

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

**BDC 22/2015 (Revised)**

**Revised Minutes of the 58<sup>th</sup> Meeting of the  
Business Development Committee held at 2:30p.m.  
on Tuesday, 10 November 2015 in the Boardroom,  
2<sup>nd</sup> Floor, HKPC Building, 78 Tat Chee Avenue, Yau Yat Chuen, Kowloon**

**Present** :      Chairman –      Mr. Stanley Lau Chin-ho, SBS, MH, JP

                                Members –      Mr. Rayson Chan  
   Prof. John Chai Yat-chiu, JP  
   Ir Prof. Daniel Cheng Man-chung, MH, JP  
   Dr. Delman Lee  
   Mr. Leung Kwong-chuen  
   Mrs. Agnes Mak Tang Pik-yee,, MH, JP  
   Mrs. Katherine Ngan Ng Yu-ying, MH, JP

**Absent with Apologies** :      Prof. Helen Meng Mei-ling

**In Attendance from the ITC** :      Mr. B.S. Yeung

**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 IV only)
Mr. Jonathan Ho	General Manager, Corporate Communications
Ms. Vivian Lin	General Manager, Finance & Procurement (Item II only)
Mr. Alfonso Tam	Chief Manager, Council Secretariat

**Welcome**

The Chairman welcomed Prof. John Chai Yat-chiu and the Innovation and Technology Commission representatives, Mr. Rayson Chan and Mr. B.S. Yeung, who attended the meeting for the first time.

## **Confirmation of Minutes (BDC 15/2015 Revised)**

The Revised Minutes of the 57<sup>th</sup> Meeting held on 14 July 2015 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**

#### **Business Focus**

1.                    said that Members supported the various business development corporate goals of HKPC when considering the 2016/17 - 2018/19 Three-year Strategic Plan for HKPC at the 57<sup>th</sup> meeting held on 14 July 2015. In his subsequent discussion with the Management, 5 areas for business development in the coming year had been targeted for focus promotion, namely: Industry 4.0, 中國製造2025, intelligent robotics, eBus and environmental management. As a start, HKPC would explore the possibility of organizing events (in the form of symposiums, conferences etc.) of international standing in these areas in the coming year or so to expand HKPC's networks, source new technologies and promote HKPC's services and standing.

2.                    agreed with                    that it was important for HKPC's R&D results to be adopted by industry for optimal commercial exploitation and to enhance the competitiveness of industries in the long run. The eBus project was a good example which had made full use of the Innovation and Technology Fund (ITF). The project had received strong industry support in the form of a considerable cash sponsorship and had also created evident government interest, principally from the Transport Department. It was therefore optimistic that the eBus would be launched commercially even though a lot of coordination with the Transport Department would be required towards obtaining type approval for the eBus.

3. Members supported the proposed development direction for business development as explained by the Chairman.

### **III. Report on HKPC's Mainland Subsidiaries (BDC 17/2015)**

14. Invited by the Chairman, introduced the paper and briefed Members on the financial performance, business update and way forward for the WFOEs, Shenzhen SZ-HK Productivity Foundation Co., Ltd. (深圳深港生產力基地有限公司) (SZJV) and Chongqing-Hong Kong Productivity Promotion Centre Co. Ltd. (重慶渝港生產力促進中心有限公司) (CQJV) for the period April to October 2015 as contained in the paper.

16. Members noted that the tax issues arising from the office relocation of DGWFOE from one tax region to another had been resolved. In future, registration of projects for tax purposes would continually be undertaken as and when such projects were created to avoid recurrence of such tax issues.

17. Members noted the business progress and strategic repositioning of the WFOEs and JVs as contained in the paper. Members also supported the Programme and Estimates for 2016/17 and the Three-year Forecast for 2016/17-2018/19 for the WFOEs and SZJV and noted that the estimates and forecast might need to be revised after the brainstorming session by the Council.

### **IV. 2015/16 Mid-Term Report of APAS Division (BDC 18/2015)**

18. Invited by the Chairman, briefed Members on the 2015/16 Mid-Term Report of the Automotive Parts and Accessory Systems R&D Centre (APAS) Division. Members noted that total expenditure for April-September 2015 was \$8.228M or \$1.955M (19.2%) below the original estimate of \$10.184M. This was mainly due to lower salary payment and equipment expenses, as well as the provision for commercialization, laboratory accreditation etc. not being utilized in the report period. With regard to the R&D Programme of APAS during April to September 2015, Members noted that:

- (a) 29 projects were on-going under APAS, including 4 new projects which were launched during the reporting period;
- (b) 3 Mainland invention patents were granted;
- (c) the total pledged industry sponsorship for 34 projects approved during April 2011 and September 2015 was equivalent to 38.2% of the total cost of these

projects, surpassing the 20% target set by the Government for 2011-2016;

- (d) under the Public Sector Trial Scheme of ITF, 1 project had been completed and 4 projects were on-going for the project deliverables of 50kW charger, 20kW charger, pedestrian warning and protection system and infotainment system for mass transportation vehicles; and
- (e) an APAS showcase was held at HKPC on 22 April 2015 to promote R&D results including MOST infotainment system, 50kW DC Quick Charger, Advanced Driver Assistance System, Battery Management System and Vehicle System Control. The event was attended by over 200 guests from different industry sectors including bus companies, local automobile trade companies, power plants, automobile parts and accessories companies.

19. Members noted the 2015/16 Mid-Term Report on the APAS Division for submission to the Innovation and Technology Commission (ITC), in line with the funding agreement with the Government.

#### **V. Report on Projects for Government Funding Schemes (April – September 2015) (BDC 19/2015)**

20. Members noted that between April and September 2015, 10 projects with HKPC's involvement had been approved under the respective government funding schemes, as follows:

- (a) Innovation and Technology Fund (ITF): 5 approved projects for \$13.8M; and
- (b) SME Development Fund (SDF): 5 approved projects for \$6.8M.

21. Members also noted HKPC's secretariat support to several Government funding schemes (details at paragraph 22 of the paper), as follows:

- (a) The BUD Fund - Enterprise Support Programme (ESP);
- (b) Cleaner Production Partnership Programme (CPPP);
- (c) CarbonSmart – Carbon Audit Pilot Fund (CAPF);
- (d) Retail Technology Adoption Assistance Scheme for Manpower Demand Management (ReTAAS); and
- (e) Recycling Fund – Enterprise Support Programme and Industry Support Programme.

## **VI. Interim Performance Review of Completed ITF Projects (BDC 20/2015)**

22. Members noted the interim performance review of 5 completed ITF projects, as follows:

- (a) Novel Design for Smoke Management under Pneumoperitoneum during Laparoscopic Intervention;
- (b) New Generation Advanced Driver Assistance System;
- (c) Development of Advanced Vehicle Management and Drive System for Plug-in Hybrid Electric Vehicle;
- (d) Development of Total Environmental Solution for Leather Tannery Industry; and
- (e) Trial: Pedestrian Warning and Protection System.

23. Members agreed to the proposal for HKPC to discontinue the practice of submitting interim assessment review of completed ITF projects to BDC. This was because the interim performance review, due upon project completion, could only provide basic information such as milestone results, financial management, major project deliverables etc. Whereas the more meaningful aspects of project results, such as project effectiveness, industry response and impact on HKPC, would only be available some time after project completion. Given that detailed assessment of the impact created by projects was already covered in the final performance review, there was no need to compile the interim performance review in future.

## **VII. Final Performance Review of Completed ITF Projects (BDC 21/2015)**

24. Members noted the final performance review of 3 ITF projects, namely:

- (a) Deterministic 4-axis Freeform Ultra-precision Automatic Polishing Technology Development;
- (b) Development of Disposable and Degradable Synthetic Fibres for Textile Industry by Chelating Dual/Multiple Metal Ions Masterbatch Technology;

and

- (c) Development of Circumferential Bracing Technology Using Functional Foam for Emergency Treatment and Maximizing the Healing Efficacy of Humeral Shaft Fracture.

**VIII. Any Other Business**

**(A) Attendance Record**

- 25. Members noted their attendance record in 2015 tabled at the meeting.

**(B) 2016 Meeting Schedule**

- 26. Members noted the proposed 2016 BDC meeting schedule tabled at the meeting, as follows:

Meeting	Date and Time
59 <sup>th</sup> BDC meeting	12 April 2016 (Tuesday) 2:30pm
60 <sup>th</sup> BDC meeting	12 July 2016 (Tuesday) 2:30pm
61 <sup>st</sup> BDC meeting	15 November 2016 (Tuesday) 2:30pm

**IX. Date of Next Meeting**

- 29. It was agreed that the next meeting would be held on 12 April 2016 at 2:30pm.
- 30. There being no other business, the meeting was closed at 5:40pm.