

LCQ1: Promoting transformation and commercialisation of research and development outcomes

Following is a question by the Hon Martin Liao and a reply by the Secretary for Innovation, Technology and Industry, Professor Sun Dong, in the Legislative Council today (November 20):

Question:

There are views pointing out that innovation and technology (I&T) provides key impetus for Hong Kong's high-quality economic development and the cultivation of new quality productive forces. In recent years, the SAR Government has achieved substantial results in I&T development. In addition, the National 14th Five-Year Plan supports Hong Kong's development into an international I&T hub, and this year's Policy Address further proposes promoting a closer collaboration among the Government and the industry, academia, research and investment sectors. Regarding promoting the transformation and commercialisation of research and development (R&D) outcomes, will the Government inform this Council:

(1) as there are views that there is a mismatch between R&D and market demand as well as a lack of understanding and knowledge of R&D outcomes in the market, which have imposed constraints on the transformation of R&D outcomes, whether the authorities will consider spearheading the establishment of a territory-wide online platform and database for the transformation of R&D outcomes in collaboration with tertiary institutions, science and research institutes and the I&T sector, and explore the interfacing of the platform with relevant Mainland and overseas platforms, so as to open up information communication channels and achieve precise matching to assist in the transformation of R&D outcomes;

(2) whether it will, by making reference to the practices of other regions, formulate measures to take the lead in procuring local R&D products, and by drawing on the Mainland's experience, study the introduction of policies for the initial application of newly-developed equipment, materials and software, so as to support the promotion and application of products transformed from local R&D outcomes; and

(3) apart from increasing the share of profits from intellectual property rights for R&D teams or inventors, whether it will, by drawing reference from the practice of Guangdong Province, explore further strengthening the incentives for R&D personnel and teams, such as conferring on R&D personnel the ownership or long-term rights of use of their scientific and technological achievements, as well as equity rewards?

Reply:

President,

With an aim to enhance the innovation and technology (I&T) ecosystem, the Government has been promoting collaboration among the industry, academic and research sectors through various measures, and adopting a multi-pronged approach to support commercialisation of research and development (R&D) outcomes. Having consulted the Financial Services and the Treasury Bureau (FSTB) and the Electrical and Mechanical Services Department (EMSD), our reply to various parts of the question from the Hon Martin Liao is as follows:

(1) First of all, the Government appreciated the Hon Martin Liao's suggestions. The smooth accessibility and dissemination of information about R&D outcomes help enhance the market's understanding and apprehension of R&D, playing a positive role in promoting the transformation and commercialisation of R&D outcomes. The Innovation and Technology Commission established the Innovation Hub@HK website to showcase more than 560 R&D outcomes by 12 local universities and public research institutes as well as 28 InnoHK research laboratories. The website serves as a one-stop search platform, allowing the industry to customise search criteria according to its needs and contact individual research institute and university to explore commercialisation opportunities, thereby facilitating commercialisation of research outcomes and technology transfer to the industry.

Besides, the Innovation and Technology Fund (ITF) has doubled the maximum annual funding to the Technology Transfer Office (TTO) of each of the eight University Grants Committee-funded universities to \$16 million since 2024-25, facilitating the patent and licensing activities in TTOs to enhance their technology transfer capabilities, thereby supporting the development of innovative ideas and R&D outcomes into new products or services.

Meanwhile, the R&D centres set up by the Government have been taking forward industry-driven applied R&D work that suits market needs and transferring technologies to the industries through contract researches, licensing arrangements, etc. to commercialise their R&D outcomes.

The two I&T flagship entities in Hong Kong (viz. the Hong Kong Science and Technology Parks Corporation and the Cyberport) have been helping start-ups to establish connection with the industry through leveraging its incubation experience and investment/business networks, with a view to promoting technology transfer and commercialisation of R&D results. The two parks have also been actively connecting with the industry to facilitate collaboration between park companies and the local trade and industry.

In addition, it was announced in the Policy Address this year that the Government would facilitate the establishment of the Hong Kong New Industrialisation Development Alliance. Pooling together talents and resources from various fields, the Alliance aims to serve as a platform for collaboration among the Government, industry, academia, research and investment sectors. With a view to promoting co-operation among enterprises and organisations, we believe that the Alliance will also be conducive to the promotion of transformation and commercialisation of R&D outcomes.

(2) According to the FSTB, Hong Kong is one of the signatories to the Agreement on Government Procurement of the World Trade Organization (WTO GPA). The Government abides by procurement principles of the WTO GPA to treat all local and non-local suppliers on an equal footing. We also encourage participation of more local and non-local bidders to obtain goods and services at the best value for money through fair, open and competitive bidding procedures. Therefore, government bureaux and departments have always welcomed local enterprises to participate in bidding when procuring various goods and services. Without compromising the aforementioned government procurement principles, the Government has been actively introducing and applying I&T products and services from local start-ups with a view to playing a leading role. The major measures in recent years are as follows:

(a) The Public Sector Trial Scheme under the ITF provides eligible local companies/organisations with funding support for the production of prototypes or samples and conduct of trials of R&D outcomes in the public sector (including Government departments);

(b) The Smart Government Innovation Lab under the Digital Policy Office promotes and invites industry players to assist government departments in their adoption of I&T solutions, with a view to enhancing public services and city management, while creating more business opportunities for local I&T start-ups as well as small and medium-sized enterprises; and

(c) The E&M InnoPortal of the EMSD lists the technological needs of government departments, the public sector and electrical and mechanical trades. Organisations such as start-ups and academic institutions can propose I&T solutions via the portal for matching.

The Government will strive to create conditions for application of products of local scientific researches as far as practicable and encourage the market to procure relevant products more to demonstrate the industry's support.

(3) Local universities currently possess an array of R&D outcomes of core technologies/deep technology that have good potential for commercialisation. However, there have been constraints in relation to intellectual property (IP) matters under the management system of universities. In order to provide greater incentive for university teams to commercialise R&D outcomes with transformation potential, the Research, Academic and Industry Sectors One-plus Scheme requires that the university teams/inventors should be entitled to no less than 70 per cent of the IP benefits (for IPs generated by the teams/inventors during the project period). We will keep a close watch on the actual circumstances and strive to consolidate Hong Kong's strengths in basic scientific research. Thank you.