

Panel on Commerce and Industry

List of outstanding items for discussion
(position as at 18 January 2013)

	<u>Proposed timing for discussion</u>
<p>1. Review of the Research and Development Cash Rebate Scheme</p> <p>The Administration will report to the Panel on the outcome of the review of the Research and Development Cash Rebate Scheme.</p>	February 2013
<p>2. Review of the patent system in Hong Kong</p> <p>The Administration will brief the Panel on the way forward for reviewing the patent system in Hong Kong.</p>	First quarter of 2013
<p>3. Fostering the development of intellectual property trading in Hong Kong</p> <p>At the Panel meeting on 16 October 2012, Hon Andrew LEUNG suggested that the Administration be invited to brief the Panel on the initiatives in fostering the development of intellectual property trading in Hong Kong.</p>	First quarter of 2013
<p>4. Support measures for Small and Medium Enterprises (SMEs)</p> <p>The Administration will brief the Panel on the progress of measures to assist the SMEs, including the implementation of the dedicated fund on branding, upgrading and domestic sales, and the special concessionary measures under the SME Financing Guarantee Scheme operated by the Hong Kong Mortgage Corporation Limited with Government's support.</p>	March / April 2013
<p>5. Updated initiatives on promotion of innovation and technology</p> <p>At the Panel meeting on 16 October 2012, Ir Dr Hon LO Wai-kwok requested the Administration to consider providing more tax concessionary incentives to enterprises, such as doubling the tax deduction for investment in research and development (R&D), so as to further stimulate private</p>	April 2013

**Proposed timing
for discussion**

investment in R&D. Hon CHUNG Kwok-pan suggested that the discussion should also cover initiatives to further promote innovation and technology as one of the six economic areas where Hong Kong enjoyed clear advantages.

The Administration will update the Panel on the initiatives on the promotion of innovation and technology in Hong Kong.

6. Review of the work of the Hong Kong Council for Testing and Certification

The Administration will brief the Panel on the result of the Hong Kong Council for Testing and Certification's review on the implementation of its three year industry development plan. The Panel will also be consulted on the proposed way forward of the Council.

April 2013

At the Panel meeting on 16 October 2012, Hon CHUNG Kwok-pan requested the Administration to update the Panel on initiatives to further promote the development of the local testing and certification industry as one of the six economic areas where Hong Kong enjoyed clear advantages

7. Trade relations between the Mainland and Hong Kong

The Administration will brief the Panel on the latest developments of the trade relations between the Mainland and Hong Kong, including the Mainland and Hong Kong Closer Economic Partnership Arrangement (CEPA), the restructuring and upgrading of Hong Kong enterprises and domestic sales in the Mainland, promotion of trade and investment, customs clearance of goods, intellectual property rights, etc.

Second quarter of
2013

8. Progress report on Research and Development Centres 2012-2013

The Administration will report to the Panel on Research and Development Centres' operation for 2012-2013.

June 2013

9. Progress on further liberalization under the Mainland and Hong Kong Closer Economic Partnership Arrangement

The Administration will update the Panel on the latest developments of the economic and trade co-operation and

To be confirmed

exchanges between the HKSAR Government and the Central People's Government (CPG) under CEPA, as and when there are significant developments.

At the Panel meeting on 16 October 2012, Hon Martin LIAO Cheung-kong requested the Administration to brief the Panel on efforts to complement CPG's policy of basically achieving liberalization of trade in services to Hong Kong by the end of the National 12th Five-Year Plan period.

10. Copyright protection in the digital environment

In the 2011-2012 legislative session, the Administration has withdrawn its notice to resume the Second Reading debate on the Copyright (Amendment) Bill 2011 at the Council meeting of 9 May 2012.

To be confirmed

At the Panel meeting on 16 October 2012, Hon Charles Peter MOK suggested that the Administration be invited to brief the Panel on the proposed way forward for strengthening copyright protection in the digital environment.

11. Progress of the World Trade Organization Doha Development Agenda Negotiations

The Administration will update the Panel on the latest round of multilateral trade negotiations under the World Trade Organization, as and when there are significant developments.

To be confirmed

12. Promoting wider application of intellectual property rights through tax reduction

The Inland Revenue (Amendment) (No. 2) Bill 2011 (the Bill) was passed by the Legislative Council on 7 December 2011. The main object of the Bill was to extend the scope of specified intellectual property rights (IPRs) of profit tax deduction to cover capital expenditure for purchase of three types of IPRs, namely registered trade marks, copyrights and registered designs.

To be confirmed

Taking into consideration that the objective of the proposed tax deduction was to promote the wider application of IPRs, the Bills Committee had requested the Administration to relay to the Financial Secretary for future consideration outside the context of the Bill the suggestion of extending the proposed

tax deduction scheme to more types of IPRs. At the request of the Bills Committee, the issue had been referred to the Panel for consideration to follow up. Panel members agreed that the issue should be discussed at a future Panel meeting.

13. Diversified development of industries in Hong Kong

At the Panel meeting on 29 October 2012, Dr Hon CHIANG Lai-wan suggested that the Administration be invited to brief the Panel on the initiatives in promoting diversified development of industries in Hong Kong.

To be confirmed

Hon CHUNG Kwok-pan wrote to the Panel Chairman on 1 November 2012 suggesting that the Administration be invited to brief the Panel on the initiatives in promoting the development of the fashion industry.

14. Research and development of Chinese medicines

In the course of discussion of the research and development of Chinese medicines at the Panel meeting on 18 December 2012, Panel members expressed concern about the development of the proprietary Chinese medicine (pCm) manufacturing industry in Hong Kong. Members were particularly concerned about the lack of government support and assistance to pCm traders/manufacturers, most of them were small and medium enterprises, to facilitate their compliance with the implementation of the good manufacturing practice requirements for manufacture of pCm. Panel members agreed that the issue should be discussed at a future Panel meeting with the Administration, including the Commerce and Economic Development Bureau, Innovation and Technology Commission, Food and Health Bureau and Department of Health, as well as the Committee on Research and Development of Chinese Medicines. The Panel would also receive views from relevant stakeholders on the subject.

To be confirmed

Panel members are invited to note that the Panel on Health Services will discuss the item "Development of Chinese medicine" at its regular meeting scheduled for 18 February 2013.