Government's work and initiatives in relation to the Networked Readiness Index indicators

Networked Readiness Index indicator	Government's work / initiatives
(1) Software piracy rate	Under the Copyright Ordinance, a number of acts including possessing, selling, letting for hire, importing or exporting, as well as distributing pirated software for the purposes of trade or business may attract criminal liability. The maximum penalties are a fine of HK$50,000 per infringing copy and imprisonment for four years. The Customs and Excise Department (C&ED) takes robust enforcement actions against software piracy. From January 1, 2013 to April 30, 2014, a total of 67 persons involving in software piracy cases were arrested. C&ED has also been constantly strengthening its enforcement capacities, including the application of cutting-edge investigation technology and setting up of an Electronic Crime Investigation Centre in early 2013 to tackle emerging cyber-crime challenges.
(2) Tertiary education gross enrolment rate	The Government invests heavily in education to nurture talents. As at 2013-14, the overall degree-level participation rate of the relevant age cohort stands at 38.4%. Nearly 70% have access to post-secondary education including sub-degree programmes. The 2014 Policy Address has announced a number of new initiatives to further increase higher education opportunities. Coupled with declining student population, post-secondary participation rate will continue to rise in the coming years.
(3) Government procurement of advanced technology products	As a major IT user, the Government procures a substantial amount of IT products and has been continuously increasing its spending on IT products. For instance, Government's spending on IT products increased from $491 million in 2011-12 to $588 million in 2013-14. Moreover, through the Public Sector Trial Scheme (PSTS) under the Innovation and Technology Fund (ITF), the Government provides funding to support the application of advanced technologies arising from research and development (R&D) projects and conducting trials in the public sector. Two new measures were introduced to the ITF in April 2014 to further promote application of R&D outcomes in the public sector, including the increase of funding ceiling of PSTS from 30% to 50% of the original ITF project cost, and waiver of industry sponsorship requirement if clear support from Government or statutory bodies in applying the R&D outcome is obtained. As of end April 2014, there have been over 90 trials conducted in the public sector, among which 51 are conducted under the PSTS. The "E-Lock-Based Enabling Technology" is one of the R&D outcomes applied by C&ED for enhancing the efficiency of cargo inspection.

(4) Percentage of individuals using the Internet	As at March 2014, our household broadband penetration rate is 83.2%, whereas our mobile penetration rate is 236.8%. Over 73% (12.5 million) of our mobile subscribers use smartphones. To facilitate easy and free access to the Internet by public, the Government, in collaboration with the industry, will further extend the GovWiFi service to more leisure locations and popular focal points, and promote a common Wi-Fi branding "Wi-Fi.HK". The number of public access Wi-Fi hotspots, which are completely free of charge or free for a certain period of time, will increase from around 10 000 to 20 000 by end 2014. We have also put in place a number of initiatives to promote ICT adoption among different community groups such as students of limited means and senior citizens.
(5) Capacity for innovation & Share of workforce employed in knowledge-intensive activities	The Government strives to promote innovation and technology development in Hong Kong and create a vibrant ecosystem to support research, development and innovation activities, which would in turn create more knowledge-intensive jobs. Both the Cyberport and the Hong Kong Science Park provide the infrastructure and clustering environment to promote innovation and nurture technology start-ups in Hong Kong. The development of Science Park Phase 3 is underway. Upon its completion, the new phase will accommodate some 150 additional technology companies and create 4 000 R&D jobs, further increasing the capacity of innovation. Moreover, the ITF offers financial support to R&D and technology transfer activities that boost our innovation capability. As announced in the 2014-15 Budget, we will introduce two proactive measures to further promote private sector investment in R&D and render stronger support to downstream R&D and commercialisation activities, including the setting up of Enterprise Support Scheme (ESS) to provide funding support to private companies for R&D activities, and extending the ITF funding scope to development engineering / system integration, industrial design, compliance testing and clinical trials. To build up the workforce in meeting the needs of our knowledge-based economy, we provide funding support through the Internship Programme under the ITF for science, technology and engineering graduates to work on R&D projects. As at April 2014, the Programme has provided around 1 500 internship positions. As for ICT manpower development, we have adopted a multi-pronged approach in nurturing IT professionals, including close liaison with tertiary institutions, providing more information on ICT career

	through a dedicated webpage and participation in career talks and exhibitions, promoting achievements in ICT through the annual Hong Kong ICT Awards and publication of success stories, etc. We are also examining the case of establishing a framework for ICT professional recognition in Hong Kong.