Head 155 — GOVERNMENT SECRETARIAT: INNOVATION AND TECHNOLOGY COMMISSION

Controlling officer: the Commissioner for Innovation and Technology will account for expenditure under this Head.

Estimate 2024–25 ..... **$917.3m**

Establishment ceiling 2024–25 (notional annual mid-point salary value) representing an estimated 327 non-directorate posts as at 31 March 2024 rising by 12 posts to 339 posts as at 31 March 2025..... **$277.2m**

In addition, there will be an estimated ten directorate posts as at 31 March 2024 and as at 31 March 2025.

Commitment balance..... **$485.8m**

Controlling Officer's Report

Programmes

Programme (1) Support for Research and Development **Programme (2) Promotion of Technological Entrepreneurship** **Programme (3) Planning for Innovation and Technology Development** **Programme (4) Infrastructural Support**	These programmes contribute to Policy Area 17: Information Technology and Broadcasting (Secretary for Innovation, Technology and Industry).
Programme (5) Quality Support	This programme contributes to Policy Area 15: Health (Secretary for Health) and Policy Area 17: Information Technology and Broadcasting (Secretary for Innovation, Technology and Industry).
Programme (6) Subvention: Hong Kong Productivity Council, Hong Kong Applied Science and Technology Research Institute Company Limited	This programme contributes to Policy Area 17: Information Technology and Broadcasting (Secretary for Innovation, Technology and Industry).

Detail

Programme (1): Support for Research and Development

	2022–23 (Actual)	2023–24 (Original)	2023–24 (Revised)	**2024–25 (Estimate)**
Financial provision ($m)	89.5γ	104.7	108.5 (+3.6%)	**114.5** (+5.5%) (or +9.4% on 2023–24 Original)

γ For comparison purpose, the figure includes relevant provision for the staff cost which has been transferred from the former Head 55 — Government Secretariat: Commerce and Economic Development Bureau (Communications and Creative Industries Branch) and Head 181 — Trade and Industry Department due to re-organisation of the Government Secretariat with effect from 1 July 2022.

Aim

2 The aim is to promote and support applied research and development (R&D) activities which can contribute to innovation and technology (I&T) upgrading in industry.

Brief Description

3 The Commission achieves this aim by providing funding support and putting in place appropriate infrastructural facilities to encourage applied R&D activities. The Innovation and Technology Support Programme (ITSP) under the Innovation and Technology Fund (ITF) supports applied R&D projects with a view to transferring the R&D results to companies in the relevant industry. The Guangdong-Hong Kong Technology Cooperation Funding Scheme (TCFS) supports applied R&D projects which will facilitate R&D collaboration between organisations in Hong Kong and Guangdong/Shenzhen. The Mainland-Hong Kong Joint Funding Scheme (MHKJFS), introduced in April 2019, supports and encourages R&D collaboration between Hong Kong and the Mainland. The Partnership Research Programme (PRP), which merged the University-Industry Collaboration Programme (UICP) and the collaborative stream of the ITSP in January 2019, supports R&D projects undertaken by local universities and other public research institutions in collaboration with local companies. The Midstream Research Programme for Universities (MRP) supporting institutions funded by the University Grants Committee to carry out more theme-based mid-stream research in key technology areas was subsumed under ITSP, and the new round of applications for ITSP (Mid-stream, theme-based) was invited in February 2022. The Public Sector Trial Scheme (PSTS) supports the production of prototypes/samples and/or conducting of trials in the public sector to promote the realisation and commercialisation of local R&D results. The Commission also administers the Patent Application Grant (PAG) to provide funding assistance to local companies and individuals applying for patent registration of their own inventions for the first time.

4 Five R&D centres were established by April 2006 to drive and co-ordinate R&D efforts in five focus areas, namely nanotechnology and advanced materials, textiles and clothing, automotive platforms and application systems, logistics and supply chain management enabling technologies, and information and communications technologies. The R&D projects carried out by these centres, except for those contract researches the full costs of which are borne by sponsoring companies, are funded mainly by the ITF.

5 Funding is provided for State Key Laboratories in Hong Kong and Hong Kong Branches of Chinese National Engineering Research Centres to enhance their research capabilities. Financial support is also provided for designated universities to enhance their technology transfer capabilities.

6 Under the R&D Cash Rebate Scheme, companies participating in ITF-funded R&D projects or conducting R&D projects in partnership with designated local public research institutes enjoy a cash rebate of 40 per cent on their investments.

7 To assist more local technology companies in realising and commercialising their R&D outcomes and encourage public sector organisations to utilise more local R&D outcomes, the scope of funding of the PSTS has been extended to cover all technology companies conducting R&D activities in Hong Kong since March 2020.

8 Companies can claim enhanced tax deduction for expenditure on qualifying R&D activities incurred on or after 1 April 2018. The Commissioner for Innovation and Technology is responsible for designating qualified local research institutions as "designated local research institution" (DLRI) under the Inland Revenue Ordinance (Cap. 112).

9 The Commission launched the Innovation Hub@HK in August 2022 with the aim of showcasing the R&D outcomes of universities and research institutes of Hong Kong. The website provides a one-stop platform to connect universities, research institutes and the industry to facilitate commercialisation and technology transfer of R&D outcomes.

10 The performance under this programme is indicated by the extent to which the applied R&D activities receiving funding support are of relevance to the industry and the extent to which the R&D centres accomplish their research programmes effectively. Performance indicators in respect of the ITSP, TCFS, MHKJFS, PRP, UICP, MRP, PSTS, PAG, R&D centres and R&D Cash Rebate Scheme are as follows:

Indicators

	2022 (Actual)	2023 (Actual)	**2024 (Estimate)**
ITSPΨ			
applications received and processed¶	405	481	**440**
projects funded and being monitored	257	271	**326**
TCFSΨ			
applications received and processed	0Δ	401	**479**
projects funded and being monitored	80	105	**154**
MHKJFSΨ			
applications received and processed	163	243	**173**
projects funded and being monitored	66	89	**116**
PRPΨ			
applications received and processed	53	48	**51**
projects funded and being monitored	141	149	**171**
UICP			
applications received and processed^	N.A.	N.A.	**N.A.**
projects funded and being monitored	32	21	**19**

	2022 (Actual)	2023 (Actual)	**2024 (Estimate)**
MRP			
applications received and processed¶	N.A.	N.A.	**N.A.**
projects funded and being monitored	58	50	**43**
PSTS#			
applications received and processed	37	31	**27**
projects funded and being monitored	95	70	**67**
PAG			
applications received and processed	143	173	**158**
projects funded	113	107	**110**
R&D centres' projectsΦ			
Automotive Platforms and Application Systems R&D Centre			
new projects	18	22	**23**
projects funded and being monitored	87	88	**94**
R&D Centre for information and communications technologies			
new projects	43	47	**43**
projects funded and being monitored	147	119	**127**
Logistics and Supply Chain MultiTech R&D Centre			
new projects	26	28	**27**
projects funded and being monitored	78	88	**90**
Nano and Advanced Materials Institute			
new projects	38	43	**43**
projects funded and being monitored	151	184	**187**
Hong Kong Research Institute of Textiles and Apparel			
new projects	18	16	**26**
projects funded and being monitored	69	73	**85**
R&D Cash Rebate Scheme			
applications received and processed	306	314	**327**
applications approved	269	320	**319**

Ψ The figures do not include applications submitted or projects undertaken by the five existing R&D centres, which are reported under the indicator "R&D centres' projects".

¶ MRP has been subsumed under ITSP. Applications for ITSP (Mid-stream, theme-based) have been included under the indicator "ITSP" from 2022 onwards.

Δ At the request of the Department of Science and Technology of Guangdong Province, the application period of 2022 TCFS has been postponed.

∧ UICP ceased to accept new applications from April 2019 onwards.

\# The figures include PSTS applications/projects in relation to completed ITF-funded R&D projects, incubatees and tenants of the Hong Kong Science and Technology Parks Corporation (HKSTPC) and Cyberport, and other technology companies conducting R&D activities in Hong Kong. They do not include applications submitted or projects undertaken by the five existing R&D centres, which are reported under the indicator "R&D centres' projects".

Φ All projects (including ITSP, TCFS, MHKJFS, PRP and PSTS projects) undertaken by the five existing R&D centres are included.

Matters Requiring Special Attention in 2024–25

11 During 2024–25, the Commission will:

- continue to administer the various funding programmes and monitor progress of the funded projects;
- continue to support the activities of the five R&D centres with emphasis on commercialisation and technology transfer of funded projects;
- take forward the establishment of the Hong Kong Microelectronics Research and Development Institute (MRDI) to lead and promote the third-generation semi-conductor core technology in Hong Kong;
- continue with the restructuring exercise of the State Key Laboratories in Hong Kong;
- continue to administer the R&D Cash Rebate Scheme to reinforce the research culture among companies and encourage them to establish stronger partnership with designated local public research institutes;
- continue to process applications for designation as DLRIs;
- continue to promote the Innovation Hub@HK and enrich its contents with more R&D outcomes; and
- double the maximum annual funding provided for the Technology Transfer Office of each designated university to $16 million.

Programme (2): Promotion of Technological Entrepreneurship

	2022–23 (Actual)	2023–24 (Original)	2023–24 (Revised)	**2024–25 (Estimate)**
Financial provision ($m)	22.8	37.5	48.3 (+28.8%)	**54.6** (+13.0%) (or +45.6% on 2023–24 Original)

Aim

12 The aim is to promote technological entrepreneurship in Hong Kong and provide essential support to technology-based entrepreneurial activities and technology R&D in the private sector.

Brief Description

13 To encourage more private sector investment in R&D, the Commission launched in April 2015 the Enterprise Support Scheme (ESS) under the ITF to replace the Small Entrepreneur Research Assistance Programme (SERAP). The ESS provides funding support to companies of all sizes incorporated in Hong Kong to carry out R&D. The Applied Research Fund (ARF) which provides funding to technology companies in Hong Kong at the venture capital stage has been operating in a winding down mode since 2005 upon review.

14 The Commission administers the Technology Start-up Support Scheme for Universities (TSSSU). The TSSSU provides funding to six local universities to support their teams to start technology businesses and commercialise their R&D results. In addition, the Commission works closely with the HKSTPC which operates various support programmes as well as its Corporate Venture Fund to provide funding and other support for technology start-ups in their different stages of operation.

15 To stimulate private sector investments in I&T start-ups in Hong Kong, the Commission administers the Innovation and Technology Venture Fund (ITVF) to co-invest with venture capital funds selected as co-investment partners (CPs) in eligible local I&T start-ups.

16 To incentivise collaboration among industry, academic and research sectors to further promote the transformation of R&D outcomes "from 1 to N" and the industry development, the Commission launched a new "Research, Academic and Industry Sectors One-plus Scheme" (RAISe+ Scheme) in October 2023 to fund, on a matching basis, university research teams with potential to become I&T start-ups.

17 During 2023–24, the Commission:

- administered the ESS, the TSSSU and the RAISe+ Scheme;
- monitored progress of the funded projects under the ESS and the SERAP;
- administered the ITVF, including the appointment of new CPs; and
- monitored the residual work relating to the ARF and the SERAP.

18 The key performance indicators are:

Indicators

	2022 (Actual)	2023 (Actual)	**2024 (Estimate)**
SERAPμ			
projects being monitored	9	9	**9**
ESS			
applications received and processed	89	56ρ	**80**
projects funded and being monitored	118	96	**80**

μ Applications for SERAP were closed on 28 April 2015.

ρ The number of applications received in 2023 was lower than the previous year. This was mainly because of the tight financial conditions resulting in weak investment sentiment in R&D by private companies. It is anticipated that the economic environment would improve in 2024 and the number of applications would increase.

Matters Requiring Special Attention in 2024–25

19 During 2024–25, the Commission will continue to:

- administer the ESS, the TSSSU and the RAISe+ Scheme;
- monitor progress of the funded projects under the ESS; and
- administer the ITVF, including the appointment of new CPs.

Programme (3): Planning for Innovation and Technology Development

	2022–23 (Actual)	2023–24 (Original)	2023–24 (Revised)	**2024–25 (Estimate)**
Financial provision ($m)	73.1γ	129.3	108.9 (–15.8%)	**147.6** (+35.5%) (or +14.2% on 2023–24 Original)

γ For comparison purpose, the figure includes relevant provision for the staff cost which has been transferred from the former Head 55 — Government Secretariat: Commerce and Economic Development Bureau (Communications and Creative Industries Branch) and Head 181 — Trade and Industry Department due to re-organisation of the Government Secretariat with effect from 1 July 2022.

Aim

20 The aim is to support the formulation and co-ordination of I&T policies, enhance public awareness of I&T and promote technology adoption.

Brief Description

21 The Commission supports technology co-operation with the Mainland and overseas economies, and participates in relevant regional and international activities which help promote I&T.

22 To enhance public awareness and understanding of the importance of I&T, the Commission organises promotional events locally and administers the General Support Programme (GSP) under the ITF to fund projects such as seminars, exhibitions, promotion of popular science and technology competitions for students which help foster an I&T culture in the community.

23 To enhance the long-term competitiveness of local enterprises, the Commission administers the Technology Voucher Programme (TVP), which aims to subsidise local non-listed enterprises and organisations in using technological services and/or solutions to improve productivity, upgrade or transform their business processes.

24 To promote new industrialisation in Hong Kong, the Commission administers the New Industrialisation Funding Scheme (NIFS) which aims to subsidise manufacturers, on a matching basis, to set up new smart production lines in Hong Kong. The NIFS was renamed from the Re-industrialisation Funding Scheme (RFS) with effect from October 2023 and enhanced in January 2024 to allow each company to have three concurrent applications/projects at any one time.

25 The Innovation and Technology Fund for Better Living (FBL), launched by the former Innovation and Technology Bureau in May 2017 and transferred to the ITF in June 2021, aims to fund I&T projects which will make people's daily life more convenient, comfortable and safer, or address the needs of specific community groups.

26 The Commission also administers four programmes to pool together and nurture technology talents:

- Launched in July 2020, the Research Talent Hub (RTH) merged the former Researcher Programme and Postdoctoral Hub to provide financial support for eligible organisations/companies to engage research talents to carry out R&D work. It aims to provide opportunities for graduates from tertiary institutions to acquire research and industrial experience, stimulate the interest of graduates in applied R&D activities and help nurture a larger pool of research talents;
- the STEM Internship Scheme subsidises university students in Science, Technology, Engineering and Mathematics (STEM) disciplines to gain I&T-related work experience through participation in short-term full-time internships, so as to enlarge the local I&T talent pool;
- the Technology Talent Admission Scheme (TechTAS) provides a fast-track arrangement for eligible companies to admit overseas and Mainland technology talents to undertake R&D work for them in Hong Kong; and
- the New Industrialisation and Technology Training Programme (NITTP) subsidises local companies to train their staff in advanced technologies. The NITTP was renamed from the Reindustrialisation and Technology Training Programme (RTTP) with effect from October 2023.

27 To promote the downstream development of new industrialisation, the Commission plans to launch a new "New Industrialisation Acceleration Scheme" (NIAS) in 2024 to fund eligible enterprises in the fields of life and health technologies, AI and data science, advanced manufacturing, and new energy technologies on a 1 (Government): 2 (Company) matching basis to set up new smart production facilities. In order to attract enterprises from the aforementioned strategic fields to engage in additional research and development work as well as establish and operate advanced production facilities in Hong Kong, the Commission will also optimise RTH to allow companies under NIAS to engage more research talents, as well as suitably revise TechTAS to allow enterprises under NIAS to flexibly employ non-local technical personnel.

28 During 2023–24, the Commission:

- enhanced technology co-operation with the Mainland at the central, regional, provincial and municipal levels through various co-operation mechanisms, including the Mainland/Hong Kong Science and Technology Co-operation Committee, the Pan-Pearl River Delta Joint Conference on Regional Co-operation in Science and Technology, and the Guangdong/Hong Kong Expert Group on Co-operation in Technology and Innovation;
- organised exhibitions and workshops as well as sponsored competitions to promote I&T culture and popular science to different sectors of the community through the GSP;
- sponsored and supported the Innovation and Technology Scholarship to nurture young talents to become future leaders in I&T;
- administered the TVP to support enterprises to improve productivity;
- administered the STEM Internship Scheme to provide allowance to STEM university students to undertake short-term full-time internships in I&T-related work; and
- organised the nine-day InnoCarnival from October to November 2023.

29 The key performance indicators are:

Indicators

	2022 (Actual)	2023 (Actual)	**2024 (Estimate)**
GSP			
applications received and processed	72	122	**122**
projects funded and being monitored	188	241	**292**
FBL			
applications received and processed	40	70	**55**
projects funded and being monitored	41	44	**44**
RTH			
applications received and processed	2 454	2 895	**2 942**
research talent positions funded	3 937	4 512	**4 814**
NITTPΘ			
applications received and processed	3 295	8 419ε	**8 329ε**
trainings funded	12 316	22 544ε	**22 302ε**
TVP			
applications received and processed	10 732	11 527	**9 985**
projects funded and being monitored	17 927	27 463	**32 147**
NIFS¤			
applications received and processed	20	15	**24**
projects funded and being monitored	22	29	**41**

Θ Rename of the previous indicator "RTTP" as from 2024.

ε The number of applications received and processed and trainings funded under NITTP increased significantly in 2023 as a result of the increased need of companies to upskill their employees and to keep up with emerging technology. The Commission projects that the number of applications and trainings to be funded in 2024 would be similar to that in 2023.

¤ Rename of the previous indicator "RFS" as from 2024.

Matters Requiring Special Attention in 2024–25

30 During 2024–25, the Commission will:

- take forward the NIAS;
- continue to administer the RTH, STEM Internship Scheme and TechTAS;
- continue to strengthen technology co-operation with the Mainland under existing and new co-operation mechanisms;
- continue to administer the GSP, TVP, NIFS, FBL and NITTP, and monitor progress of the funded projects;

- continue to promote an I&T culture and popular science to the general public and nurture more young innovators, such as by launching the second cohort of the City I&T Grand Challenge;
- nominate entries for the State Science and Technology Awards upon the invitation of the National Office for Science and Technology Awards; and
- continue to organise promotional and educational activities to enhance public awareness of I&T development.

Programme (4): Infrastructural Support

	2022–23 (Actual)	2023–24 (Original)	2023–24 (Revised)	**2024–25 (Estimate)**
Financial provision ($m)	67.0	65.3	65.0 (–0.5%)	**76.1** (+17.1%) (or +16.5% on 2023–24 Original)

Aim

31 The aim is to develop world-class support infrastructure to facilitate technological upgrading and development of the I&T industry and to promote I&T.

Brief Description

32 The Commission achieves the aim through planning, supporting and overseeing technological infrastructural projects; and actively participating in the formulation and implementation of policies by other government bureaux and departments which impinge on I&T development in Hong Kong. The Commission works closely with relevant organisations such as the HKSTPC, the Hong Kong Applied Science and Technology Research Institute Company Limited (ASTRI) and the Hong Kong Productivity Council (HKPC) in the process.

33 During 2023–24, the Commission:

- worked closely with the HKSTPC on various major initiatives, including Stage 2 of the Science Park Expansion Programme, the Microelectronics Centre in Yuen Long InnoPark, the proposed new accommodation facility for I&T talents near Science Park, and the Shenzhen Branch of Hong Kong Science Park;
- established a new InnoHK R&D Centre specialising in R&D in generative artificial intelligence technology, and conducted studies on the appropriate rules and guidelines for the application of artificial intelligence technology;
- invited experts from the Mainland and overseas to conduct a mid-term scientific review of the work of research laboratories in the InnoHK research clusters with the aim of supporting the continuous development of the research clusters and promoting Hong Kong as a hub for global research collaboration;
- worked closely with the Hong Kong-Shenzhen Innovation and Technology Park Limited (HSITPL), a wholly-owned subsidiary of the HKSTPC, on the development of the Hong Kong-Shenzhen Innovation and Technology Park (HSITP) in the Lok Ma Chau Loop;
- worked closely with the ASTRI in strengthening its institutional and research capabilities; and
- monitored the delivery of value-added support services to the advanced manufacturing and related service industries by the HKPC.

Matters Requiring Special Attention in 2024–25

34 During 2024–25, the Commission will:

- continue to oversee the work of 29 InnoHK laboratories in two research clusters, namely Health@InnoHK and AIR@InnoHK, to promote global research collaboration in Hong Kong;
- make preparation for the establishment of the third InnoHK research cluster which focuses on advanced manufacturing, materials, energy and sustainable development, with a view to expanding our world-class R&D collaboration and enhancing the R&D development of Hong Kong;
- make preparation for the setting up of life and health technology research institute(s) in order to promote the development of life and health technology in Hong Kong;
- continue to work closely with the HKSTPC on its various initiatives, including Stage 2 of the Science Park Expansion Programme, the Microelectronics Centre and the proposed new accommodation facility for I&T talents near Science Park;

- continue to work closely with the HSITPL on the implementation of Batch 1 and the planning of the other batches of the HSITP development; and
- work closely with the MRDI and HKSTPC on the planning and installation of pilot production lines at the Microelectronics Centre.

Programme (5): Quality Support

	2022–23 (Actual)	2023–24 (Original)	2023–24 (Revised)	**2024–25 (Estimate)**
Financial provision ($m)	141.7	130.2	132.3 (+1.6%)	**142.6** (+7.8%) (or +9.5% on 2023–24 Original)

Aim

35 The aim is to promote internationally accepted standards and conformity assessment services to underpin technological development and international trade, and the development of the testing and certification (T&C) sector in Hong Kong.

Brief Description

36 The Commission achieves this aim through the operation of the Standards and Calibration Laboratory (SCL), the Hong Kong Accreditation Service (HKAS), the Secretariat of the Hong Kong Council for Testing and Certification (HKCTC) and the provision of standard-related services.

37 SCL is the official custodian of physical measurement reference standards. Through participation in Mutual Recognition Arrangement (MRA) drawn up by the International Committee for Weights and Measures (CIPM), SCL's calibration certificates are accepted worldwide.

38 Through the MRAs signed with international and regional organisations of accreditation bodies, the endorsed test reports and accredited certificates issued by organisations accredited by the HKAS under the Hong Kong Laboratory Accreditation Scheme (HOKLAS), the Hong Kong Certification Body Accreditation Scheme (HKCAS) and the Hong Kong Inspection Body Accreditation Scheme (HKIAS) are recognised worldwide.

39 During 2023–24,

- SCL provided calibration services traceable to the International System of Units and proficiency testing services, and participated in the following international metrology activities to substantiate its CIPM MRA status:
  - inter-laboratory comparisons of measurement standards;
  - peer reviews of the capabilities and quality systems of other CIPM MRA partners;
  - presenting SCL's technical achievements at international conferences and journals;
  - participating in the 22nd meeting of the Directors of National Metrology Institutes; and
  - participating in the 39th General Assembly and related meetings of the Asia Pacific Metrology Programme (APMP);
- HKAS provided accreditation services to laboratories, certification bodies and inspection bodies according to international standards and participated in international and regional accreditation co-operation bodies, namely the Asia Pacific Accreditation Cooperation (APAC), the International Laboratory Accreditation Cooperation (ILAC) and the International Accreditation Forum (IAF), to maintain its MRA status for worldwide recognition of endorsed reports and certificates issued by HKAS accredited organisations;
- HKAS provided standards sales and technical enquiry services as well as participated in international and regional fora, including the Asia-Pacific Economic Cooperation (APEC) Sub-Committee on Standards and Conformance, the International Organization for Standardization (ISO) and Pacific Area Standards Congress (PASC), on standards and conformance matters; and
- the Secretariat of the HKCTC continued to provide support to the HKCTC in implementing measures to support the development of the T&C sector, organised the 2023–24 T&C Manpower Development Award Scheme, and provided financial support under the T&C Sector Job Creation Scheme to encourage private T&C organisations to cultivate the T&C talent pool by creating new jobs.

40 The key performance measures for the SCL, HKAS and standard-related services are:

Targets

	Target	2022 (Actual)	2023 (Actual)	**2024 (Plan)**
processing of quotation for calibration services within two working days (%)	97	99	99	**97**
calibration of equipment within 13 working days (%)	95	98	99	**95**
processing of technical enquiries on product standards within one working day (%)	95	100	100	**95**
processing of quotations on standards within one working day (%)	100	100	100	**100**
processing of orders for licensed reproduction of standards within two working days (%)	100	97#	100	**100**
issue of letter for confirming accreditation assessments within four working days (%)	90	93	97	**90**
publishing updated information of accredited organisations on website within four working days (%)	90	95	99	**90**

The special work arrangements due to the fifth wave of COVID-19 epidemic has affected the actual performance in 2022.

Indicators

	2022 (Actual)	2023 (Actual)	**2024 (Estimate)**
SCL			
calibrations and proficiency tests performed	1 552ε	1 213ε	**1 200**
revenue generated ($)	5,954,774ε	5,440,006ε	**5,000,000**
SCL's overseas CIPM MRA partners (cumulative)ϕ	101	101	**101**
Standard-related services			
technical enquiries received	253	263	**260**
sales of standards			
enquiries received	104	107Ψ	**100**◊
quotations given	293	952λ	**300**◊
orders placed	80	79	**80**
revenue generated ($)	30,385	48,925Ψ	**32,500**◊
HOKLAS			
accredited laboratories (cumulative)	241	235ρ	**240**
newly accredited laboratories	8	6	**6**
assessments, re-assessments and surveillance visits conducted	349	328θ	**350**
overseas laboratory accreditation schemes entered into MRA with the HOKLAS (cumulative)	107	112	**114**
HKCAS			
accredited certification bodies (cumulative)	26	27	**28**
newly accredited certification bodies	0	1	**1**
assessments, re-assessments and surveillance visits conducted	74	63§	**70**
overseas certification bodies accreditation schemes entered into MRA with the HKCAS (cumulative)	82	84	**84**

	2022 (Actual)	2023 (Actual)	**2024 (Estimate)**
HKIAS			
accredited inspection bodies (cumulative)	23	24	**25**
newly accredited inspection bodies	1	1	**1**
assessments, re-assessments and surveillance visits conducted	30	32	**30**
overseas inspection bodies accreditation schemes entered into MRA with the HKIAS (cumulative)	85	87	**88**

ε The calibrations and revenue in 2022 were higher than usual owing to the surge in demands from the local and overseas users as a result of COVID-19 epidemic. The respective figures returned to normal level in 2023.

ϕ This indicator provides information on the extent of international recognition of SCL's measurement standards and calibration certificates. These figures include all CIPM MRA partners, which comprise overseas national metrology institutes and four international organisations, namely International Atomic Energy Agency, European Commission – Joint Research Centre, World Meteorological Organization and European Space Agency.

Ψ The number of enquiries received and revenue generated in 2023 were higher than those in the previous years mainly because of the publication of major updates of popular international standards in late 2022 and 2023.

◊ The number of enquiries received and quotations given in 2024 are estimated to be similar to those in 2022, considering that there will not be as many major updates of popular international standards. The revenue generated is estimated based on the new overhead charge implemented in January 2024.

λ The number of quotations given in 2023 was higher than that in 2022 mainly because of the publication of major updates of popular international standards in late 2022 and 2023.

ρ The figure has taken into account 12 laboratories which ceased accreditation in 2023.

θ The number of assessments conducted under HOKLAS in 2023 was lower than that in 2022 due to the decrease in the number of laboratories and the combination of scheduled assessments to improve efficiency.

§ The number of assessments conducted under HKCAS in 2023 was lower than that in 2022 because there were fewer witnessing assessments for certification bodies in 2023.

Matters Requiring Special Attention in 2024–25

41 During 2024–25, the Commission will continue to:

- provide support to the HKCTC in implementing measures to support the development of the T&C sector, and administer the disbursement of subsidy under the T&C Sector Job Creation Scheme;
- pursue further liberalisation measures relevant to the T&C sector under the Mainland and Hong Kong Closer Economic Partnership Arrangement (CEPA);
- develop plans to extend accreditation services to other areas to support industry and continue to work closely with the HKCTC to promote existing accreditation services to industry;
- provide calibration and proficiency testing services;
- participate in international metrology activities of CIPM and APMP;
- participate in APEC, ISO and PASC activities relating to standardisation;
- provide accreditation services under the HOKLAS, HKCAS and HKIAS; and
- participate in the activities of the APAC, the ILAC and the IAF to maintain the MRA status of the HKAS.

Programme (6): Subvention: Hong Kong Productivity Council, Hong Kong Applied Science and Technology Research Institute Company Limited

	2022–23 (Actual)	2023–24 (Original)	2023–24 (Revised)	**2024–25 (Estimate)**
Financial provision ($m)				
Hong Kong Productivity Council	213.0	213.0	217.7 (+2.2%)	**221.4** (+1.7%) (or +3.9% on 2023–24 Original)
Hong Kong Applied Science and Technology Research Institute Company Limited	153.6	153.4	153.4 (—)	**160.5** (+4.6%) (or +4.6% on

	2022–23 (Actual)	2023–24 (Original)	2023–24 (Revised)	**2024–25 (Estimate)**
				2023–24 Original)
Total	366.6	366.4	371.1 (+1.3%)	**381.9** (+2.9%)
				(or +4.2% on 2023–24 Original)

HKPC

Aim

42 The aim is to promote productivity excellence through the provision of integrated support across the value chain of the industry, in order to achieve more effective utilisation of resources, enhance the value-added content of products and services, and enhance the industry's competitiveness and sustainability.

Brief Description

43 The HKPC provides integrated support to innovative and growth-oriented Hong Kong firms across the value chain, in particular small and medium enterprises (SMEs) and start-ups, with the main geographical focus on Hong Kong and the Guangdong-Hong Kong-Macao Greater Bay Area (Greater Bay Area) in the Mainland.

44 The work of the HKPC is anchored on four programme areas of smart manufacturing technologies, SME upgrade and support, smart and digital technologies and green technologies, including:

- providing one-stop services in intelligent manufacturing and new industrialisation to assist industries in different sectors to set up smart production lines and transform to high value-added production;
- providing integrated services for SMEs and start-ups to boost their business performance, including FutureSkills training from technological knowledge to STEM education and management to nurture future talents in I&T, as well as secretariat support to government funding schemes to help SMEs upgrade and transform;
- promoting digitalisation and cyber security to assist local industries to utilise digital technologies and develop effective security strategies to transform operations and adapt to future challenges;
- providing green technology support to drive smart and green living and contribute to carbon neutrality; and
- operating the Automotive Platforms and Application Systems R&D Centre, which undertakes market-led R&D projects in collaboration with industry, universities and research institutions.

45 During 2023–24, the HKPC ran the following subsidiaries:

- the HKPC Technology (Holdings) Company Limited which functions as a vehicle for the commercialisation of patents, technologies and project deliverables of the HKPC and the Automotive Platforms and Application Systems R&D Centre; and
- the Productivity (Holdings) Limited which operates consulting firms in Shenzhen and Dongguan to strengthen the HKPC's integrated support and services for Hong Kong firms operating in the Greater Bay Area.

46 The key performance indicators for the HKPC are:

Indicators

	2022–23 (Actual)	2023–24 (Revised Estimate)	**2024–25 (Estimate)**
external income per employee ($m)	0.9	0.8	**0.8**
total income/total expenditure ratio (%)	80	74	**77**
income from integrated service projects ($m)	565.2	498.2	**581.7**
income from fee-charging integrated learning course projects ($m)	39.4	22.5	**26.3**
no. of integrated service projects accepted	677	630	**650**
no. of people participated in fee-charging integrated learning courses	18 922	12 875	**13 500**
no. of people participated in the HKPC's seminars, workshops, conferences, exhibitions and non-fee charging training courses and study missions	26 667	24 000	**26 000**

	2022–23 (Actual)	2023–24 (Revised Estimate)	**2024–25 (Estimate)**
no. of new R&D projectsβ	100	80	**110**
no. of new projects using HKPC's patents	46	45	**54**
customer satisfaction index	9.3	8.9	**8.9**

β The figures do not include projects undertaken by the Automotive Platforms and Application Systems R&D Centre, which are reported under the relevant indicators for the Centre in paragraph 10 above.

Matters Requiring Special Attention in 2024–25

47 During 2024–25, the HKPC will continue to:

- promote intelligent manufacturing and new industrialisation by operating the INC Invention Center Hong Kong jointly established with the Fraunhofer Institute for Production Technology in October 2018 and the Hong Kong Industrial Artificial Intelligence and Robotics Centre set up with RWTH Aachen Campus in 2021 in the AIR@InnoHK research cluster;
- provide digitalisation and cyber security support for enterprises to upgrade and digitalise operation for sustainable development in the changing business environment;
- nurture future talents and promote new technology application and commercialisation through the HKPC Academy and the Inno Space;
- strengthen training relating to new industrialisation;
- promote smart and green living by accelerating the adoption of green technologies and providing support to enterprises in managing their Environmental, Social, and Governance performance;
- provide integrated services to SMEs and start-ups through the SME ReachOut and SME One;
- enhance support to Hong Kong companies operating in the Greater Bay Area, through subsidiary consulting firms set up in Shenzhen and Dongguan and service platforms set up with local governments;
- implement designated government funding schemes as the secretariat for serving SMEs; and
- operate the Automotive Platforms and Application Systems R&D Centre.

ASTRI

Aim

48 The aim is to provide research capability for Hong Kong's technological development and stimulate the growth of technology-based industry in Hong Kong, and to enhance Hong Kong's competitiveness in technology-based industries through applied research.

Brief Description

49 ASTRI's missions are to:

- perform high quality R&D and transfer the technologies developed to industry;
- promote greater application of technology in industry;
- become a focal point for attracting international R&D talent to work in Hong Kong;
- enhance Hong Kong's technological human resources development;
- act as a spawning ground for technology entrepreneurs; and
- provide a focal point for industry-university collaboration.

50 ASTRI is designated as the R&D Centre for information and communications technologies. ASTRI focuses its R&D on six core initiatives – financial technologies, new industrialisation and intelligent manufacturing, smart city, digital health, application specific integrated circuits and metaverse. Its operating strategy is to transfer the technologies and results developed from its R&D projects to the industry. This process will elevate the technology level of Hong Kong industry and accelerate the expansion of its technology industry base to create new employment opportunities and enhance competitiveness. Over the years, ASTRI has become more customer-focused in its R&D business.

51 The key performance indicators for ASTRI are:

Indicators

	2022 (Actual)	2023 (Actual)	**2024 (Estimate)**
no. of new full projects^	30	28	**28**
no. of new seed projects¶	13	19	**15**
no. of inventions (patents) filed	34 (68)	34 (68)	**30 (60)**
no. of technology transfer	56	70	**60**
no. of clients engaged in technology transfer	39	67	**50**
no. of members joining consortia formed by ASTRI	405	154Φ	**220Φ**
no. of technology workshops/seminars organised	26	111	**120**
no. of participants of seminars	2 939	7 149	**6 000**
amount of income from industry ($m)	120.0	161.0	**140.0**

^ Full projects are R&D projects with more than $2 million funding support from the ITF, including collaborative projects with the industry.

¶ Seed projects are feasibility studies for developing substantive R&D project proposals. The maximum ITF funding support for each of them is $2,800,000.

Φ Due to the change of membership policy, the number of members joining consortia decreased in 2023. The figure is expected to increase in light of the launch of new consortia in 2024.

Matters Requiring Special Attention in 2024–25

52 During 2024–25, the ASTRI will continue to:

- transfer technologies developed from its R&D projects to industry and commercialise project deliverables through implementing corporate-level initiatives and encouraging more collaborative projects;
- strengthen co-operation with the industry, public organisations and universities in R&D, for example, through the establishment of joint laboratories/R&D centres and alliances;
- collaborate with enterprises and research institutions in the Mainland and overseas and explore development potential in the Greater Bay Area;
- develop research capabilities in identified emerging technology areas;
- enhance institutional R&D infrastructure and research capabilities; and
- contribute to development of local high-technology human capital by recruiting local engineering graduates as research fellows under the RTH of the ITF.

ANALYSIS OF FINANCIAL PROVISION

Programme	2022–23 (Actual) ($m)	2023–24 (Original) ($m)	2023–24 (Revised) ($m)	**2024–25 (Estimate) ($m)**
(1) Support for Research and Development	89.5	104.7	108.5	**114.5**
(2) Promotion of Technological Entrepreneurship	22.8	37.5	48.3	**54.6**
(3) Planning for Innovation and Technology Development	73.1	129.3	108.9	**147.6**
(4) Infrastructural Support	67.0	65.3	65.0	**76.1**
(5) Quality Support	141.7	130.2	132.3	**142.6**
(6) Subvention: Hong Kong Productivity Council, Hong Kong Applied Science and Technology Research Institute Company Limited	366.6	366.4	371.1	**381.9**
	760.7‡	833.4	834.1 (+0.1%)	**917.3 (+10.0%)**
				(or +10.1% on 2023–24 Original)

‡ For comparison purpose, the figure has been adjusted to reflect the provisions for relevant programmes under this Head due to the re-organisation of the Government Secretariat with effect from 1 July 2022.

Analysis of Financial and Staffing Provision

Programme (1)

Provision for 2024–25 is $6.0 million (5.5%) higher than the revised estimate for 2023–24. This is mainly due to increased provision for salary. There will be a net increase of two posts in 2024–25.

Programme (2)

Provision for 2024–25 is $6.3 million (13.0%) higher than the revised estimate for 2023–24. This is mainly due to increased provision for general departmental expenses.

Programme (3)

Provision for 2024–25 is $38.7 million (35.5%) higher than the revised estimate for 2023–24. This is mainly due to increased provision for cash flow requirements for launching the second cohort of the City I&T Grand Challenge and salary. There will be a net increase of three posts in 2024–25.

Programme (4)

Provision for 2024–25 is $11.1 million (17.1%) higher than the revised estimate for 2023–24. This is mainly due to increased provision for salary. There will be an increase of seven posts in 2024–25.

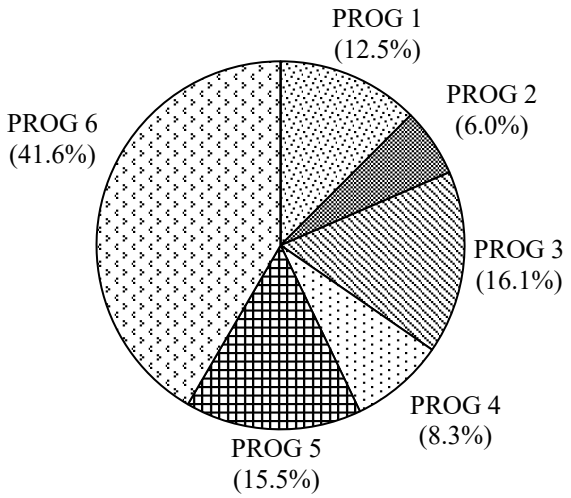
Programme (5)

Provision for 2024–25 is $10.3 million (7.8%) higher than the revised estimate for 2023–24. This is mainly due to increased provision for procurement of equipment.

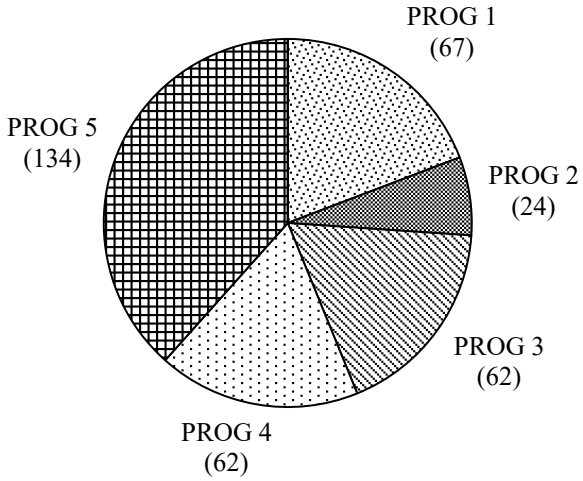
Programme (6)

Provision for 2024–25 is $10.8 million (2.9%) higher than the revised estimate for 2023–24. This is mainly due to increased provision for the HKPC and ASTRI.

Allocation of provision to programmes (2024-25)

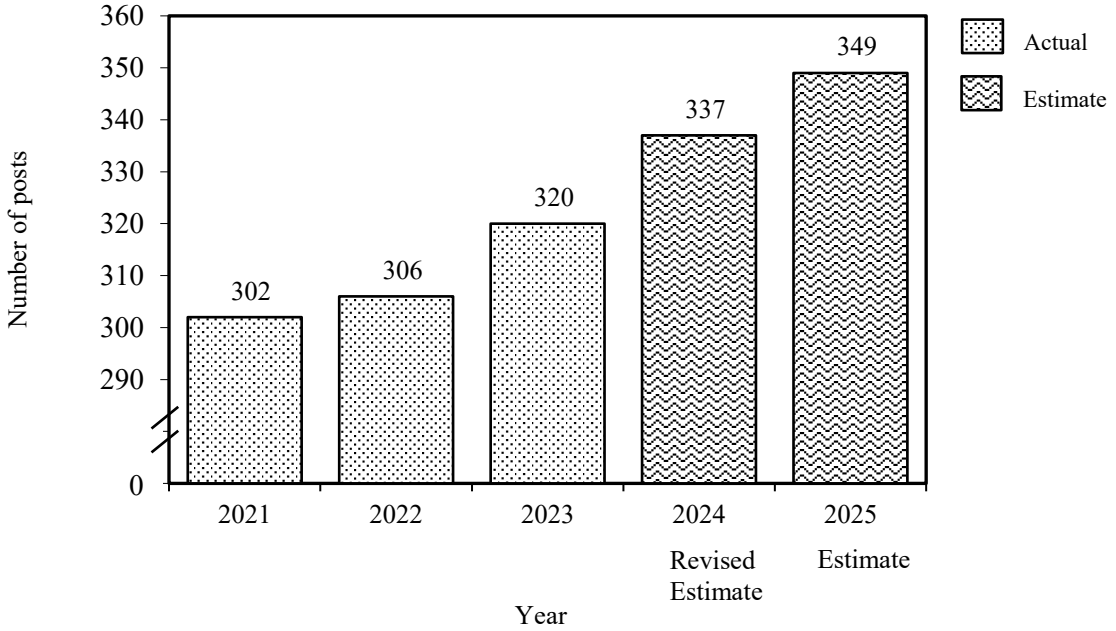


Staff by programme (as at 31 March 2025)



(No government staff under PROG 6)

Changes in the size of the establishment (as at 31 March)



Head 155 — GOVERNMENT SECRETARIAT: INNOVATION AND TECHNOLOGY COMMISSION

Sub-head (Code)		Actual expenditure 2022–23	Approved estimate 2023–24	Revised estimate 2023–24	**Estimate 2024–25**
		$'000	$'000	$'000	**$'000**
	Operating Account				
	Recurrent				
000	Operational expenses	745,545	786,980	798,934	**841,991**
	Total, Recurrent	745,545	786,980	798,934	**841,991**
	Non-Recurrent				
700	General non-recurrent	—	40,000	30,000	**60,000**
	Total, Non-Recurrent	—	40,000	30,000	**60,000**
	Total, Operating Account	745,545	826,980	828,934	**901,991**
	Capital Account				
	Plant, Equipment and Works				
603	Plant, vehicles and equipment	—	2,000	765	**10,333**
661	Minor plant, vehicles and equipment (block vote)	15,146	4,400	4,400	**4,933**
	Total, Plant, Equipment and Works	15,146	6,400	5,165	**15,266**
	Total, Capital Account	15,146	6,400	5,165	**15,266**
	Total Expenditure	760,691	833,380	834,099	**917,257**

Details of Expenditure by Subhead

The estimate of the amount required in 2024–25 for the salaries and expenses of the Innovation and Technology Commission is $917,257,000. This represents an increase of $83,158,000 over the revised estimate for 2023–24 and $156,566,000 over the actual expenditure in 2022–23.

Operating Account

Recurrent

2 Provision of $841,991,000 under *Subhead 000 Operational expenses* is for the salaries, allowances and other operating expenses of the Innovation and Technology Commission.

3 The establishment as at 31 March 2024 will be 337 posts. It is expected that there will be a net increase of 12 posts in 2024–25. Subject to certain conditions, the controlling officer may under delegated power create or delete non-directorate posts during 2024–25, but the notional annual mid-point salary value of all such posts must not exceed $277,165,000.

4 An analysis of the financial provision under *Subhead 000 Operational expenses* is as follows:

	2022–23 (Actual) ($'000)	2023–24 (Original) ($'000)	2023–24 (Revised) ($'000)	**2024–25 (Estimate) ($'000)**
Personal Emoluments				
- Salaries	242,356	274,682	263,240	**293,627**
- Allowances	5,938	8,229	7,285	**7,203**
- Job-related allowances	77	2	2	**2**
Personnel Related Expenses				
- Mandatory Provident Fund contribution	760	770	732	**785**
- Civil Service Provident Fund contribution	21,153	24,319	24,539	**28,085**
Departmental Expenses				
- General departmental expenses	108,645	112,610	132,004	**130,432**
Subventions				
- Hong Kong Productivity Council	212,979	212,979	217,743	**221,413**
- Hong Kong Applied Science and Technology Research Institute Company Limited	153,637	153,389	153,389	**160,444**
	745,545	786,980	798,934	**841,991**

Capital Account

Plant, Equipment and Works

5 Provision of $4,933,000 under *Subhead 661 Minor plant, vehicles and equipment (block vote)* represents an increase of $533,000 (12.1%) over the revised estimate for 2023–24. This reflects the increased requirement for the scheduled replacement of minor plant and equipment.

Commitments

Sub-head (Code)	Item (Code)	Ambit	Approved commitment	Accumulated expenditure to 31.3.2023	Revised estimated expenditure for 2023–24	Balance
			$'000	$'000	$'000	$'000
Operating Account						
700		*General non-recurrent*				
	802	City I&T Grand Challenge	500,000	68,400	30,000	401,600
			500,000	68,400	30,000	401,600
Capital Account						
603		*Plant, vehicles and equipment*				
	803	To set up a system for measurement of antenna parameters in the Antenna Laboratory of the Standards and Calibration Laboratory at Tseung Kwan O Joint-user Government Office Building	50,000	—	765	49,235
	804	To set up two deadweight type force machines, a deadweight-hydraulic integrated type force machine and a hydraulic type force machine in the Force Laboratory of the Standards and Calibration Laboratory at Tseung Kwan O Joint-user Government Office Building	35,000	—	—	35,000
			85,000	—	765	84,235
		Total	585,000	68,400	30,765	485,835