

Chapter 17

Communications, the Media and Information Technology

Hong Kong people are among the most informed in the world, thanks to the city's enterprising news media and telecommunications industry. There are currently close to 700 daily newspapers and periodicals published in Hong Kong. More than 80 per cent of households are broadband service subscribers, while mobile subscriber penetration is over 180 per cent.

Hong Kong has one of the most successful telecommunications markets in the world. The market is fully liberalised and highly competitive, providing a wide range of innovative and advanced telecommunications services at reasonable prices to consumers and business users. It has a vibrant broadcasting industry offering a wide range of services to the community and is also one of the world's major film production centres, while through its Digital 21 Strategy, the Commerce and Economic Development Bureau strives to establish Hong Kong as a leading digital economy.

The Mass Media

Hong Kong's mass media at the end of 2010 included 46 daily newspapers (including a number of electronic newspapers), 642 periodicals, two domestic free television programme service licensees, three domestic pay television programme service licensees, 18 non-domestic television programme service licensees, one government funded public service broadcaster and two sound broadcasting licensees.

The availability of the latest telecommunications technology and keen interest in Hong Kong's affairs have attracted many international news agencies, newspapers with international readership and overseas broadcasting corporations to establish regional headquarters or representative offices here. The production of regional publications in Hong Kong underlines its importance as a financial, industrial, trading and communications centre.

The Press

The registered Hong Kong press at year-end included 21 Chinese-language dailies, 13 English-language dailies, seven bilingual dailies and five in Japanese. Of

the Chinese-language dailies, 16 cover mainly local and overseas news, three specialise in finance and the rest cover horse racing. The larger papers include overseas Chinese communities in their distribution networks and some have editions printed outside Hong Kong, in particular in the United States, Canada, the United Kingdom and Australia.

One of the English dailies publishes a daily Braille edition, in conjunction with the Hong Kong Society for the Blind. Hong Kong is the regional base for a number of international news agencies' media organisations such as *The Financial Times*, *The Wall Street Journal Asia*, *USA Today International*, *International Herald Tribune*, *Agence France-Press* and *THE NIKKEI*.

Several organisations represent people working in the news media in Hong Kong. The Newspaper Society of Hong Kong represents Chinese and English newspaper proprietors. It is empowered to act in matters that affect the interests of its members.

The Hong Kong Journalists Association is the biggest industry-wide union of journalists and one of the most active. Formed in 1968, it has more than 500 members. It pays special attention to a range of press freedom and ethics concerns as well as to professional training and the handling of labour disputes.

Other media organisations include the Hong Kong News Executives' Association, the Hong Kong Federation of Journalists and the Hong Kong Press Photographers Association. The long-established Foreign Correspondents' Club offers its members social facilities and a range of professional activities, including news conferences and briefings.

During the year, the Mass Communications Training Board of the Vocational Training Council continued to run training programmes to help people working in the media, advertising and public relations sectors to improve their skills with the co-operation of various trade associations and professional bodies such as the Hong Kong News Executives' Association, the Hong Kong Advertisers Association and the Hong Kong Journalists Association.

Information Policy

The Secretary for Home Affairs has overall responsibility for policy information on information and related matters, while the Director of Information Services advises the Government on the presentation of its policies, and on public relations matters generally, in Hong Kong and overseas. The main aims are to ensure an open exchange of information in the community, to keep the media fully informed of government plans, policies and activities, and to promote Hong Kong's image abroad.

Information Services Department

The Information Services Department (ISD) serves as the Government's public relations consultant, news agency, publisher and advertising agent. It provides the

link between the Administration and the media and, through the latter, enhances public understanding of government policies, decisions and activities.

The department comprises four divisions: Local Public Relations, Publicity and Promotions, Public Relations Outside Hong Kong, and Administration.

Local Public Relations Division

The division oversees the work of Information Grade officers seconded to government bureaux and departments. They serve as Press Secretaries to Principal Officials or work in the 34 information and public relations units in bureaux and departments. They help formulate and implement public relations and publicity strategies, advise their bureau or department heads on public relations matters, answer media enquiries and questions from the public, prepare press releases, and organise press conferences and special promotional activities.

The News Sub-division operates a 24-hour press enquiry service. During typhoons, major disasters and other emergencies, ISD activates its Combined Information Centre to co-ordinate responses to media enquiries and disseminate information and public announcements in a timely manner.

The Government News and Media Information System (GNMIS) channels press releases, photographs and video clips through a single system accessible to journalists on the Internet.

All press releases are uploaded onto the internet at www.info.gov.hk/gia. In addition, major government press conferences and events, including the annual Policy Address by the Chief Executive and the Budget Speech by the Financial Secretary, are webcast live on the internet.

The Government's online news platform, news.gov.hk, is set up to enhance ties between the Government and the general public, especially the young generation. It presents news and information seven days a week in a dynamic multimedia fashion. The website was revamped in October, introducing a vibrant new look, a host of features that can be customised and greater use of new media. News items and messages are disseminated more effectively and efficiently nowadays through YouTube, Twitter and Sina Microblog. By the end of 2010, news.gov.hk had posted some 8 000 news and feature stories, with more than 450 video highlights. Visitors to the site may sign up for free daily e-mails of news summaries and weekly City Life alerts. The e-bulletin has more than 11 300 subscribers, and attracted over 16 million visitors and around 797 million page views during 2010.

The Media Research Sub-division keeps the Government informed of public opinion expressed in the news media. It produces daily reports summarising news and editorial comments in the Chinese and English press as well as radio phone-in programmes. It also produces special reports on subjects of interest to the Government.

Publicity and Promotions Division

The division helps bureaux and departments mount publicity campaigns and related activities locally and outside Hong Kong. It is responsible for advertising, creative design, photography, videography and the production of many of the Government's publications. The larger local campaigns conducted or supported by the division during the year covered a wide range of subjects such as the World Exposition 2010 Shanghai China (Shanghai Expo); the 2012 constitutional reform package; the healthcare reform second stage public consultation; the 2011 population census; anti-drug efforts; fight crime; environmental protection; road safety and fire prevention.

The division also helps organise major promotional activities such as exhibitions, cultural performances and media partnerships overseas and in the Mainland.

The division handles about 3 700 titles and produces a wide variety of government publications, including the Hong Kong Annual Report and its internet version. A large number of free publications such as booklets, leaflets, fact sheets, brochures, posters and government forms are distributed by the division each year. In 2010, the division sold 205 570 government books and miscellaneous printed items through its sales outlet and online bookstore. Photographs are also sold by the division.

Public Relations Outside Hong Kong Division

The division helps develop and implement the Government's public relations and communications strategy outside Hong Kong, working closely with the Government's Economic and Trade Offices overseas and in the Mainland. Its Overseas Public Relations Sub-division promotes and monitors Hong Kong's image overseas. It is also in close liaison with more than 90 foreign media organisations based in Hong Kong, handling press enquiries, disseminating news and arranging briefings and interviews. It runs a programme for visiting journalists, produces summaries of overseas reports on Hong Kong and distributes promotional material on Hong Kong worldwide.

The Brand Management Unit handles the Brand Hong Kong (BrandHK) programme which promotes Hong Kong as Asia's world city through different channels in Hong Kong and around the world. Apart from ensuring the brand's consistent application, the unit seeks opportunities to highlight the brand and collaborates with major events of international significance hosted by Hong Kong to bolster the city's image. Following a two-year in-depth review that involved the public in vision co-creation, BrandHK was revitalised in March 2010 with its updated core values, attributes and logo reflecting more closely the city's current aspirations and characteristics. The Shanghai Expo provided the perfect platform for Hong Kong to introduce the revitalised brand to Mainland and international audiences.

The Visits and International Conferences Sub-division runs the department's Sponsored Visitors Programme for opinion formers, political leaders and think-tank members to visit Hong Kong at the invitation of the Government to enhance their understanding of the Special Administrative Region. The sub-division also helps to

draw up programmes for non-sponsored visitors coming to Hong Kong on private trips. In addition, it runs an Overseas Speakers Programme to enable foreign investors to better understand Hong Kong's development and what makes it competitive. Under the programme, arrangements are made for senior government officials and prominent members of the community and local personalities to address targeted audiences abroad.

Promoting Hong Kong Overseas and in the Mainland

Europe

In collaboration with its partners, the Hong Kong Economic and Trade Office in Brussels (Brussels ETO) organised business, investment and thematic seminars in different European cities in 2010 to promote Hong Kong.

Brussels ETO organised an annual film festival, 'The Hong Kong Film Panorama', to promote Hong Kong movies in Europe. A selection of new and classic releases were screened in Amsterdam, Athens, Florence, Malta, Barcelona, Madrid, Dublin, Antwerp and Lisbon. Brussels ETO co-hosted a reception with the Hong Kong Trade Development Council (HKTDC) and the Hong Kong Film Development Council on September 3 to celebrate the 67th Venice International Film Festival at which film director Mr John Woo received the Golden Lion for Lifetime Achievement award.

The Brussels ETO co-operated with its partners to organise Chinese New Year receptions in nine cities across Europe, attended by over 1 500 guests from diplomatic, political and business circles.

During a visit to Paris on October 19–21, the Financial Secretary, Mr John C Tsang, signed an agreement with France on the avoidance of double taxation.

The Secretary for Financial Services and the Treasury, Professor K C Chan, signed a similar agreement with the Irish Minister of Finance during a visit to Dublin on June 22 – 23.

The Permanent Secretary for Commerce and Economic Development (Commerce, Industry and Tourism), Miss Yvonne Choi, visited Burgundy in France on October 20–23 where she signed a Memorandum of Understanding on Co-operation in Wine-related Business with the Burgundy region.

On behalf of the HKSAR Government, the Special Representative for Hong Kong Economic and Trade Affairs to the European Union, Miss Mary Chow, signed a Memorandum of Understanding with the Italian region of Veneto on August 27. The agreement covers promotion in a wide range of areas from food and wine, economy and trade, tourism and investment to science and technology.

In 2010, the Hong Kong Economic and Trade Office in London (London ETO) organised visits by several senior Hong Kong SAR Government officials to the countries under its purview.

In August and September, the Chief Executive, Mr Donald Tsang, led a high-level business delegation to Moscow. In addition to promoting business links with Russia, Mr Tsang opened an exhibition, 'Festive Hong Kong Week' organised by the Hong Kong Tourism Board (HKTB), and celebrated the inaugural flight of Cathay Pacific's direct service between Hong Kong and Moscow.

The Financial Secretary, Mr John C Tsang, led a business delegation to Vladivostok in Russia's Far East to explore business opportunities with the region. While there he opened a Hong Kong photo exhibition at the Arseniev State Museum. Mr Tsang also visited the UK in October to attend the HKTDC London Dinner.

In May, the Secretary for Financial Services, Professor K C Chan attended the St Petersburg International Economic Forum in Russia. He visited London in June and signed a comprehensive agreement with the UK on the avoidance of double taxation. He visited London again in November to promote Hong Kong as China's global financial centre.

Other visitors included the Secretary for Food and Health, Dr York Chow, to Tallinn, Estonia and London, in May; the Secretary for Commerce and Economic Development, Mrs Rita Lau, to Denmark in August; and the Secretary for Development, Mrs Carrie Lam, who visited Oslo and London in September.

The London ETO organised or supported a number of cultural events during the year. It sponsored Qin and Chanting concerts by Hong Kong and Mainland Chinese musicians in London and Oxford, and a concert by Hong Kong-born pianist Colleen Lee in Gothenburg, Sweden. It also supported Hong Kong art exhibitions and projects and initiated and funded a film festival celebrating Hong Kong films in Moscow.

London ETO made its sixth appearance at London's Lord Mayor's Show. Its entry recreated Hong Kong's 'Wishing Tree', giving the 500 000 spectators along the parade route an opportunity to 'throw' their wishes onto the tree.

In association with the HKTDC, the London ETO organised 11 Chinese New Year events in eight countries to celebrate the Year of the Tiger. With the HKTB it sponsored the London Chinese New Year celebration in Trafalgar Square.

The London ETO rendered assistance to Hong Kong students stranded at London Heathrow Airport by the snowstorm that closed all major UK airports for several days in December.

The Hong Kong Economic and Trade Office in Berlin (Berlin ETO) held a reception and press conference on February 17, 2010 in Berlin to celebrate the screening of four Hong Kong films at the 60th Berlinale 2010 in Berlin and to promote Hong Kong's motion picture industry. A Hong Kong film, *Echoes of the Rainbow*, won the best feature film in the festival's Generation Section.

In collaboration with the HKTB, the office held a business breakfast briefing on Hong Kong to coincide with the International Tourism Exchange Berlin, the world's largest tourism convention.

The Berlin ETO co-organised with Invest Hong Kong and the Fujian Department of Foreign Trade and Economic Co-operation a business seminar in Zurich in April 2010 to promote Hong Kong and Fujian as the ideal regional partners for foreign investors.

The Berlin ETO also hosted a visit to Germany by the Secretary for Food and Health, Dr York Chow, in May 2010. Dr Chow visited a German clinic in Kötzing where he was briefed on how traditional Chinese medicine was applied clinically there. He went on to Hannover where he met Mrs Aygül Özkan, Minister for Social Affairs, Women, Family, Health and Integration in Lower Saxony. He also visited the Hannover Medical School and Hannover Clinical Trial Centre.

The office hosted another visit to Germany by the Secretary for the Environment, Mr Edward Yau, in June 2010. Mr Yau attended the C40 workshop entitled 'Strategies for Highly Efficient Cities' in Berlin and co-hosted a dinner with the Governing Mayor of Berlin, Mr Klaus Wowereit under the heading 'Berlin meets Hong Kong' for the C40 Workshop participants. During his five-day visit, Mr Yau met top federal and state officials in the environmental field, who included the Parliamentary State Secretary of the Federal Ministry for the Environment, Nature Conservation and Nuclear Safety, Ms Ursula Heinen-Esser. He also visited a number of 'green' buildings and technology sites in Germany.

To mark the 13th anniversary of the establishment of the HKSAR, the Berlin ETO organised a reception-cum-exhibition on Hong Kong in the Swiss capital, Bern, on July 1, 2010.

The Berlin ETO sponsored the dragon boat race, a popular event in the three-day Zurich Festival 2010 held every three years in Zurich, attracting over two million visitors.

Other events which the Berlin ETO hosted or helped arrange during the year included:

- a signing ceremony marking Germany as the partner country of the Business of Design Week 2011 in Hong Kong;
- a luncheon talk in Geneva by Ms Teresa Cheng, Senior Counsel and Vice-chairperson of Hong Kong International Arbitration Centre, on Hong Kong as an effective arbitration centre;
- a luncheon to promote Hong Kong's higher education system, in particular, the Hong Kong PhD Fellowship Scheme.

In addition, the Berlin ETO sponsored two episodes of *Window Hong Kong*, produced by a Berlin-based television station, which updated the viewers on the latest developments in Hong Kong and the city's promotional activities in Germany.

In February and March 2010, Berlin ETO organised 11 Chinese New Year receptions in the eight countries under its purview.

North America

The Hong Kong Economic and Trade Office in Washington (Washington ETO) presented the 15th annual 'Made in Hong Kong Film Festival' co-sponsored by the Smithsonian Institution.

A number of government officials visited Washington, DC. The Secretary for Financial Services and the Treasury, Professor K C Chan, visited Washington in March and met the Chairman of the Board of Governors of the Federal Reserve System, Dr Ben Bernanke; Managing Director of the International Monetary Fund, Mr Dominique Strauss-Kahn; and Chairman of the Securities and Exchanges Commission, Ms Mary Schapiro.

In May, the Permanent Secretary for Education, Mr Raymond Wong, visited Washington and met the Deputy Assistant Secretary for International Education, Mr Andrew Lewis, representatives of the Institute of International Education and the American Association of Collegiate Registrars and Admissions Officers.

In June, the Permanent Secretary for Financial Services and the Treasury (Financial Services), Miss Au King-chi, visited Washington and met the Under Secretary for Treasury, Mr Jeffrey Goldstein, and the Assistant Secretary for Treasury, Mr Michael Barr.

In October, the Financial Secretary, Mr John C Tsang, visited Washington to attend the International Monetary Fund/World Bank annual meeting. He met the Chairman of the Board of Governors of the Federal Reserve System, Dr Ben Bernanke; the Chairman of the Council of Economic Advisers, Dr Austan Goolsbee; and the Director of the National Economic Council, Dr Larry Summers.

In December, Washington ETO organised a visit by the Financial Secretary, Mr John C Tsang, to Santiago in Chile, and Brasília and São Paulo in Brazil.

In Chile, Mr Tsang met the Minister of Finance, Mr Felipe Larrain; the Minister of Economy, Development and Tourism, Mr Juan Andrés Fontaine; the Minister of Agriculture, Mr José Antonio Galilea; the Undersecretary of the Ministry of Foreign Affairs, Mr Fernando Schmidt; and the Deputy Governor of the Central Bank of Chile, Mr Manuel Marfán.

In Brazil, Mr Tsang met the Finance Ministry's Secretary for International Affairs, Mr Marcos Galvão; the Vice-Governor for International Affairs of the Central Bank of Brazil, Mr Luiz Awazu Pereira da Silva; the Secretary-General of Ministry of External Relations, Mr Antônio de Aguiar Patriota; the Acting Secretary of Trade and Services of the Ministry of Development, Industry and Foreign Trade, Mr Maurício Lucena do Val; and the São Paulo City Mayor, Mr Gilberto Kassab.

Hong Kong's role as a global financial centre was highlighted in the presentation in Toronto by the Secretary for Financial Services and the Treasury, Professor K C Chan, at a fully-packed seminar on 'Listing and Capital Raising in

Hong Kong for Mining and Natural Resources Companies' held at the Prospectors and Developers Association of Canada Convention 2010 in March. Later in June, Miss Au King-chi, the Permanent Secretary for Financial Services and the Treasury (Financial Services), also spoke about Hong Kong's unlimited potential at a business luncheon in Toronto.

Mr Woo Yuen-pau, the head of a Canadian think-tank — the Asia Pacific Foundation of Canada — shared the two speakers' views. He told a parliamentary breakfast meeting, organised by the Hong Kong Economic and Trade Office in Toronto (Toronto ETO) in Ottawa, that business people should 'think Hong Kong rather than Panama' because 'we are now talking the re-emergence of the re-emergence of Asia'.

To encourage Canadian companies to set up in Hong Kong, the Toronto ETO launched a 'Best Asia Pacific Business Award' at the 14th Chinese Canadian Entrepreneur Awards ceremony. It was won by Round 5 Corporation, a Markham company which set up an office in Hong Kong to look after the development and quality control of its products, manufactured in the mainland of China.

Hong Kong's dynamism as an international financial centre and a city of festivals was showcased earlier in the year in a series of 'Hong Kong Comes to ...' events in the City of Mississauga, Markham and Montreal, jointly presented by the Toronto ETO and the HKTB.

The Chief Secretary for Administration, Mr Henry Tang, visited New York in January to meet interlocutors from think-tanks, government, business as well as the arts and cultural sectors. To highlight Hong Kong's cultural heritage and diversity, the Hong Kong Economic and Trade Office in New York (New York ETO) hosted a reception which carried the theme 'Hong Kong: A Tapestry of Art and Culture'. Mr Tang spoke at the function about Hong Kong's arts scene and the development of the West Kowloon Cultural District, which he said would transform Hong Kong's spectacular Victoria Harbour into Asia's West End with a Broadway skyline, and make the city Asia's cultural hub.

Mr Tang used the occasion also to launch a programme to celebrate the 20th Anniversary of the Hong Kong Dragon Boat Festival in New York. The 'Brand Hong Kong' identity was highlighted by New York ETO at the dragon boat festivals held in Atlanta, Boston, Miami and New York.

The New York ETO also helped arrange the North American debut of the Hong Kong Windpipe Chinese Ensemble, which presented a specially-commissioned work, *The Tiger Sketch*, by Hong Kong composer Ng Cheuk-yin, in Chicago and Atlanta. A video showing Hong Kong painter Lee Chi-ching creating a unique tiger-themed painting with a montage of Hong Kong's scenic sights was screened as part of the multi-media presentation. A dozen Hong Kong films were also shown at major film festivals in New York and Chicago. The award-winning Hong Kong drama film *Echoes of the Rainbow* had its North American premiere at the New York Asian Film Festival. The festival also honoured actors Sammo Hung and Simon Yam for their achievements in the film industry.

In March, the Secretary for Financial Services and the Treasury, Professor K C Chan, visited New York, where he met prominent industry leaders. Professor Chan spoke about Hong Kong's economic and monetary policies at a reception co-hosted by the New York ETO and the NYSE Euronext at the New York Stock Exchange.

Earlier on in the year, the Chief Secretary for Administration, Mr Henry Tang, visited Las Vegas to officiate at a reception organised by the HKTDC at the International Consumer Electronics Show 2010, the largest annual trade show for consumer electronics in the world. The Hong Kong Economic and Trade Office in San Francisco (San Francisco ETO) organised a high-level networking luncheon for Nevada dignitaries who included the Governor of Nevada and the Mayor of Las Vegas in honour of the Chief Secretary.

BrandHK was revitalised in 2010. To further promote Hong Kong as the Asia's world city, San Francisco ETO hosted a reception entitled 'Meet the Many Faces of Hong Kong' at the de Young Museum in San Francisco in September 2010. The event, attended by more than 200 guests, showcased the visual identity of BrandHK and the 'Faces of Hong Kong' in a video.

To further promote Hong Kong as a wine hub and to capitalise on the signing of a Memorandum of Understanding on wine and wine-related businesses with the United States and a separate one with Washington and the Oregon states, an advertorial on wine was published in the September issue of *Wine Enthusiast*, one of the world's most respected and quoted publications on wine and spirits.

In November, San Francisco ETO, in partnership with the HKTB and the HKTDC, sponsored the 7th Annual San Diego Bay Wine and Food Festival's Reserve and New Release Tasting Winery Reception. More than 100 wine producers attending the reception were given an update on Hong Kong's wine business opportunities.

Renowned Hong Kong film producer and director, Mr Peter Chan was the guest of honour at the VIP reception hosted by San Francisco ETO prior to the screening of the *Bodyguards and Assassins* and two other Hong Kong films at the 53rd San Francisco International Film Festival. Separately, seven Hong Kong films screened at the 36th Seattle International Film Festival, were also sponsored by San Francisco ETO.

North Asia

The Hong Kong Economic and Trade Office in Tokyo (Tokyo ETO) continued to promote closer economic and trade ties and cultural exchanges between Hong Kong and Japan and Korea. It arranged visits to those countries by senior Hong Kong officials to update their counterparts and business leaders on Hong Kong's latest developments.

In March, the Tokyo ETO organised a spring reception hosted by the Secretary for Commerce and Economic Development, Mrs Rita Lau, to promote ties with Japan in trade, tourism and the creative industries. It was attended by Japanese political, economic and government leaders.

Senior Hong Kong Government officials also attended international conferences, including the Asia-Pacific Economic Co-operation (APEC) meetings during the year in Japan. In November, the Chief Executive, Mr Donald Tsang; the Financial Secretary, Mr John C Tsang; and the Secretary for Commerce and Economic Development, Mrs Rita Lau, attended the APEC Economic Leaders' Meeting, the Finance Ministers' Meeting and the Ministerial Meeting respectively.

During his stay in Japan, the Chief Executive visited waste treatment facilities to learn from the Japanese experience and technology in handling municipal waste. He also spoke at the Foreign Correspondents' Club of Japan on Hong Kong's role in international financial co-operation and China's financial development.

The Secretary for the Environment, Mr Edward Yau, spoke about Hong Kong's countryside at a seminar in Tokyo in June.

In July, the Secretary for Education, Mr Michael Suen, led a delegation of presidents, vice-presidents and professors of seven Hong Kong universities to Korea and Japan to showcase Hong Kong as a regional education hub and to promote its New Academic Structure which also provides students with an opportunity to obtain a Diploma of Secondary Education.

In September, the Secretary for Home Affairs, Mr Tsang Tak-sing, visited cultural and sports facilities in Japan, and met representatives of the two sectors. In October, the Secretary for Development, Mrs Carrie Lam, led a Government delegation to the Eighth Ministers' Forum on Infrastructure Development in the Asia Pacific Region in Tokyo.

Business seminars were organised in different Japanese prefectures to further promote Hong Kong as a preferred place for trade, investment and tourism, as well as a platform from which to enter the vast Mainland market.

In August, the Tokyo ETO attended the Hong Kong-Kagoshima Conference's biennial Round Table Meeting to exchange views with the prefecture's government officials and business leaders on future exchanges and co-operation between the two cities.

In addition, a photo exhibition was co-organised with the HKTB to showcase Hong Kong's vitality and diversity to Kagoshima citizens.

The Tokyo ETO held an English speech contest for university students for the fourth consecutive year to foster deeper understanding of Hong Kong's core values and special attributes.

It also joined forces with the HKTB in September to hold an exhibition, 'Festive Hong Kong in Seoul', in the Korean capital to promote Hong Kong tourism. The two-day event featured stage performances, cultural shows and Hong Kong films.

Southeast Asia

Hong Kong's ties with its Southeast Asian neighbours were strengthened further during the year by a series of visits to the region by senior Hong Kong Government officials.

The Financial Secretary, Mr John C Tsang, visited Indonesia, Brunei and Malaysia in March to bring government ministers and business leaders there up to date on Hong Kong's development and advantages as an international financial centre. He signed agreements with Brunei and Indonesia on the avoidance of double taxation and had separate audiences with the Sultan of Brunei Darussalam and the Prime Minister of Malaysia.

The Secretary for Education, Mr Michael Suen, led a delegation of senior representatives of Hong Kong universities to Malaysia and Indonesia in May where the delegates exchanged views on higher education with their counterparts and visited the countries' universities and schools. In Malaysia, Mr Suen spoke at an education seminar and a business luncheon about Hong Kong's education reform. The Secretary for Transport and Housing, Ms Eva Cheng, visited Malaysia in June at the head of a delegation of leaders of Hong Kong's maritime industry. She spoke at a seminar to promote Hong Kong's maritime services.

In November, the Secretary for Justice, Mr Wong Yan Lung, visited Malaysia and Singapore where he met members of the legal profession in both countries and addressed a business luncheon in Malaysia to promote Hong Kong as an international dispute resolution centre.

Other senior Hong Kong SAR Government officials who visited the region during the year to attend international conferences and promote Hong Kong were the Secretary for Security, Mr Ambrose Lee; the Secretary for Development, Mrs Carrie Lam; the Secretary for Food and Health, Dr York Chow; and the Secretary for Environment, Mr Edward Yau.

The Hong Kong Economic and Trade Office in Singapore (Singapore ETO) continued to organise business, cultural and public relations events across the ASEAN region during the year, promoting Hong Kong as Asia's premier business hub, financial centre and tourist destination.

To celebrate the Chinese New Year, the Singapore ETO co-hosted with the HKTB receptions in Jakarta, Bangkok, Singapore, Kuala Lumpur and Manila. In June, it held a gala dinner to celebrate the 15th anniversary of its establishment.

On the cultural front, the Singapore ETO organised the Hong Kong Film Festival in Malaysia and Singapore in March and April respectively which featured a wide selection of Hong Kong films including award-winning titles. In July, it sponsored a charity concert, organised by the Nanyang Academy of Fine Arts in Singapore that featured the Hong Kong Children's Choir.

Australia and New Zealand

The Financial Secretary, Mr John C Tsang, visited New Zealand in November where he signed an Agreement for Avoidance of Double Taxation with the Deputy Prime Minister and Minister of Finance, Mr Bill English. He also met the Minister of Trade, Mr Tim Groser to exchange views on bilateral and multilateral trade ties.

The Secretary for Development, Mrs Carrie Lam visited New Zealand in May. She was briefed on issues related to heritage conservation, waterfront planning and

green conservation in New Zealand and was taken on a tour of Wellington's historical Old Government Building — one of the world's biggest timber-made offices, the Supreme Court, the National Museum of New Zealand, better known as Te Papa Tongarewa in Maori, and various waterfront facilities.

The Secretary for Transport and Housing, Ms Eva Cheng, visited Melbourne in November to consult business associations and tribunals on practices related to property sales in Victoria. She was also shown how the Victoria Police carried out roadside random drug tests.

The Hong Kong Economic and Trade Office in Sydney (Sydney ETO) celebrated its 15th anniversary in 2010. To mark the occasion, a 12-page full colour special report on Hong Kong was published in the national newspaper, *The Australian*. An open-house reception was held in Hong Kong House, Sydney in conjunction with Invest Hong Kong, the HKTDC and the HKTB.

To strengthen ties with Australian politicians, the Sydney ETO relaunched the Parliamentary Hong Kong Friendship Group in Canberra in November.

On the cultural front, the Sydney ETO co-organised Hong Kong Week in Sydney, a series of events showcasing different aspects of Hong Kong, in September in conjunction with the Hong Kong-Australia Business Association (New South Wales Chapter), the Way In Network, TVB (Australia) and the HKTDC. A series of events including a film night, a food and wine banquet, a business forum and a charity ball were held. The office joined hands with the Gallery of Modern Art in Brisbane and the Melbourne Cinematheque to screen two films, *Bond, Jane Bond — series of Hong Kong Action Women of the 1960s* and the *Retrospective: Maggie Cheung Season*. It also participated in the Melbourne International Film Festival, the OzAsia Festival, the Adelaide Film Festival and, for the first time, the New Zealand International Film Festival held in Wellington to present a selection of Hong Kong films.

Mainland of China

In 2010, the Beijing Office and the three ETOs in Guangdong, Shanghai and Chengdu continued to maintain close contact with the Central People's Government and other Mainland authorities as well as promote official exchanges between the HKSAR Government and the Mainland authorities. They provided logistical support to HKSAR Government delegations visiting the Mainland and arranged visits by Mainland officials to Hong Kong. The Chief Executive, Mr Donald Tsang, made three visits each to Beijing and Shanghai in 2010. He also visited Jiangsu, Sichuan and Guangzhou; and attended the Boao Forum for Asia in Hainan in April. He also attended the 'Fifth Expo Central China' in Jiangxi and the Hong Kong/Guangdong Co-operation Joint Conference in Guangdong in September.

The Mainland Offices also provide logistical support for the HKSAR Government's participation in a number of major regional co-operational meetings and activities in the Mainland, including the Pan-Pearl River Delta Regional Co-operation and Development Forum held in Fuzhou, Fujian in August 2010 and

the 14th China International Fair for Investment and Trade in Xiamen, Fujian in September 2010.

The Mainland Offices organised seminars, research as well as visits to different parts of the Mainland for Hong Kong business delegations and organisations. The investment promotion divisions of the Mainland Offices liaised closely with the Mainland enterprises intending to invest in Hong Kong, guiding them through the necessary procedures.

The HKSAR participated in the World Exposition 2010 Shanghai China (Shanghai Expo) held from May 1 to October 31, in 2010. The standalone 'Hong Kong Pavilion' and an exhibition at the 'Urban Best Practices Area' attracted more than 3.3 million visitors. The Shanghai ETO acted as the HKSAR Government's contact point responsible for day-to-day communication with the Expo organisers and relevant parties in Hong Kong during the HKSAR's participation. Together with other bureaux and departments, the Shanghai ETO co-organised the 'Expo Forum in Hong Kong', 'Opening Ceremony of the Hong Kong Pavilion', the '13th Anniversary of the Establishment of the HKSAR Ceremony', and 'Hong Kong Week' at the Shanghai Expo. It also assisted in making the arrangements for senior HKSAR Government officials to attend the Shanghai Expo's opening and the closing ceremonies, and in receiving VIP visitors and other delegations at the HKSAR's two pavilions in the expo. The Beijing Office also promoted Hong Kong through the website, *People's Daily Online*, and China National Radio.

The Chengdu ETO continued to assist the HKSAR and Sichuan authorities in liaising with each other on matters concerning Sichuan's reconstruction in the wake of an earthquake that devastated the area in May 2008.

Government Home Pages on the Internet

In line with the Government's commitment to openness, transparency and accountability, all bureaux and departments produce their home pages in Chinese and English to disseminate information through the Internet on its policies, services and activities and to communicate with the public. Thematic home pages are also produced for special events and topics. These home pages can be accessed through the Government's one-stop portal, GovHK, at www.gov.hk, which have both desktop and mobile versions.

The GovHK also provides 24-hour news updates, consultation papers and topical information to enable the public to keep track of local developments and important announcements. It is also a portal to a wide range of electronic services of various departments and agencies, including submission of tax returns, payment of government fees and the purchase of government publications.

Various bureaux and departments as well as individual Principal Officials make use of social media (e.g. Facebook, Youtube and blogs) on the Internet to communicate with their stakeholders and the general public. GovHK also provides sharing buttons to facilitate the sharing of public information through various types of social media.

Code on Access to Information

As an open and accountable Government, all government bureaux and departments are committed to making information available to the public in accordance with the Code on Access to Information. The code specifies the types of government information the public may have access to. Disclosure may be refused on grounds of the confidential and sensitive nature of the information to ensure appropriate protection of such information. The public may complain to The Ombudsman if government bureaux and departments do not respond to requests for information in accordance with the code.

Telecommunications

The Government's telecommunications policy is to facilitate the development of the telecommunications industry and enhance Hong Kong's position as the region's telecommunications hub.

The Telecommunications Authority (TA) is appointed by the Chief Executive to perform functions and exercise powers under the Telecommunications Ordinance and the Unsolicited Electronic Messages Ordinance (UEM Ordinance). The Office of the Telecommunications Authority (OFTA) is the executive arm of the TA. It oversees the regulation of the telecommunications industry in Hong Kong, advises the Government on telecommunications matters and enforces the relevant provisions set out under the above-mentioned ordinances.

Mobile Communications Services

Hong Kong's mobile communications market continues to flourish. Five operators run a total of 14 digital systems in the city, providing second generation (2G) and third generation (3G) services. By December 2010, there were over 13.4 million subscribers to mobile communications services. This represents a population penetration of 189 per cent, one of the highest in the world. The number of 3G users also continues to rise. By December 2010, the four 3G operators had a combined total of 5.3 million customers.

Local mobile data services are available at speeds of up to 21 Mbps and 42Mbps using high-speed packet access (HSPA) and the newly evolved high speed packet access (HSPA+) technologies respectively.

With the increasing popularity of smart phones, mobile data usage surged to 1 847 Terabytes (1 846 764 Gigabytes) in December 2010, or an average of 296 Mbytes per 2.5G/3G mobile user. This represents 2.9 times and 13.9 times the usage over the same period in 2009 and 2008 respectively.

In November 2010, one operator announced the commercial launch of its broadband wireless access (BWA) service network. Using the next generation Long Term Evolution technology, this network supports mobile broadband data services with speeds much higher than those which can be offered by HSPA+ technologies.

To meet further the booming demand for mobile data services and to sustain the momentum of market growth, the OFTA will make available additional radio

spectrum in the 850 MHz, 900 MHz and 2000 MHz bands and will conduct an auction for this additional spectrum in the first quarter of 2011. In December 2010, OFTA also invited expressions of interest from the industry in the 2.3 GHz band spectrum.

Fixed Communications Services

There is no preset limit on the number of licences that can be issued for telephone fixed lines, neither is there any deadline for the submission of applications for them. By the end of the year, there were 14 local fixed telephone network licensees, providing 102.9 telephone fixed-lines per 100 households, one of the highest in the world.

Fixed Broadband Services

Hong Kong has one of the world's most advanced fixed broadband network infrastructures and, according to a survey carried out by the University of Oxford in 2010, it also secures the second place as a global broadband leader — among the various criteria taken to arrive at the ranks, Hong Kong has a high household fixed broadband penetration rate of 82.5 per cent.

Hong Kong is also a leader in the world in fibre-to-the-home (FTTH) and fibre-to-the-building (FTTB) coverage, according to a report published in 2010 by the Fibre-to-the-Home Councils of the Asia-Pacific, Europe and North America. A voluntary registration scheme launched by OFTA in November 2010 echoed the results by recording over 8 000 FTTB or FTTH buildings, suggesting that 66 per cent of total households in Hong Kong have access to FTTB and/or FTTH networks.

Meanwhile, fixed broadband services are very reasonable — they are offered at a monthly rate as low as HK\$99 (i.e. less than US\$13) for unlimited usage of broadband internet service at a speed of 100 Mbps.

Hong Kong is also at the forefront in the provision of public Wi-Fi service. At the end of the year, Hong Kong had 9 000 Wi-Fi hot spots in around 5 000 locations in the territory.

Mobile TV Services

A frequency spectrum in the 678 – 686 MHz band for providing broadcast-type mobile TV was auctioned in June 2010. The licensee is required to allot at least 75 per cent of the transmission capacity to mobile TV to serve at least 50 per cent of Hong Kong's population by early 2012. The new service offers a wider choice of high quality TV programmes and develops further the mobile TV industry, as well as strengthens Hong Kong's status as a world-class wireless city.

Migration to the Next Generation Network

The Next Generation Network (NGN) enables seamless delivery of a packet of communication services, which includes voice telephony, data, and video from a single platform. With the rapid development of advanced technologies and the increasing convergence of telecommunications and broadcasting, operators are now

offering feature-rich triple and quadruple play products through an assortment of fixed and mobile telephony services, broadband internet access (wireline and Wi-Fi) and Internet Protocol-based TV (IPTV).

The Government introduced in 2008 a Unified Carrier Licence (UCL), a streamlined and flexible single licence that allows operators to run fixed, mobile and converged services at a time when distinctions between fixed and mobile networks have become blurred.

To facilitate the industry's smooth migration to NGN, the OFTA has formed a working group to discuss with stakeholders issues relating to NGN.

External Telecommunications Facilities and Services

The external telecommunications facilities market was liberalised fully in 2000. By December 2010, 40 licensees were authorised to provide cable-based and/or non-cable-based external telecommunications facilities, eight of which were permitted to provide local fixed network services. Hong Kong has six submarine cable landing stations and is connected to nine regional and trans-Pacific submarine cable systems. It is also connected to the Mainland's three overland cable networks. The external telecommunications facilities' total capacity in December 2010 was over 4 378 Gbps.

Satellite Communications

Two Hong Kong companies, APT Satellite Company Limited and Asia Satellite Telecommunications Company Limited, are licensed to operate and provide satellite communication services. At the end of the year, they were operating nine satellites.

Combating Unsolicited Electronic Messages (UEMs)

The UEM Ordinance regulates the sending of commercial electronic messages (CEMs), including fax, pre-recorded voice calls, short messages and emails. Under it, senders of CEMs are required to comply with specific rules, governing among other things the provision of accurate sender information and an unsubscribe facility in the message. Three do-not-call registers (DNCs) for fax, short message and pre-recorded telephone message respectively have been established. Senders are prohibited from sending CEMs to the DNC-registered numbers, without the consent of the number's registered user. By December 31, 2010, there were more than 2.16 million registrations in the three DNC registers, with some 634 000 numbers for fax, 536 000 for short messages and 989 000 for pre-recorded messages.

Since the commencement of the UEM Ordinance in 2007, the TA has received over 17 000 reports of suspected contraventions and issued 303 warning letters to senders. The number of reports fell from 6 100 in 2009 to around 3 100 in 2010, due probably to better understanding of the UEM Ordinance.

The HKSAR Government continues to work with other countries and regions to combat spam, or unsolicited e-mails sent indiscriminately. These countries and regions include Australia, South Korea, Japan, the United States, the United Kingdom and the Mainland.

Protection of Consumers

The booming mobile telecommunications market, growing number of smart phone users and rapid technological developments have generated a number of consumer issues, such as billing and contractual disputes which OFTA is working closely with the industry to solve. In 2010, OFTA and the industry initiated a number of self-regulatory regimes or measures to tackle issues of chargeable mobile content services, mobile bill shock, performance of mobile broadband services and communications service contracts.

International Activities

Hong Kong continues to be an active player in international telecommunications forums. In addition to being a member of the Mainland delegation to conferences and meetings organised by the International Telecommunication Union, Hong Kong participates as an independent member at meetings of the Asia-Pacific Telecommunity (APT) and the Telecommunications and Information Working Group of the Asia-Pacific Economic Co-operation (APEC).

In December 2010, Hong Kong hosted the 4th Meeting of the APT Conference Preparatory Group for the World Radio Communication Conference 2012. About 350 policymakers, heads of regulatory authorities, experts and industry players from around the world attended the forum and shared their views on important radio-communications issues.

Broadcasting

Hong Kong is a forerunner in the adoption of advanced broadcasting and telecommunications technologies. The Government's broadcasting policy objectives are to widen programme choice and diversity through competition, to facilitate the introduction of new, innovative broadcasting services and to enhance Hong Kong's position as a regional broadcasting hub.

In order to achieve these objectives, Hong Kong has adopted a facilitating and pro-competition approach to promoting the application of various innovative broadcasting technologies, and has provided a liberalised and light-handed regulatory environment for new broadcasting services to flourish. This allows Hong Kong to enter a new era of broadcasting, with broadened programming choice and innovative services available to the viewing and listening public. Hong Kong now has some 700 satellite and pay television channels available in digital format, and is the world leader in deploying Internet Protocol Television (IPTV) technology, with some one million subscribers. There are also 18 licensed satellite television broadcasters providing about 200 channels for the Asia-Pacific region. The two terrestrial television broadcasters launched digital broadcasting officially in December 2007. By the end of 2010, the number of free-to-air television channels had increased substantially (4 analogue and 12 digital free TV channels). Radio Television Hong Kong (RTHK), a government department, produces programmes of public interest for broadcast on free TV channels. There are three radio stations, including two

commercial operators and RTHK, providing a total of 13 analogue channels in Hong Kong.

Regulatory Approach

Provision of television programme services and the carriage networks in Hong Kong are regulated separately. A television programme service provider may hire any transmission network operator to transmit its service instead of investing in transmission infrastructure itself. This arrangement facilitates market entry and encourages competition.

Under the Broadcasting Ordinance, the four categories of television programme services — domestic-free, domestic-pay, non-domestic (mainly satellite television services targeting the Asia-Pacific region) and other licensable television programme services (mainly television services for hotel rooms) — are regulated according to their characteristics and pervasiveness rather than their transmission mode. The provision of sound broadcasting services is regulated under the Telecommunications Ordinance and the Broadcasting Authority Ordinance.

As a result of the liberalised, light-handed and pro-competition regulatory approach, Hong Kong has a vibrant broadcasting industry and enjoys a multitude of television and radio channels with diversified programming.

The Broadcasting Authority

The Broadcasting Authority (BA) is an independent statutory regulator of the broadcasting sector, comprising nine non-official members from various sectors of the community and three public officers. The BA is the licensing authority for non-domestic and other licensable television licences, and is responsible for making recommendations to the Chief Executive in Council on applications for new domestic free television, domestic pay television and sound broadcasting licences, as well as on applications for renewal of these licences.

The BA's main function is to safeguard proper standards of television and sound broadcasting with regard to both programme and advertising content, as well as technical performance. It publishes codes of practice on programme, advertising and technical standards with which licensees are required to comply. The BA is also responsible for upholding a fair and competitive broadcasting market in Hong Kong through the enforcement of the competition provisions of the Broadcasting Ordinance as well as relevant conditions of the sound broadcasting licences issued under the Telecommunications Ordinance.

In light of media and technological advancement, the BA examines and updates constantly its regulatory approach and codes of practice to ensure that public expectations are met and at the same time that the operators have sufficient flexibility to operate effectively and efficiently. It engages the public through its 540-member television and radio consultative scheme as well as through focus group discussions to collect audience feedback.

Public Service Broadcasting — Radio Television Hong Kong

Radio Television Hong Kong (RTHK) is a government department tasked with providing high quality and professional public service broadcasting through radio, television and new media platforms. It is editorially independent.

RTHK currently operates seven radio channels and produces over 1 030 hours of radio programmes of different genres in Cantonese, English and Putonghua every week.

RTHK produced about 600 hours of television programmes for broadcasting on Hong Kong's two commercial television stations and pay-TV platforms in 2010. In addition to 41.3 hours of new school educational television programmes and pre-primary school programmes, an interactive learning platform, eTVonline, provides information to complement the Government's education policies. RTHK also provides local and overseas broadcasters with audio and video pool feeds of events of public interest. In 2010, it provided them with over 408 hours of video signals of Legislative Council proceedings as well as coverage of the opening and closing ceremonies of the Shanghai Expo.

In August 2010, the Charter of RTHK, governing the operation of RTHK as the public service broadcaster in Hong Kong, was promulgated. The charter enshrines the editorial independence of RTHK. It also sets out the mission, role and functions of RTHK and the department's relationship with the Secretary for Commerce and Economic Development, the BA and the Board of Advisors. The broad-based Board of Advisors was established in the same month to provide advice to RTHK. The station is planning and preparing for the implementation of various new services, including digital audio broadcasting and digital terrestrial television, as well as ways to facilitate community participation in broadcasting and the reprovisioning of Broadcasting House in Tseung Kwan O.

'RTHK on INTERNET' (www.rthk.hk), launched in 1994, continues to be popular with an average daily hit rate of 36 million. RTHK also continues to harness the multi-media potential of the different emerging media platforms, such as licensing web content to mobile operators and providing podcasting services. In 2010, it introduced two new applications for mobile services, 'RTHK-on-the-go' and 'm.rthk.hk', which widened significantly the reach of RTHK productions to smartphone users.

Recent Developments

The Government encourages the deployment of digital terrestrial television broadcasting technology in Hong Kong to enhance spectrum efficiency and enable the provision of new services such as high-definition television (HDTV) broadcasting. The two incumbent terrestrial broadcasters, Asia Television Limited and Television Broadcasts Limited, launched digital terrestrial television, including the broadcasting of free HDTV programmes and channels in 2007. According to a public survey conducted in December 2010, about 60 per cent of Hong Kong households are receiving digital television via set-top boxes, integrated digital television sets and

computers. The two broadcasters expanded further their digital coverage to 89 per cent in 2010 and aim at extending the digital network to achieve almost full coverage by 2012.

In November 2010, the Chief Executive in Council approved in principle three applications for sound broadcasting licences to provide territory-wide round-the-clock digital audio broadcasting (DAB) services in Hong Kong. The three applicants (including one existing licensee providing analogue radio service) together with RTHK plan to provide a total of 18 DAB channels.

The BA is currently processing three applications for domestic free television programme service licences in accordance with the law and established practices. The BA will submit recommendations to the Chief Executive in Council on the applications.

Setting up a Unified Regulator for Telecommunications and Broadcasting

The markets for broadcasting and telecommunications are converging rapidly and the Government sees a need to review the existing regulatory regimes for the two sectors in order to keep pace with the changing environment and meet the regulatory challenges. Under a stage-by-stage approach, the Government has proposed the setting up of a unified regulator, the Communications Authority (CA) as the first step, to be followed by the review in respect of the legislation on telecommunications and broadcasting. The Legislative Council has established a Bills Committee to examine the draft Bill to set up the CA.

Information Technology

Digital 21 Strategy

The Government is committed to making Hong Kong a leading digital city. To keep Hong Kong at the forefront of the development of information and communications technology (ICT), it has formulated a Digital 21 Strategy which is updated continually to cope with technological advancements and the community's changing needs. This has produced the right environment, infrastructure, skills and culture for developing and adopting ICT, as reflected in Hong Kong's mobile subscription penetration rate of 189 per cent, one of the highest in the world; also in its household broadband connection rate of 82.5 per cent, among the highest in Asia; and in its Smart Identity Card, one of the first to be invented in the world.

Hong Kong as a Leading Digital Economy

Driving E-business

The Government is committed to providing the necessary infrastructure to facilitate a digital economy to grow. The Electronic Transactions Ordinance provides a clear legal framework for the conduct of secure electronic transactions, which supports the continuous development of e-government and e-business services.

Two certification authorities are recognised under the ordinance to issue digital certificates to enable people and organisations to conduct electronic transactions in a secure manner.

Administration of '.hk' Domain Names

A Government-appointed non-profit-making company, the 'Hong Kong Internet Registration Corporation Limited' (HKIRC), administers the '.hk' domain name. In March 2010, the Government signed a Memorandum of Understanding with the HKIRC to enhance its governance and transparency in administering Internet domain names in Hong Kong.

The Internet is evolving to accept domain names in different local languages. The HKIRC will launch in 2011 the registration for full Chinese '香港' internationalised country code top level domain. The Chinese domain names will enable Chinese-speaking people around the world to access Hong Kong websites using a web address written wholly in their mother tongue. This is conducive to e-business development in Hong Kong and other uses of the Internet for the Chinese-speaking community.

IT Manpower

The Government is committed to creating an environment where a well-qualified IT workforce can flourish and meet the needs of a digital economy. The Government has been working closely with industry and academia to facilitate continuous upgrading of the IT workforce. It has been providing support for an annual IT exchange programme since 2002 to expose students to IT projects in overseas and Mainland universities. The Government has also sponsored the implementation of an IT internship programme, which provides opportunities for IT graduates to gain practical working experience.

Hong Kong as a Hub for Technological Co-operation and Trade

Facilitating the IT Industry

The Government has introduced a range of measures to cultivate a vibrant, competitive and innovative ICT industry. Such support helps to increase business opportunities, improve service quality, build expertise and spur growth.

The Government has been adopting an aggressive outsourcing policy for its IT projects. This, together with programmes aimed at promoting the use of IT in business and the community, has created an environment for the local industry's growth. The Government will continue to help the industry explore business opportunities in the Mainland and overseas markets.

To help Hong Kong service suppliers enter the Mainland market and obtain third-party accreditation for their services, the Closer Economic Partnership Arrangement (CEPA) allows them to apply for Computer Information System Integration (SI) qualification certification. Also under the CEPA, Guangdong and Hong Kong will take forward a pilot run of applications for mutual recognition of electronic signature certificates for the development of e-commerce in the two places.

To recognise outstanding achievement and to showcase Hong Kong's ICT success locally and abroad, the Government has collaborated with the local ICT industry to organise Hong Kong ICT Awards since 2006.

The Government supports the development of data centres as an essential infrastructure for the continued development of the economy. The Government has completed a study on the economic benefits attributable to the data centre sector.

Cyberport

The 24-hectare Cyberport is a critical piece of infrastructure for the development and support of IT and related industries in Hong Kong. It brings together a cluster of high quality IT and related enterprises, and facilitates synergy and partnership among members of the ICT industry. Cyberport is home to more than 80 local, Mainland and overseas companies specialising in IT applications, information services and multimedia content creation, including 57 start-up companies undergoing incubation. Cyberport is a major venue for IT and digital entertainment-related conferences in Hong Kong and Asia.

Cyberport also provides the ICT and digital media industries with important infrastructure, technical and resource support and facilitates the development of local small and medium enterprises (SMEs) through its industrial support centres.

Leader in E-government

E-government is an integral part of the Government's overall IT strategy. Building on a foundation laid down over the past few years, Hong Kong has launched the next stage of e-government. The key developments include:

(a) GovHK

Following its launch in August 2007, GovHK (www.gov.hk), the one-stop portal, had continued to achieve a high level of user satisfaction, and had won awards for its design, services and accessibility features among other e-government services in Hong Kong and around the world.

The aim is to make continuous improvements. In March 2010, the Government launched a revamped GovHK with a new look and new functions, and in December 2010 the Government introduced a personalised portal — 'MyGovHK'. Citizens can link up their MyGovHK with multiple personal e-government services.

(b) Electronic Health Records

Development of the first stage of a territory-wide patient-oriented electronic health record (eHR) sharing system is in progress and is planned for completion by 2013-14. The targets of this stage are: (1) to have the eHR sharing platform ready for connection with all public and private hospitals; (2) to have electronic medical/patient record systems and other health information systems available in the market for private doctors, clinics and other healthcare providers to connect to the eHR sharing platform; and (3)

to formulate a legal framework to safeguard data privacy and security of the eHR sharing system prior to its commissioning. The Food and Health Bureau has conducted eHR Engagement Initiative exercises to invite proposals from the healthcare and information technology sectors for possible eHR partnerships that can facilitate deployment of electronic medical/patient record systems in the private sector and contribute to the development of a territory-wide eHR sharing system.

(c) GovWiFi Programme

The Government officially launched the GovWiFi Programme in March 2008 as a step towards making Hong Kong a wireless city. By March 2011, Wi-Fi facilities will be provided at about 390 government premises throughout the territory for free use by the public. These premises include public libraries, public enquiry service centres, sports centres, job centres, community halls, parks, cooked food centres, museums and some tourist spots.

(d) Electronic Information Management

The development of the electronic information management (EIM) strategy and the departmental strategies for the pilot bureaux/departments (B/Ds) was completed in October 2010. These strategies cover the full life cycle of information from its creation to archival as records. The pilot B/Ds are planning their implementation of EIM initiatives and the Government is developing an overall programme for implementation of EIM across the Government.

(e) E-procurement

The Government is developing an E-procurement system to automate and integrate procurement processes to enhance efficiency and achieve more competitive pricing for Government procurements. Under a pilot programme that covers low-value purchases, each costing less than HK\$1.43 million, a Procurement Portal was launched in 2008 to provide one-stop access to procurement information, while E-services were also fully rolled out to the suppliers' community in 2010. Subject to a review of the pilot programme being positive, the Government will formulate a strategy for implementing E-procurement on a government-wide basis.

(f) Multiple Applications on the Smart Identity Card

In 2003 the Government introduced the Smart Identity Card which can support multiple applications. It enables citizens to benefit from automated immigration clearance at border control points. Apart from immigration use, the Smart ID card holder may use it to store an e-certificate and perform library card functions. Since March 2008, it has been possible to use the Smart ID card to make bookings for sports facilities and leisure activities at Leisure Link Self-Service Kiosks.

Digital Inclusion

To build an inclusive, knowledge-based society, the Government has initiated digital inclusion programmes targeted at various needy groups including students from low-income families, persons with disabilities, the elderly and young people.

Internet Learning Support Programme

In this digital age, web-based learning has become an integral part of education. To mitigate the impact of 'digital divide' on the quality of learning, the Government has adopted a two-pronged strategy to help primary and secondary school students from low-income families gain access to the Internet at home for learning. Starting from the 2010-11 school year, the Government is granting an Internet access subsidy to these families. The Government has also allocated HK\$220 million for the implementation of a five-year Internet Learning Support Programme to help these families acquire affordable computers and Internet access service as well as to provide user and social support to them. The programme will be launched in the 2011-12 school year.

Promoting ICT Adoption among Persons with Disabilities

The Government initiated a large-scale forum in December 2010 to facilitate exchanges among the ICT industry, non-governmental organisations, and the private-sector to promote the adoption of ICT by persons with disabilities. The forum provided a platform for the exploration of new ideas, tools, applications and assistive technologies.

Dedicated Portal for the Elderly

A dedicated portal for the elderly, 'eElderly', commenced service in June 2010. It contains information of interest to the elderly, such as health and care, an elder academy, social and recreational activities, as well as products and services relevant to their needs. It also provides a discussion forum for the elderly to enhance their inclusion in society, encouraging active and healthy old age and bridging inter-generational digital divide.

'Be Netwise' Internet Education Campaign

The Government allocated \$63 million for a one-year territory-wide Internet education campaign to promote the safe and healthy use of the Internet by youngsters, their parents and teachers. The campaign was launched in September 2009 and completed in November 2010. Various activities including large-scale promotion events, roving exhibitions and training, school talks, inter-school activities, telephone hotline support, home visit technical assistance and a family counselling service were organised across the territory. These activities were well received by the community. The resources developed under the campaign including portal, parents' handbook and professional education kits, will continue to be used in a continuing effort to promote the proper and safe use of the Internet.

District Cyber Centres

A District Cyber Centres scheme aims to enable different underprivileged groups in the community to access and use ICT through the provision of computer facilities,

Internet connectivity, training and technical support to cyber centres operated by community organisations in various districts. By the end of 2010, the District Cyber Centres scheme had extended its network to 57 affiliated district cyber centres.

Creative Industries

Create Hong Kong and CreateSmart Initiative

'Create Hong Kong' (CreateHK) is a dedicated office set up by the Government in June 2009. It drives the development of creative industries with a seven-pronged strategy formulated after consultation with the Legislative Council and the trade. The strategy comprises the following elements:

- nurturing a pool of creative human capital;
- facilitation of start-ups and development of creative establishments;
- generation of demand for innovation and creativity and expansion of the local market size for creative industries;
- promotion of creative industries on the Mainland and overseas to help explore outside markets;
- fostering a creative atmosphere within the community;
- development of creative clusters in the territory to generate synergy and facilitate exchanges; and
- organisation of major events to promote Hong Kong as Asia's creative capital.

CreateHK administers the \$300 million CreateSmart Initiative, established in June 2009, which provides funding support to creative events in line with the strategy. In 2010, \$54.7 million was granted to support 29 projects, covering various creative sectors.

Creative Events

Through a concerted effort with stakeholders, CreateHK has been working to foster an environment conducive to the development of creative industries. In particular, it is committed to assisting industry groups in organising major creative events to attract enterprises, talent and academics in creative industries from around the world to visit the territory, thereby consolidating Hong Kong's status as Asia's creative capital.

These major events cover various creative sectors ranging from new initiatives to signature annual events. Examples of new initiatives were a forum organised by the Hong Kong Institute of Contemporary Culture to encourage youngsters to develop creative thinking skills, and the 'Fashion World Talent Awards' organised by the Hong Kong Apparel Society. This competition combined three creative areas — fashion design, image styling and fashion photography — with the aim to discovering new generation fashion talents. Signature annual events include an 'Entertainment Expo' which is the largest event for the entertainment industry in Hong Kong, co-ordinated by the Hong Kong Trade Development Council and the

'Business of Design Week' organised by the Hong Kong Design Centre. The latter is one of the world's leading design events.

Mainland and Overseas Promotion

CreateHK has been promoting vigorously the accomplishments of Hong Kong's creative industries to the Mainland as well as abroad and is committed to helping them explore new markets. Riding on the opportunity presented by the Shanghai Expo, it worked with local creative industries in organising a series of activities promoting Hong Kong's creativity in Shanghai during the Expo.

CreateHK collaborated with the Film Development Council (FDC) in organising two major film retrospectives and business-matching activities in the Mainland during the year, in addition to Hong Kong film festivals organised by the Hong Kong Economic and Trade Offices in major overseas cities to promote Hong Kong as a film production centre. In 2010, 167 overseas film crews came to Hong Kong for location filming.

Funding support was also provided to creative establishments to participate in major international exhibitions and events and thus expand their reach to potential clientele in strategic overseas markets.

In collaboration with the FDC, CreateHK organised local filmmakers' participation in the Venice Film Festival held in September 2010 to promote Hong Kong films to the international audience. A Hong Kong Pavilion was set up at the Venice Biennale International Architecture Exhibition, one of the most prestigious, spectacular and influential architectural exhibitions in the world, to promote Hong Kong's architectural design in the international arena.

Nurture Creative Talent

CreateHK sponsored programmes that help nurture the next generation of Hong Kong's creative talent. It sponsored the development of a Film and Animation Teaching Kit for the New Senior Secondary Curriculum which was launched for secondary schools in September 2010 to help enrich secondary students' knowledge in art creation and appreciation through animation and films. A Film Professionals Training Programme, organised by the Federation of Hong Kong Filmmakers, was also launched to provide manpower training for the local film industry.

International Awards

CreateHK has been working with the industries to support local creative talent and creative works in participating in renowned international competitions and promotional events. The intention is to provide opportunities for them to gain exposure and recognition overseas, and to raise the profile of Hong Kong's creative industries as well as the city's position as a creative capital in the international arena.

In 2010, the local creative talent sponsored by CreateHK to participate in various international competitions won over 20 awards, including those won by local advertising talent at the Cannes Lions International Advertising Festival. This was

complemented by the film *Echoes of the Rainbow* financed by FDF, which received the award of Crystal Bear for the Best Feature Film in the Generation Section of the 60th Berlinale 2010.

DesignSmart Initiative

The DesignSmart Initiative, launched in 2004, comprises the Design Support Programme (DSP) and an InnoCentre element. The DSP provides resource support for projects in design and branding-related research, design and business collaboration, continuing professional education and promotion of a design culture. In 2010, the DSI provided funding support of \$20 million for 62 projects. The InnoCentre connects designers and users of design services, and provides spaces for design ventures and activities. By the end of December 2010, 62 design companies had been admitted as tenants, and 79 as incubatees.

Film Development Fund

The FDF finances small-to-medium budget film productions and funds projects conducive to the long-term development of the local film industry. In 2010, four film production financing projects involving a total funding of \$15 million, and 15 other film-related projects beneficial to the healthy and long-term development of the film industry, involving a total funding of \$30 million, were approved.

Film Development Council

The Film Development Council (FDC), established in April 2007, is responsible for advising the Secretary for Commerce and Economic Development on the policy, strategy and institutional arrangement for the promotion and development of the film industry; the use of public funds to support the film industry; the planning, co-ordination and implementation of film-related activities; the manpower and training needs of the industry; and the promotion of film literacy in the community. The FDC is chaired by a non-official and is comprised mainly of members of the film industry.

Film Classification System

Hong Kong adopts a three-tier film classification system: Category I (suitable for all ages); Category II, which is subdivided into Category IIA (not suitable for children) and Category IIB (not suitable for young persons and children); and Category III (for persons who have attained the age of 18 years only). The aim is to allow adults wide access to films while protecting young persons under the age of 18 years from exposure to potentially harmful materials. Category IIA and IIB classifications are advisory — not governed by statutory age restriction — and are intended to give more information to cinema patrons, particularly parents, to help them select films for themselves or their children. The age restriction is mandatory for Category III films.

In 2010, 1 571 films were submitted for classification, compared with 1 370 in 2009. Of these, 464 were classified Category I, 493 Category IIA, 430 Category IIB,

and 184 Category III. Film trailers, instructional films and cultural films intended for public exhibition can be exempted from classification. During the year, 8 336 such films were examined and exempted from classification.

Film classification standards are kept in line with society's expectations by regular surveys of community views and consultation with a statutory panel of advisers, comprising about 300 members drawn from different levels of society.

The Board of Review (Film Censorship), a statutory body established under the Film Censorship Ordinance, is empowered to review the film censors' decisions on film classifications upon request. The board comprises nine non-official members appointed by the Chief Executive, plus the Secretary for Commerce and Economic Development as an ex officio member.

Control of Obscene and Indecent Articles Ordinance

The policy objective in regulating obscene and indecent articles is to preserve public morals and protect young people from the harmful effects of obscene and indecent materials while preserving the free flow of information and safeguarding freedom of expression. The publication (including distribution, circulation and sale) and public display of obscene and indecent articles (including printed matter, sound-recordings, video-tapes, discs and electronic publications) is regulated by the Control of Obscene and Indecent Articles Ordinance.

However, the ordinance does not apply to films, film packaging and film advertising material covered under the Film Censorship Ordinance and television broadcasts governed by the Broadcasting Ordinance. Under the Control of Obscene and Indecent Articles Ordinance, 'obscenity' and 'indecent' include violence, depravity and repulsiveness. An article may be classified as-Class I: Neither obscene nor indecent, Class II: Indecent and Class III: Obscene. The relevant enforcement agencies (i.e. Television and Entertainment Licensing Authority, the Police, and Customs and Excise Department) and the Secretary for Justice may submit articles to the Obscene Articles Tribunal for classification. Publishers, authors, printers, manufacturers, importers, distributors and copyright owners may also voluntarily submit articles to the Tribunal for classification rulings before publication if in doubt.

The Government embarked on a comprehensive review of the Control of Obscene and Indecent Articles Ordinance at the end of 2008. The report of the first round of public consultation was published in July 2009. In light of the public views collected in the first round of public consultation, the Government is considering the way forward on the review.

Postal Services

Hongkong Post delivers an efficient, reliable, and affordable postal service. In 2010, the annual customer satisfaction survey gave the service a rating of 98.6 per cent.

Mail Volumes

In 2010, a total of 1.29 billion postal items was handled — a decrease of 1.7 per cent compared with 2009. Local postal items accounted for 84 per cent of the volume, the remainder being overseas mail destined mainly for the United States, the United Kingdom, Australia, the Mainland and Japan.

Speedpost

The 'Economy Express' service, which provides a cost-effective and speedy means of sending packages, was extended from Guangdong to Beijing, Tianjin, Shanghai, Chongqing and Hubei.

In December 2010, Hongkong Post extended its 'Postage Paid by Addressee' service to Macao, whereby customers can have the postage paid by the recipient of Speedpost items.

Document Exchange Service

In September 2010, Hongkong Post introduced a new document exchange service for companies with branch offices in Hong Kong. The service includes daily pick-up and delivery of documents at scheduled times.

Promoting Philately

Eleven sets of special stamps and stamp sheetlets were issued in 2010 bearing themes such as 'Hong Kong's participation in Expo 2010 Shanghai China', 'Congratulations to Professor Charles K. Kao on his award of the 2009 Nobel Prize in Physics' and 'Centenary of Railway Service in Hong Kong'.

Supporting Direct Marketing Activities

Hongkong Post continued to enhance the online platform of its Hongkong Post Circular Service (HKPCS). To improve on the existing opt-out arrangement for HKPCS, a new sticker scheme was introduced in September.

Through increased collaboration with China Post, Hongkong Post extended the cross-border direct mail service to nine more major Mainland cities.

Mail Distribution and Logistics

A co-operative arrangement with China Post Logistics Company Limited was expanded to provide corporate customers with a full range of services covering warehousing, inventory management, fulfillment, local delivery and customer service support.

Supporting the New Era of E-Commerce

Hongkong Post launched new services 'e-Express' and 'EC-Ship' and co-operated with major online trading platforms to provide a comprehensive, convenient and affordable e-commerce solution.

Hongkong Post e-Club was established for disseminating the latest postal service information to, and exchanging views on matters of mutual concern with, e-commerce merchants.

In May 2010, Hongkong Post organised the Postal Business Co-operation Seminar, bringing together postal service executives, e-commerce partners and technical experts from around the world to exchange views on postal business opportunities arising from the e-commerce boom and to promote cross-border co-operation.

Participation in the International Postal Arena

Hongkong Post renders full support to activities organised by the Universal Postal Union (UPU) and the Asian-Pacific Postal Union. It continues to serve in the seven-member UPU Express Mail Service (EMS) Co-operative Board to raise worldwide EMS standards. Hongkong Post is also actively involved in promoting quality service and co-operation among postal administrations in the Asia-Pacific region. In the Asia Pacific Post Co-operative, Hongkong Post chairs the Co-operative Management Board.

Hongkong Post co-chairs the UPU Letter Mail Product Development and Marketing Group aimed at service enhancement and product development. Also, Hongkong Post continues to serve as a member of the Steering Committee of the UPU Terminal Dues Work Group to devise a new system for levying charges on the exchange of international mail.

Websites

Government Home Page: www.gov.hk

Commerce and Economic Development Bureau: www.cedb.gov.hk
(links to related departments and agencies)

Digital 21 Strategy: www.digital21.gov.hk

Cyberport: www.cyberport.com.hk

Digital television: www.digitaltv.gov.hk

Broadcasting Authority: www.hkba.hk

Film Development Council: www.fdc.gov.hk

Radio Television Hong Kong: www.rthk.org.hk

Office of the Telecommunications Authority: www.ofta.gov.hk

Access to Government Information: www.access.gov.hk

Home Affairs Bureau: www.hab.gov.hk

Information Services Department: www.isd.gov.hk

Government's e-bulletin: www.news.gov.hk

Hongkong Post: www.hongkongpost.com

Constitutional and Mainland Affairs Bureau: www.cmab.gov.hk

Create Hong Kong: www.createhk.gov.hk