Since the launch of the "iAM Smart" platform in December 2020, over 1.8 million citizens have registered as "iAM Smart" users.
- b) At present, 46 Bureaux/Departments and public organisations, as well as 12 private organisations, have adopted "iAM Smart", providing more than 260 online services (please refer to https://www.iamsmart.gov.hk/en/e-service.html for the service list).
- c) The Financial Secretary has earmarked a sum of about \$200 million in the 2023-24 Budget to enhance the operation of the "iAM Smart" platform, so as to provide members of the public with more convenient one-stop digital services and to improve user experience. The wider use of "iAM Smart" will further promote "Smart Government" and the digital transformation of the whole society.

The Office of the Government Chief Information Officer introduced the detailed proposal on enhancing the "iAM Smart" platform to realise "single portal for online government services" to the Panel on Information Technology and Broadcasting of the Legislative Council in March this year, including simplifying the registration processes, updating application design and functions, improving user interfaces and streamlining service workflow, strengthening system capacity, performance and security, etc. We will seek funding approval from the Finance Committee for implementing the project, with a view to commencing the tendering process in the second half of this year. The new features of "iAM Smart" are expected to be rolled out in phases over the next 2 years.

ITIB183

(Question Serial No. 1027)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (1) Use of Information Technology in Government

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

Director of Bureau: Secretary for Innovation, Technology and Industry

Question:

Having regard to the easing of the COVID-19 epidemic situation, and following the Government's adjustments to the related management and handling approaches, the "LeaveHomeSafe" mobile app has gradually lost its intended applicability. Given that the Government has devoted substantial resources to the development of this app and it is still a valuable asset due to the enormous data it stored, will the Government advise this Committee of the following:

- (a) whether there is any plan of transforming the "LeaveHomeSafe" into an app with other functions which can continue to be used by the members of the public;
- (b) whether there is any plan of integrating the "LeaveHomeSafe" with other apps developed by the Government.

Asked by: Hon HO Kwan-yiu, Junius (LegCo internal reference no.: 13)

Reply:

Following the Government's announcement of lifting the requirement of scanning venue QR code, Vaccine Pass, Red Code/Amber Code, etc., in December 2022, alongside with the gradual relaxation or lifting of various anti-epidemic measures, the "LeaveHomeSafe" has successfully served its historical mission. The "LeaveHomeSafe" system has ceased operation and the app will not be further updated. The visit records in the related system previously uploaded from "LeaveHomeSafe" mobile app of confirmed cases have also been deleted entirely.

Looking forward, we will proactively promote and enhance the "iAM Smart" mobile app with a view to providing a one-stop personalised digital services platform through which users can access the Government's online services with ease. We aim to fully adopt "iAM Smart" for

online government services by 2025 so as to realise the target of "single portal for online government services".

- End -

ITIB184

(Question Serial No. 0859)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (1) Use of Information Technology in Government

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

In December last year, the HKSAR Government launched the Hong Kong Health Code system in preparation for quarantine-free travel between Hong Kong and the Mainland. However, the only requirement of quarantine-free travel between Hong Kong and the Mainland at present is the presentation of health declaration QR code without the need of presenting Hong Kong Health Code, resulting in indefinite delay in the commissioning of the system. In this connection, will the Government advise this Committee of the following:

- 1. What is the manpower and expenditure involved in developing the Hong Kong Health Code system?
- 2. Is the system operation suspended?
- 3. How will the Government handle the personal data of about 800 000 users uploaded to the system?

<u>Asked by</u>: Hon IP LAU Suk-yee, Regina (LegCo internal reference no.: 20)

Reply:

1. The Office of the Government Chief Information Officer (OGCIO) launched the "Hong Kong Health Code" system on 10 December 2021. The purpose of the system was to facilitate members of the public to register user accounts early and familiarise themselves with its operation so as to meet the requirements of cross-boundary travel under the discussion between Hong Kong and the Mainland at that time. The system was developed with the internal resources of the department and maintained by outsourced contractor. The related expenditure on system operation and maintenance is about \$20 million.

The purpose of launching the "Hong Kong Health Code" system was to prepare for the arrangement under discussion at that time in respect of the orderly resumption of normal travel of people between the Mainland and Hong Kong. The related discussion, however, was suspended due to the emergence of the fifth wave of the pandemic. Subsequently, with the consent of the Central Government and on condition that a quarantine-free travel would only be fully resumed in a gradual and orderly manner, the HKSAR Government reached a consensus with the Central Government, the Guangdong Provincial Government and the Shenzhen Municipal Government after communication and coordination among these parties. After obtaining the Central Government's endorsement, the normal travel of people between Hong Kong and the Mainland was resumed in a gradual and orderly manner from 8 January 2023 onwards, and proceeded to its full resumption from 6 February 2023 onwards. Under the latest travel arrangement, Mainland-bound travellers are not required to use health code.

In light of the latest travel arrangement between Hong Kong and the Mainland, the "Hong Kong Health Code" system has ceased operation. A notice has also been published on its website to remind members of the public that the Health Code is no longer required for travelling to the Mainland. OGCIO has already deleted all user data in the system entirely and notified all registered users on the related arrangement by SMS, to ensure strict compliance with the requirements under the "Personal Data (Privacy) Ordinance (PDPO)".

ITIB185

(Question Serial No. 1696)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (2) Information Technology Infrastructure and Standards

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Please advise how the feasibility study on the Artificial Intelligence Supercomputing Centre will be taken forward, including whether the study will be conducted by the Government or an outsourced organisation, the manpower arrangement, implementation timetable and estimated cost. Is there any plan to prevent the software and hardware from lagging behind the latest technological development when the Supercomputing Centre is established?

<u>Asked by</u>: Hon KAN Wai-mun, Carmen (LegCo internal reference no.: 21) Reply:

The Office of the Government Chief Information Officer (OGCIO) invited consultancy proposals for the feasibility study on the development of an Artificial Intelligence (AI) Supercomputing Centre on 23 February 2023. The consultant is required to assess the actual demand for AI supercomputing services in Hong Kong, and make recommendations on the scale of investment, the optimal operation model as well as the implementation strategy of the supercomputing centre. The consultant will also consult local universities and research institutes, relevant government departments and the industry on the development of the AI industry, and conduct surveys to project the computing power demands of relevant industry sectors in the next 7 years to ensure that the infrastructure facilities of the supercomputing centre are of sufficient capacities to cope with the demands.

The deadline for submission of proposals is 6 April 2023. We plan to commence the consultancy study in May with a view to completing the study in 2023-24. The related work will be implemented with the existing resources of OGCIO.

Details of the development approach and implementation plan of the supercomputing centre, including relevant manpower arrangement, implementation schedule, estimated cost,

measures for maintaining its sustainable development, etc. will be subject to the findings and recommendations of the consultancy study.

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB186

(Question Serial No. 1697)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (2) Information Technology Infrastructure and Standards

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

The Financial Secretary mentioned that he will earmark a sum of about \$200 million to enhance the operation of the "iAM Smart" platform. In this connection, please advise on the following:

- 1) whether any comparison studies with other platforms on the market have been conducted to provide reference experience for improving user experience;
- 2) whether any measures will be taken to provide incentives to promote the wider use of "iAM Smart"; and
- 3) the directions for enhancing the operation of the "iAM Smart" platform.

Asked by: Hon KAN Wai-mun, Carmen (LegCo internal reference no.: 22)

Reply:

The Financial Secretary has earmarked a sum of about \$200 million in the 2023-24 Budget to enhance the operation of the "iAM Smart" platform, so as to provide members of the public with more convenient one-stop digital services and to improve user experience.

The Office of the Government Chief Information Officer (OGCIO) introduced the detailed proposal on enhancing the "iAM Smart" platform to realise "single portal for online government services" to the Panel on Information Technology and Broadcasting of the Legislative Council in March this year, including simplifying the registration processes, updating application design and functions, improving user interfaces and streamlining service workflow, strengthening system capacity, performance and security, etc. We will seek funding approval from the Finance Committee for implementing the project, with a view to

commencing the tendering process in the second half of this year. The new features of "iAM Smart" are expected to be rolled out in phases over the next 2 years.

OGCIO has been adopting a diversified approach and through different channels to publicise and promote "iAM Smart" to the public. Through the online channel including the "iAM Smart' thematic website (www.iamsmart.gov.hk), advertisements and animation clips on social media platforms, etc., we publicise and promote the commonly used and newly launched services to the public. We also participated in large-scale events and exhibitions (such as the celebration of the 25th anniversary of the establishment of the Hong Kong Special Administrative Region, the Hong Kong Computer and Communications Festival 2022, the International ICT Expo 2022 and the quarterly Smart City Roving Exhibition, etc.), and set up promotion booths in the community activities held by different district organisations and elderly service centres to help members of the public to register "iAM Smart" and answer In addition, OGCIO works in collaboration with different government their enquiries. departments and organisations to organise joint promotion activities, such as arranging seminars for colleagues responsible for different target groups, introducing "iAM Smart" on government departments' websites and related social media platforms, and publishing feature articles in departmental newsletters such as eHealth News, Library Newsletter, Civil Service Newsletter, etc. We will continue to carry out the above diversified promotional activities. At the same time, we will also continue to promote the adoption of "iAM Smart" in government departments as well as public and private organisations in order to provide more online services and attract members of the public to register and use "iAM Smart".

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB187

(Question Serial No. 3068)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (3) Information Technology in the Community

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Regarding government Wi-Fi services, please advise on the following:

1. In view of the popularity of 5G mobile data, has the Government reviewed the policy on "developing Hong Kong into a Wi-Fi connected city"?

- 2. What are the criteria of the Government for assessing the cost-effectiveness of public Wi-Fi services it provides? Has the Government considered other options, such as asking telecommunications service providers to provide such services with their facilities?
- 3. Are there any resources and mechanisms to assess the overall coverage of public Wi-Fi services in rural areas?

Asked by: Hon KAN Wai-mun, Carmen (LegCo internal reference no.: 42)

Reply:

The Government has been keeping a close watch on the public's demand for public Wi-Fi services. To ensure effective use of public resources and cost effectiveness, Government Wi-Fi services are mainly provided at government venues with high public patronage. In assessing the suitability of a venue for the provision of Wi-Fi services, we will take into consideration various factors such as the number of visitors, technical feasibility, specific usage of the venue, as well as the availability of nearby venues with public Wi-Fi services.

Apart from Government Wi-Fi services, the Government is also promoting the public-private collaboration (PPC) arrangement under the Wi-Fi Connected City programme and is opening up government venues for private organisations, including various telecommunications services providers, to set up facilities for providing free Wi-Fi services at their own cost.

The PPC arrangement allows the Government to provide Wi-Fi services to citizens and tourists without incurring any public expenditure, while at the same time the participating organisations can provide value-added services and extend their network coverage in these venues. Since 2017, the Government has conducted 4 rounds of PPC arrangements and has provided public Wi-Fi services at more than 100 government and public venues.

The Smart City Blueprint for Hong Kong 2.0 has put forth the idea of Smart Village Pilots to explore the use of innovation and technology to address the daily life issues faced by residents living in rural or more remote areas, including the enhancement of Wi-Fi service coverage in rural areas. The Office of the Government Chief Information Officer (OGCIO), in collaboration with the Heung Yee Kuk New Territories (HYKNT), has been installing Wi-Fi hotspots in village premises progressively since April 2021. Currently, free Wi-Fi services have been provided at more than 110 village premises. OGCIO will continue to collaborate with HYKNT to expand the coverage of public Wi-Fi services to more remote areas in need through the Smart Village Pilots.

ITIB188

(Question Serial No. 1463)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (2) Information Technology Infrastructure and Standards

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is mentioned in the Matters Requiring Special Attention in 2023-24 under Programme (2) that the Government will continue to oversee the implementation of the "iAM Smart" platform. In this connection, please advise on the following:

- 1. What were the number of bureaux and departments which had participated in the "iAM Smart" platform, the information and services provided through the platform and the estimated expenditures involved over the past 3 years? Have any targets been set for more departments to participate in the platform and provide more online services? If yes, what are the details? If not, what are the reasons?
- 2. What are the respective numbers of registered users of "iAM Smart" and "iAM Smart+" which comes with a digital signing function?
- 3. There are views that the registration procedures of the "iAM Smart" application are cumbersome and complicated, which makes it unattractive to members of the public. Will the Government consider simplifying the procedures or providing more services, so as to encourage more people to use it?
- 4. During the pandemic, a large number of Hong Kong people had difficulty in travelling to the Mainland for attending to their personal business. In view of this, will the Government consider seeking co-operation with other cities in the Guangdong-Hong Kong-Macao Greater Bay Area (GBA) to allow Hong Kong people to carry out online operation such as authentication of identity and digital signing through "iAM Smart", so as to enhance the interconnectivity and integrated development among the GBA cities? If yes, what are the details? If not, what are the reasons?

Asked by: Hon KOON Ho-ming, Peter Douglas (LegCo internal reference no.: 27)

Reply:

1. to 3. Since the launch of the "iAM Smart" platform in December 2020, over 1.8 million citizens have registered as "iAM Smart" users, of which 650 000 are "iAM Smart+" users. The expenditures for "iAM Smart" in 2020-21, 2021-22 and 2022-23 were \$65 million, \$72 million and \$76 million respectively. At present, 46 Bureaux/Departments (B/Ds) and public organisations, as well as 12 private organisations have adopted "iAM Smart", providing more than 260 online services (please refer to https://www.iamsmart.gov.hk/en/e-service.html for the service list). We will continue to promote the adoption of "iAM Smart" in B/Ds as well as public and private organisations. It is estimated that about 50 new online services will adopt "iAM Smart" by end of 2023.

The Chief Executive announced in his 2022 Policy Address the initiative to expedite the building of a smart government, including turning all government services online by 2024, and promoting the use of the "iAM Smart" platform to provide one-stop digital services by government departments by 2025, so as to realise the goal of "single portal for online government services". To this end, the Financial Secretary has earmarked a sum of about \$200 million in the 2023-24 Budget to enhance the operation of the "iAM Smart" platform, so as to provide members of the public with more convenient one-stop digital services and to improve user experience.

The Office of the Government Chief Information Officer introduced the detailed proposal on enhancing the "iAM Smart" platform to realise "single portal for online government services" to the Panel on Information Technology and Broadcasting of the Legislative Council in March this year, including simplifying the registration processes, updating application design and functions, improving user interfaces and streamlining service workflow, strengthening system capacity, performance and security, etc. We will seek funding approval from the Finance Committee for implementing the project, with a view to commencing the tendering process in the second half of this year. The new features of "iAM Smart" are expected to be rolled out in phases over the next 2 years.

4. We are exploring the collaboration opportunities between the identity authentication systems of other places and "iAM Smart", such as making use of mutual recognition of electronic signature certificates to promote cross-boundary e-commerce applications, facilitating Hong Kong citizens to use "iAM Smart" to log in different online services, conduct online transactions, and perform digital signing with legal backing, etc., in different places (including the Greater Bay Area). Among others, in supporting the implementation of "cross-boundary government services", we are currently exploring with relevant departments in Guangdong Province to make use of "iAM Smart" as one of the means to register for an account on the "Unified Identity Authentication Platform of Guangdong Province", so as to enable Hong Kong residents to use the services of Guangdong Province more conveniently and swiftly.

ITIB189

(Question Serial No. 1803)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (2) Information Technology Infrastructure and Standards

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

To promote "Smart Government" and the wider use of "iAM Smart" by members of the public, the Government will earmark \$200 million to enhance the operation of the platform. In this connection, please inform this Committee of the following:

- a) the total number of users and their gender and age group distributions since the launch of the "iAM Smart" application in 2021;
- b) the expected percentage of citizens using the "iAM Smart" platform after the enhancement of its operation; and
- c) the estimated annual expenditure on administrative manpower, operation and system maintenance of the "iAM Smart" platform.

Asked by: Hon KWOK Ling-lai, Lillian (LegCo internal reference no.: 33)

Reply:

a) Since the launch of "iAM Smart" platform in December 2020, over 1.8 million citizens have been registered as "iAM Smart" users, with gender and age group distribution as follows:

Age Group	Male	Female	Total
11 - 30	201 000	185 000	386 000
31 - 50	414 000	401 000	815 000
51 - 70	309 000	240 000	549 000
71 or above	37 000	26 000	63 000
Total	961 000	852 000	1 813 000

Remarks: The figures are rounded to the nearest thousand.

- b) The Chief Executive announced in his 2022 Policy Address the initiative to expedite the building of a smart government, including turning all government services online by 2024, and promoting the use of the "iAM Smart" platform to provide one-stop digital services by government departments by 2025, so as to realise the goal of "single portal for online government services". Key performance indicators for the promotion of "iAM Smart" are also set out in the 2022 Policy Address, aiming to increase the annual usage of "iAM Smart" (total transactions) from 5 million in 2021 to 17.5 million in 2025. To this end, the Financial Secretary has earmarked a sum of about \$200 million in the 2023-24 Budget to enhance the operation of the "iAM Smart" platform, so as to provide members of the public with more convenient one-stop digital services and to improve user experience.
- c) The Office of the Government Chief Information Officer introduced the detailed proposal on enhancing the "iAM Smart" platform to realise "single portal for online government services" to the Panel on Information Technology and Broadcasting of Legislative Council in March this year, including simplifying the registration processes, updating application design and functions, improving user interfaces and streamlining service workflow, strengthening system capacity, performance and security, etc. We will seek funding approval from Finance Committee for implementing the project, with a view to commencing the tendering process in the second half of this year. The new features of "iAM Smart" are expected to be rolled out by phases over the next two years. The estimated expenditure for the existing "iAM Smart" platform in 2023-24 is \$94 million, while its estimated expenditure after upgrade will be evaluated subsequent to the actual implementation of the new features.

ITIB190

(Question Serial No. 2159)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (1) Use of Information Technology (IT) in Government,

(2) IT Infrastructure and Standards

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

Director of Bureau: Secretary for Innovation, Technology and Industry

Question:

Government departments will launch mobile applications (apps) from time to time for members of the public to use or have a grasp of their information. In this connection, will the Government inform this Committee of:

- (1) the following information of the mobile apps (including all mobile phone systems) launched by the Government in the past 10 years:
 - (i) name of the app;
 - (ii) the government departments which launched the app;
 - (iii) number of downloads so far and ratings on various app stores;
 - (iv) cost of development and maintenance; and
 - (v) the number of apps decommissioned due to unsatisfactory number of downloads or user experience;
- (2) the current numbers of "iAM Smart" users registered for authentication and digital signing respectively;
- (3) whether there are any plans to enhance the functions and services of "iAM Smart"; if yes, of the details and timetable; if not, the reasons for that;
- (4) whether the Government has received complaints in relation to opinions from the community that new "iAM Smart" users often encountered difficulties in going through the processes of biometric authentication and scanning identity cards during registration; if yes, of the number of cases and improvement measures;
- (5) the number of apps developed and maintained by local enterprises among the existing mobile apps launched by the Government; for those not developed or maintained by local enterprises, the regions or countries from which their developers come mainly; and

(6) whether the Government has any policies or guidelines to accord priority to local enterprises or start-ups in procuring information technology services; if yes, of the details; if not, the reasons for that.

<u>Asked by</u>: Hon LAM Chun-sing (LegCo internal reference no.: 13) <u>Reply</u>:

- (1) and Information on mobile applications developed by the Government is at **Annex**.
- Under the requirements of the Office of the Government Chief Information Officer (OGCIO), bureaux and departments (B/Ds) have to conduct regular reviews after the launch of their mobile applications, including whether the applications have met users' needs and achieved the expected outcomes and cost-effectiveness. If the projects/initiatives relating to the mobile applications have been completed, or there are other more effective ways to provide such services, or the needs of the target user groups have changed, B/Ds concerned should consider decommissioning the applications. A total of 39 mobile applications were decommissioned in the past 5 years, and the relevant information is also set out at the <u>Annex</u>. OGCIO does not maintain information on government mobile applications beyond the past 5 years.
- (2) Since the launch of the "iAM Smart" platform in December 2020, over 1.8 million citizens have registered as "iAM Smart" users, of which 650 000 are "iAM Smart+" users.
- (3) OGCIO introduced the detailed proposal on enhancing the "iAM Smart" platform to realise "single portal for online government services" to the Panel on Information Technology and Broadcasting of the Legislative Council in March this year, including simplifying the registration processes, updating application design and functions, improving user interfaces and streamlining service workflow, strengthening system capacity, performance and security, etc. We will seek funding approval from the Finance Committee for implementing the project, with a view to commencing the tendering process in the second half of this year. The new features of "iAM Smart" are expected to be rolled out in phases over the next 2 years.
- (4) Since the launch of the "iAM Smart" service, we have received 3 complaints in relation to difficulties encountered in biometric authentication by new users during self-registration. All these complaints have been dealt with in a timely manner. Since the launch of the mobile app, the "iAM Smart" hotline service has answered citizens' enquiries about "iAM Smart", including difficulties encountered during online account registration. Hotline staff will make suggestions to the enquirers, such as adjusting the ambient light and cleaning taints on the surface of the Hong Kong Identity Card, etc. In most cases, the citizens are able to complete the registration with the assistance offered. Besides, OGCIO has set up 40 self-registration kiosks across the territory and nearly 120 registration counters at Post Offices to facilitate citizens to register "iAM Smart". OGCIO has deployed

mobile registration teams at different locations such as schools and community centres, etc., to assist citizens and people of different sectors in registering "iAM Smart". OGCIO will conduct review on the existing registration arrangement during upgrading of the "iAM Smart" platform, and make suitable improvements on the condition of not affecting the accuracy of the identity verification

- (6) The Government has been actively introducing and utilising information technology (IT) and innovation and technology (I&T) products and services of local enterprises and start-ups with a view to playing a leading role. The major measures in recent years are as follows:
 - (i) To encourage local small and medium enterprises (SMEs) to bid for government IT projects, OGCIO has set up a "Minor Group" in the Standing Offer Agreement for Quality Professional Services (SOA-QPS), which covers contracts with value not exceeding \$3 million to facilitate local SMEs to provide IT services to B/Ds. The latest SOA-QPS which took effect from 31 January 2022 has also removed the requirements on service providers' experiences and adjusted upward the number of participating contractors to attract more local SMEs to participate;
 - (ii) To support the Government's pro-innovation procurement policy, OGCIO established the Smart Government Innovation Lab (Smart Lab) in April 2019 to encourage and invite industry practitioners to assist government departments in introducing IT solutions, and creates more business opportunities for local start-ups and SMEs. Since its establishment, the Smart Lab has matched over 70 business needs of different departments with solutions, arranged over 100 thematic workshops in the process, and collaborated with relevant departments to conduct proof-of-concept testing for more than 50 technology solutions. Among them, more than 30 projects are being planned for or in the progress of pilot implementation;
 - (iii) The Public Sector Trial Scheme under the Innovation and Technology Fund provides eligible local companies/organisations with funding support for production of prototypes or samples and conducting trials of research and development (R&D) results in the public sector (including government departments), so as to facilitate the realisation and commercialisation of R&D results. As at the end of February 2023, the scheme has funded 414 projects with a total funding of about \$830 million, benefiting over 190 different organisations to conduct more than 560 trials;
 - (iv) The E&M InnoPortal of the Electrical and Mechanical Services Department lists the technology-related needs of government departments, public sector and Electrical and Mechanical trades. Organisations such as start-ups and academic institutions can propose I&T solutions via the portal for matching. In the past 5 years, about 430 I&T wishes and about 1 100 I&T solutions were collected via the portal. During the period, trials of about 170 I&T projects were launched; and



Annex

Information on mobile applications developed by Bureaux and Departments (including decommissioned mobile applications) (As at 28 February 2023)

No.	Bureau / Department (Note)	Name Development Cost N	Annual Maintenance	Total Number of	Number of Downloads				
	(Note)			Cost	as at 31 Jan 2023	Apple App Store	Google Play Store	Huawei AppGallery	- Developer Company
1.	Agriculture, Fisheries and Conservation Department	Enjoy Hiking	\$38,000	\$45,000	450 000	1.7	2.8	No score	Local
2.	Agriculture, Fisheries and Conservation Department	Reef Check Hong Kong	\$95,000	\$45,000	13 000	3.6	4.3	No score	Local
3.	Buildings Department	Quick Guide for MBIS/MWIS	\$299,000	\$196,000	25 000	4.8	3.8	No score	Local
4.	Buildings Department	MWCS - Quick Guide for Minor Works	\$290,000	\$287,000	63 000	4.9	4.2	No score	Local
5.	Buildings Department	Win Safe	\$2,618,000	\$70,000	2 500 (Launched in May 2022)	5.0	No score	No score	Local
6.	Civil Aviation Department	CAD eSUA	\$277,000	\$64,000	21 000	1.8	2.5	No score	Local
7.	Civil Engineering and Development Department	HK Geology	Developed internally. No additional expenditure is involved.	Maintained by deploying internal resources. No additional expenditure is involved.	35 000	3.9	4.4	No score	Local
8.	Constitutional and Mainland Affairs Bureau	Read the Basic Law with JOY!	\$660,000	\$60,000	9 400 (Launched in Nov 2021)	5	No score	No score	Local
9.	Civil Service Bureau	Government Vacancies	\$980,000	As the maintenance service provided by the contractor covered other systems, no expenditure breakdown for an individual systems is available.	930 000	2.5	3.8	No score	Mainland

	Bureau / Department	Name	Development Cost			Sc	ore in Ap	p Stores	Location of the
	1			Cost	Downloads as at 31 Jan 2023	Apple App Store	Google Play Store	Huawei AppGallery	Developer Company
10.	Companies Registry	CR eFiling	Included in the enhancement work of the core system of the Companies Registry.	Included in the maintenance cost of the core system of Companies Registry. As it is not a standalone project, no expenditure breakdown is available.	32 000	2.2	2.8	No score	Local
11.	Correctional Services Department	Hong Kong Correctional Services Department Mobile App	\$308,000	Maintained by deploying internal resources. No additional expenditure is involved.	37 000	3.5	3.9	No score	Local
12.	Customs and Excise Department	HK Car First Registration Tax	\$230,000		28 000	3	3	5	Local
13.	Department of Health		\$296,000	\$48,000	50 000	3.1	4.5	No score	Local
14.	Department of Health	Quit Smoking App	\$295,000	\$102,000	73 000	3.1	3.3	No score	Local
15.	Development Bureau	My Kowloon East	Developed internally. No additional expenditure is involved.	\$85,000	17 000	5	3.9	5	Local
16.	Education Bureau	ApL Applied Learning		Maintained by deploying internal resources. No additional expenditure is involved.	20 000	No score	4.4	No score	Local
17.	Education Bureau	Educational Multimedia	\$49,000	\$980,000	200 000	3.2	2.9	No score	Local
18.	Education Bureau	KG Profile 2022	Included in the cost of the whole project of the Profile of Kindergartens. As it is not a stand-alone project, no expenditure breakdown is available. (Total cost of project of Profile of Kindergartens: \$651,000)	Maintained by deploying internal resources. No additional expenditure is involved.	210 000	4.1	4.5	No score	Local

	Bureau / Department	Name	Development Cost	Annual Maintenance	Total Number of	Sc	ore in Ap	p Stores	Location of the
	Берагенен		Cost	Cost	Downloads as at 31 Jan 2023	Apple App Store	Google Play Store	Huawei AppGallery	Developer Company
19.	Education Bureau	e-Navigator	Developed with the related website. As it is not a stand- alone project, no expenditure breakdown is available.	\$153,000	230 000	1.6	2.8	No score	Local
20.	Education Bureau	History Trip Go Easy: Cheung Chau Jiao Festival	Developed as a whole with the e-book and e-portal. As it is not a stand-alone project, no expenditure breakdown is available.	\$50,000	52 000	3.5	2.0	No score	Local
21.	Efficiency Office	Tell me@1823 v2	(Including the costs for user experience design, infrastructure setup and	\$400,000 (Including the costs for maintenance and upgrade of mobile application and backend system)		3.1	2.5	5	Local
22.	Electrical & Mechanical Services Department	E&M Connect	\$800,000	\$385,000	21 000	4.0	3.2	No score	Local
23.	Electrical & Mechanical Services Department	E&M Trade	\$492,000	\$135,000	61 000	2.5	3.2	No score	Local
24.	Environmenta 1 Protection Department	Air Quality Health Index (AQHI)	\$1,395,000			2.8	3.5	No score	Local
25.	Environmenta 1 Protection Department	Waste Less	\$690,000	\$191,000	96 000	3.5	4.0	No score	Local
26.	Environmenta 1 Protection Department	HoHoSkips	\$550,000	\$138,000	18 000	3.5	3.1	No score	Local

	Bureau / Department	Name	Development Cost	Annual Maintenance	Total Number of	Sc	ore in Ap	p Stores	Location of the
	Department		Cust	Cost	Downloads as at 31 Jan 2023	Apple App Store	Google Play Store	Huawei AppGallery	Developer Company
27.	Environmenta 1 Protection Department	EV-Charging Easy	\$482,000	First year of maintenance cost is included in the development cost. (The mobile application was launched in Jun 2022.)	7 800 (Launched in Jun 2022)	2.1	3.0	5	Local
28.	Environmenta 1 Protection Department	GREEN\$ Mobile App	applicat	\$1,300,000 e costs for mobile tion development, and enhancement)	130 000	3.6	3.6	5.0	Local
29.	Fire Services Department	HKFSD	\$900,000		220 000	3.1	4.3	No score	Local
30.	Food and Environmenta I Hygiene Department	Nutrition Calculator	\$150,000	Maintained by deploying internal resources. No additional expenditure is involved.	140 000	2.5	2.7	No score	Local
31.	Food and Environmenta I Hygiene Department	Internet Memorial Service	\$300,000	The maintenance of the mobile application is included in the whole system maintenance contract of Internet Memorial Service.	23 000	3.7	3.8	No score	Local
32.	Health Bureau	eHealth	The development of the application is bundled with other services and infrastructure. As it is not a stand-alone project, no expenditure breakdown is available.	The maintenance of the application is bundled with other services and infrastructure. No expenditure breakdown is available.	2 900 000	4.3	4.5	4.8	Local
33.	Home Affairs Department	Hong Kong Licensed Hotels and Guesthouses	\$178,000	\$184,000	17 000	3.7	3.6	No score	Local

	Bureau / Department	Name	Development Cost	Annual Maintenance	Total Number of	Sc	ore in Ap	p Stores	Location of the
	Department		Cost	Cost	Downloads as at 31 Jan 2023	Apple App Store	Google Play Store	Huawei AppGallery	Developer Company
34.	Hong Kong Observatory	MyObservato ry	Developed internally. No additional expenditure is involved.	Maintained by deploying internal resources. No additional expenditure is involved.	9 700 000	2.5	3.9	4.5	Local
35.	Hong Kong Observatory	MyWorldWea ther	Developed internally. No additional expenditure is involved.	Maintained by deploying internal resources. No additional expenditure is involved.	330 000	3.7	3.9	No score	Local
36.	Hong Kong Police Force	Junior Police Call Mobile App	\$1,379,000 (Including the fees for mobile application, backend system, website, system hosting services and system license)	(Including the fees for mobile application maintenance, backend system maintenance, website		4.0	4.2	No score	Local
37.	Hong Kong Police Force	Hong Kong Police Mobile App	\$750,000	Maintained by deploying internal resources. No additional expenditure is involved.	210 000	4.2	3.9	No score	Local
38.	Hong Kong Police Force	Scameter+	is part of the total expenditure for the "Prevention and Detection of	This expenditure is part of the total expenditure for the "Prevention and Detection of Crime", and the Hong Kong Police Force has not kept a record of specific expenditure items	Not applicable (Launched in Feb 2023)	4.4	2.8	No score	Local
39.	Hongkong Post	Hongkong Post	\$328,000	Maintained by deploying internal resources. No additional expenditure is involved.	590 000	1.6	3.6	5	Local

	Bureau / Department	Name	Development Cost	Annual Maintenance	Total Number of	Sc	ore in Ap	p Stores	Location of the
	Department		Cost	Cost	Downloads as at 31 Jan 2023	Apple App Store	Google Play Store	Huawei AppGallery	Developer Company
40.	Hongkong Post	ShopThruPost 2.0	Included in the implementation of the Redevelopment of On-line Shopping Platform Project. As it is not a standalone project, no expenditure breakdown is available.	The maintenance cost of the mobile application is included in the total system maintenance cost of the whole On-line Shopping Platform. No cost breakdown is available.	51 000	3.2	3.0	No score	Local
41.	Immigration Department	Contactless e-Channel	The mobile application was developed under a contract with value at \$1,397,000 and this contract included other relevant system enhancement service of contactless e-Channel.	The contractor will provide system maintenance service according to the contract.	170 000	2.3	4.2	5	Local
42.	Immigration Department	HK Immigration Department	\$130,000	Maintained by internal resources. No additional expenditure is involved.	1 000 000	2.4	4.0	5.0	Local
43.	Information Services Department	news.gov.hk	\$270,000	\$50,000	210 000	2.3	3.8	5.0	Local
44.	Intellectual Property Department	"No Fakes Pledge" Shop Search	\$580,000	\$40,200	130 000	2.9	3.7	4	Local
45.	Labour Department	Interactive Employment Service	\$125,000	\$70,000	1 300 000	3.3	3.6	5	Local
46.	Labour Department	Work Safety Alert	\$75,000	\$47,000	26 000	5	4.2	5	Local
47.	Labour Department	Youth Employment Start	(Including the maintenance for	Maintained by deploying internal resources. No additional expenditure is involved.	26 000	2.9	2.8	No score	Local

	Bureau / Department	Name	Development Cost	Annual Maintenance	Total Number of	Sc	ore in App	Stores	Location of the
	Department.		Cost	Cost	Downloads as at 31 Jan 2023	Apple App Store	Google Play Store	Huawei AppGallery	Developer Company
48.	Lands Department	МуМарНК	Developed internally. No additional expenditure is involved.	Maintained by deploying internal resources. No additional expenditure is involved.	580 000	3.7	4.1	5	Local
49.	Lands Department	VoiceMapHK	Developed internally. No additional expenditure is involved.	Maintained by deploying internal resources. No additional expenditure is involved.	8 900^ (For visually impaired)	3.8	No score	No score	Local
50.	Leisure and Cultural Services Department	Multimedia Information	Included in the MMIS Major Upgrade Project. As it is not a stand-alone project, no expenditure breakdown is available.	Included in the maintenance cost of the MMIS Project. As it is not a stand-alone project, no expenditure breakdown is available.	71 000	1.9	3.3	No score	Local
51.	Leisure and Cultural Services Department	My Library	The total cost of the project is around \$3,320,000. No expenditure breakdown is available for the mobile app.	\$223,000	720 000	2.8	3.3	No score	Local
52.	Leisure and Cultural Services Department	URBTIX	Included in the service contract of My URBTIX. As it is not a stand-alone project, no expenditure breakdown is available.	Included in the service contract of My URBTIX. As it is not a stand-alone project, no expenditure breakdown is available.	120 000	1.4	2.4	No score	Mainland
53.	Leisure and Cultural Services Department	Star Hoppers	\$700,000	Maintained by deploying internal resources. No additional expenditure is involved.	360 000	4.5	4.3	3	Local

	Bureau / Department	Name	Development Cost	Annual Maintenance	Total Number of	Sc	ore in App	Stores	Location of the
	Z CP W W W W		3020	Cost	Downloads as at 31 Jan 2023	Apple App Store	Google Play Store	Huawei AppGallery	Developer Company
54.	Leisure and Cultural Services Department	iM Guide	"iM Guide" is a part of the Museum Multimedia Guide System (MMGS) project. As it is not a standalone project, no expenditure breakdown is available.	Included in the routine maintenance cost of MMGS. As it is not a stand-alone project, no expenditure breakdown is available.	47 000	3.7	3.5	5	Local
55.	Marine Department	eSeaGo	\$600,000	\$180,000	96 000	4.2	3.7	No score	Local
56.	Office of the Communicati ons Authority		Covered by OFCA Trading Fund.	Covered by OFCA Trading Fund.	120 000 000 (number of test)	2.6	4.1	No score	United Kingdom
57.	Office of the Government Chief Information Officer	EventHK	Developed internally. No additional expenditure is involved.	Maintained by deploying internal resources. No additional expenditure is involved.	120 000	2.0	3.7	4.0	Local
58.	Office of the Government Chief Information Officer	GovHK Apps	\$600,000	Maintained by deploying internal resources. No additional expenditure is involved.	400 000	2.6	3.9	No score	Local
59.	Office of the Government Chief Information Officer	GovHK Notifications	Developed internally. No additional expenditure is involved.	Maintained by deploying internal resources. No additional expenditure is involved.	940 000	2.8	3.8	No score	Local
60.	Office of the Government Chief Information Officer	Wi-Fi.HK	\$340,000			4.1	3.8	No score	Local
61.	Office of the Government Chief Information Officer	LeaveHomeSa fe	\$3,000,000	\$900,000	9 500 000	1.5	3.2	3.8	Local

	Bureau / Department	Name	Development Cost	Annual Maintenance	Total Number of	Sc	ore in Ap _l	p Stores	Location of the
	Department		Cost	Cost	Downloads as at 31 Jan 2023	Apple App Store	Google Play Store	Huawei AppGallery	Developer Company
62.	Office of the Government Chief Information Officer	QR Code Verification Scanner	Developed internally. No additional expenditure is involved.	Maintained by deploying internal resources. No additional expenditure is involved.	760 000	1.9	3.2	No score	Local
63.	Office of the Government Chief Information Officer	iAM Smart	"iAM Smart" platform. As it is not a stand-	The mobile application is developed together with the "iAM Smart" platform. As it is not a standalone project, no expenditure breakdown is available.	More than 1 800 000 registered users	1.8	2.5	3.5	Mainland
64.	Radio Television Hong Kong	Chinese History – the Flourishing Age	\$450,000	\$73,500	200 000	4.0	4.4	4.0	Local
65.	Radio Television Hong Kong	RTHK Memory	\$280,000	\$157,500	62 000	4.3	3.2	No score	Local
66.	Radio Television Hong Kong	RTHK Mine	\$409,000	\$130,000	510 000	3.6	3.2	No score	Local
67.	Radio Television Hong Kong	RTHK News	\$336,000	\$92,559	670 000	4.8	4.3	No score	Local
68.	Radio Television Hong Kong	RTHK On The Go	\$200,000	\$40,667	2 500 000	4.4	3.7	No score	Local
69.	Radio Television Hong Kong	RTHK Screen	\$250,000	\$77,000	640 000	4.8	3.9	No score	Local
70.	Radio Television Hong Kong	RTHK Audio Description	Included in the cost of the Audio Description services project. As it is not a stand-alone project, no expenditure breakdown is available.	\$230,000	2 700^ (For visually impaired)	4.5	4.0	No score	Local

	Bureau / Department	Name	Development Cost	Annual Maintenance	Total Number of	Sc	ore in Ap	Stores	Location of the
	_			Cost	Downloads as at 31 Jan 2023	Apple App Store	Google Play Store	Huawei AppGallery	Developer Company
71.	Security Bureau	Safeguard HK	\$610,000	Maintained by deploying internal resources. No additional expenditure is involved.	262 000	3.4	3.8	No score	Local
72.	Social Welfare Department	Senior Citizen Card Scheme	\$147,000	·		2.2	3.4	No score	Local
73.	Tourism Commission	A Symphony of Lights	\$537,000	\$60,000	29 000	2.5	2.8	No score	Local
74.	Transport Department	HKeMeter	Included in the cost of the whole project. As it is not a stand-alone project, no expenditure breakdown is available.	Included in the cost of the whole project. As it is not a stand-alone project, no expenditure breakdown is available.	930 000	2.0	2.8	4.0	Local and France
75.	Transport Department	HKeMobility	\$600,000	Included in the cost of the whole project. Apart from function enhancements, the system under this project also provides services to other systems, therefore no breakdown of maintenance expenditure is available.	2 600 000	2.0	2.8	2.8	Local
76.	Transport Department	HKeToll	Included in the cost of the whole project. As it is not a stand-alone project, no expenditure breakdown is available.	Included in the cost of the whole project. As it is not a stand-alone project, no expenditure breakdown is available.	120 000	1.3	2.0	5.0	Local
77.	Water Supplies Department	WSD GA Product Directory	\$175,000	Maintained by deploying internal resources. No additional expenditure is involved.	15 000	3.6	4.1	No score	Local

	Bureau / Department	Name	Development Cost	Annual Maintenance	Total Number of	Sc	ore in Ap _l	p Stores	Location of the
	- Paraman			Cost	Downloads as at 31 Jan 2023	Apple App Store	Google Play Store	Huawei AppGallery	Developer Company
78.	Water Supplies Department	WSD Mobile App	\$1,573,000	The maintenance of WSD Mobile App is included in the system maintenance contract of Customer Care and Billing System (CCBS).	200 000	1.6	2.7	No score	Local
79.	Water Supplies Department	H2OPE Centre	Included in the cost of the whole project. As it is not a stand-alone project, no expenditure breakdown is available.	Maintained by deploying internal resources. No additional expenditure is involved.	1 700^ (The mobile application is developed for visitors of the H2OPE Centre)	3.5	5.0	No score	Local
80.	Water Supplies Department	WSD AMR System	\$220,000	Maintained by deploying internal resources. No additional expenditure is involved.	13 000	1.4	4.5	No score	Local
81.	Home Affairs Department	Chocolate Rain	\$60,000	Maintained by deploying internal resources. No additional expenditure is involved.	3 400* (De- commissioned in Jun 2018)			maintain infor sioned mobile	
82.	Planning Department	City Gallery	\$263,000	\$97,500	9 400* (De- commissioned in Oct 2018)				
83.	Department of Health	HKeIC	\$150,000	\$60,145	6 700* (De- commissioned in Dec 2018)				
84.	Home Affairs Bureau	18 Handy Tips for Family Education	\$49,000	Maintained by deploying internal resources. No additional expenditure is involved.	6 800* (De- commissioned in Dec 2018)				

	Bureau / Department	Name	Development Cost	Annual Maintenance	Total Number of	Sc	core in Ap	p Stores	Location of the
			3000	Cost	Downloads as at 31 Jan 2023	Apple App Store	Google Play Store	Huawei AppGallery	Developer Company
85.	Transport Department	eTraffic News	\$337,000	\$234,000	50 000* (De- commissioned in Dec 2018)			maintain infor	
86.	Transport Department	Hong Kong eRouting	\$1,930,000	Total cost of Server Hosting and System Maintenance Services shared with other TD services \$1,000,000	12 000* (De- commissioned in Dec 2018)		uccommis	sioned moone	а ррэ.
87.	Agriculture, Fisheries and Conservation Department	Red Tide Information Network	\$128,000	\$30,000	4 900* (De- commissioned in Jan 2019)				
88.	Leisure and Cultural Services Department	Fitness Walking	\$250,000	Maintained by deploying internal resources. No additional expenditure is involved.	64 000* (De- commissioned in Jan 2019)				
89.	Architectural Services Department	Architour	\$257,000	Maintained by deploying internal resources. No additional expenditure is involved.	7 200* (De- commissioned in Feb 2019)				
90.	Social Welfare Department	3E Mobile App	\$47,000		5 200* (De- commissioned in Feb 2019)				
91.	Department of Health	Student Weight for Height Check	\$286,000	\$56,000	29 000* (De- commissioned in Mar 2019)				
92.	Drainage Services Department	DSD Connect	\$170,000	Maintained by deploying internal resources. No additional expenditure is involved.	18 000* (De- commissioned in Mar 2019)				
93.	Home Affairs Bureau	"M" Mark Events App	\$70,000	\$9,600	6 700* (De- commissioned in Apr 2019)				

	Bureau / Department	Name	Development Cost	Annual Maintenance	Total Number of	* *		p Stores	Location of the
			333	Cost	as at 31 Jan 2023	Apple App Store	Google Play Store	Huawei AppGallery	Developer Company
94.	Independent Commission Against Corruption	ICAC Smartphone App		Maintained by deploying internal resources. No additional expenditure is involved.	12 000* (De- commissioned in Apr 2019)			maintain infor	
95.	Department of Health	Framework@P	\$196,000	\$90,000	17 000* (De- commissioned in Jul 2019)				
96.	Education Bureau	E-book of Understanding the Law, Access to Justice – Basic Law Learning Package (Junior Secondary)	book and e- portal project.	Developed as a part of the e-book and e-portal project. As it is not a stand-alone project, no expenditure breakdown is available.	22 000* (De- commissioned in Sep 2019)				
97.	Efficiency Office	1823 Online mobile app	\$700,000	Maintained by deploying internal resources. No additional expenditure is involved.	24 000* (De- commissione d in Sep 2019)				
98.	Invest Hong Kong	InvestHK News & Events	\$388,000	\$24,000	1 100* (De- commissione d in Sep 2019)				
99.	Agriculture, Fisheries and Conservation Department	Country Parks Tree Walks	(Including system maintenance cost for the first	internal resources. No	51 200* (De- commissione d in Jan 2020)				
100.	Education Bureau	說話加油站 (Chinese version only)	Developed with the related website. As it is not a stand- alone project, no expenditure breakdown is available.	\$176,000	46 000* (De- commissioned in Jan 2020)				

	Bureau / Department	Name	Development Cost	Annual Maintenance	Total Number of	Score in App Stores		p Stores	Location of the
	2 sparsases		3000	Cost	Downloads as at 31 Jan 2023	Apple App Store	Google Play Store	Huawei AppGallery	Developer Company
	Hongkong Post	HKPostStamps		Maintained by deploying internal resources. No additional expenditure is involved.	19 200* (De- commissioned in Feb 2020)			maintain inforssioned mobile	
102.	Constitutional and Mainland Affairs Bureau	A Basic Law Quiz A Day	\$296,000	\$33,000	75 000* (De- commissioned in Sep 2020)				
103.	Department of Health		Developed and maintained internally. No additional expenditure is involved.	Maintained by deploying internal resources. No additional expenditure is involved.	42 000* (De- commissioned in Oct 2020)				
104.	Department of Health	CookSmart: EatSmart Recipes	\$258,000	Maintained by deploying internal resources. No additional expenditure is involved.	79 000* (De- commissioned in Dec 2020)				
105.	Food and Environmental Hygiene Department	Food Safety	\$264,000	Maintained by deploying internal resources. No additional expenditure is involved.	43 000* (De- commissioned in Dec 2020)				
106.	Leisure and Cultural Services Department	Bruce Lee: Kung Fu • Art • Life	(Including maintenance cost for the first	Maintained by deploying internal	59 000* (De- commissioned in Jan 2021)				
107.	Fire Services Department	Live safe, be watchful	\$250,000	\$96,000 (The	(De- commissioned in Mar 2021)				
108.	Department of Health	Snack Check	\$282,000	\$32,000	83 000* (De- commissioned in Jul 2021)				

	Bureau /	Name	Development	Annual	Total	Score in App Stores Loc		Location of	
	Department		Cost	Maintenance	Number of			the	
				Cost	Downloads	Apple	Google	Huawei	Developer
					as at	App	Play	AppGallery	Company
					31 Jan 2023	Store	Store		
109.	Department of	1069 Test	\$150,000	Maintained by	37 000*				
	Health	Finder		deploying	(De-				
				internal	commissioned				
				resources. No	in Nov 2021)	OGCIO	does not	maintain infor	mation of the
				additional				sioned mobile	
				expenditure is				3101100110	upps.
				involved.					
110.	Education	Reading Town	\$395,000	Maintained by	260 000*				
	Bureau	1		deploying	(De-				
				internal	commissioned				
				resources. No	in Dec 2021)				
				additional					
				expenditure is					
				involved.					
111.	Education	Reading Town	\$920,000	Maintained by	220 000*				
	Bureau	2	(For both	deploying					
			Reading Town 2		commissioned				
			and Reading	resources. No	in Dec 2021)				
			Town 3)	additional					
				expenditure is					
				involved.					
112.	Education	Reading Town		Maintained by	220 000*				
	Bureau	3		deploying					
					commissioned				
				resources. No	in Dec 2021)				
				additional					
				expenditure is					
				involved.					
113.	Tourism	HK Food	\$130,000	\$75,000					
	Commission	Truck			(De-				
					commissioned				
					in Jun 2022)				
114.	Department of		\$104,000	\$5,000					
	Health	Restaurant			(De-				
		Star+			commissioned				
115	Davins 1	Homa V	6712.000	φοο Λ ΛΛ	in Oct 2022)				
	Environmental Protection		\$713,000	\$88,000					
	Protection	T • PARK			(De- commissioned				
	Department				in Dec 2022)				
116	Fire Services	Catab tima	\$105,000	<u></u>					
110.	Department	Catch time, save life	\$105,000	\$96,000					
	Department	save me		(The	commissioned				
				cost included 4					
				mobile apps of	III DCC 2022)				
				FSD. No					
				expenditure					
				breakdown is					
				available.)					
				avanabie.)					
L						<u> </u>			

	Bureau / Department	Name	Development Cost	Annual Maintenance	Total Number of	Score in App Stores		Location of the	
				Cost	Downloads as at 31 Jan 2023	Apple App Store	Google Play Store	Huawei AppGallery	Developer Company
117.	Fire Services Department	Stay Calm & Collected	\$310,000	(The	(Decommissioned in Dec 2022)	OGCIO d	loes not m	aintain informa oned mobile ap	
118.	Leisure and Cultural Services Department	My URBTIX	of My URBTIX. As it is not a stand-alone project, no expenditure	Included in the service contract of My URBTIX. As it is not a stand-alone project, no expenditure breakdown is available.	1 600 000* (De- commissioned in Dec 2022)				
119.	Radio Television Hong Kong	RTHK Vox		Maintained by deploying internal resources. No additional expenditure is involved.	18 000* (De- commissioned in Feb 2023)				

The list is arranged in alphabetical order by names in English For use by specific user group

Total number of downloads recorded as at retirement date

ITIB191

(Question Serial No. 2806)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (1) Use of Information Technology in Government

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Regarding delivering and enhancing the Government's online one-stop service portal, and managing relationships with portal users, please advise this Committee on the following information about the contact tracing application "LeaveHomeSafe" launched to fight the pandemic:

- 1. What is the total number of downloads of the "LeaveHomeSafe" mobile application so far since its launch? What are the development and maintenance costs of the application? Has the Government compiled any statistics on the number of repeated downloads? How many smart devices are still using the application?
- 2. How many exposure notifications have been sent through the "LeaveHomeSafe" mobile application so far?
- 3. How much will be set aside from 2022-23 onwards for relaunching the "LeaveHomeSafe" application and the "Hong Kong Health Code" system?

Asked by: Hon LAM Kin-fung, Jeffrey (LegCo internal reference no.: 66)

Reply:

1. Since the launch of the "LeaveHomeSafe" mobile app in November 2020, the number of its downloads has exceeded 9.5 million until the system ceased operation in January 2023, in which repeated downloads were excluded. The total expenditure involved in the development and operation of the "LeaveHomeSafe" system is around \$17 million, and the expenditure involved in 2022-23 for the operation and maintenance of the "LeaveHomeSafe" mobile app and backend system is around \$3.6 million. As user registration or registration of personal information is not required for using the "LeaveHomeSafe" mobile app, and the usage data has not been recorded in the

"LeaveHomeSafe" system, we do not have the relevant information of mobile devices that are still using the mobile app.

- 2. The "LeaveHomeSafe" system has issued the information of over 30 000 venues with exposure risk to the "LeaveHomeSafe" mobile app since its launch till the cessation of system operation in January 2023. After receiving the information of venues with exposure risk, the app would perform matching with the visit records stored in the app for generating exposure notifications to users attending the same venue at similar time. The entire processes of data matching and generation of exposure notifications, etc. were carried out by the app within the users' mobile phone, and therefore we do not have the overall figure of exposure notifications issued by the "LeaveHomeSafe" mobile app.
- 3. Following the Government's announcement of lifting the requirement of scanning venue QR code, Vaccine Pass, Red Code/Amber Code, etc., in December 2022, alongside with the gradual relaxation or lifting of various anti-epidemic measures, the "LeaveHomeSafe" system has ceased operation and the app will not be further updated. Therefore, no manpower and expenditure are required for the app in 2023-24.

Besides, in view of the full resumption of normal travel between Hong Kong and the Mainland from 6 February 2023 onwards, people are no longer required to use health code on travelling to the Mainland. Hence, the "Hong Kong Health Code" system has already ceased operation. Therefore, no manpower and expenditure are required for the system in 2023-24.

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB192

(Question Serial No. 0256)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (2) Information Technology Infrastructure and Standards

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Regarding a sum of about \$200 million will be earmarked to enhance the operation of the "iAM Smart" platform, so as to provide members of the public with more convenient one-stop digital services and improve user experience, please advise this Committee of the following:

- 1. What is the number of Hong Kong people who are users of "iAM Smart" or have registered "iAM Smart"?
- 2. What is the number of bureaux and departments which have participated in the "iAM Smart" platform over the past 3 years and will participate in the platform in the coming year? What kind of information and services are provided through the platform? What are the expenditures involved?
- 3. What is the estimated expenditure breakdown for earmarking a sum of about \$200 million to enhance the operation of the "iAM Smart" platform?
- 4. What are the details of using "iAM Smart" in collaboration with the Mainland and Macau, such as the details of the authentication system of "cross-boundary government services"?

<u>Asked by</u>: Hon LAM Siu-lo, Andrew (LegCo internal reference no.: 16)

Reply:

1. Since the launch of the "iAM Smart" platform in December 2020, over 1.8 million citizens have registered as "iAM Smart" users, and more than 33 million accesses to the required online services were made through "iAM Smart" by performing identity authentication.

- 2. At present, 46 Bureaux/Departments and public organisations, as well as 12 private organisations, have adopted "iAM Smart", providing more than 260 online services (please refer to https://www.iamsmart.gov.hk/en/e-service.html for the service list).
 - The expenditures for "iAM Smart" in 2020-21 and 2021-22 were \$65 million and \$72 million respectively, while the estimated expenditures in 2022-23 and 2023-24 are \$76 million and about \$94 million respectively.
- 3. The Financial Secretary has earmarked a sum of about \$200 million in the 2023-24 Budget to enhance the operation of the "iAM Smart" platform, so as to provide members of the public with more convenient one-stop digital services and to improve user experience. The wider use of "iAM Smart" will further promote "Smart Government" and the digital transformation of the whole society.
 - The Office of the Government Chief Information Officer introduced the detailed proposal on enhancing the "iAM Smart" platform to realise "single portal for online government services" to the Panel on Information Technology and Broadcasting of the Legislative Council in March this year, including simplifying the registration processes, updating application design and functions, improving user interfaces and streamlining service workflow, strengthening system capacity, performance and security, etc. We will seek funding approval from the Finance Committee for implementing the project, with a view to commencing the tendering process in the second half of this year. The new features of "iAM Smart" are expected to be rolled out in phases over the next 2 years.
- 4. We are exploring the collaboration opportunities between the identity authentication systems of other places and "iAM Smart", such as making use of mutual recognition of electronic signature certificates to promote cross-boundary e-commerce applications, facilitating Hong Kong citizens to use "iAM Smart" to log in different online services, conduct online transactions, and perform digital signing with legal backing, etc., in different places (including the Greater Bay Area). Among others, in supporting the implementation of "cross-boundary government services", we are currently exploring with relevant departments in Guangdong Province to make use of "iAM Smart" as one of the means to register for an account on the "Unified Identity Authentication Platform of Guangdong Province", so as to enable Hong Kong residents to use the services of Guangdong Province more conveniently and swiftly.

ITIB193

(Question Serial No. 0257)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (2) Information Technology Infrastructure and Standards

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Regarding the completion of the Multi-functional Smart Lampposts Pilot Scheme (Scheme), please advise this Committee of the following:

- 1. the details of the Scheme currently implemented, including the number of lampposts, the districts where these lampposts have been installed, their functions and expenditure involved:
- 2. the details of the Scheme to be implemented in the coming year, including the number of lampposts, the districts where these lampposts have been installed, their functions and expenditure involved;
- 3. the installation timetable of the remaining smart lampposts and the additional expenditure incurred when comparing with the original Scheme in terms of the number of lampposts; and
- 4. whether the Scheme will be extended or regularised? If yes, what are the details? If not, what are the reasons?

Asked by: Hon LAM Siu-lo, Andrew (LegCo internal reference no.: 14)

Reply:

Under the Multi-functional Smart Lampposts Pilot Scheme (Pilot Scheme), some 400 smart lampposts with smart devices will be installed in phases in 4 urban locations (namely Central and Admiralty, Wan Chai district, Yau Tsim Mong district and Kwun Tong/Kai Tak Development Area) with higher pedestrian and vehicular flow, with a view to collecting real-time city data such as air quality and traffic flow as well as supporting the development of digital infrastructure for 5G services.

At present, over 100 smart lampposts have been put into operation in Kwun Tong district, Kowloon City district, Kai Tak Development Area, Yau Tsim Mong district and Wan Chai district. Having regard to actual circumstances, the Office of the Government Chief Information Officer and the Highways Department will take forward the installation works in phases, with a view to completing the installation works of the remaining some 300 smart lampposts by 2023. The numbers and functionalities of smart lampposts to be installed by district are provided below:

District	No. of Lampposts Installed and in Operation	Estimated No. of Lampposts to be Installed in 2023	Type of Sensors and Devices
Kwun Tong/Kai	About 70	About 130	LED lighting,
Tak Development Area			meteorological sensors, air quality sensors,
Yau Tsim Mong District	About 30	About 70	thermal detectors, radio- frequency identification
Wan Chai District	About 10	About 30	tags, Geo-QR codes, Bluetooth beacons and
Central/Admiralty	0	About 60	Light Detection and Ranging (LiDAR)

As of December 2022, the expenditure for the Pilot Scheme is around \$50 million, covering the procurement and installation of smart lampposts and smart devices, management of smart devices and data transmission systems, telecommunications network connection facilities, ancillary road works as well as the operating expenditure. The estimated expenditure for 2023-24 is around \$56 million.

Based on the experience of the Pilot Scheme, we will continue to encourage and support departments to install more smart and innovative applications on smart lampposts. Smart lampposts will be deployed as the standard infrastructure in new development areas under planning or construction, facilitating departments to install suitable smart devices on the lampposts as and when required. As for developed areas, we will replace existing lampposts with smart lampposts in suitable urban locations to fulfil the requirements of individual departments.

ITIB194

(Question Serial No. 0260)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (3) Information Technology in the Community

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Under Programme (3): Information Technology in the Community, the estimated provision for 2023-24 is significantly increased by 147.4%; and the Government will continue to work with relevant Mainland authorities to explore facilitation measures on cross-boundary data flow and to launch a pilot project in the Greater Bay Area (GBA). In this regard, please inform this Committee of the following:

- 1. What are the details of the significant increase in the estimated expenditure? Please give a detailed breakdown.
- 2. The Government will continue to work with relevant Mainland authorities to explore facilitation measures on cross-boundary data flow. What are the details and the estimated expenditure?
- 3. What are the details and the expenditure of the pilot project already launched in the GBA?
- 4. In the coming year, what are the other projects to be launched in the GBA and the estimated expenditure involved?

<u>Asked by</u>: Hon LAM Siu-lo, Andrew (LegCo internal reference no.: 19) <u>Reply</u>:

1. The estimate for 2023-24 under the Programme "Information Technology in the Community" is about \$143 million (147.4%) higher than the revised estimate for 2022-23. This is mainly due to the increase in operational expenses for the provision and management of free public Wi-Fi services and additional cash flow requirement for expediting the Web3 ecosystem development in Hong Kong.

2. to 4. The HKSAR Government is now working in collaboration with the Cross-boundary Data Collaboration Working Group (The Working Group) established under the Digital Economy Development Committee (DEDC), to actively look into the practical measures facilitating the flow of data from the Mainland to Hong Kong. The Working Group has conducted a survey earlier, which targeted some local enterprises engaging in cross-boundary business in order to understand the challenges they faced in connection with data flow. The Working Group is now exploring facilitation measures having regard to the findings of the survey.

Moreover, the HKSAR Government is liaising closely with the corresponding Mainland authorities and working together to explore the related policies and measures, with a view to launching a pilot project in the Greater Bay Area within this year. Details will be announced in due course. The Office of the Government Chief Information Officer will take forward the work mentioned above with its existing manpower and resources.

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB195

(Question Serial No. 0261)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

Programme: (2) Information Technology Infrastructure and Standards

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Regarding the continued support given to the co-ordination and monitoring of smart city initiatives under the Blueprint and preparation of the Blueprint 3.0, please advise this Committee of the following:

- 1. the smart city initiatives which have been launched over the past 3 years and their expenditures;
- 2. the smart city initiatives to be launched in the coming year and their expenditures?
- 3. the smart infrastructural initiatives which have been launched and implemented and their expenditures?
- 4. the smart infrastructural initiatives which have been or will be implemented in the new development areas over the past 3 years and their estimated expenditures, and please give reasons if there is none; and
- 5. the smart infrastructural initiatives under study and discussion to be implemented or launched in new development areas in the coming year and their expenditures.

Asked by: Hon LAM Siu-lo, Andrew (LegCo internal reference no.: 20)

Reply:

Since the release of the Smart City Blueprint for Hong Kong 2.0 (Blueprint 2.0) in December 2020, bureaux/departments (B/Ds) concerned have been actively taking forward their related smart city initiatives. As of end-January 2023, around 70% of the initiatives have been completed or are ongoing, such as the implementation of Traffic Data Analytics System, enhancement of services to adopt "iAM Smart", and promotion on wider use of digital

payment in the financial and other industries. The remaining initiatives are in progress. They are mainly long-term initiatives such as establishing "bicycle-friendly" new towns and new development areas, taking forward the initiatives set out in the Climate Action Plan 2050, etc.

The smart city infrastructure initiatives that have been implemented or would soon be implemented in new development areas include smart lampposts, "bicycle-friendly" developments, and inclusion of smart city initiatives such as green development, smart community, etc. in conditions of land leases for new land sites in Kowloon East. In addition, various initiatives under the Smart Village Pilots are being implemented progressively, such as the detection of illegal dumping, flooding and nuisance of wild animals, the enhancement of living environment in rural areas, the use of robotics and artificial intelligence to assist in early detection of hill fire in country parks for better nature conservation, and the provision of telehealth services for the elderly living in remote areas, etc. The progress of various smart city initiatives has been uploaded to the dedicated Smart City Portal (www.smartcity.gov.hk).

Looking ahead, relevant B/Ds will continue to implement the smart city initiatives underway and the Innovation, Technology and Industry Bureau (ITIB) will continue to closely liaise with various stakeholders (including the Subcommittee on Matters Relating to the Development of Smart City, trade associations and industry groups) regarding the development of smart city in Hong Kong. ITIB will consolidate the views and suggestions collected and discuss with the relevant B/Ds with a view to formulating measures that meet the future development needs of Hong Kong and drive forward the next stage of smart city development.

The coordination of the above work has been part of ITIB's responsibilities. As such, the expenditure involved cannot be separately singled out and itemised. Relevant B/Ds will take forward their smart city initiatives with their own resources and manpower. ITIB does not maintain the relevant information.

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB196

(Question Serial No. 0263)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (1) Use of Information Technology in Government

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

The Government will continue to provide technical advice and support to bureaux and departments in implementing big data analytics and blockchain applications; and continue to promote and assist government departments in sourcing innovative Information Technology solutions including artificial intelligence, spatial data analytics, robotics technologies and Internet of Things applications to meet their business needs and enhance public services through the Smart Government Innovation Lab. In this regard, please inform this Committee of the following:

- 1. the details of the current implementation of big data analytics and blockchain applications by the bureaux and departments involved, such as the information processed in data analytics, the projects making use of the applications and the expenditure involved;
- 2. the details and the estimated expenditure of new big data analytics and blockchain applications in the coming year; and
- 3. the details and the estimated expenditure of the Smart Government Innovation Lab.

Asked by: Hon LAM Siu-lo, Andrew (LegCo internal reference no.: 23)

Reply:

1. The Office of the Government Chief Information Officer (OGCIO) launched the Big Data Analytics Platform (BDAP) in September 2020 to facilitate bureaux and departments (B/Ds) to implement more projects using artificial intelligence (AI) and big data analytics through economies of scale and shared resources as well as the provision of data science advisory services. The implementation expenditure of the BDAP is \$69 million. The BDAP has thus so far supported over 15 big data projects, and the data processed or shared by the platform exceeds 60 Terabytes (TB). The projects include:

- OGCIO and the Transport Department (TD) jointly developed the "Traffic Data Analytics System" (TDAS) to apply big data analytics to various traffic, transport and weather data. The system has facilitated the TD to perform more accurate analysis and assessment of traffic conditions and enhanced traffic management and efficiency. The TDAS has also adopted AI technology and applied machine learning to analyse the past and real-time traffic data, as well as real-time and forecast weather data of the Hong Kong Observatory (HKO) to provide real-time and predicted (up to the next 90 minutes) average traffic speed and journey time. Relevant data analytics results have also been disseminated for free to the public through TD's "HKeMobility" mobile application and the Public Sector Information portal (data.gov.hk) in open data format since April 2022;
- the Lands Department and the Highways Department used image analytics technology to mask human faces and car plates in street view images used internally for privacy protection in 2021;
- the Census and Statistics Department explores the use of machine learning technology to verify the information on import and export declarations;
- the Water Supplies Department explores the use of the BDAP to improve the efficiency of the Water Intelligent Network in identifying abnormal flow and pressure data of water mains; and
- the Environmental Protection Department studied the use of AI on sound and image analytics to detect the illegally-modified vehicles which created excessive noises.

In order to facilitate the adoption of blockchain technology by B/Ds, OGCIO has conducted 4 pilot projects from 2018 to 2020 in collaboration with the Intellectual Property Department, the Environmental Protection Department, the Department of Health and the Companies Registry (including the transfer of trademarks, optimisation of the procedures for preparing environmental impact assessment reports, improvement of the traceability and management for pharmaceutical products, and provision of e-monitoring service for keeping track of filing records of companies) to explore the applicability and benefits of applying blockchain technology in different e-Government The results of the pilot projects have been shared with all B/Ds as a reference for planning their e-Government services. OGCIO also launched a "Shared Blockchain Platform" in June 2022, which enables B/Ds to develop blockchain application systems more conveniently and quickly on the platform, thereby providing citizens with more high-quality e-Government services in a more effective manner. The implementation expenditure of the platform is \$7 million. Examples of the Government using blockchain technology include:

- OGCIO applied blockchain technology in 2020 to health code conversion with Guangdong Province and Macao by converting health declaration information on entry to Hong Kong from the "Yuekang Code" and "Macao Health Code" to Hong Kong's electronic Health Declaration Form platform under the "Return2HK" and "Come2HK" Schemes during the epidemic period;
- the Customs and Excise Department is developing the "Dealers in Precious Metals and Stones Registration System" on the "Shared Blockchain Platform"; and
- OGCIO is constructing the "Consented Data Exchange Gateway" on the "Shared Blockchain Platform" to enable citizens to opt for authorising the sharing of their personal data among relevant government departments by means of data interchange

through the systems, thus dispensing with the processes of entering the data repeatedly.

B/Ds generally implement the big data analytics and blockchain application projects with their existing manpower and resources. If necessary, B/Ds can apply for funding through the Capital Works Reserve Fund Head 710 Computerisation to implement these projects. OGCIO does not maintain the information on individual B/Ds' expenditures for the implementation of big data analytics or blockchain application projects.

2. To expedite the development of smart city and digital government, the Government has earmarked \$600 million to conduct a comprehensive e-Government Audit programme (EGA) in the coming 3 years. We are currently conducting the EGA for all B/Ds to review their information technology (IT) systems and services for putting forward IT solutions that leverage advanced technologies (e.g. AI, blockchain, big data analytics, geospatial analytics) with a view to providing more services that bring convenience and benefits to the public and the business sector, and accelerating the development of digital government. Our goal is to, by leveraging advanced technologies, launch 100 digital government initiatives by the end of 2025.

In order to support B/Ds to issue more documents such as licenses, permits and certificates electronically, OGCIO is currently developing common services and reference program modules on the "Shared Blockchain Platform" to verify the authenticity of electronic documents using blockchain technology. The common services and reference program modules are expected to be rolled out in phases from 2023 to 2024 for use by B/Ds. The estimated expenditure for implementing the common services and reference program modules in 2023-24 is around \$6.3 million, which will be funded under the Capital Works Reserve Fund Head 710 Computerisation.

3. OGCIO established in April 2019 the Smart Government Innovation Lab (Smart Lab) to encourage and facilitate wider adoption of innovation and technology (I&T) across the Government. As at end-February 2023, the Smart Lab has matched over 70 business needs of different departments with solutions and arranged over 100 thematic workshops in the process. The Smart Lab also collaborated with relevant departments to conduct proof-of-concept testing for more than 50 technology solutions. Among them, more than 30 projects have been planned or are in the progress of pilot implementation. The Smart Lab has set up an industry liaison office at Cyberport to showcase and display some technologies that have been successfully or are being tested in the Government with a view to inspiring application by more departments. Besides, the Smart Lab has jointly organised regular technology forums with Cyberport, the Hong Kong Productivity Council and the Hong Kong Science and Technology Parks Corporation. So far, 15 forums have been organised, covering topics such as robotics technologies, green and smart buildings, smart mobility and spatial data analytics with over 5 000 participants from the Government and I&T industry. The estimated expenditure of the Smart Lab in 2023-24 is \$4.9 million.

ITIB197

(Question Serial No. 0278)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (1) Use of Information Technology in Government

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is stated in the Matters Requiring Special Attention in 2023-24 that the Government will complete the e-Government audit for bureaux and departments to identify areas of improvements and recommend digital government initiatives for the convenience of the public, and facilitate bureaux and departments to implement the recommended digital government initiatives. In this connection, please inform this Committee of the following:

- 1. What were the details and expenditure of the e-Government audit completed for bureaux and departments last year?
- 2. What are the details of the digital government initiatives to be implemented by the bureaux and departments involved?
- 3. Please give a detailed breakdown of the entire audit and the improvement initiatives, together with the estimated expenditure involved.
- 4. What are the timetables for conducting the entire audit and implementing the improvement initiatives?

<u>Asked by</u>: Hon LAM Siu-lo, Andrew (LegCo internal reference no.: 38) <u>Reply</u>:

1. and 4. The e-Government audit is being implemented in two phases. The audit work for the 35 bureaux/departments (B/Ds) under phase 1 already commenced in December 2022. It is expected to complete by the end of June 2023 and the implementation of recommended digital government initiatives will commence thereafter. As for the remaining 38 B/Ds under phase 2, it is expected that the audit work will commence in the second quarter of 2023 for completion by

end-2023. We target to, by leveraging advanced technology, launch 100 digital government initiatives by end-2025 for providing more services that bring convenience and benefits to the public and the business sector. The expenditure incurred in 2022-23 was about \$4.1 million.

- 2. At present, the audit work of phase 1 by the consultancy firms is still in progress. Based on the preliminary analysis by these consultancy firms, the suggestions to some B/Ds on improving their services by leveraging advanced technologies include application of artificial intelligence and chatbot technologies to improve government hotline service; application of data analytics, geospatial analysis and visualisation dashboard technologies to improve service management; use of blockchain technology to electronically issue and verify certificates or licences; adopting "iAM Smart" and "Consented Data Exchange Gateway (CDEG)" to achieve "single portal for online government services" and facilitate data sharing among B/Ds. Consultancy firms are currently exploring the details with relevant B/Ds.
- 3. The Government has reserved \$600 million for e-Government audit work and the implementation of digital government initiatives. Detailed breakdown of the estimated expenditure is as follows –

Item	Budget (\$ Million)
Service fee for conducting e-Government audit for B/Ds	100
Expenditure for engaging additional contract staff by the Office of the Government Chief Information Officer to assist in coordinating the whole e-Government audit programme	20
Expenditure for B/Ds to implement the recommended digital government initiatives	480
Total	600

ITIB198

(Question Serial No. 3480)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (2) Information Technology Infrastructure and Standards

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is mentioned in paragraph 72 of the Budget Speech that the Government will "better capitalise on its advantage as an international innovation and technology centre". In this connection, please advise this Committee of the following:

- 1. the scale, size and related estimated expenditure for the Artificial Intelligence (AI) Supercomputing Centre that the Government plans to develop;
- 2. whether a timetable and key performance indicators (KPIs) have been set for the development of the AI Supercomputing Centre? If yes, what are the timetable and KPIs? If not, what are the reasons? Does the Government have any measures to monitor the progress?

Asked by: Hon LAM Siu-lo, Andrew (LegCo internal reference no.: 30)

Reply:

As regards the two parts of the question, a consolidated reply is provided as follows:

The Office of the Government Chief Information Officer invited consultancy proposals for the feasibility study on the development of an Artificial Intelligence (AI) Supercomputing Centre on 23 February 2023. The deadline for submission of proposals is 6 April 2023. The consultant is required to assess the actual demand for AI supercomputing services in Hong Kong, and make recommendations on the scale of investment, the optimal operation model as well as the implementation strategy of the supercomputing centre. We plan to commence the consultancy study in May with a view to completing the study in 2023-24.

Details of the development approach and implementation plan of the supercomputing centre will be subject to the findings and recommendations of the consultancy study.

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB199

(Question Serial No. 2567)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (2) Information Technology Infrastructure and Standards

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

The Government will earmark \$200 million to enhance the operation of the "iAM Smart" platform, so as to improve user experience. In this connection, will the Government please inform this Committee of the following:

- 1.) the total amount of provision for "iAM Smart" in each of the past 2 financial years;
- 2.) the number of users of "iAM Smart" in the past 2 financial years; and
- 3.) the Government's plan on the improvement of user experience.

Asked by: Hon LAM So-wai (LegCo internal reference no.: 25)

Reply:

- 1.) The expenditure for "iAM Smart" in 2021-22 and the estimated expenditure in 2022-23 were \$72 million and \$76 million respectively.
- 2.) Since the launch of the "iAM Smart" platform in December 2020, over 1.8 million citizens have registered as "iAM Smart" users, and more than 33 million accesses to the required online services were made through "iAM Smart".
- 3.) The Chief Executive announced in his 2022 Policy Address the initiative to expedite the building of a smart government, including turning all government services online by 2024, and promoting the use of the "iAM Smart" platform to provide one-stop digital services by government departments by 2025, so as to realise the goal of "single portal for online government services".

The Financial Secretary has earmarked a sum of about \$200 million in the 2023-24 Budget to enhance the operation of the "iAM Smart" platform, so as to provide members of the public with more convenient one-stop digital services and to improve user experience.

The Office of the Government Chief Information Officer introduced the detailed proposal on enhancing the "iAM Smart" platform to realise "single portal for online government services" to the Panel on Information Technology and Broadcasting of the Legislative Council in March this year, including simplifying the registration processes, updating application design and functions, improving user interfaces and streamlining service workflow, strengthening system capacity, performance and security, etc. We will seek funding approval from the Finance Committee for implementing the project, with a view to commencing the tendering process in the second half of this year. The new features of "iAM Smart" are expected to be rolled out in phases over the next 2 years.

ITIB200

(Question Serial No. 2568)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): (000) Operational expenses

<u>Programme</u>: (2) Information Technology Infrastructure and Standards

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is stated in the Budget that the Government will conduct a feasibility study on the development of an Artificial Intelligence (AI) Supercomputing Centre. The study will be completed in 2023-24. In this connection, please inform this Committee of the following:

- 1. Which government department will be responsible for coordinating the establishment work of the AI Supercomputing Centre? What are the estimated staffing establishment, annual emoluments and operational expenses required?
- 2. What are the specific functions and objectives of the AI Supercomputing Centre?

Asked by: Hon LAM So-wai (LegCo internal reference no.: 26)

Reply:

1. and 2. The Artificial Intelligence (AI) Supercomputing Centre mainly provides computing services to local universities, research institutes, related government departments and the industry, with a view to strengthening the local research and development capabilities for accelerating the pace of scientific research and innovation, development of Hong Kong into a smart city as well as creation of a comprehensive innovation and technology ecosystem. The Office of the Government Chief Information Officer (OGCIO) invited consultancy proposals for the feasibility study on the development of an AI Supercomputing Centre on 23 February 2023. The consultant is required to assess the actual demand for AI supercomputing services in Hong Kong, and make recommendations on the scale of investment, the optimal operation model as well as the implementation strategy of the supercomputing centre. We plan to commence the consultancy study in May with a view to completing the study in 2023-24. Details of the development approach and

implementation plan of the supercomputing centre will be subject to the findings and recommendations of the consultancy study.

ITIB201

(Question Serial No. 2258)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (1) Use of Information Technology (IT) in Government,

(2) IT Infrastructure and Standards

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

Director of Bureau: Secretary for Innovation, Technology and Industry

Question:

In recent years, government departments have often provided information to the public through the launch of mobile applications. In this connection, please inform this Committee of the following:

- 1. What is the total number of mobile applications currently made available by the Government?
- 2. What were the expenses on the development and maintenance of mobile applications by various departments in each of the past 3 years?
- 3. Has the Government stepped up efforts in integrating or removing mobile applications with low download or usage rates or overlapping functions, so as to save unnecessary public expenditure? If yes, what are the details? If not, what are the reasons?
- 4. Please give a list of the top 10 mobile applications with the highest download and usage rates.
- 5. What is the number of downloads of the "LeaveHomeSafe" mobile application? Will it be converted into a one-stop public application or used for other purposes in the future?
- 6. The Government will earmark \$200 million to enhance the operation of the "iAM Smart" platform to improve user experience. Please list out the services to be added and the functions to be enhanced.

Asked by: Hon LEE Tsz-king, Dominic (LegCo internal reference no.: 30)

Reply:

- 1. As at end of February 2023, the total number of government mobile applications in operation is 78.
- 2. The expenditure for the development and annual maintenance of mobile apps for bureaux and departments (B/Ds) are at $\underline{\mathbf{Annex A}}$.
- 3. Under the requirements of the Office of the Government Chief Information Officer (OGCIO), B/Ds have to conduct regular reviews after the launch of their mobile applications, including whether the applications have met users' needs and achieved the expected outcomes and cost-effectiveness. If the projects/initiatives relating to the mobile applications have been completed, or there are other more effective ways to provide such services, or the needs of the target user groups have changed, B/Ds should consider decommissioning the applications. A total of 7 government mobile applications were decommissioned in 2022-23, and the relevant information is at **Annex B**.
- 4. Information of the top 10 government mobile apps with the highest downloads is at **Annex C**. Individual B/Ds will, from time to time, collect data on the usage of their mobile applications. OGCIO does not maintain information in this regard.
- 5. Since its launch in November 2020, the number of downloads of the "LeaveHomeSafe" mobile app has exceeded 9.5 million until the system ceased operation in January 2023. Following the Government's announcement of lifting the requirement of scanning venue QR code, Vaccine Pass, Red Code/Amber Code, etc., in December 2022, alongside with the gradual relaxation or lifting of various anti-epidemic measures, the "LeaveHomeSafe" system has successfully served its historical mission and has ceased operation and the app will not be further updated.
- 6. The Chief Executive announced in his 2022 Policy Address the initiative to expedite the building of a smart government, including turning all government services online by 2024, and promoting the use of the "iAM Smart" platform to provide one-stop digital services by government departments by 2025, so as to realise the goal of "single portal for online government services". To this end, the Financial Secretary has earmarked a sum of about \$200 million in the 2023-24 Budget to enhance the operation of the "iAM Smart" platform, so as to provide members of the public with more convenient one-stop digital services and improve user experience.

OGCIO introduced the detailed proposal on enhancing the "iAM Smart" platform to realise "single portal for online government services" to the Panel on Information Technology and Broadcasting of the Legislative Council in March this year, including simplifying the registration processes, updating application design and functions, improving user interface and streamlining service workflow, strengthening system capacity, performance and security, etc. We will seek funding approval from the Finance Committee for implementing the project, with a view to commencing the tendering process in the second half of the year. The new features of "iAM Smart" are expected to be rolled out in phases over the next 2 years.

Annex A

Development cost and annual maintenance cost on mobile applications by Bureaux and Departments

(As at 28 February 2023)

No.	Bureau /	Name	Development Cost	Annual Maintenance
	Department (Note)			Cost
1.	Agriculture, Fisheries and Conservation Department	Enjoy Hiking	\$38,000	\$45,000
2.	Agriculture, Fisheries and Conservation Department	Reef Check Hong Kong	\$95,000	\$45,000
3.	Buildings Department	Quick Guide for MBIS/MWIS	\$299,000	\$196,000
4.	Buildings Department	MWCS - Quick Guide for Minor Works	\$290,000	\$287,000
5.	Buildings Department	Win Safe	\$2,618,000	\$70,000
6.	Civil Aviation Department	CAD eSUA	\$277,000	
7.	Civil Engineering and Development Department	HK Geology	Developed internally. No additional expenditure is involved.	Maintained by deploying internal resources. No additional expenditure is involved.
8.	Constitutional and Mainland Affairs Bureau	Read the Basic Law with JOY!	\$660,000	\$60,000
9.	Civil Service Bureau	Government Vacancies		As the maintenance service provided by the contractor has covered other systems, no separate cost breakdown on individual systems is available.
10.	Companies Registry	CR eFiling	core system of the Companies Registry.	Included in the maintenance cost of the core system of the Companies Registry. As it is not a stand-alone project, no expenditure breakdown is available.
11.	Correctional Services Department	Hong Kong Correctional Services Department Mobile App	-	Maintained by deploying internal resources. No additional expenditure is involved.
12.	Customs and Excise Department	HK Car First Registration Tax	\$230,000	\$50,000

No.	Bureau / Department (Note)	Name	Development Cost	Annual Maintenance Cost
13.	Department of Health	IMPACT	\$296,000	
14.	Department of Health	Quit Smoking App	\$295,000	\$102,000
15.	Development Bureau	My Kowloon East	Developed internally. No additional expenditure is involved.	\$85,000
16.	Education Bureau	ApL Applied Learning	\$217,000	Maintained by deploying internal resources. No additional expenditure is involved.
17.	Education Bureau	Educational Multimedia	\$49,000	\$980,000
18.	Education Bureau	KG Profile 2022	Included in the cost of the whole project of the Profile of Kindergartens. As it is not a stand-alone project, no expenditure breakdown is available. (Total cost of project of Profile of Kindergartens: \$651,000)	Maintained by deploying internal resources. No additional expenditure is involved.
19.	Education Bureau	e-Navigator	Developed with the related website. As it is not a stand-alone project, no expenditure breakdown is available.	\$153,000
20.	Education Bureau	History Trip Go Easy: Cheung Chau Jiao Festival	Developed as a part of the e-book and e-portal project. As it is not a stand-alone project, no expenditure breakdown is available.	\$50,000
21.	Efficiency Office	Tell me@1823 v2	\$2,500,000 (Including the costs for user experience design, infrastructure setup and development of mobile app and backend system)	(Including the costs for maintenance and upgrade of mobile app and
22.	Electrical & Mechanical Services Department	E&M Connect	\$800,000	\$385,000
23.	Electrical & Mechanical Services Department	E&M Trade	\$492,000	\$135,000
24.	Environmental Protection Department	Hong Kong Air Quality Health Index (AQHI)	\$1,395,000	\$32,000
25.	Environmental Protection Department	Waste Less	\$690,000	\$191,000
26.	Environmental Protection Department	HoHoSkips	\$550,000	\$138,000

No.	Bureau / Department (Note)	Name	Development Cost	Annual Maintenance Cost
27.	Environmental Protection Department	EV-Charging Easy		First year maintenance cost is included in the development cost. (The mobile app was launched in June 2022.)
	Environmental Protection Department	GREEN\$ Mobile App	around \$1,300,000 (Including the costs for mobi maintenance and enhancement	le app development,
29.	Fire Services Department	HKFSD	\$900,000	, <i>'</i>
30.	Food and Environmental Hygiene Department	Nutrition Calculator		Maintained by deploying internal resources. No additional expenditure is involved.
31.	Food and Environmental Hygiene Department	Internet Memorial Service		The maintenance of the mobile app is included in the whole system maintenance contract of Internet Memorial Service.
32.	Health Bureau	eHealth	As it is not a stand-alone project, no expenditure	The maintenance of the app is bundled with other services and infrastructure. No expenditure breakdown is available.
33.	Home Affairs Department	Hong Kong Licensed Hotels and Guesthouses	\$178,000	\$184,000
34.	Hong Kong Observatory	MyObservatory	additional expenditure is involved.	Maintained by deploying internal resources. No additional expenditure is involved.
	Hong Kong Observatory	MyWorldWeather	involved.	Maintained by deploying internal resources. No additional expenditure is involved.
	Hong Kong Police Force	Junior Police Call Mobile App	\$1,379,000 (Including the fees for mobile app, backend system, website, system hosting services and system license)	(Including the fees for mobile app maintenance, backend system
37.	Hong Kong Police Force	Hong Kong Police Mobile App		Maintained by deploying internal resources. No additional expenditure is involved.

No.	Bureau / Department (Note)	Name	Development Cost	Annual Maintenance Cost
38.	Hong Kong Police Force	Scameter+	This expenditure is part of the total expenditure for the "Prevention and Detection of Crime", and the Hong Kong Police Force has not kept an expenditure breakdown	This expenditure is part of the total expenditure for the "Prevention and Detection of Crime", and the Hong Kong Police Force has not kept an expenditure breakdown
39.	Hongkong Post	Hongkong Post	\$328,000	Maintained by deploying internal resources. No additional expenditure is involved.
40.	Hongkong Post	ShopThruPost 2.0	It is part of the implementation of the Redevelopment of On-line Shopping Platform Project. As it is not a stand-alone project, no expenditure breakdown is available.	The maintenance cost of the mobile application is included in the total system maintenance cost of the whole On-line Shopping Platform. No breakdown is available.
41.	Immigration Department	Contactless e-Channel	The mobile application was developed under a contract with value at \$1,397,000 and this contract included other relevant system enhancement service of contactless e-Channel	The contractor will provide system maintenance service according to the contract
42.	Immigration Department	HK Immigration Department	\$130,000	Maintained by internal resources. No additional expenditure is involved.
	Information Services Department	news.gov.hk	\$270,000	\$50,000
44.	Intellectual Property Department	"No Fakes Pledge" Shop Search	\$580,000	\$40,200
45.	Labour Department	Interactive Employment Service	\$125,000	\$70,000
46.	Labour Department	Work Safety Alert	\$75,000	\$47,000
47.	Labour Department	Youth Employment Start	\$149,000 (Including the maintenance for the first year)	Maintained by deploying internal resources. No additional expenditure is involved.
48.	Lands Department	МуМарНК	Developed internally. No additional expenditure is involved.	Maintained by deploying internal resources. No additional expenditure is involved.
49.	Lands Department	VoiceMapHK	Developed internally. No additional expenditure is involved.	Maintained by deploying internal resources. No additional expenditure is involved.

No.	Bureau / Department (Note)	Name	Development Cost	Annual Maintenance Cost
50.	Leisure and Cultural Services Department	Multimedia Information		Included in the maintenance cost of the MMIS Project. As it is not a stand-alone project, no expenditure breakdown is available.
51.	Leisure and Cultural Services Department	My Library	The total cost of the project is around \$3,320,000. No separate cost breakdown is available for the mobile app.	\$223,000
52.	Leisure and Cultural Services Department	URBTIX	Included in the service contract of My URBTIX. As it is not a stand-alone project, no expenditgure breakdown is available.	Included in the service contract of My URBTIX. As it is not a stand-alone project, no expenditure breakdown is available.
53.	Leisure and Cultural Services Department	Star Hoppers	\$700,000	Maintained by deploying internal resources. No additional expenditure is involved.
54.	Leisure and Cultural Services Department	iM Guide	"iM Guide" is a part of the Museum Multimedia Guide System (MMGS) project. As it is not a stand-alone project, no expenditure breakdown is available.	Included in the routine maintenance cost of MMGS. As it is not a stand-alone project, no breakdown is available.
55.	Marine Department	eSeaGo	\$600,000	\$180,000
	Office of the Communications Authority	OFCA Broadband Performance Test	Covered by OFCA Trading Fund.	Covered by OFCA Trading Fund.
57.	Office of the Government Chief Information Officer	EventHK	Developed internally. No additional expenditure is involved.	Maintained by deploying internal resources. No additional expenditure is involved.
58.	Office of the Government Chief Information Officer	GovHK Apps	\$600,000	Maintained by deploying internal resources. No additional expenditure is involved.
59.	Office of the Government Chief Information Officer	GovHK Notifications	Developed internally. No additional expenditure is involved.	Maintained by deploying internal resources. No additional expenditure is involved.
	Office of the Government Chief Information Officer	Wi-Fi.HK	\$340,000	\$175,000
61.	Office of the Government Chief Information Officer	iAM Smart	The application was developed together with the "iAM Smart" platform. As it is not a stand-alone project, no expenditure breakdown is available.	The application was developed together with the "iAM Smart" platform. As it is not a stand-alone project, no expenditure breakdown is available.

No.	Bureau / Department (Note)	Name	Development Cost	Annual Maintenance Cost
62.	Radio Television	Chinese History	\$450,000	\$73,500
02.	Hong Kong	- the Flourishing Age	φ+30,000	Ψ73,300
63.	Radio Television	RTHK Memory	\$280,000	\$157,500
	Hong Kong	KTTIK Wiemory	\$280,000	\$137,300
	Radio Television	RTHK Mine	\$409,000	\$130,000
04.	Hong Kong	KTTIK WIIIC	\$407,000	\$130,000
65.	Radio Television	RTHK News	\$336,000	\$92,559
05.	Hong Kong	KIIIKIVOWS	ψ330,000	Ψ,2,337
66.	Radio Television	RTHK On The Go	\$200,000	\$40,667
00.	Hong Kong	KITIK OII THE GO	Ψ200,000	Ψ+0,007
67.	Radio Television	RTHK Screen	\$250,000	\$77,000
07.	Hong Kong	KTTIK Screen	Ψ250,000	Ψ77,000
68.	Radio Television	RTHK Audio	The application is part of	\$230,000
00.	Hong Kong	Description	the Audio Description	Ψ230,000
	riong riong	Bescription	services project. As it is not	
			a stand-alone project, no	
			expenditure breakdown is	
			available.	
69.	Security Bureau	Safeguard HK	\$610,000	Maintained by deploying
			7 3 2 3 7 3 3	internal resources. No
				additional expenditure is
				involved.
70.	Social Welfare	Senior Citizen Card	\$147,000	\$36,750
	Department	Scheme		·
71.	Tourism Commission	A Symphony of Lights	\$537,000	\$60,000
72.	Transport Department	HKeMeter	Included in the cost of the	Included in the cost of the
			whole project. As it is not a	whole project. As it is not
			stand-alone project, no	a stand-alone project, no
			expenditure breakdown is	expenditure breakdown is
			available.	available.
73.	Transport Department	HKeMobility	\$600,000	Included in the cost of the
				whole project. Apart from
				function enhancements,
				the system under this
				project also provides
				services to other systems,
				therefore no breakdown of
				maintenance expenditure
				is available.
7.4	T	IIIZ 77. 11	T 1 1 1 1 d	T 1 1 1 2 d
74.	Transport Department	HKeToll	Included in the cost of the	Included in the cost of the
			whole project. As it is not a	whole project. As it is not
			stand-alone project, no	a stand-alone project, no
			expenditure breakdown is	expenditure breakdown is
			available.	available.

No.		Name	Development Cost	Annual Maintenance
	Department (Note)			Cost
75.	Water Supplies	WSD GA Product	\$175,000	Maintained by deploying
	Department	Directory		internal resources. No
				additional expenditure is
				involved.
76.	Water Supplies	WSD Mobile App	\$1,573,000	The maintenance of WSD
	Department			Mobile App is included in
				the system maintenance
				contract of Customer Care
				and Billing System
				(CCBS).
77.	Water Supplies	H2OPE Centre	Included in the cost of the	Maintained by deploying
	Department		whole project. As it is not a	internal resources. No
			stand-alone project, no	additional expenditure is
			expenditure breakdown is	involved.
			available.	
78.	Water Supplies	WSD AMR System	\$220,000	Maintained by deploying
	Department			internal resources. No
	_			additional expenditure is
				involved.

Note: The list is arranged in alphabetical order by names in English

Government mobile applications decommissioned in 2022-23 (As at 28 February 2023)

No.	Bureau / Department	Name
1.	Tourism Commission	HK Food Truck
2.	Department of Health	EatSmart Restaurant Star+
3.	Environmental Protection Department	Hong Kong T • PARK
4.	Fire Services Department	Catch time, save life
5.	Fire Services Department	Stay Calm & Collected
6.	Leisure and Cultural Services Department	My URBTIX
7.	Radio Television Hong Kong	RTHK Vox

Top 10 government mobile applications with the highest downloads (As at 28 Feb 2023)

No.	Bureau / Department	Name	Total Number of
	_		Downloads
			as at 31 Jan 2023
1.	Hong Kong Observatory	MyObservatory	9 700 000
2.	Health Bureau	eHealth	2 900 000
3.	Transport Department	HKeMobility	2 600 000
4.	Radio Television Hong Kong	RTHK On The Go	2 500 000
5.	Office of the Government Chief	iAM Smart	More than 1 800 000
	Information Officer		users registered iAM
			Smart
6.	Labour Department	Interactive Employment Service	1 300 000
7.	Immigration Department	HK Immigration Department	1 000 000
8.	Office of the Government Chief	GovHK Notifications	940 000
	Information Officer		
9.	Civil Service Bureau	Government Vacancies	930 000
10.	Transport Department	HKeMeter	930 000

ITIB202

(Question Serial No. 2288)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (3) Information Technology in the Community

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is mentioned in paragraph 56 of the Budget Speech that that the Government will allocate \$50 million to expedite the Web3 ecosystem development by, among other things, organising major international seminars, to enable the industry and enterprises to better grasp frontier development and to promote cross-sectoral business co-operation, as well as arranging a wide array of workshops for young people. In this connection, will the Government advise this Committee of the following:

- 1. the department which is responsible for the granting approval of the provision; and the approval mechanism; and
- 2. the Government's plans to promote cross-sectoral business co-operation, especially the plan that helps young people and start-ups in their pursuit of development in Web3-related technology and products.

Asked by: Hon LEE Wai-wang, Robert (LegCo internal reference no.: 30)

Reply:

In view of the overall development trend of Web3, Cyberport established the Web3 Hub@Cyberport early this year. At present, Cyberport has a community of over 1 900 start-ups and technology companies, including a number of Web3-related technology companies such as Fintech, smart living and digital entertainment companies. It is announced in the 2023-24 Budget that we will allocate \$50 million to support Cyberport in accelerating the development of the Web3 ecosystem that will in turn enable the industry, enterprises and young people in Hong Kong to better grasp this frontier development. Cyberport is finalising relevant details for consulting the Panel on Information Technology and Broadcasting as soon as possible.

ITIB203

(Question Serial No. 1949)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (1) Use of Information Technology in Government

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

To promote the adoption of information and communications technology among the elderly, the Government started in December 2021 to set up mobile support stations at 25 MTR stations to assist citizens in need including the elderly to learn how to use the "LeaveHomeSafe" mobile application. In this connection, please inform this Committee of the following:

- 1. Please give a breakdown of the monthly numbers of assistance provided at the mobile support stations, including the numbers of enquiries and assistance in downloading, updating or using "LeaveHomeSafe".
- 2. What were the overall expenditure for the operation of the mobile support stations and their staffing establishment?
- 3. After setting up the mobile support stations, has the Government conducted regular inspections to strengthen the monitoring of contractors? If yes, please list out by month the inspections conducted at these stations. If not, what are the reasons?

<u>Asked by</u>: Hon LEUNG Hei, Edward (LegCo internal reference no.: 30) <u>Reply</u>:

1. We have progressively set up mobile support stations in 25 MTR stations since 20 December 2021 and engaged outsourced service contractors to assist those citizens in need to download, update and use "LeaveHomeSafe", as well as to create an account in the Hong Kong Health Code System. Alongside with the gradual relaxation or lifting of various anti-epidemic measures in December 2022, "LeaveHomeSafe" and the Hong Kong Health Code System have successfully served their historical mission, and the 25 mobile support stations ceased operation on 8 January 2023. The average monthly caseload of each mobile support station in relation to supporting "LeaveHomeSafe" is as follows:

MTR Station with Mobile Support Station	General Enquiry (Average Monthly Caseload)	Assistance in Relation to Downloading, Updating and Using "LeaveHomeSafe" (Average Monthly Caseload)	
_		served during the period from	
20 December 202 2	1 to 7 January 2023		
Siu Hong	3 900	1 900	
Tai Po Market	7 000	1 100	
Tung Chung	4 700	2 400	
Tsing Yi	2 500	1 000	
Kwai Fong	4 100	1 600	
Kai Tak	4 500	800	
Ngau Tau Kok	5 200	1 300	
Tiu Keng Leng	3 600	2 600	
Wong Chuk Hang	3 800	800	
North Point	4 700	1 800	
The following n 3 January 2022 to		served during the period from	
Long Ping	3 800	2 400	
Sheung Shui	7 700	1 000	
Wu Kai Sha	5 700	1 000	
Tai Wai	4 900	800	
Tsuen Wan West	2 900	1 600	
Nam Cheong	4 500	2 500	
Hung Hom	3 000	800	
Kowloon	3 000	700	
Prince Edward	5 000	2 300	
Kowloon Tong	3 400	1 000	
Wong Tai Sin	3 900	1 800	
Ho Man Tin	5 500	1 000	
Sai Ying Pun	3 300	1 000	
Wan Chai	3 400	900	
Shau Kei Wan	5 200	2400	

2. The total expenditure on the mobile support stations is around \$21.9 million. The service hours of the mobile support stations were from 9 am to 6 pm every day,

including Saturdays, Sundays and public holidays. Each mobile support station had 2 to 4 staff members. We deployed necessary manpower to the mobile support stations taking into account various factors such as the anti-epidemic measures in different stages (e.g. the implementation of Red/Amber Code in August 2022, the lowering of the applicable age of the Vaccine Pass to cover children aged 5 to 11 in September 2022 and the rollout of the Testing Registration Code in November 2022, etc.), service demand of each mobile support station and avoidance of gatherings of people, etc.

3. During the period from setting up the mobile support stations to the cessation of their operations on 8 January 2023, we conducted an average of around 170 random inspections of mobile support stations per month for ensuring the service quality, and staff members at these mobile support stations have been reminded of providing their service with dedication and being mindful of their behaviours at work. The matters that required attention in the inspections were followed up and handled in a timely manner.

ITIB204

(Question Serial No. 1957)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (1) Use of Information Technology in Government

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

In the coming year, the Government will "continue to promote the adoption of innovation and technology (I&T) by bureaux and departments through the Smart Government Innovation Lab and the 'TechConnect (block vote)". In this connection, please inform this Committee of the following:

- 1. What are the staffing establishment and estimated expenditure involved in the promotion and adoption of the latest technology in various departments?
- 2. How many I&T initiatives were introduced to departments over the past 3 years? Has the Government assessed their effectiveness? If yes, what are the details? If not, what are the reasons?
- 3. Regarding the hot topic of AI Chat technology, such as ChatGPT, has the Government studied and considered introducing it to various government departments, so as to make use of technology to enhance work efficiency and provide more efficient replies to frequently asked questions from the public? If yes, what are the details? If not, what are the reasons?

Asked by: Hon LEUNG Hei, Edward (LegCo internal reference no.: 9)

Reply:

The information required is provided as follows:

1. and 2. The Government strives to promote the adoption of innovation and technology (I&T) across government departments, aiming to enhance operational efficiency and improve public services as an ongoing effort. Related measures include:

The Innovation, Technology and Industry Bureau (ITIB) set up the TechConnect (block vote) scheme (the Scheme) in mid-2017 to support government departments in planning and implementing technology projects so as to enhance operational efficiency, improve public services and safeguard public safety. In the past 3 financial years, the Scheme provided funding support of around \$280 million to 73 technology projects proposed by 31 departments. The technologies adopted included Internet of Things (IoT), big data, artificial intelligence (AI), machine learning, blockchain, robotics, unmanned aircraft, radio frequency identification (RFID), augmented reality and virtual reality, 3D printing, geographic information system, etc. Regarding the use of technology to assist departments in expediting working processes, improving service efficiency and enhancing quality testing ability, ITIB will continue to promote the Scheme with its existing manpower and resources, with a view to further improving the quality of public services and bringing benefits to the public.

Apart from providing financial support, the Office of the Government Chief Information Officer (OGCIO) established the Smart Government Innovation Lab (Smart Lab) in April 2019 to encourage and facilitate wider adoption of I&T across the Government. In the past 3 financial years, the Smart Lab matched over 50 business needs of different departments with technology solutions, and arranged over 80 thematic workshops in the process, involving different technology areas such as IoT, RFID, blockchain, data analytics, AI and robotic technologies, etc. The Smart Lab has collaborated with relevant departments to conduct proof-of-concept testing for more than 30 technology solutions. Among them, more than 20 projects have been planned for or are in the progress of pilot implementation. The estimated expenditure for the Smart Lab in 2023-24 is \$4.9 million. The related work is undertaken by 6 civil servants.

In addition, the Electrical and Mechanical Services Department (EMSD) launched the E&M InnoPortal in June 2018, listing the service wishes of various government departments, public organisations and the E&M trades, and invites the I&T sector, including start-ups and universities, to propose relevant I&T solutions for matching. In the past 3 financial years, the E&M InnoPortal collected about 190 I&T wishes and 610 I&T solutions and facilitated about 100 I&T trials. EMSD will continue to take forward the work of E&M InnoPortal with the existing manpower and resources.

3. Chatbots, leveraging AI technologies, can enhance user experience of e-Government services in an efficient, convenient and interactive manner, especially in handling enquiries from citizens. At present, Bureaux and Departments (B/Ds) have launched more than 10 chatbots. For instance, OGCIO has launched the chatbot Bonny on the "GovHK Portal" and "iAM Smart" to assist the public in searching government forms and services; the Hong Kong Observatory's chatbot "Dr Tin" assists users in obtaining the latest weather and astronomical information; 1823 has also launched a chatbot to answer enquiries from the public, etc. We expect that more departments will be interested in developing chatbots. To facilitate B/Ds to develop new chatbots in a faster and more cost-effective manner, OGCIO is implementing a new shared chatbot infrastructure (namely "Chatbot-as-a-Service") with ready-to-use chatbot

development building blocks (e.g. cloud platform, natural language processing engine, knowledge base, etc.). This new shared infrastructure is expected to be made available for use by B/Ds in mid-2023.

- End -

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB205

(Question Serial No. 2699)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (3) Information Technology in the Community

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Wi-Fi.HK is a collaboration between the Government and public and private organisations to provide free Wi-Fi services to the public and visitors. In this connection, please inform this Committee of the following:

- 1. How many Wi-Fi.HK hotspots in how many venues were available for free use at the end of each of the past 3 years? How many of them were high-speed access points with access speed of up to 100 megabits per second (Mbps)?
- 2. What were the recurrent Internet access fee and maintenance cost for operating Wi-Fi.HK by the Government in each of the past 3 years?
- 3. What was the monthly average usage of Wi-Fi.HK hotspots at government venues in each of the past 3 years?
- 4. Which were the top 10 Wi-Fi.HK hotspots at government venues with the highest total usage in the past year?
- 5. What was the number of Wi-Fi.HK hotspots at government venues with zero usage in the past year?
- 6. What were the numbers of complaints about the use of Wi-Fi.HK in each of the past 3 years?
- 7. With the continuous increase in Wi-Fi speed, has the Government raised the access speed of Wi-Fi.HK hotspots in recent years by, for example, considering upgrading more hotspots to high-speed access points?

Asked by: Hon LEUNG Hei, Edward (LegCo internal reference no.: 39)

Reply:

The replies to various parts of the question are as follows:

1. The numbers of venues and hotspots under the "Wi-Fi.HK" brand in the past 3 years are as follows:

	Number of venues	Number of hotspots
2020	8 708	39 708
2021	8 866	43 241
2022	8 931	46 498

The above includes a total of 26 hotspots in 10 venues providing high-speed Internet access services with a speed of up to 100 Mbps.

2. The Government's expenditure on the Wi-Fi Connected City programme in the past 3 years is as follows:

Year	Expenditure (\$ million)
2020-21 (Actual)	71.41
2021-22 (Actual)	38.35
2022-23 (Revised Estimate)	44.70

Apart from increasing the number of Wi-Fi hotspots between 2018 and 2020, we have rigorously upgraded the Wi-Fi network speed for better user experience. Part of the expenditure for the upgrading of network facilities was reflected in 2020-21.

3. The average numbers of users per month for the Government Wi-Fi services in the past 3 years are as follows:

	Average number of users per month	
	(million)	
2020	2.26	
2021	2.86	
2022	2.76	

Regarding the Wi-Fi services provided by other service providers through the public-private collaboration arrangement and those provided by the participating public and private organisations of the "Wi-Fi.HK" brand, we do not have the usage information on the Wi-Fi services they provided.

- 4. In 2022, the 10 Government venues with the highest number of Wi-Fi users are: Hong Kong Central Library, Domain, Ping Shan Tin Shui Wai Public Library, High Court, Wanchai Law Courts, Yuen Long Public Library, Alice Ho Miu Ling Nethersole Hospital, Shek Wu Hui Market, Hong Kong-Zhuhai-Macao Bridge Hong Kong Port Passenger Clearance Building and Ching Long Shopping Centre.
- 5. There was no Government Wi-Fi venue with zero usage in the past year.

6. The numbers of complaints about "Wi-Fi.HK" service from 2020 to February 2023 are as follows:

	Number of complaints
2020	48
2021	80
2022	40
2023 (as at end-February)	13
Total	181

7. The Government will continue to monitor the performance of Government Wi-Fi services and adjust the network speed at venues in a timely manner taking into account various factors such as usage, technical feasibility and cost-effectiveness to meet venue users' demands for Wi-Fi services.

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB206

(Question Serial No. 0591)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (2) Information Technology Infrastructure and Standards

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

The Multi-functional Smart Lampposts Pilot Scheme (Pilot Scheme) is a three-year programme under which some of the smart lampposts have already commenced operation. Will the Government advise this Committee of the following:

- 1. What is the progress of the programme, including a breakdown of the number of lampposts installed and which have commenced operation in each district?
- 2. What is the anticipated implementation timetable of the programme? When will the installation work of all of the lampposts be completed?
- 3. What is the expenditure of the multi-functional smart lampposts installed, including the expenditure involved in installation and maintenance, etc?

Asked by: Hon LEUNG Man-kwong (LegCo internal reference no.: 28)

Reply:

Under the Multi-functional Smart Lampposts Pilot Scheme (Pilot Scheme), some 400 smart lampposts with smart devices will be installed in phases in 4 urban locations (namely Central and Admiralty, Wan Chai district, Yau Tsim Mong district and Kwun Tong/Kai Tak Development Area) with higher pedestrian and vehicular flow, with a view to collecting real-time city data such as air quality and traffic flow as well as supporting the development of digital infrastructure for 5G services.

At present, over 100 smart lampposts have been put into operation in Kwun Tong district, Kowloon City district, Kai Tak Development Area, Yau Tsim Mong district and Wan Chai district. The numbers of lampposts installed and put into operation by district are provided below:

District	No. of Lampposts
Kwun Tong/Kai Tak Development Area	About 70
Yau Tsim Mong District	About 30
Wan Chai District	About 10
Central/Admiralty	0

Having regard to actual circumstances, the Office of the Government Chief Information Officer and the Highways Department will take forward the installation works in phases, with a view to completing the installation works of the remaining some 300 smart lampposts by 2023. As of December 2022, the expenditure for the Pilot Scheme is around \$50 million, covering the procurement and installation of smart lampposts and smart devices, management of smart devices and data transmission systems, telecommunications network connection facilities, ancillary road works as well as the operating expenditure.

ITIB207

(Question Serial No. 1198)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (2) Information Technology Infrastructure and Standards

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is mentioned in paragraph 51 of the Budget Speech that a sum of about \$200 million will be earmarked to enhance the operation of the "iAM Smart" platform. In this connection, please inform this Committee of the following:

- 1. Since the development of the "iAM Smart" platform, (a) what is the annual expenditure involved? (b) What is the number of staff in the Office of the Government Chief Information Officer (OGCIO) currently responsible for the maintenance of the platform? Among them, (i) how many are civil servants and (ii) how many are contract staff?
- 2. (a) Currently, (i) how many government services of (ii) how many government departments are supported by "iAM Smart"? (b) At the end of 2023, (i) how many government services of (ii) how many government departments are expected to be supported? (iii) What are the new services to be included?
- 3. Some members of the public have reported that multiple authorisations are still required for accessing the services after logging in the "iAM Smart", and some interfaces show only the webpages of government departments. In view of this, will OGCIO explore the feasibility of single authorisation for users and set a timetable for realising "single portal for online government services"?

<u>Asked by</u>: Hon LEUNG Tsz-wing, Dennis (LegCo internal reference no.: 14) <u>Reply</u>:

1. The expenditures for "iAM Smart" in 2018-19, 2019-20, 2020-21 and 2021-22, and the estimated expenditure in 2022-23 were \$6 million, \$20 million, \$65 million,

- \$72 million and \$76 million respectively. Currently, the maintenance services of the "iAM Smart" system are provided by outsourced contractors.
- 2. At present, 46 Bureaux/Departments and public organisations, as well as 12 private organisations, have adopted "iAM Smart", providing more than 260 online services (please refer to https://www.iamsmart.gov.hk/en/e-service.html for the service list). We expect that about 50 new online services will adopt "iAM Smart" by end of 2023, including the URBTIX of the Leisure and Cultural Services Department, Voter Registration and Change of Registration Particulars of the Registration and Electoral Office, eTraffic Ticket Platform of the Hong Kong Police Force, etc.
- 3. The Chief Executive announced in his 2022 Policy Address the initiative to expedite the building of a smart government, including turning all government services online by 2024, and promoting the use of the "iAM Smart" platform to provide one-stop digital services by government departments by 2025, so as to realise the goal of "single portal for online government services". The Office of the Government Chief Information Officer introduced the detailed proposal on enhancing the "iAM Smart" platform to realise "single portal for online government services" to the Panel on Information Technology and Broadcasting of the Legislative Council in March this year, including simplifying the registration processes, updating application design and functions, improving user interfaces and streamlining service workflow, strengthening system capacity, performance and security, etc. We will seek funding approval from the Finance Committee for implementing the project, with a view to commencing the tendering process in the second half of this year. The new features of "iAM Smart" are expected to be rolled out in phases over the next 2 years.

ITIB208

(Question Serial No. 1206)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (3) Information Technology in the Community

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is mentioned in paragraph 53 of the Budget Speech that \$500 million will be set aside this year "to launch a Digital Transformation Support Pilot Programme to assist small and medium enterprises (SMEs) in applying ready-to-use basic digital solutions". In this connection, please inform this Committee of the following:

- 1. the specific details;
- 2. the industries to be covered; and
- 3. the expected number of SMEs to be benefited.

Asked by: Hon LEUNG Tsz-wing, Dennis (LegCo internal reference no.: 23)

Reply:

The HKSAR Government has been working in collaboration with the sub-group on digital transformation established under the Digital Economy Development Committee (DEDC) to devise feasible measures to drive digital transformation across industries with a view to accelerating the development of Hong Kong's digital economy. It is announced in the 2023-24 Budget to earmark \$500 million for Cyberport to launch the Digital Transformation Support Pilot Programme (the Pilot Programme), which will provide subsidies on a one-to-one matching basis to assist small and medium enterprises (SMEs) that have little or no prior exposure to digital technology in adopting ready-to-use basic digital solutions, thus expediting the realisation of digital transformation.

The DEDC will prioritise the relevant industries to be supported through the Pilot Programme. We expect that each company can apply for a solution of up to \$100,000, thus receiving a

maximum subsidy of \$50,000. We expect that at least 8 000 eligible SMEs will be benefitted.

Cyberport is finalising the details of the Pilot Programme. We will consult the Panel on Information Technology and Broadcasting and seek funding approval from the Finance Committee for the implementation of the programme as soon as possible.

- End -

ITIB209

(Question Serial No. 1790)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (2) Information Technology Infrastructure and Standards

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is mentioned in the Matters Requiring Special Attention under this Programme that the Government "will continue to implement the Knowing More About IT Programme and the IT Innovation Lab in Secondary Schools Programme". In this connection, please inform this Committee of the following:

- 1. What were the expenditures involved, the numbers of participating schools and students benefited, as wells as the results of the Knowing More About IT Programme and the IT Innovation Lab in Secondary Schools Programme over the past 3 years? What are the corresponding estimated figures in the current year?
- 2. The Office of the Government Chief Information Officer (OGCIO) provides a Reference List of Information Technology (IT) Equipment for schools participating in the IT Innovation Lab in Schools Programme to make reference to when procuring IT products for organising related extra-curricular activities. What are the criteria for drawing up the List and the proportion of products from local EdTech companies on the lists for secondary schools and primary schools respectively?
- 3. The implementation of the Enriched IT Programme in Secondary Schools is no longer mentioned in the Matters Requiring Special Attention in 2023-24. What were the expenditure involved, the numbers of participating schools and students benefited, as well as the results of this programme over the past 3 years? What are the amount and whereabouts of the surplus funding? After the completion of this programme, what measures will be taken to provide intensive training for those students who have a talent for IT?
- 4. What are the measures taken by OGCIO to promote cooperation among primary and secondary schools, tertiary institutions and the local EdTech sector, so as to establish a local EdTech ecosystem?

<u>Asked by</u>: Hon LEUNG Yuk-wai, Kenneth (LegCo internal reference no.: 37) <u>Reply</u>:

1. The "IT Innovation Lab in Secondary Schools" and "Knowing More About IT" programmes are targeted at all publicly-funded secondary and primary schools in Hong Kong. Since the launch of the 2 programmes in the 2020/21 and 2021/22 school years respectively, around 90% of secondary schools and 60% of primary schools have applied for the funding. The details are as follows:

	Number of Eligible Schools	Number of Applied Schools	Number of Schools Approved	Number of Schools with Application in Progress	Number of Schools Not Yet Applied
"IT Innovation Lab in Secondary Schools" programme	513	459	430	29	54
"Knowing More About IT" programme	537	323	289	34	214

The implementation status of the 2 programmes is as follows:

"IT Innovation Lab in Secondary Schools" programme:

School Year	Increase in Number of Schools with Approved Applications	Number of Funded Activities	Activities (examples)	Approved Amount (\$ million)	Estimated Number of Students Benefited
2020/21	119	294	Courses, workshops and competitions in artificial intelligence, coding, drones, robotics, augmented reality/virtual reality, Internet of Things, etc.	46	27 000
2021/22	242	1 012	Courses, workshops and competitions in artificial intelligence, coding, drones, robotics, augmented reality/virtual reality, Internet of Things, etc.	152	78 600

School Year	Increase in Number of Schools with Approved Applications	Number of Funded Activities	Activities (examples)	Approved Amount (\$ million)	Estimated Number of Students Benefited
2022/23 (as at February 2023)	69	528	Courses, workshops and competitions in artificial intelligence, coding, drones, robotics, augmented reality/virtual reality, Internet of Things, blockchain, etc.	64	35 300
Total	430	1 834		262	140 900

"Knowing More About IT" programme:

School Year	Increase in Number of Schools with Approved	Number of Funded Activities	Activities (examples)	Approved Amount (\$ million)	Estimated Number of Students Benefited
2020/21	Applications n/a	n/a	n/a	n/a	n/a
2021/22	195	545	Courses, workshops and competitions in artificial intelligence, coding, drones, robotics, augmented reality/virtual reality, Internet of Things, etc.	46	44 000
2022/23 (as at February 2023)	94	432	Courses, workshops and competitions in artificial intelligence, coding, drones, robotics, augmented reality/virtual reality, Internet of Things, blockchain, etc.	35	37 700
Total	289	977		81	81 700

According to the results of a survey conducted from July 2022 to January 2023, around 95% of school respondents agreed that the programmes could help create an information technology (IT) learning atmosphere, arouse students' interests in IT, and help students

acquire IT knowledge and skills. At the same time, 80% of the participating students agreed that the content of the activities was attractive and creative, and could enhance their IT knowledge.

In the 2023-24 Budget, the Financial Secretary proposed to allocate an additional funding of \$300 million to extend the existing "IT Innovation Lab in Secondary Schools" programme for the next three school years. As the pandemic eases and our community is gradually resuming normalcy, more primary and secondary schools are expected to apply for the "Knowing More About IT" and "IT Innovation Lab in Secondary Schools" programmes in the coming year.

- 2. The Office of the Government Chief Information Officer (OGCIO) has set up an advisory committee comprising experts from the IT industry, academia and education sector to provide advice and recommendations on the programmes, including the reference lists of equipment as well as the nature and types of IT-related extra-curricular activities. The reference lists mainly provide the function and use of the equipment that do not specify the brand or source of the equipment.
- 3. OGCIO launched the 8-year Enriched IT Programme in Secondary Schools in the 2015/16 school year, and invited 8 partner schools to implement the Enriched IT Classes. The operation of the Programme in the past three school years is as follows:

School Year	No. of Participat-	No. of IT Classes	Curriculum of IT Class (Examples)	Subsidised Amount	Estimated Number of
	ing			(\$ million)	Benefited
	Schools				Students
2020/21	8 partner	24 classes	Problem solving &	7.4	around 710
	schools		programming, 3D		students
2021/22		16 classes	modeling & augmented	5.5	around 440
			reality, robotics and		students
2022/23		8 classes	sensor technology,	10.0	around 230
(up to Feb			software development &		students
2023)			technology		
			appreciation, etc.		
Total	8 partner	48		13.9	Around
	schools	classes in			710
		total			students*

^{*}Note: The Enriched IT Class adopted a class structure. Secondary 3 students of the 2020/21 school year will advance to Secondary 4 IT Class in the 2021/22 school year, and will enter the Secondary 5 IT Class in the 2022/23 school year.

OGCIO launched the "IT Innovation Lab in Secondary Schools" programme in 2020 for three school years to provide funding support to all publicly-funded secondary schools in Hong Kong to adopt a more flexible and holistic approach to organise IT-related extracurricular activities. In view of the overwhelming responses from schools and the industry where 90% of the publicly-funded secondary schools have already submitted funding applications, we proposed in the 2023-24 Budget to allocate an additional funding of \$300 million to extend the existing "IT Innovation Lab in Secondary Schools" programme and continue the provision of funding support of up to \$1 million to each

publicly-funded secondary school for organising IT-related extra-curricular activities for three school years from 2023/24 to 2025/26. We will continue to encourage more schools to participate in the "IT Innovation Lab in Secondary Schools" programme. We will also review the programme arrangement in due course in the light of the latest development of the STEAM education in secondary schools with a view to continuously fostering an IT learning atmosphere at schools.

4. OGCIO regularly co-organises solution days with different organisations including Cyberport, Hong Kong Productivity Council, Hong Kong Science and Technology Park, etc. with a view to keeping schools abreast of the latest IT-related activities and developments in the market, thus strengthening the exchange and collaboration between the academia and the industry. Moreover, we have published the "Student Tech Zone" on the thematic portal of the programmes to introduce IT-related courses or activities provided by local tertiary institutions and the industry with a view to enhancing students' interests and knowledge in IT.

ITIB210

(Question Serial No. 1935)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (3) Information Technology in the Community

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is mentioned in the Budget that the Government will allocate \$50 million to expedite the Web3 ecosystem development by, among other things, organising major international seminars, to enable the industry and enterprises to better grasp frontier development and to promote cross-sectoral business co-operation, as well as arranging a wide array of workshops for young people. In this connection, please advise on the following:

- 1. In addition to promotion, will the Government set up a subsidy scheme or supporting office to help local small and medium enterprises learn more about Web3 and the opportunities it brings and make use of the subsidy scheme to start engaging in the Web3 ecosystem and train their employees to keep abreast of the latest Internet technologies? If not, what are the reasons?
- 2. Will the Government step up the promotion of Web3 through related courses or workshops for members of the public to have a better understanding of Web3?
- 3. Will the Government encourage tertiary institutions and further education organisations to provide Web3-related courses, such as courses on DApp development, so as to prepare for integrating into the Web3 ecosystem? If yes, what are the details?

Asked by: Hon LEUNG Yuk-wai, Kenneth (LegCo internal reference no.: 26)

Reply:

In view of the overall development trend of Web3, Cyberport established the Web3 Hub@Cyberport early this year. At present, Cyberport has a community of over 1 900 start-ups and technology companies, including a number of Web3-related technology companies such as Fintech, smart living and digital entertainment companies. It is announced in the 2023-24 Budget that we will allocate \$50 million to support Cyberport in

accelerating the development of the Web3 ecosystem that will in turn enable the industry, enterprises and young people in Hong Kong to better grasp this frontier development. Cyberport is finalising relevant details for consulting the Panel on Information Technology and Broadcasting as soon as possible.

Moreover, Hong Kong has an excellent information and communications technology environment and a robust infrastructure, such as high-speed communication networks and a thriving cloud computing service market, etc., which facilitates local industries and research institutions to develop Web3-related technologies such as network security technologies and blockchain applications, and to explore related applications. The Government will continue to closely monitor the latest developments in the Web3 ecosystem and various technology areas with a view to formulating relevant policies and measures in a timely manner to enhance the awareness of relevant technology areas across the community as well as to drive the development of more innovative applications in the industry.

ITIB211

(Question Serial No. 0997)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (2) Information Technology Infrastructure and Standards

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is stated in the Budget that the Government will conduct a feasibility study on the development of an Artificial Intelligence (AI) Supercomputing Centre. The study will be completed in 2023-24. In this connection, please advise this Committee of the following:

- 1. Professor SUN Dong, Secretary for Innovation, Technology and Industry expects that the Hong Kong AI Supercomputing Centre (Centre) will officially commence its operation in 2024-25. In this regard, what are the estimates and staffing establishment involved in the establishment of this Centre?
- 2. On data exchange, the Government intends to facilitate a certain degree of data exchange in the Greater Bay Area. Please advise what types of data will be exchanged with those of the Greater Bay Area? What are the estimates and manpower required for handling the potential risk of data privacy?

<u>Asked by</u>: Hon LIAO Cheung-kong, Martin (LegCo internal reference no.: 3) Reply:

1. The Office of the Government Chief Information Officer (OGCIO) invited consultancy proposals for the feasibility study on the development of an Artificial Intelligence (AI) Supercomputing Centre on 23 February 2023. The consultant is required to assess the actual demand for AI supercomputing services in Hong Kong, and make recommendations on the scale of investment, the optimal operation model as well as the implementation strategy of the supercomputing centre. We plan to commence the consultancy study in May with a view to completing the study in 2023-24. The related work will be implemented with the existing resources of OGCIO. Details of the development approach and implementation plan, including relevant manpower arrangement, implementation schedule, estimated cost and measures for maintaining its

- sustainable development, etc. will be subject to the findings and recommendations of the consultancy study.
- 2. On promoting cross-boundary data flow, the HKSAR Government is now working in collaboration with the Cross-boundary Data Collaboration Working Group (The Working Group) established under the Digital Economy Development Committee (DEDC), to actively look into the practical measures facilitating the flow of data from the Mainland to Hong Kong. The Working Group has conducted a survey earlier, which targeted some local enterprises engaging in cross-boundary business in order to understand the challenges they faced in connection with data flow. The Working Group is now exploring facilitation measures having regard to the findings of the survey. Moreover, the HKSAR Government is liaising closely with the corresponding Mainland authorities and working together to explore the related policies and measures, with a view to launching a pilot project in the Greater Bay Area within this year. Details will be announced in due course. OGCIO will take forward the work mentioned above with its existing manpower and resources.

ITIB212

(Question Serial No. 1018)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (3) Information Technology in the Community

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

In view of the continuous development and evolution of the Internet, the Financial Secretary will allocate \$50 million to expedite the third generation Internet (Web3) ecosystem development by, among other things, organising major international seminars, as well as arranging a wide array of workshops for young people. Under Programme (3), the provision for 2023-24 is \$143.0 million (147.4%) higher than the revised estimate for 2022-23, which is partly used for expediting the Web3 ecosystem development in Hong Kong and the creation of 2 new posts. In this regard, please inform this Committee of the following:

- 1. the details of the work of the 2 posts to be created and the expenditure involved;
- 2. the manpower and estimated expenditure required for the Office of the Government Chief Information Officer to expedite the Web3 ecosystem development; and
- 3. the detailed work plan and timetable in 2023-24 for expediting the Web3 ecosystem development in Hong Kong.

<u>Asked by</u>: Hon LIAO Cheung-kong, Martin (LegCo internal reference no.: 22) <u>Reply</u>:

The reply to the various parts of the question is as follows:

1. The 2 posts to be created include 1 Systems Manager and 1 Analyst/Programmer I posts. These are time-limited posts mainly for continuing the coordination, management, publicity and promotion work in connection with the "Wi-Fi Connected City" programme. The estimated expenditure for the 2 posts based on notional annual mid-point salary value is about \$2 million.

2. and 3. In view of the overall development trend of Web3, Cyberport established the Web3 Hub@Cyberport early this year. It is announced in the 2023-24 Budget that we will allocate \$50 million to support Cyberport in accelerating the development of the Web3 ecosystem that will in turn enable the industry, enterprises and young people in Hong Kong to better grasp this frontier development. Cyberport is finalising relevant details for consulting the Panel on Information Technology and Broadcasting as soon as possible.

- End -

ITIB213

(Question Serial No. 0033)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (1) Use of Information Technology in Government

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

The Office of the Government Chief Information Officer (OGCIO) is responsible for facilitating government bureaux and departments to suitably adopt the information and communications technology in their implementation of e-Government services. In this connection, please advise this Committee of the following:

- 1. Since the outbreak of the first wave of the COVID-19 pandemic in Hong Kong in January 2020, how many resources have the Government devoted to implement e-Government services, including speeding up the adoption of electronic processing for works submission? What are the key initiatives implemented in this regard and what major progress has been made?
- 2. Will the Government conduct a comprehensive review on the major e-Government services arrangement made for the civil servants and workers of relevant sectors to work from home during the pandemic, with a view to further improving the related e-Government services? If yes, what are the resources and manpower expected to be deployed by the Government for taking forward this initiative in 2023-24? What are the priority issues to be addressed? If not, what are the reasons?

Asked by: Hon LO Wai-kwok (LegCo internal reference no.: 6)

Reply:

1. Since the outbreak of COVID-19, the Government has further strengthened its efforts to promote e-Government services, with a view to facilitating the public and enterprises to continue using various government services through electronic means while maintaining social distancing. For instance, the public may submit their applications electronically for various subsidy or relief schemes, make appointments for COVID-19

testing and vaccination, access vaccination and testing records, and apply for electronic consumption vouchers, etc.

The Government has been committed to promoting the application of technology by bureaus and departments (B/Ds) to enhance operational efficiency and continue to improve public services. Currently, the Government have made good progress on the implementation of e-services. As at end-2022, electronic submission options have been made available for over 1 200 licence applications and government services. Nearly 600 payment items and 880 applicable licences and service have also been equipped with electronic payment of fees and documents pick-up options respectively.

Regarding payment of government fees, the Office of the Government Chief Information Officer (OGCIO) has provided technical solutions to support B/Ds in implementing online services that accept various electronic and mobile payment methods (e.g. credit card, Payment by Phone Services (PPS), Apple Pay, Google Pay, e-Cheque, etc.). Since November 2019, the public can also settle various government fees payment by using the Faster Payment System (FPS).

Starting from December 2022, the FPS payment function has been extended to cover the payment of online government services. Currently, more than 20 online government services, including designated online services of the Immigration Department and the Transport Department, accept payment through the FPS. We expect that more online government services will gradually support FPS payment to bring further convenience to the public.

In addition, with funding of about \$200 million approved by the Finance Committee of the Legislative Council in 2019, the Buildings Department (BD) is spearheading the development of an Electronic Submission Hub (ESH) to receive and process building plans and relevant applications submitted under the Buildings Ordinance. ESH is being launched in three stages, with the first stage launched in June 2022. Its full implementation is targeted at the second quarter of 2025.

During the pandemic, BD also put in place measures for facilitating site supervision, including allowing relevant personnel to carry out site supervision of certain non-critical procedures by videotelephony, and using videotelephony to supervise the prefabrication and assembly work conducted in factories in the Mainland. In view of the satisfactory results, BD is reviewing the plausibility of regularising the measures. The relevant work is handled by BD's existing manpower.

Regarding the expenditure related to e-Government services, B/Ds generally implement their e-Government services with their existing manpower and resources. If necessary, B/Ds can apply for funding through the Capital Works Reserve Fund Head 710 Computerisation to implement their e-Government services. OGCIO does not maintain the information on individual B/Ds' expenditures related to promoting the development of e-Government services.

2. During the pandemic, the Government has implemented special work arrangements for government employees in order to minimise the risk of virus spreading in the community. Save for those involved in the provision of emergency services and

essential public services, all other government employees must work from home to minimise the risk of infection. During the period, B/Ds have widely adopted information technology and provided appropriate facilities to enable effective communication among staffs.

The Government has stopped work from home arrangement for government employees as the pandemic eases. To further promote the development of e-Government, the Government has launched a three-year e-Government audit programme. We target to complete the audit work for all B/Ds by end-2023 and launch 100 digital government initiatives before end-2025 by leveraging advanced technologies, such as artificial intelligence, blockchain, big data analytics and geospatial analysis etc. to provide more services that bring convenience and benefits to the public and the business sector. The expenditure for the whole programme is about \$600 million, funded by the Capital Works Reserve Fund Head 710 Computerisation.

ITIB214

(Question Serial No. 0034)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (1) Use of Information Technology in Government

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

The Office of the Government Chief Information Officer (OGCIO) has worked with other bureaux and departments to fight against the pandemic with the information technology (IT) by launching the "LeaveHomeSafe" mobile app. In this connection, please advise this Committee of the following:

- 1. How many resources have been allocated in total by the Government to develop, update and maintain the "LeaveHomeSafe" mobile app? What is the number of registered users?
- 2. Will the Government fully consider the community views that the "LeaveHomeSafe" mobile app should be used as a digital tool to promote e-Government services with its functions enhanced and updated rather than seeing its operation ceased and public money wasted? If yes, what are the details? If not, what are the reasons?

Asked by: Hon LO Wai-kwok (LegCo internal reference no.: 7)

Reply:

- 1. The "LeaveHomeSafe" mobile app does not require user registration or any registration of personal information. The number of downloads has exceeded 9.5 million since its launch in November 2020 and the total expenditure involved in the development and operation of the "LeaveHomeSafe" system is around \$17 million.
- 2. Following the Government's announcement of lifting the requirement of scanning venue QR code, Vaccine Pass, Red Code/Amber Code, etc., in December 2022, alongside with the gradual relaxation or lifting of various anti-epidemic measures, the "LeaveHomeSafe" has successfully served its historical mission. The "LeaveHomeSafe" system has ceased operation and the app will not be further updated.

Looking forward, we will proactively promote and enhance the "iAM Smart" mobile app with a view to providing a one-stop personalised digital services platform through which users can access the Government's online services with ease. We aim to fully adopt "iAM Smart" for online government services by 2025 so as to realise the target of "single portal for online government services".

- End -

ITIB215

(Question Serial No. 0035)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (2) Information Technology Infrastructure and Standards

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

The Office of the Government Chief Information Officer (OGCIO) will support bureaux and departments to adopt "iAM Smart" in order to realise the "single portal for online government services". In this connection, please advise this Committee of the following:

- 1. Will there be a specific timetable and sufficient resources for realising the "single portal for online government services" in order to expeditiously provide citizens with one-stop digitalised services and enhance administrative efficiency? If yes, what are the details; if not, what are the reasons?
- 2. To facilitate the development of the Guangdong-Hong Kong-Macao Greater Bay Area, will the Government expedite the discussion with the Mainland and Macao on collaboration between their identity authentication systems and the "iAM Smart" Platform in Hong Kong, including implementing the mechanism for mutual recognition of electronic signature certificates and performing digital signing with legal backing, with a view to promoting "cross-boundary government services" and bringing convenience to the business sector and the public? If yes, what are the details; if not, what are the reasons?

Asked by: Hon LO Wai-kwok (LegCo internal reference no.: 8)

Reply:

1. The Chief Executive announced in his 2022 Policy Address the initiative to expedite the building of a smart government, including turning all government services online by 2024, and promoting the use of the "iAM Smart" platform to provide one-stop digital services by government departments by 2025, so as to realise the goal of "single portal for online government services".

The Financial Secretary has earmarked a sum of about \$200 million in the 2023-24 Budget to enhance the operation of the "iAM Smart" platform, so as to provide members of the public with more convenient one-stop digital services and to improve user experience. The wider use of "iAM Smart" will further promote "Smart Government" and the digital transformation of the whole society.

The Office of the Government Chief Information Officer introduced the detailed proposal on enhancing the "iAM Smart" platform to realise "single portal for online government services" to the Panel on Information Technology and Broadcasting of the Legislative Council in March this year, including simplifying the registration processes, updating application design and functions, improving user interfaces and streamlining service workflow, strengthening system capacity, performance and security, etc. We will seek funding approval from the Finance Committee for implementing the project, with a view to commencing the tendering process in the second half of this year. The new features of "iAM Smart" are expected to be rolled out in phases over the next 2 years.

2. We are exploring the collaboration opportunities between the identity authentication systems of other places and "iAM Smart", such as making use of mutual recognition of electronic signature certificates to promote cross-boundary e-commerce applications, facilitating Hong Kong citizens to use "iAM Smart" to log in different online services, conduct online transactions, and perform digital signing with legal backing, etc., in different places (including the Greater Bay Area). Among others, in supporting the implementation of "cross-boundary government services", we are currently exploring with relevant departments in Guangdong Province to make use of "iAM Smart" as one of the means to register for an account on the "Unified Identity Authentication Platform of Guangdong Province", so as to enable Hong Kong residents to use the services of Guangdong Province more conveniently and swiftly.

ITIB216

(Question Serial No. 0805)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (3) Information Technology in the Community

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

The third-generation Internet (Web3) has huge potential. It is stated in paragraph 56 of the Budget Speech that Cyberport established the Web3 Hub@Cyberport early this year. The Government will allocate \$50 million to expedite the Web3 ecosystem development. In this connection, please advise this Committee of the following:

- 1. How many resources are expected to be allocated to this area of work in 2023-24? What are the priority issues to be handled?
- 2. Has the Government drawn up a plan and set aside resources to enhance the cooperation with the cities of the Guangdong-Hong Kong-Macao Greater Bay Area in this field? If yes, what are the details? If not, what are the reasons?

Asked by: Hon LO Wai-kwok (LegCo internal reference no.: 34)

Reply:

In view of the overall development trend of Web3, Cyberport established the Web3 Hub@Cyberport early this year. At present, Cyberport has a community of over 1 900 start-ups and technology companies, including a number of Web3-related technology companies such as Fintech, smart living and digital entertainment companies. It is announced in the 2023-24 Budget that we will allocate \$50 million to support Cyberport in accelerating the development of the Web3 ecosystem that will in turn enable the industry, enterprises and young people in Hong Kong to better grasp this frontier development, promote cross-sectoral and cross-boundary business co-operation, as well as arranging a wide array of workshops for young people. Cyberport will also strive to attract relevant enterprises and talents from the Mainland (including the Greater Bay Area) and overseas to set up their business in Cyberport.

Cyberport is finalising relevant details for consulting the Panel on Information Technology and Broadcasting as soon as possible.

ITIB217

(Question Serial No. 1657)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (3) Information Technology in the Community

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Under this Programme, the provision for 2023-24 is \$240.0 million, which is significantly higher than the revised estimate for 2022-23 by 147.4%. According to the Controlling Officer's explanation, the provision includes the funding for a new item on "Expediting the Web3 ecosystem development in Hong Kong". In this connection, will the Government inform this Committee of the details of this new item, including the resources allocated, manpower involved and timetable of this item?

Asked by: Hon LOONG Hon-biu, Louis (LegCo internal reference no.: 14)

Reply:

In view of the overall development trend of Web3, Cyberport established the Web3 Hub@Cyberport early this year. At present, Cyberport has a community of over 1 900 start-ups and technology companies, including a number of Web3-related technology companies such as Fintech, smart living and digital entertainment companies. It is announced in the 2023-24 Budget that we will allocate \$50 million to support Cyberport in accelerating the development of the Web3 ecosystem that will in turn enable the industry, enterprises and young people in Hong Kong to better grasp this frontier development. Cyberport is finalising relevant details for consulting the Panel on Information Technology and Broadcasting as soon as possible.

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB218

(Question Serial No. 1049)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (2) Information Technology Infrastructure and Standards

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

Director of Bureau: Secretary for Innovation, Technology and Industry

Question:

Regarding the enhancement of "iAM Smart" which will be commenced to realise "single portal for online government services" and provide citizens with one-stop digitalised services, will the Government advise this Committee of the following:

- (a) the number of downloads since the launch of "iAM Smart" platform in December 2020; the number of users who have successfully performed authentication with their personal mobile phones;
- (b) the Government's specific work details of the enhancement of "iAM Smart";
- (c) whether the Government will step up publicity on "iAM Smart" so as to attract more people to use it. If yes, what are the details? If not, what are the reasons?
- (d) Which government departments are currently covered by "iAM Smart"?

Asked by: Hon LUK Chung-hung (LegCo internal reference no.: 31)

Reply:

- (a) Since the launch of the "iAM Smart" platform in December 2020, over 1.8 million citizens have registered as "iAM Smart" users, and more than 33 million accesses to the required online services were made through "iAM Smart" by performing identity authentication.
- (b) The Office of the Government Chief Information Officer ("OGCIO") introduced the detailed proposal on enhancing the "iAM Smart" platform to realise "single portal for online government services" to the Panel on Information Technology and Broadcasting of the Legislative Council in March this year, including simplifying the registration

processes, updating application design and functions, improving user interfaces and streamlining service workflow, strengthening system capacity, performance and security, etc. We will seek funding approval from the Finance Committee for implementing the project, with a view to commencing the tendering process in the second half of this year. The new features of "iAM Smart" are expected to be rolled out in phases over the next 2 years.

- OGCIO has been adopting a diversified approach and through different channels to (c) publicise and promote "iAM Smart" to the public. Through the online channel including the "iAM Smart" thematic website (www.iamsmart.gov.hk), advertisements and animation clips on social media platforms, etc., we publicise and promote the commonly used and newly launched services to the public. We also participated in large-scale events and exhibitions (such as the celebration of the 25th anniversary of the establishment of the Hong Kong Special Administrative Region, the Hong Kong Computer and Communications Festival 2022, the International ICT Expo 2022 and the quarterly Smart City Roving Exhibition, etc.), and set up promotion booths in the community activities held by different district organisations and elderly service centres to help members of the public to register "iAM Smart" and answer their enquiries. addition, OGCIO works in collaboration with different government departments and organisations to organise joint promotion activities, such as arranging seminars for colleagues responsible for different target groups, introducing "iAM Smart" on government departments' websites and related social media platforms, and publishing feature articles in departmental newsletters such as eHealth News, Library Newsletter, Civil Service Newsletter, etc. We will continue to carry out the above diversified promotional activities. At the same time, we will also continue to promote the adoption of "iAM Smart" in government departments as well as public and private organisations in order to provide more online services and attract members of the public to register and use "iAM Smart".
- (d) At present, 46 Bureaux/Departments and public organisations, as well as 12 private organisations, have adopted "iAM Smart", providing more than 260 online services (please refer to https://www.iamsmart.gov.hk/en/e-service.html for the service list).

ITIB219

(Question Serial No. 0067)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (3) Information Technology in the Community

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

The Financial Secretary mentioned in paragraph 56 of the Budget Speech that "I will allocate \$50 million to expedite the Web3 ecosystem development by, among other things, organising major international seminars, to enable the industry and enterprises to better grasp frontier development and to promote cross-sectoral business co-operation, as well as arranging a wide array of workshops for young people." Please provide an expenditure breakdown for the relevant provision, together with the specific work plan, implementation timetable and expected results for the coming year.

<u>Asked by</u>: Hon NG Kit-chong, Johnny (LegCo internal reference no.: 1)

Reply:

In view of the overall development trend of Web3, Cyberport established the Web3 Hub@Cyberport early this year. At present, Cyberport has a community of over 1 900 start-ups and technology companies, including a number of Web3-related technology companies such as Fintech, smart living and digital entertainment companies. It is announced in the 2023-24 Budget that we will allocate \$50 million to support Cyberport in accelerating the development of the Web3 ecosystem that will in turn enable the industry, enterprises and young people in Hong Kong to better grasp this frontier development. Cyberport is finalising relevant details for consulting the Panel on Information Technology and Broadcasting as soon as possible.

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB220

(Question Serial No. 0073)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (3) Information Technology in the Community

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is mentioned in paragraph 79 of the Budget Speech that "to tie in with the policy of developing smart city and digital economy, I will earmark \$265 million for Cyberport to launch a dedicated incubation programme for smart living start-ups." What are the allocation of expenditure and the implementation details of the programme for the next 5 years? What kind of support will be provided for start-ups?

Asked by: Hon NG Kit-chong, Johnny (LegCo internal reference no.: 6)

Reply:

As regards the incubation programme dedicated for smart living start-ups, Cyberport anticipates that around 90 smart living start-ups will benefit from the programme every year within the coming 5 years, including the provision of a maximum grant of \$500,000 for each of them. Cyberport will also provide tailored entrepreneurial and technical training for these start-ups, including recruiting mentors from relevant industries to advise them on product development and business planning.

Cyberport is finalising the relevant details of the programme. We will consult the Panel on Information Technology and Broadcasting and seek funding approval from the Finance Committee for the implementation of the programme as soon as possible.

ITIB221

(Question Serial No. 1288)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (3) Information Technology in the Community

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Under this Programme, the "Matters Requiring Special Attention in 2023-24" of the Office of the Government Chief Information Officer include its continued effort to promote the adoption of information and communications technology (ICT) among the elderly through the Elderly Outreach and Training Programmes. In this connection, please advise this Committee of the following:

- 1. the Government's expenditure of promoting the adoption of ICT among the elderly in the last financial year 2022-23;
- 2. the work that has been done:
- 3. the specific outcome;
- 4. the expenditure and specific plan to promote the adoption of ICT among the elderly in the new financial year 2023-24, so as to minimise the "digital gap" where the elderly find themselves incapable of keeping pace with the digital advancement.

Asked by: Hon NG Kit-chong, Johnny (LegCo internal reference no.: 32)

Reply:

The Office of the Government Chief Information Officer (OGCIO) has been striving to promote digital inclusion over the years. Through the provision of information and communications technology (ICT) outreach services and the offering of enriched training courses etc., the elderly are encouraged and facilitated to adopt digital technology in their daily life, thereby integrating themselves into smart living.

OGCIO has implemented the ICT Outreach Programme for the elderly (the Outreach Programme) since 2014. 6 non-profit-making organisations are being engaged to organise visits to the elderly across the territory, including those living in residential care homes, receiving day care and home care services and the hidden elderly etc. by leveraging their service network. A variety of activities have been organised for the elderly to experience digital living, thus encouraging them to make wider use of digital technology. Some 23 000 elderly people have benefited from the Outreach Programme so far. Starting from end-2021, service organisations under the Outreach Programme have set up mobile outreach service stations at various community locations (such as parks, shopping malls and the neighbourhood of housing estates) on a pilot basis to proactively introduce mobile apps to the elderly and address their enquiries about the use of smart phones. The activities were well received by the elderly. In the new round of the Outreach Programme to be launched in 2023-24, more outreach service stations will be organised to further promote digital inclusion.

OGCIO also implemented the Enriched ICT Training Programme for the Elderly (the Training Programme) since 2019. The programme has subsidised 11 Elder Academies to organise over 200 free ICT advanced training courses for the elderly with basic knowledge of digital technology in the community. Topics covered include e-Government services, smart healthcare, online shopping, mobile payment, e-wallet, cyber security, etc. Upon completion of these training courses, the elderly participants may even serve as teaching assistants to help their peers understand and use technology products and services. So far, around 5 500 elderly people have participated in the Training Programme. In 2023-24, we will continue to offer free enriched ICT training courses to the elderly with basic ICT knowledge through the district networks of Elder Academies.

The expenditure for the Outreach Programme and the Trainining Porgramme in 2022-23 was around \$10 million and the estimated expenditure for 2023-24 is around \$12 million.

Moreover, OGCIO has launched the Elderly IT Learning Portal (the Portal) since October 2019 to facilitate the elderly to learn digital skills anytime and anywhere according to their personal needs and interests. The Portal has launched 33 learning modules so far, covering online shopping, "iAM Smart", "HKeMobility", cloud-based tools and electronic payment tools, etc. and recorded over 13 million access. The expenditure for 2022-23 was around \$1.4 million and the estimated expenditure for 2023-24 is around \$1.5 million.

ITIB222

(Question Serial No. 1289)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (3) Information Technology in the Community

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Under this Programme, the "Matters Requiring Special Attention in 2023-24" of the Office of the Government Chief Information Officer (OGCIO) include its continuous efforts to support local information and communications technology (ICT) industry to take part in international competitions and major ICT collaboration activities with the Mainland. In this connection, please inform this Committee of the following:

- 1. the expenditure on the related work in the past year;
- 2. the international competitions that the local industry have participated with the Government's support;
- 3. the activities co-organised with the Mainland;
- 4. the effectiveness of these activities:
- 5. the new plans, if any, in the new financial year 2023-24;
- 6. the expected expenditure and implementation timetable; and
- 7. the key performance indicators.

Please list out the information and provide a breakdown of the details.

Asked by: Hon NG Kit-chong, Johnny (LegCo internal reference no.: 33)

Reply:

The Office of the Government Chief Information Officer (OGCIO) is committed to promoting and supporting the participation of local information and communications technology (ICT) industry in international competitions and collaboration with the Mainland in organising large-scale ICT activities. The major initiatives include-

1) "Maker in China" SME Innovation and Entrepreneurship Global Contest - Hong Kong Chapter

OGCIO has been organising the "Maker in China" SME Innovation and Entrepreneurship Global Contest - Hong Kong Chapter (the Contest) in collaboration with the Ministry of Industry and Information Technology and the Liaison Office of the Central People's Government in the Hong Kong Special Administrative Region in 2019, 2021 and 2022. The Contest serves to facilitate Mainland investors and enterprises to understand the top notch innovation and technology (I&T) products and solutions from Hong Kong, and at the same time to help I&T-related SMEs develop business opportunities in the Greater Bay Area and the Mainland. The 2022 edition of the Contest was held in August 2022 with a total expenditure of about \$1 million, attracting the participation of more than 150 I&T teams, which was a record high.

Among those participants, the Second Runner-up of the Contest has subsequently won the Guangdong-Hong Kong-Macao Greater Bay Area High-value Patent Portfolio Layout Competition 2022 (BHC). Beating more than 3 900 entries from all over the country, it became the first Hong Kong team to win a Gold Award in the BHC.

OGCIO will continue to co-organise the Contest with the relevant Mainland authorities in 2023-24. The estimated expenditure will be worked out upon finalisation of the details of the Contest.

2) The First Hong Kong/Shanghai Data Cooperation Forum cum Open Data Challenge 2023

OGCIO and the Shanghai Municipal Commission of Economy and Informatisation will co-organise "The First Hong Kong/Shanghai Data Cooperation Forum cum Open Data Challenge 2023" (the Challenge) from April to August 2023. The purposes of this initiative are to enhance the exchanges between data science talents of the two cities through competitions, training and conferences, and promote the development of digital business ecosystem in the two cities. We will endeavor to promote the active participation of the local ICT industry in the Challenge.

The total expenditure for the initiative is about \$2.5 million. The "Hong Kong/Shanghai Open Data Applications and Solutions" exhibition is expected to attract about 20 000 visitors this year, while around 30 I&T teams are expected to participate in the "Hong Kong/Shanghai Twin Cities Open Data Challenge".

3) Asia Pacific Information and Communications Technology Alliance (APICTA) Awards

OGCIO is committed to encouraging and supporting the local ICT sector to participate in the APICTA Awards. At the 21st APICTA Awards held in Islamabad, Pakistan in December 2022, the delegation of the Hong Kong Special Administrative Region (HKSAR) achieved outstanding results among 14 competing Asia Pacific member-economies, attaining a total of 6 Winner and 10 Merit Awards. To help students widen their horizons, the Government sponsored 6 tertiary students to participate in person at the competition, with a total expenditure of about \$90,000.

With the HKSAR confirmed to be the hosting economy of the APICTA Awards 2023, OGCIO will support the hosting of this competition in Hong Kong at end-2023. The estimated expenditure will be worked out upon finalisation of the details of the event.

4) Other Mainland's ICT Events

In addition, OGCIO has been leading local industry to participate regularly in various ICT events in Mainland, namely the World Internet Conference, the Guangdong-Hong Kong Cloud Computing Conference, the China International Software Expo, the Beijing-Hong Kong Economic Cooperation Symposium and the Guangdong-Hong Kong IoT Summit, etc., with a view to promoting the development of digital economy and next-generation digital technologies (such as 5G applications, Internet of things, blockchain, etc.) and showcasing high quality ICT products and services of Hong Kong, thus creating business opportunities for our local industry. OGCIO will continue to participate in related events in 2023-24. The estimated expenditure will be worked out upon finalisation of the details of the events.

ITIB223

(Question Serial No. 1290)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (3) Information Technology in the Community

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Under this Programme, the "Matters Requiring Special Attention in 2023-24" of the Office of the Government Chief Information Officer include its continued effort to work with relevant Mainland authorities to explore facilitation measures on cross-boundary data flow and to launch a pilot project in the Greater Bay Area. In this connection, please advise this Committee of the following:

- 1. the expenditure for relevant work in the past year;
- 2. the outcome of the relevant work:
- 3. the estimated expenditure for 2023-24;
- 4. the key performance indicators; and
- 5. the pilot projects to be implemented.

Asked by: Hon NG Kit-chong, Johnny (LegCo internal reference no.: 34)

Reply:

The HKSAR Government is now working in collaboration with the Cross-boundary Data Collaboration Working Group (The Working Group) established under the Digital Economy Development Committee (DEDC), to actively look into the practical measures facilitating the flow of data from the Mainland to Hong Kong. The Working Group has conducted a survey earlier, which targeted some local enterprises engaging in cross-boundary business in order to understand the challenges they faced in connection with data flow. The Working Group is now exploring facilitation measures having regard to the findings of the survey.

Moreover, the HKSAR Government is liaising closely with the corresponding Mainland authorities and working together to explore the related policies and measures, with a view to launching a pilot project in the Greater Bay Area within this year. Details will be announced in due course. The Office of the Government Chief Information Officer will take forward the work mentioned above with its existing manpower and resources.

ITIB224

(Question Serial No. 1291)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (3) Information Technology in the Community

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Under this Programme, the "Matters Requiring Special Attention in 2023-24" of the Office of the Government Chief Information Officer include organising the Hong Kong ICT Awards 2023 and Digital Economy Summit 2023. In this connection, please inform this Committee of the following:

- 1. the expenditure involved in organising the events;
- 2. the event details and timetables; and
- 3. the expected key performance indicators.

Asked by: Hon NG Kit-chong, Johnny (LegCo internal reference no.: 35)

Reply:

The Office of the Government Chief Information Officer (OGCIO) has been organising the Hong Kong ICT Awards (HKICTA) since 2006 to recognise and promote outstanding information and communications technology (ICT) products and applications. Co-organised with the selected local industry and professional bodies, the HKICTA 2023 consists of 8 award categories. The award is expected to be open for application in mid-April by eligible applicants with their products and solutions. Adjudication will be conducted in July and August to select the award winners of all the categories. The Award of the Year will be selected from those winners by the Grand Judging Panel in September and the Awards Presentation Ceremony will be held in October.

HKICTA has become an annual flagship event of Hong Kong's ICT industry. The winners will have the opportunity to represent Hong Kong to compete for regional and international awards, including Asia Pacific ICT Alliance Awards, "Maker in China" SME Innovation and

Entrepreneurship Global Contest, Asia Smart App Awards and World Information Technology and Services Alliance Global ICT Excellence Awards, etc. The remarkable achievements of the Hong Kong teams can be seen in the awards and prizes they received over the years. Many of their products have also gone global.

The estimated expenditure for this year's HKICTA is \$6.3 million.

Moreover, the Digital Economy Summit (DES) 2023 (rebranded from the Internet Economy Summit this year) organised jointly by OGCIO and Cyberport in April is an annual signature event to promote Hong Kong as the region's digital economic hub. Themed "Emerging with Resilience: Fostering a Smarter Future", DES 2023 will gather, from local and overseas, leaders and pioneers of the ICT industry as well as business leaders, to share their insights and examine together the visions of the industry development in the global and regional arenas. DES 2023 will present a series of thematic forums, facilitating in-depth discussions on a wide array of topics such as how the exponential growth of smart city innovations will benefit the sustainable development of society, as well as how enterprises and members of the public can make contributions to the smart city development which will in turn drive economic growth and industry transformation in the era of digital economy. Furthermore, the DES will host business matching sessions to facilitate business exchanges as well as foster investment and collaboration opportunities for information and technology companies and investors.

The DES 2023 to be held on 13 to 14 April 2023 is expected to attract around 4 000 attendance. The estimated expenditure for the Summit is about \$4.4 million.

ITIB225

(Question Serial No. 1292)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (2) Information Technology Infrastructure and Standards

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Under this Programme, the "Matters Requiring Special Attention in 2023-24" of the Office of the Government Chief Information Officer include the enhancement of "iAM Smart" to realise "single portal for online government services" and support bureaux and departments to provide citizens with one-stop digitalised services by adopting "iAM Smart". The Financial Secretary has also mentioned in paragraph 51 of the Budget Speech that he will earmark a sum of about \$200 million to enhance the operation of the "iAM Smart" platform, so as to provide members of the public with more convenient one-stop digital services and improve user experience. In this connection, please inform this Committee of the details of the expenditure, specific plans and implementation timetables of these enhancement measures.

Asked by: Hon NG Kit-chong, Johnny (LegCo internal reference no.: 36)

Reply:

The Office of the Government Chief Information Officer introduced the detailed proposal on enhancing the "iAM Smart" platform to realise "single portal for online government services" to the Panel on Information Technology and Broadcasting of the Legislative Council in March this year, including simplifying the registration processes, updating application design and functions, improving user interfaces and streamlining service workflow, strengthening system capacity, performance and security, etc. We will seek funding approval from the Finance Committee for implementing the project, with a view to commencing the tendering process in the second half of this year. The new features of "iAM Smart" are expected to be rolled out in phases over the next 2 years.

ITIB226

(Question Serial No. 1293)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (1) Use of Information Technology in Government

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Under this Programme, the work of the Office of the Government Chief Information Officer includes: "continuing the promotion of information security awareness in the Government and the monitoring of the compliance of bureaux and departments with the Government's information security requirements". Please advise this Committee of the following: What was the expenditure for the above work in 2022-23? What were the results of promoting information security in government departments? What work has been done? What will be the new work plan for 2023-24? What will be the estimated expenditure? What are the key performance indicators?

Asked by: Hon NG Kit-chong, Johnny (LegCo internal reference no.: 37)

Reply:

The Office of the Government Chief Information Officer (OGCIO) has been enhancing the information security of bureaux/departments (B/Ds) through various initiatives.

In 2022-23, OGCIO continued to organise various seminars and training programmes on information security, including refresher courses on information security management and response for Information Technology (IT) Security Officers and Incident Response Teams of all B/Ds; thematic seminars and professional training on cyber security for IT security management staff and professionals; information security awareness training for all B/Ds' staff; and large-scale inter-departmental cyber security drills, etc. The associated work was implemented with existing manpower and resources.

In addition, OGCIO has, in 2022-23, started a new round of independent information security compliance audits for B/Ds to ensure the strict compliance with government security requirements by B/Ds; conducted security testing for government websites and mobile applications to assist B/Ds in the early identification of potential risks and vulnerabilities; and

commenced a new round of government IT security policy review. The expenditure for the relevant work in 2022-23 was about \$5.51 million.

In 2023-24, we will continue to review and update the government IT security policies and guidelines to keep pace with technology development, industry best practices and Government's information security requirements. We will also continue to conduct independent information security compliance audits for B/Ds and security testing for the remaining government websites and mobile applications. The estimated expenditure for the above items in 2023-24 is about \$9.16 million.

- End -

ITIB227

(Question Serial No. 2084)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (2) Information Technology Infrastructure and Standards

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Under this Programme, the "Matters Requiring Special Attention in 2023-24" of the Office of the Government Chief Information Officer OGCIO include completing the implementation of the Multi-functional Smart Lampposts pilot scheme. Please advise this Committee of the expenditure for the implementation of the Multi-functional Smart Lampposts pilot scheme in the past year. What are the current progress and results? What is the expenditure for 2023-24? When will the scheme be completed and what will be the follow-up work?

Asked by: Hon NG Kit-chong, Johnny (LegCo internal reference no.: 38)

Reply:

Under the Multi-functional Smart Lampposts Pilot Scheme (Pilot Scheme), some 400 smart lampposts with smart devices will be installed in phases in 4 urban locations (namely Central and Admiralty, Wan Chai district, Yau Tsim Mong district and Kwun Tong/Kai Tak Development Area) with higher pedestrian and vehicular flow, with a view to collecting real-time city data such as air quality and traffic flow as well as supporting the development of digital infrastructure for 5G services.

At present, over 100 smart lampposts have been put into operation in Kwun Tong district, Kowloon City district, Kai Tak Development Area, Yau Tsim Mong district and Wan Chai district. City data collected from the smart lampposts are released in machine-readable formats via the Public Sector Information (PSI) portal (data.gov.hk) for free use by the public. Having regard to actual circumstances, the Office of the Government Chief Information Officer and the Highways Department will take forward the installation works in phases, with a view to completing the installation works of the remaining some 300 smart lampposts by 2023.

As of December 2022, the expenditure for the Pilot Scheme is around \$50 million, covering the procurement and installation of smart lampposts and smart devices, management of smart devices and data transmission systems, telecommunications network connection facilities, ancillary road works as well as the operating expenditure. The estimated expenditure for 2023-24 is around \$56 million.

Based on the experience of the Pilot Scheme, we will continue to encourage and support departments to install more smart and innovative applications on smart lampposts. Smart lampposts will be deployed as the standard infrastructure in new development areas under planning or construction, facilitating departments to install suitable smart devices on the lampposts as and when required. As for developed areas, we will replace existing lampposts with smart lampposts in suitable urban locations to fulfil the requirements of individual departments.

ITIB228

(Question Serial No. 0117)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

Programme: (2) Information Technology Infrastructure and Standards

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Under Programme 2, the Innovation, Technology and Industry Bureau will continue to implement the "iAM Smart" Platform in the coming year. The Government is developing a business version of "iAM Smart" to enhance and streamline the identity authentication procedures for enterprises, especially the small and medium enterprises. What is the expected completion date of relevant development work? What are the manpower and expenditure involved? What is the expected date of launch of the business version of "iAM Smart"? Upon the introduction of this project into the market, how many resources are expected to be allocated to promote this project to enterprises?

Asked by: Hon NG Wing-ka, Jimmy (LegCo internal reference no.: 9)

Reply:

The Office of the Government Chief Information Officer (OGCIO) and the Hong Kong Monetary Authority commenced in the third quarter of 2022 a Proof-of-Concept (PoC) study on digital corporate identity application in the Commercial Data Interchange (CDI). It aims at exploring the use of Public Key Infrastructure (PKI) technology to improve and simplify the corporate identity verification process, in support of the consent process by corporate users in CDI for data sharing. The result will serve as a reference for the development of the business version of "iAM Smart". The study is currently in progress, and we will announce the next stage of plan in due course. The abovementioned work is undertaken with the existing manpower and resources of the OGCIO. The expenditure involved cannot be separately singled out and itemised.

ITIB229

(Question Serial No. 0129)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (2) Information Technology Infrastructure and Standards

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Under Programme (2), the Office of the Government Chief Information Officer (OGCIO) will continue the implementation of the "IT Innovation Lab in Secondary Schools" Programme and the "Knowing More About IT" Programme, as well as providing support for each publicly funded secondary school to organise IT-related activities in the coming year. Since the programmes have been well received, does the Government have any plan to regularise these programmes? If yes, what are the details? If not, what are the reasons? Moreover, will the Government bring the maximum amount of financial assistance of the "Knowing More About IT" Programme into line with that of the "IT Innovation Lab in Secondary Schools" Programme, that is, the maximum amount of funding support for each publicly funded primary school to be increased from \$400,000 to \$1 million? If yes, what are the details? If not, what are the reasons?

Asked by: Hon NG Wing-ka, Jimmy (LegCo internal reference no.: 19)

Reply:

The "IT Innovation Lab in Secondary Schools" programme launched in the 2020/21 school year was originally scheduled to complete in August 2023. In view of the overwhelming responses from schools and the industry where 90% of the publicly-funded secondary schools have already submitted funding applications, we proposed in the 2023-24 Budget to allocate an additional funding of \$300 million to extend the existing "IT Innovation Lab in Secondary Schools" programme and continue the provision of funding support of up to \$1 million to each publicly-funded secondary school for organising Information Technology (IT)-related extra-curricular activities (ECAs) for three school years from 2023/24 to 2025/26. On the other hand, as of February 2023, more than 320 primary schools have applied for funding from the "Knowing More About IT" programme launched in September 2021. We will encourage more primary schools to participate in the programme. We will also review the programme arrangement of the 2 programmes in due course in the light of the implementation

experiences and the latest development of STEAM education in primary and secondary schools with a view to continuously fostering an IT learning atmosphere at schools.

Regarding the funding amount of the "Knowing More About IT" programme, in view of the ECAs organised by primary schools are relatively simpler thus less professional services and equipment than that of secondary schools are required. The number of students participating in the activities is also relatively smaller as majority of the participants are upper grades students. We consider, from our experience of implementing this programme, that \$400,000 is an appropriate amount of funding to support primary schools in organising relevant ECAs having regard to their actual situation and their students' needs.

ITIB230

(Question Serial No. 0130)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (3) Information Technology in the Community

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Under Programme (3), the Office of the Government Chief Information Officer (OGCIO) will continue to work with relevant Mainland authorities to explore facilitation measures on cross-boundary data flow and to launch a pilot project in the Guangdong-Hong Kong-Macao Greater Bay Area (GBA). What is the latest progress of the related research work? What are the manpower and expenditure involved in the research work by OGCIO in this year and the coming year respectively? What are the implementation details of the pilot cross-boundary dataflow project in the GBA in the coming year? What are the manpower and expenditure involved in the implementation work?

Asked by: Hon NG Wing-ka, Jimmy (LegCo internal reference no.: 20)

Reply:

The HKSAR Government is now working in collaboration with the Cross-boundary Data Collaboration Working Group (The Working Group) established under the Digital Economy Development Committee (DEDC), to actively look into the practical measures facilitating the flow of data from the Mainland to Hong Kong. The Working Group has conducted a survey earlier, which targeted some local enterprises engaging in cross-boundary business in order to understand the challenges they faced in connection with data flow. The Working Group is now exploring facilitation measures having regard to the findings of the survey.

Moreover, the HKSAR Government is liaising closely with the corresponding Mainland authorities and working together to explore the related policies and measures, with a view to launching a pilot project in the Greater Bay Area within this year. Details will be announced in due course. The Office of the Government Chief Information Officer will take forward the work mentioned above with its existing manpower and resources.

ITIB231

(Question Serial No. 0150)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (2) Information Technology Infrastructure and Standards

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

With a view to promoting the development of scientific research and artificial intelligence (AI) industries in Hong Kong, it was announced in the 2023-24 Budget that a feasibility study on the development of an AI Supercomputing Centre will be conducted. How many proposals have the Office of the Government Chief Information Officer received from consulting firms so far? What are the manpower and expenditure involved in the selection of consulting firms? What is the estimated expenditure for engaging a consultancy team to conduct the study?

Asked by: Hon NG Wing-ka, Jimmy (LegCo internal reference no.: 1001)

Reply:

The Office of the Government Chief Information Officer (OGCIO) invited consultancy proposals for the feasibility study on the development of an Artificial Intelligence Supercomputing Centre on 23 February 2023. The deadline for submission of proposals is 6 April 2023. We plan to commence the consultancy study in May with a view to completing the study in 2023-24. The related work will be implemented with the existing resources of OGCIO. Since the evaluation of consultancy proposals is still underway, we are unable to provide information such as number of proposals received, contract value, etc. at this stage.

ITIB232

(Question Serial No. 3092)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (3) Information Technology in the Community

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

According to paragraph 53 of the Budget Speech, the Government will set aside \$500 million for Cyberport to launch a Digital Transformation Support Pilot Programme, under which subsidies will be provided on a one-to-one matching basis to assist small and medium enterprises (SMEs) in applying ready-to-use basic digital solutions, thus facilitating their digitalisation. When will the Programme be launched? What will be the ceiling of subsidies for each SME? What will be the manpower and expenditure involved in vetting cases under the Programme in the coming year?

Asked by: Hon NG Wing-ka, Jimmy (LegCo internal reference no.: 44)

Reply:

The HKSAR Government has been working in collaboration with the sub-group on digital transformation established under the Digital Economy Development Committee (DEDC) to devise feasible measures to drive digital transformation across industries with a view to accelerating the development of Hong Kong's digital economy. It is announced in the 2023-24 Budget to earmark \$500 million for Cyberport to launch the Digital Transformation Support Pilot Programme (the Pilot Programme), which will provide subsidies on a one-to-one matching basis to assist small and medium enterprises (SMEs) that have little or no prior exposure to digital technology in adopting ready-to-use basic digital solutions, thus expediting the realisation of digital transformation.

The DEDC will prioritise the relevant industries to be supported through the Pilot Programme. We expect that each company can apply for a solution of up to \$100,000, thus receiving a maximum subsidy of \$50,000. We expect that at least 8 000 eligible SMEs will be benefitted.

Cyberport is finalising the details of the Pilot Programme. We will consult the Panel on Information Technology and Broadcasting and seek funding approval from the Finance Committee for the implementation of the programme as soon as possible.

- End -

ITIB233

(Question Serial No. 0494)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (1) Use of Information Technology in Government

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

The Financial Secretary stated in 2022 that he would conduct a one-off e-Government audit in the coming three years with the aim of reviewing the progress made by government departments in using technologies, as well as assisting them in enhancing the efficiency of public service provision through the adoption of innovation and technology (I&T) solutions. Please advise this Committee whether the e-Government audit has commenced? If yes, what is the progress? If not, when will it commence?

Asked by: Hon QUAT Elizabeth (LegCo internal reference no.: 3)

Reply:

The e-Government audit is being implemented in two phases. The audit work for the 35 bureaux/departments (B/Ds) under phase 1 already commenced in December 2022. It is expected to complete by the end of June 2023 and the implementation of recommended digital government initiatives will commence thereafter. As for the remaining 38 B/Ds under phase 2, it is expected that the audit work will commence in the second quarter of 2023 for completion by end-2023. We target to, by leveraging advanced technology, launch 100 digital government initiatives by end-2025 for providing more services that bring convenience and benefits to the public and the business sector.

ITIB234

(Question Serial No. 0495)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (2) Information Technology Infrastructure and Standards

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is stated in the Budget that \$200 million will be earmarked to enhance the operation of the "iAM Smart" platform, so as to provide members of the public with more convenient one-stop digital services and improve user experience. What are the details of the enhancement and upgrade of "iAM Smart"? Will there be any indicators to assess the effectiveness?

Asked by: Hon QUAT Elizabeth (LegCo internal reference no.: 4)

Reply:

The Chief Executive announced in his 2022 Policy Address the initiative to expedite the building of a smart government, including turning all government services online by 2024, and promoting the use of the "iAM Smart" platform to provide one-stop digital services by government departments by 2025.

The Financial Secretary has earmarked a sum of about \$200 million in the 2023-24 Budget to enhance the operation of the "iAM Smart" platform, so as to provide members of the public with more convenient one-stop digital services and to improve user experience. The wider use of "iAM Smart" will further promote "Smart Government" and the digital transformation of the whole society.

The Office of the Government Chief Information Officer introduced the detailed proposal on enhancing the "iAM Smart" platform to realise "single portal for online government services" to the Panel on Information Technology and Broadcasting of the Legislative Council in March this year, including simplifying the registration processes, updating application design and functions, improving user interfaces and streamlining service workflow, strengthening system capacity, performance and security, etc. We will seek funding approval from the Finance Committee for implementing the project, with a view to commencing the tendering process in the second half of this year. The new features of "iAM Smart" are expected to be rolled

out in phases over the next 2 years. We will strive to increase the annual usage of "iAM Smart" (total transactions) from 5 million in 2021 to 17.5 million in 2025.

ITIB235

(Question Serial No. 0511)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

Programme: (3) Information Technology in the Community

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

The Government will earmark \$265 million to launch a dedicated incubation programme for smart living start-ups, under which a maximum grant of \$500,000 as well as targeted professional support and counselling will be provided. It is anticipated that about 90 eligible start-ups will benefit from the programme in each of the next 5 years. Please inform this Committee of the details of the areas of Smart Living to be funded under the said programme. Will the scope of grant be expanded to include Smart Mobility, Smart Environment, Smart People and Smart Economy?

Asked by: Hon QUAT Elizabeth (LegCo internal reference no.: 20)

Reply:

As regards the incubation programme dedicated for smart living start-ups, Cyberport anticipates that around 90 smart living start-ups will benefit from the programme every year within the coming 5 years, including the provision of a maximum grant of \$500,000 for each of them. Cyberport will also provide tailored entrepreneurial and technical training for these start-ups, including recruiting mentors from relevant industries to advise them on product development and business planning.

Cyberport is finalising the relevant details of the programme. We will consult the Panel on Information Technology and Broadcasting and seek funding approval from the Finance Committee for the implementation of the programme as soon as possible.

ITIB236

(Question Serial No. 1576)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (2) Information Technology Infrastructure and Standards

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

The Government will continue the implementation of the IT Innovation Lab in Secondary Schools Programme and the Knowing More About IT Programme, and will make an additional funding of \$300 million to continue providing a funding of up to \$1 million to each publicly-funded secondary school in the next 3 academic years for the organisation of IT-related extra-curricular activities. In this connection, will the Government advise this Committee of the following:

- 1. What are the numbers of applications and total amounts of subsidies approved under the IT Innovation Lab in Secondary Schools Programme and the Knowing More About IT Programme?
- 2. Will projects or materials be prepared to reduce the administration and preparation work of teachers with a view to attracting applications from schools?

Asked by: Hon QUAT Elizabeth (LegCo internal reference no.: 42)

Reply:

1. As at February 2023, the implementation status of the 2 programmes is as follows:

	Number of Eligible Schools	Number of Applied Schools	Number of Schools Approved	Approved Amount (\$ million)
"IT Innovation Lab in Secondary Schools"	513	459	430	262
programme				

	Number of Eligible Schools	Number of Applied Schools	Number of Schools Approved	Approved Amount (\$ million)
"Knowing More About IT"	537	323	289	81
programme				

2. The Office of the Government Chief Information Officer (OGCIO) has drawn up reference lists of information technology (IT) equipment and sample IT activities for schools' reference, and set up an advisory committee comprising experts from the IT industry, academia and education sector to provide advice and recommendations on the programmes, including the reference lists of equipment as well as the nature and types of IT-related extra-curricular activities to assist schools in designing suitable extra-curricular activities having regard to their actual circumstances and students' needs. OGCIO has also set up one-stop support centre to actively promote the programmes to schools, to handle the enquiries from schools and teachers about the application procedure, application progress, and to provide professional technical advice and support on the procurement of equipment, professional services, and the arrangement for activities, etc.

ITIB237

(Question Serial No. 3026)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (2) Information Technology (IT) Infrastructure and Standards,

(3) IT in the Community

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is proposed in this year's Budget many forward-looking measures on innovation and technology (I&T) development, including studying the development of an Artificial Intelligence (AI) Supercomputing Centre, promoting green finance and green technology, etc. It has also proposed strengthening the development of Web3, enhancing "iAM Smart" and further consolidating the foundation and application of technology research. However, Hong Kong's I&T development is facing the bottlenecks of talent, land and data application. The Government must do more on nurturing talent, consolidating data and data interchange. In this connection, will the Government advise this Committee of the following:

- 1. It is reported that the investment required for the Supercomputing Centre may amount to billions or even tens of billions of dollars, not to mention the high electricity charges for daily operation because of uneconomical power usage effectiveness (PUE) as Hong Kong is situated in a region at lower latitudes. Will the Government consider adopting a public-private partnership (PPP) approach or a "Build-Operate-Transfer" (BOT) approach to operate the Supercomputing Centre after its establishment? Such practice will not only effectively alleviate the financial burden, but will also encourage and support commercial organisations and private enterprises to actively participate in the establishment of the Supercomputing Centre.
- 2. Many places in the Mainland have also started making great efforts to develop these technologies. However, even when we have established the Supercomputing Centre in Hong Kong, there is no corresponding policies on cross-regional joint technology research, application innovation and sharing of resources. Will the Government consider in future studying with relevant Mainland departments to achieve cross-provincial data interflow through opening up cross-regional resources to complement each other, with a view to revitalising the local economy through the enhancement of data infrastructure?

- 3. Since the Supercomputing Centre will run large-scale models that rely on massive database information, there may be two major hidden dangers: leakage of personal data and commercial secrets as well as provision of false information. Will the Government review existing regulations for avoidance of the potential legal risks when appointing a consulting firm to carry out a feasibility study on the development of the Supercomputing Centre?
- 4. How will the provision of \$50 million be allocated to expedite the Web3 ecosystem development? What is amount of funding that the Government will inject in this area?

<u>Asked by</u>: Hon SHANG Hailong (LegCo internal reference no.: 7) Reply:

1. to 3. The Office of the Government Chief Information Officer invited consultancy proposals for the feasibility study on the development of an Artificial Intelligence (AI) Supercomputing Centre on 23 February 2023. The consultant is required to assess the actual demand for AI supercomputing services in Hong Kong, and make recommendations on the scale of investment, the optimal operation model as well as the implementation strategy of the supercomputing centre. The deadline for submission of proposals is 6 April 2023. We plan to commence the consultancy study in May with a view to completing the study in 2023-24. Details of the development approach and implementation plan of the supercomputing centre will be subject to the findings and recommendations of the consultancy study.

On promoting cross-boundary data flow, the HKSAR Government is liaising closely with the corresponding Mainland authorities and working together to explore the related policies and measures, with a view to launching a pilot project in the Greater Bay Area within this year. Details will be announced in due course.

4. In view of the overall development trend of Web3, Cyberport established the Web3 Hub@Cyberport early this year. At present, Cyberport has a community of over 1 900 start-ups and technology companies, including a number of Web3-related technology companies such as Fintech, smart living and digital entertainment companies. It is announced in the 2023-24 Budget that we will allocate \$50 million to support Cyberport in accelerating the development of the Web3 ecosystem that will in turn enable Hong Kong's industry, enterprises and young people to better grasp this frontier development. Cyberport is finalising relevant details for consulting the Panel on Information Technology and Broadcasting as soon as possible.

ITIB238

(Question Serial No. 3027)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (1) Use of Information Technology (IT) in Government,

(2) IT Infrastructure and Standards

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is mentioned in the Budget Speech that the Government "will earmark a sum of about \$200 million to enhance the operation of the "iAM Smart" platform, so as to provide members of the public with more convenient one-stop digital services and improve user experience. The wider use of "iAM Smart" will further promote "Smart Government" and digital transformation of the whole society." Will the Government advise this Committee of the following:

- 1. Since the outbreak of the COVID-19 pandemic in Hong Kong 3 years ago, how many resources have the Government devoted to promote e-Government services, including speeding up the adoption of electronic processing for works submission, so as to facilitate civil servants and employees of relevant sectors to work from home? What are the key initiatives implemented in this regard? What progress has been made?
- 2. Will the Government consider continuing to simplify the registration procedures for "iAM Smart" as well as to tie in with the "iAM Smart" Sandbox Programme for public and private organisations to conduct mock-up tests and integration tests on the Application Programming Interface (API) functions so that more functions will be available with "iAM Smart" in the near future with a view to providing incentives for people to download "iAM Smart"?
- 3. Please tabulate the government services accessible through "iAM Smart" for Hong Kong people and the responsible government departments.

Asked by: Hon SHANG Hailong (LegCo internal reference no.: 8)

Reply:

1. Since the outbreak of COVID-19, the Government has further strengthened its efforts to promote e-Government services, with a view to facilitating the public and enterprises to continue using various government services through electronic means while maintaining social distancing. For instance, the public may submit their applications electronically for various subsidy or relief schemes, make appointment for COVID-19 testing and vaccination, access vaccination and testing records, and apply for electronic consumption vouchers, etc.

The Government has been committed to promoting the application of technology by bureaux and departments (B/Ds) to enhance operational efficiency and continue to improve public services. Currently, the Government have made good progress on the implementation of e-services. As at end-2022, electronic submission options have been made available for over 1 200 licence applications and government services. Nearly 600 payment items and 880 applicable licences and service have also been equipped with electronic payment of fees and documents pick-up options respectively.

Regarding payment of government fees, the Office of the Government Chief Information Officer (OGCIO) has provided technical solutions to support B/Ds in implementing online services that accept various electronic and mobile payment methods (e.g. credit card, Payment by Phone Services (PPS), Apple Pay, Google Pay, e-Cheque, etc.). Since November 2019, the public can also settle various government fees payment by using the Faster Payment System (FPS).

Starting from December 2022, the FSP payment function has been extended to cover the payment of online government services. Currently, more than 20 online government services, including designated online services of the Immigration Department and the Transport Department, accept payment through the FPS. We expect that more online government services will gradually support FPS to bring further convenience to the public.

In addition, with the funding of about \$200 million approved by the Finance Committee of the Legislative Council in 2019, the Buildings Department (BD) is spearheading the development of an Electronic Submission Hub (ESH) to receive and process building plans and relevant applications submitted under the Buildings Ordinance. ESH is being launched in three stages, with the first stage launched in June 2022. Its full implementation is targeted at the second quarter of 2025.

During the pandemic, BD also put in place measures for facilitating site supervision, including allowing relevant personnel to carry out site supervision of certain non-critical procedures by videotelephony, and using videotelephony to supervise the prefabrication and assembly work conducted in factories in the Mainland. In view of the satisfactory results, BD is reviewing the plausibility of regularising the measures. The relevant work is handled by BD's existing manpower.

Regarding the expenditure related to e-Government services, B/Ds generally implement their e-Government services with their existing manpower and resources. If necessary, B/Ds can apply for funding through the Capital Works Reserve Fund Head 710

Computerisation to implement their e-Government services. OGCIO does not maintain the information on individual B/Ds' expenditures related to promoting the development of e-Government services.

- 2. The Financial Secretary has earmarked a sum of about \$200 million in the 2023-24 Budget to enhance the operation of the "iAM Smart" platform, so as to provide members of the public with more convenient one-stop digital services and to improve user experience.
 - OGCIO introduced the detailed proposal on enhancing the "iAM Smart" platform to realise "single portal for online government services" to the Panel on Information Technology and Broadcasting of the Legislative Council in March this year, including simplifying the registration processes, updating application design and functions, improving user interfaces and streamlining service workflow, strengthening system capacity, performance and security, etc. We will seek funding approval from the Finance Committee for implementing the project, with a view to commencing the tendering process in the second half of this year. The new features of "iAM Smart" are expected to be rolled out in phases over the next 2 years.
- 3. At present, 46 B/Ds and public organisations, as well as 12 private organisations, have adopted "iAM Smart", providing more than 260 online services (please refer to https://www.iamsmart.gov.hk/en/e-service.html for the service list).

ITIB239

(Question Serial No. 3029)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (2) Information Technology Infrastructure and Standards

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

During the pandemic, many enterprises and members of the public could not travel to the Mainland to handle commerce and trade as well as livelihood matters. Will the Government consider making use of digital transformation to expedite the discussion with the Mainland and Macao on collaboration between their identity authentication systems and the "iAM Smart" Platform in Hong Kong, including implementing the mechanism for mutual recognition of electronic signature certificates and performing digital signing with legal backing, with a view to promoting "cross-boundary government services" and bringing convenience to the business sector and the public? If yes, what are the details; if not, what are the reasons?

Asked by: Hon SHANG Hailong (LegCo internal reference no.: 10)

Reply:

We are exploring the collaboration opportunities between the identity authentication systems of other places and "iAM Smart", such as making use of mutual recognition of electronic signature certificates to promote cross-boundary e-commerce applications, facilitating Hong Kong citizens to use "iAM Smart" to log in different online services, conduct online transactions, and perform digital signing with legal backing, etc., in different places (including the Greater Bay Area). Among others, in supporting the implementation of "cross-boundary government services", we are currently exploring with relevant departments in Guangdong Province to make use of "iAM Smart" as one of the means to register for an account on the "Unified Identity Authentication Platform of Guangdong Province", so as to enable Hong Kong residents to use the services of Guangdong Province more conveniently and swiftly.

ITIB240

(Question Serial No. 0670)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (2) Information Technology Infrastructure and Standards

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

During 2023-24, the Office of the Government Chief Information Officer (OGCIO) will complete the implementation of the Multi-functional Smart Lampposts Pilot Scheme (Pilot Scheme). Will the Government advise this Committee of the details of the Pilot Scheme, including the number of multi-functional smart lampposts to be installed (a breakdown by district), the implementation timetable and estimated expenditure?

Asked by: Hon SHIU Ka-fai (LegCo internal reference no.: 28)

Reply:

Under the Multi-functional Smart Lampposts Pilot Scheme (Pilot Scheme), some 400 smart lampposts with smart devices will be installed in phases in 4 urban locations (namely Central and Admiralty, Wan Chai district, Yau Tsim Mong district and Kwun Tong/Kai Tak Development Area) with higher pedestrian and vehicular flow, with a view to collecting real-time city data such as air quality and traffic flow as well as supporting the development of digital infrastructure for 5G services.

At present, over 100 smart lampposts have been put into operation in Kwun Tong district, Kowloon City district, Kai Tak Development Area, Yau Tsim Mong district and Wan Chai district. Having regard to actual circumstances, the Office of the Government Chief Information Officer and the Highways Department will take forward the installation works in phases, with a view to completing the installation works of the remaining some 300 smart lampposts by 2023. The devices currently installed on the smart lampposts include LED lighting, meteorological sensors, air quality sensors, thermal detectors, radio-frequency identification tags, Geo-QR codes, Bluetooth beacons and Light Detection and Ranging (LiDAR). In 2023-24, the estimated expenditure for the installation of smart lampposts is around \$56 million. The numbers of lampposts to be installed are provided below:

District	Estimated No. of Lampposts	
Kwun Tong/Kai Tak Development Area	About 130	
Yau Tsim Mong District	About 70	
Wan Chai District	About 30	
Central/Admiralty	About 60	

ITIB241

(Question Serial No. 0671)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (2) Information Technology Infrastructure and Standards

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

During 2023-24, the Office of the Government Chief Information Officer will collaborate with the government of Guangdong Province to promote the smart city development in the Greater Bay Area through various initiatives, including exploring the use of "iAM Smart" as one of the means for real name identity authentication on the "Unified Identity Authentication Platform of Guangdong Province". In this connection, please inform this Committee of the relevant details, including the functions and purposes of the real name identity authentication to be implemented, the implementation timetable (if any) and the estimated expenditure involved.

Asked by: Hon SHIU Ka-fai (LegCo internal reference no.: 29)

Reply:

The Office of the Government Chief Information Officer ("OGCIO") and relevant government departments of the Guangdong Province are jointly exploring the use of "iAM Smart" as one of the real-name identity authentication channels for Hong Kong residents to register for the account on the "Unified Identity Authentication Platform of Guangdong Province" ("Authentication Platform"), so as to facilitate coordinated smart city development in the Greater Bay Area. We are actively exploring with the Guangdong Province the technical solutions to connect with the Authentication Platform, while other operational details will be subject to discussions between both parties. At the present stage, the related studies and research work are conducted by OGCIO with its existing manpower and resources.

ITIB242

(Question Serial No. 3520)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (3) Information Technology in the Community

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

One of the duties of the Innovation, Technology and Industry Bureau is to "monitor the implementation of funding schemes and support programmes under the Innovation and Technology Fund". In this connection, will the Government inform this Committee of the following:

1. It is mentioned in the Budget that "over \$260 million will be reserved for Cyberport to nurture smart living start-ups". What are the specific plan and timetable for the work? What are the estimated expenditure, with a breakdown of the details, and its coverage? Will key performance indicators and evaluation systems be set to ensure the efficiency of resource utilisation?

<u>Asked by</u>: Hon SO Cheung-wing (LegCo internal reference no.: 31) Reply:

As regards the incubation programme dedicated for smart living start-ups, Cyberport anticipates that around 90 smart living start-ups will benefit from the programme every year within the coming 5 years, including the provision of a maximum grant of \$500,000 for each of them. Cyberport will also provide tailored entrepreneurial and technical training for these start-ups, including recruiting mentors from relevant industries to advise them on product development and business planning.

Cyberport is finalising the relevant details of the programme. We will consult the Panel on Information Technology and Broadcasting and seek funding approval from the Finance Committee for the implementation of the programme as soon as possible.

ITIB243

(Question Serial No. 1880)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (2) Information Technology Infrastructure and Standards

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is mentioned in paragraph 51 of the Budget that the Government will earmark a sum of about \$200 million to enhance the operation of the "iAM Smart" platform, so as to provide members of the public with more convenient one-stop digital services and improve user experience, as well as to further promote "Smart Government" and digital transformation of the whole society. In this connection, please inform this Committee of the following:

- What are the numbers of services supported by the "iAM Smart" platform for individuals and businesses respectively since its launch?
- What are the numbers of user-times of the "iAM Smart" platform since its launch by category of government services?
- The Government advised earlier that the new trial scheme for the business version of "iAM Smart" is opening for participation by banks and small and medium enterprises. How many government services or funding schemes will be included in the business version of "iAM Smart"?
- What are the estimated expenditure and staffing establishment required for developing the business version of "iAM Smart"? What is the current development progress? Please provide a clear implementation timetable and the details.

Asked by: Hon TAN Sunny (LegCo internal reference no.: 26)

Reply:

At present, 46 Bureaux/Departments and public organisations, as well as 12 private organisations, have adopted "iAM Smart", providing more than 260 online services (please refer to https://www.iamsmart.gov.hk/en/e-service.html for the service list).

Since the launch of "iAM Smart" platform in December 2020, over 1.8 million citizens have been registered as "iAM Smart" users, and more than 33 million accesses and use of the required online services were made through "iAM Smart". Details of usage count by category of government online services are listed as follows:

Government Online Service Category	Usage Count
Anti-epidemic	11 333 000
Culture, Leisure & Sports	6 169 000
Taxes & Duties	4 033 000
Communications & Technology	2 938 000
Health & Medical Services	2 093 000
Transport & Motoring	2 037 000
Employment	1 157 000
Housing & Social Services	961 000
Education & Training	808 000
Government, Law & Order	667 000
Immigration Services	459 000
Business & Trade	274 000
Environment	14 000
Total	32 943 000

Note: In addition, more than 340 000 users have accessed and used the services provided by private organisations through "iAM Smart".

The Office of the Government Chief Information Officer (OGCIO) and the Hong Kong Monetary Authority commenced in the third quarter of 2022 a Proof-of-Concept (PoC) study on digital corporate identity application in the Commercial Data Interchange (CDI). It aims at exploring the use of Public Key Infrastructure (PKI) technology to improve and simplify the corporate identity verification process, in support of the consent process by corporate users in CDI for data sharing. The result will serve as a reference for the development of the business version of "iAM Smart". The study is currently in progress, and we will announce the next stage of plan in due course. The abovementioned work is undertaken with the existing manpower and resources of OGCIO. The expenditure involved cannot be separately singled out and itemised.

ITIB244

(Question Serial No. 1963)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (3) Information Technology in the Community

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is stated in the Budget that the Government will allocate \$50 million to expedite the Web3 ecosystem development by, among other things, organising major international seminars and a wide array of workshops for young people. In connection with this provision, please advise this Committee of the following:

- 1. How long will this provision of \$50 million be used for in the Government's plan? What is the mechanism in place to monitor and review the effectiveness of the use of this provision of \$50 million?
- 2. Apart from organising Web3-related conferences and workshops, what specific types of projects or areas of work will be implemented with this provision so as to expedite the development of the industry ecosystem?
- 3. The Asia Crypto Week had been held in Hong Kong twice. However, it was held in Singapore in these 2 years. In light of this, has the Government ever conducted a review on the effectiveness of these previously held major international seminars and exchange sessions or planned to do so? If yes, what is the result? If not, what are the reasons? Is there any plan for more effective use of this provision of \$50 million to ensure that the activities, such as relevant international seminars, can effectively promote the Web3 ecosystem development?

Asked by: Hon TAN Yueheng (LegCo internal reference no.:7)

Reply:

In view of the overall development trend of Web3, Cyberport established the Web3 Hub@Cyberport early this year. At present, Cyberport has a community of over 1 900 start-ups and technology companies, including a number of Web3-related technology

companies such as Fintech, smart living and digital entertainment companies. It is announced in the 2023-24 Budget that we will allocate \$50 million to support Cyberport in accelerating the development of the Web3 ecosystem, including organising major international seminars and arranging a wide array of workshops for young people, that will in turn enable the industry, enterprises and young people in Hong Kong to better grasp this frontier development.

Cyberport is finalising relevant details for consulting the Panel on Information Technology and Broadcasting as soon as possible.

In addition, the Government has been committed to supporting the industry in organising a variety of large-scale international conferences and seminars to promote industry exchanges on innovation and technology (I&T) development, such as the "Digital Economy Summit" and the "InnoEX" to be held in April this year. The General Support Programme under the Innovation and Technology Fund will also continue to support I&T-related promotion and exchange activities, including conferences, exhibitions, seminars and workshops, in the industry.

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB245

(Question Serial No. 2051)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (2) Information Technology Infrastructure and Standards

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

The Government has indicated that it will conduct a feasibility study on the development of an artificial intelligence (AI) Supercomputing Centre, and the study will be completed in 2023-24. Please advise on the following:

- 1. How much does the Government plan to earmark for the feasibility study? What is the timetable?
- 2. Given that the deadline for submission of consultancy proposals for the feasibility study is 6 April, what is the progress on invitation of proposals? How many consultancy firms have submitted their proposals?
- 3. What is the Government's next plan?

Asked by: Hon TAN Yueheng (LegCo internal reference no.: 4)

Reply:

- 1. The Office of the Government Chief Information Officer (OGCIO) invited consultancy proposals for the feasibility study on the development of an Artificial Intelligence Supercomputing Centre on 23 February 2023. The deadline for submission of proposals is 6 April 2023. We plan to commence the consultancy study in May with a view to completing the study in 2023-24. The related work will be implemented with the existing resources of OGCIO.
- 2. A briefing session for the invitation of proposals was held by OGCIO on 2 March. Around 20 companies have attended. Since the evaluation of consultancy proposals is still underway, we are unable to provide the number of proposals received at this stage.

3.	3. Details of the development approach and implementation plan of the supercomputer centre will be subject to the findings and recommendations of the consultancy study.					
	- End -					

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB246

(Question Serial No. 2052)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (2) Information Technology Infrastructure and Standards

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Regarding the "iAM Smart" platform, please advise on the following:

- 1) How many online services provided by government departments and public and private organisations were integrated and added into "iAM Smart" in the past year? How many government departments and public and private organisations were involved?
- 2) What are the current number of users and the daily average number of services provided through the "iAM Smart" platform?
- 3) Will the Government set a target for including more online services provided by government departments and public and private organisations on the "iAM Smart" platform in the coming year? What are the specific plan or figures?
- 4) Will the Government consider and earmark expenditure to enhance the promotion of the "iAM Smart" platform? What is the plan?

<u>Asked by</u>: Hon TAN Yueheng (LegCo internal reference no.: 5)

Reply:

1) In 2022-23, about 70 new online services from 25 Bureaux/Departments (B/Ds), public and private organisations have adopted "iAM Smart". At present, 46 B/Ds and public organisations, as well as 12 private organisations, have adopted "iAM Smart", providing more than 260 online services (please refer to https://www.iamsmart.gov.hk/en/e-service.html for the service list).

- 2) Since the launch of the "iAM Smart" platform in December 2020, over 1.8 million citizens have registered as "iAM Smart" users, and more than 33 million accesses to the required online services were made through "iAM Smart". On average, there were over 40 000 daily accesses to the services.
- 3) We will continue to promote the adoption of "iAM Smart" in B/Ds as well as public and private organisations. It is estimated that about 50 new online services will adopt "iAM Smart" by end of 2023.
- 4) The Office of the Government Chief Information Officer (OGCIO) has been adopting a diversified approach and through different channels to publicise and promote "iAM Smart" to the public. Through the online channel including the "iAM Smart" thematic website (www.iamsmart.gov.hk), advertisements and animation clips on social media platforms, etc., we publicise and promote the commonly used and newly launched services to the public. We also participated in large-scale events and exhibitions (such as the celebration of the 25th anniversary of the establishment of the Hong Kong Special Administrative Region, the Hong Kong Computer and Communications Festival 2022, the International ICT Expo 2022 and the quarterly Smart City Roving Exhibition, etc.), and set up promotion booths in the community activities held by different district organisations and elderly service centres to help members of the public to register for "iAM Smart" and answer their enquiries. In addition, OGCIO works in collaboration with different government departments and organisations to organise joint promotion activities, such as arranging seminars for colleagues responsible for different target groups, introducing "iAM Smart" on government departments' websites and related social media platforms, and publishing feature articles in departmental newsletters such as eHealth News, Library Newsletter, Civil Service Newsletter, etc. We will continue to carry out the above diversified promotional activities. The estimated expenditures for "iAM Smart" in 2022-23 and 2023-24 are \$76 million and \$94 million respectively, which include the expenditure for promotion. At the same time, we will also continue to promote the adoption of "iAM Smart" in government departments as well as public and private organisations in order to provide more online services and attract members of the public to register for and use "iAM Smart".

ITIB247

(Question Serial No. 2535)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (2) Information Technology Infrastructure and Standards

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Please advise, by year and by type of secondary and primary schools, the numbers of participating secondary and primary schools and students in the IT Innovation Lab in Secondary Schools Programme and the Knowing More About IT Programme since their launch, as well as the average funding amount for each school and the areas of application. Please assess the effectiveness of these two Programmes separately.

Asked by: Hon TANG Fei (LegCo internal reference no.: 22)

Reply:

The "IT Innovation Lab in Secondary Schools" and "Knowing More About IT" programmes are targeted at all publicly-funded secondary and primary schools in Hong Kong. Since the launch of the 2 programmes in the 2020/21 and 2021/22 school years respectively, around 90% of secondary schools and 60% of primary schools have applied for the funding. The details are as follows:

	Number of Eligible Schools	Number of Applied Schools	Number of Schools Approved	Number of Schools with Application in Progress	Number of Schools Not Yet Applied
"IT Innovation Lab in Secondary Schools"	513	459	430	29	54
programme					
"Knowing More About IT" programme	537	323	289	34	214

"IT Innovation Lab in Secondary Schools" programme:

School	Increase in	Number	Activities	Approved	Estimated
Year	Number of	of Funded	(examples)	Amount	Number of
	Schools with	Activities		(\$ million)	Students
	Approved				Benefited
	Applications				
2020/21	119	294	Courses, workshops and competitions in artificial intelligence, coding, drones, robotics, augmented reality/virtual reality, Internet of Things atc.	46	27 000
2021/22	242	1 012	Things, etc. Courses, workshops and competitions in artificial intelligence, coding, drones, robotics, augmented reality/virtual reality, Internet of Things, etc.	152	78 600
2022/23 (as at February 2023)	69	528	Courses, workshops and competitions in artificial intelligence, coding, drones, robotics, augmented reality/virtual reality, Internet of Things, blockchain, etc.	64	35 300
Total	430	1 834		262	140 900

"Knowing More About IT" programme:

School	Increase in	Number	Activities	Approved Amount	Estimated
Year	Number of Schools with	of Funded Activities	(examples)	Amount (\$ million)	Number of
	Approved	11001 (1010)		(4)	Students
	Applications				Benefited
2020/21	n/a	n/a	n/a	n/a	n/a
2021/22	195	545	Courses, workshops and competitions in artificial intelligence, coding, drones, robotics, augmented reality/virtual reality, Internet of Things, etc.	46	44 000
2022/23 (as at February 2023)	94	432	Courses, workshops and competitions in artificial intelligence, coding, drones, robotics, augmented reality/virtual reality, Internet of Things, blockchain, etc.	35	37 700
Total	289	977		81	81 700

According to the results of a survey conducted from July 2022 to January 2023, around 95% of school respondents agreed that the programmes could help create an information technology (IT) learning atmosphere, arouse students' interests in IT, and help students acquire IT knowledge and skills. At the same time, 80% of the participating students agreed that the content of the activities was attractive and creative, and could enhance their IT knowledge. We will continue to encourage more primary and secondary schools to participate in the programmes and assess the effectiveness of the activities through surveys. We will also review the programme arrangement in due course in the light of the implementation experiences of the 2 programmes and the latest development of the STEAM education in primary and secondary schools with a view to continuously fostering an IT learning atmosphere at schools.

ITIB248

(Question Serial No. 2538)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (3) Information Technology in the Community

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

The anti-epidemic measures implemented over the past 3 years have helped promote the development of digital technology applications. They include reducing cash transactions by mobile payment services, replacing physical shopping with e-shopping, using the "LeaveHomeSafe" mobile application to guard against the pandemic, etc. However, the wide adoption of digital products has led to the issue of "digital divide" for the elderly. Please inform this Committee of any policy initiatives put forward by the Government over the past 3 years in supporting the elderly to address the issue of "digital divide", with details on the expenditure involved as well as the achievements made.

Asked by: Hon TANG Fei (LegCo internal reference no.: 25)

Reply:

The Office of the Government Chief Information Officer (OGCIO) has been striving to promote digital inclusion over the years. Through the provision of information and communications technology (ICT) outreach services, the offering of enriched training courses for the elderly, and the launch of a web-based learning portal etc., the elderly are encouraged and facilitated to acquire digital knowledge and adopt digital technology in their daily life, thereby integrating themselves into smart living.

OGCIO has been implementing the ICT Outreach Programme for the elderly (the Outreach Programme) since 2014. 6 non-profit-making organisations are being engaged to organise visits to the elderly across the territory, including those living in residential care homes, receiving day care and home care services and the hidden elderly etc. by leveraging their service network. A variety of activities have been organised for the elderly to experience digital living, thus encouraging them to make greater use of digital technology. Some 23 000 elderly people have benefited from the Outreach Programme so far. Starting from

end-2021, service organisations under the Outreach Programme have set up mobile outreach service stations at various community locations (such as parks, shopping malls and the neighbourhood of housing estates) on a pilot basis to proactively introduce mobile apps to the elderly and address their enquiries about the use of smart phones, with a view to further promoting digital inclusion.

OGCIO also implemented the Enriched ICT Training Programme for the Elderly (the Training Programme) since 2019. The programme has subsidised 11 Elder Academies to organise over 200 free ICT advanced training courses for the elderly with basic knowledge of digital technology in the community. Topics covered include e-Government services, smart healthcare, online shopping, mobile payment, e-wallet and cyber security, etc. Upon completion of these training courses, the elderly participants may even serve as teaching assistants to help their peers understand and use technology products and services. So far, around 5 500 elderly people have participated in the Training Programme. The annual expenditure for the Outreach Programme and the Training Programme is around \$10 million.

Moreover, OGCIO has launched the Elderly IT Learning Portal (the Portal) since October 2019 to enable the elderly to acquire digital skills based on their needs and personal interests at anytime and anywhere. The Portal has launched 33 learning modules so far, covering online shopping, "iAM Smart", "HKeMobility", cloud-based tools and electronic payment tools, and recorded over 13 million accesses. The annual expenditure for the Portal is around \$1.4 million.

ITIB249

(Question Serial No. 2840)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (2) Information Technology Infrastructure and Standards

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is stated in paragraph 139 of the Budget Speech that the Government will make an additional funding of \$300 million to continue providing subsidies of up to \$1 million for each publicly-funded secondary school in the next three academic years for organisation of Information Technology (IT)-related extra-curricular activities. Will the funding of \$300 million be a duplication funding for the same purpose of the IT Innovation Lab in Secondary Schools Programme and the Knowing More About IT Programme? In other words, can a school make duplicate applications under the IT Innovation Lab in Secondary Schools Programme and apply for the additional funding at the same time? In what form will the subsidy be provided? Which authorities will undertake the vetting and approval work?

<u>Asked by</u>: Hon WONG Chun-sek, Edmund (LegCo internal reference no.: 46) <u>Reply</u>:

The "IT Innovation Lab in Secondary Schools" programme launched in the 2020/21 school year was originally scheduled to complete in August 2023. In view of the overwhelming responses from schools and the industry where 90% of the publicly-funded secondary schools have already submitted funding applications, we proposed in the 2023-24 Budget to allocate an additional funding of \$300 million to extend the existing "IT Innovation Lab in Secondary Schools" programme and continue the provision of funding support of up to \$1 million to each publicly-funded secondary school for organising Information Technology (IT)-related extra-curricular activities for three school years from 2023/24 to 2025/26. In the new round of the programme, a vetting committee comprising experts from the education sector and IT industry will continue to be responsible for vetting school applications. As the "Knowing More About IT" programme is still under implementation, it is not covered by this proposal.

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB250

(Question Serial No. 2976)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (2) Information Technology Infrastructure and Standards

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is mentioned in the Budget that the Government will earmark a sum of about \$200 million to enhance the operation of the "iAM Smart" platform. In this connection, will the Government advise this Committee of the following:

- 1. What is the basis of the criteria for earmarking a sum of \$200 million?
- 2. How will the sum of \$200 million be distributed and utilised?
- 3. What is the anticipated time of the enhancement be completed?
- 4. How will the effectiveness of the enhancement be assessed? Will "user experience" be used as the criteria for assessment?

Asked by: Hon WONG Kam-fai, William (LegCo internal reference no.: 2)

Reply:

The Chief Executive announced in his 2022 Policy Address the initiative to expedite the building of a smart government, including turning all government services online by 2024, and promoting the use of the "iAM Smart" platform to provide one-stop digital services by government departments by 2025.

The Financial Secretary has earmarked a sum of about \$200 million in the 2023-24 Budget to enhance the operation of the "iAM Smart" platform, so as to provide members of the public with more convenient one-stop digital services and to improve user experience. The wider use of "iAM Smart" will further promote "Smart Government" and the digital transformation of the whole society. The funding applied for will be used to cover the costs of hardware,

software, system implementation and support services, contract staff and site preparation required for the upgrade of the "iAM Smart" platform.

The Office of the Government Chief Information Officer (OGCIO) introduced the detailed proposal on enhancing the "iAM Smart" platform to realise "single portal for online government services" to the Panel on Information Technology and Broadcasting of the Legislative Council in March this year, including simplifying the registration processes, updating application design and functions, improving user interfaces and streamlining service workflow, strengthening system capacity, performance and security, etc. We will seek funding approval from the Finance Committee for implementing the project, with a view to commencing the tendering process in the second half of this year. The new features of "iAM Smart" are expected to be rolled out in phases over the next 2 years.

We will strive to increase the annual usage of "iAM Smart" (total transactions) from 5 million in 2021 to 17.5 million in 2025. Improving user experience is one of the most important objectives for the upgrade of the "iAM Smart" platform. OGCIO will collaborate with the Efficiency Office to organise a series of user experience and interface design workshops to listen to suggestions, so as to make the "iAM Smart" services better meet the needs of the public.

ITIB251

(Question Serial No. 2979)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (3) Information Technology in the Community

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Regarding the implementation of the new open data policy, please inform this Committee of the following:

- 1. What was the provision allocated for the annual open data plans in the past 2 years?
- 2. Will the Government review the effectiveness of the annual open data plans in the coming year? If yes, what are the details and the expenditure involved? If not, will the Government consider allocating funding to conduct a review?
- 3. In the past 2 years, did the Government assist the Civil Service Bureau in providing training on data literacy to civil servants in order to foster internally a culture of giving due attention to open data? If yes, what were the number of classes held, the number of participants and the amount of expenditure involved?

<u>Asked by</u>: Hon WONG Kam-fai, William (LegCo internal reference no.: 5) <u>Reply</u>:

1. and 2. Under the Government's new open data policy announced in October 2018, bureaux/departments (B/Ds) are required to formulate and publish their annual open data plans on their departmental websites, which cover the new datasets to be opened up in the Public Sector Information (PSI) portal (data.gov.hk) in the following 3 years. The Government has put in place a feedback mechanism and made available an online feedback form on the websites of B/Ds and the PSI portal to collect comments and suggestions from the public in respect of the open data plans and their potential applications. In addition, through supporting and participating in open data promotion activities organised by the industry (such as the Open Data Hackathons held in 2021 and 2022), the Office of the Government

Chief Information Officer (OGCIO) will also collect the suggestions of open data from the industry, so as to continuously improve the quality of open data for the development of innovative applications by all sectors. B/Ds will also, having regard to the opinions and suggestions of the public and stakeholders in respect of their annual open data plans, regularly conduct reviews on their open data plans and the latest development and these plans will be updated on yearly basis.

At present, B/Ds and public and private organisations have opened up over 5 160 datasets in the PSI portal, including real-time meteorological data, digital maps, real-time arrival data of all franchised buses and MTR railway lines (Airport Express, Tung Chung Line, Tseung Kwan O Line, Tuen Ma Line, East Rail Line and Light Rail Line), and all Green Minibus routes, etc.

Regarding the spatial data, the Development Bureau (DEVB) launched the Common Spatial Data Infrastructure (CSDI) portal (<u>portal.csdi.gov.hk</u>) for the public to use free of charge in end-2022. Over 500 spatial datasets from over 50 government departments are available through the portal, covering different aspects such as planning, lands, buildings, works, population, transport, etc.

Open data are well received by the public and the industry, and the total downloads in 2022 were over 50 billion. According to the latest open data plans published by B/Ds, the Government will open up around 180 datasets in 2023. The Government will continue to actively open up government data to the industry for innovative applications, and encourage the public and private organisations to open up more data.

In the past 2 financial years, the annual expenditure of OGCIO for operating the PSI portal was about \$2.2 million. In general, B/Ds will use their existing manpower and resources to implement their open data plans. If necessary, B/Ds can apply for funding under the Capital Works Reserve Fund Head 710 Computerisation to implement their open data plans. OGCIO does not maintain information on individual B/Ds' expenditures for implementing their open data plans.

3. In the past 2 years, OGCIO organised over 10 open data related internal training classes and seminars, covering topics on open data and data governance, etc. The number of trainees was about 540 and the expenditure was about \$160,000. The DEVB will also continue to enhance the knowledge of spatial data among government departments and the public through various channels such as Geospatial Lab and collaborating with the Civil Service College, professional institutes, schools and tertiary institutions to organise different activities like seminars, workshops, talks and exhibitions, etc. The related work is absorbed within the existing manpower of the DEVB, and the expenditure involved cannot be listed in individual items.

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB252

(Question Serial No. 2984)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (2) Information Technology Infrastructure and Standards

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is stated in the Budget that the Government will "continue to implement the Knowing More About IT Programme and the IT Innovation Lab in Secondary Schools Programme". In this connection, please inform this Committee of the following:

- 1. What were the numbers of applications received from primary and secondary schools and the respective numbers of applications and amounts of funding approved in each of the past 2 years?
- 2. The above two programmes have been implemented for several years. Will the Government collect outstanding projects and produce teaching kits/templates for reference by all schools, so as to save teachers' time in designing extra-curricular activities, thereby enhancing the promotion of innovation and technology education?

Asked by: Hon WONG Kam-fai, William (LegCo internal reference no.: 12)

Reply:

1. The "IT Innovation Lab in Secondary Schools" and "Knowing More About IT" programmes are targeted at all publicly-funded secondary and primary schools in Hong Kong. Since the launch of the 2 programmes in the 2020/21 and 2021/22 school years respectively, around 90% of secondary schools and 60% of primary schools have applied for the funding. The details are as follows:

	Number of	Number of	Number of Schools	Number of Schools with	Number of Schools Not
	Eligible Schools	Applied Schools	Approved	Application	Yet Applied
"IT Innervation I als			420	in Progress	<i>5 1</i>
"IT Innovation Lab	513	459	430	29	54
in Secondary					
Schools"					
programme					
"Knowing More	537	323	289	34	214
About IT"					
programme					

The implementation status of the 2 programmes is as follows:

"IT Innovation Lab in Secondary Schools" programme:

School Year	Increase in Number of Schools with Approved	Number of Funded Activities	Activities (examples)	Approved Amount (\$ million)	Estimated Number of Students Benefited
2020/21	Applications 119	294	Courses, workshops and competitions in artificial intelligence, coding, drones, robotics, augmented reality/virtual reality, Internet of Things, etc.	46	27 000
2021/22	242	1 012	Courses, workshops and competitions in artificial intelligence, coding, drones, robotics, augmented reality/virtual reality, Internet of Things, etc.	152	78 600
2022/23 (as at February 2023)	69	528	Courses, workshops and competitions in artificial intelligence, coding, drones, robotics, augmented reality/virtual reality, Internet of Things, blockchain, etc.	64	35 300
Total	430	1 834		262	140 900

"Knowing More About IT" programme:

School	Increase in	Number	Activities	Approved	Estimated
Year	Number of Schools with	of Funded Activities	(examples)	Amount (\$ million)	Number of
	Approved	Activities		(\$ HIIIIOH <i>)</i>	Students
	Applications				Benefited
2020/21	n/a	n/a	n/a	n/a	n/a
2021/22	195	545	Courses, workshops and competitions in artificial intelligence, coding, drones, robotics, augmented reality/virtual reality, Internet of Things, etc.	46	44 000
2022/23 (as at February 2023)	94	432	Courses, workshops and competitions in artificial intelligence, coding, drones, robotics, augmented reality/virtual reality, Internet of Things, blockchain, etc.	35	37 700
Total	289	977		81	81 700

2. We have drawn up reference lists of information technology (IT) equipment and sample IT activities for schools' reference and set up an advisory committee comprising experts from the IT industry, academia and education sector to provide advice and recommendations on the programmes, including the reference lists of equipment as well as the nature and types of IT-related extra-curricular activities to assist schools in designing suitable extra-curricular activities having regard to their actual circumstances and students' needs. The Office of the Government Chief Information Officer (OGCIO) has also set up one-stop support centre to actively promote the programmes to schools, to handle the enquiries from schools and teachers about the application procedure, application progress, and to provide professional technical advice and support on the procurement of equipment, professional services, and the arrangement for activities, etc.

Moreover, since the launch of the programmes, we have regularly held online and offline briefings and sharing sessions to introduce successful cases of the programmes to over 800 primary and secondary schools and invited participating schools to share their experiences in the implementation of the programmes. We have sponsored non-profit organisations to organise various promotional activities including forums, workshops and case sharing, etc., with a view to helping schools understand how extra-curricular activities can effectively cultivate students' digital and innovative abilities. We also regularly co-organise solution days with different organisations including Cyberport,

Hong Kong Productivity Council, Hong Kong Science and Technology Park, etc. with a view to keeping schools abreast of the latest IT-related activities and developments in the market, thus strengthening the exchanges and collaboration between the academia and the industry.

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ITIB253

(Question Serial No. 2985)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (3) Information Technology in the Community

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

Director of Bureau: Secretary for Innovation, Technology and Industry

Question:

It is mentioned in the Budget that the aim of the Office of the Government Chief Information Officer is to promote and facilitate the wider use of information technology in the business sector and the community. In this connection, will the Government advise this Committee of the following:

- 1. What were the work details of facilitating the setting up of data centres in Hong Kong in the past 2 years? How many new data centres have been set up and how many of them have used existing industrial buildings and industrial lots for their setting up? What were the encouragement measures taken by the Government?
- 2. What are the details of working with relevant Mainland authorities to explore facilitation measures on cross-boundary data flow and to launch a pilot project in the Greater Bay Area?
- 3. What are the details of the Elderly Outreach and Training Programmes to promote information and communications technology adoption among the elderly? What were the numbers of activities/projects launched in the past 2 years?

<u>Asked by</u>: Hon WONG Kam-fai, William (LegCo internal reference no.: 13) Reply:

The information sought is provided below:

1. The Government has been implementing multiple facilitation measures, including the provision of land, encouraging conversion of industrial buildings and use of industry lots, as well as providing one-stop support services, to facilitate data centre development in Hong Kong. In this regard, the Government has introduced 2 concessionary measures to encourage conversion of industrial buildings and use of industry lots since 2012,

including exemption of waiver fees for change of use in parts of existing industry buildings to data centres and accepting lease modification tailor-made for development of data centres on industrial lots. As at 31 December 2022, there were 50 applications for converting parts of existing industrial buildings for data centre use with 37 of them approved; and 7 applications for lease modification for high-tier data centre development on industry lots with 5 of them approved.

- 2. The HKSAR Government is liaising closely with the corresponding Mainland authorities and working together to explore the related policies and measures on cross-boundary data flow, with a view to launching a pilot project in the Greater Bay Area within this year. Details will be announced in due course.
- 3. The Office of the Government Chief Information Officer (OGCIO) has been striving to promote digital inclusion over the years. Through the provision of information and communications technology (ICT) outreach services, the offering of enriched training courses for the elderly, and the launch of a web-based learning portal etc., the elderly are encouraged and facilitated to adopt digital technology in their daily life, thereby integrating themselves into smart living.

OGCIO has been implementing the ICT Outreach Programme for the elderly (the Outreach Programme) since 2014. 6 non-profit-making organisations are being engaged to organise visits to the elderly across the territory, including those living in residential care homes, receiving day care and home care services and the hidden elderly etc. by leveraging their service network. A variety of activities have been organised for the elderly to experience digital living, thus encouraging them to make greater use of digital technology. Some 23 000 elderly people have benefited from the Outreach Programme so far. Starting from end-2021, service organisations under the Outreach Programme have set up mobile outreach service stations at various community locations (such as parks, shopping malls and the neighbourhood of housing estates) on a pilot basis to proactively introduce mobile apps to the elderly and address their enquiries about the use of smart phones with a view to further promoting digital inclusion.

OGCIO also implemented the Enriched ICT Training Programme for the Elderly (the Training Programme) since 2019. The programme has subsidised 11 Elder Academies to organise over 200 free ICT advanced training courses for the elderly with basic knowledge of digital technology in the community. Topics covered include e-Government services, smart healthcare, online shopping, mobile payment, e-wallet and cyber security, etc. Upon completion of these training courses, the elderly participants can even serve as teaching assistants to help their peers understand and use technology products and services. So far, around 5 500 elderly people have participated in the Training Programme.

Moreover, OGCIO has launched the Elderly IT Learning Portal (the Portal) in October 2019 to enable the elderly to acquire digital skills based on their needs and personal interests anytime and anywhere. The Portal has launched 33 learning modules so far, covering online shopping, "iAM Smart", "HKeMobility", cloud-based tools and electronic payment tools, etc. and recorded over 13 million accesses.

ITIB254

(Question Serial No. 0320)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

Programme: (3) Information Technology in the Community

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Regarding the open data policy of opening up more datasets, how far have the datasets been opened up in terms of their extent when comparing with that of the past 3 years? Does the Government have any specific measures to promote the open data policy this year with a view to enabling more enterprises and people to effectively use the data? If yes, what are the specific expenditures? If not, what are the reasons?

What is the current situation of using the government open data by the general public? Does the Government have a grasp of the situation? What will be the specific plans and targets of opening up data in the future?

<u>Asked by</u>: Hon WONG Ying-ho, Kennedy (LegCo internal reference no.: 11) Reply:

The number of datasets opened up by bureaux/departments (B/Ds) and public and private organisations in the Public Sector Information (PSI) portal (data.gov.hk) has increased from about 4 000 in January 2020 to over 5 160 at present, including real-time meteorological data, digital maps, real-time arrival data of all franchised buses and MTR railway lines (Airport Express, Tung Chung Line, Tseung Kwan O Line, Tuen Ma Line, East Rail Line and Light Rail Line), and all Green Minibus routes, etc. The number of application programming interfaces (API) in the PSI portal has also increased from about 1 350 in January 2020 to over 2 200 at present. Open data are well received by the public and the industry, and the total downloads in 2022 were over 50 billion.

Under the Government's new open data policy announced in October 2018, B/Ds are required to formulate and publish their annual open data plans on their departmental websites, which cover the new datasets to be opened up in the PSI portal in the following 3 years. According

to the latest annual open data plans published by B/Ds, the Government plans to open up around 180 datasets in 2023.

Regarding spatial data, the Development Bureau (DEVB) launched the Common Spatial Data Infrastructure (CSDI) portal (portal.csdi.gov.hk) for the public to use free of charge in end-2022. Over 500 spatial datasets from over 50 government departments are available through the portal, covering different aspects such as planning, lands, buildings, works, population and transport, etc.

Regarding the promotion of open data, the Office of the Government Chief Information Officer (OGCIO) continues to promote the use of open data and development of innovative applications by supporting the industry in organising related activities and competitions, etc. OGCIO has been actively supporting the industry in promoting the application of open data, such as the Open Data Hackathons held in November 2021 and November 2022, with the themes "Smart Environment" and "Smart Property" respectively, in order to create an atmosphere of innovation and technology, stimulate innovative thinking in society, and promote the development of innovative applications with open data. As for the promotion of spatial data, the DEVB will continue to enhance the knowledge of spatial data among government departments and the public with a view to promoting sharing of spatial data and jointly exploring the value and application of spatial data through various channels such as Geospatial Lab and collaborating with the Civil Service College, professional institutes, schools and tertiary institutions to organise different activities like competitions, seminars, workshops, talks and exhibitions, etc. The Government will continue to review the related measures and strive to open up more spatial data to suit the needs of the community. work in relation to promotion of open data and spatial data is absorbed within the existing manpower of OGCIO and the DEVB, and the expenditure involved cannot be separately singled out and itemised.

ITIB255

(Question Serial No. 1615)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (2) Information Technology Infrastructure and Standards

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is stated in the Budget that the availability of adequate computing infrastructure is a prerequisite for promoting the development of scientific research and artificial intelligence (AI) industries in Hong Kong. To this end, the Government will conduct a feasibility study on the development of an AI Supercomputing Centre. The study will be completed in 2023-24. There are views that the Government is one step behind if the study is to be completed in 2023-24.

In this connection, please advise this Committee of whether the Government will consider leveraging the supercomputing capability of our country to promote the construction of a shared and common AI supercomputing centre in the Greater Bay Area when taking forward the study.

Asked by: Hon YIM Kong (LegCo internal reference no.: 13)

Reply:

The Office of the Government Chief Information Officer invited consultancy proposals for the feasibility study on the development of an Artificial Intelligence (AI) Supercomputing Centre on 23 February 2023. The consultant is required to assess the actual demand for AI supercomputing services in Hong Kong, and make recommendations on the scale of investment, the optimal operation model as well as the implementation strategy of the supercomputing centre. The consultant will also consult local universities and research institutes, relevant government departments and the industry on the development of the AI industry, and conduct surveys to project the computing power demands of relevant industry sectors in the next 7 years to ensure that the infrastructure facilities of the supercomputing centre are of sufficient capacities to cope with the demands. The deadline for submission of proposals is 6 April 2023. We plan to commence the consultancy study in May with a view to completing the study in 2023-24. Details of the development approach and

implementation plan of the supercomputing centre will be subject to the findings and recommendations of the consultancy study.

- End -

ITIB256

(Question Serial No. 1616)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (3) Information Technology in the Community

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

It is mentioned in the Budget that many local small and medium enterprises (SMEs) are actively seeking digital transformation for value creation of their business. To further expedite the pace of digital transformation of enterprises, the Government will set aside \$500 million for Cyberport to launch a Digital Transformation Support Pilot Programme, under which subsidies will be provided on a one-to-one matching basis to assist SMEs in applying ready-to-use basic digital solutions, thus facilitating their digitalisation. In this connection, please advise whether the Government will consider attracting more enterprises to establish businesses in the Northern Metropolis with the subsidies provided on a one-to-one matching basis under the Digital Transformation Support Pilot Programme.

Asked by: Hon YIM Kong (LegCo internal reference no.: 14)

Reply:

In consultation with the Development Bureau, our reply to the above question is as follows:

The HKSAR Government has been working in collaboration with the sub-group on digital transformation established under the Digital Economy Development Committee (DEDC) to devise feasible measures to drive digital transformation across industries with a view to accelerating the development of Hong Kong's digital economy. It is announced in the 2023-24 Budget to earmark \$500 million for Cyberport to launch the Digital Transformation Support Pilot Programme (the Pilot Programme), which will provide subsidies on a one-to-one matching basis to assist small and medium enterprises (SMEs) that have little or no prior exposure to digital technology in adopting ready-to-use basic digital solutions, thus expediting the realisation of digital transformation.

Cyberport is finalising the details of the Pilot Programme. We will consult the Panel on Information Technology and Broadcasting and seek funding approval from the Finance Committee for the implementation of the programme as soon as possible.

In addition, the Government announced earlier that upon completion, the Northern Metropolis will emerge as a new international innovation and technology city, integrating quality life, new economies, and culture and leisure. The Government will fully leverage the advantages of the Northern Metropolis's proximity to the hinterland to promote the comprehensive development of control point areas. The Government has established the Steering Committee on the Northern Metropolis and the Advisory Committee on the Northern Metropolis to strengthen the governance for the development of the area. The former is led by the Chief Executive to provide high-level policy steer and supervision. The latter, being chaired by the Financial Secretary and comprising experts and stakeholders in the community, will tender advice and suggestions.

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB257

(Question Serial No. 0416)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (1) Use of Information Technology in Government

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Regarding the Office of the Government Chief Information Officer (OGCIO), please inform this Committee of the following:

- 1. the ranks of the 631 OGCIO staff members who are responsible for the matters concerning the use of information technology in the Government, and the proportion of permanent posts and supernumerary posts;
- 2. the webpages launched by government bureaux/departments in the past three years, including: names, number of views, number of failures, number of vulnerabilities identified and number of times being attacked;
- 3. the mobile applications launched by government bureaux/departments in the past three years, including: names, numbers of updates and downloads, as well as relevant expenditure on development, maintenance and upgrades; and
- 4. the relevant expenditure on network security, protection of government information and computer assets (e.g. system upgrades, maintenance of daily operations) in the past three years and the estimated expenditure for 2023-24.

Asked by: Hon YUNG Hoi-yan (LegCo internal reference no.: 6)

Reply:

1. As regards the use of information technology in the Government, the Office of the Government Chief Information Officer (OGCIO) delivers and enhances the Government's online one-stop service portal, and manages relationships with portal users. It provides a range of information technology (IT) professional services and facilitation measures to bureaux and departments (B/Ds), sets policies on IT standards, and develops and operates

shared infrastructure and central services that take into account industry and technology developments. It establishes policies and practices on governance and cybersecurity, supports the IT initiatives of B/Ds, and enables them to assure the quality of their IT strategies, projects and operations. It also develops and motivates members of the government IT profession. To support the above-mentioned work, OGCIO estimates that as at 31 March 2024, there will be around 630 permanent posts to undertake the responsibilities, of which none are supernumerary posts approved by the Finance Committee of the Legislative Council. These permanent posts include –

	Approximate number of staff
Analyst/Programmer Grade	300
Computer Operator Grade	150
Data Processor Grade	20
Managerial, clerical and supporting staff	150

2. From March 2020 to February 2023, there were a total of 60 government webpages (listed in <u>Annex I</u>) owned by 27 B/Ds newly launched using the Web Content Hosting Service (WCH) provided by OGCIO. The total number of views was about 600 million and there was no service disruption during the period. Throughout the period, WCH detected about 8 instances of anomalous network traffic and all of them were promptly mitigated by the preventive measures. Although some intermittent interruptions to the webpages were encountered, the anomalous network traffic did not constitute an information security incident or cause any data leakage.

Apart from WCH, B/Ds have also set up and operated webpages on their own based on business and operational needs. As the work of monitoring these webpages' operations was carried out by individual B/Ds, OGCIO does not maintain the information on these webpages, including the website name and number of views, etc. Nevertheless, all B/Ds are obliged to observe the security requirements as stipulated in the "Government IT Security Policy and Guidelines" promulgated by OGCIO. To ensure the security of government information systems, B/Ds are also required to formulate a security vulnerability management procedure, conduct security risk assessment regularly and patch the vulnerabilities in a timely manner.

- 3. From March 2020 to February 2023, B/Ds have launched a total of 20 mobile applications. The relevant information is at **Annex II**.
- 4. B/Ds mainly obtain funding from the block allocation under Capital Works Reserve Fund Head 710 Computerisation to implement information security related projects. The expenditure for the related projects in the past 3 years and in 2023-24 are tabulated as follows:

Year	2020-21	2021-22	2022-23	2023-24
	(Actual) (\$ million)	(Actual) (\$ million)	(Revised Estimate) (\$ million)	(Estimate) (\$ million)
Total expenditure for information security related projects	342	312	422	386

In addition, individual B/Ds will include information security related measures in the development, upgrade and maintenance of information systems. OGCIO does not have the relevant breakdown of figures.

Information on government webpages newly launched by B/Ds using the Web Content Hosting Service in the past three years (March 2020 to February 2023)

	B/Ds	Webpage Name
1.	Civil Engineering and	Lantau Conservation Fund
	Development Department	
2.	Civil Engineering and	Improvement Works at Yung Shue Wan Public Pier,
	Development Department	Shek Tsai Wan Pier, Yi O Pier and Ma Wan Chung Pier
		Design and Construction
3.	Civil Engineering and	Improvement Works at Leung Sheun Wan Pier, Sham
	Development Department	Chung Pier and Sam Mun Tsai Village Pier
		– Design and Construction
4.	Civil Engineering and	Improvement Works at Ap Chau Public Pier, Man Kok
	Development Department	Tsui Pier, Peng Chau Public Pier, Sai Wan Jetty, Sok
		Kwu Wan Pier No. 2 and Tai O Public Pier
5.	Civil Engineering and	- Feasibility Study Improvement Works at Ma Liu Shui Ferry Pier, Ma Nam
J.	Development Department	Wat Pier, Yim Tin Tsai Pier and Yung Shue O Jetties
	Development Department	- Feasibility Study
6.	Civil Engineering and	Improvement Works at Lai Chi Wo Pier and Tung Ping
	Development Department	Chau Public Pier
7.	Culture, Sports and	Culture, Sports and Tourism Bureau
	Tourism Bureau	
8.	Home and Youth Affairs	Home and Youth Affairs Bureau
	Bureau	
9.	Chief Executive's Office	National Security Education Day
10.	InvestHK	FamilyOfficeHK
11.	InvestHK	Hong Kong Ship Leasing
12.	InvestHK	InvestHK - Greater Bay Area
13.	InvestHK	Aspire to achieve More @HK
14.	InvestHK	InvestHK - Innovation & Technology
15.	InvestHK	Office for Attracting Strategic Enterprises
16.	Housing Bureau	Housing Bureau
17.	Housing Department	Cash Allowance Trial Scheme
18.	Department of Justice	Hong Kong Legal Week 2022
19.	Department of Justice	Combined DoJ Glossaries of Legal Terms
20.	Department of Justice	Vision 2030 for Rule of Law
21.	Constitutional and	Directory of Hong Kong Service Enterprises in Sichuan,
	Mainland Affairs Bureau	Chongqing and Shaanxi
22.	Census and Statistics	2021 Population Census
	Department	
23.	Information Services	24th Anniversary of the Establishment of the Hong Kong
	Department	Special Administrative Region of the People's Republic
		of China

	B/Ds	Webpage Name
24.	Information Services	72nd Anniversary of the Founding of the People's
	Department	Republic of China
25.	Information Services	25th Anniversary of the Establishment of the Hong Kong
	Department	Special Administrative Region of the People's Republic
		of China
26.	Information Services	73rd Anniversary of the Founding of the People's
	Department	Republic of China
27.	Office of the Government	IT Innovation Lab in Schools
	Chief Information Officer	
28.	Office of the Government	LeaveHomeSafe
	Chief Information Officer	
29.	Office of the Government	iAM Smart
	Chief Information Officer	
30.	Office of the Government	Hong Kong Health Code
	Chief Information Officer	
31.	Administration Wing,	Chief Executive's Policy Unit
	Chief Secretary for	
	Administration's Office	
32.	Food and Environmental	Water Seepage
2.2	Hygiene Department	
33.	Hong Kong Police Force	Anti-Deception Coordination Centre
34.	Hong Kong Police Force	Inter-departmental Counter Terrorism Unit
35.	Hong Kong Police Force	Let's T.A.L.K Child Protection Campaign
36.	Financial Services and the	Cash Payout Scheme
	Treasury Bureau	
37.		Consumption Voucher Scheme
	Treasury Bureau	
38.		Accounting and Financial Reporting Review Tribunal
20	Treasury Bureau	
39.		Hong Kong Economic and Trade Office in Bangkok
10	Development Bureau	H H D 1 000 1 D 1 1
40.		Hong Kong Economic and Trade Office in Dubai
4.1	Development Bureau	II II C' II II coa A ' C
41.	Leisure and Cultural	Hong Kong City Hall 60th Anniversary Commemorative
12	Services Department	Exhibition Create III. The Special Effects Licensing Unit
42.	CreateHK	CreateHK The Special Effects Licensing Unit
43.	Innovation, Technology	Innovation, Technology and Industry Bureau
4.4	and Industry Bureau	A1-1'4'
44.	Labour Department	Abolition of MPF Offsetting Arrangement
45.	Labour Department	Pilot Rehabilitation Programme for Employees Injured at
16	Davidonment Dress	Work Drain at Stratagy and Covernon as Office
46.	Development Bureau	Project Strategy and Governance Office
47.	Development Bureau	Central, Wan Chai and South East Kowloon
40	D1	Development Projects
48.	Development Bureau	Appeal Board Panel (Town Planning)
49.	Development Bureau	Appeal Board Panel under the Urban Renewal Authority
		Ordinance

	B/Ds	Webpage Name
50.	Transport and Logistics	Transport and Logistics Bureau
	Bureau	
51.	Department of Health	The Medical Council of Hong Kong Licensing
		Examination Information Portal
52.	Department of Health	Tobacco and Alcohol Control Office Department of
		Health
53.	Department of Health	Chinese Medicine Regulatory Office Department of
		Health
54.	Department of Health	Cancer Online Resource Hub
55.	Department of Health	COVID-19 Vaccination Programme
56.	Department of Health	Shall We Talk
57.	Environment and Ecology	Environment and Ecology Bureau
	Bureau	
58.	Environmental Protection	Hong Kong Green Organisation Certification
	Department	
59.	Health Bureau	Health Bureau
60.	Health Bureau	Primary Healthcare Blueprint

Annex II

Information on mobile applications launched by B/Ds in the past 3 years (As at 28 February 2023)

No.	B/D	Name	Development Cost	Annual Maintenance Cost	Enhancement Cost	No. of Enhancements	Launch Date	Total Number of Downloads as at 31 Jan 2023
1.	Water Supplies Department	WSD AMR System	\$220,000	Maintained by deploying internal resources. No additional expenditure is involved.	Maintained by deploying internal resources. No additional expenditure is involved.	0	Nov 2020	13 000
2.	Office of the Government Chief Information Officer	LeaveHome Safe	\$3,000,000	\$900,000		40	Nov 2020	9 500 000
3.	Office of the Government Chief Information Officer	iAM Smart	The mobile application is developed together with the "iAM Smart" platform. As it is not a stand-alone project, no expenditure breakdown is available.	The mobile application is developed together with the "iAM Smart" platform. As it is not a stand-alone project, no expenditure breakdown is available.	The mobile application is developed together with the "iAM Smart" platform. As it is not a stand-alone project, no expenditure breakdown is available.	9	Dec 2020	More than 1 800 000 users who have registered for iAM Smart
4.	Health Bureau	eHealth	The development of the mobile application is bundled with other services and infrastructure. As it is not a stand-alone project, no expenditure breakdown is available.	The maintenance of the mobile application is bundled with other services and infrastructure. No expenditure breakdown is available.	The development, maintenance and enhancement of the mobile application is under the same project. No expenditure breakdown is available.	44	Jan 2021	2 900 000
	Transport Department	HKeMeter	Included in the cost of the whole project. As it is not a stand-alone project, no expenditure breakdown is available.	project. As it is not a stand-alone project, no expenditure breakdown is available.	Included in the cost of the whole project. As it is not a stand-alone project, no expenditure breakdown is available.	5	Jan 2021	930 000
6.	Environmental Protection Department	HoHoSkips	\$550,000	\$138,000	\$700,000	1	Feb 2021	18 000
7.	Hong Kong Police Force	Junior Police Call Mobile App	\$1,379,000 (Including the fees for mobile application, backend system, website, system hosting services and system licence)	for mobile application maintenance, backend system maintenance, website	fees for mobile	10	Apr 2021	26 000

No.	B/D	Name	Development Cost	Annual Maintenance Cost	Enhancement Cost	No. of Enhancements	Launch Date	Total Number of Downloads as at 31 Jan 2023
8.	Radio Television Hong Kong	RTHK Audio Description	The mobile application is part of the Audio Description services project. As it is not a stand-alone project, no expenditure breakdown is available.	\$230,000	Enhancement cost is included in the maintenance cost.	7	Apr 2021	2 700
9.	Office of the Government Chief Information Officer	QR Code Verification Scanner	Developed internally. No additional expenditure is involved.	Maintained by deploying internal resources. No additional expenditure is involved.	Maintained by deploying internal resources. No additional expenditure is involved.	23	May 2021	760 000
10.	Water Supplies Department	H2OPE Centre	Included in the cost of the whole project. As it is not a stand-alone project, no expenditure breakdown is available.	Maintained by deploying internal resources. No additional expenditure is involved.	Maintained by deploying internal resources. No additional expenditure is involved.	1	May 2021	1 700
11.		Read the Basic Law with JOY!	\$660,000	\$60,000	Nil	0	Nov 2021	9 400
12.	Immigration Department	Contactless e-Channel	The mobile application was developed under a contract with value at \$1,397,000 and this contract included other relevant system enhancement service of contactless e-Channel.	The contractor will provide system maintenance service according to the contract.	The contractor will provide system maintenance service according to the contract.	4	Nov 2021	170 000
13.	Environmental Protection Department	GREEN\$ Mobile App	(Including the cos	sts for mobile applic	around \$1,300,000 attion development, and enhancement)	2	Jan 2022	130 000
14.	Buildings Department	Win Safe	\$2,618,000		No enhancement expenditure	0	May 2022	2 500
15.	Civil Aviation Department	CAD eSUA	\$277,000		\$69,000	1	May 2022	21 000
16.	Environmental Protection Department	EV-Charging Easy		First year maintenance cost is included in the implementation cost	No enhancement expenditure	0	Jun 2022	7 800
17.	Efficiency Office	Tell me@1823 v2	\$2,500,000 (Including the costs for user experience design, infrastructure setup and development of mobile application and backend system)	\$400,000 (Including the costs for maintenance and upgrade of mobile application and backend system)		4	Jul 2022	50 000

No.	B/D	Name	Development Cost	Annual Maintenance Cost	Enhancement Cost	No. of Enhancements	Launch Date	Total Number of Downloads as at 31 Jan 2023
18.	Leisure and Cultural Services Department	URBTIX	Included in the service contract of My URBTIX. As it is not a stand-alone project, no expenditure breakdown is available.	Included in the service contract of My URBTIX. As it is not a stand-alone project, no expenditure breakdown is available.	Included in the service contract of My URBTIX. As it is not a stand-alone project, no expenditure breakdown is available.	3	Dec 2022	120 000
19.	Transport Department	HKeToll	Included in the cost of the whole project. As it is not a stand-alone project, no expenditure breakdown is available.	Included in the cost of the whole project. As it is not a stand-alone project, no expenditure breakdown is available.	Included in the cost of the whole project. As it is not a stand-alone project, no expenditure breakdown is available.	8	Jan 2023	120 000
20.	Hong Kong Police Force	Scameter+		This expenditure is part of the total expenditure for the "Prevention and Detection of Crime", and the Hong Kong Police Force has not kept an expenditure breakdown.	This expenditure is part of the total expenditure for the "Prevention and Detection of Crime", and the Hong Kong Police Force has not kept an expenditure breakdown.	0	Feb 2023	Not applicable (Launched in Feb 2023)

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB258

(Question Serial No. 0430)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (2) Information Technology Infrastructure and Standards

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Regarding the "IT Innovation Lab in Secondary" Programme and the "Knowing More About IT" Programme, please advise this Committee of the following:

- 1. What is the number of schools eligible for applying for these two programmes? What is the number of eligible schools which have never applied for the funding?
- 2. What are the numbers of activities held, contents, expenditures involved and the numbers of student beneficiaries since the launch of these two programmes?
- 3. What is the proportion of these two programmes in the additional funding of \$300 million allocated by the Government?
- 4. Will the additional funding of \$300 million be used to extend the existing programmes or to launch new programmes? What is the expected number of student beneficiaries to be increased?

Asked by: Hon YUNG Hoi-yan (LegCo internal reference no.: 20)

Reply:

1. The "IT Innovation Lab in Secondary Schools" and "Knowing More About IT" programmes are targeted at all publicly-funded secondary and primary schools in Hong Kong. Since the launch of the 2 programmes in the 2020/21 and 2021/22 school years respectively, around 90% of secondary schools and 60% of primary schools have applied for the funding. The details are as follows:

	Number of	Number of	Number of	Number of Schools with	Number of Schools Not
	Eligible	Applied	Schools	Application	Yet Applied
	Schools	Schools	Approved	in Progress	
"IT Innovation Lab	513	459	430	29	54
in Secondary					
Schools"					
programme					
"Knowing More	537	323	289	34	214
About IT"					
programme					

2. The implementation status of the 2 programmes is as follows:

"IT Innovation Lab in Secondary Schools" programme:

School Year	Increase in Number of Schools with Approved Applications	Number of Funded Activities	Activities (examples)	Approved Amount (\$ million)	Estimated Number of Students Benefited
2020/21	119	294	Courses, workshops and competitions in artificial intelligence, coding, drones, robotics, augmented reality/virtual reality, Internet of Things, etc.	46	27 000
2021/22	242	1 012	Courses, workshops and competitions in artificial intelligence, coding, drones, robotics, augmented reality/virtual reality, Internet of Things, etc.	152	78 600
2022/23 (as at February 2023)	69	528	Courses, workshops and competitions in artificial intelligence, coding, drones, robotics, augmented reality/virtual reality, Internet of Things, blockchain, etc.	64	35 300
Total	430	1 834		262	140 900

"Knowing More About IT" programme:

Knowing More About 11 programme.					
School	Increase in	Number	Activities	Approved	Estimated
Year	Number of	of Funded	(examples)	Amount	Number
	Schools with	Activities		(\$ million)	of
	Approved				Students
	Applications				Benefited
2020/21	n/a	n/a	n/a	n/a	n/a
2021/22	195	545	Courses, workshops and competitions in artificial intelligence, coding, drones, robotics, augmented reality/virtual reality, Internet of Things, etc.	46	44 000
2022/23 (as at February 2023)	94	432	Courses, workshops and competitions in artificial intelligence, coding, drones, robotics, augmented reality/virtual reality, Internet of Things, blockchain, etc.	35	37 700
Total	289	977		81	81 700

3. and 4. The existing "IT Innovation Lab in Secondary Schools" programme was originally scheduled to complete in August 2023. In view of the overwhelming responses from schools and the industry where 90% of the publicly-funded secondary schools have already submitted funding applications, we proposed in the 2023-24 Budget to allocate an additional funding of \$300 million to extend the existing "IT Innovation Lab in Secondary Schools" programme and continue the provision of funding support of up to \$1 million to each publicly-funded secondary school for organising Information Technology (IT)-related extra-curricular activities for three school years from 2023/24 to 2025/26. We expect to attract 90% of eligible secondary schools to apply for the funding. As the "Knowing More About IT" programme is still under implementation, it is not covered by this proposal.

ITIB259

(Question Serial No. 0431)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (2) Information Technology Infrastructure and Standards

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Regarding the enhancement of "iAM Smart", please inform this Committee of the following:

- 1. Among the 61 staff members who are responsible for information technology infrastructure and standards in the Office of the Government Chief Information Officer, what are the number and ranks of staff responsible for the operation and promotion of "iAM Smart", the expenditure involved, as well as the proportion of permanent posts and supernumerary posts?
- 2. What were the number of registered users (including the two age groups of 18 or above and 11-17), the number of webpage views, the number of webpage failures, as well as the number and content of covered services of "iAM Smart" in the past three years?
- 3. What were the most and least used services supported by "iAM Smart" in the past three years? What were the numbers of times these services were used?
- 4. The Government will earmark a sum of \$200 million to enhance the operation of the "iAM Smart" platform. Please give the details of the enhancement, including the expected number of updates and content to be updated, the changes in coverage of services, the number of new features, as well as the expected number of new users after the enhancement.

Asked by: Hon YUNG Hoi-yan (LegCo internal reference no.: 21)

Reply:

1. The operation, promotion, as well as the design and development of the new features of "iAM Smart" are supported by 20 government staff, without supernumerary posts. The details are as follows:

Rank	Permanent Posts	Time-limited Posts	Estimated expenditure in terms of notional annual mid-point salary value (\$ million)
Senior Systems Manager	3	1	6.21
Systems Manager	4	2	6.92
Analyst/Programmer I	1	1	1.66
Analyst/Programmer II	6	2	4.38
Total	14	6	19.17

2. Since the launch of the "iAM Smart" platform in December 2020, over 1.8 million citizens have registered as "iAM Smart" users, of which 1.76 million users are aged 18 or above while 40 000 users are aged between 11 and 17. The number of visits to the "iAM Smart" webpage is over 26 million and there is no fault record of the "iAM Smart" webpage operation so far.

At present, 46 Bureaux/Departments and public organisations, as well as 12 private organisations, have adopted "iAM Smart", providing more than 260 online services (please refer to https://www.iamsmart.gov.hk/en/e-service.html for the service list).

- 3. As at end-February 2023, more than 33 million accesses to the required online services were made through "iAM Smart". The most frequently used service through "iAM Smart" is the checking of COVID-19 electronic vaccination and testing records, with usage of approximately 10.6 million. Other commonly used services include "Leisure Link" and "eTax", with usage of 5.9 million and 4 million respectively. Every online service adopting "iAM Smart" has its own characteristics, including target users and its size, seasonal factors, and availability of the same service via different channels, etc. All these factors will affect the usage of a particular online service and it may not be appropriate to compare the usage of different online services.
- 4. The Chief Executive announced in his 2022 Policy Address the initiative to expedite the building of a smart government, including turning all government services online by 2024, and promoting the use of the "iAM Smart" platform to provide one-stop digital services by government departments by 2025, so as to realise the goal of "single portal for online government services".

The Financial Secretary has earmarked a sum of about \$200 million in the 2023-24 Budget to enhance the operation of the "iAM Smart" platform, so as to provide members of the public with more convenient one-stop digital services and to improve user experience.

The Office of the Government Chief Information Officer introduced the detailed proposal on enhancing the "iAM Smart" platform to realise "single portal for online government services" to the Panel on Information Technology and Broadcasting of the Legislative Council in March this year, including simplifying the registration processes, updating application design and functions, improving user interfaces and streamlining service

workflow, strengthening system capacity, performance and security, etc. We will to seek funding approval from the Finance Committee for implementing the project, with a view to commencing the tendering process in the second half of this year. The new features of "iAM Smart" are expected to be rolled out in phases over the next 2 years.

ITIB260

(Question Serial No. 0432)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (3) Information Technology in the Community

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Regarding the public Wi-Fi service, please advise this Committee of the following:

1. What are the numbers of public Wi-Fi hotspots installed in each of 18 districts, as well as the additional numbers of hotspots expected to be installed in 2023-24?

- 2. What are the locations of the 10 public Wi-Fi hotspots with the highest and lowest usage over the past 3 years, as well as their number of usage?
- 3. What are the locations of the 10 public Wi-Fi hotspots with the highest and lowest internet connection speed over the past 3 years, as well as the related information on the data speed?
- 4. What are the numbers and contents of complaints that the Government received about its public Wi-Fi service over the past 3 years?
- 5. What are the details on the expenditure incurred by improving Wi-Fi service over the past 3 years and in 2023-24 estimate (a breakdown of the number of related projects, content and related expenditure by software and hardware upgrading)? What are the staffing establishment, their ranks and related expenditures involved in the management and daily operation?

Asked by: Hon YUNG Hoi-yan (LegCo internal reference no.: 22)

Reply:

The replies to various parts of the question are as follows:

1. As at end-February 2023, the number of hotspots under the "Wi-Fi.HK" brand was about 47 000. Apart from over 3 600 mobile Wi-Fi hotspots installed in buses, taxis and the Airport Express, more than 43 000 Wi-Fi hotspots are distributed in the 18 districts across Hong Kong as listed below:

District	Number of hotspots			
Hong Kong Island				
Central and Western District	3 978			
Eastern District	2 041			
Southern District	2 845			
Wan Chai	2 421			
Kowloon				
Kowloon City	5 271			
Yau Tsim Mong	4 473			
Sham Shui Po	1 600			
Wong Tai Sin	1 369			
Kwun Tong	2 053			
New Territories				
Tai Po	906			
Yuen Long	1 542			
Tuen Mun	2 547			
North District	887			
Sai Kung	2 210			
Sha Tin	4 655			
Kwai Tsing	1 592			
Tsuen Wan	1 170			
Islands	2 118			
Total	43 678			

Apart from providing free Wi-Fi services at government venues, we will continue to encourage the industry as well as public and private organisations to participate in the programme and provide free Wi-Fi services at more venues through public-private partnership.

2. Between 2020 and 2022, the 10 venues with the highest average daily number of Wi-Fi users are: Hong Kong Central Library, Domain, Ping Shan Tin Shui Wai Public Library, High Court, Alice Ho Miu Ling Nethersole Hospital, Wanchai Law Courts, Ching Long Shopping Centre, Yuen Long Public Library, Hong Kong-Zhuhai-Macao Bridge Hong Kong Port - Passenger Clearance Building and Kowloon Park. Except for the Hong Kong Central Library where the average daily number of users is close to 1 400, the average daily number of users at the other venues ranges from 460 to 730.

Between 2020 and 2022, the 10 venues with the lowest average daily number of users are: Tsing Yi Rural Committee's Office, Ma Wan Rural Committee's Office, Sha Tin Sports Ground, Hang Hau Rural Committee's Office, Kwai Chung Gardens of

Remembrance No. 2 (New), Fu Shan Gardens of Remembrance, Pat Heung Rural Committee's Office, South Lantao Rural Committee's Office, Peng Chau Gardens of Remembrance and Peng Chau Columbarium. The average daily number of users at the above venues is less than 10.

Regarding the Wi-Fi services provided by other service providers through the public-private collaboration arrangement and those provided by the participating public and private organisations of the "Wi-Fi.HK" brand, we do not have the usage information on the Wi-Fi services they provided.

- 3. Currently, the average connection speed of Government Wi-Fi services exceeds 20 megabits per second (Mbps), which is sufficient for general Internet usage needs. We will perform regular check on the performance and reliability of the Wi-Fi services to ensure that the service quality meets the requirements.
- 4. From 2020 to February 2023, we have received 181 complaints about Government Wi-Fi services. They are mainly related to Wi-Fi services not covering the whole venue, as well as the stability of Wi-Fi services, arising mainly from the user being far away from the Wi-Fi hotspots. The other complaints include the unavailability of Government Wi-Fi services at the user location, failure to connect and use the Wi-Fi services, etc.
- 5. Government Wi-Fi services are delivered by contractors in the form of services and the service fee already covered the expenditure for hardware, software, installation, operation and maintenance, etc. The Government's expenditures on the Wi-Fi Connected City Programme in the past 3 years as well as in 2023-24 are as follows:

Item	2020-21 (Actual) (\$ million)	2021-22 (Actual) (\$ million)	2022-23 (Revised Estimate) (\$ million)	2023-24 (Estimate) (\$ million)
Operation and maintenance of Government Wi-Fi services	57.73	22.74	23.89	92.00
Programme coordination, management, publicity and promotion	10.90	12.59	17.61	17.00
Subsidising the provision of public Wi-Fi services in study rooms and youth service centres of non-profit making organisations	2.78	3.02	3.20	3.20
Total	71.41	38.35	44.70	112.20

In order to enhance the Government Wi-Fi services, apart from increasing the number of Wi-Fi hotspots between 2018 and 2020, we have rigorously upgraded the Wi-Fi network speed for better user experience. Since most of the contracts for Government

Wi-Fi services will expire and require renewal, the estimated expenditure for 2023-24 is expected to increase.

In terms of staff establishment, currently 2 Systems Managers and 6 Analyst/Programmer I are responsible for programme management, service procurement, as well as monitoring of contractors' performance in project implementation and ongoing operations of the Government Wi-Fi services.

ITIB261

(Question Serial No. 0439)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: (2) Information Technology Infrastructure and Standards

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Regarding the feasibility study on establishing an Artificial Intelligence Supercomputing Centre (Centre), please advise this Committee of the following:

- 1. What are the staffing establishment, their ranks and expenditures involved in the study?
- 2. What are the details in respect of the scope of the study, including the specific functions of the Centre, its location, area size, manpower required and the expected achievements, etc?
- 3. What are the details (including the number of projects, contents, staffing establishment and expenditures involved) of the programmes on promoting the development of AI, other than the establishment of the Centre?

Asked by: Hon Hon YUNG Hoi-yan (LegCo internal reference no.: 29)

Reply:

1. and 2. The Office of the Government Chief Information Officer (OGCIO) invited consultancy proposals for the feasibility study on the development of an Artificial Intelligence (AI) Supercomputing Centre on 23 February 2023. The consultant is required to assess the actual demand for AI supercomputing services in Hong Kong, and make recommendations on the scale of investment, the optimal operation model as well as the implementation strategy of the supercomputing centre. The consultant will also consult local universities and research institutes, relevant government departments and the industry on the development of the AI industry, and conduct surveys to project the computing power demands of relevant industry sectors in the next 7 years to ensure that the infrastructure facilities of the supercomputing centre are of sufficient capacities to cope with the demands.

The deadline for submission of proposals is 6 April 2023. We plan to commence the consultancy study in May with a view to completing the study in 2023-24. Since the evaluation of consultancy proposals is still underway, we are unable to provide relevant expenditure information such as contract value, etc. at this stage. The related work will be implemented with the existing resources of OGCIO. Details of the development approach and implementation plan of the supercomputing centre will be subject to the findings and recommendations of the consultancy study.

- 3. Besides conducting the feasibility study on AI Supercomputing Centre, the Government has also implemented other policy measures to promote the development of AI, including:
 - To expedite the development of smart city and digital government, the Government has earmarked \$600 million for a 3-year e-Government Audit programme ("EGA"). We are reviewing the information technology (IT) systems and services of all bureaux/departments ("B/Ds") to put forward IT solutions that leverage advanced technologies (e.g. AI, big data analytics, geospatial analytics, etc.) to provide more convenient and beneficial services to the public and the business sector and expedite the development of digital government. Our target is to implement 100 digital government initiatives with the adoption of advanced technologies by end-2025.
 - In order to assist B/Ds in expediting the implementation of relevant EGA recommendations, OGCIO launched the Next Generation Government Cloud Infrastructure and Big Data Analytics Platform in September 2020 to enable B/Ds to implement more big data analytics and AI related initiatives in a faster and more cost-effective manner. OGCIO has also been continuously developing more shared services and modules for adoption by B/Ds. For example, the Big Data Analytics Platform provides various big data analytics shared tools including image analytics, social media text analytics, etc. for adoption by B/Ds to develop their own big data analytics and AI projects. The relevant projects were implemented by OGCIO with internal resources, and the related expenses were funded under the Capital Works Reserve Fund Head 710 Computerisation.
 - In addition, the *InnoHK* research clusters promoted by the Innovation and Technology Commission (ITC) have attracted over 30 world-renowned universities and research institutes around the globe to set up 28 research laboratories in collaboration with local institutes at Hong Kong Science Park. The 2 research clusters are Health@InnoHK, focusing on healthcare technologies, and AIR@InnoHK, focusing on AI and robotics technologies. At presence, 14 research laboratories have been admitted under AIR@InnoHK, covering AI-driven big data analytics, AI chips, financial technology, robotics being applied in various sectors (such as healthcare, logistics, construction), etc. The relevant work is handled with the existing manpower and resources of the ITC. We do not have a breakdown of the expenditure for the individual work.

Examination of Estimates of Expenditure 2023-24

Reply Serial No.

CONTROLLING OFFICER'S REPLY

ITIB262

(Question Serial No. 0442)

Head: (47) Government Secretariat: Office of the Government Chief

Information Officer

Subhead (No. & title): ()

<u>Programme</u>: Not Specified

<u>Controlling Officer</u>: Government Chief Information Officer (Acting) (Tony WONG)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Question:

Will the Government advise this Committee of the following:

1. the staffing establishment, their ranks and expenditures involved in implementing metadata integration of the government websites;

- 2. the details of the work in respect of the government websites metadata integration over the past 3 years, including the number of databanks established, contents, manpower and related expenditures involved; and
- 3. the estimated expenditure on the enhancement of the government websites metadata integration in 2023-24; the number of projects covered, details of these projects and the expected outcome.

Asked by: Hon YUNG Hoi-yan (LegCo internal reference no.: 32)

Reply:

The Government has formulated relevant guidelines in respect of the design, development and maintenance of government websites for reference by bureaux and departments (B/Ds), with a view to providing the members of the public with a high quality website services and better user experience through the development of the purposeful and customer-centric government websites. The guidelines also recommend B/Ds to add appropriate metadata tags to their websites to enhance the relevance of government websites in search engines for facilitating the public to search relevant information. The guidelines also recommend B/Ds to analyse the data collected from their websites, including the statistics on website visits and hits, as well as the search keywords used by visitors, to understand how the public uses government websites. This will assist B/Ds to continuously improve the

content and user experience of their websites, and in turn enhance the effectiveness and service quality of the websites.

The Office of the Government Chief Information Officer (OGCIO) also provides guidelines for B/Ds on open data, including that open data on the Government's Public Sector Information (PSI) portal (data.gov.hk) must be accompanied by metadata for describing content of the datasets. When designing the metadata for open data, we also refer to relevant industry standards for aligning with search engine functions and facilitating the public to search open data on the PSI portal.

At present, most websites of B/Ds are hosted and published by OGCIO's Central Internet Web Hosting Service, with a total content volume of about 4.8 terabytes. The webpages of B/Ds are uploaded to the system of Central Internet Web Hosting Service and stored on the Next Generation Government Cloud, whilst the content and data of websites are managed by respective B/Ds.

In addition, OGCIO launched the Next Generation Government Cloud in September 2020, which facilitates interchange and sharing of data among B/Ds, apart from expediting the development of e-Government services through fast provision of information technology (IT) resources. A number of online services related to anti-epidemic work and boosting the economy, such as application for electronic consumption vouchers and booking for COVID-19 vaccination, have leveraged the relevant facilities of the Next Generation Government Cloud to enable effective data interchange between IT systems of different B/Ds to shorten the processing time.

To provide citizens with greater convenience and promote further data sharing among B/Ds, OGCIO is implementing a Consented Data Exchange Gateway (CDEG), which facilitates citizens to give one-off consent on the exchange of their personal data among relevant systems of government departments, so that they do not need to submit or enter their information repeatedly. The design of CDEG will comply with the Personal Data (Privacy) Ordinance while will also fulfill the objective of promoting data sharing among B/Ds, thereby facilitating the development of more e-Government services.

Regarding the expenditure involved in the development and maintenance of government websites and the promotion of e-Government services, B/Ds generally implement the services with their existing manpower and resources. If necessary, B/Ds can apply for funding through the Capital Works Reserve Fund Head 710 Computerisation to implement their e-Government services. OGCIO does not maintain the information on individual B/Ds' expenditures on their websites and e-Government services.

ITIB263

(Question Serial No. 1061)

<u>Head</u>: (111) Innovation and Technology Fund: Innovation and Technology

Subhead (No. & title): (000) Operational expenses

<u>Programme</u>: Not Specified

<u>Controlling Officer</u>: Commissioner for Innovation and Technology (Ms Rebecca PUN)

<u>Director of Bureau</u>: Secretary for Innovation, Technology and Industry

Ouestion:

The revised estimate of the Innovation and Technology Fund in 2022-23 increased from approximately \$4.57 billion to approximately \$6.42 billion in the 2023-24 estimate, representing an increase of \$1.85 billion. Please inform this Committee of the specific allocation of the estimate and whether there is/are any new project(s) to launch.

Asked by: Hon LUK Chung-hung (LegCo internal reference no.: 32)

Reply:

The Innovation and Technology Fund (ITF), established in 1999, is administered by the Innovation and Technology Commission (ITC). The ITF has all along been financing projects that contribute to the innovation and technology (I&T) upgrading in our manufacturing and services industries to promote the long-term development of Hong Kong. The estimated expenditure of the ITF in 2023-24 is approximately \$6.42 billion, representing an increase of around \$1.85 billion over the revised estimate for 2022-23 of approximately \$4.57 billion, mainly due to the increase in the estimated expenditure for the research centres/laboratories under the InnoHK research clusters, the Research Talent Hub (RTH) Scheme and the Innovation and Technology Venture Fund (ITVF).

The increase in the estimated expenditure of approximately \$750 million for the research centres/laboratories under the InnoHK research clusters is mainly due to the increased cash requirement in 2023-24 arising from the increase in the number of research and management staff and a rise in the amount of funding for research and development projects, in order to enable individual research projects to catch up with progress after the COVID-19 epidemic has subsided.

The increase in the estimated expenditure of approximately \$200 million for the RTH Scheme is mainly due to the enhancement measures proposed in the 2022 Policy Address, in which the subsidies provided for research institutions and I&T enterprises for employing research talents under the Scheme would be increased by about 10% and research talents with a doctoral degree under the Scheme would additionally be provided with a monthly living allowance. From April 2023, ITC increases the maximum monthly allowance for research

talents with a bachelor's, master's and doctoral degree to \$20,000, \$23,000 and \$35,000 respectively; and additionally provides research talents who are doctoral degree holders under the Scheme with a monthly living allowance at \$10,000.

The increase in the estimated expenditure of approximately \$175 million for the ITVF in 2023-24 is mainly due to the expected increase in the amount of investment in local I&T start-ups following the operational enhancement of the ITVF. At the same time, the increase in the number of co-investment partners is helpful for us to identify more suitable start-ups for investment.

Furthermore, the estimated expenditure of the 16 State Key Laboratories, 6 Hong Kong Branches of Chinese National Engineering Research Centres and some of the funding schemes (including the Research and Development Cash Rebate Scheme and the Reindustrialisation and Technology Training Programme) in 2023-24 is also higher than the revised estimate for 2022-23.