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**Hong Kong Computer Society's Response to
Chief Executive's 2021 Policy Address**

October 6, 2021 Hong Kong - The Hong Kong Computer Society (HKCS), as the most well-established and the largest professional association in Hong Kong, expressed its support and welcomed the continued investment in the development of innovative technology and smart cities to enhance Hong Kong's competitiveness in the long run, as well as the announcement of a number of innovative technology policies, in this year's Chief Executive's Policy Address. Under the Policy Address announced today, HKCS is pleased to see the Government's plan for addition of land for innovation and technology, including the development of the Northern Metropolis, and plans to build it into an international innovation and technology (I&T) center. Among them, San Tin Technopole will add a total of about 150 hectares of land for I&T use in Hong Kong; and the Northern Metropolis will also provide 150,000 related jobs in I&T industry. In addition, the Government will study the further capacity expansion of the Science Park, which its space expansion is already in full swing, as well study the ways to expedite the construction of the Hong Kong-Shenzhen Innovation and Technology Park ("HSITP") in the Lok Ma Chau Loop ("the Loop"), and provide land for scientific research use for both the University of Hong Kong and The Chinese University of Hong Kong.

HKCS also welcomes the various innovation and technology-related policies announced in the Policy Address, which includes the plans to expand the Innovation and Technology Bureau into the "Innovation, Technology and Industry Bureau", and continue to promote re-industrialisation with a five-pronged approach, namely infrastructure, talents, capital, technology and research, and continue to co-invests with venture capital funds on a matching basis in local I&T start-up, develop Hong Kong into a regional intellectual property (IP) trading centre, promote cross-border financial technologies (Fintech), build the Commercial Data Interchange to facilitate the more convenient financing services for SMEs, build the "Smart Port", continue to implement "Construction 2.0", and continue to promote the sustainable development of the agriculture and fisheries industry by helping the sectors involved to adopt advanced technology. Meanwhile, the Government will continue attract I&T talents which currently in lack in Hong Kong with various conditions, and to promote Hong Kong's young I&T talents to exchange, work and start businesses in the Greater Bay Area.

Dr. Rocky Cheng, President of the Hong Kong Computer Society, said: " In recent years, the Government has regarded information and communication technology as a driving force for local economic development and smart city life, and it has already achieved certain results. In this year's Policy Address, we are glad to see the government continue to strengthen its investments in innovation and technology, and in regardless of the tight land supply in Hong Kong, it still allocates a large area of land for the development of l&T industry. As stated by Chief Executive, Hong Kong is keen to develop a more comprehensive I&T ecosystem, so as to enable re-industrialisation to take root in Hong Kong and complement I&T development in Shenzhen and the Greater Bay Area, thus making I&T a new impetus to the economy of Hong Kong and developing Hong Kong into an international I&T hub as promulgated in the 14th Five-Year Plan. HKCS believes that these are wise strategy and development direction, and strongly supports these moves."

Dr. Rocky Cheng continued: "The Hong Kong Computer Society has always been concerned about the integration of Hong Kong's IT industry with the Greater Bay Area, and the development opportunities provided to local practitioners. The San Tin Technopole in Northern Metropolis proposed in today's Policy Address, together with the Shenzhen I&T zone, will form the Shenzhen-Hong Kong I&T Co-operation Zone of approximately 540 hectares, combining the strengths of both Hong Kong and Shenzhen to pool local and non-local talents, and becoming an essential propeller for the development of an international I&T hub in the GBA, which HKCS highly welcomes it."

Hong Kong Computer Society's Recommendations on the Policy Address

Dr. Rocky Cheng said: "Apart from the actions stated in the Policy Address, the HKCS would urge the Government to focus strategically on the following to enhance the Policy's holisticness."

1. For the development of Hong Kong, HKCS suggested:

- To promote the establishment of a digitalised Hong Kong and set up relevant indicators.
  - Smart Cities should be implemented in all walks of life.
  - Forming Public Private Partnership (PPP) with enterprises to make good use of technology to improve people's livelihood.
  - The growth of R&D should be driven by applications.

- To provide IT infrastructure systems such as Data Centre, Cloud service, ERP to SMEs and Startups.
  - In compare with giving technology vouchers, it is a much effective way to help SME to solving their technology problems such as lacking of IT knowledge and personnel, the needs of digitalisation as well as information security.
  - Standards should be formulated when the government is cooperating with technology enterprises.
- To Integrate and improve the IT systems of various government departments
  - Serving citizens in a much convenient approach.
  - Shortening the waiting period for public services application such as subsidies and poverty alleviation allowances.

2. For the development of Hong Kong ICT Talent, HKCS suggested:

- For ICT talent cultivation:
  - Paying more efforts to cultivate talents in ICT research, technology application and management.
  - Providing an endless supply of manpower for science and technology innovation in Hong Kong.

  - Introducing different level of courses on "Data literacy" for primary and secondary school students in current STEM education system to prepare them for the digital age of AI, Robotics, Big Data, Industry 4.0, etc. and the negative sociological impact of professional obsolescence and cybersurveillance.
  - Introducing Spatial Data training in addition to STEM-data training for local student, In the future, location intelligence would be important in terms of informing policy formulation and delivering personalised, targeted services to the community.
  - Introducing Competency-based training (CBT) model alongside traditional model for higher education. CBT can potentially respond quicker to a dynamic business environment, and facilitate the community to upskill or reskill in an agile, personalised manner. This is particularly important for skills that are in shortage in Hong Kong.

- For ICT Professional Development:
  - Providing continuous professional training to update relevant knowledge for our ICT professionals to cope with the rapid advances in information technology and its innovative applications across many industries,
  - Deploying resources by Government to ensure:
    - the contents of training courses staying current
    - the trainers being knowledgeable
    - better incentives through subsidy and award of recognised course certification to ample students' participation
- For attracting ICT talents to Hong Kong:
  - Actively Promoting and Advertising HKSAR ICT opportunities to attract overseas, including mainland, professionals to come to work in the city. Such advertisement can start with primary mainland cities including the Greater Bay Area, and then extending to other overseas counties as well.
  - Providing housing and children's education incentives for attracting scarce talents in Hong Kong
  - Targets of talent: At present, there is a shortage of multi-tasking leaders in data scientists, cloud technology, and digital transformation.

3. For Integrating into national development:

- For Greater Bay Area Collaboration, HKCS suggested to plan, coordinate and establish an integrated operation platform in Greater Bay Area for medical care, healthcare, elderly care, and financial management
  - Hong Kong acts as the operator of the platform, enabling the implementation of cooperation and resource sharing between different cities in the Greater Bay Area.
  - Solving the cross-border data security issue with this technology platform at the same time.
- For the Country/Region Level, HKCS suggested to establish a governance systems for the cyber security and information security in Hong Kong
  - Perfecting the laws and regulations
  - Formulating industrial standards, technical standards and governance requirements
  - Conducting talent training
  - Organising cross-industry contingency drills
  - Building a talent sharing platform in the Greater Bay Area

Major new ICT related measures announced in Policy Address 2021 at a glance

1. Increasing Land Supply and Infrastructure for I&T Uses

- The development of Northern Metropolis
  - Northern Metropolis will be developed as an international I&T hub and create150,000 I&T-related jobs.
  - San Tin Technopole: The Development Strategy puts forward a proposal to make an optimal use of the land vacated upon relocation of the Lok Ma Chau Control Point to the new Huanggang Boundary Control Point in Shenzhen, and a portion of the adjacent fish ponds and rural land. This, together with the original land use planning in the San Tin/Lok Ma Chau Development Node, will provide about 150 hectares of additional land for I&T uses to develop the San Tin Technopole, with a view to creating a critical mass of I&T facilities with greater economy of scale.
  - The proposed upgrading of the Hung Shui Kiu/Ha Tsuen as the New Territories North Modern Services Centre under the Northern Metropolis Development Strategy will be expanded to include Lau Fau Shan. Consideration may be given to the building of landmark I&T facilities with a scale comparable to Cyberport at a location facing Qianhai, Shenzhen on the other side of the Shenzhen Bay.
- For the development of the Loop
  - Northern Link, which is being planned, northwards to connect to the new Huanggang Port in Shenzhen via the Hong Kong-Shenzhen Innovation and Technology Park (HSITP) in the Lok Ma Chau Loop (the Loop);
  - Government is studying ways to expedite the construction of the HSITP in the Loop.
- For the development of Science Park, Cyberport, Industrial Estates and Universities' Research Work
  - For Science Park:
    - The Science Park expansion is being carried out in full swing
    - The Government proposed to immediately explore expanding the Science Park's capacity.
    - the Government will revive the Ma Liu Shui reclamation project which, together with the land to be vacated by the relocation of the Sha Tin Sewage Treatment Works to caverns, will provide a total of 88 hectares of new land mainly for I&T development, so as to strengthen the development of the Eastern Corridor with I&T as a major

economic function.

◆ To improve the public transport service connection of Pak Shek Kok and the Science Park, the Government will invite the MTR Corporation Limited to study the construction of a new Science Park/Pak Shek Kok Station of the East Rail Line at the current site of The Hong Kong Education University Sports Centre at Pak Shek Kok. The Government will also make the best use of the development potential of the station site and its adjoining land to provide more housing and parking spaces, shops and public facilities for local residents.

■ For Cyberport: The Cyberport 5 Project has commenced.

■ For Industrial Estates:

◆ The Advanced Manufacturing Centre at the Tseung Kwan O Industrial Estate and the Microelectronics Centre at the Yuen Long Industrial Estate will be completed in the middle of next year and in 2023 respectively.

◆ HKSTPC is invited to start planning for the construction of the second Advanced Manufacturing Centre.

■ For Universities' Research Work:

◆ The Government has accepted in principle the proposals of the University of Hong Kong and The Chinese University of Hong Kong to provide the two universities with land for research use.

◆ 4-hectare site currently zoned "Green Belt" at Pokfulam is reserved for the University of Hong Kong to construct facilities for deep technology research.

◆ The Chinese University of Hong Kong is supported to use a 2.5-hectare site in the vicinity of the CUHK Medical Centre mainly zoned "Government, Institution or Community" to build research facilities and expand the Medical Centre, and at the same time improving the existing public transport interchange and parking facilities at the University Station of the East Rail Line.

◆ The Government will also support The Hong Kong Polytechnic University in exploring the use of its Hung Hom Bay Campus, which is currently used for self-financing post-secondary education, for academic and research development.

2. Attracting and Cultivating ICT Talents

- To double the annual quota of the Quality Migrant Admission Scheme to 4,000 to attract talents from all over the world to work in Hong Kong.
- The Government will continue to implement the Global STEM Professorship Scheme to attract more renowned I&T scholars and their research teams to Hong Kong such that our local universities will scale new heights in I&T research and development activities.
- Refining the Talent List of Hong Kong:
  - Expanding the scope of some existing professions to include experts of "medical and healthcare sciences", "microelectronics", "integrated circuit design" and "arts technology"
  - The Government will assist relevant bureaux in attracting talents to work in Hong Kong through the network of ETOs and Mainland Offices,
- Cultivating FinTech Talents:
  - The Financial Services and the Treasury Bureau will collaborate with the EDB and the LWB to explore the development of professional qualification standards under the Qualifications Framework for the Fintech sector, so as to provide a clearer and recognised professional development pathway for employers and practitioners in the industry.
  - More courses related to finance will be included in the list of reimbursable courses under the Continuing Education Fund to attract more talents to join the industry.
- UGC-funded research postgraduate (RPg) programme Funding:
  - To encourage the UGC-funded universities to flexibly deploy resources to nurture more research talents in support of their research activities, the over-enrolment ceiling of UGC-funded research postgraduate (RPg) programme students will be further relaxed from 70% to 100%.
  - The UGC will assess the supply of and demand for UGC-funded RPg places and consider the feasibility of increasing the number of funded places.
- Extending Matching Grant Scheme: The scheme, which covers a period of three years, is due to end in July next year under the original plan. The Government will extend the Scheme for another two years, so that the industrial and commercial sectors can continue to make good use of the Scheme to support the research work of the higher education sector.

3. Promoting the use of I&T in business sectors, Re-industrailisation, Research and Development

- To expand the Innovation and Technology Bureau into the "Innovation,

Technology and Industry Bureau" to change the perception that local industries are declining and highlight the role of I&T in promoting the development of re-industrialisation in Hong Kong.

- Safeguarding cyber security for the mission of comprehensively safeguarding national security.
- For Smart City:
  - The Government will promote 5G development on various fronts, including releasing more 5G spectrum for auctioning by the end of October 2021.
  - To satisfy the needs of various 5G services in terms of speed, capacity and coverage.
  - Through the Subsidy Scheme for Encouraging Early Deployment of 5G, the Government will subsidise more sectors to boost efficiency and productivity by adopting innovative 5G applications such as telemedicine, distance maintenance support and real-time safety monitoring in construction sites.
  - For Smart Mobility:
    - The Transport Department will progressively implement the Free-Flow Tolling System at government tolled tunnels and the Tsing Sha Control Area from the end of next year.
    - Of the seven automated parking system projects, those in Tsuen Wan and Tai Po will be commissioned this year and next year respectively.
    - To promote autonomous vehicles, the THB will submit a bill to the next term of the LegCo on the establishment of a new regulatory framework for autonomous vehicles to enable wider and more flexible trial and use.
    - The Smart Traffic Fund was launched in March this year to provide funding support to projects that enhance commuting convenience for motorists, increase transport efficiency and improve driving safety.
- Strengthening intellectual property regime:
  - Stepping up promotion, education and external collaboration
  - Planning to revive the Copyright Ordinance amendment exercise by consulting the public on the modernisation of the copyright regime in the light of the digital environment,.
  - IPD will enhance and organise more training courses under the IP Manager Scheme, with a view to assisting SMEs to build up their manpower resources in IP protection, management and commercialisation.
- Promoting the use of I&T in business sectors
  - "Smart Port": The Government will promote wider application of digital technology in business processes and operations by the maritime and port

industry for the development of a "Smart Port".

- Commercial Data Interchange : The Hong Kong Monetary Authority is in the process of developing the Commercial Data Interchange, which is expected to commence operation next year. This new financial infrastructure offers a centralised platform for connecting to banks through which enterprises can authorise service providers such as payment systems, public bodies or utility companies to furnish the banks with data. The banks can then make more accurate predictions about the sales and operation of the enterprises, thereby reducing the need for enterprises to provide collateral.

- The Government will continue to implement "Construction 2.0" and lead the construction industry to reform by advocating "innovation", "professionalisation" and "revitalisation", so as to uplift the productivity and skill level of the sector. Wider use of I&T and Modular Integrated Construction will also be promoted to shorten construction time, reduce manpower and enhance safety in construction sites.

- The Government will continue to promote the sustainable development of the agriculture and fisheries industry by helping the sectors involved to adopt advanced technology and facilitate modernisation of farm management. The Agriculture, Fisheries and Conservation Department is actively promoting smart greenhouse technology, and assisting the industry in improving efficiency and making good use of production space through the development of precise and automated hydroponic production technology.

- Promoting Research and Development:
  - Continue to promote the InnoHK research clusters
  - To Promote life and health technology
    - The Government proposed to set up of an InnoLife Healthtech Hub in the HSITP in the Loop, with the 16 life and health-related laboratories in the InnoHK research clusters and the 8 State Key Laboratories in life and health disciplines as the basis, to focus on related research work.
    - The Food and Health Bureau, the Hospital Authority and the Department of Health will conduct a comprehensive review of the current practices in clinical data, clinical trials and drug registration accordingly.
  - Funding for Research and Development
    - The HKSTPC's Corporate Venture Fund and Cyberport's Cyberport

Macro Fund have expanded their investment coverage to beyond Series A stage.

◆ Continue the Hong Kong Growth Portfolio. Deployed 10% of the Future Fund, the Hong Kong Growth Portfolio has been one of the strategic investment vehicles in projects with a "Hong Kong nexus", with I&T being one of the target industries. To complement the existing multiplicity of funding schemes for the development of I&T sector and markets, the Government will make relevant investments by partnering with suitable private equity firms, focusing on assisting fast-growing I&T enterprises including start-ups.

4. Integrating with the development of Greater Bay Area as well as The Nation.

● Promoting cross-border financial technologies (Fintech): The Government will be actively exploring with the Mainland the formation of a one-stop sandbox network to facilitate financial institutions and information and technology companies from Guangdong, Hong Kong and Macao to test cross-border Fintech applications.

● On logistics, the Government will further facilitate the flow of logistics information in the Greater Bay Area and improvements to intermodal operation. The Government will also develop high value-added logistics and encourage the logistics industry to make wider use of technology to enhance productivity.

● The HKSTPC will set up the GBA InnoExpress to help nurture start-ups on all fronts and support enterprises to "go global" and "attract foreign investment".

● Hong Kong scientists are encouraged to continue taking part in National Research and Development Work in order to contribute to the Country.

● Developing Hong Kong as regional intellectual property (IP) trading centre based on The 14th Five-Year Plan: The Government will implement a series of initiatives to promote the development of IP trading in Hong Kong including further promoting and developing the "original grant patent" system by building up the substantive examination capability of the Intellectual Property Department (IPD), exploring with the Mainland authorities on broadening the scope of application of the Patent Co-operation Treaty to cover the "original grant patent" system, and extending other major international IP treaties to Hong Kong.

● Enhancing the two-way flow of talents within the GBA: In responding proactively to the aspirations of the international chambers of commerce in Hong Kong for the facilitation of non-Chinese Hong Kong residents to travel to the Mainland cities of the GBA, the Government has put forward concrete proposals

to the Central Government for facilitating the flow of talents between Guangdong and Hong Kong, especially the relevant arrangements which will facilitate non-Chinese nationals residing in Hong Kong to travel to the Mainland cities of the GBA for business, research, exchanges and visits, etc. Central Government has agreed to discuss the matter with the HKSAR Government by the end of this year. These efforts will enhance Hong Kong's attractiveness to foreign businesses and overseas talents.

- The 14th Five-Year Plan mentions facilitating the young people of Hong Kong and Macao to study, work and start businesses in the Mainland cities of the GBA, and establishing a brand of quality exchanges among the young people of Guangdong, Hong Kong and Macao. The Central Authorities and relevant municipal governments have introduced measures to support the development of Hong Kong young people in the Mainland, including support for the Funding Scheme for Youth Entrepreneurship in the GBA and the GBA Youth Employment Scheme, as well as support for enhancing various Mainland internship and exchange programmes.

About the Hong Kong Computer Society (HKCS)

Founded in 1970, the Hong Kong Computer Society (HKCS) is a recognised non-profit professional organisation focused on developing Hong Kong's Information Technology (IT) profession and industry. Their members come from a broad spectrum of Hong Kong's IT community, from corporations to like-minded individuals, all coming together to raise the profile and standards of the IT profession and industry. As a well-established IT professional body, the Society is committed to professional and industry development as well as community services to ensure the IT sector continues to make a positive impact on peoples' lives with three main goals, namely, 1) talent cultivation and professional development, 2) industry development and collaboration, and 3) the effective use of IT in our community.

For more details, please visit http://www.hkcs.org.hk.

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Issued by: Hong Kong Computer Society
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