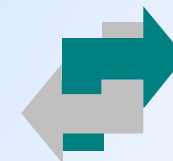


Funding Schemes administered by the Trade and Industry Department



Trade and Industry Department
工業貿易署

SMEs in Hong Kong

- Manufacturing firms: < **100** employees
- Non-manufacturing firms: < **50** employees
- About **340 000 SMEs** in Hong Kong
 - **98%** of business establishments
 - **45%** of the private sector workforce (about **1.3 million people**)

The Government's Policy towards SMEs

SMEs are the backbone of Hong Kong's economy

The Government is committed to providing support to SMEs and enhancing their competitiveness

Funding Schemes administered by TID

SME Loan Guarantee Scheme (SGS)

Dedicated Fund on Branding, Upgading and Domestic Sales (The BUD Fund)

SME Export Marketing Fund (EMF)

Trade and Industrial Organisation Support Fund (TSF)*
(For Organisations only)

Commitment 30 billion (87%)

2.5 billion (49%)

6.25 billion (68%)

38.75 billion

*A merger between the previous SME Development Fund (SDF) and the Organisation Support Programme (OSP) under the Dedicated Fund on Branding, Upgrading and Domestic Sales (BUD Fund) in October 2018.

Funding Schemes for Enterprises

Dedicated Fund on Branding, Upgrading and Domestic Sales (BUD Fund)



發展品牌、升級轉型及
拓展內銷市場的專項基金
Dedicated Fund on Branding,
Upgrading and Domestic Sales

BUD Fund (Mainland Programme)

Objective	To assist Hong Kong enterprises to develop the Mainland markets
Scope of Funding	Implementation of projects that assist individual Hong Kong enterprises in exploring and developing the Mainland markets through developing brands, upgrading and restructuring operations and promoting domestic sales in the Mainland, including engaging a qualified service provider for preparing a holistic business plan
Eligibility	All non-listed enterprises registered in Hong Kong under the Business Registration Ordinance (Chapter 310) with substantive business operations in Hong Kong
Project Duration	2 years

BUD Fund

\$1.5 billion
injection
in 2018-19

\$2.5 billion

Enhancement measures implemented since 1 August 2018:

	Mainland Programme	ASEAN Programme (New)
Cumulative funding ceiling per enterprise	<ul style="list-style-type: none">• \$1 million• 10 approved projects	<ul style="list-style-type: none">• \$1 million• 10 approved projects
Funding ceiling per project	<ul style="list-style-type: none">• 50% of the approved expenditure, a maximum of \$1 million	



發展品牌、升級轉型及
拓展內銷市場的專項基金
Dedicated Fund on Branding,
Upgrading and Domestic Sales

Implementation progress of BUD Fund (as at 31.7.2019)

	Mainland Programme	ASEAN Programme
Number of beneficiaries	1,584	146
Number of employees employed by beneficiaries	19,589	2,243
Major beneficiary sectors	1. Wholesale and Retail 2. Import and Export Trade 3. Textile and Clothing	1. Wholesale and Retail 2. Import and Export Trade 3. Information Technology
Approved funding amount	\$774.3 million	\$93.9 million

The enhancement measures for BUD Fund as announced in the 2019-20 Budget and by the Financial Secretary on 15 August 2019:

	2012	Aug 2018	2019 (announced in the 2019-20 Budget)	2019 (announced on 15 August 2019)
Approved commitment	\$1 billion	+\$1.5B → \$2.5 billion	+1B → \$3.5 billion	+1B → \$4.5 billion
Geographical scope	Mainland	Mainland & ASEAN	Mainland, ASEAN & other economies which have signed FTAs with Hong Kong	Mainland, ASEAN & other economies which have signed FTAs with Hong Kong
Cumulative funding ceiling per enterprise	Mainland: \$500,000	Mainland: \$1 million ASEAN: \$1 million	Mainland: \$1 million FTA economies: \$2 million	Mainland: \$2 million FTA economies: \$2 million
Funding ceiling per project	\$500,000	\$1 million	\$1 million	\$1 million
Maximum number of approved projects	3	Mainland: 10 ASEAN: 20	Mainland: 10 FTA economies: 20	Mainland: 20 FTA economies: 20

Free Trade Agreements signed



SME Export Marketing Fund (EMF)



中小企業市場推廣基金
SME Export Marketing Fund

SME Export Marketing Fund (EMF)

**\$1 billion
injection
in 2018-19**

\$6.25 billion

Enhancement measures implemented since 1 August 2018:

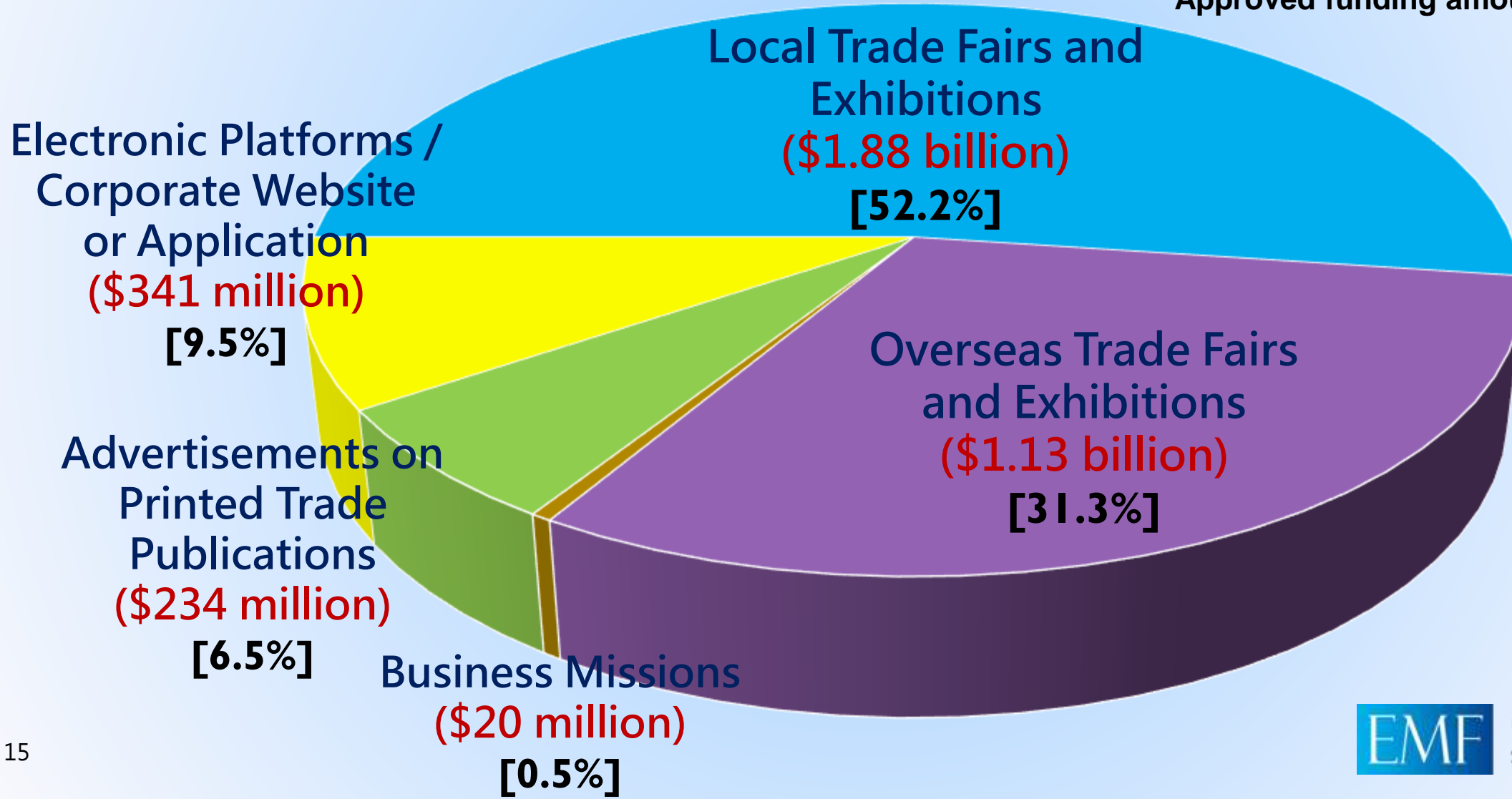
Objective	Encourage SMEs to participate in export promotion activities
Funding Scope	Specific export promotion activities (e.g. exhibitions, electronic platforms)
Target	SMEs in Hong Kong
Maximum cumulative grant per enterprise	\$400,000
Maximum grant per application	50% of total approved expenditure, capped at \$100,000

Implementation progress of EMF (as at 31.7.2019)

Number of SME beneficiaries	48,657
Number of employees employed by SME beneficiaries	322,468
Major beneficiary sectors	<ol style="list-style-type: none">1. Import and Export Trade2. Wholesale and Retail3. Electronics

Funded export promotion activities up to 31 July 2019

Funding applications approved: 229,495
Approved funding amount: \$3.60 billion



The Financial Secretary announced on 15 August 2019:

- 1) To inject \$1 billion into the Export Marketing and Trade and Industrial Organisation Support Fund to increase substantially the cumulative funding ceiling for each enterprise under the EMF

	2015	Aug 2018	2019 (after enhancement measures)
Total Commitment	5.25 billion	6.25 million	7.25 billion
Cumulative Funding Ceiling per enterprise	\$200,000	\$400,000	\$800,000
Funding Ceiling per application	\$50,000	\$100,000	\$100,000

- 2) To enhance the operation of the EMF to provide more comprehensive support to SMEs for participating in business missions organised by the government and related organisations for market expansion

SME Loan Guarantee Scheme (SGS)



中小企業信貸保證計劃
SME Loan Guarantee Scheme

SME Loan Guarantee Scheme (SGS)

Objective	Helps SMEs secure loans from the Participating Lending Institutions (PLIs) for acquiring business installations and equipment and meeting working capital needs by providing loan guarantee for individual SMEs for up to 50% of the loans approved by the PLIs.
Eligibility	<ul style="list-style-type: none">• SMEs, registered in Hong Kong and with substantive business operations in Hong Kong, are eligible to apply.• Application forms should be submitted to the PLIs
Guarantee ceiling	\$6 million
Guarantee period	5 years
Others	<ul style="list-style-type: none">• No Guarantee Fee• Eligible for the respective guarantee amount one more time



Implementation progress of SGS (as at 31.7.2019)

No. of received applications () Being processed [] Withdrawn	35,044 (31) [2,948]
No. of approved applications	31,943
Approved funding amount	\$26.2 billion

Funding Scheme For Organisations

Trade and Industrial Organisation Support Fund (TSF)



工商機構支援基金

Trade and Industrial Organisation Support Fund

Trade and Industrial Organisation Support Fund (TSF)

	Trade and Industrial Organisation Support Fund (TSF)
Objective	Enhance the competitiveness of non-listed Hong Kong enterprises in general or in specific sectors (can target any markets)
Eligibility	Non-profit-distributing organisations
Maximum funding per project	90% of the total approved project expenditure, capped at \$5 million
Project duration	3 years

Implementation progress of TSF (including the previous SDF and BUD(OSP)) (as at 31.7.2019)

No. of received applications	1,433
() Being processed	(18)
[] Withdrawn	[169]
No. of approved applications	397
Approved funding amount	\$677.08 million

SUCCESS

中小企業支援與諮詢中心
Support and Consultation Centre for SMEs

Address: Room 1301, 13/F, Trade and Industry Tower, 3 Concorde Road, Kowloon City, Hong Kong.



SUCCESS

中小企業支援與諮詢中心
Support and Consultation Centre for SMEs

- Support and Consultation Centre for SMEs (SUCCESS) officially **opened in January 2002** offering Hong Kong's SMEs (including business start-ups) an array of practical consultation and business information services free of charge.
- SUCCESS is the **one-stop** shop for SMEs to look for **free business support** and helps SMEs resolve problems at different stages of their development.
- Currently **over 49,000 members** have subscribed to the numerous services offered by SUCCESS (including participation in seminars and workshops and other SME activities).



Thank you!