

香港特別行政區政府

政府資訊科技總監  
辦公室

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OFFICE OF THE  
GOVERNMENT CHIEF INFORMATION OFFICER

THE GOVERNMENT OF THE HONG KONG  
SPECIAL ADMINISTRATIVE REGION

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26 September 2013

Ms YUE Tin-po  
Clerk to Panel on Information Technology and Broadcasting  
Legislative Council Secretariat  
1 Legislative Council Road  
Hong Kong

Dear *Tin-po,*

**Panel on Information Technology and Broadcasting**

**Facilitating a Digital Economy**

At Panel meeting on 8 July 2013, during discussion of the item on "Facilitating a Digital Economy", Members requested information on Government procurement arrangements and funding schemes which would help foster the development of the local information and communications technology industry, and associated statistics and performance indicators. The requisite information is enclosed for Members' reference.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Joey Lam'.

(Joey Lam)  
for Government Chief Information Officer

Encl.

**Panel on Information Technology and Broadcasting (ITB Panel)  
Follow-up Action Arising from the Meeting on 8 July 2013**

**Facilitating a Digital Economy**

**Purpose**

At the ITB Panel Meeting on 8 July 2013, the Government updated Members on the progress of initiatives to facilitate a digital economy under the Digital 21 Strategy. Members requested information on Government procurement arrangements and funding schemes which would help foster the development of the local information and communications technology (ICT) industry, and associated statistics and performance indicators. This paper provides the requisite information.

**Government Procurement Arrangements for ICT Products and Services and Associated Statistics and Performance Indicators**

2. The Government implements various initiatives to spur the development of the local ICT industry. As a major ICT user, Government fosters industry development through procurement of ICT products and services. In line with Government's procurement policy to acquire the most suitable and value-for-money goods and services to support Government's service to the public, we adopt an open, fair, transparent and competitive process in procuring ICT products and services. Given that both local and overseas suppliers and service providers can bid for Government contracts, there is no preset performance indicator on the adoption of local ICT products and services.

3. The Office of the Government Chief Information Officer (OGCIO) has made available a number of standing offer agreements (SOAs) to facilitate Government bureaux and departments to procure ICT products. Figures on local ICT products procured through SOAs as at 31 August 2013 are set out below —

	Number of Vendors			Number of products		
	Total	Local <sup>1</sup>	Percentage	Total	Local <sup>2</sup>	Percentage
Hardware	206	24	12%	10 275	308	3%
Software	281	19	7%	656	57	9%
Total	317	42	13%	10 931	365	3%

4. Since January 2010, the total value of local ICT products procured by Government through SOAs amounts to over \$16 million.

5. Moreover, Government has also adopted a number of ICT services provided by local companies. In late July this year, OGCIO awarded SOAs to 44 companies for the provision of information technology professional services to Government, 27 of which are local companies (i.e. around 62%).

6. Government fosters the development of the local ICT industry through, for example, adoption of an active outsourcing policy. Moreover, by allowing its contractors to use the ICT systems and software developed for Government for other purposes, Government seeks to enable them to open up more business opportunities. According to information on hand, 12 local contractors have successfully exploited the ICT systems and software developed for Government to further develop new ICT products or resell the products to other customers.

### **Funding Schemes and Associated Statistics and Performance Indicators**

7. The Government has set up funding schemes in support of local industries, including the ICT industry. Local ICT organisations or enterprises can apply to the “SME Development Fund” and the “Dedicated Fund on Branding, Upgrading and Domestic Sales” for implementing projects to enhance the competitiveness of the local ICT industry, and to assist local enterprises in developing brands, upgrading and restructuring their business operations and accessing the Mainland market.

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<sup>1</sup> Local vendors/companies refer to companies registered and with headquarters in Hong Kong.

<sup>2</sup> Local products refer to those products developed or manufactured by local companies.

8. Under the “SME Development Fund”, among the 73 applications approved since January 2010, 11 (15%) come from the ICT industry. The total approved amount for these 11 applications is around \$10.4 million, with an average of about \$1 million per application. The projects cover preparation of practice guidelines, training workshops, business matching sessions, etc.

9. There are two streams under the “Dedicated Fund on Branding, Upgrading and Domestic Sales”, namely “Organisation Support Programme” for industry organisations and the “Enterprise Support Programme” for individual enterprises. Under the “Organisation Support Programme”, among the 24 applications approved since its launch in end-June 2012, three (13%) come from the ICT industry. The total approved amount for these three applications is around \$12.5 million, with an average of about \$4.2 million per application. The projects cover participation in Mainland exhibitions, setting up “Hong Kong pavilions” in exhibitions to showcase Hong Kong brands, organising seminars involving enterprises from the Mainland, etc.

10. During the same period (i.e. since end-June 2012), the “Enterprise Support Programme” has approved 121 applications, of which nine (7%) come from the ICT industry. The total approved amount for these nine applications is around \$3.2 million, with an average of about \$360,000 per application. The projects cover development of ICT systems or platforms, promotion of ICT products, etc.

11. There is no preset performance indicator for the above funding schemes on projects for the ICT industry.

**Office of the Government Chief Information Officer  
Commerce and Economic Development Bureau  
September 2013**