

Budget Speech by the Financial Secretary (12)

Smart City

154. The Government published the Hong Kong Smart City Blueprint in December 2017. A number of major initiatives were launched, including opening up government data, formulating a pro-innovation government procurement policy, as well as launching the FPS. We will set up a Smart Government Innovation Lab this April to engage the industry and solicit their assistance in using IT to improve public services, foster public-private partnership, and create business opportunities for start-ups and SMEs in Hong Kong. Furthermore, we are preparing for three smart city infrastructure projects, including providing an electronic identity for all Hong Kong residents, installing multi-functional smart lampposts, as well as enhancing the government cloud services and building a big data analytics platform. We have allocated over \$900 million to these projects, which will be completed progressively in the coming two years.

155. Through collecting, processing and analysing geographic information, the Government has acquired a large volume of relevant data. Accessibility of inter-connected geospatial data can facilitate policy planning and formulation by government departments. The DEVB is working with the ITB and major user departments to press ahead with the setting up of the Common Spatial Data Infrastructure (CSDI) for the consolidation, exchange and sharing of geospatial information to tie in with the development of various smart city applications by the community. I will earmark \$300 million to expedite the development of digital infrastructure, with a view to facilitating the dissemination, utilisation and innovative application of geospatial data. With the CSDI coming into full operation by the end of 2022 and the high-quality 3D digital maps of the whole territory being made available in phases, more spatial data which are easier to search and use will be provided for organisations in the public and private sectors.

156. Digital infrastructure is essential for a smart city to develop. All eyes are now on the development of the fifth generation mobile communications technology (5G). With its technical characteristics of high speed, high capacity, high reliability and low latency, 5G has immense potential for application in various business services and a smart city in the long run. The Government will assign and auction spectrums in different frequency bands in batches to prepare for the development of 5G networks and services.

Arts and Culture

157. Following the grand opening of the Xiqu Centre last month, other major facilities in the West Kowloon Cultural District will be coming on stream. The development plans for various cultural facilities put forward in my last year's Budget are also underway for the progressive commissioning of

facilities in the next few years.

158. To enrich the arts and cultural life of our city and consolidate Hong Kong's position as an international cultural metropolis, I will provide an additional funding of \$176 million in total to the LCSD for hosting large-scale world-class performing arts programmes and arranging telecasts of selected mega shows in different places across the territory in the coming five years. The LCSD will also collaborate with the District Councils to strengthen community arts activities in phases.

159. To further promote the development of arts in Hong Kong, I will increase again the subvention for arts groups in 2019-20, which will involve about \$54 million. The subvention, which will benefit arts groups of various sizes, the Hong Kong Arts Development Council and the Hong Kong Arts Festival Society, can be used for improving staff remuneration, encouraging artistic creation, and organising more cultural exchange activities outside Hong Kong.

160. The Hong Kong Film Archive under the LCSD is dedicated to preserving Hong Kong's film heritage, fostering research and bringing film art to the community. I will allocate \$20 million to employ additional technicians and acquire specialist equipment for digital conversion of sole copies of films and celluloid films in urgent need of archiving. This will enable our younger generations to learn about and appreciate the invaluable film heritage of Hong Kong.

Sports

161. Hong Kong athletes made remarkable performance, and achieved outstanding and encouraging results in major international sports events last year. In 2019, our teams also excelled in cycling, table tennis, fencing, football and other events. I strongly believe that Hong Kong athletes will continue to shine and thrive.

162. Athletes strive for excellence in the arena but most of them retire from sports before the age of 40. It is important to plan early for turning a new chapter in life. In recent years, the Government has been providing additional resources and working jointly with universities to support athletes in pursuing athletic training and academic studies at the same time. I will inject \$250 million into the Hong Kong Athletes Fund to increase scholarship awards in support of the dual-track development of athletes, and will provide more cash incentives for full-time athletes when they retire from sports.

163. The LCSD is conducting a comprehensive review of the Sports Subvention Scheme. Before the outcome is available, I will allocate an additional recurrent provision of \$25 million and an extra two-year subsidy of \$17 million per year to enhance the financial assistance for 60 national sports associations (NSAs). The funds can be used to support participation in overseas competitions, offering squad training programmes and supporting under-privileged athletes, as well as other operating costs. Moreover, I will provide a one-off grant of \$15 million for staff training, further

studies, procurement of equipment, improvement of office facilities, etc. In other words, the additional resources to be allocated to NSAs in the coming two years will amount to almost \$100 million. When concrete recommendations are available upon completion of the review, I will provide the required resources as necessary.

Environmental Protection

164. In my previous two Budgets, I set aside a total of \$1 billion for departments to install renewable energy facilities at government buildings and venues and community facilities. Responses have been positive. In support of the Policy Address, I will provide another \$1 billion for departments to install relevant facilities.

165. The Government announced last month the relaxation of eligibility criteria of the "One-for-One Replacement" Scheme for electric private cars, raising the number of eligible vehicles under the scheme substantially by 30 per cent to over 250 000. Moreover, providing corresponding charging facilities is essential to promoting wider use of electric vehicles (EVs) in Hong Kong. We will explore ways to encourage the installation of EV charging facilities at car parks in existing buildings. In parallel, I will allocate \$120 million to extend the public EV charging networks at government car parks. Over 1 000 additional public chargers are expected to be in place by 2022, bringing the total number of chargers to 1 700. We will also identify suitable on-street parking spaces to install EV chargers on a trial basis and explore suitable locations to set up pilot quick charging stations for EVs.

Building the City

Harbourfront Enhancement

166. Following the gradual completion of the planning for the harbourfront areas and the commissioning of the related major infrastructure projects on both sides of the Victoria Harbour, the Government will adopt a forward-looking approach in pursuing harbourfront enhancement and vigorously seek to open up continuous and accessible harbourfront promenades. We will embrace versatile designs, management models and uses to make our harbourfront more vibrant. Harbourfront enhancement projects funded by a \$500 million allocation in early 2017 have been rolling out one by one. I will earmark another \$6 billion for developing new harbourfront promenades and open space as well as improving harbourfront facilities. It is the Government's plan to extend the length of the harbourfront promenades from the current 20-odd kilometres to 34 kilometres in about 10 years, and provide 35 hectares of open space on both sides of the Victoria Harbour.

Urban Forestry Support Fund

167. To strengthen public education and promotion on proper tree care and uplift the professional standards of practitioners, I propose to set up a \$200 million Urban Forestry Support Fund for the implementation of various initiatives. These include encouraging students to pursue studies in

arboriculture, and rolling out arboriculture and horticulture trainee programmes, as well as providing more training and internship opportunities for new recruits to tie in with the Specification of Competency Standards for the arboriculture and horticulture industry to be published by the end of this year, as a prelude to the introduction of a future registration system for tree management personnel. Moreover, we will organise international urban forestry conferences to facilitate exchanges with neighbouring regions, in a bid to upgrade the expertise and practice standards of the local industry. We will also strengthen co-operation with community organisations to provide the public with more information on tree planting and caring.

Traffic Improvement

168. Apart from constructing trunk roads, the implementation of electronic road pricing is also an effective way to tackle traffic congestion. The TD is conducting a feasibility study on the Electronic Road Pricing Pilot Scheme in Central and its Adjacent Areas. It expects to consult stakeholders in the first half of this year. Electronic road pricing does not aim to increase government revenue. As such, the Government will consider providing additional recurrent resources broadly equivalent to the net revenue to be generated from the pilot scheme for implementing measures to improve public transport services and encourage wider usage.

Municipal Facilities Improvement

169. Further to earmarking resources for the Market Modernisation Programme in last year's Budget, I will allocate more resources to the Food and Environmental Hygiene Department for refurbishing its public toilets by phases, improving ventilation and other facilities, as well as enhancing their cleanliness and hygiene. It is estimated that a total expenditure of over \$600 million may be incurred, involving about 240 public toilets in the coming five years.

(To be continued.)