

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 86 per cent of households are broadband service subscribers, while mobile subscriber penetration is over 210 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 2011 included 50 daily newspapers (including a number of electronic newspapers), 651 periodicals, two domestic free television programme service licensees, three domestic pay television programme service licensees, 17 non-domestic television programme service licensees, one government funded public service broadcaster and four 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 24 Chinese-language dailies, 13 English-language dailies, eight bilingual dailies and five in Japanese. Of the Chinese-language dailies, 19 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-Presse* 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 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. These officers 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, the 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. Providing a vibrant look and a host of features that can be customised, the website presents news and information seven days a week in a dynamic multimedia fashion. News items and messages are also disseminated more effectively and efficiently through smartphones, mobile devices and social media such as YouTube, Twitter and Sina Weibo. By the end of 2011, news.gov.hk had posted about 7 100 news and feature stories, with more than 900 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 about 11 900 subscribers, and attracted more than 21 million visitors and 580 million page views in 2011.

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 2011 Population Census; the 2011 Voter Registration campaign; the 2011 District Council Election; 2012 Chief Executive Election arrangements; Scheme \$6,000; 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, film festivals and media partnerships overseas and in the Mainland.

The division handles about 3 800 titles and produces a wide variety of government publications, including the Hong Kong Annual Report and its internet version. For the first time, the 2010 Annual Report was also made available as an iPad application for free download by the public. 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 2011, the division sold 179 226 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. The Sub-division is 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 also runs a programme for visiting journalists, produces summaries of overseas reports on Hong Kong and distributes promotional material on Hong Kong worldwide. In addition, it co-ordinates and implements overseas publicity projects to tie in with senior officials' visits abroad.

The Brand Hong Kong 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. To promote a cohesive image of the city brand, the unit develops advertising campaigns and publicity material in print and electronic formats in support of the Government's Economic and Trade Offices' activities, senior officials' visits and major promotional programmes outside Hong Kong. Apart from ensuring the brand's consistent application, the unit seeks opportunities to highlight the brand and collaborates with organisers of major events of international significance hosted by Hong Kong to bolster the city's image. In 2011, BrandHK souvenirs were made available for sale to members of the public for the first time.

The Visits and International Conferences Sub-division runs the department's Sponsored Visitors Programme for opinion formers, and political leaders and think-tank members to visit Hong Kong at the invitation of the Government. The purpose is to enhance their understanding of the city. The sub-division also helps draw up programmes for influential 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 Worldwide

The Hong Kong Special Administrative Region (HKSAR) Government's offices overseas and in the Mainland play a vital role promoting Hong Kong to global audiences. They do this through regular meetings with counterparts and contacts in the territories under their purview, through visits by senior Hong Kong officials and by staging or taking part in cultural events or promotional activities such as film festivals, exhibitions and performances by Hong Kong artistes.

Europe

In 2011, the Hong Kong Economic and Trade Office in Brussels (Brussels ETO) organised visits by several senior HKSAR Government officials to the countries under its purview.

The Chief Executive, Mr Donald Tsang, visited Belgium in September to renew ties with European Union and Belgian government leaders, including Mr Herman Van Rompuy, President of the European Council, and Prime Minister Mr Yves Leterme.

In Brussels, Mr Tsang attended a luncheon hosted by HRH Crown Prince Philippe of Belgium, and the gala dinner for the 25th Anniversary of the Belgium-Hong Kong Society, with Belgian Vice-Prime Minister and Minister of Finance, Mr Didier Reynders, as the other guest of honour. In Antwerp he officiated at the first Dragon Boat Festival ever held in Belgium, which was supported by the Brussels ETO.

The Secretary for Justice, Mr Wong Yan Lung, visited Paris, Brussels, The Hague and Amsterdam in October to promote Hong Kong as a dispute resolution centre. In Paris, he addressed a roundtable session at a conference hosted by the French Ministry of Justice and The Hague Conference on Private International Law to commemorate the 50th Anniversary of the Apostille Convention.

The Secretary for Financial Services and the Treasury, Professor K C Chan, visited Brussels in June to meet officials and representatives from the financial institutions and promote Hong Kong as China's global financial centre.

The Brussels ETO co-hosted Chinese New Year receptions in 10 cities and co-organised business and investment seminars in eight cities. It also supported the '100 Lion Dance Parade' in Amsterdam on July 9, 2011 to celebrate the 100th

anniversary of the emigration of Chinese to the Netherlands. In June, it joined hands with the Hong Kong Tourism Board (HKTb) to participate in the Bordeaux River Festival to promote Hong Kong as a city for fine dining and a regional wine-trading hub.

In March, with support from the Information Services Department and the HKTb, Brussels ETO participated in the 'Night of Exclusief' in Ostend, a gala evening organised by the *Exclusief Magazine*, with Hong Kong as this year's theme. Hong Kong fashion designer, Mr William Tang's creations featured in the event's fashion show. Two special editions of the *Exclusief Magazine* introduced luxury travel and fine dining in Hong Kong.

Brussels ETO organised 'The Hong Kong Film Panorama' to promote Hong Kong cinema in seven European cities. The award-winning *Echoes of the Rainbow* opened the festival in Brussels, Antwerp and Amsterdam in the presence of the film's director, Mr Alex Law, and producer, Ms Mabel Cheung.

Brussels ETO also supported four film festivals that paid tribute to Hong Kong movies, including the Asian Film Festival in Reggio Emilia, Italy, where Mr Peter Chan received a Special Career Award; the Casa Asia Film Week in Barcelona, where Ms Ann Hui received the Honorary Award; the International Film Festival Rotterdam; and the Brussels Offscreen Festival.

In 2011, the Hong Kong Economic and Trade Office in London (London ETO) organised visits for a number of senior HKSAR Government officials to the countries under its purview.

The Chief Executive, Mr Donald Tsang, visited London and Edinburgh on September 12 – 15 as part of his European tour to renew ties with the UK and promote Hong Kong as a gateway to Asia. He met Prime Minister David Cameron and Foreign Secretary William Hague, and the Chancellor of the Exchequer George Osborne.

Mr Tsang also met the political, business and diplomatic community in the UK on a number of occasions including a luncheon hosted by HRH The Duke of York.

He spoke at the Hong Kong Trade Development Council (HKTDC)'s 'Think Asia, Think Hong Kong' Symposium which attracted more than 800 guests. Mr Tsang also officiated at the HKTb's street carnival at South Molton Street in London to promote Hong Kong tourism. He was Guest of Honour at the 'Artistic Hong Kong Reception and Exhibition' organised by the London ETO and the HKTDC to promote Hong Kong's cultural and creative industries. His final UK stop was Edinburgh, where he met the First Minister of Scotland, Mr Alex Salmond, and spoke at a conference entitled 'Hong Kong: China's Global Financial Centre' organised by InvestHK and supported by Scottish Development International and Scottish Financial Enterprise.

Other HKSAR Government officials who visited the UK during the year included the Secretary for Financial Services and the Treasury, Professor K C Chan, who visited London and St Petersburg in June. In London, he was Guest of Honour at the Hong

Kong Society Gala Dinner, and in St Petersburg, he spoke at the St Petersburg International Economic Forum.

The Secretary for the Environment, Mr Edward Yau, visited the Swedish city of Malmo, the Danish capital, Copenhagen, and Langesund in Norway in September. In Malmo, he signed the Sustainability Charter with the Mayor of Malmo to strengthen co-operation in sustainable development and environmental protection. He also attended the 10th European Geoparks Conference in Langesund, where the Hong Kong Geopark was awarded global status.

Also in September, the Secretary for Home Affairs, Mr Tsang Tak-sing, visited Moscow and St Petersburg. In Moscow, he signed a Memorandum of Understanding on Cultural Co-operation with the Russian Government. The Secretary for Development, Mrs Carrie Lam, visited Stockholm and Malmo, Helsinki, and Copenhagen in October to attend the World Sustainable Building Conference 2011 in Helsinki, study urban redevelopment projects and the use of subterranean space, and discuss co-operation between Hong Kong and these countries.

The London ETO organised, or supported, a number of arts and cultural events during the year, including the Stockholm International Film Festival, the Asia Triennial Manchester 2011 film festival, the Hong Kong Whispers art exhibition in London, and the London Hong Kong Dragon Boat Festival.

It made its seventh appearance at London's Lord Mayor's Show. In addition to Hong Kong's Wishing Tree, giving bystanders along the parade route the opportunity to throw their paper wishes onto the tree, the entry presented a contemporary version of the Dragon Boat Dance.

In association with the HKTDC, the London ETO organised 12 Chinese New Year events in six countries to celebrate the Year of the Rabbit, and joined the HKTB in sponsoring the London Chinese New Year celebration in Trafalgar Square.

In January 2011, the Hong Kong Economic and Trade Office in Berlin (Berlin ETO) hosted a delegation from the Law Society of Hong Kong who visited Berlin and Prague to promote Hong Kong as an international legal platform for doing business.

In February, the Berlin ETO sponsored a visit to Berlin during the Berlinale (Berlin International Film Festival) by a delegation of filmmakers from Hong Kong who were special guests at the 'Capital Regions for Cinema' event, at which they had the opportunity to exchange ideas with some 150 filmmakers from different parts of Europe.

It held 11 Chinese New Year receptions in the eight countries under its purview between February and March 2011.

The Berlin ETO held its official opening on March 21. The then Chief Secretary for Administration, Mr Henry Tang, unveiled the office's commemorative plaque via a video link to mark the event attended by 400 guests.

The Berlin ETO represented the HKSAR Government at the renowned international art show, Art Basel, held in Switzerland in June to lend support to

representatives of the West Kowloon Cultural District Museum Plus (M+) and a Hong Kong gallery participating at the fair. It held its annual reception in the Swiss capital, Bern, in July and used the occasion to celebrate the 14th anniversary of the establishment of the HKSAR.

The Berlin ETO sponsored a performance by Hong Kong's City Contemporary Dance Company at the Asia Pacific Weeks 2011, organised by the Berlin State Government. The performance was attended by more than 1 600 guests.

It sponsored a main session of the Global Finance Conference held in Frankfurt on November 17 as part of the Euro Finance Week 2011 Conference. The office also sponsored an exhibition stand at the conference to promote Hong Kong as China's Global Financial Centre.

The works of leading Hong Kong designers and others in the creative industry were exhibited in the Berlin ETO premises for nine months under the title 'Hong Kong: Creative Ecologies' to promote Hong Kong's design and creative industry.

The Berlin ETO played hosts to a number of senior HKSAR Government officials who visited Germany and neighbouring countries during the year. They included the then Secretary for Commerce and Economic Development, Mrs Rita Lau; and the Under Secretary for Financial Services and the Treasury, Ms Julia Leung in March; the Secretary for the Environment, Mr Edward Yau in May; the Secretary for Financial Services and the Treasury, Professor K C Chan in June; and the Chief Secretary for Administration, Mr Stephen Lam in October.

North America

The Hong Kong Economic and Trade Office in Washington (Washington ETO) presented the 16th annual 'Made in Hong Kong' Film Festival co-sponsored by the Smithsonian Institution.

In September, the Financial Secretary, Mr John C Tsang, visited Washington. In addition to attending the International Monetary Fund/World Bank annual meetings, he met the Chairman of the Board of Governors of the US Federal Reserve System, Dr Ben Bernanke; Under Secretary for International Affairs of the US Department of the Treasury, Ms Lael Brainard; and representatives of The Heritage Foundation, US Chamber of Commerce and international credit rating agencies to update them on the latest economic situation in Hong Kong and to exchange views on issues of mutual interest.

In November, the Chief Executive, Mr Donald Tsang, visited Washington where he met Senate Majority Whip, Senator Dick Durbin; Chairman of the Senate Republican Policy Committee, Senator John Thune; and Deputy Secretary of State of the US Department of State, Mr William Burns, to update them on Hong Kong's latest developments.

Mr Tsang addressed a luncheon meeting jointly hosted by The Brookings Institution and the Washington ETO.

He also attended working breakfast meetings, hosted by The Heritage Foundation and The Business Roundtable.

Early in 2011, the Hong Kong Economic and Trade Office in Toronto (Toronto ETO) together with the Ontario Chamber of Commerce, Investment Industry Association of Canada, and Supply Chain and Logistics Association Canada hosted a luncheon at which the Chinese Ambassador to Canada, Mr Zhang Junsai, spoke on 'The New Global Economic Order and the Tri-Partnership of Canada, China and its Hong Kong Gateway'.

In July, during his eastern Canada visit, the Financial Secretary, Mr John C Tsang, highlighted Hong Kong's strategic role in China's 12th Five-Year Plan in his presentations to the business community in Toronto, Montreal and Ottawa, as well as at his meeting with the Canadian Finance Minister, Mr Jim Flaherty.

In its other business promotional events, which included workshops jointly organised with the HKTDC, Toronto ETO highlighted the 'Hong Kong advantage' in China's ongoing global business expansion.

To ride on the success of the award-winning Hong Kong film *A Simple Life*, the Toronto ETO introduced the film's director Ms Ann Hui and scriptwriter Mr Roger Lee to the Toronto media. Toronto ETO also lent its support to the screening of films directed by Hong Kong's younger generation of directors. These films included Mr Clement Sze-kit Cheng's *Merry Go Round*, and Mr Derek Tsang's *Lover's Discourse*.

With the support of the Dr Sun Yat-sen Museum in Hong Kong, the 'Centenary of 1911 Revolution' exhibition was staged at the Chinese Cultural Centre of Greater Toronto and two Toronto universities.

To mark the 20th anniversary of the promulgation of the Basic Law, Hong Kong's constitution, Ms Maria Tam of the Basic Law Promotion Steering Committee and several scholars from the United States, Canada, Hong Kong and Macao spoke on Hong Kong's constitutional reform, universal suffrage, and Hong Kong's political aspirations at a symposium at the University of Toronto, while the university's Canada-Hong Kong Library launched its 'Hong Kong Handover' Online Resource, a digitised collection of over 15 000 pages of academic papers, government documents, news clippings and photographs on the handover of Hong Kong's sovereignty in 1997. A 'Hong Kong Cup' Basic Law slogan writing competition, held in April, attracted more than 2 000 high school participants in Toronto.

The Chief Executive, Mr Donald Tsang, visited New York and Boston in early November 2011. While there, he met government and business leaders at a breakfast meeting hosted by the New York Stock Exchange. Mr Tsang also addressed a reception at the Council of Foreign Relations, highlighting the unique role Hong Kong plays as a premier gateway to China. In Boston, Mr Tsang addressed the John F Kennedy Jr Forum at Harvard University's Kennedy School of Government, on Hong Kong's post-1997 development.

In September, the Financial Secretary, Mr John C Tsang, visited New York and Chicago, where he met leading members of the cities' financial institutions and the

business and financial sectors, and spoke on Hong Kong's eminent role as China's premier offshore Renminbi settlement centre.

In the same month, the Secretary for Food and Health, Dr York Chow, visited New York to attend meetings at the United Nations. He also visited the Centres for Disease Control and Prevention in Atlanta to learn more about its operations and latest developments in the fight against communicable diseases.

During the year, the Hong Kong Economic and Trade Office, New York (New York ETO) hosted a reception to promote Hong Kong as a regional wine-trading hub. It also sponsored, or organised, events in New York and Chicago to promote Hong Kong films. The events included the New York Asian Film Festival at which director Tsui Hark was honoured for his life-time contribution to the movie world.

The office organised the Hong Kong Cup Chinese Speech Contest for the first time to foster greater understanding of Hong Kong among US university students. New York ETO also continued to feature the 'Brand Hong Kong' identity at dragon boat festivals in New York, Boston and Atlanta.

During the Hong Kong Logistics Development Council's visit to New York in September, New York ETO co-organised a seminar-cum-luncheon to highlight Hong Kong's latest developments as Asia's key logistics hub. More than 200 of the city's executives attended the event. At a financial forum organised by the HKSAR Government in New York in March, more than 200 senior financial-services executives were brought up to date on Hong Kong's development as China's global financial centre.

The Hong Kong Economic and Trade Office in San Francisco (San Francisco ETO) celebrated its 25th anniversary in 2011. A reception was held in September to mark the occasion, which was attended by more than 200 business and trade leaders and government officials. The Secretary for Transport and Housing, Ms Eva Cheng, was the Guest of Honour. The Chief Executive, Mr Donald Tsang, and the Mayor of San Francisco, Mr Edwin Lee, sent congratulatory messages.

Ms Cheng and a five-member delegation from the Hong Kong Logistics Development Council were in Long Beach and San Francisco, California, at the time promoting Hong Kong as a premier logistics hub.

A seminar and two luncheons, entitled 'Hong Kong: Regional Logistics Hub – the Asian Link in Your Global Supply Chain' were held. Both events attracted some 200 participants. The seminar and luncheons provided valuable information about Hong Kong's logistics industry and how the city could help firms seize business opportunities in the vast market of the mainland of China which many US companies are already tapping through Hong Kong. The delegation also met industry leaders and visited leading logistics companies in California.

In September, San Francisco ETO also received the Secretary for Labour and Welfare, Mr Matthew Cheung, in San Francisco where he visited a one-stop job centre run by 'Self-Help for the Elderly' and the San Francisco Food Bank.

An inaugural 'Hong Kong Cinema' festival was held in San Francisco in September at which seven Hong Kong films were screened. Hong Kong film directors Alex Law and Clement Cheng attended the opening night screening and cocktail reception.

In November, the Financial Secretary, Mr John C Tsang, addressed an audience of more than 200 businessmen and government officials at a luncheon in Los Angeles, organised by the San Francisco ETO. The title of the speech was 'Hong Kong: A Global Financial Hub; Your Offshore Renminbi Centre'.

Mr Tsang also called on the Mayor of Los Angeles, Mr Antonio Villaraigosa; gave a talk at the Marshall School of Business at the University of Southern California and met members of the Committee of 100 as well as the Pacific Council on International Policy. He also spoke at a reception, entitled 'Unlimited Appeal – Asia's World City: Hong Kong' to promote Hong Kong as the premium tourist destination.

Some 200 Hawaii and Hong Kong business leaders and officials attended a reception hosted by Hong Kong during the Asia-Pacific Economic Co-operation 2011 meeting in Honolulu in November. The Chief Executive, Mr Donald Tsang, and the Secretary for Commerce and Economic Development, Mr Gregory So, were in attendance.

North Asia

The year 2011 was exceptionally busy and challenging for the Hong Kong Economic and Trade Office in Tokyo (Tokyo ETO), particularly in the wake of the powerful earthquake and tsunami that struck wide areas of eastern Japan in March. The office worked tirelessly to assist Hong Kong people living in or visiting the country at the time who needed help.

Tokyo ETO also helped to send relief supplies to the victims of the twin disasters and got visiting Hong Kong students to help cheer up the children of displaced families by writing and sending them greeting cards.

In July, Tokyo ETO organised a six-day business study visit to Hong Kong, Guangzhou and Shenzhen for a group of senior executives of small and medium sized Japanese companies.

The office also organised business seminars in Japan and Korea to strengthen their commercial links with Hong Kong and to highlight Hong Kong's advantages as an international financial and business centre as well as a gateway to the vast Mainland market.

Tokyo ETO lent support to the HKTB in its staging of the Hong Kong Food Festival in Sapporo, Osaka, Tokyo and Fukuoka.

The Secretary for Justice, Mr Wong Yan Lung, and the Secretary for Security, Mr Ambrose Lee, visited Seoul and Tokyo in December and November respectively to strengthen ties with their counterparts in the two countries.

Addressing a luncheon in Seoul attended by businessmen, lawyers, arbitrators and academics, Mr Wong spoke about Hong Kong's edge as an international arbitration centre. In Tokyo, Mr Wong met government officials and members of the legal community to promote Hong Kong as the region's premier legal services and dispute resolution centre.

In his meetings with his Korean and Japanese counterparts, Mr Lee recommended closer mutual ties among the law enforcement agencies.

Southeast Asia

Visits by senior HKSAR Government officials to the region during the year further advanced bilateral relationships between Hong Kong and Southeast Asian countries.

The then Chief Secretary for Administration, Mr Henry Tang, visited Singapore in February and met Prime Minister, Mr Lee Hsien Loong; and the then Senior Minister, Mr Goh Chok Tong. Mr Tang also shared and exchanged views with other ministers on issues of mutual interest, such as policies on burial arrangements and waste treatment.

The Secretary for Education, Mr Michael Suen, led a higher education delegation, comprising senior representatives of Hong Kong universities, to Vietnam and Brunei Darussalam in April. The group met the education ministers of the two countries and visited universities and schools there. In both places, Mr Suen spoke at luncheon meetings on Hong Kong's education reform.

The Secretary for Financial Services and the Treasury, Professor K C Chan, and the Director-General of the Shanghai Municipal Government Financial Services Office, Mr Fang Xinghai, participated in a joint roadshow in Indonesia and Malaysia in May. Professor Chan spoke on the subject, 'Hong Kong and Shanghai: Internationalisation of RMB Markets' at seminars in the Jakarta and Kuala Lumpur. He also met government leaders and leaders in the financial sectors of the two countries.

In July, the Secretary for Food and Health, Dr York Chow, visited Singapore to speak at the 45th Singapore-Malaysia Congress of Medicine. He also met Singapore's health minister and representatives of medical organisations and visited several medical facilities there.

The Hong Kong and Economic and Trade Office in Singapore (Singapore ETO) continued to organise business, cultural and public relations events across Southeast Asia during the year to promote 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 HKTG cocktail receptions in Bangkok, Jakarta, Kuala Lumpur, Manila and Singapore.

Singapore ETO held similar receptions in Kuala Lumpur and Singapore in July to introduce its new director, Mr Fong Ngai, to friends and officials in the countries' public and private sectors.

On the cultural front, the Singapore ETO organised a Hong Kong Film Festival in Malaysia and Singapore in March and July respectively. Both events featured a selection of old classics and current productions. The Singapore ETO also sponsored a concert tour of Bangkok, Hanoi, Kuala Lumpur and Singapore by the Asian Youth Orchestra in August, as well as tours of the region by several other Hong Kong artists and film directors during the year.

Australia and New Zealand

The Chief Executive, Mr Donald Tsang, visited Australia in June to strengthen ties between Hong Kong and Australia, promote trade opportunities, and encourage more Australian companies, particularly resources companies, to list in Hong Kong.

During his visit, Mr Tsang held meetings with the Prime Minister, Ms Julia Gillard, and the Minister for Foreign Affairs, Mr Kevin Rudd, as well as the leader of the Opposition, Mr Tony Abbott, and the Shadow Minister for Foreign Affairs, Ms Julie Bishop.

In Melbourne, the first leg of his visit, Mr Tsang met the Governor of Victoria, Mr Alex Chernov, and the Premier of Victoria, Mr Ted Baillieu, and visited the Melbourne Docklands, Federation Square, Etihad Stadium and the Royal Children's Hospital. He also met a group of wine makers in a Yarra Valley winery.

In Perth, Mr Tsang met the Premier of West Australia, Mr Colin Barnett, and visited the Fremantle Port, the Maritime Museum and Perth's waterfront development along the Swan River. He took time out from his Perth trip for a one-day visit to Karratha where he visited an iron ore mine.

In Sydney, Mr Tsang officiated at a reception for the unveiling of a heritage plaque for Hong Kong House with the Governor of New South Wales, Professor Marie Bashir.

Two Australian daily newspapers, *The Age* and *The West Australian*, published a four-page Hong Kong Special Report supplement to mark the Chief Executive's visit to Australia.

The Chief Executive of the Hong Kong Monetary Authority, Mr Norman Chan, visited Sydney in March and delivered a keynote speech at the RMB Australasian Summit entitled 'Trading with China: The Rise of Offshore RMB Business', hosted by the ANZ Bank.

The Chief Justice, Geoffrey Ma, visited Sydney in March and delivered a speech at a CEDA (Committee for Economic Development of Australia) Luncheon on 'The Role of Courts in the Protection of Rights'.

On the cultural front, the Hong Kong Economic and Trade Office in Sydney (Sydney ETO) supported the Sydney Chinese Film Festival in Sydney in February and the Adelaide Film Festival (February – March). In New Zealand, cultural activities that the Sydney ETO supported included the Auckland Lantern Festival in February presented by Asia New Zealand Foundation and the Hong Kong Festival in August presented by the Hong Kong – New Zealand Business Association.

To further promote Hong Kong, a 'Hong Kong in Australia and New Zealand' Facebook site was launched. The HKSAR flag was raised at Hong Kong House, and two promotional banners were put up outside the premises. Function rooms at Hong Kong House were made available free of charge to Hong Kong-related and other 'not-for-profit' organisations to hold their functions.

The local media were invited to social functions held regularly by the Sydney ETO. The office also assisted in the production of two TV documentaries showcasing Hong Kong's design industry.

Mainland and Taiwan

In 2011, the Beijing Office and the three Hong Kong 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 HKSAR Government delegations visiting the Mainland with logistical support and arranged visits by Mainland officials to Hong Kong. The Chief Executive, Mr Donald Tsang, made two visits to Beijing in 2011. He also attended the Boao Forum for the Asia Annual Conference in Hainan in April, the 26th Summer Universiade in Shenzhen in August, the first China-Eurasia Expo in Xinjiang in September, and the 110th China Import and Export Fair in Guangdong in October.

The Mainland Offices also provided logistical support for the HKSAR Government's participation in a number of major regional co-operation meetings and activities in the Mainland, including the PPRD Regional Co-operation and Development Forum held in Nanchang, Jiangxi in September 2011 and the 15th China International Fair for Investment and Trade in Xiamen, Fujian in September 2011.

The Mainland Offices organised seminars 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 Mainland enterprises intending to invest in Hong Kong and assisted them in following the necessary procedures.

The Economic and Trade Office in Chengdu continued to assist in the liaison between the HKSAR and the Sichuan authorities at different levels on reconstruction matters relating to the earthquake in Sichuan in May 2008.

The Hong Kong Economic, Trade and Cultural Office (HKETCO) in Taiwan commenced operation on December 19, 2011, with the objective of strengthening the long-term economic and cultural relations and co-operation between Hong Kong and Taiwan. Among other major functions, the HKETCO helps promote bilateral investment, Hong Kong's professional services, culture, tourism, as well as Hong Kong's image in Taiwan. The HKETCO also facilitates business and cultural exchanges between the two places, and provides assistance to Hong Kong residents in Taiwan to the extent possible.

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 has 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, and access a wide range of electronic Government services, such as submission of tax returns, payment of government fees and purchase of government publications. Users can also share public information through social media on the GovHK platform. To reach stakeholders and the public through electronic means, many bureaux and departments as well as some Principal Officials also make use of popular social media such as Facebook, Youtube and blogs.

Code on Access to Government 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.

Hong Kong's telecommunications markets are fully liberalised. Keen competition has benefited consumers in terms of prices, service quality and choices. According to the findings of a study on international tariff benchmarking commissioned by the Office of the Telecommunications Authority (OFTA) and published in May 2011, Hong Kong residential and business users pay as low as one-tenth of the charges for their fixed and mobile voice services as their counterparts in six other cities (i.e. Copenhagen, London, New York, Shanghai, Singapore and Tokyo). Over the years, Hong Kong has maintained its position as one of the most affordable markets for telecommunications services. This demonstrates the success of the city's pro-competition policy and pro-market approach, which enables consumers and business users in Hong Kong to enjoy quality telecommunications services at affordable prices.

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). 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

Five operators run a total of 15 digital systems in the city, providing second generation (2G), third generation (3G) and fourth generation (4G) services. As at December 2011, there were over 14.93 million subscribers to mobile communications services. This represents a population penetration of 210.2 per cent, one of the highest in the world. The number of 3G users also continues to rise. As at December 2011, the four 3G operators had a combined total of 7.42 million customers.

Local mobile data services are available at speeds of up to 21 Mbps and 42 Mbps using high-speed packet access (HSPA) and the evolved high-speed packet access (HSPA+) technologies respectively. In May 2011, the first 4G service in the 2.5 – 2.6 GHz band was launched in Hong Kong, deploying the Long Term Evolution (LTE) technology, which could provide downlink speeds up to 100 Mbps.

With the increasing popularity of smart phones, mobile data usage surged to 4 134 Terabytes (4 133 957 Gigabytes) in December 2011, or an average of 508.7 Mbytes per 2.5G/3G mobile user. This represents 1.7 times and 4 times the usage over the same period in 2010 and 2009 respectively.

To meet further the booming demand for mobile data services and to sustain the momentum of market growth, OFTA successfully conducted an auction for frequency spectrum in the 850 MHz and 900 MHz in March 2011. In November 2011, OFTA published the detailed arrangement for auctioning spectrum in the 2.3 GHz band. The auction will be conducted in the first quarter of 2012.

Fixed Communications Services

There is no preset limit on the number of licences that can be issued for telephone fixed line networks. Neither is there any deadline for the submission of applications for them. By the end of the year, there were 17 local fixed telephone network licensees, providing 102.3 telephone fixed-lines per 100 households, one of the highest in the world. As a result of the Government's policy to promote facility-based competition in the local fixed services market, 86.2 per cent and 75.5 per cent of residential households were able to enjoy a choice of at least two and three local fixed networks respectively as at March 2011. The figure is expected to keep growing as operators continue to extend their network coverage.

Fixed Broadband Services

Hong Kong has one of the world's most advanced fixed broadband network infrastructures and a high household fixed broadband penetration rate of 86.6 per cent.

Hong Kong is also a world leader in fibre-to-the-home (FTTH) and fibre-to-the-building (FTTB) coverage, according to the global ranking published in 2011 by the Fibre-to-the-Home Councils of the Asia-Pacific, Europe and North America. The OFTA launched a voluntary registration scheme for FTTB and FTTH residential buildings in November 2010. As at December 2011, the scheme's database had recorded over 11 400 FTTB or FTTH buildings in Hong Kong, indicating that more than 80 per cent of all households in Hong Kong have access to FTTB or FTTH network(s).

Hong Kong's fixed broadband services are inexpensive — they are offered at a monthly rate as low as \$99, or less than US\$13 for broadband internet access 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 9 173 Wi-Fi hot spots in about 5 078 locations across the territory.

Mobile TV Services

The 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 February 2012. It is expected that the new service will offer a wider choice of high quality TV programmes and strengthen 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 include 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, OFTA formed a working group in 2009 to discuss with stakeholders issues relating to NGN. In May 2011, OFTA commissioned a consultancy study on the implications of NGN on the telecommunications regulatory framework in Hong Kong to ensure that the regulatory regime remains updated and appropriate in the NGN environment.

External Telecommunications Facilities and Services

The external telecommunications facilities market was liberalised fully in 2000, and by December 2011, 42 licensees were authorised to provide cable-based and/or non-cable-based external telecommunications facilities. 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 2011 was over 6 494 Gbps.

Satellite Communications

Two Hong Kong companies are licensed to operate and provide satellite communication services. At the end of the year, they were operating 10 satellites. Some of the existing satellites have been in service for more than 15 years and will soon reach the end of their designed operation lives. In November 2011, one of the licensees launched a new satellite to replace an existing satellite due for retirement and has ordered two more satellites scheduled to be launched in 2014. In 2012, the other licensee will also launch a replacement satellite. The two companies have entered a new investment cycle of launching new satellites for replacement and provision of new business.

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 are in force. Senders are prohibited from sending CEMs to the DNC-registered numbers, without the consent of the number's registered user. By December 31, 2011, there were more than 2.31 million registrations in the three DNC registers, with some 677 000 numbers for fax, 581 000 for short messages and 1 058 000 for pre-recorded messages.

Since the introduction of the UEM Ordinance in 2007, the TA had received over 20 000 reports of suspected contraventions and had issued 396 warning letters to senders. The number of reports fell from 6 100 in 2009 to around 3 100 in 2010 and 2 600 in 2011, a testimony to the effectiveness of the Government's regulatory regime.

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

Protection of Consumers

The booming mobile telecommunications market, growing number of smart phone users and rapid technological developments in recent years have generated a number of consumer issues, such as service quality, billing and contractual disputes,

which OFTA has been working closely with the industry to resolve. In 2010, OFTA and the industry adopted a number of initiatives to tackle issues concerning chargeable mobile content services, mobile bill shock and performance of mobile broadband services. Since July 2011, consumers subscribing to telecommunications services have been given enhanced protection with the implementation of the Industry Code of Practice for Telecommunications Service Contracts.

To ensure a uniform application of fair usage policy (FUP) by fixed and mobile broadband service providers and to enhance customers' understanding on FUP so as to enable them to compare the different offers in the market and to make informed subscription decisions, OFTA issued mandatory guidelines in November 2011 for fixed and mobile broadband services providers to follow when implementing the FUP. During the year, OFTA engaged the industry vigorously to identify measures for resolving disputes between operators and customers. With these initiatives, coupled with consumer education efforts, the number of consumer complaints received by OFTA decreased by 13 per cent from 5 711 in 2010 to 4 950 in 2011.

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 June 2011, Hong Kong hosted the APT Workshop on International Mobile Roaming. About 80 participants representing policy makers, telecommunications regulators and industry players from the Asia-Pacific region attended the workshop and shared their views on international mobile roaming issues.

Broadcasting

Hong Kong is a forerunner in the adoption of advanced broadcasting 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.

To achieve these objectives, Hong Kong adopted a facilitating and pro-competition approach to promote the application of various innovative broadcasting technologies, and provided a liberalised and light-handed regulatory environment for new broadcasting services to flourish. This allows Hong Kong to enter into 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 17 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 2011, there was a total of 15 free-to-air television channels (4 analogue and 11 digital free TV channels). Radio Television Hong Kong (RTHK), the public service broadcaster of Hong Kong, produces programmes of public interest for broadcast on free and pay TV channels. There are three radio stations, including two commercial operators and RTHK, providing a total of 13 analogue channels in Hong Kong. In the second half of 2011, two new commercial operators and RTHK soft-launched digital audio broadcasting (DAB) services, providing a total of 13 digital radio channels.

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 its liberalised, light-handed and pro-competition regulatory approach, Hong Kong enjoys a vibrant broadcasting industry and 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.

The BA examines and updates its regulatory approach and codes of practice periodically to ensure that public expectations are met and that the operators have sufficient flexibility to operate effectively and efficiently. It engages the public through a 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 12 radio channels, with three of them using FM, four using AM transmission and five digital audio broadcasting (DAB) channels on trial run. The station produces over 1 030 hours of radio programmes of different genres in Cantonese, English and Putonghua every week.

To enhance the listening quality of radio broadcasting, five DAB channels were soft launched in November 2011. One of the channels relays programmes especially produced for the Hong Kong audience from the China National Radio. The other four DAB channels carry simulcast of RTHK AM channels to improve reception quality. Plans are under way to introduce community involvement broadcasting service to provide a platform for interested parties in the community to participate in broadcasting.

RTHK produced about 630 hours of television programmes for broadcasting on Hong Kong's two commercial television stations and pay-TV platforms in 2011. 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, such as the annual National Day celebration and flag raising ceremony, the official visits of the national leaders, the delivery of the Policy Address by the Chief Executive and the ceremonial opening of the Legal Year.

In August 2010, a RTHK Charter, 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 the implementation of various new services, including the preparation for the future launch of digital terrestrial television service 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 34 million. RTHK 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 2011, on top of two applications for mobile services, i.e. 'RTHK-on-the-go' and 'm.rthk.hk', it

launched applications for tablet computers including 'RTHK Prime' for iPad users and social media applications such as 'RTHK Thumb' and 'RTHK Node' for iPhone users. These widened the reach of RTHK productions to local and overseas users for their enjoyment anytime, anywhere by any device.

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 2011, 68.6 per cent of Hong Kong households were receiving digital television via set-top boxes, integrated digital television sets and computers. The two broadcasters expanded further their digital coverage to 96 per cent in 2011 and aim at optimising and extending the digital network for an ultimate coverage at least on par with that of the analogue television broadcasting. Having regard to the actual coverage and take-up rate of digital terrestrial television, the Government decided in mid-2011 to defer the working target for switching off analogue television broadcasting from the end of 2012 to the end of 2015.

In March 2011, the Government granted sound broadcasting licences to three commercial operators, including one existing licensee providing analogue radio service, to provide territory-wide round-the-clock DAB services in Hong Kong. The three licensees together with RTHK will launch a total of 18 DAB channels in stages.

The BA has received three applications for domestic free television programme service licences. The Government is handling these applications in accordance with the Broadcasting Ordinance and established procedures.

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 establish a unified regulator for the two sectors to keep pace with the changing environment and meet the regulatory challenges. With the passage of the Communications Authority Bill in June 2011, the Government will establish the unified regulator, namely the Communications Authority (CA), with effect from April 1, 2012 by merging the functions of the Telecommunications Authority and the Broadcasting Authority.

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 in tandem 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 rate of 210.2 per cent, one of the highest in the world; and in its household broadband penetration rate of 86.6 per cent, among the highest in Asia; as well as 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 for Hong Kong's digital economy to flourish. The Electronic Transactions Ordinance provides a clear legal framework for the conduct of secure electronic transactions, to support 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

The Government designated the Hong Kong Internet Registration Corporation Limited (HKIRC), a non-profit company, to administer the '.hk' domain name.

In March, the HKIRC launched the full Chinese '香港' country code top level domain, enabled the Chinese-speaking communities around the world to access Hong Kong websites using a web address written entirely in Chinese. 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 works closely with industry and academia to facilitate continuous upgrading of the IT workforce. It has been providing support for annual IT exchange programme and IT Internship programme for years, which afford opportunities for students and fresh graduates to gain practical working experience. The Government also supports promotional projects to inspire students to take up IT programmes in tertiary studies and IT careers in future.

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 by increasing business opportunities, improving service quality and building expertise.

The Government adopts 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 growing the local industry. 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 Mainland and Hong Kong 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 have jointly implemented a pilot scheme for the 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 at home and abroad, the Government has been collaborating with the local ICT industry in organising Hong Kong ICT Awards since 2006. Many local ICT products and solutions won international awards. For instance, 10 companies won the China Outstanding Software Products Award 2011, 14 won prizes in the Asia Pacific ICT Awards 2011, and one won the World Information Technology and Services Alliance Global ICT Excellence Awards 2010.

The Government supports the development of data centres as an essential infrastructure for the continuing development of the economy. To facilitate the setting up of data centres in Hong Kong, the Office of Government Chief Information Officer (OGCIO) set up the Data Centre Facilitation Unit in July and launched the 'www.datacentre.gov.hk' website to provide a one-stop service to local and overseas companies interested in setting up data centres in Hong Kong.

To increase land supply for high-tier data centres, the Chief Executive announced in his 2011-12 Policy Address that the Government had reserved about two hectares of land in Tseung Kwan O for data centre use. The first site is expected to be available for bidding in 2013.

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 87 local, Mainland and overseas companies specialising in IT applications, information services and multimedia content creation, including 46 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 achieving 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.

In March 2010, the Government revamped GovHK with a new look and new functions. In December 2010 the Government introduced a personalised portal — 'MyGovHK', enabling people to link up their MyGovHK with multiple personal e-government services.

(b) Data.one

Promoting value-added re-use of public sector information is conducive to the development of a knowledge-based society. The OGCIO launched an 18-month pilot scheme in March to make available real-time traffic data and geo-referenced data of public facilities at the Data.One portal (<http://Data.One.gov.hk>) for free value-added re-use by the public. With these data, a number of mobile applications, some of which are available for free download, have been developed, enabling the public to obtain information easier.

(c) 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 in this stage are: (1) to have the eHR sharing platform ready for all public and private hospitals to access; (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. Protection of data privacy and system security is of paramount importance in developing the eHR sharing system. For this purpose, the Food and Health Bureau started a 'Privacy Impact Assessment' study in late 2011 to appraise the eHR sharing system.

(d) GovWiFi Programme

The Government launched a 'GovWiFi Programme' in March 2008 to make Hong Kong a 'wireless' city. As at the end of 2011, Wi-Fi facilities were available in about 400 government premises across Hong Kong for the public to use free of charge. These premises include public libraries, public

enquiry service centres, sports centres, job centres, community halls, parks, cooked food centres, museums and some tourist spots. To address continuing public demand for GovWiFi service, the Government will implement an enhanced 'Next Generation GovWiFi Programme' in late 2012.

(e) Electronic Information Management

The Government developed an overall programme for service-wide implementation of electronic information management (EIM) and promulgated the EIM strategy in May 2011. Government bureaux and departments (B/Ds) are required to develop their organisational EIM strategies before the programme's implementation. A number of B/Ds plan to have their EIM strategy in place in 2012 while B/Ds which have already formulated their EIM strategies will start implementing them according to their respective schedules.

(f) E-procurement

The Government has implemented an e-procurement system to facilitate the suppliers in Government procurements, and to automate and integrate procurement processes to enhance efficiency. Under a pilot programme that covers low-value purchases, a Procurement Portal was launched in 2008 to provide one-stop access to procurement information. 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 wider implementation of the e-procurement system in the Government.

(g) Multiple Applications on the Smart Identity Card

In 2003, the Government introduced the Smart Identity Card which can support multiple applications. Apart from immigration use, the Smart ID card holder may use it to store an e-certificate and perform library card functions. Since 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. In 2010, the use of the Smart ID card was extended to a number of electronic health initiatives including Public Private Interface – Electronic Patient Record Sharing Pilot Project and the Electronic Health Care Voucher System.

Digital Inclusion

To build an inclusive, knowledge-based society, the Government has initiated targeted digital inclusion programmes to promote adoption of ICT among various needy groups including students from low-income families, persons with disabilities and the elderly.

Internet Learning Support Programme

The Government launched the five-year Internet Learning Support Programme 'I learn at home' in July 2011 to help students in need to undertake web-based learning at home. The programme assists low-income families to acquire affordable computer equipment and Internet access services for their school-age children to gain access to the Internet at home, and provides them with user and social support. By the end of 2011, a total of 32 099 eligible families had enrolled in the programme.

Promoting ICT Adoption among Persons with Disabilities

The Government launched a funding scheme in early 2011 to support the development of information and communications technology-based assistive tools and applications for persons with disabilities. Nine ICT projects, costing \$3.3 million, are being carried out for persons with different kinds of disabilities. The end products, such as software development and upgrade, design of input and control assistance device, web-based service and rehabilitation tools, will be available for free downloading, free distribution to needy groups or further development with a proven concept upon completion by mid-2012. The Government will organise an exhibition in May 2012 to showcase the project deliverables and encourage further development of ICT-based assistive technologies for persons with disabilities.

To facilitate access to online information and services by persons with disabilities, the Government launched a 'Web Accessibility Campaign' in October 2011 to drive adoption of accessibility design in both public and private-sector websites. A series of seminars for corporate management and website managers were held to raise awareness of, share good practices and impart know-how on web accessibility. A management handbook has been published and a web accessibility portal has been developed to provide relevant guidelines and resources. To set an example, government websites will be required to conform to the Level AA standard of the Web Content Accessibility Guidelines (WCAG) version 2.0 promulgated by the World Wide Web Consortium (W3C) through all practicable means by 2013, making the HKSAR Government one of the earliest governments in the world to implement the latest international standard.

Encouraging ICT Adoption among the Elderly

A dedicated portal for the elderly, called 'eElderly', was launched in 2010 for elderly people to obtain information of particular interest to them. It was developed further in 2011 to incorporate more interesting and useful material. The portal records about 40 000 visits a month and over 20 000 elderly people have enrolled as members. The Government will also engage three non-profit organisations to arrange a series of activities in 2012 to create greater interest in ICT among the elderly and to improve their ICT skills.

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 in the Mainland and overseas to help explore outside markets;
- fostering a creative atmosphere within the community;
- development of creative clusters in Hong Kong 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 (CSI), established in June 2009, which provides funding support to projects in line with the strategy. Since June 2011, the CSI has also been providing funds for design projects covering design and branding-related research, continuing professional education and promotion of design culture, which were previously funded by the DesignSmart Initiative (DSI) launched in 2004. In 2011, the CSI provided \$71.8 million to support 29 projects, covering various creative sectors including design. The DSI provided \$23 million for nine design projects before it merged with CSI.

Creative Events

The CreateHK has been working closely with stakeholders 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 Hong Kong to strengthen its status as Asia's creative capital.

These major events cover various creative sectors. Examples of new initiatives in 2011 include the Hong Kong Asian-Pop Music Festival organised by the International Federation of the Phonographic Industry (Hong Kong Group) Limited in March to promote Hong Kong as Asia's music hub, which featured music performances by top and up-and-coming artists from Asia; and the annual Asian conference and exhibition convened in December by the Association of Computing Machinery's Special Interest Group on Graphics and Interactive Technologies (SIGGRAPH Asia 2011), which is one of the most important events for the computer graphics and interactive technologies sector in Asia. Signature annual events include the

'Entertainment Expo' co-ordinated by the Hong Kong Trade Development Council, the entertainment industry's largest event in Asia, the 'Business of Design Week' (BODW) organised by the Hong Kong Design Centre, and 'DETOUR' a public engagement event organised by the Hong Kong Ambassadors of Design. The BODW and DETOUR have become leading design events in Asia and the world.

Support for Design

A design-business collaboration scheme (DBCS) under the DSI encourages the wider use of design by small and medium enterprises. In 2011, the DBCS provided funding support of \$1 million for 40 projects. Separately, CreateHK also supports a design incubation programme at InnoCentre to nurture design start-ups. The InnoCentre connects designers and users of design services and provides space for design ventures and activities. By the end of December 2011, the design incubation programme had admitted 100 incubatees since its launch in 2006.

Mainland, Taiwan and Overseas Promotion

CreateHK has been promoting vigorously the accomplishments of Hong Kong's creative industries to the Mainland, Taiwan as well as abroad and is committed to helping them explore new markets.

Seminars were held in Hong Kong and the Mainland to enable film producers/directors to collaborate with each other and to seize the opportunities offered to them under CEPA. The first Guangdong-Hong Kong-Macao Youth Film Festival was organised by CreateHK in collaboration with the Mainland and Macao authorities to enhance film exchanges and co-operation among the younger generation of film directors and producers of Guangdong, Hong Kong and Macao. In addition, Hong Kong film festivals were organised by the Hong Kong Economic and Trade Offices in major overseas cities to promote Hong Kong as a film production centre. CreateHK also participated in major international exhibitions and events to promote Hong Kong as an ideal city for location filming. In 2011, 154 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 thereby expand their reach to potential clients in strategic overseas markets. For example, a Hong Kong pavilion was set up at the Beijing International Book Fair and Frankfurt Book Fair to showcase the creativity and accomplishment of Hong Kong's publishing and printing sectors.

Following the successful launching of the Hong Kong – Taiwan Cultural Co-operation Forum in May, local creative industries created an additional channel for communicating with their counterparts in Taiwan and exchanging ideas with them.

Nurture Creative Talent

CreateHK sponsors programmes that help nurture the next generation of Hong Kong's creative talent. Riding on the success of its teaching kit on film and

animation art, another teaching kit for the appreciation of architecture is being developed for secondary students.

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. These efforts have brought home encouraging results. To date, over 70 awards have been attained by creative Hong Kong people and companies sponsored by CreateHK.

To recognise design excellence, CreateHK provides funding for establishing design awards, such as the Hong Kong Design Centre Awards organised by the Hong Kong Design Centre, the Hong Kong Global Design Awards organised by the Hong Kong Designers Association and the Greater China Illustration Awards organised by the Hong Kong Society of Illustrators.

Film Development Fund

The Film Development Fund (FDF) finances small-to-medium budget film productions and funds projects conducive to the long-term development of the local film industry. In 2011, seven film production financing projects and 15 other film-related projects beneficial to the healthy and long-term development of the film industry, involving a total funding of \$45.8 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 Hong Kong. The FDC is chaired by a non-official member 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 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 2011, 1 581 films were submitted for classification, compared with 1 571 in 2010. Of these, 494 were classified Category I, 501 Category IIA, 403 Category IIB, and 183 Category III. Film trailers, instructional films and cultural films intended for public exhibition can be exempted from classification. During the year, 9 625 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.

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 'indecenty' 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. The Government is considering how to follow up on the review of the Control of Obscene and Indecent Articles Ordinance.

Postal Services

Hongkong Post celebrated 170 years of postal service in 2011, and was again given a high rating of 98.6 per cent in its annual customer satisfaction survey.

Mail Volumes

Hongkong Post handled 1.3 billion postal items in 2011, 84.5 per cent of which were local items and the rest were for delivery to places outside Hong Kong, mainly the United States, Australia, the United Kingdom, the mainland of China, and Japan.

Speedpost

The Kowloon Speedpost Operations Centre commenced operation in March 2011. In July 2011, a discount scheme was launched to promote Speedpost as a cost-effective service, especially for small and medium enterprises. This was followed by a campaign in September 2011 highlighting Speedpost as a brand name that denotes reliability, value-for-money and extensive global reach.

Promoting Philately

Hongkong Post issued 13 sets of special stamps and sheetlets in 2011 commemorating events that included the Lunar New Year, the 150th Anniversary of Hong Kong General Chamber of Commerce, the Centenary of The University of Hong Kong, the Centenary of the Xinhai Revolution and the 170th Anniversary of Hong Kong Postal Service.

Supporting Direct Marketing Activities

Hongkong Post continued to promote its cross-border postal service which facilitates direct delivery of items to different parts of the Mainland. A seminar was held jointly by Hongkong Post, China Post and the Quality Tourism Services Association in June 2011 to raise awareness of this service.

New Logistics Service

In September 2011, a new logistics service was launched for the Leisure and Cultural Services Department (LCSD) to collect returned library books from LCSD drop boxes located at three major MTR stations.

Supporting the New Era of E-Commerce

Hongkong Post launched a new service 'e-Express' to the US and a shipping portal 'EC-Ship' to provide online traders with simple, affordable and reliable e-commerce solutions.

Retail Network

The Causeway Bay Post Office re-opened in January 2011 after three years, bringing the number of post offices in Hong Kong back to 128.

A 'barrier-free' programme was launched in 2011 to provide easier access to post offices and postal services for disabled persons.

Participation in the International Postal Arena

Hongkong Post renders full support to the Universal Postal Union (UPU) and the Asian-Pacific Postal Union (APPU). It sits on the seven-member UPU Express Mail Service (EMS) Co-operative Board, which helps raise global EMS standards. In addition, Hongkong Post chairs the Asia Pacific Post Co-operative Management Board. In September 2011, a Hongkong Post official spoke at the World Postal Business Forum organised by the UPU about future postal business.

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

Digital audio broadcasting: www.digitalradio.gov.hk

Film Development Council: www.fdc.gov.hk

Radio Television Hong Kong: www.rthk.org.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

Website for the Broadcasting Authority www.hkba.hk will be redirected to the Communications Authority www.coms-auth.hk with effect from April 1, 2012.

Website for the Office of the Telecommunications Authority www.ofca.gov.hk will be redirected to the Office of the Communications Authority www.ofca.gov.hk with effect from April 1, 2012.