

香港特別行政區政府

創新及科技局

香港添馬添美道二號
政府總部西翼二十樓



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

12 July 2018

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
Meeting on 17 October 2017**

**Briefings by the Secretary for Commerce and Economic Development,
the Secretary for Constitutional and Mainland Affairs
and the Secretary for Innovation and Technology
on the Chief Executive's 2017 Policy Address**

At the meeting on 17 October 2017 on the subject agenda item, the Panel requested the Government to provide information on the division of work between the Commerce and Economic Development Bureau and the Innovation and Technology Bureau in relation to the various policy initiatives under the Chief Executive's 2017 Policy Address, as well as the updated policies and directions for the promotion of "re-industrialisation". The Innovation and Technology Bureau's response is enclosed herewith for Members' reference.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Emily NG', written over a light blue grid background.

(Miss Emily NG)

for Secretary for Innovation and Technology

c.c. Commissioner for Innovation and Technology (Attn.: Mr WONG Wang Wah)

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the Secretary for Constitutional and Mainland Affairs
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**Supplementary Information
from the Innovation and Technology Bureau (“ITB”)**

**ITB’s Major Policy Initiatives under the Chief Executive’s
2017 Policy Address**

ITB has been promoting the development of innovation and technology (“I&T”) from various aspects, which include : promoting research and development (“R&D”), investing in I&T infrastructure, supporting technology start-ups, supporting small and medium enterprises to adopt technology, nurturing I&T talent, promoting I&T cultures etc. As announced in the Chief Executive's 2017 Policy Address, the Government would step up its efforts to develop I&T in eight major areas, and actively develop Hong Kong into a smart city. Major policy initiatives of ITB include –

- (a) providing enhanced tax deduction for expenditure incurred by enterprises on R&D;
- (b) launching the \$500 million Technology Talent Scheme;
- (c) enhancing the Internship Programme;
- (d) setting up key collaborative technology platforms in our focused technology and research areas;
- (e) taking forward Innovation and Technology Venture Fund;
- (f) providing the infrastructure critical for R&D and “re-industrialisation”;
- (g) promulgating the Smart City Blueprint for Hong Kong;
- (h) promoting and supporting departments to open data;
- (i) providing support to the Steering Committee on Innovation and Technology led by the Chief Executive;
- (j) transferring the Efficiency Unit to ITB; and
- (k) promoting the adoption of technology by government departments to enhance service quality etc.

Promoting “Re-industrialisation”

2. The Government is committed to promoting “re-industrialisation” with a view to developing high-end manufacturing that is based on new technologies and smart production but does not occupy much land, thereby providing a new engine for growth for Hong Kong’s economy and creating quality and diversified employment opportunities.

3. Since the establishment of ITB in November 2015, we have been committed to providing support in terms of land and infrastructure, technology, financial support and talent to assist the existing industries in upgrading and transforming, as well as supporting the development of emerging high value-added industries, thereby achieving “re-industrialisation”.

4. On infrastructure, the Hong Kong Science and Technology Parks Corporation (“HKSTPC”) endeavours to provide space for sustaining “re-industrialisation”. HKSTPC is building a Data Technology Hub and an Advanced Manufacturing Centre in the Tseung Kwan O Industrial Estate, which are expected to be completed in 2020 and 2022 respectively. As for long-term planning, we are actively developing the “Hong Kong-Shenzhen Innovation and Technology Park” (“the Park”) in the Lok Ma Chau Loop, with a view to setting up a key base for cooperation in scientific research to promote commercialisation and industrialisation of R&D results. This year’s Budget proposed to earmark \$20 billion to support for the first stage of the Park’s development.

5. On technical front, the five local R&D Centres have been actively engaging in area-specific R&D related to “re-industrialisation”. Besides, the Hong Kong Productivity Council has been providing comprehensive service to facilitate enterprises in moving towards high value-added production and gradually upgrading to Industry 4.0. For instance, the “Inno Space” was established in October last year, and the “Smart Industry One Consortium” was set up in March this year.

6. On funding support, there are various funding programmes under the Innovation and Technology Fund (“ITF”), including the Innovation and Technology Support Programme, the University-Industry Collaboration Programme, the Enterprise Support Scheme, the Midstream Research Programme for Universities and the Patent Application Grant, etc. These funding programmes promote re-industrialisation by encouraging universities, public research institutions and enterprises to carry out more midstream and downstream R&D work and to commercialise their R&D outcomes.

7. On talent, we are focusing in training cross-industry and cross-sectoral talents. Through various measures, e.g. the Internship Programme, the Innovation and Technology Scholarship Award Scheme as well as incubation programmes of the Hong Kong Science Park and Cyberport, we identify and nurture young people with potential, and provide them with opportunities to unleash their potential. Furthermore, the Government is working on the establishment of two research clusters on healthcare technologies and on artificial intelligence and robotics technologies to attract the world's top technology institutions to Hong Kong, thereby pooling technology talent. Besides, we will launch in the third quarter this year the Technology Talent Scheme, comprising the Postdoctoral Hub programme and the Re-industrialisation and Technology Training Programme, to nurture and bring together more technology talent.

8. ITB will brief the Panel on the Government's measures to support "re-industrialisation" and the latest development of the Hong Kong Science Park and industrial estates at the meeting on 17 July 2018.

Innovation and Technology Bureau
Innovation and Technology Commission
July 2018