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Hong Kong Computer Society Forum Raised Strategies on Six Areas to Better Support Hong Kong as the Asia IT Hub

9 September 2011, Hong Kong — "Hong Kong government should fully support IT industry development and make Hong Kong the Asia IT Hub," concluded by a Pre-Policy Address Roundtable Forum "Government Policies to Better Support Hong Kong as the Asia IT Hub" organized by the Hong Kong Computer Society (HKCS).

The HKCS Roundtable Forum has outlined six strategies to better support Hong Kong as the Asia IT Hub and promote IT development for consideration by the Chief Executive in his policy address in October. The six strategies including:

- **Establish a Technology and Innovation Bureau -** The Information and Communications Technology (ICT) industry in Hong Kong lacks an official organisation with ICT professionals to manage the macro industrial development and assist in regional industry collaboration, including China integration, and reciprocal certification.

- **Promote Hong Kong as Asia's Data Centre Hub -** Hong Kong government should invest more resources to attract multinational corporations and organisations to establish data centers in Hong Kong, which will create more job opportunities, improve the quality of work and uplift the capability to innovate Hong Kong through technology.

- **Offer Incentives to attract more ICT business investments –** In addition to Data Center, Hong Kong government should offer incentives, from land use, taxation to other relevant benefits, to attract Mainland ICT business parties as well as foreign direct investment (FDI) in ICT industry to set up operation in Hong Kong. Besides, government is also suggested to further enhance the promotion of IT adoption in small and medium enterprises.

- **Encourage matching between academic research and commercial needs –** Government should effectively encourage the matching of R&D efforts of local academic institutions with the business needs of commercial organizations. It will fully utilize the resources of local researchers as well as increase the sources of funding of research projects.

- **Re-position ICT industry -** ICT is not yet one of the pillar industries in Hong Kong, but underlines the development of all the pillar industries. Hong Kong government should set up policies to re-position ICT industry as the pillar of pillar industries. It would be a cultural change to re-enforce the importance of ICT to the economic and social development in Hong Kong.

- **ICT talent cultivation and management -** This includes local talent cultivation and attracting Mainland ICT talents to Hong Kong, as well as talent management and allocation to match the market demand. The development of IT industry requires the right IT professionals in the right place, which calls for co-operation from government and education sectors.

The HKCS Roundtable Forum speakers included **Mrs. Regina Ip Lau Suk-yee, Legislative Councilor**; **Dr Hubert Chan, Chairman, Communications Association of Hong Kong (CAHK)**; **Mr. Duncan Chiu, Chairman, Hong Kong Software Industry Association (HKSiA)**; **Mr. John Chiu, Honorary Chairman, Hong Kong Wireless Technology Industry Association (WTIA)**; **Mr. Joe Locandro, Director, Group Information Technology, CLP Holdings Limited**; and **Mr. Nicholas Yang, Executive Vice President, The Hong Kong Polytechnic University**. **Ms. Cally S S Chan, Managing Director, Hewlett-Packard HK SAR Limited as well as Vice President (Internal Affairs) and Honorary Treasurer, Hong Kong Computer Society**, acted as the moderator. **Dr. Samson W H Tam, Legislative Councilor** and a number of IT professionals have joined the forum and provided valuable inputs.

"Being integrated into China is a must for positioning Hong Kong as an Asia IT Hub while the establishment of the Technology and Innovation Bureau is essential to communicate with relevant government offices in the Mainland." Mr. Duncan Chiu stressed in the forum. "Mainland government looks for the appropriate counterpart to talk to when they seek for cross-regional collaboration."

Regarding data centre hub, Mr. Joe Locandro pointed out that stable and reliable power supply is vital, which is one of the competitive advantages of Hong Kong. According to a study of OGCIO in May 2010, the data centre sector contributed an economic value added of HK$3.4 billion in 2009 and created around 4,800 jobs. "When foreign companies established data centre in Hong Kong, they will probably consider to further increasing the investment here," Mr. Locandro said.

Mr. John Chiu emphasized the importance of attracting FDI by incentive policies that the increase of FDI would create more quality job opportunities, uplift the competitiveness and make significant contribution to the GDP growth. He also pointed out there are mismatching of IT talents with IT employers in the current market, and further mentioned the necessity of cultivating relevant IT professionals based on market research on talent

demand. For example, with the thriving apps market, education bodies should be encouraged to invest more in related courses.

Talking about IT adoption incentives, Mrs. Regina Ip stated that a fund of 30 billion dollars was proposed to the government in earlier days as guarantee or matching fund to encourage local firms seeking bank financing to better equip IT application. "The commercialization rate of research and development fundings should be optimized, too," added Mrs. Ip.

Mr. Stephan Lau, President, Hong Kong Computer Society said, "being an annual key event of the HKCS Industry Policy Committee, the Pre-Policy Address Roundtable Forum aims at collecting industry and members' opinion on relevant government policies before the Policy Address."

"As the well established biggest information and communication technology society in Hong Kong, HKCS has been striving to promote industry development. We appreciate the participation and efforts from our speakers and all attendances. They provided valuable inputs to help HKCS effectively communicating to the government and reinforcing the importance of talent cultivation for ICT industry development in Hong Kong, which again is the primary focus for HKCS this year."

"HKCS suggest Hong Kong to well position the ICT Industry and become IT hub in Asia, through CEPA for example. From this point of view, we urge government to seriously considering the establishment of the Technology and Innovation Bureau. In addition to promoting Hong Kong as the data centre hub in the region, we also advise government to support and educate SME by better adopting ICT to enhance their business operations. To cope with future ICT development, Hong Kong needs to pay more effort on ICT talent management and cultivation," concluded Mr. Lau.

About Hong Kong Computer Society

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

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