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and Members' names removed)**

BDC 20/2021 (Revised)

**Revised Minutes of the 76th Meeting of the
Business Development Committee
of the Hong Kong Productivity Council
held at 3:00p.m. on Tuesday, 16 November 2021
by Zoom**

Present: Chairman – Mr. Emil Yu Chen-on, BBS, JP

Members – Mr. Mohamed D. Butt, MH
Mr. Bryant Chan Wan-sing
Ms. Clara Chan Yuen-shan, MH
Mr. Steve Chuang Tzu-hsiung
Mr. Paul Poon Wai-yin
Prof. Tam Kar-yan, MH, JP
Mr. Indiana Wong Man-chung
(Assistant Commissioner for Innovation and
Technology (Funding Schemes),
representing Ms. Rebecca Pun, JP,
Commissioner for Innovation and
Technology)

In Attendance from HKPC:

Dr. Lawrence Cheung	Chief Innovation Officer
Mr. Edmond Lai	Chief Digital Officer
Ms. Vivian Lin	Chief Operating Officer, Funding Schemes
Ms. Eliza Ng	Chief People and Culture Officer
Ms. Christina Cheung	Chief Financial Officer
Ms. Gillian Luk	Senior Manager, Council Secretariat
Ms. Olivia Poon	Manager, Council Secretariat

Meeting Mode

The Chairman said that Members were given the option to join the meeting in person or by Zoom application. In the event, all Members opted to join by Zoom. He thanked Members for joining the meeting.

Declaration of Interest

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

I. Confirmation of Minutes (BDC 14/2021 Revised)

1. The Revised Draft Minutes of the 75th Business Development Committee (BDC) meeting held on 20 July 2021 had been circulated to Members and there were no further requests for amendments. The Revised Draft Minutes were taken as read and confirmed and the Secretariat would arrange signing of the Minutes by the Chairman.

II. Matter Arising

(A) Report on Cooperation with Tsinghua University to Set up 香港智能自動化技術應用聯合實驗室

2. Members noted the report by [redacted] that renovation of the smart automation technology application research centre, in collaboration with the Department of Automation of Tsinghua University (清華大學自動化系) and the Research Institute of Tsinghua, Pearl River Delta (清華珠三角研究院), had been completed. Formal opening would depend on when cross-boundary travel with the Mainland could be resumed for representatives from Tsinghua to come to Hong Kong.

III. 2022/23 Targets for Key Performance Indicators (BDC 16/2021)

3. Invited by the Chairman to introduce the paper, [redacted] briefed Members on the proposed Key Performance Indicator (KPI) targets for 2022/23 [redacted].

8. After discussion, Members endorsed for the Council's approval the proposed KPI targets for 2022/23 for inclusion in the Programme and Estimates for 2022/23.

IV. Report on HKPC's Mainland Subsidiaries (BDC 16/2021)

9. Invited by the Chairman, briefed Members on the performance of HKPC's related entities in the Mainland in July – September 2021.

10. Members noted the business progress of HKPC's related entities in the Mainland up to September 2021 and the financial forecast of the WFOEs for 2022/23-2024/25 as outlined in Appendix 4 of the paper.

V. 2021/22 Mid-Term Report of Automotive Platforms and Application Systems R&D Centre (BDC 17/2021)

11. Invited by the Chairman, briefed Members on the performance, major R&D projects and marketing activities of Automotive Platforms and Application Systems R&D Centre (APAS) during the first half of 2021/22.

12. Members noted the 2021/22 mid-term report of APAS.

VI. Report on Projects for Government Funding Schemes (April – September 2021) (BDC 18/2021)

13. Members noted the report by that between April and September 2021, 14 projects with HKPC's involvement were approved for \$31.9M under government funding schemes as follows:

- (a) Innovation and Technology Fund (ITF): 10 approved projects for \$26.3M; and
- (b) Trade and Industrial Organisation Support Fund (TSF): 4 approved projects for \$5.6M.

VII. Final Performance Review of Completed ITF Projects (BDC 19/2021)

14. Members noted the final performance review of 3 completed ITF projects, as follows:

- (a) Development of High Power Silicon Carbide Power Module for Electric Vehicle Quick Chargers;
- (b) Development of Visible Light Anti-bacteria and Anti-odor Coating Materials for Vehicle Interiors; and

- (c) Trial: Development of New Generation Advanced Motorcycle Electronic Fuel Injection System.

VIII. Any Other Business

(A) Re-industrialisation Study - Hong Kong

15. Members received a presentation by on the major findings of a “Re-industrialisation Study - Hong Kong” conducted by HKPC in collaboration with HKU Business School in July - September 2021. Involving over 180 local companies through questionnaires and focus group meetings, the study aimed to explore the conditions and challenges faced by Hong Kong’s FoodTech, HealthTech and GreenTech sectors in re-industrialisation.

16. Highlights of the presentation on the study findings were as follows:

- (a) 52% of the surveyed companies had plans to move or extend their production lines to Hong Kong, from which they could radiate out to their target markets covering Hong Kong, the Mainland and Southeast Asia;
- (b) the space requirement of around 40% of the companies polled was less than 10,000 square feet;
- (c) the major challenges perceived by the surveyed companies were space and talent shortages. HKPC was well-positioned to assist the local industry to deal with these challenges by virtue of its Industry 4.0 services (intelligent production, lean plant layout, customised technical support) and FutureSkills learning programmes;
- (d) half of the surveyed companies were aware of Industry 4.0 and the advantages brought by digital transformation; and
- (e) the potential for “new generation semiconductors” to be developed into an emerging industry whose broad supply chain and the abundant demand in the Mainland would bring enormous opportunities to the Hong Kong industry and contribute to re-industrialisation in Hong Kong. To follow up, HKPC was going to organise a HK-INC consultation session in December 2021 to deep dive into this development direction.

(C) Update on Secretariat Projects

19. Members noted the update by [redacted] on HKPC’s involvement as secretariat in 12 Government funding schemes. To enhance the customer experience of funding applicants, various digitalisation initiatives were being implemented, such as digital workflow, single sign-on etc.

(D) Appointment of Mentor for ITF Project

20. Members agreed to appoint [redacted] as mentor of a new ITF project initiated by HKPC, namely “Development on Testing Algorithms and Advanced Development Toolkits for Smart Wearables and Hybrid/Traditional Watches” with approved funding of \$3.3M.

(E) Attendance Record

21. Members noted their attendance record for 2021 as circulated together with the meeting agenda and papers by email on 9 November 2021 and shown at the meeting. The Chairman reminded Members to try their best to attend future meetings.

(F) 2022 Meeting Schedule

22. Members noted the tentative 2022 BDC meeting schedule as below:

Meeting	Date and Time
77 th BDC meeting	15 March 2022 (Tuesday) 3:00pm
78 th BDC meeting	19 July 2022 (Tuesday) 3:00pm
79 th BDC meeting	15 November 2022 (Tuesday) 3:00pm

IX. Date of Next Meeting

23. Members noted that the next meeting was tentatively scheduled on 15 March 2022 at 3 p.m.

24. There being no other business, the meeting was closed at 4 p.m.