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Clerk to the Finance Committee
Legislative Council Secretariat
Legislative Council Complex,
1 Legislative Council Road Central, Hong Kong
(Attn: Ms Anita SIT)

15 June 2016

Dear Ms SIT,

**Finance Committee Meeting on 28 May 2016
Supplementary Information required by the Members for Item
FCR(2016-17)30 & 31**

At the Finance Committee Meeting held on 28 May 2016, Members requested the Administration to provide the following supplementary information –

- (a) the monitoring mechanisms for the developments of Stage 1 of the Science Park Expansion Programme, an Advanced Manufacturing Centre and a Data Technology Hub by the Hong Kong Science and Technology Parks Corporation (“HKSTPC”);
- (b) the study on transportation services for HKSTPC tenants; and
- (c) a list of major tenants, the length of their tenancy and the respective reasons of granting them long-term leases in the Science Park.

Having consulted HKSTPC, our responses are as follows.

On (a), HKSTPC would put in place a comprehensive multi-level mechanism to monitor every stage of the development programme to ensure that the projects will be delivered on schedule and within budget. An in-house project management team, led by its Chief Project Development Officer, will oversee the tendering process, supervise the consultants, contractors and resident site staff, as well as monitor the entire development process. The implementation of these projects would also be overseen by the Board of Directors of the HKSTPC, which comprises 16 non-executive directors (excluding the ex-officio member) with diverse skills and experience from various sectors, including industry, property development, finance, investment, legal and accounting as well as the academia. The Permanent Secretary for Innovation and Technology is an ex-officio member on the Board.

Procurement of consultancies and works contracts for the aforementioned projects will closely follow Government tendering procedures and practices. Tender assessment panels comprising Board Members, senior management team of the HKSTPC as well as representatives from the Innovation and Technology Commission will be tasked to assess the tenders and make recommendations to the Projects and Facilities Committee, which in turn will seek the Board's approval to award the tenders. All procurement processes are under close scrutiny by the Corporation's Internal Audit and the Audit Committee of the Board.

During the construction phase, the project management team will hold regular meetings with all concerned parties and conduct site inspections to review the construction progress, cost, safety measures and quality, etc., ensuring that they are in compliance with statutory requirements, best industry practices as well as the main project milestones.

On (b), HKSTPC has engaged a survey company to conduct a customer survey at the Hong Kong Science Park so as to understand the needs of the science park community for improving the public transport services in the Science Park. The study is still on-going. The Corporation will share the key findings and recommendations with Members of the Finance Committee once the review is completed.

As regards (c), all Science Park tenants would generally be offered a standard lease term of three years. When the lease approaches expiry, the tenant would need to submit an application for renewal to HKSTPC.

The renewal application will be assessed based on the same set of admission criteria as other new applicants. Lease duration longer than three years would only be approved on a case-by-case basis. Relevant considerations include the investments made or committed, relevance of the concerned technologies and the likely contribution to the innovation ecosystem of Hong Kong.

At present, there are 14 major tenants each occupying a floor area of 20,000 sq ft or more, of which only five have been granted leases with six or more years. Names of these 14 tenants and their respective first move-in dates are attached at Annex.

Yours sincerely,



(Vincent TANG)

for Commissioner for Innovation and Technology

c.c. Secretary for Innovation and Technology
(Attn: Ms Anna Leung)
Hong Kong Science and Technology Parks Corporation
(Attn: Ms Freda Wu)

Encl.

List of Large-scale Tenants (over 20,000 sq ft)
in the Hong Kong Science Park

Company name	First Move-in Date
Solomon Systech Limited	2003
Hong Kong Applied Science & Technology Research Institute Company Limited	2004
Philips Electronics Hong Kong Limited	2004
SAE magnetics (HK) Limited	2004
Sierra Wireless Hong Kong Limited	2005
CargoSmart (Hong Kong) Limited	2008
Johnson Electric International Limited	2008
Nano and Advanced Materials Institute Limited	2009
Mad Head Limited	2012
Gibson Innovations Limited	2014
Gold Peak Industries (Holdings) Limited	2014
Arrow Asia Pac Limited	2015
China Stem Cell Clinical Applications Centre Limited	2015
GP Batteries International Limited	2015