

Tuesday, 09 December 2003

Communications & Technology Branch
Commerce, Industry and Technology Bureau
2/F Murray Building
Garden Road, Hong Kong

Dear Sir/ Madam,

Re: Response to the Digital 21 Paper

We would like to take this opportunity to make some comments on the HKSAR Government's Digital 21 Consultation Paper. Our company is a software development company that provides IT solutions for our customers, mainly local companies. Our comments will have significant impacts on our business and companies of similar nature will be affected too.

IT in Government

Government's procurement and out-source policy should be neutral, picking the best solution and practice so that every tender participants may compete fairly. Healthy competition encourages innovation and quality work. We do not want to see that most of the Government's big projects being monopolized by large companies who has adequate financial resources but probably not the expertise.

Government should also encourage open standard systems so that information, such as data, document and etc. may flow freely among the users with good inter-operability. Software developers like us will then feel more at ease in development and help us save a lot of investments in multiple platform tools.

Human Capital Development

Government should invest more to help small and medium size software developers since we need higher value industries in Hong Kong. This can be done via providing up-to-date technology education / knowledge inter-flow through conferences and workshops, probably jointly organized with non-profit making agents such as the HKPC, the IT associations and universities so that practitioners of the IT industry may acquire advanced skills at lower cost. A highly skilled IT industry will help us gain competitive edges over our neighbouring regions.

Business Environment

Another area we would like the Government to look into is the IPR protection area. A developed software product is our bread and butter. However, if it is infringed, that means our return on investment will be lost. The piracy rate in Hong Kong is still high as compared to the developed countries in the region though it has improved much in the past years. However, we feel that the Government should continue to fight this battle as it will impact the IT industry, especially in the area of local software development. Very often we hesitate to market our developed products simply because of the IPR protection issue. If this area is

improved, we are certain that there will be more locally developed software that will go into the international market and bring in revenue for Hong Kong and hence more profit tax for the Government.

CIO for the Government

We strongly support this because it means the Government will have more focus on IT and make best choice for its IT investments. However, this person must possess IT skills instead of just administration / management skills.

Digital Divide

We are happy to see that the Government is conscious on the digital divide issue in the society. We suggest the Bureau to establish a fund (like that of the Quality Education Fund) that companies may apply for bridging digital divide projects so that private sector IT companies may participate or run projects at cost or with partial contribution. It would be difficult for companies like us to contribute if we have to carry the full cost of a digital divide project.

We thank you for the attention to our comments listed above and hope that some of them, if not all, will be considered by the HKSA Government.

Yours faithfully,

Vincent Phan
Director

Entersys Limited

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