

**Revised Minutes of the 70th Meeting of the
Finance Committee of the
Hong Kong Productivity Council
held at 4:30p.m. on Friday, 13 November 2020
in the Board Room, 2nd Floor, HKPC Building
78 Tat Chee Avenue, Yau Yat Chuen, Kowloon**

- Present** : Chairman - Mr. Wilson Fung Ying-wai
- Members - Mr. Mohamed D. Butt
Prof. John Chai Yat-chiu, BBS, JP*
Miss Kathy Chan Nap-sze*
(Assistant Commissioner for
Innovation and Technology (Funding
Schemes), representing Ms. Rebecca
Pun, JP, Commissioner for Innovation
and Technology)
Mr. Eric Shum Chung-tin*
(Acting Principal Economist,
representing Mr. Andrew Au, JP,
Government Economist)
Mr. Felix Chow Bok-hin*
Mr. Marvin Hsu Tsun-fai
Ms. Karmen Yeung Ka-yin*

In Attendance from HKPC :

- | | |
|---------------------|-------------------------------------|
| Dr. Lawrence Cheung | Chief Innovation Officer |
| Mr. Edmond Lai | Chief Digital Officer |
| Ms. Vivian Lin | Chief Financial Officer |
| Ms. Eliza Ng | Chief People & Culture Officer |
| Ms. Gillian Luk | Senior Manager, Council Secretariat |
| Mr. Nelson Wong | Manager, Council Secretariat |

*attendance via Microsoft Teams application

Special Arrangement for the Meeting

The Chairman said that in the wake of a potential new wave of pandemic, the Finance Committee (FC) meeting was held in hybrid mode with some Members joining the meeting via Microsoft Teams application. He thanked Members for their support of the special arrangement.

Welcome

The Chairman welcomed Mr. Eric Shum Chung-tin, Acting Principal Economist, who attended the meeting for the first time.

Congratulations

The Chairman congratulated Prof. John Chai Yat-chiu on being awarded the Bronze Bauhinia Star (B.B.S.) in the 2020 Honours List announced by the Government on 1 October 2020.

Declaration of Interest

The Chairman reminded Members to declare interest should they observe any direct/pecuniary interest in any matter to be discussed at the meeting.

I. Confirmation of Minutes (F.C. 15/2020 Revised)

1. The Revised Draft Minutes of the 69th FC Meeting held on 21 July 2020 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.

II. Matter Arising

(A) Extension of Enhanced Concession Scheme to Hong Kong SMEs

2. The Chairman said that the FC endorsed by circulation on 4 September 2020 paper F.C. 16/2020 for HKPC to extend the 50% concessionary offer to Hong Kong SMEs including start-ups for another 6 months from 1 October 2020 till 31 March 2021 as a special relief measure during the pandemic. The extension was subsequently approved by the Council by circulation on 18 September 2020.

III. Programme and Estimates of HKPC for 2021/22 and Three-Year Forecast 2021/22 – 2023/24 of HKPC Income and Expenditure (F.C. 17/2020)

3. Invited by the Chairman to introduce the paper, said that the Programme and Estimates for 2021/22 were premised on the Three-Year Strategic Plan for 2021/22-2023/24 approved by the Council at its 144th meeting held on 29 July 2020. In line with the plan, HKPC would continue to provide signature support in re-industrialisation, advanced manufacturing and smart living during 2021/22 and 2023/24. At the same time, in light of the pandemic fallout and global economic uncertainties, greater impetus would be placed on on-going initiatives like technology commercialisation, support to SMEs, operation of the Hong Kong Industrial Artificial Intelligence and Robotics Centre (FLAIR), secretariat support to Government funding schemes, future skills training and international collaboration. A Voice of Industry consultation exercise was currently in progress to solicit industry views on the future business direction and mode of operation of HKPC. In case of recommendations which might impact on the activity plan for 2021/22, the Council would be consulted before implementation.

8. After discussion, Members endorsed for the Council's approval:

- (a) HKPC's Three-Year Forecast for 2021/22-2023/24; and
- (b) the detailed Programme and Estimates of HKPC for 2021/22 (in which the overall staff establishment of 739 for HKPC (excluding APAS) would be considered by the Staffing Committee at its 67th meeting to be held on 17 November 2020).

9. Members also noted the Three-year Forecast of the Mainland subsidiaries for 2021/22 to 2023/24 (paragraph 26 of paper) and the indicative funding from the Innovation and Technology Fund to support the operation of APAS in 2021/22 - 2023/24 (paragraph 30 of paper) which did not form part of HKPC's income and expenditure forecast for the purpose of subvention requirement.

V. Financial Performance of HKPC for the First Half of 2020/21 (April – September 2020) (F.C. 19/2020)

17. Members noted the financial performance of HKPC and its branches for the period April to September 2020.

VI. Quarterly Report on HKPC's Funds (F.C. 20/2020)

18. Members noted the quarterly report on HKPC's funds as presented by , covering the cash balance position as at 30 September 2020, deposit of funds in savings and time deposit accounts of various banks and interest earned.

VII. Any Other Business

(A) Sustainability Reporting

20. Members noted that HKPC's sustainability report for 2020/21 would be compiled based on the Global Reporting Initiative (GRI) Standards .

(B) Voice of Industry

21. Members noted that under the Voice of Industry consultation exercise mentioned by under Agenda Item III (paragraph 3), Council Members' views on HKPC's future business direction and mode of operation would be solicited in early 2021 during meetings to be set up with the Standing Committees. The plan was to submit a report on the opinions and recommendations received to the Council and Innovation and Technology Commission in March 2021.

(C) Attendance Record of FC Members

22. Members noted their attendance record for 2020 as circulated together with the meeting agenda and papers by email on 6 November 2020 and shown at the meeting. The Chairman reminded Members to try their best to attend future meetings.

(D) 2021 Meeting Schedule

23. Members noted the tentative 2021 FC meeting schedule, as follows:

Meeting	Date and Time
71 st FC meeting	16 March 2021 (Tuesday) 4:30pm
72 nd FC meeting	20 July 2021 (Tuesday) 4:30pm
73 rd FC meeting	16 November 2021 (Tuesday) 4:30pm

VIII. Date of Next Meeting

24. It was noted that the next meeting was tentatively scheduled for 16 March 2021 at 4:30 p.m.

25. There being no other business, the Chairman thanked Members for their attendance and the meeting was closed at 5:12 p.m.