

Digital Transactions: Technology & Policy in Pacific Economies

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Hong Kong 1992

In 1992 the following statement was true:

“...no preferential treatment to the information technology sector has been given. The use of information technology in Hong Kong is requirement-driven rather than coordinated and promoted by the Government, apart from promotion through its own consumption. Such a stance is welcomed by the community and the IT industry at large.” C.C.Greenfield and E. Lee ‘Government information technology policy in Hong Kong’ in J.King ed. *Informatization and the Public Sector: Special Issue* v.2.2 1992 (pp.125-132)

Hong Kong 1995

In 1995 I could write:

“little effort has been made by government to encourage the use of on-line information. For example, the Government Information Service (GIS), which is the primary interface between government and the Hong Kong media, is not on-line, although file transfer is available, and in 1995 the teleprinter service was replaced with a proprietary standard non-interactive on-line broadcast connection to the media, but not the general public - and only two government services, laws and the land registry, are provided on-line.”

Petrazzini B. and J.Ure ‘Hong Kong’s Communications Infrastructure: The Evolving Role of a Regional Information Hub’. In J. Burn ed. (1997) *Information technology and the Challenge for Hong Kong*. Hong Kong University Press, (pp. 61-90).

Hong Kong 1998

By 1998 I was writing:

“Three years later this view is quite out of date. A check of <http://www.info.gov.hk> will reveal that just about every government agency is now on the Web as part of the government’s efforts to emphasize the importance of IT in building an information society in Hong Kong.” ‘Convergence in Hong Kong’ in M.Hukill, R.Ono and C.Vallath eds. *Electronic Communication Convergence: Policy Challenges in Asia*, Singapore (forthcoming)

The Information Technology & Broadcasting Bureau has been set up bringing telecoms, broadcasting and government networking under one policy branch

The Chief Executive has established an Information Infrastructure Advisory Committee (IIAC) and a Commission on Innovation & Technology.

Hong Kong 1997 *Vision Statement*

Chief Executive's *Inaugural Policy Address*, October 1997

To make Hong Kong a leader, not a follower in the information world of tomorrow, we need to bring together four things:

- * first, the hardware of high capacity communications systems;
- * second, a common software interface mounted on established communications networks, through which individuals, business and Government can interact easily and securely using their own systems,
- * third, people who know how to use the new technology, and
- * fourth, a cultural environment that stimulates creativity and welcomes advances in the use of this technology.

Hong Kong Digital 21

The ITBB has launched Digital 21 as the immediate *Vision* implementation programme, including:

A Schools Internet

An Electronic Delivery of Services (EDS) system to promote and facilitate electronic transactions between Government and the public

Certification Authority and public key infrastructure

Promotion of electronic commerce

Digital TV trials

Liberalization of the telecoms market

Liberalization of the broadcast market

Hong Kong Online

The Internet has been the driver of the use of computers and applications among SMEs and residential users

> 1 million Internet users in Hong Kong (population 6.5 million)

< 5% of Internet subscribers have made any transactions over the Net

Computer Penetration in Households in Hong Kong

	<i>Households with at least one computer</i>	<i>Households with computer modems</i>	<i>Percentage of Households with computer modems actually using them for communications</i>
Valid Answers 1994	27.5%	20.2%	10.8%
Valid Answers 1996	40.2%	28.7%	38.3%

Source: Telecommunications Research Project

Hong Kong E-Commerce

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China Online

Ministry of Information Industries (MII) oversees telecoms, broadcast and electronic industries: by 2000 China will have the largest telecoms network in the world at the 117 million circuit capacity.

1998 - approximately 700,000 households with computers.

>1 million Internet users in China and > 100 ISP's

> 8 million PC's

ISP gateways provided by ChinaNet, Golden Bridge Network (ChinaGBN), Science and Technology Network (CSTNet) of CAS, and China Education and Research Network (CERNet) of SEC.

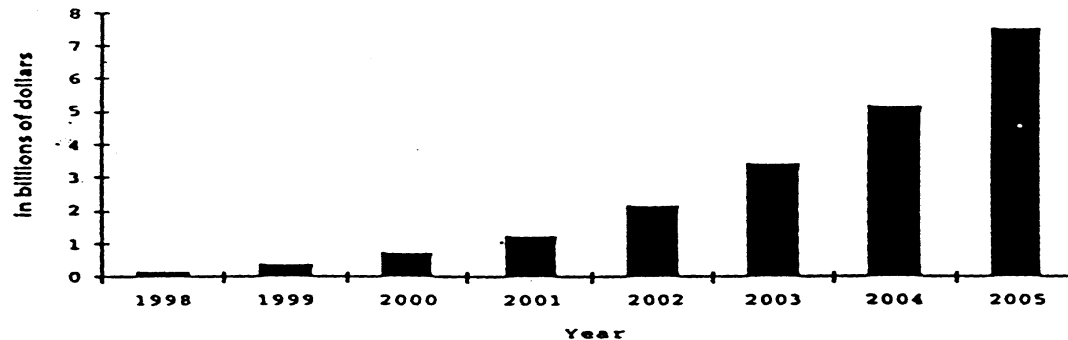
> 100 internets in ministries, banks, state enterprises, and large corporation.

Unicom-Sparkice cyber-cafes

China E-Commerce

Ministry of Foreign Trade and Economic Cooperation (MOFTEC) hosts the China International Electronic Commerce Centre (www.moftec.gov.cn/moftec/main.html)

Growth of E-Commerce (1998-2005)



Source: Lin Sun, Asia Pacific Telecom, Sept '98

China - Hong Kong E-Commerce

Hong Kong companies employ 500,000 + in Mainland China, mostly in the Pearl River delta.

China re-exports = 40 per cent of total Hong Kong trade.

Hong Kong traditional Chinese character set vs. Mainland China simplified Chinese character set.

Need for Certification Authorities and Public Key Infrastructure across territories.

Enormous opportunities for customized software packages which can be sold online.

EDI structures in both Hong Kong (Tradelink, Cargonet, Arena) and China (Golden Gate Project)

China's shift of macro-economic focus towards consumer markets.