For discussion
on 23 October 2018

Legislative Council
Panel on Information Technology and Broadcasting

The Chief Executive's 2018 Policy Address
Policy Initiatives of Innovation and Technology Bureau

BACKGROUND

Innovation and technology ("I&T") is a key policy agenda of the current-term Government.   The 2018 Policy Address announced by the Chief Executive on 10 October has proposed a number of policies and measures to further promote I&T development.   This paper briefs Members of the Panel on Information Technology and Boradcasting on the relevant measures.

PROGRESS OF THE EIGHT MAJOR AREAS

2.   The Chief Executive announced in last year's Policy Address that the Government would step up its efforts to develop I&T in eight major areas, including: (a) increasing resources for research and development ("R&D"); (b) pooling together technology talent; (c) providing investment funding; (d) providing technological research infrastructure; (e) reviewing existing legislations and regulations; (f) opening up government data; (g) Government to lead changes to procurement arrangements; and (h) strengthening popular science education.   In the past year, the Government has been actively working on these eight major areas with good progress.   The latest position of relevant initiatives is set out in paragraphs 14 to 21.

3.   With concerted efforts by different parties, a fervid I&T atmosphere has been gradually created in Hong Kong.   To continue the favourable development, we have to keep on adding momentum to the local I&T ecosystem.   On smart city, this year's Policy Address seeks to strengthen efforts on "Smart Government", including e-Government and adoption of information technology ("IT") to improve public services.   Details of the relevant initiatives are in paragraphs 4 to 13 below.

NEW INITIATIVES

Opening up government data

4.   At present, we make available over 3 200 datasets in digital/ machine-readable formats and over 1 200 application programming interfaces ("API") for free use by the public under the "data.gov.hk" portal.   To drive government departments and encourage public and private organisations to open up more data on the portal, we have formulated a new open data policy and related measures this September.   Under the new policy, we have established a mechanism which requires government departments to publish annual open data plans for the coming year and make reference to public feedback and suggestions to open up more data.   All government departments are required to publish their first annual open data plans by end-2018.

Smart Government Innovation Lab

5.   The Office of the Government Chief Information Officer ("OGCIO") will establish the Smart Government Innovation Lab in 2019 to coordinate and assist in promoting efforts on "Smart Government".   To better tap views from the technology sector, OGCIO will reach out to local small and medium-sized enterprises ("SMEs") and start-ups and invite them to submit IT solutions and product suggestions for different public services. These proposals will then be matched with the needs of relevant departments, and trials and technology testing for appropriate proposals will be arranged to enable departments to effectively formulate innovative measures for improving their operation and services.   This initiative helps encourage departments to adopt I&T more extensively to address different city challenges such as preventing ticket scalping, handling municipal and environmental issues, collecting and analysing traffic data and crowd control, performing smart customs clearance, and improving license application, renewal, recording and inspection for dangerous goods.

6.   With the Government's new pro-innovation procurement policy, this initiative could create more business opportunities for local start-ups and SMEs and promote development of the I&T sector.

Driving adoption of technology by Government

7.   The Innovation and Technology Bureau ("ITB") rolled out the $500-million TechConnect Block Vote ("TechConnect") in mid-2017 to provide funding support to Government departments for planning and implementing technology projects, so as to enhance operational efficiency and improve public services.   To date, ITB has supported over 40 technology projects proposed by various departments, of which 24 have commenced.   As

announced in the Policy Address this year, another $500 million will be allocated to the TechConnect to continue to drive the adoption of technology by government departments for providing better services for the community.

E-Government

8.   To drive e-Government development, we will adopt an innovative approach and the latest IT solutions to revamp our e-Government services. OGCIO will introduce artificial intelligence and chatbot functions to the GovHK portal to facilitate searching of and access to e-Government services by the public.   The system upgrading works required will be completed by the end of 2019.   We will also pilot the use of chatbot to answer 1823 public enquiries.

9.   We will launch the electronic identity ("eID") in mid-2020.   The Government will take the lead to fully adopt eID in e-Government services. It is envisaged that residents will be able to use eID to access around 100 e-Government services with their computers or mobile devices, and submit electronically around 3 000 government forms under different policy areas by mid-2021.

10.   Apart from the new initiatives for revamping e-Government systems, OGCIO will also enhance the Government's overall cyber security capability through a series of measures.   These include updating the Government's information security policies and practices; strengthening information security culture; enhancing the awareness of the Government, the industry and the public on cyber threats of emerging technologies such as Internet of Things; and facilitating sharing of information on cyber security among the Government, professional organisations as well as public and private organisations.   In September, OGCIO launched the first local cross-sector partnership programme, "Cybersec Infohub" to enhance Hong Kong's overall defence and resilience against cyber attacks.

11.   We will soon commence the construction works for the Government Data Centre Complex to support the needs for long-term IT development and data centre services of bureaux/departments ("B/Ds").   The works are expected to be completed in 2021.

Supporting I&T start-ups and promoting e-sports development

12.   We have injected $200 million into Cyberport for enhancing its existing measures and introducing new initiatives for its start-ups and tenants. Cyberport will increase the financial subsidy of its Incubation Programme from $330,000 to a maximum of $500,000.   Under the Space Sharing Scheme for Youth, Cyberport has set up the Smart-Space co-working space in Tsuen Wan

which came into operation officially in July 2018.   The start-ups in this co-working space may apply for the financial subsidy under the Cyberport Creative Micro Fund (up to $100,000).   In addition, Cyberport will launch the Overseas / Mainland Market Development Support Scheme in the fourth quarter of 2018 to assist start-ups in entering the overseas and Mainland markets more quickly and effectively.   Cyberport is also finalising details of the Easy Landing Scheme under which rental concession will be provided to eligible overseas or Mainland multi-national corporations.

13.   We have also injected $100 million into Cyberport for promoting the development of e-sports in Hong Kong.   Cyberport has commenced the renovation works to convert the Arcade into an e-sports and digital entertainment node.   First phase of the renovation works are expected to be completed by end-2018, and the venue will then be available to the industry for organising e-sports competitions, events and training.   Renovation works are expected to be fully completed in the second quarter of 2019.   Cyberport is finalising details of the various initiatives in support of the development of the e-sports industry, which will be announced in due course.

ON-GOING INITIATIVES

Smart City

14.   We published the *Smart City Blueprint for Hong Kong* in December 2017, covering more than 70 initiatives.   Relevant B/Ds are actively taking forward these initiatives.   ITB is taking forward the following smart city infrastructure projects -

(a) Increasing the number of free Wi-Fi hotspots and enhancing their service through the Wi-Fi Connected City Programme and other initiatives to bring convenience to the public and tourists.   As at September 2018, there were about 22 600 Wi-Fi.HK hotspots.   We will continue to progressively expand the coverage of the Wi-Fi.HK brand and enhance our service through different measures.   We plan to implement high speed Internet access points at some popular tourist spots located at government venues.   We envisage that the high speed Internet access points will cover about 10 tourist spots in 2019;

(b) Providing eID to all Hong Kong residents free of charge by mid-2020, thereby enabling them to use a single digital identity and authentication to conduct government and commercial online transactions;

(c) Implementing the Pilot Multi-functional Smart Lampposts Scheme and install some 400 smart lampposts at four selected urban locations (including Central/Admiralty, Causeway Bay/Wan Chai, Tsim Sha Tsui and Kwun Tong/Kai Tak Development Area). The first phase with some 50 smart lampposts is expected to come into operation by mid-2019, and the remaining some 350 smart lampposts will be rolled out by phases. The pilot scheme is expected to be completed by 2021-22; and

(d) Commissioning the revamped government cloud facilities and big data analytics platform in the third quarter of 2020 to facilitate B/Ds to make better use of cloud services and new IT for enhancing operational efficiency and cyber security.

Promoting information and communications technology ("ICT")

15.		We have been promoting ICT through various means to various sectors of the community. In the 2018/19 school year, OGCIO continues to implement the "Enriched IT Programme in Secondary Schools" in eight partner schools and support other secondary schools to organise enriched IT activities. By the end of the 2017/18 school year, more than 10 000 students have benefited from the Enriched IT Classes and enriched IT activities, involving about $30 million funding support.

16.		OGCIO will organise the fourth "Internet Economy Summit" in April 2019, where industry experts and enterprise leaders from across the world will interact and share their insights on the development and opportunities of the Internet economy. OGCIO will also continue to organise the "Hong Kong ICT Awards" to recognise and promote outstanding ICT inventions and applications.

I&T and daily living

17.		ITB launched the $500 million Innovation and Technology Fund for Better Living ("FBL") in May 2017 to fund I&T projects that bring more convenience, comfort and safety to daily living, or address the needs of specific community groups. The FBL has so far approved 16 applications, involving a total grant of about $50 million. The approved projects involve different I&T applications and serve different community groups, including a mobile app promoting healthy diet, service platform for space sharing in the community, mobile application encouraging elders exercise, devices for examining children's eyes and for elders' dental care, service platform for persons with rehabilitative needs, device helping the disabilities exercise, and teaching tool for children with special learning needs, etc. The projects will gradually roll out in 2019 to benefit the community.

18.   OGCIO has been actively promoting digital inclusion in helping the elderly and those in need acquire digital skills so that they can benefit from the advancement in digital technology in their daily lives.   These initiatives include the ICT Outreach Programme for the Elderly and promoting adoption of accessibility design in websites and mobile apps.   We will adopt a new mode to launch a web-based learning portal and provide training courses for the elderly in 2019 so that they can learn IT more comprehensively.

19.   The Efficiency Office ("EffO") will continue to strengthen its ties with other B/Ds, youth organisations and other related organisations, and collate more youth development-related information through the Youth Portal (Youth.gov.hk), in particular to increase the breadth and depth of the content on entrepreneurship and career pursuit.   The Portal will strengthen its information dissemination through various on-line platforms (including social media) and step up its work on user engagement and user experience improvement to facilitate the work on youth development.

Social innovation

20.   Through the Social Innovation and Entrepreneurship Development Fund, EffO has been playing the role of a facilitator and a promoter in driving social innovation, fostering social entrepreneurship, and inspiring innovative solutions that address poverty and social exclusion.   We will continue to provide suitable support to social entrepreneurs and explore new funding models, engage partners in formulating and implementing collective impact initiatives, promote the "Creating Shared Value" concept in the business sector, and sustain public awareness of and support for social innovation.   Besides, we are preparing for the engagement of an intermediary to develop and operate a gerontechnology platform to address the challenges and tap the opportunities brought by ageing population.

Business facilitation measures

21.   In respect of business facilitation, EffO continues to coordinate with departments in formulating more than 130 new business facilitation measures, most of which (about 75%) will be implemented in 2018-19. Through inter-departmental collaboration, we shall introduce more one-stop services and streamline procedures to shorten the processing time of licence applications.   An example is the one-stop registration service introduced in July 2018 to facilitate the trades to set up "Open-ended Fund Companies". We shall make wider adoption of IT to provide enhanced electronic licensing services, such as developing the Pharmaceuticals Licence Application and Movement Monitoring System and full implementation of the E-Levy System for the travel agent industry.   On regulatory regimes, departments will

actively review the regulatory requirements, remove outdated licensing conditions, introduce third party certification as well as issue provisional licences and extend the licence validity period where feasible, with a view to enhancing the efficiency and transparency of the licensing processes in order to provide better licensing services.

WAY FORWARD

22.	Leveraging our existing advantages, including "one country, two systems", internationalised business environment, research capabilities, judicial system, protection of intellectual property etc., coupled with various breakthrough policy measures carried out by the Government in the past three years as well as the Bay Area development, Hong Kong is facing unprecedented opportunities ahead for I&T development. The new initiatives put forward by the Policy Address this year will further enhance the local I&T ecosystem; provide universities, research institutions, I&T enterprises, technology talent and the youth with a wide room for development; move forward social and economic development; and improve the daily lives of citizens. The Government will endeavour to take forward the initiatives, with a view to making Hong Kong a competitive international I&T centre.

Innovation and Technology Bureau
Office of the Government Chief Information Officer
Efficiency Office
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