

香港特別行政區政府

創新及科技局

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INNOVATION AND
TECHNOLOGY BUREAU

THE GOVERNMENT OF THE HONG KONG
SPECIAL ADMINISTRATIVE REGION

20/F, West Wing, Central Government Offices,
2 Tim Mei Avenue, Tamar, Hong Kong

By email

26 June 2017

Mr Desmond LAM,
Clerk to Panel on Commerce and Industry,
Legislative Council Complex,
1 Legislative Council Road,
Central, Hong Kong

Dear Mr LAM,

**Panel on Commerce and Industry
Information requested at the meeting on 21 March 2017**

At the meeting of the Panel on Commerce and Industry held on 21 March 2017, Members requested the Government to provide the following information: (a) the plan for promoting research and development (“R&D”) outcomes of Hong Kong at the international level; (b) a list of sites that have currently been reserved for developments related to innovation and technology (“I&T”) and the sites of which the usage is subject to review in the light of the development of the “Hong Kong-Shenzhen Innovation and Technology Park” at the Lok Ma Chau Loop; (c) the progress of the review on the uses of the sites currently reserved for I&T-related developments; and (d) the measures to facilitate procurement of local information and communications technology products by government bureaux and departments (“B/Ds”) without violating the Agreement on Government Procurement (“GPA”) of the World Trade Organization.

Having consulted the relevant B/Ds, our reply is as follows:

(a) The size of the local market in Hong Kong is limited. To facilitate “industrialisation” or “commercialisation” of local R&D results, we must encourage the industry to expand into the Mainland and overseas markets, and strengthen technological collaboration with the Mainland and overseas.

The Government and other quasi-government organisations have been supporting the R&D and promotion of new technologies through different measures. For example, the Hong Kong Trade Development Council assists local I&T enterprises in promoting their R&D outcomes, products and services and expanding their businesses through organising promotional and exhibition activities. On the other hand, the Hong Kong Science and Technology Parks Corporation (“HKSTPC”)

provides a number of business support services for its partner companies. In terms of marketing, HKSTPC encourages and assists in arranging for its companies to participate in different international exhibitions and competitions. Besides, HKSTPC has launched programmes such as “Technologies from Science Park”, “Industry Connect@Science Park”, etc. to foster inter-disciplinary exchange and business matching, thereby providing more channels for technology enterprises to get in touch with potential clients or collaborative partners.

(b) & (c) The required information is set out in the information paper at **Annex**.

(d) On the condition of not violating the GPA, the Government has implemented a number of facilitation measures to encourage local suppliers (including small and medium enterprises (“SMEs”)) to bid for government information technology (“IT”) projects. They include –

- (i) under practical circumstances and without affecting the entire project, breaking large-scale projects into multiple projects of smaller size, in order to provide more opportunities for SMEs to be awarded government contracts;
- (ii) if the tender involves more than one contract, B/Ds would avoid awarding to the same tenderer to help more suppliers (including SMEs) to bid for government projects;
- (iii) lowering the contract deposits to be paid by the contractors;
- (iv) providing free electronic procurement services through the “GovProcurement” website to improve tenderers’ efficiency and reduce their efforts in preparing tender submission;
- (v) providing a quarterly catalogue of projects for private sector participation on the “Digital 21 Strategy” website for suppliers’ (including SMEs’) reference; and
- (vi) launching platforms such as the “Suppliers Community Portal” and “IT Promotion Database” on the website of the Office of the Government Chief Information Officer (“OGCIO”), in order to facilitate suppliers (including SMEs) to introduce their scope of business and products to B/Ds.

To encourage more SMEs to bid for government IT projects, the OGCIO has introduced a number of enhancements in the new round of tendering for the “Standing Offer Agreement for Quality Professional Services”, including –

- (i) regarding the “minor groups” which were created under service categories (2) and (3) (i.e. “on-going services” and “system development and implementation services”) to attract SMEs to participate in the agreement, the relevant contract value limit has been raised from \$1.43 million to \$3 million, so that SMEs can participate in government projects of higher value. Also, we stipulate that the same supplier can only bid for either the minor or major group of the relevant service category, in order to allow more SMEs to participate in government projects;
- (ii) increasing the number of contractors under each category of IT professional services from 12 to 16, so that more suppliers (including SMEs) can participate in government projects;
- (iii) lowering the basic requirement for tendering in some service categories by lowering the aggregate sales volume of the bidders over the past three years to about one third of the current requirement, in order to attract more SMEs to submit tenders; and
- (iv) putting more emphasis on the technical aspect in B/Ds’ technical and price assessments for individual projects. In some suitable projects, such as strategic studies, and design and implementation of robust and quality IT solutions, the price/technical ratio has been changed to 60:40 from the commonly adopted ratio of 70:30, in order to reflect the importance of innovative and technical elements of these projects.

Yours sincerely,



(Ricky CHONG)

for Secretary for Innovation and Technology

c.c. Innovation and Technology Commission
(Attn.: Mr Vincent TANG)

Office of the Government Chief Information Officer
(Attn.: Ms Donna CHAN)

Information paper

**Legislative Council
Panel on Commerce and Industry**

Sites reserved for innovation and technology development

PURPOSE

At the meeting of the Panel on Commerce and Industry on 6 March 2017, Members requested the Government to inform the Panel of the sites that have currently been reserved for innovation and technology (“I&T”)-related developments, and the sites which are subject to review in light of the development of the “Hong Kong-Shenzhen Innovation and Technology Park” at the Lok Ma Chau Loop.

SITES RESERVED FOR I&T DEVELOPMENT

2. The Government attaches great importance to I&T development, and actively identifies land to provide the necessary operating space for the development of the industry. When planning new development areas (“NDAs”), the Government will consider the overall development needs of the NDAs and Hong Kong in a comprehensive manner, including the land requirements for scientific research and new manufacturing industries.

3. On 3 January 2017, the Government of the Hong Kong Special Administrative Region and the Shenzhen Municipal People’s Government signed the “Memorandum of Understanding on Jointly Developing the Lok Ma Chau Loop by Hong Kong and Shenzhen”, agreeing to jointly develop the 87-hectare Lok Ma Chau Loop into “Hong Kong-Shenzhen Innovation and Technology Park”, setting up a key base for scientific research, as well as relevant higher education, cultural and creative and other complementary facilities, with a view to attracting leading enterprises, research and development institutions and higher educational institutions from the two places, the Mainland and overseas. The Government intends to submit the funding application to the Legislative Council in end 2017/early 2018 at the earliest, so

as to commence the Advance Works and the detailed design of Main Works Package 1, and study the appropriate package to kick-start the related works as soon as possible, including developing the entire Loop area by phases, with a view to providing sites available for development to the Hong Kong Science and Technology Parks Corporation for superstructure development.

4. In view of the latest developments of the Loop area, we will continue to review the sites reserved for I&T development with the relevant departments. The latest position of the concerned sites is set out in the **Table** attached.

CONCLUSION

5. The Government shall continue to identify land for developing the I&T industry and review the most appropriate uses of the sites in light of the latest developments in a timely manner.

6. Members are invited to note the contents of the paper.

Innovation and Technology Bureau
June 2017

**Sites reserved for I&T development
(excluding the Lok Ma Chau Loop)**

	Site	Approximate area reserved for I&T	Latest position
1.	Remaining sites within the three existing Industrial Estates in Tseung Kwan O, Yuen Long and Tai Po	10.5 hectares	To be developed by HKSTPC subject to the review on the land use demand under the “re-industrialisation” policy.
2.	Government land at the junction of Chong San Road and Science Park Road, Pak Shek Kok, Tai Po	0.28 hectares	HKSTPC plans to build a residential institution cum ancillary office (i.e. InnoCell). The relevant application was approved with conditions by the Town Planning Board on 5 May 2017.
3.	Tuen Mun Area 38	10.8 hectares (to be further studied)	The site is currently used as the public fill bank by the Civil Engineering and Development Department. The feasibility of using the site for future I&T development is subject to further review.
4.	Yuen Long Industrial Estate Extension at Wang Chau	15 hectares (to be further studied)	According to the planning and engineering study completed by HKSTPC in February 2014, the site was technically feasible for the development of the industrial estate extension. This site is to be developed by HKSTPC as an extension to the Yuen Long Industrial Estate under the “re-industrialisation” policy.

	Site	Approximate area reserved for I&T	Latest position
5.	Kwu Tung North New Development Area	17.5 hectares	Suitable sites have been planned for research and development (5.8 hectares) and business and technology park (11.7 hectares) on the Outline Zoning Plan.
6.	Hung Shui Kiu New Development Area	9 hectares	Suitable sites have been reserved for I&T-related development on the Outline Zoning Plan. Detailed development plan of the sites is subject to further study.
7.	Site near Liantang / Heung Yuen Wai Boundary Control Point	56 hectares	Detailed usage of land will be further considered subject to the results of the preliminary planning study being conducted by HKSTPC.
8.	New Territories North	To be further studied	A number of sites located in the Potential Development Areas (“PDAs”) in the New Territories North (“NTN”) have been identified as having potential for I&T-related development in the “ <i>Preliminary Feasibility Study on Developing the NTN</i> ”. The PDAs have been promulgated under the context of public engagement exercise for “Hong Kong 2030+: Towards a Planning Vision and Strategy Transcending 2030” (“HK2030+”) from October 2016 to April 2017; to be followed by detailed Planning & Engineering Study, subject to the outcome of public engagement of “HK2030+”. Detailed development plans for the identified sites are to be further studied.