

DIGITAL 21 STRATEGY ADVISORY COMMITTEE

**Minutes of the Meeting held
on 23 February 2012 at 2:30 p.m.
in Communal Conference Room 4, Ground Floor,
Central Government Offices, Tamar, Hong Kong**

Present

Mr Gregory So, JP	Secretary for Commerce and Economic Development (Chairman)
Ms Elizabeth Tse, JP	Permanent Secretary for Commerce and Economic Development (Communications and Technology)
Mr Daniel Lai	Government Chief Information Officer
Miss Janet Wong, JP	Commissioner for Innovation and Technology
Mr Chaucer Leung	Assistant Director of Telecommunications (Support), on behalf of Miss Eliza Lee, Director General of Telecommunications
Mr John Chiu, JP	Member
Ms Susanna Chiu	Member
Mr George Fok	Member
Mr Herman Lam	Member
Mr William Leung, BBS,JP	Member
Dr Elizabeth Quat, JP	Member
Ms Waltraut Ritter	Member
Ms Susanna Shen	Member
Dr Charleston Sin	Member
Mr Justin Tsang	Member
Mr Peter Yeung	Member

In attendance

Mr Victor Lam	Deputy Government Chief Information Officer (Consulting and Operations)
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Mr Andrew Tsang	Administrative Assistant to Secretary for Commerce and Economic Development
Mr Kenneth Cheng	Assistant Government Chief Information Officer (E-government Service Delivery)
Mr Kingsley Wong	Chief Systems Manager (Digital Inclusion)
Mr James Wong	Senior Systems Manager (Digital Economy Facilitation)
Ms Esther Chan	Senior Systems Manager (Digital Economy Facilitation)
Mr KW Chan	Manager (Digital Economy Facilitation)
Mr Bernard Lo	Senior Administrative Officer (E-government Service Delivery)
Mr James Chan	Senior Administrative Officer (E-government Service Delivery)
Mr Gary Tsang	Administrative Officer (E-government Service Delivery), OGCIO (Secretary)

Absent with apologies

Prof David Cheung	Member
Ms Christine Fang, BBS, JP	Member
Ms Shirley Ha	Member
Prof Nancy Law	Member
Mr Joe Locandro	Member
Dr Hon Samson Tam, JP	Member
Prof Wong Kam-fai, MH	Member
Mr Pindar Wong	Member

Introductory Remarks

The Chairman welcomed Members to the meeting and introduced **Mr Daniel Lai**, the new **GCIO**, who attended the meeting for the first time.

Agenda Item I: Confirmation of Minutes

2. The draft minutes of the 23rd D21SAC meeting held on 3 November 2011 were confirmed without amendment.

Agenda Item II: Facilitation Measures for Data Centre Development

3. **Mr Kenneth Cheng** updated Members on the measures to facilitate data centre development in Hong Kong, including:

- earmarking 2 hectares of land in Tseung Kwan O for data centre development;
- exempting the waiver fee for converting parts of industrial buildings for data centre development; and
- assessing premium based on high-tier data centre use in case of development of high-tier data centres in industrial buildings or on industrial lots through lease modification.

The Data Centre Facilitation Unit under the Office of the Government Chief Information Officer (OGCIO) had been providing one-stop services for existing and potential data centre operators since its establishment in July 2011. The OGCIO had also worked with Transport Department in relaxing the goods vehicles parking requirement for data centres, and clarified with the Uptime Institute the power supply requirement for Tier 4 data centres.

4. **Members** welcomed the presentation and made comments on the measures. In response to Members' comments, **Mr Daniel Lai** and **Mr Kenneth Cheng** said that —

- (a) High-tier data centres were defined as those at Tier 3 or above;
- (b) the concession for lease modification applied to both conversion and redevelopment of industrial building located on industrial lots;

- (c) the Government would not set any target on the number of data centres to be set up but would endeavour to attract as many data centres as possible. OGCIO had been partnering with InvestHK to promote Hong Kong as a prime location for setting up data centres in the region; and

OGCIO had been drafting best practices for green data centres, and would share them with the industry.

5. **Ms Elizabeth Tse** added that the two new initiatives announced in the Budget were Government's endeavour to spur data centre development in the short term, in face of keen regional competition.

6. **Members** also suggested that consideration should be given to attracting Tier 2 and 3 data centres and that the Government could explore the possibility of developing data centres at places farther from city centres.

Agenda Item III: Proposed Themes for OGCIO's Sponsorship Projects for 2012-13

7. **Mr Bernard Lo** briefed Members on the progress of the seven sponsorship projects under the four themes in 2011-12, namely:

- (a) Promoting the Pilot Scheme for Access and Re-use of Public Sector Information;
- (b) Promoting the awareness of Internet Protocol version 6;
- (c) Enhancing information and communications technology (ICT) adoption among the elderly; and
- (d) Enhancing ICT adoption among small and medium-sized enterprises (SMEs).

8. He then introduced the four proposed sponsorship themes for 2012-13, namely:

- (a) Development of mobile applications / websites for underprivileged groups;

- (b) Recognition scheme for ICT usage among the elderly;
- (c) ICT manpower development – promotion to secondary students;
and
- (d) Enhancing ICT adoption among SMEs.

9. **Members** supported the proposed sponsorship themes, deliberated on the supply and demand issues for ICT manpower development. There were suggestions that apart from programmes that helped people catch up on ICT, there should be more forward-looking sponsorship themes.

Agenda Item IV – Implementation of Internet Learning Support Programme

10. **Mr Kingsley WONG** introduced the enrollment performance of the Internet Learning Support Programme (ILSP), and the measures taken to facilitate the reach-out to the target beneficiaries.

11. **Ms Shirley FISHER**, introduced the corporate structure of eInclusion and updated Members on their progress and new initiatives to drive adoption. **Mr Erwin HUANG** presented a review of the progress of WebOrganic and its new promotional measures.

12. **The Chairman** reiterated the benefits of ILSP for the low-income families, and pointed out that the enrollment number was still falling short of the targets. On the implementation of the programme, **Members** enquired:

- Whether school promotion would create a labeling effect and whether it had been effective in reaching out to the eligible students;
- Whether there was control on how the cash subsidies, distributed by the Education Bureau, were used;
- Whether stepping up promotion was a cost-effective means to boost enrollment, and whether technologies, such as virtual desktop making use of cloud computing, could be used to lower

the price of the services and products and therefore help boost enrollment;

- Whether there was collaboration between the two implementers.

13. **Ms FISHER** responded that there would not be a labeling effect. Although e-Inclusion would only provide services to eligible students and families, they promoted the programme and their services to all students indiscriminately. She also explained that they would explain to the parents the importance of Internet learning to students, so as to encourage them to use the subsidy to join the programme. About the cost-effectiveness of promotion and advertising, she explained that e-Inclusion understood that the funding should be used directly on students, but promotion was also important for driving enrollment.

14. **Mr HUANG** explained that for WebOrganic, products and services were promoted to both underprivileged and non-underprivileged students but were sold at different prices. He also pointed out that the two implementers had collaborated on schools which had eligible students living in districts responsible by both implementers.

15. **The Chairman** asked the implementers whether they were confident of meeting the agreed service targets according to the predefined timetable and whether there would be room for reduction in the products' price. He also asked eInclusion why they sold much less internet packages than their counterpart.

16. **Ms FISHER** responded that the past few months were a development stage of the 5-year programme, and eInclusion was confident that at least 80% of the target could be met according to the agreed timetable. They would continue to solicit better products and services for eligible families. For the low number of Internet service packages sold, **Ms FISHER** explained that it was because many families had already been using existing Internet services at home.

17. **Mr HUANG** said they would have difficulty meeting the target of beneficiary reached, as there were challenges in identifying eligible students due to privacy concerns.

18. **The Chairman** thanked Members for their comments and the implementers for their inputs. He stressed that the implementers were aware of the privacy issue before they agreed to implement the programme. Therefore, they should identify practical means to resolve the problem.

Agenda Item V: Report on the Progress of Task Forces

19. **Mr Daniel Lai** gave an update on progress of the three Task Forces to the Members. At the Task Force on E-Government Service Delivery meeting, representatives from Food and Health Bureau and Hospital Authority briefed Members on the eHealth Record Sharing System (eHR Sharing System) and the consultation on its Legal, Privacy and Security Framework. Members raised some suggestions and focused on security and user-friendliness of the eHR Sharing System. Besides, representatives from Leisure and Cultural Services Department (LCSD) briefed Members on the Next Generation Integrated Library System (NGILS) which went live after Christmas of 2011. LCSD was embarking on phase two of the NGILS.

20. At the Task Force on Industry Facilitation meeting, members were briefed on the strategies and work of CreateHK to foster creative industries in Hong Kong. Members opined that software development was also part of the creative industries and CreateHK should provide more support in this area. Members were also briefed on InvestHK's work and plans to attract and retain mainland and foreign direct investment in Hong Kong, in particular those from ICT enterprises. One of the initiatives was on data centre.

21. At the Task Force on Digital Inclusion meeting, Members discussed the projects to encourage ICT adoption among the elderly. Besides, Members agreed to entrust the Information Technology Resource Centre of the Hong Kong Council of Social Service to take up the District Cyber Centres Scheme as from 1st April 2012.

Agenda Item VI: Any Other Business

22. The **Chairman** asked Members to suggest ways to enable themselves to contribute their ideas and advice more effectively. He informed **Members** that, as a start, some informal gatherings would be arranged for **Members** to express their views and share their insights in a more relaxing environment.

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