

Technology startups, talent attraction and public consultation on policy are the topics of new HKFYG think tank reports from “Youth I.D.E.A.S.”

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Technology startups: enhancing conditions

The number of technology startups has surged in Hong Kong with the continuing growth of the entrepreneurial ecosystem, yet innovation in this field remains insignificant and the SAR’s global ranking for innovation has slipped for two consecutive years. Amid intense global competition, young local entrepreneurs were asked whether conditions here are sufficiently favourable.

Report No.5: Employment & Economic Development

Attitudes and values

- They recognize the market demand for technology startups in Hong Kong.
- They are convinced that innovative ideas and product quality are the keys to success.
- They stress that adequate resources for R&D are imperative.

Concerns

- Local market is too small for benefits of the internet economy to be realized.
- Tech startups can easily fail without high-quality back-end client services.
- Nearly half of the 217 business startups respondents plan to set up businesses outside Hong Kong with two-thirds targeting mainland China, but they hesitate because of worries about unfamiliarity with regulations and markets there.
- R&D funding is only 0.73% of GDP and technical innovation to turn R&D into commercially viable products is lacking.
- Practical knowledge in otherwise talented youth is substandard.
- Young entrepreneurs lack business acumen to start businesses.
- Investors are not positive about tech startups in Hong Kong.
- Hong Kong lacks an open data policy.
- Applied technology culture is unfavourable for growth of technology startups in Hong Kong.

Recommendations for government and public agencies

- Invite world-class technology companies to set up R&D centres for their products in Hong Kong to strengthen the technology industry ecosystem.
- Give partial tuition fee refunds for entrepreneurship training as a form of venture capital investment.
- Introduce high-quality business incubators and accelerators from around the world, including mainland China.
- Deepen contact between industry and academic sectors to improve practical content of technology and engineering education and internships.
- Consider a platform for small-scale public fundraising activities by startups.
- Formulate policy to open up public data and enhance the delivery of electronic public services.
- Facilitate the development of currently underdeveloped peer-to-peer electronic payment systems.



Comments from Youth I.D.E.A.S. group deputy convener and member

Cheney Cheng “The government should bring world-class tech businesses to Hong Kong to set up R&D centres in fields such as computer animation, industrial design and wearable product development. This could strengthen the tech industry ecosystem and raise the standard of locally qualified engineers.”

David Wong “Entrepreneurship education needs to be strengthened so that startup know-how is acquired systematically before setting up a company or at an early stage. This would improve the chance of success.”