

**Speaking Notes for**  
**the Secretary for Commerce and Economic Development**  
**at the Special Meeting of the Finance Committee**  
**on 7 April 2020**

**Introduction**

Chairman,

- As I have said in the last session, Hong Kong's economy is facing an unprecedented blow and tremendous challenges in view of the global epidemic. Notwithstanding, CEDB has continued to strive to roll out and implement our policies and initiatives. I will now highlight several areas of our work.

**Telecommunications and Broadcasting**

- On telecommunications, Hong Kong has formally entered the 5G era as scheduled in April this year. In the face of the epidemic and an extremely challenging investment environment, three mobile network operators have launched 5G services on 1 April and the remaining operator will do so later in Q2. All major telecommunications operators have committed capital investment of billions of dollars in the next few years to develop 5G infrastructure providing coverage across Hong Kong, demonstrating the industry's strong confidence in Hong Kong's prospects. During the epidemic, video conferencing and distance learning are being widely used by many corporates and the general public, and believably this will help popularise 5G applications.
- As for broadcasting, we will implement full digital TV broadcast on 1 December this year as scheduled. Analogue TV households have around 7 months' time to prepare to replace TV sets or install set-top boxes.
- The Government has engaged the Hong Kong Council of Social Service to launch the "Community Care Fund Digital TV

Assistance Programme” to assist needy analogue TV households to switch to digital TV. As at 31 March, we have received 7 100 applications and installed digital TV sets or set-top boxes for 4 300 households.

## **Creative Industries**

- As with other industries, the creative industries sector is facing unprecedented challenges because of the epidemic.
- In respect of the film industry, we have injected \$1 billion into the Film Development Fund (FDF) last year. In the past few months, in view of the epidemic, we have been exploring with the trade how to make the best use of the fund to roll out measures with a view to increasing the number of Hong Kong film productions and providing assistance to different film professions in enhancing employment and training.
- Major measures to be rolled out this year include:
  - (1) Sponsoring veteran directors to partner with young directors – in the spirit of passing on the baton - to co-produce 10 to 12 films, each with subsidy amount up to \$9 million;
  - (2) Implementing the enhanced measures under the Film Production Financing Scheme of increasing the Government’s maximum financing amount to \$9 million for each production;
  - (3) Setting aside \$10 million to launch the “Scriptwriting Incubation Programme” to develop quality scripts; and
  - (4) Providing short advanced professional training courses to groom film specialists.
- We will closely liaise with the trade, undertake all preparatory work in earnest, and subject to the development of the epidemic, roll out the various measures in a timely manner.
- We have also set aside resources with a view to stepping up promotion of Hong Kong films abroad once the epidemic is over.
- In respect of the CSI, an injection of \$1 billion had also been made earlier. In 2019-20, with positive response from the industry, we have committed funding support of more than \$300 billion for

various creative projects.

- In the past few months, a number of mega promotional events such as the Business of Design Week 2019 have been postponed or cancelled due to Hong Kong's situation. Depending on the development of the epidemic, we will expedite the processing of new applications as well as applications for project variation, with a view to facilitating the project proponents to use the approved funds to launch their work.
- For approved projects that could not be held as scheduled, we will exercise flexibility as far as practicable to allow postponement and adjustment of the sponsorship amount to accommodate the additional expenses as required.

### **Legislative Review**

- On the review of the television and sound broadcasting regulatory framework, the Bills Committee has completed clause-by-clause examination of and supported the Broadcasting and Telecommunications Legislation (Amendment) Bill 2019. We will arrange to resume Second Reading debate once the House Committee resumes operation, with a view to implementing the relaxation measures as soon as possible.
- As for the review of the telecommunications regulatory framework, we briefed the Panel on Information Technology and Broadcasting in November 2019 on the outcome of the public consultation. The Panel generally supported our legislative plan. We are continuing with the drafting of the amendment bill.

### **Conclusion**

- Chairman, this concludes my opening remarks. Members are welcome to raise questions.

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