

## **NOTE FOR FINANCE COMMITTEE**

### **Admission Criteria of the Hong Kong Science Park**

#### **PURPOSE**

This paper informs Members of the admission criteria of the Hong Kong Science Park.

#### **BACKGROUND**

2. At the meeting of the Finance Committee held on 6 July 2001, Members approved a commitment to inject \$2,435 million as equity and to provide \$1,043 million as a loan from the Capital Investment Fund to the Hong Kong Science and Technology Parks Corporation to enable the Corporation to proceed with the construction of Science Park Phase 2.

3. At the meeting, a Member asked for the criteria for admitting tenants to the Hong Kong Science Park.

#### **ADMISSION CRITERIA**

Encl. 4. For Members' information, details of the admission criteria of the Hong Kong Science Park are set out at the Enclosure.

**Admission Criteria of the Hong Kong Science Park**

An applicant shall meet the following conditions to be admitted as a tenant.

**(A) Core Tenants**

**(I) General**

- (a) an applicant should engage in technology intensive business and place knowledge based innovation functions that encompass decision making, research, product and market development, advanced manufacturing, customer support and associated services as a significant part of its operations in the Science Park;
- (b) an applicant's operations in the Science Park should not be primarily in mass production; although small scale pilot production or high value added production in support of product and market development and innovation may be permitted; and
- (c) an applicant's operations in the Science Park should be environmentally friendly.

(II) An applicant's operations in the Science Park must contribute to the long term economic success of Hong Kong through the development, enhancement and/or application of innovation and technology. Examples of applicants that would be acceptable are as follows -

- (a) Companies engaging in the following activities -
  - (i) Research and development of products, services and processes including market research, product management and related activities.
  - (ii) Product or process engineering, qualification and related product and production support activities.
  - (iii) Headquarters operations encompassing one or more of the above functions.
- (b) Inward investing companies who wish to start up and expand in Hong Kong and plan to engage in activities listed above within a preset period agreed in advance with the Science Park Administration.

/(c) .....

- (c) Embryo and start-up companies planning to engage in the above listed activities. Examples are companies growing out of university research activities or incubation programs or companies founded by entrepreneurs within the Hong Kong Special Administrative Region.

(III) Priority will be given to companies who

- (a) are world leaders (actual or potential) in technology, brand recognition, market coverage and/or operation excellence;
- (b) are contributing members of the fostering clusters;
- (c) have a long term commitment to building technology competence in Hong Kong through investment in people and intellectual property;
- (d) provide a significant number of high value added innovation and technology jobs locally; and/or
- (e) are engaged in the areas of electronics, information technology, biotechnology or precision engineering.

**(B) Professional Service Providers**

Professional companies providing value added services (e.g. legal, accounting, recruiting, venture fund management, training, design and marketing, consulting, etc.) are also admissible to the Science Park.