

香港特別行政區政府
The Government of the Hong Kong Special Administrative Region

Our Ref : ITCCR 27/19/1610/05
Tel No : 2737 2216
Fax No : 2730 1771

12 April 2011

Clerk to Panel
Panel on Commerce and Industry
Legislative Council Building
8 Jackson Road, Central
Hong Kong
(Attn: Ms Yue Tin Po)

Dear Ms Yue,

**R&D Centres set up
under the Innovation and Technology Fund**

At the Panel meeting on 16 November 2010, Members enquired about the level of industry contribution secured by the R&D Centres and requested a detailed breakdown by project nature (i.e. platform, collaborative and contract research projects) as per Table 6 of the Panel Paper (Ref. CB(1)389/10-11(3)). ITC undertook to provide the details.

2. In addition to Table 6, Tables 5 and 7 of the Panel paper set out the number of new projects which commenced in 2009-10 and the overall level of industry contribution of each Centre in the same period –

No. of New Projects Commenced in 2009-10
(extracted from Table 5)

Automotive Parts and Accessory Systems R&D Centre (APAS)	17
The Hong Kong Research Institute of Textiles and Apparel (HKRITA)	13
R&D Centre for Logistics and Supply Chain Management Enabling Technologies (LSCM)	9
Nano and Advanced Materials Institute (NAMI)	18
Hong Kong Applied Science and Technology Research Institute (ASTRI)	48

**Overall Level of Industry Contribution
in 2009-10 (as % of total project cost)**
(extracted from Table 7)

APAS	11.0%
HKRITA	11.4%
LSCM	13.2%
NAMI	29.3%
ASTRI	16.9%

3. A breakdown of the industry contribution by different types of projects in 2009-10 is as follows:

Types of Projects		No. of New Projects Commenced	Industry Contribution (as % of total project cost)	Overall Level of Industry Contribution
APAS	• Platform	13	\$4.9M (11.5%)	11.0%
	• Collaborative	-	-	
	• Seed	4	N/A	
	• Contract Research	-	-	
HKRITA	• Platform	13	\$4.4M (11.4%)	11.4%
	• Collaborative	-	-	
	• Seed	-	N/A	
	• Contract Research	-	-	
LSCM	• Platform	7	\$6.8M (10.8%)	13.2%
	• Collaborative	2	\$2.0M (51.3%)	
	• Seed	-	N/A	
	• Contract Research	1	\$6,500 (100%)	
NAMI	• Platform	8	\$4.0M (12.7%)	29.3%
	• Collaborative	5	\$17.7M (48.4%)	
	• Seed	5	N/A	
	• Contract Research	3	\$1.4M (100%)	

Types of Projects		No. of New Projects Commenced	Industry Contribution (as % of total project cost)	Overall Level of Industry Contribution
ASTRI	• Platform	25	\$30.1M (13.2%)	16.9%
	• Collaborative	2		
	• Seed	21	N/A	
	• Contract Research	69	\$2.9M (100%)	

Notes:

- (1) *Seed projects, which aim to provide foundation work for future platform or collaborative projects, are fully funded by ITF and do not require industry contribution.*
- (2) *Apart from platform, collaborative and seed projects, there is contract research where a R&D centre provides services to conduct research in a specific area as requested by the enterprises. Income from contract research is generally not taken as part of industry sponsorship for ITF projects. The only exception is the case of ASTRI in which due to historical reason, contract research (as well as licensing income) have been counted towards the calculation of industry contribution. Discussion is underway between ITC and ASTRI to change the accounting system to tie in with the general practice.*

Yours sincerely,



(Davey Chung)
for Commissioner for Innovation and Technology