

**Panel on Commerce and Industry**

**List of follow-up actions**  
(position as at 11 May 2018)

<b>Subject</b>		<b>Date of Meeting</b>	<b>Follow-up action required</b>	<b>Administration's response</b>
1.	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	25.1.2017	The Administration was requested to provide a full copy of the consultancy report of the Demand Study for New Convention and Exhibition Facilities in Hong Kong for members' information.	The Administration advised on 3 April 2017 that it had reviewed the consultancy report and obtained legal advice, and considered that the commercially sensitive information should be redacted before the report could be provided to members for information. The Administration was expediting the redaction of commercially sensitive information so as to make the redacted consultancy report available to members for reading as soon as possible.
2.	Way forward for the Trade Single Window ("SW") project	18.4.2017	The Administration was requested to update the Panel of the progress of the business process review of the existing business workflows of 51 Business-to-Government trade documents covered by the SW project which involved the policy areas of over ten Government bureaux and departments with a view to streamlining the existing	The relevant information was provided in paragraphs 6, 7 and 11(d) of the Administration's paper dated 8 May 2018, which was issued to members on 9 May 2018 (LC Paper No. CB(1)921/17-18(03)).

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			arrangements and identifying room for improvements and efficiency savings.	
3.	Promotion of inward investment	20.6.2017	The Administration was requested to include in its next annual report or a progress report the work directions for InvestHK to strengthen its role in providing ongoing support services (such as advice on and assistance in compliance with all the relevant legislation and regulations and liaison with other Government departments to help apply for necessary licences, etc.) to companies which are keen to set up or expand their businesses in Hong Kong.	The Administration to follow up.
4.	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	17.10.2017	In respect of the 2017 Policy Address, the Administration was requested to provide information on –  (a) 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 2017 Policy Address;  (b) the details of measures to facilitate the flow of capital between Hong Kong and other cities in the Guangdong-Hong	The Administration to follow up.

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			<p>Kong-Macao Bay Area; and</p> <p>(c) the updated policies and directions for the promotion of re-industrialization, particularly the promotion of the related midstream and downstream sectors, in addition to upstream research and development.</p>	
5.	Proposal for an enhanced tax deduction for research and development expenses	16.1.2018	The Administration was requested to provide a comparison of its proposal for an enhanced tax deduction for research and development expenses with similar tax deduction arrangements in other countries such as Singapore (i.e. the Productivity and Innovation Credit Scheme) and Israel.	The information provided by the Administration was circulated to members on 11 May 2018 (LC Paper No. CB(1)954/17-18(01)).
6.	Latest position of the testing and certification ("T&C") industry in Hong Kong	27.2.2018	<p>The Administration was requested to provide information on –</p> <p>(a) the courses dedicated to the T&amp;C industry offered by the tertiary education sector and the number of graduates of such courses joining the industry; and the Administration's effort in encouraging students to take relevant subjects (e.g. Chemistry) in secondary schools and enhancing students' interests in the T&amp;C sector;</p>	The Administration to follow up.

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		<p>(b) whether the Administration would consider developing relevant accreditation and T&amp;C services for innovation and innovation management in various industries;</p> <p>(c) whether the Administration would suitably adjust the requirements of the qualifications framework to align with the practical needs of the relevant industries, including the beauty and hairdressing industry;</p> <p>(d) how the Administration would make use of T&amp;C to upgrade Hong Kong's overall quality assurance systems, e.g. by implementing market surveillance audit to inspect the integrity and quality performance of auditors and certification bodies; and</p> <p>(e) how the Administration would make use of T&amp;C and accreditation services to contribute to the branding and marketing promotion of Hong Kong's products and services.</p>	

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7. Progress of the implementation of the Dedicated Fund on Branding, Upgrading and Domestic Sales and enhancement of the various SME funding schemes	20.3.2018	<p>The Administration was requested to provide information on –</p> <p>(a) the improvement measures to the existing application and vetting procedures for the various small and medium enterprises ("SME") funding schemes, including: (i) simplifying the application procedure and the information required in support of the application; (ii) shortening the vetting and approval time; and (iii) setting up a centralized frontline office to promote the funding schemes and provide a one-stop service to assist SMEs in submitting applications for the various schemes; and</p> <p>(b) the effort so far in collaborating with industry organizations to actively promote the various SME funding schemes to the various industries, in particular the travel industry.</p> <p>The Administration was also requested to follow up with the Hong Kong Monetary Authority on the difficulties faced by SMEs (particularly those SMEs with business operations in the Mainland and Belt and</p>	The information provided by the Administration was circulated to members on 3 May 2018 (LC Paper No. CB(1)907/17-18(01)).

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			Road countries) in opening bank accounts, especially in major international banks.	
8.	Injection into the Innovation and Technology Fund	20.3.2018	<p>The Administration was requested to provide information on –</p> <p>(a) the improvement measures to the application and vetting procedures for the various funding programmes under the Innovation and Technology Fund ("ITF"), including setting up a centralized frontline office to promote the funding programmes and provide a one-stop service to assist SMEs in their submission of applications for the various programmes;</p> <p>(b) whether key performance indicators would be set to evaluate how effectively each funding programme under ITF was achieving its key objectives, as well as the benefits brought about to Hong Kong economy as a whole, in particular the effectiveness in attracting overseas talents to Hong Kong and grooming local talents; and</p> <p>(c) the measures to further encourage investment in R&amp;D, including:</p>	The Administration to follow up.

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			(i) considering the setting of a target of R&D investment as a percentage of gross domestic product ("GDP"), (ii) attracting multinational corporations to set up their R&D centres in Hong Kong, and (iii) retaining local R&D deliverables in Hong Kong's industry chain, by drawing reference from the successful experience of Israel and Singapore, which had high levels of R&D investment as a percentage of GDP.	
9.	Proposed amendment to the Import and Export (Registration) Regulations (Cap. 60E) for setting a cap on import and export declaration charges	10.4.2018	The Administration was requested to provide a breakdown by industry and/or type of goods (e.g. durable goods, consumer goods, daily necessities or cosmetics, etc.) of the 900 000 import and export declaration ("TDEC") cases which would benefit from the proposed \$200 cap on TDEC charges.	The relevant information was provided in paragraph 3 and the Annex to the Administration's response dated 2 May 2018, which was circulated to members on 3 May 2018 (LC Paper No. CB(1)904/17-18(01)).