

LCQ22: Innovation and Technology Fund for Better Living

Following is a question by the Hon Jimmy Ng and a written reply by the Secretary for Innovation and Technology, Mr Nicholas W Yang, in the Legislative Council today (December 11):

Question:

The Innovation and Technology Bureau launched the \$500 million Innovation and Technology Fund for Better Living (ITFBL) on May 31, 2017 to encourage and fund the use of innovation and technology (I&T) by the various sectors in the community in developing I&T application projects that bring more convenience, comfort and safety to the daily living of members of the public, or address the needs of specific community groups. It has been reported that up to September this year, the authorities processed a total of 86 applications for ITFBL and approved only 25 of them, representing a success rate of mere 29 per cent. In this connection, will the Government inform this Council:

(1) of the number of enquiries on ITFBL received by the authorities so far; the content and category of the I&T projects involved in the various enquiries and applications;

(2) of the following information on the ITFBL applications for which funding has been granted: (i) the total amount of grant and the average amount of grant for each application, (ii) the average time taken for vetting and approval of each application, (iii) the target beneficiary group(s) of each application and the number of people expected to benefit, and (iv) the number of applications that are also granted funding by the Public Sector Trial Scheme under the Innovation and Technology Fund;

(3) whether it has conducted studies on the major factors accounting for the low success rate of ITFBL applications;

(4) whether the authorities will (i) enhance or adjust the mode of operation, eligibility criteria for application, scope of coverage, etc of ITFBL, and (ii) review annually the implementation of ITFBL; if so, of the details; if not, the reasons for that;

(5) whether the authorities will draw up performance indicators for assessing the effectiveness of ITFBL in promoting digital inclusion; if so, of the details; if not, the reasons for that; and

(6) given that ITFBL generally only accepts applications from the following categories of organisations: non-governmental organisations subvented by the Social Welfare Department, public bodies, professional bodies, trade associations and social service organisations exempted from tax, whether the authorities will consider relaxing the coverage of the organisations eligible

for application; if so, of the details; if not, the reasons for that?

Reply:

President,

The Innovation and Technology Bureau (ITB) launched the Innovation and Technology Fund for Better Living (FBL) on May 31, 2017 to encourage different organisations to transform innovative ideas into deliverables that can benefit society, thereby promoting an innovation and technology (I&T) culture and improving people's quality of living.

Our reply to the various parts of the question is as follows:

(1) As at end November 2019, the FBL Secretariat (the Secretariat) has received a total of more than 300 written and 1 400 telephone enquiries which are mainly related to eligibility criteria, application procedures and assessment criteria.

Over the same period, the Secretariat has received a total of 112 applications covering various themes, including daily living, education, health, safety, mobility, etc. The project deliverables are mainly in the form of mobile applications, services, products and software, etc.

(2) So far, 25 applications have been approved. The total grant exceeded \$83 million, with an average of about \$3.35 million for each project. It took an average of about 14 weeks for the Secretariat to process an application. The actual time required for processing each application depends on the complexity of the project and the completeness of the information and documents submitted by the applicant. The target beneficiary groups and estimated number of beneficiaries of each approved project are at Annex.

The FBL funding generally covers the expenditure for the implementation and application of the project deliverables in the target groups for a period of two years. Therefore, there is no need for successful applicants to apply for funding from the Public Sector Trial Scheme.

(3) A project is required to meet the various assessment criteria of the FBL, including benefits to be brought to the target groups, I&T content, feasibility and sustainability, etc so as to ensure the proper use of public funds. Some unsuccessful applications were due to insignificant benefits to be brought or inadequate I&T content. We shall enhance information dissemination and publicity so as to let the applicants have a better understanding of the requirements of the FBL.

(4) & (6) The Secretariat conducted a comprehensive review in the first half of 2019 on different aspects of the FBL, including eligibility criteria, application procedures, assessment mechanism, level of funding, implementation and monitoring of projects, etc. After consulting the FBL Assessment Panel, enhancement measures were introduced in August 2019. These include extending the eligibility criteria to cover social service organisations exempted from tax under Section 88 of the Inland Revenue

Ordinance (Cap 112) to encourage more organisations to submit applications, and simplifying the requirement on progress reports to ease the administrative burden of funded organisations.

On the other hand, in order to provide clearer information to applicants, the Secretariat has amended certain parts of the application form, application guide and fund agreement so that applicants can have a better understanding of the requirements regarding the submission of information, the items covered by the project expenditure, the provisions in the fund agreement, etc.

(5) The FBL aims at bringing more convenience, comfort and safety to people's daily living, or addressing the needs of specific community groups. Applicants need to set out the performance indicators, including the target number of beneficiaries, number of downloads (if the project is a mobile application), implementation timetable, etc. The Secretariat will assess and monitor each project in accordance with the relevant indicators.