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and Members' names removed)**

P.C. 30/2024 (Revised)

**Revised Minutes of the 156th Meeting
of the Hong Kong Productivity Council
held at 3:00p.m. on Thursday, 18 July 2024 in Boardroom,
2nd floor, HKPC Building, 78 Tat Chee Avenue, Yau Yat Chuen, Kowloon**

Present: Chairman – Hon. Sunny Tan

Members – Prof. Viveca Chan E-nam
Mr. Bryant Chan Wan-sing
Ms. Clara Chan Yuen-shan, MH, JP
Mr. Brian Cheng Ho-wai
Ms. Lily Ching Ngon-lai
Mr. Raymond Ho Kam-biu, JP (Deputy Commissioner
for Labour)
Mr. Desmond Hou Ka-chun, JP (Principal Economist,
representing Mr. Adolph Leung Wing-sing, JP,
Government Economist)
Mr. Marvin Hsu Tsun-fai, JP
Mr. Geoffrey Edward Kao
Mr. Anson Lai Yat-ching, JP (Deputy Director-General
of Trade and Industry (Bilateral Trade, Controls
& Industries Support), representing Ms. Maggie
Wong Siu-chu, JP, Director-General of Trade and
Industry)
Mr. Anthony Lam Sai-ho*
Ms. Vivien Lau Man-yee
Mr. Ivan Lee Kwok-bun, JP* (Commissioner for
Innovation and Technology)
Prof. Matthew Lee Kwok-on*
Mr. Eddie Mak Tak-wai, JP* (Permanent Secretary for
Innovation, Technology and Industry)
Mr. Bernard Poon Che-wai*
Ms. Jenny Tam Kam-lin, MH
Ms. Frankie Tam Wing-see*
Mr. Donald Tong Chi-keung, GBS, JP*
Ms. Jennifer Yeung Yin-chi, JP*
Mr. Emil Yu Chen-on, BBS, JP

Absent with Apologies: Ms. Zhang Li, JP

*attendance via Microsoft Teams application

In Attendance from the Innovation and Technology Commission:

Mr. Indiana Wong Man-chung Assistant Commissioner for Innovation and
Technology (Funding Schemes)
Ms. Milly Au Yeung Shan* Senior Manager (Innovation and Technology
Fund)

*attendance via Microsoft Teams application

In Attendance from HKPC:

Mr. Mohamed D. Butt, MH Executive Director
Dr. Lawrence Cheung Chief Innovation Officer
Mr. Edmond Lai Chief Digital Officer
Ms. Vivian Lin Chief Operating Officer
Ms. Christina Cheung Chief Financial Officer
Mr. Ray Ko Chief Compliance Officer
Mr. Brian Wong Chief People and Culture Officer
Mr. Yonghai Du General Manager, Green Living and Innovation (Item
XVII (B) only)
Ms. Gillian Luk Head, Council Secretariat
Ms. Olivia Poon Manager, Council Secretariat
Ms. Jessica Yu Officer, Services and Solutions to Carbon and ESG (Item
XVII (B) only)
Mr. Luke Mitchell Andrews InnoTalent (Item XVII (C) only)
Ms. Daisy Zhou Tsz-wun InnoTalent (Item XVII (C) only)

Safety Video

A safety video was shown to Members about the safety measures in the HKPC Building.

Mode of Meeting

The Chairman said that the Council meeting was held physically in HKPC with 14 Members joining in person and 8 Members joining remotely via Microsoft Teams application. He thanked Members for joining the meeting.

Welcome to Member

The Chairman welcomed Mr. Desmond Hou Ka-chun, Principal Economist representing Government Economist, who attended the meeting for the first time.

Congratulations

The Chairman congratulated Ms. Jenny Tam Kam-lin for being awarded the Medal of Honour (M.H.) and another 3 Members, Ms. Clara Chan Yuen-shan, Ms. Jennifer Yeung Yin-chi and Ms. Zhang Li, who were appointed Justice of the Peace (J.P.) in the 2024 Honours List announced by the Government on 1 July 2024.

The Chairman also congratulated Ms. Lily Ching Ngon-lai on her new role as Deputy General Secretary with the Hong Kong Federation of Employees Unions.

Corporate Souvenirs

introduced to Members the latest corporate souvenirs produced as part of the branding campaign. These included the new corporate t-shirt and umbrella, and a miniature taxi bearing door stickers on the funding provision from the New Industrialisation Funding Scheme. In addition, a booklet was launched by the Hong Kong Industrial Artificial Intelligence & Robotics Centre (FLAIR) to promote its industrial artificial intelligence application platform named Hephaestus (天工開物).

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 (P.C. 10/2024 Second Revision)

1. The Second Revision of the Draft Minutes of the 155th Council Meeting held on 25 March 2024 had been circulated to Members and there were no further requests for amendments. The Minutes of the meeting were taken as read, confirmed and signed by the Chairman.

II. Matter Arising

(A) Paper Circulations Since Last Meeting

2. reported 4 paper circulations to Members since the last Council meeting held on 25 March 2024.

III. Annual Accounts for the Year 2023/24 (P.C. 15/2024)

4. Invited by the Chairman, briefed Members on the financial performance of HKPC, excluding APAS. said that in 2023/24,
- (a) the external income was \$831.3M;
 - (d) the total expenditure was \$602M;
 - (e) an overall surplus of \$70.2M was achieved for the year; and
 - (f) over the 6-year period since 2017/18, HKPC's income had been on an upward trend.
5. Members approved:
- (b) the annual accounts for 2023/24 which were reviewed by the Audit Committee at its 65th meeting held on 2 July 2024 and endorsed by the Finance Committee at its 81st meeting held on 9 July 2024 with no special comment.

IV. Annual Report on Key Performance Indicators (KPIs) for 2023/24 (P.C. 16/2024)

6. Invited by the Chairman to introduce the paper, said that HKPC met all the targets of the 19 Key Performance Indicators (KPIs) for 2023/24.
8. Members approved the Annual Report on Key Performance Indicators (KPIs) for 2023/24.

IX. Three-year Strategic Plan of HKPC for 2025/26-2027/28 (P.C. 21/2024)

26. Invited by the Chairman, introduced to Members the paper on Three-year Strategic Plan for 2025/26-2027/28 (Strategic Plan) endorsed by the Business Development Committee at its 84th meeting held on 2 July 2024. said that the Strategic Plan would continue to anchor on the strategic framework which comprised, among other things, the HKPC Game Plan derived from a large-scale consultation exercise with stakeholders. In support of national development strategy and the Government's policy direction, it was proposed to update the Mission Statement of HKPC to highlight all-out effort to drive new productive forces:

27. said that the newly established Future Manufacturing Hall would spearhead HKPC's related effort to enhance industry understanding of new productive forces. Relevant support measures tailored to local conditions had been introduced and good result was achieved in the Greater Bay Area as well. The objective was to lead the local traditional industry to upgrade towards smart, green, and high-end development, and nurturing emerging industries, for injecting new impetus into the innovation and technology development in the region.

28. Members approved the Three-year Strategic Plan of HKPC for 2025/26 to 2027/28 which would be reflected in the Programme and Estimates (P&E) for 2025/26 to be submitted to the Council in November 2024.

29. Members also approved the proposed update to the Mission Statement which was also featured in the HKPC Game Plan.

X. Concession to Applicant Companies of New Industrialisation Funding Scheme (from August 2024 to March 2025) (P.C. 22/2024)

30. Invited by the Chairman, introduced the proposal for HKPC to offer a 30% concession of manpower cost to applicant companies of the New Industrialisation Funding Scheme (NIFS) administered by the Innovation and Technology Commission (ITC). The aim was to encourage local enterprises to obtain HKPC's consultancy support to upgrade to smart manufacturing, as well as to attract leading enterprises to establish a presence in Hong Kong.

32. Members approved the proposal for HKPC to offer a 30% concession of manpower cost to applicant companies of NIFS for a period of 8 months from August 2024 till March 2025.

XI. Appointment of External Auditor (P.C. 23/2024)

34. Invited by the Chairman to introduce the paper, brief Members on the tender process for the appointment of external auditor to provide annual audit and tax compliance services to HKPC and its subsidiaries.

35. Members approved the appointment of the group auditor for HKPC and its subsidiaries.

XII. Quarterly Report on Integrated Learning Courses Commenced in First Quarter of 2024/25 by Programme Area (P.C. 24/2024)

36. Invited by the Chairman, briefed Members on the programme area distribution of 130 integrated learning courses commenced in the first quarter of 2024/25.

37. Members approved the quarterly report.

XIII. Report from the Audit Committee (P.C. 25/2024)

38. Members noted the report from the Audit Committee on matters considered at its 65th meeting held on 2 July 2024.

XIV. Report from the Business Development Committee (P.C. 26/2024)

39. Members noted the report from the Business Development Committee on matters considered at its 84th meeting held on 2 July 2024.

XV. Report from the Finance Committee (P.C. 27/2024)

40. Members noted the report from the Finance Committee on matters considered at its 81st meeting held on 9 July 2024.

XVI. Report from the Staffing Committee (P.C. 28/2024)

41. Members noted the report from the Staffing Committee on matters considered at its 78th meeting held on 9 July 2024.

XVII. Any Other Business

(B) Corporate Carbon Neutrality Roadmap and Progress

48. Members received a presentation by and on the roadmap by HKPC towards achieving carbon neutrality.

51. Members noted the roadmap by HKPC to move towards carbon neutrality and the progress made.

(C) Summer InnoTalent Programme 2024

52. Members noted a report by _____ on the 2024 Summer InnoTalent Programme (the Programme). Recruitment for the winter edition of the Programme would start in October 2024.

[2 InnoTalents, _____ and _____, joined the meeting at this juncture for this agenda item.]

53. _____ and _____ shared their summer internship experience which included participation in R&D projects, chit-chat with the Management in HKPC, training sessions and innovation field trips to the Greater Bay Area.

(D) Vote of Appreciation

56. Ms. Maggie Wong Siu-chu, Director-General of Trade and Industry, would take up the post of Permanent Secretary for Commerce and Economic Development on 5 August 2024. The Chairman suggested, and Members agreed, to record a vote of appreciation to her for her contribution to HKPC during her tenure as Council Member.

(E) Attendance Record of Council Members

57. Members noted the attendance record for Council and Standing Committee meetings in 2024 as circulated together with the meeting agenda and papers by email on 11 July 2024 and shown at the meeting. The Chairman reminded Members to try their best to attend future meetings of the Council and Standing Committees.

XVIII. Date of Next Meeting

58. Members noted that the next meeting was tentatively scheduled on 28 November 2024 at 3:00p.m.

59. There being no other business, the Chairman declared at 4:55pm the closure of the meeting.