Head 47 — GOVERNMENT SECRETARIAT: OFFICE OF THE GOVERNMENT CHIEF INFORMATION OFFICER

Controlling officer: the Government Chief Information Officer will account for expenditure under this Head.

Estimate 2005–06.. **$543.1m**

Establishment ceiling 2005–06 (notional annual mid-point salary value) representing an estimated 593 non-directorate posts as at 31 March 2005 reducing by 14 posts to 579 posts as at 31 March 2006 .... **$241.2m**

In addition, there will be an estimated 18 directorate posts as at 31 March 2005 reducing by one post to 17 posts as at 31 March 2006.

Controlling Officer's Report

Programmes

Programme (1) Use of Information Technology (IT) in Government	These programmes contribute to Policy Area 17: Information Technology and Broadcasting (Secretary for Commerce, Industry and Technology).
Programme (2) IT Infrastructure and Standards	
Programme (3) IT in the Community	

Detail

Programme (1): Use of IT in Government

	2003–04 (Actual)	2004–05 (Original)	2004–05 (Revised)	**2005–06 (Estimate)**
Financial provision# ($m)	484.7	455.6	420.8 (−7.6%)	**395.7** (**−6.0%**)
				(or −13.1% on 2004–05 Original)

    # All the figures included expenditure and provisions which used to be attributable to the programme of information technology under Head 55—Government Secretariat: Commerce, Industry and Technology Bureau (Communications and Technology Branch) before 1 July 2004.

Aim

  2 The aim is to promote and facilitate the more extensive use of IT by the Government with a view to providing customer-centric services that support an accessible, accountable and efficient government and contribute to maintaining Hong Kong's position as a leading digital city.

Brief Description

  3 The Office of the Government Chief Information Officer (OGCIO) was established on 1 July 2004 by merging the former Information Technology Services Department and the IT-related divisions of the Communications and Technology Branch of the Commerce, Industry and Technology Bureau. The Office provides a single focal point within the Government with responsibility for formulating IT policies and strategies under the Digital 21 Strategy and providing IT services and support within the Government.

  4 The vision of the OGCIO under this Programme is to formulate policies and strategies and to implement programmes in relation to e-government that (a) serve the community through the provision of integrated, one-stop and customer-centric e-services to customers that deliver increased value and facilitate better access to public services; (b) transform the Government through business process re-engineering that improves service delivery, strengthens the value of customer orientation and enhances efficiency and productivity; and (c) sustain Hong Kong's role as a leading digital city through promoting a more pervasive e-environment that raises the e-literacy of the community and driving the adoption of e-commerce and e-business.

  5 In 2004–05, the Office:

• set up an E-government Steering Committee, chaired by the Financial Secretary, to steer the further development of e-government in Hong Kong, launched the next wave of e-government and promulgated a new e-government vision to bureaux/departments;

- developed a new e-business strategy and an open technology infrastructure blueprint for the future delivery of e-government services;

- encouraged bureaux/departments to provide customer-centric e-services and promulgated a Customer Relationship Management guide to facilitate their service delivery;

- introduced new services under the Electronic Service Delivery (ESD) scheme, including the e-stamping of property documents and services through mobile channels, and implemented various initiatives to enhance the user-friendliness of ESD services;

- launched the Accessibility Programme with the target of providing shared IT facilities to all government employees by September 2006, and put in place a range of government-to-employee services, including e-leave, e-payslip and e-payroll;

- worked out with the bureaux/departments concerned the implementation of such joined-up projects as the Integrated Criminal Justice Process (ICJP) and the Property Information Hub (PIH) with a view to streamlining government internal operations and providing more customer-centric services to the community;

- empowered bureaux/departments to take up responsibility for managing their own IT matters through the establishment of 54 IT Management Units (ITMUs) covering 64 bureaux/departments, and assisted bureaux/departments to incorporate business process re-engineering considerations into the development of new IT applications;

- co-ordinated and managed the implementation of Government Electronic Trading Services (GETS) with both the existing and the new service providers;

- formulated a strategy and commenced the procurement process for the outsourcing of data centre services for departmental information systems presently operated in-house and started work on its implementation;

- advised and assisted bureaux/departments on the acquisition and management of IT solutions and services, including hardware, software and network products as well as professional and data centre services;

- reviewed the IT Professional Services Arrangement (ITPSA) and developed a strategy for its enhancement;

- advised and assisted bureaux/departments on the appraisal, adoption and management of relevant technologies in implementing e-government initiatives, including the adoption of open and interoperable standards and open source technology;

- promoted the awareness of wireless and mobile services and technologies within the Government and assisted departments in the adoption of such technologies, such as the use of mobile e-mail service; and

- implemented a knowledge management framework to facilitate the sharing of IT knowledge in the Government and foster the development of a stronger "Government IT community" consisting of staff of the Office, ITMUs and IT users for the further development of e-government.

6 The key performance measures in respect of use of IT in the Government are:

Target

	Target	2003 (Actual)	2004 (Actual)	**2005 (Plan)**
services rendered meeting requirements set out in service level documents agreed with users (%)	100.0	100.0	100.0	**100.0**

Indicators

	2003 (Actual)	2004 (Actual)	**2005 (Estimate)**
government staff with designated workstations (%)	71.2	75.9	**80.0**
no. of bureaux/departments with IT plans in place	52	53	**57**
results of post-implementation reviews on completed projects			
completed on schedule (%)	72.1	57.1	**75.0**
completed within budget (%)	100.0	100.0	**100.0**
meeting agreed specifications (%)	100.0	100.0	**100.0**
achieving intended benefits (%)	100.0	97.2	**99.0**

	2003–04 (Actual)	2004–05 (Revised Estimate)	**2005–06 (Estimate)**
total value of work undertaken in the year ($m)	1,399	1,213	**1,702**
total value of work outsourced in the year ($m)	1,243	1,153	**1,135**

Matters Requiring Special Attention in 2005–06

7 During 2005–06, the Office will:

- formulate a roadmap for the further development of e-government services, including the ESD scheme, and use an open collaboration model to encourage more private sector participation;

- assist bureaux/departments in the progressive adoption of the new e-business strategy and technology infrastructure for the future delivery of e-government services;

- study the opportunities for, and benefits of, introducing more comprehensive e-procurement practices in the Government;

- formulate a channel management strategy for adoption by bureaux/departments with a view to streamlining and rationalising service delivery channels and achieving greater customer orientation and cost-effectiveness;

- develop a mechanism for better measuring the benefits derived from Government's investments in IT;

- co-ordinate the implementation of Leisure Link self-service kiosks at sports and leisure venues as an additional value-added non-immigration application on the smart identity cards;

- complete the roll-out of the Common Look and Feel (CLF) website design to all government websites to build up a consistent online brand image for government websites and improve the navigation of these sites for local and overseas web surfers;

- continue to provide IT advice and support in joined-up project initiatives including the GETS and the Digital Trade and Transportation Network (DTTN), and explore with and facilitate bureaux/departments on further opportunities for joining up e-government services;

- continue to push forward and manage the implementation of joined-up projects across bureaux/departments, including implementing the first phase of the ICJP to enhance the efficiency and accuracy of information exchange among the concerned departments and agencies and the first phase of the PIH to make property-related information held by government departments available online;

- complete the procurement exercise for the outsourcing of data centre services for departmental information systems presently operated in-house;

- commence implementation of the enhancements to the arrangement for the supply of IT professional services in Government; and

- continue to advise and assist bureaux/departments on the acquisition and management of IT solutions and services, as well as on the appraisal, adoption and management of relevant technology in implementing e-government initiatives.

Programme (2): IT Infrastructure and Standards

	2003–04 (Actual)	2004–05 (Original)	2004–05 (Revised)	**2005–06 (Estimate)**
Financial provision# ($m)	94.9	106.5	104.0 (−2.3%)	**99.3 (−4.5%)**

(or −6.8% on 2004–05 Original)

   # All the figures included expenditure and provisions which used to be attributable to the programme of information technology under Head 55—Government Secretariat: Commerce, Industry and Technology Bureau (Communications and Technology Branch) before 1 July 2004.

Aim

8 The aim is to facilitate the development of a secure and reliable infrastructure and the setting of common standards in Hong Kong.

Head 47 — GOVERNMENT SECRETARIAT: OFFICE OF THE GOVERNMENT CHIEF INFORMATION OFFICER

Brief Description

9 The Office supports the development of IT infrastructure and setting of standards so as to strengthen Hong Kong's position as a leading digital city. It seeks to develop an information infrastructure with an open common interface through which the Government, business and the general public can interact readily and securely, for the further development of e-government services and e-commerce. It also seeks to introduce common standards which apply to both the public and private sectors.

10 In 2004–05, the Office:

- monitored the progress in implementing the 2004 Digital 21 Strategy published in March 2004 and drew up specific targets and actions for 2005;

- progressively developed data standards under the Interoperability Framework in collaboration with other bureaux/departments;

- provided infrastructural support and facilities management services for central and common IT facilities for electronic transactions and messaging, including the Central Internet Gateway, the Government Information Centre, and the Government Backbone Network;

- enhanced the government IT infrastructure to facilitate electronic transactions and e-government initiatives, including building a shared common platform for bureaux/departments to provide government-to-citizen/government-to-business services and implementing a common authentication platform to facilitate government-to-government and government-to-employee transactions;

- reviewed and enhanced the Government Security Regulations with regard to protection of classified information in government information systems;

- made available a "Chinese Input Utility" software to facilitate software users to communicate in Chinese effectively - the software supported the latest version of the ISO 10646 international coding standard (ISO 10646:2003) and the Hong Kong Supplementary Character Set 2001, which the Government has adopted as a common Chinese language interface for electronic communication;

- submitted a set of commonly used Chinese characters selected by the Chinese Language Interface Advisory Committee to the Ideographic Rapporteur Group (IRG) of the International Organization for Standardization (ISO) for inclusion in the International Ideographs Core (IICore);

- published a new version of the Code of Practice for Recognised Certification Authorities to improve the operation of the Voluntary Certification Authority Recognition Scheme under the Electronic Transactions Ordinance (ETO); and

- secured the passage of the Electronic Transactions (Amendment) Ordinance 2004 in the Legislative Council to update and improve the ETO.

Matters Requiring Special Attention in 2005−06

11 During 2005–06, the Office will:

- monitor the progress in implementing the 2004 Digital 21 Strategy, as supplemented by the action plan for 2005, and draw up an action plan for 2006;

- enhance the Interoperability Framework and define more data standards to facilitate the development of e-government services;

- enhance the government IT infrastructure under the open collaborative model to support the further development of e-government services;

- advise the DTTN Standards Advisory Group on relevant standards with a view to providing a neutral and secure interface for logistics players in the supply chain to exchange information and data;

- work with bureaux/departments to facilitate the withdrawal of exclusions under the ETO and the adoption of electronic records and signatures in executing their statutory responsibilities;

- continue to provide reliable and secure central IT infrastructure facilities as well as advice and support to bureaux/departments in the implementation and management of information security policies and measures to upkeep the reliability and security of Government's information assets;

- continue to take part in the IRG of the ISO with a view to including special Chinese characters commonly used in the HKSAR in the ISO 10646 international coding standard and the release of the IICore;

- continue to operate the Voluntary Certification Authority Recognition Scheme and undertake on-going monitoring of recognised certification authorities; and

- conduct the biennial major review and enhancement to the government IT security related regulations, policies and guidelines to keep abreast of the technology advancement and development of international best practices in information security management.

Head 47 — GOVERNMENT SECRETARIAT: OFFICE OF THE GOVERNMENT CHIEF INFORMATION OFFICER

Programme (3): IT in the Community

	2003–04 (Actual)	2004–05 (Original)	2004–05 (Revised)	**2005–06 (Estimate)**
Financial provision# ($m)	49.0	49.1	50.2 (+2.2%)	**48.1** (−4.2%)

(or −2.0% on 2004–05 Original)

All the figures included expenditure and provisions which used to be attributable to the programme of information technology under Head 55—Government Secretariat: Commerce, Industry and Technology Bureau (Communications and Technology Branch) before 1 July 2004.

Aim

12 The aim is to promote and facilitate the development and adoption of IT in the community and in business to enhance the social and economic well-being and competitiveness of Hong Kong.

Brief Description

13 The Office promotes and facilitates the wider use of IT in the business sector and the community, and contributes to building a digitally inclusive society in Hong Kong. It collaborates with industry support organisations and trade associations to support the IT industry, including exploration of business opportunities locally, in the Mainland and overseas. In addition, it works in close partnership with the local IT industry, academia and other professional bodies to promote the use of new and emerging technologies, applications and services in the business sector and the community.

14 In 2004–05, the Office:

- renewed the memoranda of understanding on co-operation in information and communications technology with the United Kingdom, Finland and India;

- facilitated the Hong Kong Council of Social Service (HKCSS) in establishing a Digital Solidarity Fund for bridging the digital divide;

- promoted the wider use of IT in the community through co-organising an IT Hong Kong Campaign and other community educational activities, including the production of 100 episodes of radio programmes and television features to arouse IT awareness in information security and computer-related crime among the general public;

- organised and participated in 12 IT carnivals, roving shows, conferences, forums and exhibitions to promote e-government, the ESD scheme, the Multi-Application Smart ID Card and the use of digital certificates locally and overseas;

- launched a pilot sound portal for providing interactive text-to-speech translation of selected web contents of four government websites;

- continued to collaborate with the Hong Kong Computer Society in providing free public enquiry services under the "IT Easy Link" and "IT Easy Link for Business" schemes to assist citizens and business community in the adoption of IT;

- co-ordinated/completed IT surveys including the annual surveys on the use of IT in households and business and a public opinion survey on the provision and utilisation of e-government services;

- promoted the awareness and adoption of Open Source Software (OSS) in schools and among small and medium enterprises (SMEs), and conducted a survey to identify barriers to OSS adoption in the business sector;

- represented the Government in the Hong Kong Internet Registration Corporation (HKIRC) for the administration and assignment of Internet domain names in Hong Kong and facilitated the launch of new domain name services to help promote wider use of the Internet including the introduction of Internet second-level '.hk' domain names in Hong Kong;

- collaborated with the Hongkong Post Certification Authority in promoting the optional e-Cert embedded in the smart identity card with a view to creating a critical mass of e-Cert users to drive the further development of secure electronic transactions;

- launched a sector-specific programme to promote the wider adoption of IT in selected sectors, beginning with the travel industry and private medical practitioners;

- assisted the Ministry of Information Industry in drawing up liberalisation measures to facilitate the application for computer information system integration qualification certification in the Mainland by Hong Kong service suppliers under Phase II of the Mainland and Hong Kong Closer Economic Partnership Arrangement (CEPA);

- launched various initiatives to help the local IT industry in expanding their business opportunities in external markets in particular the Mainland, including organising the first Pearl River Delta (PRD) Software Forum in Hong Kong and leading a delegation to take part in the second PRD Software Forum held in Zhuhai;

- explored the feasibility of allowing contractors engaged in developing IT systems for the Government to distribute such systems to other parties in order to create more business opportunities for the local IT industry;

- collaborated with the Hong Kong Productivity Council and IT industry bodies and provided funding support to encourage and assist local software companies to obtain internationally-recognised quality certification such as the Capability Maturity Model to enhance the competitiveness of the software industry;

- collaborated with the Cyberport and the relevant industry organisations in promoting the Hong Kong Wireless Development Centre, Digital Media Centre and i-Resource Centre at Cyberport to IT applications and multimedia content developers locally and overseas;

- implemented/sponsored a variety of initiatives, including IT internship and exchange programmes, to enhance the quality of IT manpower in Hong Kong; and

- implemented/sponsored a variety of initiatives to promote and support the development of the digital entertainment industry in Hong Kong, including co-organising a digital entertainment excellence award, a digital entertainment leadership forum, a venture capital forum, an internship programme and a game incubation programme, and sponsoring Hong Kong companies to participate in major international digital entertainment exhibitions to showcase their products/services.

Matters Requiring Special Attention in 2005−06

15 During 2005–06, the Office will:

- continue to facilitate and support the development of local IT industry and help expand business opportunities in overseas and the Mainland markets through CEPA and other collaborative arrangements;

- continue to drive e-business and IT adoption by the business sector, in particular SMEs, through the sector-specific programme and other measures, and promote the awareness and adoption of wireless and mobile services technologies;

- continue to explore opportunities on the opening up of intellectual property ownership by the Government for wider application by the IT industry where appropriate;

- continue to promote and support the development of the digital entertainment industry in Hong Kong through providing a full range of support services such as shared facilities, research and development, skills upgrading and marketing;

- continue to collaborate with the HKCSS in the administration of the Digital Solidarity Fund for bridging the digital divide;

- continue to work with the Hongkong Post in promoting the wider use of the e-Cert embedded in the smart identity card and identifying suitable applications;

- develop a new series of publicity materials and radio education programmes to continue the promotion of and public education on information security in the community;

- conduct a study to establish indices to measure the degree of digital inclusiveness, in particular for disadvantaged groups;

- co-ordinate surveys to monitor IT adoption in the business sector and the wider community;

- continue to co-organise activities with bureaux/departments, professional bodies and the IT industry to enhance the supply of quality IT manpower in Hong Kong;

- work closely with the HKIRC Board of Directors and management in enhancing the governance structure for the Company and its relationship with the Government;

- strengthen co-operation with the countries with which Hong Kong has entered into information and communications technology co-operative arrangements; and

- assist in promoting the Cyberport overseas and in the Mainland as the regional hub for development of IT applications and creation of multimedia content.

Head 47 — GOVERNMENT SECRETARIAT: OFFICE OF THE GOVERNMENT CHIEF INFORMATION OFFICER

ANALYSIS OF FINANCIAL PROVISION

Programme	2003–04 (Actual) ($m)	2004–05 (Original) ($m)	2004–05 (Revised) ($m)	2005–06 (Estimate) ($m)
(1) Use of IT in Government	484.7	455.6	420.8	**395.7**
(2) IT Infrastructure and Standards	94.9	106.5	104.0	**99.3**
(3) IT in the Community	49.0	49.1	50.2	**48.1**
	628.6	611.2	575.0 (−5.9%)	**543.1 (−5.5%)**

(or −11.1% on 2004–05 Original)

Analysis of Financial and Staffing Provision

Programme (1)

Provision for 2005–06 is $25.1 million (6.0%) lower than the revised estimate for 2004–05. This is mainly due to the transfer of seven posts to Marine Department and one directorate post to Inland Revenue Department to strengthen their IT management capability, reduced departmental expenses and net deletion of six posts to achieve efficiency savings by re-organisation of the system management and support resources, and the full-year effect of the 2005 civil service pay cut.
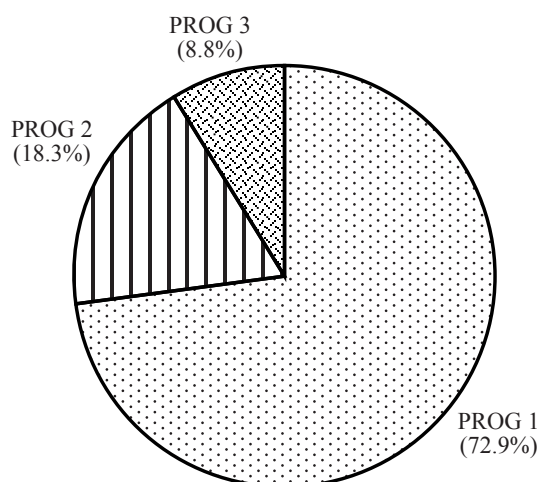
Programme (2)

Provision for 2005–06 is $4.7 million (4.5%) lower than the revised estimate for 2004–05. This is mainly due to re-organisation of the system management and support resources to achieve efficiency savings, and the full-year effect of the 2005 civil service pay cut.
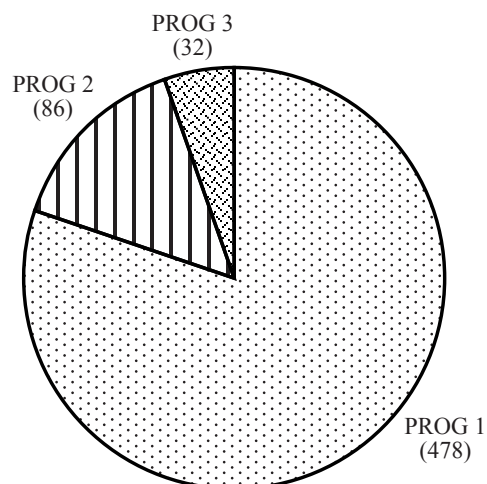
Programme (3)

Provision for 2005–06 is $2.1 million (4.2%) lower than the revised estimate for 2004–05. This is mainly due to reduced general departmental expenses to achieve efficiency savings and the full-year effect of the 2005 civil service pay cut. One post will be deleted in 2005–06.

*Allocation of provision
to programmes
(2005-06)*

*Staff by programme
(as at 31 March 2006)*

PROG 3
(8.8%)

PROG 2
(18.3%)

PROG 1
(72.9%)

PROG 3
(32)

PROG 2
(86)

PROG 1
(478)

*Changes in the size of the establishment
(as at 31 March)*

Actual

Estimate

1 000

750

500

250

0

818

766

684

611

596

Number of posts

2002   2003   2004   2005   2006

Revised
Estimate

Estimate

Year
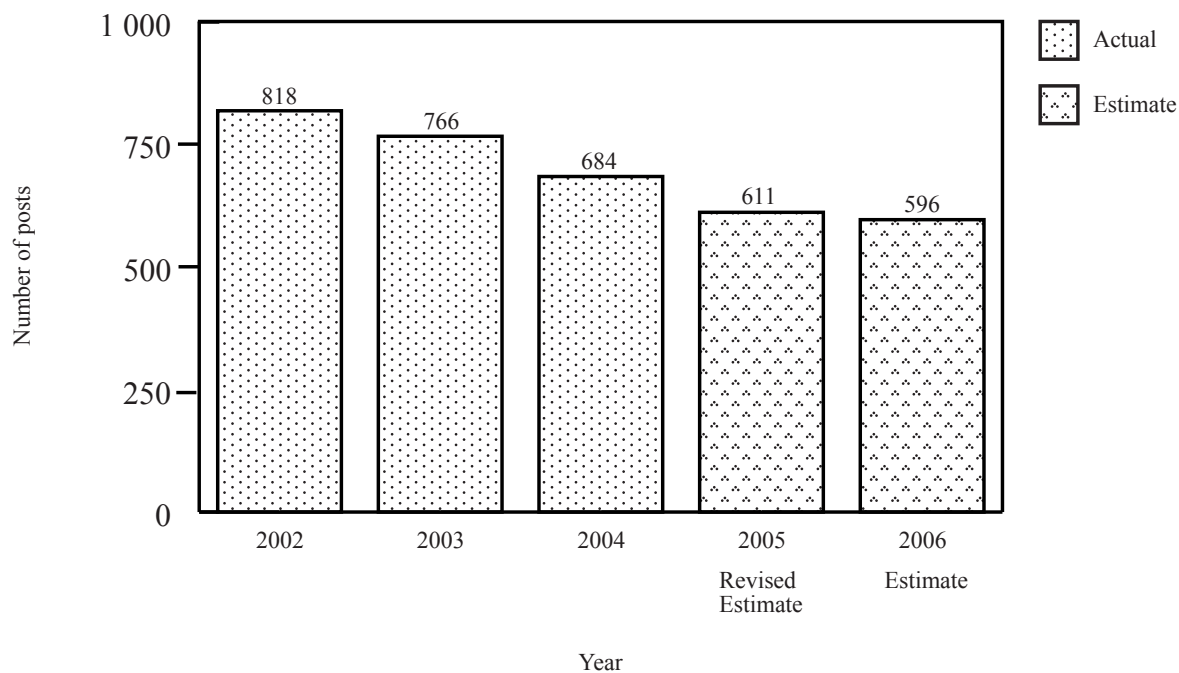
Head 47 — GOVERNMENT SECRETARIAT: OFFICE OF THE GOVERNMENT CHIEF INFORMATION OFFICER

Sub-head (Code)		Actual expenditure 2003–04	Approved estimate 2004–05	Revised estimate 2004–05	Estimate 2005–06
		$'000	$'000	$'000	$'000
	Operating Account				
	Recurrent				
000	Operational expenses	529,176	505,860	540,470	**543,071**
	Total, Recurrent	529,176	505,860	540,470	**543,071**
	Non-Recurrent				
	General non-recurrent	4,627	—	—	—
	Total, Non-Recurrent	4,627	—	—	—
	Total, Operating Account	533,803	505,860	540,470	**543,071**
	Capital Account				
	Plant, Equipment and Works				
	Plant, vehicles and equipment	4,850	660	660	—
	Minor plant, vehicles and equipment (block vote)	1,956	—	—	—
	Total, Plant, Equipment and Works	6,806	660	660	—
	Total, Capital Account	6,806	660	660	—
	Total Expenditure	540,609	506,520	541,130	**543,071**

Head 47 — GOVERNMENT SECRETARIAT: OFFICE OF THE GOVERNMENT CHIEF INFORMATION OFFICER

Details of Expenditure by Subhead

The estimate of the amount required in 2005–06 for the salaries and expenses of the Office of the Government Chief Information Officer is $543,071,000. This represents an increase of $1,941,000 over the revised estimate for 2004–05 and of $2,462,000 over actual expenditure in 2003–04.   The provision for the IT-related divisions of the Communications and Technology Branch of the Commerce, Industry and Technology Bureau has been transferred from Head 55 to Head 47 with effect from 1 July 2004.

Operating Account

Recurrent

2 Provision of $543,071,000 under *Subhead 000 Operational expenses* is for the salaries, allowances and other operating expenses of the Office of the Government Chief Information Officer.

3 The establishment as at 31 March 2005 will be 611 posts. It is expected that eight posts including one directorate post will be transferred to other departments on 1 April 2005 and there will be a further net deletion of seven posts in 2005–06.   Subject to certain conditions, the controlling officer may under delegated power create or delete non-directorate posts during 2005–06, but the notional annual mid-point salary value of all such posts must not exceed $241,208,000.

4 An analysis of the financial provision under *Subhead 000 Operational expenses* is as follows:

	2003–04 (Actual) ($'000)	2004–05 (Original) ($'000)	2004–05 (Revised) ($'000)	**2005–06 (Estimate) ($'000)**
Personal Emoluments				
- Salaries	335,736	291,652	295,000	**294,250**
- Allowances	4,327	6,213	3,770	**4,170**
- Job-related allowances	47	77	50	**80**
Personnel Related Expenses				
- Mandatory Provident Fund contribution	22	50	50	**100**
Departmental Expenses				
- Hire of services and professional fees	74,096	80,688	95,000	**93,558**
- Data processing	83,748	93,750	90,000	**77,932**
- General departmental expenses	31,200	33,430	33,329	**33,000**
Other Charges				
- Electronic Service Delivery scheme	—	—	23,271	**39,981**
	529,176	505,860	540,470	**543,071**