

(Unclassified version with commercially sensitive or confidential information and Members' names removed)

BDC 16/2009

**Minutes of the 39th Meeting of the
Business Development Committee held at 9:30a.m.
on Friday, 17 July 2009 in Conference Room 1,
2nd floor, HKPC Building, 78 Tat Chee Avenue, Yau Yat Chuen, Kowloon**

Present : Chairman - Dr. The Hon. Samson Tam Wai-ho, JP

Members - Prof. Cliff Chan Chok-ki
Mr. Davey Chung
Mr. Wilson Fung
Mr. Jimmy Kwok Chun-wah, MH, JP
Mr. Lo Foo-cheung, JP
Dr. Daniel Yip Chung-yin

Absent with Apologies : Ms. Cheung Lai-ha
Mr. Cliff Sun Kai-lit, BBS, JP
Prof. Tuan Chyau

In Attendance: HKPC Chairman - Mr. Clement Chen, BBS, JP

In Attendance from HKPC:

Dr. Stephen Lee	Director, Technology Development
Mr. Edmund Sung	Director, Business Consulting
Mr. Jonathan Ho	General Manager, Corporate Communications
Mr. Alfonso Tam	Principal Consultant, Corporate Services

Welcome

The Chairman welcomed Mr. Clement Chen, Council Chairman, who attended today's meeting and Prof. Cliff Chan who attended the meeting for the first time.

Confirmation of Minutes (BDC 9/2009)

The Minutes of the 38th Meeting held on 31 March 2009 had been circulated to Members and there was no request for amendments. The Minutes were taken as read, confirmed and signed by the Chairman.

especially the SMEs.

III. Progress Update on Cleaner Production Partnership Programme (BDC 11/2009)

12. introduced the paper and said that up to the end of 2008/09, 64 awareness promotion activities had been held under the Cleaner Production Partnership Programme (the Programme) in both Hong Kong and Guangdong. Separately, 166 applications for funding support had been approved for 113 on-site assessments, 25 demonstration projects, and verification services for 28 improvement projects. The annual targets for on-site assessment projects and demonstration projects had been met or exceeded respectively. However, participation in verification projects was slower than expected, reflecting a considerable time lag for factories to implement cleaner production improvement measures and request for verification services. As at 31 March 2009, 18% (\$16.4M) of the \$93.06M funding allocation for the 5-year Programme was committed.

13. said that as at 31 March 2009, 97 environmental technology (ET) services providers were registered under the Programme and they implemented a large proportion of the approved on-site assessment projects (65%) and demonstration projects (88%). The Programme therefore had given firm support to the development and growth of the environmental industry. To enlist more participation in the Programme, publicity activities would be undertaken to share the success stories of the completed demonstration projects. Support would be provided for the Hong Kong and Guangdong ET service providers to partner with factories to join the Programme. Separately, the opportunity would be explored to extend the “greening the supply chain” campaign to the local or Mainland buyers and sourcing agents, and to form partnership with Mainland authorities for collaborative efforts in conjunction with local incentive schemes.

14. Members noted the progress of the Cleaner Production Partnership Programme and agreed that regular reports should be submitted to the BDC.

IV. Progress Report on TURN (BDC 12/2009)

15. Invited by to report, said that the TURN Pilot Programme (TURN I) was a collaboration project between HKPC

and the Commerce and Economic Development Bureau (CEDB) to encourage Hong Kong manufacturers engaged in the processing trade with supplied materials to transform, upgrade and relocate their operations. Since commencement in June 2008, 62 promotion events had been conducted in Hong Kong and the Mainland. In terms of service support, 10 new services for upgrading, transformation and relocation were launched in September 2008. 36 projects had been confirmed and another 75 project proposals were being considered by prospective clients. With regard to on-site assessment projects, 30 companies from 8 industry sectors had been selected and they were in different stages of assessment. Separately, a research study was being conducted to explore new industrial development cities in the Mainland, including 31 Alternative Destinations (轉移重點承接地) announced by the Ministry of Commerce and 26 Industry Transfer Parks in the Guangdong Province (廣東省產業轉移工業園).

16. said that based on a clear industry need for the augmentation of the present on-site assessment initiative as a complete enterprise assessment and improvement assistance programme, a follow-up proposal on a TURN Extension Programme (TURN II) was submitted to the CEDB in June 2009. The funding requested for TURN II was HK\$7M and the project duration would be 24 months. The proposal was being considered by the CEDB.

17. Members noted the progress of TURN I and the follow-up proposal on TURN II.

V. Report on Corporate Communication Strategy (BDC 13/2009)

18. said that to promote a clear profile of HKPC through media collaboration, a weekly segment 「創富生產力」 was launched featuring HKPC's Council Members, management representatives and professional consultants to promote HKPC's support programmes to industries. Since June 2008, 45 segments had been broadcasted. Under the umbrella of 「創富生產力」, a 10-part series 「星級企業·升級檔案」 was launched in May 2009 till July 2009 to present the stories of 10 enterprises as examples to encourage the industry to upgrade and transform to meet the current economic challenges. The highlight of this series was a summit titled 「企業峰會：升級轉型攻略」 held on 6 June 2009 with an audience of 400 plus. Separately, starting from June 2009, a 5-minute “voice clip” by HKPC was included in the news broadcast of RTHK 1 on a bi-weekly basis on Saturday morning, covering the latest global technology trends to reinforce HKPC's image as a technology organization for the manufacturing industries.

19. reported that, to address the financing problems faced by SMEs under the financial tsunami, a “Free Clinic” consultation service was launched in April 2009. 6 external financial experts together with HKPC’s professional consultants in IP, IT and mainland businesses were lined up to offer free one-to-one consultation advice for 12 SMEs. Separately, leveraging on its strong industry linkage in both Hong Kong and the PRD, and its solid experience in event management, HKPC had successfully provided marketing services to the Hong Kong Design Centre (HKDC) and recruited 700 participants for a “Reinventing Industries in Pearl River Delta” conference and workshops held by the HKDC in June 2009. HKPC would pursue dialogue with the ITF R&D Centres and ASTRI on HKPC’s marketing and commercialization support for them.

20. Looking ahead, said that HKPC would continue to identify collaboration platforms to communicate HKPC’s industry support programmes and initiatives. HKPC would also explore the full potential of its visitor programme as an effective platform to foster gainful relationship with various external stake holders for strategic promotion of HKPC’s business.

21. said that funding was available from District Councils for studies and other worthwhile projects for the community and HKPC should promote its profile and work at the various District Councils. In response, said that HKPC had indeed conducted environmental and building audit projects for the Shatin and Wong Tai Sin District Councils. The Management would formulate a general approach to promote HKPC’s support services to all the District Councils.

22. Members noted and supported HKPC’s Corporate Communication Strategy.

VI. Interim Performance Review of Completed ITF Projects (BDC 14/2009)

23. Members noted and accepted the interim performance review of the following 4 completed ITF projects:

- (a) Development of an Innovative Finishing System for Wet Processing of Garments and Accessories;
- (b) To Develop a Mg Semi-solid Slurry Maker for Rheo-diecasting in Production of High Strength Low Weight Mg Automotive Parts;
- (c) Development of Microcellular Foam Injection Moulding Technology Incorporated with Co-Injection Technology for Producing High Quality and

Value-Added Plastic Automotive Parts; and

(d) Development of Automobile Advanced Frontlight System.

24. _____ observed that there seemed to be a higher failure rate of HKPC's recent ITF proposals. _____ undertook to review the situation and report to the BDC.

VII. Final Performance Review of Completed ITF Projects (BDC 15/2009)

25. Members noted and accepted the final performance review of the following completed ITF project:

A Total Solution for Manufacturing of High Strength Mg Automotive Parts – Mg Thixoforming, Scraps Recycling and Billets (Feedstock) Production

VIII. Any Other Business

26. No new items were suggested.

IX. Date and Venue of Next Meeting

27. It was agreed that the date and venue of the next meeting be left open.

28. There being no other business, the Chairman thanked Members for their attendance and the meeting was adjourned at 10:45am.