

Progress Report on Policy Address 1998-2000

Year	Sin Chung-kaï's suggestions	Year	Government's response /current development
1. Information Technology			
1.1. General Policy/Infrastructure			
1998	Form a Hong Kong Information Infrastructure committee to oversee the implementation of Digital HK 2005.	1998	Formed Information Infrastructure Advisory Committee (IIAC) to overlook the overall IT policy
1999; 2000	Speed up and evaluate the progress of Digital 21 Strategy.	2001	Revised Digital 21 was released in May 2001
1999	Benchmarking digital economy	1999; 2000	Conduct benchmarking statistics on the IT sector including <ul style="list-style-type: none"> ▪ IT manpower supply and demand ▪ R&D expenditure on IT ▪ the use of IT in the general household and business community since 2000
1999	Reduce PNETS charge and review local access charge		
1999; 2000	Introduce Anti-Trust Law and the Fair Competition Bill to safeguard fair competition.		
2000	Establish Information Infrastructure Development Council (IIDC) to replace IIAC.		
1999	Promote broadband network.		
1.2. e-commerce			
1998	Draft Electronic Transaction Bill	1999; 2000	Introduced legislation into the LegCo on July 1999; Enacted in Jan 2000
2000	Review Electronic Transaction Ordinance		
1998	Set up a non-government Certificate Authority	1998; 1999; 2000	Set up public CA (HKPost) in 1999. It commenced operations in Jan 2000
1998; 1999	Promote deployment of IT among SMEs by establishing online resource centre and virtual e-commerce education centre for SMEs	1998; 1999; 2000	<ul style="list-style-type: none"> ▪ Worked with chambers of commerce to promote e-commerce; ▪ Launch a bi-monthly seminar series together with the HKTDC and the HKITF on e-commerce; ▪ Worked with HKTDC and HKPC to package their electronic commerce services into comprehensive and readily affordable solution packages; ▪ Established an enquiry hotline, prepare publicity materials and other programs to promote IT to SMEs.

1999; 2000	<ul style="list-style-type: none"> ▪ Establish standard of account and audit for e-commerce. ▪ IRD should study the tax system for e-commerce and issues pertinent guidelines for e-business people. 		
2000	Study the possibility of legally recognizing other kinds of e-signatures, such as biometrics like fingerprints.		
2000	Set up a connected network between the customs of HK and of the Mainland		
2000	Encourage the industry to take initiative in promoting a Q-marks system to build up consumer confidence in cybershops.		
2000	Abolish the minimum brokerage fee to encourage new waves of online brokerage.		
2000	Eliminate all tariffs and quotas imposed on IT products set by the Information Technology Agreement		
1.3. Security			
1999; 2000	To set up CERT	2000	Established a local CERC in April 2000
2000	Tighten up security for government websites by hiring security experts.	2000	Established an Information Security Management Committee to develop up-to-date security related policies and guidelines for use within Government in 2000.
2000	Strengthen computer security education.		
2000	Review current legislation keeps abreast of technological advancement.		
1.4. Digital Divide			
1998	Encourage formulation of interconnected community networks: e.g. SchoolNet, LawNet, NewsNet		
1999	Promote "Universal Free Electronic Mail Accounts Scheme"	1999	Implemented of a Universal Free Electronic Mail Service scheme
2000	Help low-income group and the less educated people to understand the importance of IT	2000	Organized an IT campaign in the 18 districts to promote the wider use of IT at district level in 2000-01
1998; 1999; 2000	Provide more computers and IT facilities in the community	1999; 2000	Installed computer facilities with Internet connection in District Offices, community halls/centres, children and youth centre for public use. The scheme is extended to cover additional locations and installed computer facilities with special devices in selected locations for blind and the visually impaired
2000	Through financial assistance and tax break, assist families to acquire computers.		Allocated a sum of \$200 million in 2001 for secondary schools to buy notebook computers for loan to needy students

2000	Encourage private companies to donate computers to low-income family students.		
2000	The government websites should provide text only and high color contrast version for the blind and visually impaired people.		
1.5. IT Manpower and Education			
1998 1999; 2000	All students should have Internet access both in school and at home <ul style="list-style-type: none"> ▪ Wire all schools and waive schools/students from paying PNETS ▪ Provide I-TV/broadband network in schools 	1998; 1999; 2000	<ul style="list-style-type: none"> ▪ Provided incentive grant for schools for use by students after the normal school opening hours in Aug 2000; ▪ Formulated proposals on IT networking for education purpose following completion of a consultancy study; ▪ Provided all public sector primary, secondary and special schools with a recurrent grant for Internet access; ▪ All secondary schools and over 90% of primary schools have been connected to the Internet.
1999; 2000	Provide computer technicians for each school	1999; 2000	Allocated 120 and 130 IT coordinator posts in May 99 and May 00 respectively and will review the effectiveness of this scheme in 00-01.
1998	Expand IT related programs and curriculum in universities, provide IT training to teachers and non-professionals	1999;2000	<ul style="list-style-type: none"> ▪ Organized seminar and workshop to explain to teachers how IT can be applied in the teaching; ▪ Incorporated IT elements into the school curriculum; ▪ Released consultation document on targets in IT learning in late 1999; ▪ Provided about 85 000 training places at four different IT competency levels for teachers.
1998	Encourage IT experts from overseas including the mainland China to stay and work in Hong Kong	2001	Introduced the Admission of Mainland Professionals Scheme.
1998	Promote China-Hong Kong industrial and academic exchange.	1998; 1999; 2000	
1999	Establish a Greater China Online Digital Library		
1999	Develop Internet2 to further facilitate IT for education, research and teaching.	2000	Established the Internet2 link by the end 2001 and set up a working group the development of Internet2.
2000	Review the Five-Year Strategy for IT Education	2000	<ul style="list-style-type: none"> ▪ Conducted an interim review in 2001 and final review in 2003; ▪ Set up a working group in May 2000 to monitor the progress of the review
2000	Appropriate new funding for schools to renew software and hardware.	1999	<ul style="list-style-type: none"> ▪ Provided schools with greater flexibility and schools were given cash grants to procure the remaining computers and ancillary equipment.

			<ul style="list-style-type: none"> Schools were provided with a recurrent grant to purchase educational software from the 98-99 school year.
2000	Develop teaching software tailored for local curriculum	1999	A software library set up by ITERC in Nov 98. The ITERC developed 9 packages of educational software.
2000	Evaluate the existing pilot schools and find out the best model for using IT in education.	1999; 2000	10 primary and 10 secondary schools have been chosen and given resources and flexibility to implement their own IT plan between 98-00. The pilot scheme was completed. The good practices of these schools were being disseminated to other schools.
2000	Encourage IT application among students by providing special prices for students buying genuine IT products.		
2000	Develop quality education portal.	1999; 2000	<ul style="list-style-type: none"> The consultancy study on the establishment of an education-specific Intranet was completed in August 99. HKeducationCITY.net was available for provisional use in 2000
2000	Increase the number of places in post-secondary level IT-related courses.		
2000	Set up a standardized accreditation system with IT professional bodies for IT practitioners.		
2000	Increase the number of places in training IT assistants.		
2000	Develop and review IT retraining courses.		
2000	Set up IT college.		
2000	Provide training voucher to encourage employee taking government recognized course and provide tax break to promote life-long learning.		
1.6. e-government			
1998	Every government officials use email and every department should have its own website to communicate with and provide services to the general public.	2000	Extended the coverage of the Government Office Automation Program from the original target of 10 000 to 23 000 officers by April 2004.
1998; 2000	Offer digital library services and promote online public library so that citizen can make appointment and view categories and books collection through the Internet.		
1998	Provide online government services and set up a timeline and objectives for the second phase of ESD	1999; 2000	<ul style="list-style-type: none"> ESD 1st phase commenced in 2000; Convert some 200 government forms commonly used by the public into the electronic format by April 2001; Implement additional ESD applications in 01-02 and in subsequent years.

1998;1999	Promote all purpose smart card	2000	Completed 1 st round consultation on HKSmart ID Card and the plan will be launched in 2003.
1999; 2000	<ul style="list-style-type: none"> ▪ Revise tendering strategy of Government IT projects ▪ Outsourcing IT projects of the government and to consider breaking down large IT project into smaller projects. 	1998; 1999; 2000	<ul style="list-style-type: none"> ▪ Outsourced up to \$460m in value of gov't's IT work in 99-00; ▪ Outsourced two-thirds new IT projects by 2001.
1.7. Cyberport			
1999	Monitor the progress of Cyberport project	1999; 2000	<ul style="list-style-type: none"> ▪ Commenced building works in June 2000; ▪ Set up a limited company to operate Cyberport ▪ Started putting in place the institutional arrangements for the future management of the Cyberport in 2001
1.8. Electronic Transportation System			
1998, 1999 2000	<ul style="list-style-type: none"> ▪ Encourage the development of Global Positioning System (GPS), electronic road system and put maps and real time traffic online and develop Intelligent Highway System. 		
1.9. Intellectual Property Rights			
2000	Promote use of genuine products and the idea of protection intellectual property rights among students.		
2000	<ul style="list-style-type: none"> ▪ Set up an independent body to adopt a simple and transparent method to register domain name. ▪ Prevent cybersquatting by proposing regulation of domain-name registration. 	2000	HKDNR was established in mid-2001
1998	Educate the public about the importance of intellectual property right and data privacy, and the value of IT.		
1999; 2000	<ul style="list-style-type: none"> ▪ Adopt anti piracy measures (include piracy and counterfeiting offences under the Organized and Serious Crimes Ordinance (OSCO)) such as imposing mandatory or standard sentences on piracy, closure order; banning unauthorized videotaping; educating the public to respect Intellectual Property Rights. ▪ Promote the industry guidelines on spamming issued by the ISPA, OFTA, the Office of the Privacy Commissioner for Personal Data. 		

2. Telecommunication			
1998;2000	<ul style="list-style-type: none"> ▪ Encourage the telecommunication industry to speed up the construction of information infrastructure by further deregulating the telecom industry. ▪ The government needed to issue new FTNS licenses in 2001 and allow new licensees to set up telecommunications facilities for entering the market in 2003. ▪ Release the restrictions on backhaul connections to allow external telecommunications services providers to choose their FTNS partners and to set up their own telecommunication facilities. ▪ Further expand the right of telecommunications companies to place their facilities into building and expand this right to mobile phone service. ▪ Opt for “beauty contest” as the 3G licensing mechanism. 	1998; 1999; 2000	<ul style="list-style-type: none"> ▪ OFTA issued five licenses for the operation of wireless local fixed telecommunications networks and a license to the existing cable television operator for provision of telecommunications services over its hybrid fibre coaxial cable network; ▪ invited 15 successful applicants for licenses for the operation of satellite-based external facilities and issued 15 letters of Intent to successful applicants for licenses to operate external facilities. ▪ Facilitated the mobile network operators’ installation of telecommunications equipment on Government land and buildings for extension of coverage of their networks, a new mechanism to charge cost-based access fees on the installations was put in place. ▪ Amendments to the buildings legislation to make the provision of in-building access facilities fixed telecommunications networks a mandatory requirement for new buildings have been passed in LegCo and came to operation in 2000. ▪ OFTA issued in March 00 a public consultation paper on the licensing framework for 3G mobile services and will finalize the licensing framework and invite licence applications in early 2000; ▪ Adopted “5th leaver” rule as the final licensing mechanism in June 2001.
2000	<p>Reduce domestic and international fixed wireline investment restrictions and increase foreign equity proportion.</p> <p><u>Domestic and international Fixed Wireline Telecommunications</u></p> <ol style="list-style-type: none"> 1. Up to 25% equity in Beijing, Guangzhou and Shanghai three years after accession 2. Up to 35% equity in Beijing, Guangzhou and Shanghai + 14 other cities five years after accession; <p>value added and paging to be included</p>		

<p>3. Up to 49% equity across China after six years</p> <p><u>Mobile Services (voice and data)</u></p> <ol style="list-style-type: none"> 1. Up to 25% equity in Beijing, Guangzhou and Shanghai one year after accession 2. Up to 35% equity in Beijing, Guangzhou and Shanghai + 14 other cities three years after accession 3. Up to 49% equity across China after five years <p><u>Value Added and Paging</u></p> <ol style="list-style-type: none"> 1. Up to 30% equity in Beijing, Guangzhou and Shanghai markets upon accession 2. Up to 49% equity in Beijing, Guangzhou and Shanghai + 14 other cities one years after accession 3. Up to 55% equity across China after two years <p><u>Internet and Satellite Services</u></p> <ol style="list-style-type: none"> 1. The Internet service provision and satellite services will be opened according the same schedule as for domestic and fixed wireline services 2. The Internet content services will be opened according to the same schedule as for value-added and paging services <p><u>For EU-China agreement on Chinese WTO accession</u></p> <ol style="list-style-type: none"> 1. Foreign investment will be allowed at 25% on accession 2. 35% after one year and 3. 49% after three years 4. China will open up its leasing market in three years, allowing foreign firms to rent capacity from Chinese operators and resell it, for both domestic and international traffic. 		
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3. Broadcasting and Film Services			
1998; 2000	Privatization of RTHK and further develop its website.		
1998	Open channels to the public for releasing independent electronic media productions.	2000	Issued a guidance note on new television services targeting at niche or small-scale markets in early 2001.
1998; 2000	<ul style="list-style-type: none"> ▪ Open the market of television broadcasting (e.g. introducing Digital TV/HDTV); ▪ Expanding the choices of broadcasting services. 	1998;1999; 2000	<ul style="list-style-type: none"> ▪ Conducted technical trials on DTT by early 2000; ▪ Introduced policy proposal for consultation by end 2000 ▪ Developed a licensing framework for direct-to-home services. Licence was issued to a satellite operator in 2000 and the satellite to be launched in 2002. The government will invite applications for the BSS by early 2001
1998	Restructure the regulatory body for the convergence of broadcasting and telecommunication.	2000	Formulated a licensing and regulatory framework for broadcasting services in 2001.
2000	Restructure TELA and operate its broadcasting division as a Trading Fund, so as to provide more professional support to TELA to enact the Broadcasting Ordinance		