DIGITAL 21 STRATEGY ADVISORY COMMITTEE

Minutes of the Meeting held
on 26 June 2012 at 2:30 p.m.
in Communal Conference Room 3, Ground Floor,
Central Government Offices, Tamar, Hong Kong

Present

Mr Gregory SO, JP	Secretary for Commerce and Economic Development (Chairman)
Mr Daniel LAI, BBS, JP	Government Chief Information Officer
Miss Janet WONG, JP	Commissioner for Innovation and Technology
Mr John CHIU	Member
Ms Susanna CHIU	Member
Ms Christine FANG	Member
Mr George FOK	Member
Ms Shirley HA	Member
Mr Herman LAM	Member
Mr Joe LOCANDRO	Member
Ms Waltraut RITTER	Member
Dr Charleston SIN	Member
Mr Justin TSANG	Member
Mr Pindar WONG	Member
Mr Peter YEUNG	Member

In attendance

Miss Joey LAM, JP	Deputy Government Chief Information Officer (Policy and Customer Service)
Mr Victor LAM	Deputy Government Chief Information Officer (Consulting and Operations)
Mr Kenneth CEHNG	Assistant Government Chief Information Officer (E-government Service Delivery)
Mr Andrew TSANG	Administrative Assistant to Secretary for Commerce and Economic Development

Ms Joyce MOK	Assistant Government Chief Information Officer (Digital Economy Facilitation)
Mr Owen WONG	Chief Systems Manager (Digital Economy Facilitation), OGCIO
Mr Jason PUN	Chief Systems Manager (Digital Economy Facilitation), OGCIO
Mr James CHAN	Senior Administrative Officer (E-government Service Delivery), OGCIO
Mr KW CHAN	Manager (Digital Economy Facilitation)
Mr Gary TSANG	Administrative Officer (E-government Service Delivery), OGCIO (Secretary)
Prof CHING Pak-chung	Vice-President, CUHK
Mr Philip LEUNG	Director of Information Technology Services, CUHK
Mr CH CHENG	Associate Director (Infrastructure), Information Technology Services Centre, CUHK

Absent with apologies

Ms Elizabeth TSE, JP	Permanent Secretary for Commerce and Economic Development (Communications and Technology)
Miss Eliza LEE	Director General of Telecommunications
Prof David CHEUNG	Member
Prof Nancy LAW	Member
Ms Susanne SHEN	Member
Dr Hon Samson TAM	Member
Prof WONG Kam-fai	Member
Mr William LEUNG	Member
Dr Elizabeth QUAT	Member

Agenda Item I: Confirmation of Minutes

The draft minutes of the 24th D21SAC meeting held on 23 February 2012 were confirmed without amendment.

Agenda Item II: Strengthening Internet Exchange Infrastructure

2.   **Prof CHING Pak-chung** briefed Members on the history, background and functions of the Hong Kong Internet Exchange (HKIX), which had been operated and supported by the Chinese University of Hong Kong (CUHK) since 1995.

3.   **Mr CH CHENG** said that HKIX was a key ICT infrastructure facilitating the interconnection and exchange of network traffic in Hong Kong. To enable HKIX to cope with anticipated demands, it was necessary to upgrade its equipment to expand service capacity, improve its performance, increase the number of high-speed connections and strengthen its resilience features. **Mr CHENG** said that CUHK would build a new data centre for setting up a new dual-core system and integrate it with the existing HKIX infrastructure so as to double HKIX's service capacity and provide site resilience feature for enhanced security. As the anticipated investment to build a new site with high-end equipment would be beyond the financial capability of HKIX under the current charging model, Government's funding support was necessary to implement this enhancement plan.

4.   **Dr Charleston SIN** declared interest in view of his company's business connections with HKIX. **Mr Pindar WONG** also declared that he was a member of the technical advisory board of Packet Clearing House, which established Internet Exchanges globally. The **Chairman** noted the declarations and considered it unnecessary for these Members to leave the discussion because HKIX's enhancement plan was already known among the trade. Moreover, it would procure the equipment through open tendering.

5.   In response to Members' comments, **Prof CHING** and **Mr CH CHENG** said that —

   (a) over the years CUHK financed the needed upgrade of HKIX equipment to accommodate the gradually increasing Internet traffic volume. In view of the need to double the existing capacity and establish a new site, CUHK would require Government's financial support.

   (b) Internet exchange organisations overseas charged users for their

services;

(c) Although HKIX would change its charging model to a pay-as-you-use model, it would maintain its not-for-profit nature.

(d) To ensure effective use of Government funding, HKIX would enter into a service agreement with the Government, which would set out the scope of services, obligations and responsibilities, and project governance mechanism.

6.   **CIT** commented that it would be time for the Government to provide funding support to the operation of HKIX in the light of its benefits to the community as well as the sustainability of the project which would be in doubt if CUHK, an educational institution, had to bear the cost in the long run.

7.   **GCIO** also stated that OGCIO and HKIX would enter into a service agreement. The agreement would stipulate the service levels which HKIX would be required to deliver.   He also added that a steering committee would be set up to oversee the project and put in place measures to monitor the performance of HKIX.   He also said that the cost for the ongoing maintenance and support of the equipment would be borne by CUHK.   He added that in view of the rapid development of the Internet and ICT industry, CUHK should conduct periodic review on the sustainability of HKIX.

8.   **The Chairman** thanked Members for their comments. The Committee supported the proposal in principle.

Agenda Item III: Implementation of Data Centre Facilitation Measures

9.   **Mr James CHAN** updated Members on the Government's initiatives to promote data centre development, including:

(a) the facilitation measures to encourage better use of industrial buildings or industrial lots for data centre development had commenced operation with effect from 25 June 2012;

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(b) the one-hectare site reserved for high-tier data centre development in Tseung Kwan O would be available for open bidding in 2013;

(c) the Data Centre Facilitation Unit had made good progress on other facilitation measures such as reduction of goods vehicle parking requirement in industrial buildings, compliance issues involving fire protection requirements, updating information on power supply and green practices; and

(d) a data centre seminar would be organised on 13 July 2012 to step up publicity.

10.　　In response to Members' questions regarding the site in Tseung Kwan O earmarked for high-tier data centre use, **GCIO** said that an application for change in land use would be submitted to the Town Planning Board, and it was expected that the site would be put up for open bidding in 2013 as scheduled.　Interested parties would be required to comply with green requirements in the future development.

11.　　In response to Members' comment on the lack of land supply to fulfil the unique requirements of data centres, **GCIO** said various Government departments including the Planning Department, the Lands Department and OGCIO had been working closely to identify more suitable land to meet market demands, and the efforts would continue.

12.　　Members suggested that the Government should encourage application development and cloud computing, leveraging on the competitive advantages of Hong Kong as a prime location for data centres.

Agenda Item IV – ICT Collaboration with Mainland

13.　　**Mr Jason PUN** mentioned that one of the focuses of the National Twelfth Five-year Plan was to uplift the Mainland's overall informatisation level.　This provided ample opportunities for the development of ICT in Hong Kong.　He introduced the progress of work in three collaboration areas, namely:

(a) Mutual recognition of electronic signature certificates issued by Guangdong and Hong Kong;

(b) Cloud computing; and

(c) Technology exchanges.

14.   **The Chairman** invited Members' suggestions of other collaboration areas with the Mainland, and they made the following suggestions:

(a) The Government could consider exploring with the Mainland authorities the feasibility for Hong Kong companies to operate data centres in certain parts of the Mainland, such as Guangdong or Shenzhen on a pilot basis;

(b) Information security and wireless technology could be considered as possible areas for collaboration or exchanges of experience;

(c) In terms of collaboration with the Mainland, apart from commercial collaboration, digital inclusion could also be a suitable area for more interactions and exchanges of experience;

(d) The Hong Kong ICT industry could seize the opportunity in providing ICT support for the urbanisation of the Mainland.

15.   **The Chairman** thanked Members' suggestions. He remarked that the pilot schemes to be implemented in the Guangdong province would serve as testing grounds.   He welcomed further comments from Members to the Government.

Agenda Item V: Report on the Progress of Task Forces

16.   **GCIO** updated Members on progress of the three Task Forces, all of which had met in April or May 2012.   At the Task Force on E-Government Service Delivery, Members were briefed on the Implementation of the Government Cloud Platform, Enhancement of GovHK and MyGovHK as well as the Further development of Mobile e-Government Services.

17.   At the Task Force on Industry Facilitation, Members were also briefed on the Implementation of the initial phase of Government cloud platform, Government's ICT collaboration initiatives with the Mainland, Projects to encourage ICT adoption among SMEs, IPv6 Promotion and Progress Update on Data Centre Development in Hong Kong.

18.   At the Task Force on Digital Inclusion, Members were updated on the findings of a Study on Digital Inclusiveness in 2011 and progress of the Web Accessibility Campaign and the planned activities for 2012-13. Members noted the latest statistics in usage, knowledge and access to ICT among these groups, which showed marked improvements over the past three years.

Agenda Item VI: Any Other Business

19.   The **Chairman** invited **Mr Pindar WONG** to give a briefing on Intellectual Property (IP) trading.   **Mr WONG** introduced the key concepts of IP trading such as securitisation, determination of price of IP products, and the IP policies overseas. He suggested adding an IP element in the Digital 21 Strategy.

20.   The **Chairman** commented that actually ICT IP Trading had been conducted in Hong Kong for many years though not in a focused manner. He also emphasised that ICT and IP are inter-related, and agreed to include IP trading in one of the task forces' agenda for further discussion.

Office of the Government Chief Information Officer
Commerce and Economic Development Bureau
June 2012