

## Head 135 — GOVERNMENT SECRETARIAT: INNOVATION, TECHNOLOGY AND INDUSTRY BUREAU

**Controlling officer:** the Permanent Secretary for Innovation, Technology and Industry will account for expenditure under this Head.

**Estimate 2024–25** ..... **\$660.3m**

**Establishment ceiling 2024–25** (notional annual mid-point salary value) representing an estimated 152 non-directorate posts as at 31 March 2024 rising by four posts to 156 posts as at 31 March 2025 ..... **\$140.6m**

In addition, there will be an estimated 18 directorate posts as at 31 March 2024 and as at 31 March 2025.

**Commitment balance**..... **\$118.2m**

### Controlling Officer's Report

#### Programmes

<b>Programme (1) Director of Bureau's Office</b>	This programme contributes to Policy Area 27: Intra-Governmental Services (Secretary for Innovation, Technology and Industry).
<b>Programme (2) Innovation, Technology and Industry</b>	This programme contributes to Policy Area 17: Information Technology and Broadcasting (Secretary for Innovation, Technology and Industry).
<b>Programme (3) Efficiency Office</b>	This programme contributes to Policy Area 27: Intra-Governmental Services (Secretary for Innovation, Technology and Industry).

#### Detail

##### Programme (1): Director of Bureau's Office

	2022–23 (Actual)	2023–24 (Original)	2023–24 (Revised)	2024–25 (Estimate)
Financial provision (\$m)	19.4	20.0	20.4 (+2.0%)	22.7 (+11.3%)
				(or +13.5% on 2023–24 Original)

#### Aim

- 2 The aim is to ensure the smooth operation of the Office of the Secretary for Innovation, Technology and Industry.

#### Brief Description

3 The Office of the Secretary for Innovation, Technology and Industry is responsible for providing support to the Secretary for Innovation, Technology and Industry in undertaking political work. This includes the support provided by the Under Secretary and the Political Assistant. The office is also responsible for providing administrative support to the Secretary for Innovation, Technology and Industry in carrying out his duties. The work includes the planning, co-ordination and implementation of all arrangements for the Secretary's public, media and community functions.

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### Programme (2): Innovation, Technology and Industry

	2022–23 (Actual)	2023–24 (Original)	2023–24 (Revised)	2024–25 (Estimate)
Financial provision (\$m)	179.3Ψ	221.0	195.2 (–11.7%)	<b>251.1</b> (+28.6%)
				(or +13.6% on 2023–24 Original)

Ψ For comparison purpose, the figure includes relevant provision for the staff cost which has been transferred from the former Head 55 — Government Secretariat: Commerce and Economic Development Bureau (Communications and Creative Industries Branch) due to re-organisation of the Government Secretariat with effect from 1 July 2022.

### *Aim*

4 The aim is to promote sustained and diversified economic and social development through developing local innovation and technology industries, driving the upgrading and transformation of the overall economic structure, thereby enhancing Hong Kong's competitiveness and improving people's quality of life.

### *Brief Description*

5 The Bureau formulates holistic innovation and technology policies to foster the development of innovation and technology and related industries in Hong Kong.

6 The Bureau's main responsibilities are to:

- promote research and development (R&D) collaboration with the world's top-notch science and research institutes;
- promote “new industrialisation” through the development of smart production and high value-added industries;
- attract high-potential or representative innovation and technology enterprises to set up or expand their businesses in Hong Kong;
- promote measures that support technology start-ups;
- develop innovation and technology infrastructure;
- encourage private sector investments in technology start-ups and R&D activities;
- foster digital government and smart city development;
- develop Hong Kong into a Wi-Fi connected city and facilitate open data applications;
- promote the innovative application of technologies in improving people's daily life and addressing social issues;
- formulate policies to support the use of local technology products and services;
- formulate policies to augment the pool of innovation and technology talents; and
- encourage collaboration among institutions in developing innovation and technology.

7 In 2023–24, the Bureau:

- continued to take forward the major policies under four broad development directions as set out in the Hong Kong Innovation and Technology Development Blueprint;
- contacted over 230 high-potential or representative innovation and technology enterprises with nearly 30 enterprises have already/ready to set up operations or expand their presence in Hong Kong;
- continued to implement the “Global STEM Professorship Scheme” to strengthen support for local universities to attract world-renowned Science, Technology, Engineering and Mathematics (STEM) scholars as well as their teams to work in Hong Kong;
- continued to oversee the work of *InnoHK* research clusters in the Hong Kong Science Park to foster international R&D collaboration;
- continued to monitor the implementation of enhanced tax deduction for expenditure incurred by enterprises on qualified R&D activities;
- oversaw the operation of the “Technology Talent Admission Scheme” to facilitate enterprises' engagement of overseas and Mainland R&D talents;

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- oversaw the implementation of the “New Industrialisation Funding Scheme” (renamed from “Re-industrialisation Funding Scheme”) and the development of the Microelectronics Centre to expedite “new industrialisation”;
- continued to implement the “TechConnect (block vote)” to support technology projects of government departments to enhance operational efficiency and service quality;
- continued to monitor the implementation of funding schemes and support programmes under the “Innovation and Technology Fund”;
- continued to monitor the implementation of the “Innovation and Technology Venture Fund” to stimulate private investment in local innovation and technology start-ups;
- oversaw the preparatory work and the launch of the “Research, Academic and Industry Sectors One-plus Scheme” to incentivise collaboration among industry, academic and research sectors and promote the transformation and commercialisation of R&D outcomes from universities;
- published the Policy Statement on Facilitating Data Flow and Safeguarding Data Security in Hong Kong to drive data-based development;
- co-ordinated the work on setting up the Digital Policy Office;
- amended the Electronic Transactions Ordinance (Cap. 553) to expedite the digitalisation of government services;
- supported the work of the Digital Economy Development Committee;
- continued to monitor the implementation of various smart city initiatives;
- continued to oversee the implementation of the open data policy requiring bureaux and departments (B/Ds) to release their datasets in accordance with their annual open data plans;
- continued to oversee the enhancement of public Wi-Fi services;
- continued to oversee the planning for and implementation of smart city infrastructure projects including “iAM Smart” Platform;
- monitored the implementation of various initiatives by Cyberport including its expansion project, phased establishment of an artificial intelligence supercomputing centre (AISC) and promoting digital transformation of small-and-medium-sized enterprises (SMEs) to enhance support for the development of the information and communications technology sector, related industries and digital economy;
- oversaw the work of the Innovation and Technology Commission (ITC) and the Office of the Government Chief Information Officer (OGCIO) in promoting innovation and technology development;
- supported the Hong Kong Science and Technology Parks Corporation (HKSTPC) with ITC to explore with the Hospital Authority the use of its clinical data for R&D;
- supported the development of the Guangdong-Hong Kong-Macao Greater Bay Area (Greater Bay Area) into an international innovation and technology centre under the “Outline of the 14th Five-Year Plan for National Economic and Social Development of the People’s Republic of China and the Long-Range Objectives Through the Year 2035” (14th Five-Year Plan);
- took forward the development of the Hong Kong-Shenzhen Innovation and Technology Park (HSITP) in the Lok Ma Chau Loop;
- collaborated with Shenzhen Municipal People’s Government (SMPG) to promote the development of the “one zone, two parks” of the Hetao Shenzhen/Hong Kong Innovation and Technology Co-operation Zone (the Co-operation Zone), which comprises HSITP and the Shenzhen Innovation and Technology Zone (SITZ);
- commenced the industry planning of the development of new land for innovation and technology use in the San Tin Technopole;
- continued to take forward the planning of the development of new land earmarked for innovation and technology uses to be provided by the Ma Liu Shui reclamation project and relocation of Sha Tin Sewage Treatment Works;
- promoted collaboration with Mainland and overseas science and research institutions;
- provided support to local universities to develop facilities for scientific research;
- signed the Memorandum of Understanding on Facilitating Cross-boundary Data Flow Within the Guangdong-Hong Kong-Macao Greater Bay Area with the Cyberspace Administration of China to promote cross-boundary data flow in an orderly and safe manner;
- promoted Cross-boundary Public Services together with the Guangdong Provincial Government; and
- provided secretariat support to the Committee on Innovation, Technology and Industry Development.

***Matters Requiring Special Attention in 2024–25***

**8** During 2024–25, the Bureau will:

- actively promote Hong Kong’s new opportunities to the Mainland and overseas, including collaboration with the Office for Attracting Strategic Enterprises (OASES) to attract high-potential or representative innovation and technology enterprises to set up or expand their businesses in Hong Kong and top-notch innovation and technology talents to bring with them their business or R&D outcomes to Hong Kong;
- continue to implement the “Global STEM Professorship Scheme” and launch a sub-scheme for visiting professors on a pilot basis to strengthen support for local universities to attract world-renowned STEM scholars to work in Hong Kong;
- take forward the planning of the setting up of InnoLife Healthtech Hub in HSITP, which will focus on aspects related to life and health disciplines;
- continue to oversee the work of *InnoHK* research clusters in the Hong Kong Science Park to foster collaboration with international science and research institutions and oversee the preparation for the establishment of the third *InnoHK* cluster;
- continue to monitor the implementation of the “New Industrialisation Funding Scheme” and the development of the second Advanced Manufacturing Centre to expedite “new industrialisation”;
- oversee the commissioning of the Microelectronics Centre and the establishment of the Hong Kong Microelectronics Research and Development Institute to facilitate the R&D of microelectronics;
- continue to oversee the implementation of the “City Innovation and Technology Grand Challenge”;
- continue to monitor the implementation of enhanced tax deduction for expenditure incurred by enterprises on qualified R&D activities;
- continue to monitor the implementation of the “Technology Talent Admission Scheme”;
- continue to monitor the implementation of funding schemes and support programmes under the “Innovation and Technology Fund”;
- continue to monitor the implementation of the “Innovation and Technology Venture Fund”;
- continue to monitor the implementation of the “Research, Academic and Industry Sectors One-plus Scheme”;
- continue to provide secretariat support to the Committee on Innovation, Technology and Industry Development;
- set up the Digital Policy Office and oversee its initiatives to promote the digital government development and enhance data governance;
- continue to oversee the opening up of more datasets by B/Ds under the open data policy;
- continue to promote the adoption of innovation and technology by B/Ds through the Smart Government Innovation Lab and the “TechConnect (block vote)”;
- continue to oversee the implementation of the “iAM Smart” Platform with enhanced functions;
- continue to monitor and implement various digital government and smart city initiatives;
- continue to monitor Cyberport’s implementation of the AISC project and initiatives to support the information and communications technology industry and digital transformation of SMEs;
- continue to monitor the implementation of the Cyberport expansion project;
- oversee Cyberport’s planning study of setting up new innovation and technology facilities in Lau Fau Shan;
- propose measure to promote the development of facilities related to frontier technologies;
- continue to implement facilitation measures to promote cross-boundary data flow within the Greater Bay Area;
- continue to collaborate with the Guangdong Provincial Government in promoting the “Digital Bay Area” initiative;
- continue to press ahead with the development of HSITP in the Lok Ma Chau Loop;
- together with SMPG, continue to promote the development of the Co-operation Zone; and monitor the operation of the Shenzhen branch of Hong Kong Science Park in SITZ;
- continue to support the development of the Greater Bay Area into an international innovation and technology centre under the 14th Five-Year Plan;
- continue to support local universities and research institutes to develop facilities for scientific research, including the setting up of the life and health technology research institute(s);

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- together with ITC, continue to support HKSTPC to explore with the Hospital Authority the use of its clinical data for R&D; and
- continue to take forward the planning of the development of new sites earmarked for innovation and technology uses.

### Programme (3): Efficiency Office

	2022–23 (Actual)	2023–24 (Original)	2023–24 (Revised)	2024–25 (Estimate)
Financial provision (\$m)	439.0	367.2	367.2 (—)	386.5 (+5.3%)
				(or +5.3% on 2023–24 Original)

### Aim

9 The Efficiency Office aims to accelerate innovation for improvement of services and operations across the Government, and promote cross-sectoral collaboration between the Government and stakeholders to design and implement better services for the community.

### Brief Description

10 Key areas of work are to:

- support the Government in promoting innovation and technology, and assist in taking forward initiatives in the public sector in collaboration with stakeholders to enhance public services and efficiency in operations through the application of technology, and innovation in business processes;
- provide consultancy services to B/Ds for business process re-engineering, organisation restructuring, performance measurement, knowledge management and change management, and assist them to obtain external consultancy services as appropriate;
- co-ordinate the Government's efforts on business facilitation and streamlining of government services to improve licensing and public services delivery;
- co-ordinate and support the Government's implementation and provision of cross-boundary public services to facilitate enterprises and the public in the Greater Bay Area in accessing services across the boundary;
- oversee the operation of the 1823 contact centre as a one-stop service for the public to access government information and make complaints, and as a data analytics platform for B/Ds to improve their services; and
- oversee the operation of the "Social Innovation and Entrepreneurship Development Fund" (SIE Fund).

11 The Efficiency Office continues to provide overall direction and enhancement services for 1823. The contact centre provides 24-hour one-stop service to handle public enquiries for 23 departments as well as public complaints about government service. In 2023, there were around 2 807 000 calls and 820 000 emails or other communications from the public. The key performance measures of 1823 are:

### Targets

	Target	2022 (Actual)	2023 (Actual)	2024 (Plan)
calls that can be answered within 12 seconds (%).....	80	61	74	80
callers that have their enquiries addressed at the first time of calling (%).....	95	99	99	99
customer satisfaction (out of a five-point scale).....	4.0	4.5	4.6	4.5

### Matters Requiring Special Attention in 2024–25

12 During 2024–25, the Efficiency Office will:

- merge with the existing OGCIO to facilitate the establishment of the Digital Policy Office;
- continue to promote the adoption of innovation and technology by B/Ds to improve government services;
- work closely with B/Ds to drive digitalisation of government services to facilitate business and streamline government services, improve efficiency and transparency of licensing and public services delivery;

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- co-ordinate B/Ds' participation and provision of cross-boundary public services through different service delivery modes, including the set up of self-service kiosks in Mainland cities of the Greater Bay Area by phases;
- further improve the service of 1823 through the application of innovative technologies; and
- work with the SIE Fund Task Force to take forward innovative projects to enhance the capability and interest of the elderly in learning and adopting digital technologies.

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### ANALYSIS OF FINANCIAL PROVISION

Programme	2022–23 (Actual) (\$m)	2023–24 (Original) (\$m)	2023–24 (Revised) (\$m)	2024–25 (Estimate) (\$m)
(1) Director of Bureau's Office .....	19.4	20.0	20.4	22.7
(2) Innovation, Technology and Industry ....	179.3	221.0	195.2	251.1
(3) Efficiency Office .....	439.0	367.2	367.2	386.5
	637.7‡	608.2	582.8 (–4.2%)	660.3 (+13.3%)
				(or +8.6% on 2023–24 Original)

‡ For comparison purpose, the figure has been adjusted to reflect the provisions for the relevant programme under this Head due to the re-organisation of the Government Secretariat with effect from 1 July 2022.

### Analysis of Financial and Staffing Provision

#### Programme (1)

Provision for 2024–25 is \$2.3 million (11.3%) higher than the revised estimate for 2023–24. This is mainly due to the increased provision for personal emoluments and departmental expenses. There will be an increase of one post in 2024–25.

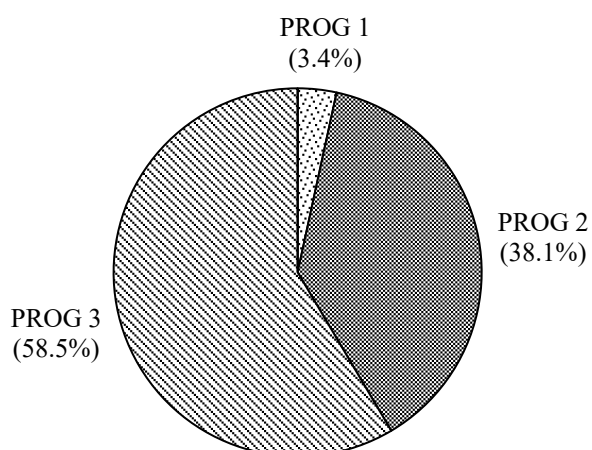
#### Programme (2)

Provision for 2024–25 is \$55.9 million (28.6%) higher than the revised estimate for 2023–24. This is mainly due to the increased cash flow requirement for the TechConnect (block vote) and provision for personal emoluments and departmental expenses. There will be an increase of two posts in 2024–25.

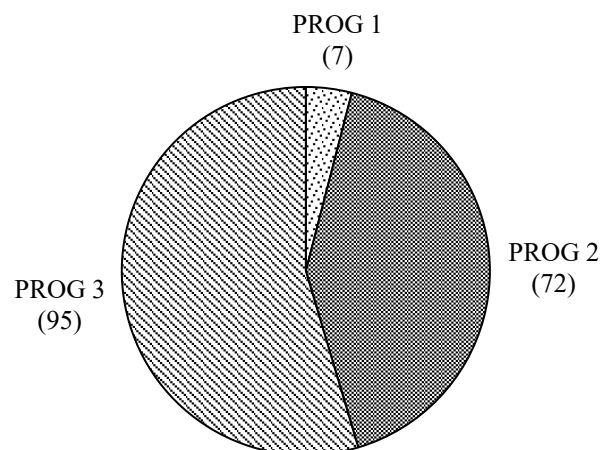
#### Programme (3)

Provision for 2024–25 is \$19.3 million (5.3%) higher than the revised estimate for 2023–24. This is mainly due to the provision for the new and enhanced services, including cross-boundary public services and 1823 services. There will be a net increase of one post in 2024–25.

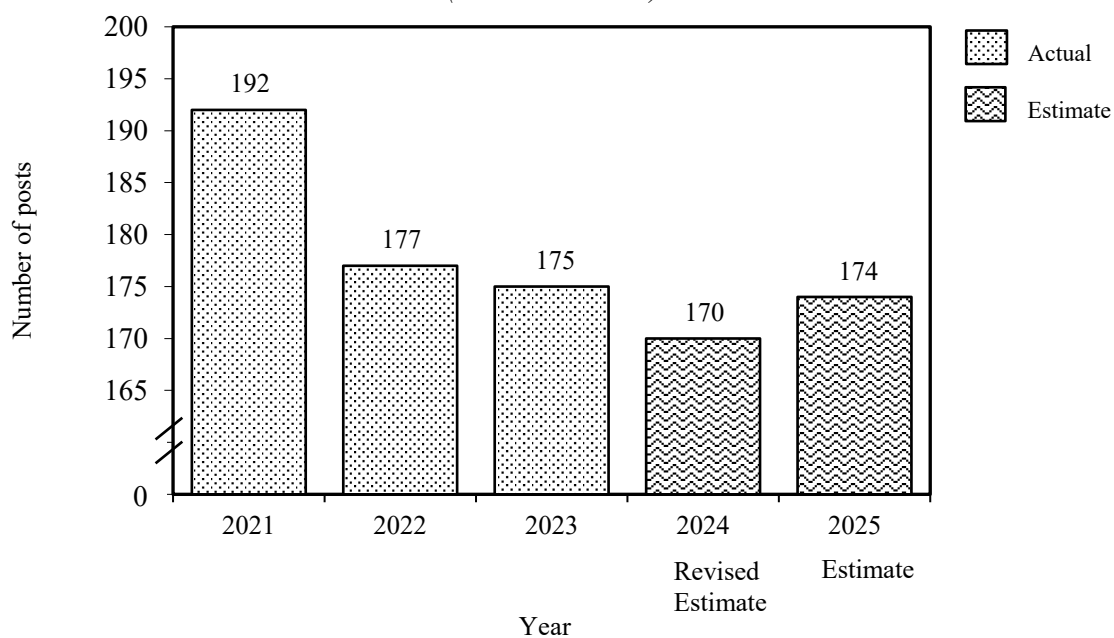
*Allocation of provision  
to programmes  
(2024-25)*



*Staff by programme  
(as at 31 March 2025)*



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





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Sub-head (Code)		Actual expenditure 2022–23	Approved estimate 2023–24	Revised estimate 2023–24	Estimate 2024–25
		\$'000	\$'000	\$'000	\$'000
<b>Operating Account</b>					
	Recurrent				
000	Operational expenses .....	403,546	433,490	430,308	480,593
	Total, Recurrent.....	403,546	433,490	430,308	480,593
	Non-Recurrent				
700	General non-recurrent .....	145,200	60,400	60,400	60,000
	Total, Non-Recurrent.....	145,200	60,400	60,400	60,000
	Total, Operating Account .....	548,746	493,890	490,708	540,593
<b>Capital Account</b>					
	Plant, Equipment and Works				
697	TechConnect (block vote).....	88,926	114,359	92,127	119,670
	Total, Plant, Equipment and Works.....	88,926	114,359	92,127	119,670
	Total, Capital Account.....	88,926	114,359	92,127	119,670
	Total Expenditure .....	637,672	608,249	582,835	660,263

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### Details of Expenditure by Subhead

The estimate of the amount required in 2024–25 for the salaries and expenses of the Innovation, Technology and Industry Bureau (ITIB) is \$660,263,000. This represents an increase of \$77,428,000 over the revised estimate for 2023–24 and \$22,591,000 over the actual expenditure in 2022–23.

#### *Operating Account*

##### Recurrent

2 Provision of \$480,593,000 under *Subhead 000 Operational expenses* is for the salaries, allowances and other operating expenses of ITIB. The increase of \$50,285,000 (11.7%) over the revised estimate for 2023–24 is mainly due to the increased provision for departmental expenses and personal emoluments.

3 The establishment as at 31 March 2024 will be 170 posts. It is expected that there will be a net increase of four posts in 2024–25. Subject to certain conditions, the controlling officer may under delegated power create or delete non-directorate posts during 2024–25, but the notional annual mid-point salary value of all such posts must not exceed \$140,557,000.

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

	2022–23 (Actual) (\$'000)	2023–24 (Original) (\$'000)	2023–24 (Revised) (\$'000)	2024–25 (Estimate) (\$'000)
Personal Emoluments				
- Salaries .....	145,064	154,184	154,951	168,902
- Allowances .....	4,583	5,012	5,942	5,600
- Job-related allowances.....	64	3	2	3
Personnel Related Expenses				
- Mandatory Provident Fund contribution .....	313	278	262	193
- Civil Service Provident Fund contribution .....	9,498	11,336	11,380	13,335
Departmental Expenses				
- General departmental expenses .....	244,024	262,677	257,771	292,560
	403,546	433,490	430,308	480,593

#### *Capital Account*

##### Plant, Equipment and Works

5 Provision of \$119,670,000 under *Subhead 697 TechConnect (block vote)* represents an increase of \$27,543,000 (29.9%) over the revised estimate for 2023–24. This is mainly due to the increased funding support to bureaux/departments for implementing projects costing over \$200,000 but not exceeding \$10 million each with a view to improving the quality, efficiency or effectiveness of public services by the adoption of technology or to make use of technology to improve operations that will bring benefits to members of public.

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### Commitments

Sub- head (Code)	Item (Code)	Ambit	Approved commitment	Accumulated expenditure to 31.3.2023	Revised estimated expenditure for 2023–24	Balance
			\$'000	\$'000	\$'000	\$'000
<b><i>Operating Account</i></b>						
700		<i>General non-recurrent</i>				
	803	Injection into the Social Innovation and Entrepreneurship Development Fund .....	500,000	321,400	60,400	118,200
		Total .....	500,000	321,400	60,400	118,200