

**For discussion
on 9 July 2018**

**Legislative Council Panel on
Information Technology and Broadcasting**

**Report on the Work of Create Hong Kong
and Hong Kong Design Centre**

PURPOSE

This paper updates Members on the work of Create Hong Kong (CreateHK) and the Hong Kong Design Centre (HKDC) from 2017 up to end-March 2018.

OVERVIEW

2. In 2016, the eight creative industries (namely advertising, architecture, design, digital entertainment, film, music, printing and publishing and television) under the purview of CreateHK scored a total added value of \$58 billion which contributed to 2.4% of Hong Kong's Gross Domestic Product. From 2005 to 2016, their value added in nominal terms grew at an average annual rate of 5.1%.

3. The Government recognises that creative industries are a new driver for Hong Kong's economy. We aim to reinforce Hong Kong's status as a creative capital of the region. To drive the development of creative industries, our areas of focus are –

- (a) talent and start-up nurturing (i.e. providing a ladder of capacity-building support initiatives that target graduates, practitioners and start-ups);
- (b) market development (i.e. bringing “high value” customers to Hong Kong, and our talent and products to the Mainland and overseas markets); and
- (c) promotion of cross-sectoral and cross-territorial collaboration (i.e. encouraging collaboration, and strengthening ties with other countries/cities to facilitate sharing of experiences and exchanges).

4. Through the CreateSmart Initiative (CSI) and the Film Development Fund (FDF), CreateHK provides funding support to programmes and events initiated by the trade and stakeholders that are conducive to the development of Hong Kong's creative industries. CreateHK also works closely with the Hong Kong Design Centre (HKDC) and the Hong Kong International Film Festival Society (HKIFFS) and provides them with funding support to promote design and film appreciation respectively. Details of HKDC's work are in paragraphs 27 to 44.

REVIEW OF THE WORK OF CREATEHK SINCE 2017

5. As at end-March 2018, the FDF has supported 31 film production projects (with approved funding of \$78 million) and 157 film-related projects (with approved funding of \$292.4 million) since the establishment of CreateHK in June 2009. During the same period, \$938 million¹ has been committed under the CSI to support programmes categorised into the following three strategy foci –

(a) Nurturing talents and facilitating start-ups	\$367 million
(b) Exploring markets	\$274 million
(c) Fostering a creative atmosphere.....	\$298 million

6. The numbers of applications received and approved and amount of funding committed under the CSI and the FDF in the past three years are set out at **Annex 1**; position of CreateHK's key performance indicators by end-March 2018 is at **Annex 2**; and key programmes funded by CreateHK since 2017 are at **Annex 3**.

Support for film sector

7. CreateHK continued to work with the Film Development Council (FDC) through the FDF to promote the development of the film industry.

¹ The Design-Business Collaboration Scheme has ceased to accept application since 1 January 2016. We briefed this Panel on 17 July 2015 (vide LC Paper No. CB(4)1212/14-15(07)) on the discontinuance of its operation.

Encouraging more local film productions

8. The FDF supports local commercial film productions through the Film Production Financing Scheme (FPFS) and the Film Production Grant Scheme (FPGS)². A total of 31 productions were approved since inception of the FPFS including one during the reporting period. Filming or post-production of two films³ co-financed under the FPFS are still in the pipeline while one (“Tomorrow is Another Day” 《黃金花》) was released in April 2018. Since the inception as a pilot in 2015 to its intended expiry in February 2018, the FPGS has subsidised production of nine local films and created 585 direct job opportunities for the basic production and major casts or a total of 1 530 job opportunities if other part-time crew members are also included. Production of eight of the films⁴ are in progress while one (“Zombiology: Enjoy Yourself Tonight” 《今晚打喪屍》) was released in 2017 grossing \$5 million at box office.

Nurturing film production talent

9. The First Feature Film Initiative (FFFI)⁵ had a splendid year in 2017, with winning projects “Mad World” (《一念無明》) (of the First Edition) released in Hong Kong in March 2017 grossing \$17.1 million at box office and scooping three awards (namely, Best New Director, Best Supporting Actor and Best Supporting Actress) at the 36th Hong Kong

² FDF was first approved (vide FCR(98-99)47) by the Finance Committee (FC) of the Legislative Council for setting up in April 1999 for a period of five years with an initial commitment of \$100 million to support projects conducive to the long-term development of the film industry of Hong Kong. In March 2005, FC approved (vide FCR(2004-05)48) the revival of FDF with a commitment of \$20 million. In July 2007, the Government further increased the commitment for FDF by \$300 million and expanded its scope to set up the FPFS. The Government further increased the commitment for FDF by \$200 million in May 2015 to set up the FPGS, and by \$20 million in June 2016 to enhance funding support for Hong Kong-produced Cantonese movies distributed in the Mainland.

FPFS provides financing to low-to-medium budget films with production budget not exceeding \$25 million per film. Government’s contribution of financing is up to 40% of the approved budget or the actual production cost, whichever is the lower, and capped at \$6 million per movie. FPGS provides subsidy to low-budget film productions with production budget not exceeding \$13 million per film. The grant is capped at \$2 million or 20% of the approved production budget or 20% of the actual production cost, whichever is the lower. FPGS was launched in November 2015 as a pilot and ended in February 2018. Previous discussions at this Panel and the FC have in general highlighted the importance of having a commercial element in those movies supported by FDF.

³ The two films are “Love Revolution” 《愛革命》 and “Men on the Dragon” 《逆流大叔》.

⁴ The eight films included “Lucid Dreams” 《八步半 喜怒哀樂》, “Napping Kid” 《逆向誘拐》, “Ann Hui’s Doc” 《許鞍華「好好拍電影」傳心記錄片》, “Forget Me Knot” 《幻愛告白》, “Impossible Split” 《由齡開始》, “The Lady Improper” 《非分熟女》, “The First Girl I Loved” 《喜歡妳·是妳》 and “Lost in Home, Found in Family” 《怪獸家庭之四代同床》.

⁵ FFFI is an initiative to nurture talent in particular young talent. It was launched in 2013 under FDF to provide full subsidy for new directors to produce their first feature-length commercial films.

Film Awards; and “Weeds on Fire” (《點五步》) (of the First Edition) winning two awards (namely, Best New Performer and Best Original Film Song) at the same Film Awards.

10. Two more FFFI winning projects, namely “Somewhere Beyond the Mist”⁶ (《藍天白雲》) (of the First Edition) and “In Your Dreams”⁷ (《以青春的名義》) (of the Second Edition), were commercially released in Hong Kong in January 2018. The remaining winning projects (“Apart” 《散後》⁸ of the Second Edition, and “The Assassination of G” 《G 殺》 and “Still Human” 《淪落人》 of the Third Edition) are still under production. Winning projects for the Fourth Edition were selected in late-2017 and announced in March 2018⁹. Application for the Fifth Edition is now open¹⁰ until 15 August 2018.

Promoting film appreciation among students and young people to build up audiences

11. CreateHK works closely with the HKIFFS for audience cultivation. The Hong Kong International Film Festival (HKIFF), mainly funded by the Government, is an annual signature film appreciation programme. HKIFF 2017 saw 384 screenings of 237 films from about 60 countries/regions, having attracted over 70 000 film-goers. The Government also sponsored addition of Chinese subtitles and discounted student tickets, and organisation of various “Film Plus” programmes which enabled participation of young people in post-screening discussions with film professionals.

12. CreateHK also continued to implement audience development programme at the North District Town Hall (NDTH) which had been equipped with screening facilities since December 2016. CreateHK collaborated with the HKIFFS and the Hong Kong Film Art Association in presenting two free film screening programmes (namely, “Cine-rama@North District Town Hall” and “Love Your Life” respectively) at NDTH in 2017, with the latter specifically targeting secondary students. The two programmes screened films of various

⁶ Formerly known as “Opus 1” in English.

⁷ Formerly known as “In Your Dream” in English.

⁸ Formerly known as “Love@TheSquare” (《戀@廣場》).

⁹ The winning projects were “Elisa’s Day” (《滄海遺愛》) from the Professional Group; and “My Prince Edward” (《金都》) and “Hand-rolled Cigarette” (《手捲煙》) from the Higher Education Institution Group.

¹⁰ From 21 March 2018.

genres for free and included post-screening talks to enhance understanding of film culture among the audience. The programme “Love Your Life” has been extended for another year from February 2018 to March 2019.

Driving Hong Kong’s development as a film financing platform in Asia and promoting the brand of “Hong Kong Films”

13. CreateHK continued to provide funding support to the Hong Kong Trade Development Council (HKTDC) for promoting Entertainment Expo. As a key part of the Entertainment Expo, the Hong Kong International Film & TV Market (FILMART) serves as the largest marketplace in Asia offering a cross-media and cross-territorial trade and networking platform covering film financing, post-production, digital entertainment, licensing, etc. In 2017, FILMART attracted more than 800 exhibitors from over 30 countries/regions and over 8 000 visitors.

14. CreateHK also funded the Hong Kong-Asia Film Financing Forum (HAF) 2017. HAF has been a major film financing platform matching filmmakers with financiers, producers, bankers, distributors and buyers, and another key programme of the Entertainment Expo. In the main programmes of HAF 2017, a total of 25 film projects (including four Hong Kong productions or co-productions) from 14 countries/regions were selected for showcasing and 886 business matching meetings were held. Some 1 000 visitors from 41 countries joined the HAF 2017. As at end-March 2018, 11 out of 33 film projects showcased in HAF 2017 (including the Work-in Progress Lab session¹¹ of HAF) have completed production, representing a success rate of 33%.

15. CreateHK supports Hong Kong-produced Cantonese films distributed in the Mainland by subsidising expenses incurred for distribution and publicity in the Mainland up to \$500,000. One application for the subsidy was approved in 2017 and three applications are now being processed. CreateHK also organised a film show in Guangzhou in 2017 to promote Hong Kong films, and assisted the Hong Kong Economic and Trade Offices to co-organise the Silk Road International Film Festival held in Fuzhou in 2017, and a Hong Kong film festival in Berlin of Germany in early-2018.

¹¹ The Work-in Progress Lab session aims to assist film projects which are being produced or near completion to seek funding, distribution or other support. It is a new supplementary session introduced to HAF from 2016.

Location shooting and special effects materials

16. CreateHK facilitates local and overseas film and television productions in Hong Kong. In 2017, CreateHK handled 2 094 filming enquiries and followed up on 600 requests for assistance raised by 165 production crews, including 42 non-local ones, on matters such as location scouting, obtaining permission for location filming, lane closure, etc.

17. CreateHK also performs statutory functions of issuing licences for use of special effects materials (e.g. pyrotechnics and inflammable materials) in production of films, television and other entertainment programmes. In 2017, CreateHK issued 1 579 such licences.

Promotion of film production services in Belt and Road (B&R) countries

18. Given the market potential of B&R countries, CreateHK launched a mega promotional programme “Hong Kong Film New Action - Action Power: Stunt and Vfx Workshop” in March 2017 at FILMART targeting participants from B&R countries. The programme aimed to showcase Hong Kong’s expertise in making action films and post-production, and provide platform for filmmakers to explore business opportunities with B&R countries. A seminar “Pivotal Role of Pearl River Delta Region in the Belt & Road” was also organised at FILMART 2017.

19. In April and November 2017, CreateHK organised promotional tours to Iran and Malaysia respectively, during which Hong Kong directors, action choreographers, cinematographers and post-production specialists shared with their counterparts experiences in designing, shooting and editing action scenes. Such exchanges enhanced understanding and collaboration between film sectors in Hong Kong and the B&R countries.

Support for non-film creative sectors

20. In 2017, CreateHK continued to support the seven non-film creative sectors¹² mainly through the CSI, pursuant to the three established strategic foci, namely, (a) nurturing talent and facilitating start-ups; (b) exploring markets; and (c) fostering a creative atmosphere.

(a) Nurturing talent and facilitating start-ups

21. Pursuant to this strategic focus, examples of initiatives in 2017 include:

Nurturing talent

- (i) Graduate Internship Programmes, which provided opportunities (comprising one-year full-time employment and on-the-job training) in digital entertainment and digital advertising companies for young graduates of specified creative disciplines. In 2017, 49 interns were admitted, out of 229 since inception in 2011;
- (ii) “DesignXcel”, which was a year-long collaboration initiated by the Federation of Hong Kong Industries. It paired up fresh design graduates and industrial companies, with the latter providing technical support and professional advice relating to production process and market needs in realising the former’s final-year projects. Over 200 design graduates were paired up with around 50 companies; and
- (iii) “Fashion Summit”, which provided a platform to enrich the knowledge of market players in sustainable fashion and possible solutions when faced with environmental and social challenges. The summit attracted 1 625 participants.

¹² Namely, advertising, architecture, design, digital entertainment, music, television and printing and publishing.

Facilitating start-ups

- (i) Animation Support Programme, which helped start-ups or small companies produce original creative animation works for showcasing in FILMART and on television. In 2017, 14 companies were admitted, out of 79 since inception in 2012;
- (ii) Support Programme for Advertising and Music Talents (Microfilm Production), which offered funding support and mentorship to start-ups or small advertising production companies. In 2017, 18 companies were recruited, out of 84 since inception in 2013; and
- (iii) Ear Up Record Label Creation and Incubation Programme, which provided training in the music sector on development of independent or small labels. First launched in 2016, the programme so far benefitted 12 singers/bands, which had over 100 performance opportunities in Hong Kong and overseas reaching out to 10 000 audiences. Since 2017, over 30 music albums/EPs were released by these singers/bands.

(b) *Exploring markets*

22. Pursuant to this strategic focus, examples of initiatives in 2017 include:

- (i) Two promotional campaigns by the HKTDC in the Mainland, namely “SmartHK” trade fair in Fuzhou and “Creativity in Business” seminar series in Nanjing and Xi’an. Fifteen Hong Kong small and medium-sized enterprises of creative sectors (e.g. advertising, branding, design, etc.) were sponsored to participate in SmartHK which promoted Hong Kong’s total business solution and attracted some 1 300 trade visitors; while 25 Hong Kong creative companies of advertising, design, branding and marketing services were sponsored to participate in the “Creativity in Business” series;
- (ii) Participation of 215 companies of the publishing and printing sector in major international book fairs (including Taipei International Book Exhibition, Bologna’s Children’s Book Fair and Frankfurt Book Fair); and

- (iii) Eight Hong Kong comics artists participated in the 44th Angouleme International Comics Festival in France, the largest comics festival in Europe. The participating Hong Kong artists were able to showcase their artworks to the world and to network with international practitioners and potential partners.

(c) *Fostering a creative atmosphere*

23. CreateHK supports staging of creative events in Hong Kong to foster a creative atmosphere among the general public. In 2017, CreateHK supported staging of programmes such as the Bi-city Biennale of Urbanism\Architecture (Hong Kong), Cross-Strait Architectural Design Symposium and Awards, Hong Kong Asian Pop Music Festival, deTour, etc. CreateHK also supported two projects, namely, decoration of the Comix Home Base in Wan Chai with regular updates of artworks, and enhancement of the Hong Kong Avenue of Comic Stars in Kowloon Park with display of comics drawings.

Promotion of cross-sectoral and cross-territorial collaboration

24. Cross-sectoral and cross-territorial collaborations are important in bringing Hong Kong to the forefront of the international creative scene, facilitating exchanges and fostering new ideas. In this relation, the CSI and the FDF funded or sponsored in 2017 iconic signature events such as Business of Design Week (BODW), Fashion Asia Hong Kong, DFA Awards, Knowledge of Design Week (KODW); and HKIFF and Entertainment Expo (including FILMART), etc. These events have drawn creative talent and buyers from around the globe to Hong Kong, help build the Hong Kong brand and strengthen Hong Kong's roles as a key exchange conduit between the Mainland and the rest of the world, and as a major business development platform for creative industries in the region.

Events for the 20th anniversary of establishment of HKSAR

25. 2017 marked the 20th anniversary (20A) of the establishment of the Hong Kong Special Administrative Region (HKSAR). To showcase Hong Kong's developments in creative industries in the past 20 years, CreateHK sponsored a variety of events in Hong Kong and overseas, including (a) "Confluence • 20+ Creative Ecologies of Hong Kong" (April-November 2017), a large-scale multidisciplinary exhibition staged in Hong Kong, Milan, Seoul and Chicago, with a focus on the branding of "Hong Kong Design"; (b) "20.....43 Business of Hong Kong Design"

(July-December 2017), a series of design exhibitions held in five Mainland cities, namely Hangzhou, Shanghai, Shenzhen, Suzhou, and Wuhan, to showcase design and business cases of partnership/collaboration between Hong Kong and the Mainland; (c) “Creative Visions: Hong Kong Cinema 1997-2017” (April-December 2017), a roving film festival in ten overseas cities (i.e. Berlin, London, Manchester, Moscow, Paris, Prague, Seoul, Toronto, Udine and Vancouver) in collaboration with Hong Kong Economic and Trade Offices to promote Hong Kong’s film legacy, with film screenings, receptions, seminars and talks, and attendance of Hong Kong filmmakers and/or artistes.

Performance pledges of CSI

26. CreateHK pledges to notify the concerned organisation(s) of the application result or evaluation result within 50 clear working days after receipt of all required information for funding application or completion report respectively. Among the 76 application results sent from 1 January 2017 to end-March 2018, around 90% met the performance pledge. Among the 64 evaluation results sent during the same period, around 80% met the performance pledge. For cases not meeting the performance pledges, the major reason was due to the growing complexity and scale of the projects, requiring more clarification and liaison with the project proponents and longer processing time. We will closely monitor the situation and strive to expedite as far as practicable.

OVERVIEW OF HKDC

27. Established in 2001 by five designer associations¹³, the HKDC has been a close partner of the Government in promoting design and related creative industries.

28. With the missions to undertake (a) publicity and promotion of Hong Kong’s design works; (b) promotion of design leadership and continuous learning; (c) promotion of design excellence; (d) nurturing of design-entrepreneurs; and (e) implementation of the Fashion Initiatives, the HKDC’s programmes and activities target a wide spectrum of audience (including business leaders, entrepreneurs, brand owners,

¹³ Namely, the Hong Kong Designers Association, the Chartered Society of Designers, Hong Kong, the Hong Kong Interior Design Association, the Hong Kong Fashion Designers Association and the Hong Kong Federation of Design Associations.

corporate executives, design professionals and students, the public, etc.) and are in line with the Government's areas of focus (paragraph 3).

REVIEW OF THE WORK OF HKDC SINCE 2017

29. The Government provided a non-recurrent allocation of \$98.6 million to support the HKDC's basic operation and implementation of the Fashion Initiatives (paragraph 42 to 44) from July 2015 to March 2019. The HKDC obtained project funding from the Government to conduct professional education and executive programmes on design; organise signature events such as BODW and DFA Awards; and administer the Design Incubation Programme (DIP) and the Fashion Incubation Programme (FIP). The HKDC also secured sponsorship from the non-governmental sector to organise design-related programmes. Among the new injection of \$1 billion into the CSI, around \$300 million has been earmarked for the HKDC in the three-year funding cycle starting from 2019-20.

Publicity and promotion of Hong Kong's design works

30. Promoting exchanges in the realm of design with key players outside Hong Kong has been an important task of the HKDC. In 2017, the HKDC co-organised with the Hong Kong Federation of Design Associations networking cocktails for member associations and local and overseas contacts of the Global Design Network during the BODW in December 2017. Throughout the year, the HKDC had received local and overseas delegations/visitors of different sectors¹⁴.

31. To promote Hong Kong's design and broaden Hong Kong designers' exposure, the HKDC organised an inspiration trip for eight Hong Kong young designers to participate in the Bangkok Design Week 2018 (January-February 2018); and led another group of eight Hong Kong designers to set up a pop-up showcase at the Design Store of the National Gallery of Victoria in Melbourne (March-April 2018).

32. To facilitate wider use of design by industries and help bring in

¹⁴ Including delegations/visitors from Sichuan and Nanjing of the Mainland and Umeå of Sweden, local and overseas students from Executive Master of Arts in Arts Management & Entrepreneurship of the Education University of Hong Kong, Singapore Institute of Technology, Leadership and Public Policy Executive Education programme of the Hong Kong University of Science and Technology, etc.

more businesses, the HKDC maintains an online Hong Kong Design Directory listing over 700 local designers, design consultants, design companies, etc. under 21 categories, which attracts on average some 6 000 hits per month.

Promotion of design leadership and continuous learning

33. The HKDC organised KODW 2017 in June 2017 under the theme “Include 2017: Tackling Big Challenges Through Design” to explore how inclusive designs could effectively create both social impact and business value. KODW 2017, same as previous editions, served as a knowledge-sharing and networking platform on creativity and design, having attracted over 730 participants.

34. BODW is the largest annual design event in Asia and among the most sought-after design events in the world. BODW 2017, with Italy as the partner country under the theme “Italy Makes A Difference”, attracted 74 creative experts, design professionals, corporate executives, etc. to share experiences and explore new ideas in design, business, technology and brands. The week-long programme and its concurrent events (e.g. Business of IP Asia Forum, DesignInspire, deTour and Brand Asia Forum) attracted some 150 000 attendances.

35. Pursuant to the Chief Executive’s 2017 Policy Address announced in October 2017, the HKDC has been commissioned to conduct a series of training sessions, workshops and seminars¹⁵ to instil into different sectors the mind-set of design thinking as a problem-solving capability for both mid-management and senior management in the civil service, with total participants of some 300 officers. The HKDC has also reached out to graduate students¹⁶ and private companies¹⁷, with a view to promoting design and creativity both within and outside the education system.

¹⁵ For example, “Service Innovation and Implementation” training sessions; a half-day training session for senior civil servants on “Design Thinking for Public Service”, etc.

¹⁶ For example, training on “Design and Innovation Management” for students of the Executive Master of Business Administration by the Chinese University of Hong Kong.

¹⁷ For example, a workshop on design thinking for CLP Power Hong Kong Ltd.

Promotion of design excellence

36. The HKDC continued to promote design excellence through honouring outstanding achievements of design practitioners, companies and business leaders under the DFA Awards programme. A total of 1 017 entries from 23 countries/regions were received in 2017, with Hong Kong designers accounting for 30 (including one Grand Award with Special Mention and one Gold Award) out of 186 awarded entries. Under the DFA Awards programme, five roving exhibitions were held in 2017 in Hong Kong, Shanghai, Seoul, Tokyo and Tainan and one exhibition at DesignInspire of BODW, attracting in total over 176 000 visits. Promotion was held in various Mainland and overseas cities, namely, Bangkok, Beijing, Guangzhou, Milan, Tokyo, Shanghai, Seoul and Tainan.

37. The Nurturing Programme of Hong Kong Young Design Talents enables DFA Hong Kong Young Design Talent Award (DFA HKYDTA) winners to gain international exposure through work attachments and further studies in overseas countries. DFA HKYDTA 2017 received a record high of 246 applications and selected 17 winners, among whom 13 were given financial support from CreateHK, the Hong Kong Polytechnic University and the Hong Kong Design Institute to undertake work attachments or overseas studies¹⁸; while the remaining four received Young Design Talent Special Mention Award. In 2017, two roving exhibitions of the winning designs were held in Hong Kong attracting around 2 000 visitors; while in 2018, one overseas exhibition was held in Tokyo so far.

Nurturing of design-entrepreneurs

38. The HKDC has been administering the DIP since May 2012¹⁹ which offers financial assistance and incubation services to design start-ups over a two-year incubation period to help them build up business network, publicise products and conduct market promotions. The HKDC has strengthened the scope and support services, particularly

¹⁸ Of these 17 awardees, 11 would receive financial support of a total of \$4.5 million from the CSI, one would receive \$250,000 from the Hong Kong Polytechnic University and one would receive \$250,000 from the Hong Kong Design Institute, while the remaining four are winners of Special Mention Award which does not include financial element.

¹⁹ The DIP was first launched by the Hong Kong Science and Technology Parks Corporation at InnoCentre in 2006. The HKDC has taken over the administration of the DIP since May 2012.

in respect of business and marketing know-how, problem-solving techniques and mentoring. Between May 2012 and March 2018, a total of 49 international awards and 209 local awards had been attained by DIP incubatees. The incubatees had lodged applications for three patents, 235 trademarks and 40 registered designs, and created 695 job opportunities.

39. From inception to end-March 2018, the DIP has admitted 221 incubatees, including 48 recruited under the current phase (Phase III) starting in 2016-17.

40. To provide knowledge and reference back-up for the incubatees and other designpreneurs, the HKDC maintains a library in its headquarters with print and digital books and magazines, which had around 6 000 items as at end-March 2018.

41. With the announcement of the Sham Shui Po Design and Fashion Project²⁰ in January 2018, the HKDC has been engaged to help operate the project for nurturing of young designers and start-ups upon completion of works expected to be in 2023-24. It is expected that the project will not only serve design students and incubatees of the FIP and DIP, but also retailers, merchandisers, local fashion enthusiasts and tourists.

Implementation of the Fashion Initiatives

42. The HKDC has been tasked to assist in the implementation of the Fashion Initiatives²¹ for the period from July 2015 to March 2019. In 2017, the HKDC organised a major promotional project in Hong Kong, namely, Fashion Asia 2017 Hong Kong; and continued to administer the FIP.

²⁰ The Sham Shui Po Design and Fashion Project is an initiative announced in the Chief Executive's 2017 Policy Address. Located in a five-storey commercial podium (of a size of around 3 600m²) at the Urban Renewal Authority Tung Chau Street/Kweilin Street Demand-Led Redevelopment Project, it will mainly serve as a breeding ground for local up-and-coming designers, providing them with needed space to refine their vocational skills and creative abilities, showcasing their design products and staging design-related activities. It is also expected to turn Sham Shui Po into a design and fashion landmark by creating synergy through blending and enriching the traditional garment and fabric wholesale and retail hub with design and fashion elements, thereby driving local tourism and boosting the local economy.

²¹ Spearheaded by the Advisory Group on Implementation of Fashion Initiatives (AGF) formed under the now defunct Economic Development Council. Term of the AGF will expire in end-March 2019.

43. Fashion Asia 2017 Hong Kong, held in December 2017, covered (a) a large-scale fashion forum with participation of creative leaders from various fields to exchange views; (b) an exhibition featuring showpieces of ten top Asian designers; and (c) a series of pop-ups and a Hong Kong showroom to showcase the work of selected local designers and graduates. The programme attracted some 40 renowned speakers and over 7 000 attendances.

44. The FIP, with a CSI funding of \$16.5 million, started operation in Q1 of 2017, with the goal of admitting a total of 15 incubatees over a period of three years. Similar to the DIP, the FIP is a two-year incubation programme providing supporting services to the incubatees, but focusing on the field of fashion design. As at end-March 2018, a total of 43 applications had been received and seven incubatees were admitted, among whom three local awards and one international award were attained.

WAY FORWARD

Review of FDF for film sector

45. In view of the considerable changes in Hong Kong's film market in recent years, the Government has engaged a consultant to review the effectiveness of the schemes under the FDF, to study the market trends and to propose measures. The consultancy study is due to be completed later this year. We will consider the recommendations in consultation with the FDC and formulate proposals with a view to helping the industry respond to the needs of the market more effectively, riding on opportunities brought about by the B&R Initiative and the Guangzhou-Hong Kong-Macao Bay Area Development, while meeting the FDF's established objectives of encouraging film productions, nurturing talent, cultivating audience and promoting the brand of "Hong Kong Films".

New CSI injection for non-film creative sectors

46. Over the years, a total of \$1 billion had been injected into the CSI, in batches in 2009 (\$300 million), 2013 (\$300 million) and 2016 (\$400 million). A new injection of \$1 billion into the CSI was approved

in 2018-19²². The new injection is a testimony of the significance the current-term Government attaches to the development of creative industries. Leveraging on the new funding, we will seek to achieve greater impact through different initiatives in line with the strategic foci as aforementioned with emphasis on talent nurturing, and will continue to promote the community's awareness of creativity and design thinking.

ADVICE SOUGHT

47. Members are invited to note the above and give their views.

**Communication and Creative Industries Branch
Commerce and Economic Development Bureau
29 June 2018**

²² Of the \$1 billion new CSI injection, \$300 million have been earmarked for the HKDC for the three-year funding cycle starting from 2019-20 for taking forward identified projects that are worthwhile for our support by their excellent track records.

**Funding Status of the CreateSmart Initiative (CSI) and
the Film Development Fund (FDF)
from 2015 to 2018**

		2015	2016	2017	2018 (up to end-March)
CSI	Number of applications received	162	82	71	28
	Number of projects approved	65	49	51	6
	Total approved amount	\$123.5 million	\$235.8 million^{Note}	\$137.8 million	\$13.9 million
FDF	Number of applications received	36	40	36	17
	Number of projects approved	26	19	28	6
	Total approved amount	\$41.1 million	\$29.3 million	\$61.6 million	\$24.7 million

Note: Including approved funding of \$106.5 million for Phase III of the Design Incubation Programme and Phase I of the Fashion Incubation Programme.

Key Performance Indicators (KPIs) of Create Hong Kong (CreateHK)

(A) Projects organised or sponsored by CreateHK

(Cumulative position up to end-March 2018 since the establishment of CreateHK in June 2009)

		CreateSmart Initiative (CSI)	Others⁽¹⁾	Total
		(Percentage changes against the position of 1 January 2017)		
a.	Number of approved projects	417 (+37%)	350 (+19%)	767 (+28%)
b.	Number of participants	About 24.6 million (+71%)	About 11.3 million (+8%)	About 35.9 million (+45%)
c.	Number of created job opportunities ⁽²⁾	15 400 (+23%)	9 050 (+13%)	24 440 (+19%)
d.	Number of small and medium-sized enterprise (SME) beneficiaries	1 690 (+35%)	100 (+22%)	1 790 (+34%)
e.	Number of business contacts or enquiries created for SMEs	14 200 (+19%)	100 (-)	14 300 (+19%)
f.	Number of awards attained by creative talents who have participated in international competitions with funding support from CreateHK	80 (-)	120 (+7%)	200 (+4%)
g.	Number of nurturing opportunities created for creative talent and start-ups ⁽³⁾	46 900 (+20%)	2 600 (+14%)	49 500 (+20%)
h.	Number of TV audience reached out by those funded awards presentation and musical programmes	About 279.1 million (+12%)	About 2 018.3 million (+0.1%)	About 2 297.4 million (+1%)

Remark:

- (1) "Others" mainly covers those projects funded by the Film Development Fund (FDF) and the DesignSmart Initiative (DSI) as well as projects directly conducted by CreateHK since its establishment in June 2009.
- (2) Comprising jobs directly created and indirectly created.
- (3) Number of nurturing opportunities created for creative talent and start-ups does not include those provided under the Design Incubation Programme and the Fashion Incubation Programme.
- (4) Figures may not add up to total due to rounding.
- (5) At the Legislative Council Panel on Information Technology and Broadcasting meeting on 8 January 2018, the meeting agreed that for the new \$1 billion injection into the CSI, four additional KPIs will be used, namely (a) public participation and (b) media coverage, to measure the degree of community awareness; (c) the number of opportunities to showcase creations or talent and (d) the number of business deals secured, to better quantify the benefits brought to the industry participants. These four new KPIs are not featured in this Annex, as they are made applicable to CSI projects approved from 1 April 2018 onwards.

(B) Participants' satisfaction level towards the projects organised or sponsored by CreateHK

(Cumulative position up to end-March 2018 since the establishment of CreateHK in June 2009)

		CSI	Others⁽¹⁾	Overall
a.	Percentage of respondents who rated the activities/programmes as "Excellent", "Very satisfactory" or "Satisfactory"	98%	98%	98%
b.	Percentage of respondents who rated the duration/format/content/publicity/ participation fee of the activities/ programmes as "Excellent", "Very satisfactory" or "Satisfactory"	92%-97%	91%-97%	92%-97%
c.	Percentage of respondents who considered the activities/ programmes helped achieve the following objectives: <i>Enhance Knowledge in the Business, Expand Contact Network, Explore New Business Opportunities, Better Understand the Industry's Position in the Global Markets, Broaden the Scope about the Industry</i>	80%-90%	74%-89%	79%-90%
d.	Percentage of respondents who rated the activities/programmes as "Definitely Useful", "Very Useful" and "Useful"	91%	91%	91%

Remark:

- (1) "Others" mainly covers those projects funded by the FDF and the DSI as well as projects directly conducted by CreateHK since its establishment in June 2009.
- (2) The number of respondents was around 100 000.

(C) Number and funding amount of CSI approved projects classified by strategic foci

		Cumulative total from June 2009 to end-March 2018	From 1 January 2017 to end-March 2018
a.	Nurturing talent and facilitating start-ups	189 (\$366.7 million)	20 (\$52.0 million)
b.	Exploring markets	140 (\$273.6 million)	21 (\$36.5 million)
c.	Fostering a creative atmosphere	88 (\$297.9 million)	16 (\$63.1 million)
Total		417 (\$938.1 million)	57 (\$151.7 million)

Key Programmes Funded by Create Hong Kong Since 2017

Film Sector		
<p>(1)</p>	<p>The 15th Hong Kong Asia Film Financing Forum</p> <p>The Forum is a Hong Kong-based international collaboration platform for co-financing and co-production among filmmakers and financiers. Its 15th edition was held at Hong Kong Convention and Exhibition Centre on 13-15 March 2017. Some 1 000 filmmakers and financiers from 41 countries and regions participated in the event.</p>	
<p>(2)</p>	<p>Hong Kong Film New Action 2017 - Action Power: Stunt & Vfx Workshop</p> <p>Seminar and workshop were held during FILMART on 11-16 March 2017 to showcase the pre-production, production and post-production stages of a stunt-packed film clip, with a view to promoting Hong Kong's professional film services and expanding Hong Kong's overseas film markets including Belt and Road countries.</p>	 
<p>(3)</p>	<p>Creative Visions: Hong Kong Cinema 1997-2017</p> <p>Film festivals in ten overseas cities (Berlin, London, Manchester, Moscow, Paris, Prague, Seoul, Toronto, Udine and Vancouver) in collaboration with Hong Kong Economic and Trade Offices to promote the Hong Kong film legacy. The festival programme included film screenings, receptions, seminars and talks, with attendance of Hong Kong filmmakers and/or movie artistes.</p>	

Non-film Creative Sectors

Advertising

(4) 3rd Hong Kong Digital Advertising Industry Fresh Graduate Support Scheme

The programme helped nurture talent for the digital advertising industry. Thirty-two graduates were recruited since 2017 for a one-year full-time employment and on-the-job training by the participating advertising companies.



(5) Support Program for Advertising and Music Talents (Microfilm Production)

Eighteen advertising production start-ups were provided with funding support to produce a microfilm, which featured local singers/music groups. The completed microfilms were promoted through the FILMART, social media etc.

Some completed microfilms have been invited to be screened at different film festivals such as the Festival de Cannes Short Film Corner 2017.



Architecture

(6) Hong Kong Exhibition of 2017 Hong Kong & Shenzhen Bi-City Biennale of Urbanism\Architecture

The exhibition was held from December 2017 to March 2018, under the theme “City Smarts: Density 2.0”.

Concurrent events including workshops,



forums and guided tours were held with the aim to enrich cultural life in Hong Kong, to raise wider public interest in design, architecture, planning and city development of Hong Kong, and to promote cross-disciplinary and cross-border exchanges.



(7) Cross-Strait Architectural Design Symposium & Awards 2017

The symposium was held in June 2017, followed by roving exhibitions to provide a platform for industry practitioners to exchange with and learn from industry leaders, as well as to recognise the innovation and excellence of architects in the Mainland, Hong Kong, Macao and Taiwan.



Design

(8) Business of Design Week (BODW) 2017

Italy was the partner country of BODW 2017. Business leaders and creative masters offered their insights into design, innovation and branding. BODW 2017 inspired participants on creative thinking and design management, and provided an important platform for facilitating idea exchanges and business cooperation.



<p>(9)</p>	<p>Confluence • 20 + Creative Ecologies of Hong Kong</p> <p>A large-scale exhibition staged in Hong Kong and three overseas cities (Chicago, Milan and Seoul), with a focus on the branding of Hong Kong design. The show presented iconic and inspiring projects by design talent in Hong Kong. Designer talks and workshops were held as peripheral events.</p>	
<p>(10)</p>	<p>20....43 Business of Hong Kong Design</p> <p>Design exhibitions held in five Mainland cities (Hangzhou, Shanghai, Shenzhen, Suzhou and Wuhan), to showcase design and business cases with strong partnership/collaboration between Hong Kong designers/enterprises and their Mainland counterparts, so as to foster more collaboration in the future.</p>	
<p>(11)</p>	<p>JUXTAPOSED Fashion X Music 2017</p> <p>A large-scale evening fashion catwalk with music and light show elements that featured pieces of Hong Kong fashion designers and designs of some 2017 local fashion graduates.</p>	
<p>Digital Entertainment</p>		
<p>(12)</p>	<p>2nd Hong Kong Digital Entertainment Industry Fresh Graduate Support Scheme</p> <p>The programme nurtured talent for the digital entertainment sector. In 2017, 17 graduates of digital entertainment related subjects were recruited for a one-year full time employment and on-the-job training by the participating digital entertainment companies.</p>	

<p>(13)</p>	<p>5th Animation Support Programme</p> <p>Eight participating animation start-ups and six participating small animation enterprises were sponsored to produce original creative animation work.</p> <p>Various animation films produced under the said sponsorship have won awards in international animation film festivals such as DigiCon 6 Asia.</p>	 
<p>(14)</p>	<p>The Pitch of Tension — Hong Kong Comics Power</p> <p>A comics exhibition was staged at the 44th Angouleme International Comics Festival in France in January 2017 and re-staged at Comix Home Base in Hong Kong in July-August 2017 (with 6 000 visits).</p> <p>The project offered opportunities for eight local comics artists to showcase their artworks to the world and to network with international practitioners and potential partners.</p>	 
<p>(15)</p>	<p>PLAY! Hong Kong Comics Touring Exhibition</p> <p>An event with three overseas stops (Brussels, Helsinki and Tokyo) of comics exhibition of iconic works by local comics artists, followed by an exhibition in Hong Kong.</p>	

Music

(16) Hong Kong Asian-Pop Music Festival 2017

The Festival is a core programme of the Entertainment Expo, consisted of music performance by top artistes and music contest of new artistes.

In 2017, the Festival had participation from eight Asian countries/regions, having attracted a live audience of around 7 000, and was broadcasted on television to overseas audience of over 18 millions.



(17) Ear Up Record Label Creation and Incubation Program

Twelve talented singers/bands have been recruited and provided with training in developing their independent/small labels through talks, workshops and forums.

These singers/bands had over 100 performance opportunities in Hong Kong and overseas reaching out to over 10 000 audiences. Since 2017, over 30 music albums/EPs were released by them.



(18) Ear Up Global 2017

To broaden music talent's exposure by performing outside Hong Kong, six singers/bands were paired up with mentors (local singers/bands) and were funded to perform in overseas/Mainland music festivals, namely "Zandari Festa" in Korea, "Sound of Munich Now" in Germany, "Live Wild Music



Week 2018” in the Mainland and “Noise Pop Music & Arts Festival” in the US. Training, experience sharing and visits were also held.



Printing and publishing

(19) Participation in international book fairs

The printing and publishing sector was sponsored to set up a Hong Kong pavilion in international major book fairs in Frankfurt, Taipei and Bologna in 2017.

Participating companies benefitted from the opportunities to increase exposure, expand business networks, and establish direct contacts with the potential clients or readers.



Television

(20) TV World 2017

In the Opening Forum of TV World 2017 under the theme “Is the Internet a Challenge or Opportunity for the Show Business?”, four overseas and one local industry speakers shared their insights into online business environment of television-related industries.

Workshops and discussion forums were also held to allow local industry practitioners to gain a better understanding of the recent developments in the international television industry and acquire knowledge on the latest television content production technology. Around 600 participants joined the programmes.

