**Press Release**
**For Immediate Release**

### The 2015-16 Budget suggested favorable measures for ICT development
### HKCS appreciates and is eager to assist

**26 February - Hong Kong -** Finance Secretary, Mr. John Tsang, released the 2015-16 Budget yesterday. Favorable measures to facilitate the local development of start-ups, financial technologies, creative industries and talent cultivation are included in the budget. Hong Kong Computer Society (HKCS) welcomes and supports the Government's recognition of Hong Kong's Information and Communication Technology (ICT).

1. **Promote the growth of start-ups** – Start-ups have been the prevailing form of entrepreneurship in Hong Kong, especially among the younger generation. Many local and international public and private organizations are eager to offer assistance to and invest in start-ups with potential.

   With the remarkable increase in the number of start-ups, the Government has proposed to inject $5 billion into the "Innovation and Technology Fund" to help relevant enterprises. Free online access to government information has been suggested to encourage the development of more applications by start-ups this year. The Government has also recommended the Hong Kong Mortgage Corporation Limited (HKMC) to expand and enhance their Microfinance Scheme.

   HKCS believes that these initiatives could create a favorable business environment for young people, as they offer adequate upward social mobility. More importantly, they will also help to generate a constructive workforce for our ICT industry.

2. **Support creative industries** – Innovation is now a valuable asset for companies to stand out from the crowd in the competitive ICT industry. Cultural environment could have great influence on people's confidence and motivation to create.

   To create a favorable atmosphere to inspire creativity, the Government suggested injecting $400 million into the "CreateSmart Initiative." This

initiative supports the creative industries providing training programs, and subsidizing overseas exchanges and internships.

HKCS has organized various awards to acknowledge the contributions of local ICT talents in the industry, for example, "Outstanding ICT Achiever Awards,""Asia Pacific Information and Communication Technology Alliance Awards" and "Hong Kong ICT Awards." Increase of the number of quality applicants in past years indicates strong potential for development in the local creative industry. HKCS believes that with the initiatives raised in the Budget this year, they can expand their local and overseas markets.

3. **Manpower Training – Manpower training is essential to sustaining development in the ICT industry.** The Budget proposed a pilot scheme to spend more than $900 million to subsidize 1000 students per cohort for achieving self-financing undergraduate programmes starting from the 2015-16 academic year. The creative industry is one of the 13 programmes included in the scheme. The Government believes that such a plan could help nurture talents to meet the manpower needs of Hong Kong. The Government would also explore more internship and exchange opportunities for young people to gain more exposure and work experience.

   HKCS recognizes the importance of recruiting and cultivating young people with potential. The establishment of the HKCS Youth Club and the IT youth summer camp are some of the progammes designed to attract young talents. Thus, HKCS is glad to see the Government's emphasis on local young talent cultivation and will provide strategic recommendations to develop an all-rounded and sustainable talent cultivation system for the ICT industry.

4. **Encourage the application of FinTech** – FinTech facilitates various financial functions (including payment, clearing and settlement systems, big data analytics, cloud computing, information and risk management and network security etc.) to enhance operational efficiency in the financial sector.

   As one of the key financial hubs in the world, Hong Kong is the ideal place to promote FinTech. One of the initiatives stated in the Budget is to launch a steering group led by the Secretary for Financial Services and the Treasury to develop Hong Kong into a FinTech hub. This initiative will be facilitates by

various industries, research and development (R&D) institutions and regulatory authorities.

HKCS has established the FinTech Special Interest Group (SIG) last month with the aim to leverage FinTech to enhance and maintain the competitiveness of Hong Kong financial services companies. The group will work with the Government to foster the application of FinTech and to boost the popularity of this new technology in our city.

Mr. Michael Leung, President of HKCS, supported the Government's initiatives to foster the development of local ICT industries, pointing out that, "abundant government assistance is one of the crucial factors contributing to a sustainable development of R&D projects and creative industries. We believe that the successful implementation of the concrete initiatives this year could lead to better development of the whole ICT industry. Unfortunately, the launch of the Innovation and Technology Bureau (ITB) was disbanded due to the failure to pass the funding approval in the Legislative Council Finance Committee. The plan for ITB will be resubmitted to the Legco next month. HKCS once again urges the Government and all legislative councilors to fully support the establishment of ITB in order to sustain the competitive edge of the Hong Kong ICT industry."

**About Hong Kong Computer Society (HKCS)**

The Hong Kong Computer Society is a non-profit professional organization established in 1970, which strives to improve and develop Hong Kong's Information Technology (IT) industry. Being the most well-established and the largest professional association in Hong Kong, the HKCS is dedicated to promote the highest professional standards for the industry. The HKCS members are from a broad spectrum of Hong Kong's IT industry, from corporate users to individual talents, all working together for the benefit of the industry.

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