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 2006–07 .... **$564.3m**

Establishment ceiling 2006–07 (notional annual mid-point salary value) representing an estimated 579 non-directorate posts as at 31 March 2006 reducing by five posts to 574 posts as at 31 March 2007 .... **$240.5m**

In addition, there will be an estimated 17 directorate posts as at 31 March 2006 and as at 31 March 2007.

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

	2004–05 (Actual)	2005–06 (Original)	2005–06 (Revised)	**2006–07 (Estimate)**
Financial provision ($m)	392.7#	395.7	375.3 (−5.2%)	**395.1 (+5.3%)**

(or −0.2% on 2005–06 Original)

\# The figure includes 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 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) provides a single focal point within the Government with the responsibility of 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 2005–06, the Office:

- monitored the progress in implementing the 2004 Digital 21 Strategy published in March 2004 and drew up specific targets and actions for 2006;

- formulated and promulgated a roadmap for the implementation of a new strategy for e-government service delivery, with the aim of delivering government services based around the needs and expectations of citizens by segments;

- promulgated a Customer Relationship Management (CRM) guide to facilitate bureaux/departments to provide

customer-centric e-services;

- continued to enhance the services under the Electronic Service Delivery (ESD) scheme;

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

- worked out with the departments concerned the business model for the implementation of a Property Information Hub (PIH) to make property-related information held by government departments available online for public access;

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

- identified improvement opportunities in government procurement through the implementation of e-procurement initiatives;

- assisted bureaux/departments to incorporate business process re-engineering considerations in the development of new IT applications;

- co-ordinated and managed the service delivery of Government Electronic Trading Services (GETS) with the two service providers;

- co-ordinated the implementation of self-service ticketing using smart identity cards on the Leisure Link kiosks at sports and leisure venues;

- completed the procurement process for the outsourcing of data centre services for selected departmental information systems presently operated in-house;

- 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;

- implemented an enhanced arrangement, called Standing Offer Agreements for Quality Professional Services (SOA-QPS), for the supply of IT professional services in the Government;

- 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 IT security technologies and solutions and kept bureaux/departments abreast of the latest IT security vulnerabilities and cyber threats; and

- 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.

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

Target

	Target	2004 (Actual)	2005 (Actual)	**2006 (Plan)**
services rendered meeting requirements set out in service level documents agreed with users (%)	100.0	100.0	100.0	**100.0**

Indicators

	2004 (Actual)	2005 (Actual)	**2006 (Estimate)**
government staff with designated workstations (%)	75.9	78.6	**82.0**
no. of bureaux/departments with IT plans in place	53	56	**57**
results of post-implementation reviews on completed IT projects			
completed on schedule (%)	57.1	47.3	**60.0**
completed within budget (%)	100.0	100.0	**90.0@**
meeting agreed specifications (%)	100.0	98.9	**100.0**
achieving intended benefits (%)	97.2	94.6	**99.0**

@ New basis of measurement as from 2006 to reflect the inclusion of non-recurrent staff effort in the budget in addition to capital expenditures.

	2004–05 (Actual)	2005–06 (Revised Estimate)	**2006–07 (Estimate)**
total value of work undertaken in the year ($m)......................	985	1,070	**2,015**
total value of work outsourced in the year ($m)......................	935	979	**1,343**

Matters Requiring Special Attention in 2006–07

7   During 2006–07, the Office will:

• put forward proposals for public consultation in 2006 with a view to promulgating the fourth Digital 21 Strategy in early 2007;

• implement the new strategy of e-government service delivery according to the roadmap formulated in 2005–06, including the launch of a brand new One-Stop Access Portal in mid-2006 to serve as the gateway to online government information and transactional services and the adoption of a clustering approach in service delivery;

• conduct an Expression of Interest exercise to gauge the interest of the private sector in providing value-added services and participating in the service clusters under the new strategy of e-government service delivery;

• map out an e-procurement strategy and collaborate with bureaux/departments concerned in implementing the strategy;

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

• develop a mechanism for measuring the benefits derived from Government's IT investments in a more systematic and comprehensive manner, drawing on international best practices;

• explore with the bureaux/departments concerned the possibility of providing other value-added applications/services on the smart identity cards;

• 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 co-ordinate the implementation of the first phase of the PIH;

• work with bureaux/departments concerned to ensure the development of a co-ordinated approach towards adoption of electronic record management systems across the Government;

• complete the project of outsourcing the provision of data centre services for selected departmental information systems presently operated in-house;

• formulate a strategy for the consolidation of data centres in the Government;

• 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;

• continue to upkeep the IT security awareness of bureaux/departments and monitor their security status;

• complete the Accessibility Programme with the provision of shared IT facilities to all government employees;

• arrange the provision of mobile workplace services to bureaux/departments;

• adopt the CRM guide progressively in the Government intranet portal, the Central Cyber Government Office (CCGO), to provide more customer-centric services to government employees;

• facilitate and assist bureaux/departments in the deployment of government-to-government and government-to-employee services, and common applications on the CCGO; and

• enhance the IT project governance and monitoring system to assist government bureaux and departments in better managing their projects.

Programme (2): IT Infrastructure and Standards

	2004–05 (Actual)	2005–06 (Original)	2005–06 (Revised)	**2006–07 (Estimate)**
Financial provision ($m)	96.3#	99.3	93.1 (−6.2%)	**107.4 (+15.4%)**

(or +8.2% on 2005–06 Original)

The figure includes 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.

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 2005–06, the Office:

• 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 to facilitate government-to-government/government-to-employee transactions;

• provided infrastructure 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;

• promulgated an enhanced version of the Interoperability Framework and included more international standards to facilitate the development of e-government services;

• conducted 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;

• advised on the formulation of anti-spamming policy and legislative proposals;

• set up a management office to provide central facilitation and technical consultation services for the upgrading of the Government Confidential Mail System (CMS);

• promulgated an updated version of the Hong Kong Supplementary Character Set - 2004 (HKSCS-2004) to supersede the HKSCS-2001;

• published the "Cantonese Pronunciation List of the Characters for Computers" in collaboration with the Chinese Language Interface Advisory Committee;

• operated the Voluntary Certification Authority Recognition Scheme and undertook the monitoring of recognised certification authorities;

• conducted, in conjunction with the Hongkong Post, a business review of the Hongkong Post Certification Authority (HKPCA) and consulted the Legislative Council on the proposed way forward; and

• secured the passage of the Electronic Transactions (Exclusion) (Amendment) Order 2005 in the Legislative Council to withdraw exclusions under the Electronic Transactions Ordinance (ETO) and facilitate bureaux/departments to adopt electronic records and signatures in executing their statutory responsibilities.

Matters Requiring Special Attention in 2006–07

11 During 2006–07, the Office will:

• continue to enhance the Interoperability Framework to facilitate the development of e-government services;

• enhance the government IT infrastructure and provide common services to support the implementation of the new strategy for e-government service delivery;

• examine the case for developing a Spatial Data Infrastructure to enable effective storage, sharing, analysis and modelling of geo-spatial data;

• continue to 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;

• continue to enhance the IT security policies and guidelines in line with industry developments;

• continue to support the formulation of anti-spamming policy and legislative proposals;

• commence a pilot infrastructural authentication service using the smart identity cards;

• 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 maintain the reliability and security of the Government's information assets;

• continue to provide central facilitation and technical consultation services for the upgrading of the CMS in bureaux and departments;

• continue to take part in the Ideographic Rapporteur Group (IRG) of the International Organization for Standardization (ISO) and promote a wide adoption of the ISO 10646 international coding standard in Hong Kong;

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

• support the operation of the Hongkong Post Certification Authority;

• embark on a review of ETO, with a view to putting forward proposals for public consultation in 2007;

• review and formulate a long-term strategy for electronic messaging covering open and classified communication in the Government;

• enhance the Central Internet Gateway system and related infrastructure to facilitate better content management of government websites and support the further development of e-government services; and

• renew the Government Backbone Network to provide connectivity among bureaux/departments and common services.

Programme (3): IT in the Community

	2004–05 (Actual)	2005–06 (Original)	2005–06 (Revised)	**2006–07 (Estimate)**
Financial provision ($m)	46.8#	48.1	61.8 (+28.5%)	**61.8** (—)

(or +28.5% on 2005–06 Original)

    # The figure includes 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, non-profit

making organisations 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 2005–06, the Office:

- continued to support the Hong Kong Council of Social Service (HKCSS) under the Digital Solidarity Fund initiative to engage interested stakeholders in designing and implementing digital inclusion programmes for Hong Kong;

- continued to promote 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 around 90 episodes of radio programmes and television features to arouse awareness in information security and computer-related crime among the general public;

- promoted Digital 21 initiatives and e-government services, such as e-stamping, e-filing, online government bookstores, Business Entry Portal (BEP), Easy Change of Address (ECOA), Integrated Registration Information System (IRIS), and Integrated Companies Registry Information System (ICRIS) through organising and participating in exhibitions, roving shows and various promotional events;

- continued to support the Hong Kong Computer Society (HKCS) in providing public enquiry services under the "IT Easy Link" services and in transforming the services into a self-supporting and self-financing mode;

- promoted the anti-spam initiative through the setting up of a dedicated website, radio education programmes, roving exhibitions, teaching materials, promotional information including posters and leaflets, etc.;

- implemented/sponsored a variety of initiatives to widen the adoption of IT in the community, including sponsoring non-profit making organisations to organise basic IT courses and quizzes;

- commissioned the University of Hong Kong to conduct an impact analysis study to establish indices to measure the degree of digital inclusiveness, in particular for the disadvantaged groups;

- 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;

- facilitated the development of the IT industry through organising and participating in conferences, forums, seminars, visits and various promotional events;

- promoted the awareness and adoption of Open Source Software (OSS) in schools and among small and medium enterprises (SMEs);

- facilitated the Hong Kong Internet Registration Corporation (HKIRC) in reviewing its governance mechanism in the administration of .hk Internet domain names;

- continued to roll out sector-specific programmes to promote the wider adoption of IT and e-business in various business sectors, including travel industry, private medical practitioners, drug stores as well as the logistics industry, accountants and beauty industry;

- facilitated 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 taking part in the Pan-Pearl River Delta Software World event held in Zhuhai in 2005;

- co-ordinated with bureaux/departments and the IT industry to develop a proposal regarding the opening up of intellectual property ownership in government IT systems for commercial exploitation 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 support facilities/services offered by the Hong Kong Wireless Development Centre, Digital Media Centre, i-Resource Centre, Digital Entertainment Industry Support Centre and Cyberport Incu-Train Centre at the Cyberport to local IT and digital entertainment industry players;

- 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, a game festival, setting up a digital entertainment industry support centre, building a web portal for the digital entertainment industry, and sponsoring Hong Kong companies to participate in major international digital entertainment exhibitions to showcase their products/services; and

- organised mutual visits and exchange activities with countries (such as Canada, Japan, Ireland, Finland, Germany, France and the UK) under the aegis of the Memoranda of Understanding (MOU) on co-operation in information and communications technology (ICT).

Matters Requiring Special Attention in 2006−07

15 During 2006–07, the Office will:

- continue to support and collaborate with the HKCSS in the administration of the Digital Solidarity Fund to engage interested stakeholders in designing and implementing digital inclusion programmes for Hong Kong;

- continue to promote Digital 21 initiatives and new e-government services, in particular the One-Stop Access Portal under the new wave of E-government Programme;

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

- develop a new series of digital divide programmes with reference to the findings of the impact analysis study on digital inclusiveness;

- seek to renew the MOUs on co-operation in ICT with Israel, Republic of Korea, Germany and France;

- continue to strengthen co-operation with the countries with which Hong Kong has entered into ICT co-operative arrangements at both the Government and industry levels;

- organise the first Hong Kong ICT Awards with a view to engaging interested stakeholders to develop a large scale and internationally recognised branding of Hong Kong ICT Awards;

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

- collaborate with the Department of Information Industry of Guangdong Province to establish an Expert Group on Co-operation in Informatisation under the aegis of the Hong Kong/Guangdong Co-operation Joint Conference;

- implement the pilot scheme for opening up intellectual property in government IT systems for commercial exploitation;

- 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 drive e-business and IT adoption in the business sector, in particular among SMEs, through sector-specific programmes and other measures;

- continue to promote the awareness and adoption of wireless and mobile services through the Task Force on Facilitating the Adoption of Wireless and Mobile Services and Technology;

- continue to 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;

- collaborate with the Education and Manpower Bureau and the local IT industry on the development of a Qualifications Framework for the IT industry to facilitate the provision of a well-trained workforce equipped to meet the demands of the industry;

- continue to oversee the Hong Kong Internet Registration Corporation (HKIRC) in the administration of .hk Internet domain names and the introduction of .hk Chinese domain names;

- review the institutional arrangement for the administration of .hk Internet domain names, with reference to international developments; and

- continue to assist in promoting the Cyberport as the regional hub for the IT and digital entertainment industry.

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

ANALYSIS OF FINANCIAL PROVISION

Programme	2004–05 (Actual) ($m)	2005–06 (Original) ($m)	2005–06 (Revised) ($m)	2006–07 (Estimate) ($m)
(1) Use of IT in Government	392.7	395.7	375.3	395.1
(2) IT Infrastructure and Standards	96.3	99.3	93.1	107.4
(3) IT in the Community	46.8	48.1	61.8	61.8
	535.8	543.1	530.2 (−2.4%)	564.3 (+6.4%)

(or +3.9% on 2005–06 Original)

Analysis of Financial and Staffing Provision

Programme (1)

Provision for 2006–07 is $19.8 million (5.3%) higher than the revised estimate for 2005–06. This is mainly due to increased requirement for IT management and support services to implement the next wave of e-government initiatives. Two posts will be re-deployed to Programme 2 and five posts will be deleted in 2006–07.
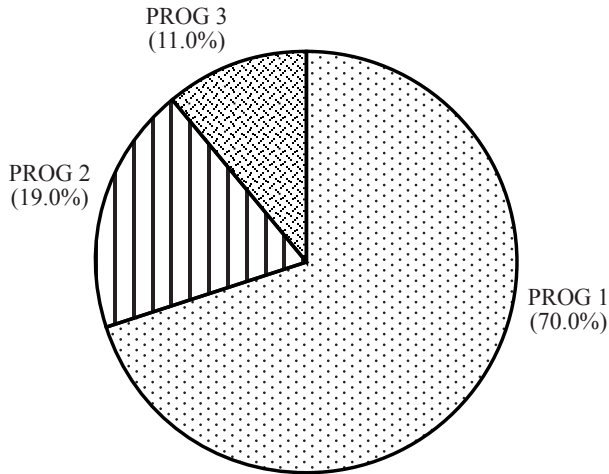
Programme (2)

Provision for 2006–07 is $14.3 million (15.4%) higher than the revised estimate for 2005–06. This is mainly due to the provision of funding to support the operation of the Hongkong Post Certification Authority. Two posts will be re-deployed from Programme 1 in 2006–07.
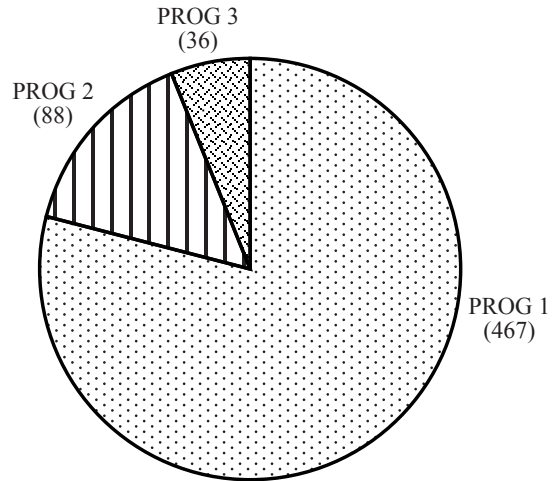
Programme (3)

Provision for 2006–07 is the same as the revised estimate for 2005–06.

*Allocation of provision
to programmes
(2006-07)*

*Staff by programme
(as at 31 March 2007)*

PROG 3
(11.0%)

PROG 2
(19.0%)

PROG 1
(70.0%)

PROG 3
(36)

PROG 2
(88)

PROG 1
(467)

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

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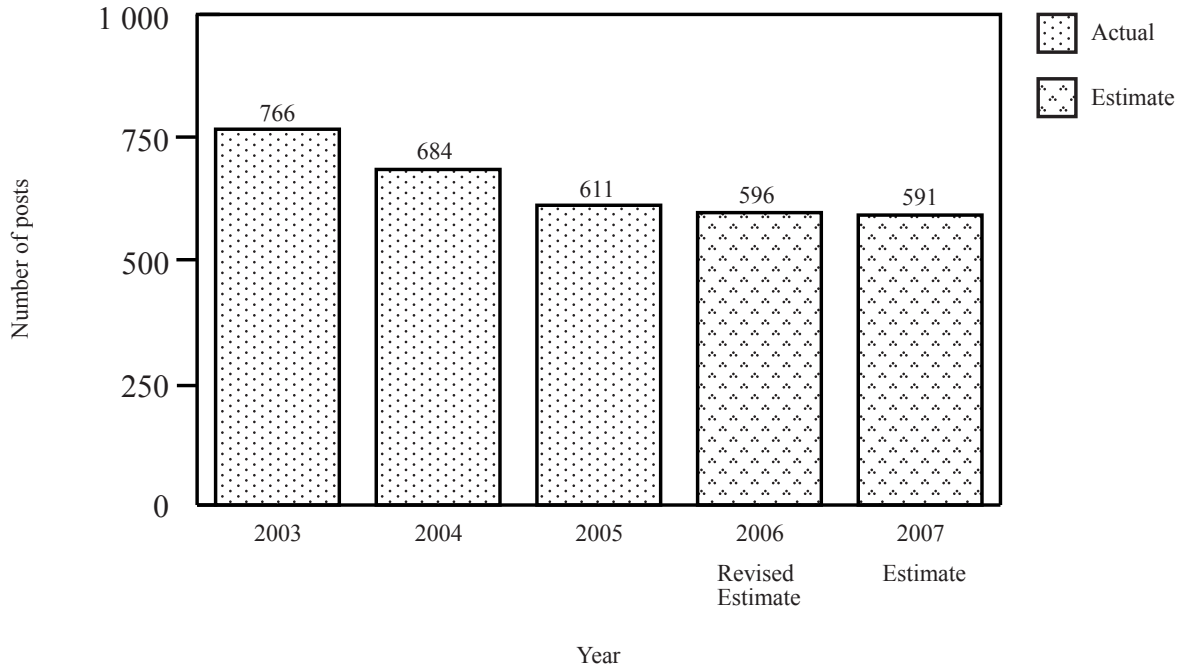
Head 47 — GOVERNMENT SECRETARIAT: OFFICE OF THE GOVERNMENT CHIEF INFORMATION OFFICER

Sub-head (Code)		Actual expenditure 2004–05	Approved estimate 2005–06	Revised estimate 2005–06	**Estimate 2006–07**
		$'000	$'000	$'000	**$'000**
	Operating Account				
	Recurrent				
000	Operational expenses...	503,168	543,071	530,192	**563,613**
	Total, Recurrent....................................	503,168	543,071	530,192	**563,613**
	Total, Operating Account.......................	503,168	543,071	530,192	**563,613**
	Capital Account				
	Plant, Equipment and Works				
661	Minor plant, vehicles and equipment (block vote)	—	—	—	**700**
	Plant, vehicles and equipment	660	—	—	**—**
	Total, Plant, Equipment and Works	660	—	—	**700**
	Total, Capital Account	660	—	—	**700**
	Total Expenditure..................................	503,828	543,071	530,192	**564,313**

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

Details of Expenditure by Subhead

The estimate of the amount required in 2006–07 for the salaries and expenses of the Office of the Government Chief Information Officer is $564,313,000. This represents an increase of $34,121,000 over the revised estimate for 2005–06 and of $60,485,000 over actual expenditure in 2004–05. 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 $563,613,000 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 2006 will be 596 posts. It is expected that there will be a net deletion of five permanent posts in 2006–07. Subject to certain conditions, the controlling officer may under delegated power create or delete non-directorate posts during 2006–07, but the notional annual mid-point salary value of all such posts must not exceed $240,523,000.

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

	2004–05 (Actual) ($'000)	2005–06 (Original) ($'000)	2005–06 (Revised) ($'000)	**2006–07 (Estimate) ($'000)**
Personal Emoluments				
- Salaries	290,780	294,250	278,000	**288,750**
- Allowances	3,262	4,170	3,500	**4,170**
- Job-related allowances	16	80	40	**80**
Personnel Related Expenses				
- Mandatory Provident Fund contribution	32	100	50	**100**
Departmental Expenses				
- Hire of services and professional fees	98,384	93,558	105,882	**112,599**
- Data processing	75,188	77,932	75,273	**74,656**
- General departmental expenses	23,082	33,000	27,466	**29,000**
Other Charges				
- Electronic Service Delivery scheme	12,424	39,981	39,981	**42,258**
- Support for e-Cert scheme	—	—	—	**12,000**
	503,168	543,071	530,192	**563,613**

Capital Account

Plant, Equipment and Works

5 Provision of $700,000 under *Subhead 661 Minor plant, vehicles and equipment (block vote)* is for replacing the chimneys for the emergency generators at the Sai Kung computer data centre.