

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

BDC 21/2014 (Revised)

**Revised Minutes of the 55th Meeting of the
Business Development Committee held at 2:30p.m.
on Tuesday, 11 November 2014 in the Boardroom,
2nd Floor, HKPC Building, 78 Tat Chee Avenue, Yau Yat Chuen, Kowloon**

Present : Chairman – Dr. Clement Chen Cheng-jen, SBS, JP

Members – Ir Daniel Cheng Man-chung, MH, JP
Mr. Jimmy Kwok Chun-wah, BBS, MH, JP
Mr. Leung Kwong-chuen
Mrs. Agnes Mak Tang Pik-yee, MH, JP
Mrs. Katherine Ngan Ng Yu-ying, JP
Mr. Frank Tsang
Dr. Jack Yeung Chung-kit

Absent with Apologies : Dr. Delman Lee

In attendance from HKPC :

Mr. Tony Lam	Director, Corporate Services
Mr. Gordon Lo	Director, Business Management
Mr. Joseph Poon	Director, Technology Development
Dr. Lawrence Cheung	General Manager, Automotive & Electronics (Item II only)
Mr. Alfonso Tam	Chief Manager, Council Secretariat

Confirmation of Minutes (BDC 13/2014 Revised)

The Revised Minutes of the 54th Meeting held on 15 July 2014 had been circulated to Members and there were no further requests for amendments. The Minutes were taken as read, confirmed and signed by the Chairman.

I. Matters Arising

Commercialization of Technologies

1. Members noted that for the case of the commercialization of the Automatic Engine Idlestop and Supplementary Air Conditioning System (ISAC), the licensee had decided to withdraw from the commercialization deal on grounds of the high cost involved in the installation of the system. HKPC was arranging for a new round of expression of interest and tender invitation to commercialize the ISAC.

II. Report on Industry Study on Electric Vehicle (EV) Adoption in Hong Kong (BDC 14/2014)

3. Invited by the Chairman, introduced the paper and briefed Members on the findings of a study conducted by HKPC on electric vehicle (EV) adoption in Hong Kong. The study was a follow up on an Industry Network Cluster (INC) consultation session on Green Mobility conducted on 28 June 2013 which revealed a number of issues that would significantly stifle the growth of a local EV industry on the one hand and the wider adoption of EVs by the public on the other. Desktop research on the strategies on EV adoption in other countries and interview with local EV stakeholders were conducted. A total of 13 recommendations were made in five key areas, namely (a) facilitation of an overall government role in promoting EV adoption, (b) EV charging infrastructure, (c) human capital development, (d) type approval, and (e) safe disposal of EV batteries. The recommendations were listed out in detail under paragraph 6 of the paper. The full report could be made available to Members upon request.

4. said that the EV industry was developing at a fast pace and it was anticipated that the systems, functions and provisions of EVs for private use would soon be standardized, thereby encouraging quicker and wider adoption. This being the case, it was important for government coordination to put in place the necessary support infrastructure such as a defined charging standard and charging points in good time to support EV adoption in Hong Kong.

5. Members noted the industry study on EV adoption.

including the Shenzhen-HK Productivity Institute (SZTI), recorded a loss of RMB0.3M.

12. Members deliberated in detail on how to improve the business and income position of the Mainland subsidiaries and concluded that:

- (a) the business managers of HKPC must think out of the box to help WFOEs maximize business and income opportunities and take the WFOEs and JVs essentially as additional business teams, rather than competitors, to help HKPC divisions effectively explore the vast business opportunities in the Mainland;
- (b) the Management should focus on building up teams of local staff at the WFOEs with project delivery capabilities to handle normal run-of-the-mill consultancy projects, rather than just providing facilitation and logistics support; and
- (c) over time, WFOE should develop their own competencies as independent consultants as a premise for the WFOEs to develop on a sustainable basis.

13. Members noted the business progress, strategic positioning initiatives and the way forward for the Mainland subsidiaries.

V. 2014/15 Mid-Term Report of APAS Division (BDC 17/2014)

14. Members noted the mid-term report of APAS Division for submission to the ITC in line with the funding agreement with the government, covering the R&D programme and centre operation for the first two quarters of 2014/15.

VI. Report on Projects for Government Funding Schemes (April – September 2014) (BDC 18/2014)

15. Members noted the position of HKPC's involvement in government funding scheme projects between April and September 2014 with 14 approved projects for the Innovation and Technology Fund (ITF), the SME Development Fund (SDF) and the BUD Fund (Organization Support Programme).

VII. Interim Performance Review of Completed ITF Projects (BDC 19/2014)

16. Members noted the interim performance review of 3 completed ITF projects, namely:

- (a) Deterministic 4-axis Freeform Ultra-precision Automatic Polishing Technology Development;
- (b) Development of Circumferential Bracing Technology using Functional Foam for Emergency Treatment and Maximizing the Healing Efficacy of Humeral Shaft Fracture; and
- (c) Development of Disposable and Degradable Synthetic Fibres for Textile Industry by Chelating Dual/Multiple Metal Ions Masterbatch Technology.

VIII. Final Performance Review of Completed ITF Projects (BDC 20/2014)

17. Members noted the final performance review of one completed ITF project, namely “Development of Industry-scale Plasma Treatment System for Wool/Cashmere Knitwear to Minimize Pilling”.

IX. Any Other Business

(A) Attendance Record

18. Members noted their attendance record in 2014 tabled at the meeting.

(B) 2015 Meeting Schedule

19. Members noted the proposed 2015 BDC Meeting Schedule tabled at the meeting, as follows:

Meeting	Date and Time
56 th BDC meeting	10 March 2015 (Tuesday) 2:30pm
57 th BDC meeting	14 July 2015 (Tuesday) 2:30pm
58 th BDC meeting	10 November 2015 (Tuesday) 2:30pm

X. Date of Next Meeting

20. It was agreed that the next meeting would be held on 10 March 2015 at 2:30pm.

21. There being no other business, the meeting was adjourned at 5:15pm.