

**Speaking Notes of the Secretary for Innovation and Technology
at the Special Meeting of the Finance Committee
on 15 April 2020 (Wednesday)**

Chairman, Members,

Promoting development of innovation and technology is one of the work priorities of the current-term Government. Since the current-term Government took office, we have been launching and implementing a series of measures along the eight major areas set forth for further perfecting the innovation and technology (“I&T”) ecosystem in Hong Kong. Up till now, we have already committed over \$110 billion to support the development of I&T. The Financial Secretary, as announced in his 2021-22 Budget (“the Budget”), has continued to consolidate and strengthen the relevant measures, especially in nurturing and bringing together talents, promoting research and development (“R&D”) and supporting tech start-ups, etc. I will give a brief overview of the relevant enhanced key measures in the Budget as follows.

2. With regard to nurturing and bringing together talent, In order to let the next generation learn about and grasp the benefits of I&T, we will extend the IT Innovation Lab in Secondary Schools Programme to publicly-funded primary schools to enhance students' interests and knowledge in information technology. In addition, we will also regularise the STEM Internship Scheme, under which subsidies are provided for students who study science and technology in local universities to enroll in short-term I&T related internships, so as to encourage them to gain full-time job experience related to I&T and to enlarge the pool of I&T talent in Hong Kong.

3. Concerning the promotion of R&D, the Budget has announced to inject in total \$9,500 million to the Innovation and Technology Fund (“ITF”) two years in a row to sustain its 17 funding schemes as well as the work of over 50 R&D laboratories in the next three years. All along, the ITF has been financing projects that contribute to the I&T upgrading in our manufacturing and services industries, thereby promoting the long-term development of Hong Kong.

4. As for supporting tech start-ups, the Hong Kong Science and Technology Parks Corporation (“HKSTPC”) and Cyberport will inject \$350 million and \$200 million into the Corporate Venture Fund and Cyberport Macro Fund respectively and extend their scope to cover Series B and later stage investments. The HKSTPC and Cyberport will co-invest in their tech start-ups with immense potential with other private and public investors.

5. In the coming year, apart from implementing the initiatives and proposals put forward in the Budget, our key tasks include the following five categories –

- Firstly, we will continue taking forward I&T infrastructure projects. We are pressing ahead with the development of the Hong Kong-Shenzhen Innovation and Technology Park in the Loop. The first batch of facilities is expected to be completed in phases from 2024 to 2027. In the short and medium term, we have previously announced the Phase 2 of the Hong Kong Science Park Expansion and Cyberport 5 development mainly for the operation of R&D and tech enterprises and incubating tech startups. The preparatory work for the expansion programmes are in good progress. Also, the InnoCell at the Science Park has now commenced operation, providing local and overseas I&T talents with spaces for smart living and creative collaboration.
- Secondly, we are preparing to launch the Global STEM Professorship Scheme in the first half of this year to support universities in attracting world-renowned I&T scholars and their teams to Hong Kong to participate in teaching and research.
- Thirdly, we will continue to implement the Greater Bay Area Youth Employment Scheme to encourage enterprises to employ Hong Kong university graduates so that the latter can undertake I&T-related work in Hong Kong and another city in GBA. It was received with an overwhelming response with over 1 100 I&T places so far, exceeding our target of 700 places.

- Fourthly, we will continue to foster re-industrialisation. The Advanced Manufacturing Centre and the Microelectronics Centre, being developed by the HKSTPC, will be completed in 2022 and 2023 respectively. At present, quite a number of enterprises have expressed interest in setting up establishments in the two centres.
- Fifthly, we will continue to promote Smart City development. In late 2020, the Government released the *Smart City Blueprint for Hong Kong 2.0*, adding new impetus under six smart areas, and launched a one-stop personalised digital services platform, "iAM Smart", which have marked an important chapter in the Smart City development of Hong Kong.

6. The promotion of I&T development can add new impetus to Hong Kong's economy and enhance people's livelihood. It is of utmost importance to the long-term development of Hong Kong. I would like to thank Members again for the support and valuable comments all along on I&T development. I appeal for the continual support of Members and the public for the work of ITB.

7. Thank you, Chairman.

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