



## Government Support for SMEs

2018/07/18

Source: HKJMA

The Hong Kong government provides different kinds of funding for small and medium enterprises (SMEs), including direct funding, assistance for business expansion and upgrade, business consultation, mentorship programs and other forms of assistance and services.

We gather below some of the programs that may be of your interests.

Information below is only an extract of the funding. Please visit the website for more information.

中小企業市場推廣基金

SME Export Marketing Fund

BUD專項基金 (企業支援計劃)

BUD Fund (Enterprise Support Programme)

科技券

Technology Voucher Programme

2016/18中小企業「營商友導」計劃

2016/2018 SME Mentorship Programme

設計創業培訓計劃 (DIP)

Design Incubation Programme

中小企業發展支援基金

SME Development Fund

創意智優計劃

CreateSmart Initiative

專業服務協進支援計劃

Professional Services Advancement Support Scheme

For more details, please refer to the following extract.

# SME Export Marketing Fund (EMF)

To encourage small and medium enterprises (SMEs) to expand their markets outside Hong Kong by providing financial assistance to SMEs for participation in export promotion activities.

Sponsor Authority: Trade and Industry Department  
<https://www.smefund.tid.gov.hk>

## Eligibility:

An enterprise applying for a grant under EMF must fulfil the following requirements:

1. It must be registered in Hong Kong under the Business Registration Ordinance.
2. It must meet the Government's definition of an SME, i.e. if it is engaged in manufacturing business, it must employ fewer than 100 persons in Hong Kong; and if it is engaged in non-manufacturing business, employ fewer than 50 persons in Hong Kong.
3. It must have substantive business operations in Hong Kong at the time of making the application.
4. If it has previously received EMF grants, the cumulative amount of grants received must not exceed the prevailing cumulative grant ceiling. Applicant enterprises which have similar business registration details (e.g. nature of business, address, shareholder/directorship) will be treated as connected enterprises. For the purpose of the cumulative grant ceiling, connected enterprises are treated as if they were one enterprise, i.e. the cumulative amount of grants received by the connected enterprises concerned are aggregated and must not exceed the cumulative grant ceiling.
5. It must not be the organiser/co-organiser or a related company of the organiser/co-organiser of the export promotion activity covered by the application.

## Funding Scope:

1. Trade fairs/exhibitions outside Hong Kong.
2. Business missions outside Hong Kong.
3. Local trade fairs/exhibitions which mainly target at markets outside Hong Kong.
4. Placing advertisements on printed trade publications which mainly target at markets outside Hong Kong.
5. Export promotion activities (such as placing advertisements, keyword search, listing product information, setting up or enhancing online shop, etc.) which are conducted through electronic platforms/media and which mainly target at markets outside Hong Kong.
6. Setting up or enhancement of a corporate website of the applicant enterprise which mainly target at markets outside Hong Kong.

## Grant:

Each application should cover expenditure related to one export promotion activity only. The maximum amount of grant for each successful application will be 50% of the total approved expenditure incurred by the applicant enterprise or \$50,000, whichever is the less.

There is no limit on the number of applications by an enterprise for EMF grants. However, each enterprise may receive EMF grants up to a cumulative limit of \$200,000 only. While an enterprise may in principle apply for EMF grants to participate in the same export promotion activity repeatedly, the last \$50,000 of grants must be used for the enterprise's participation in export promotion activities which are not any of those funded by the first \$150,000 of the grants received by the enterprise.

### Application Procedures:

Enterprises should submit an application for grant within 60 calendar days after the completion date of the trade fair or exhibition or business mission, the issue date of the trade publication containing the advertisement, the completion date of the relevant contract of the export promotion activity conducted through an electronic platform/media, or the completion date of the relevant project on setting up/enhancing the corporate website of the applicant enterprise.

# BUD Dedicated Fund on Branding, Upgrading and Domestic Sales (Enterprise Support Programme)

To provide funding support to individual Hong Kong enterprises in undertaking projects to develop brands, upgrade and restructure their business operations and promote sales in the Mainland market, so as to enhance their competitiveness and facilitate their business development in the Mainland market.

“Dedicated Fund on Branding, Upgrading and Domestic Sales” (the BUD Fund) aims to provide funding support to local enterprises (Enterprise Support Programme) to assist Hong Kong enterprises in exploring and expanding the Mainland market through developing brands, upgrading and restructuring operations, and promoting domestic sales in the Mainland.

Sponsor Authority: Trade and Industry Department (The Secretariat of the BUD Fund)

<https://www.bud.hkpc.org/en>

## Eligibility:

All non-listed enterprises registered in Hong Kong under the Business Registration Ordinance (Chapter 310) with substantive business operations in Hong Kong are eligible to apply, irrespective of whether they belong to the manufacturing or service sector or whether they already have any business operations in the Mainland.

## Scope of Funding:

Any projects that assist individual Hong Kong enterprises in exploring and developing the Mainland market through developing brands, upgrading and restructuring operations and promoting domestic sales in the Mainland are eligible. Some examples that fall within the scope of the BUD Fund are as follows:

Area	Examples
Branding	Brand Development Strategy and Planning , Brand Positioning and Image Design, Brand Assessment and Market Survey, and Brand Promotion, etc
Upgrading & Restructuring	New Product Design, New Technology Adoption, Management System Upgrading, Manufacturing Automation, etc
Promoting Domestic Sales	Domestic Sales Market Survey, Domestic Sales Strategy and Plan Formulation, Domestic Sales Channel Building, Product/Service Promotion, etc

## Grant:

- Each funded project should be completed within 24 months.
- Funding will be provided on a matching basis, i.e. the Government will cover a maximum of 50% of the total approved project cost.
- the enterprise has to contribute no less than 50% of the total project cost in cash.
- The cumulative funding ceiling per enterprise under the BUD Fund is \$500,000.
- During the tenure of the BUD Fund, each enterprise may obtain funding for a maximum of three approved projects.

Application Procedures:

- Applicants should submit a holistic business plan, together with the completed application form, to show how the proposed measures can enhance their competitiveness and facilitate their business development in the Mainland market.
- The PMC will usually meet once every two to three months. Applications will be considered by the PMC in batches at its meetings.

<b>Project Duration</b>	<b>Submission of Progress Reports and Annual Audited Accounts</b>	<b>Submission of Final Report and Final Audited Accounts</b>
18 months or below	Not required	Within 2 months upon project completion
Over 18 months to up to 24 months	1 progress report and annual audited accounts at the 12th months of the project, to be submitted within 1 month after the relevant 12-month period	Within 2 months upon project completion

# Technology Voucher Programme (TVP)

To subsidise local SMEs in using technological services and solutions to improve productivity, or upgrade or transform their business processes.

Sponsor Authority: Innovation and Technology Commission  
<https://www.itf.gov.hk>

## Eligibility:

Non-listed enterprises fulfilling the following requirements are eligible to apply for funding under the TVP:

1. registered in Hong Kong under the Business Registration Ordinance (BRO) (Cap. 310); and
2. with substantive business operation in Hong Kong which is related to the project under application at the time of application.

## Grant:

1. Funding up to \$200,000 for each eligible enterprise will be provided on a 2:1 matching basis.
2. The applicant enterprise must contribute no less than one third of the total approved project cost in cash.
3. Subject to the cumulative funding ceiling of \$200,000, up to three projects from an enterprise may be approved.
4. To ensure proper focus on project implementation, an enterprise is not allowed to undertake more than one TVP project at the same time. Expenditure items under an approved TVP project shall not receive funding support from other local public funding sources.

## Project Durations:

Each project should normally be completed within 12 months.

# 2016/18 SME Mentorship Programme

The SME Mentorship Programme aims at providing an opportunity for SME entrepreneurs who are at their early stage of business to learn from and be guided by accomplished entrepreneurs, senior executives, and professionals through one-on-one free counselling.

## 初當老闆 喜獲灼見

**即**使一個人已在行內打滾了一段時間，創業後由於身份轉變，也有機會遇上難題。恆寶首飾有限公司市場部總監林玉婷，是公司股東之一。2010年，林玉婷在偶然機會下創業，當時她已有15年珠寶業經驗，「但打工始終跟創業不同。以前當員工，有問題可徵詢老闆尋求解決方法，現在身為老闆便要給予下屬方向。」

### 資深業者提議珍貴

恆寶首飾有限公司經營925純銀首飾、人造首飾出口及批發。有見公司於參加珠寶展時經常被問到是否銷售自家品牌，林玉婷認為「既然多人問，可能是公司形象好，有潛力做自家品牌」，於是在2014年參加「營商友導」計劃，並獲得行內資深業者出任導師給予意見。林玉婷的導師由香港珠寶玉石商會提名的萬雅珠寶有限公司董事總經理冼雅恩擔任。

2015年9月林玉婷創立自家品牌 Mysterious Jewellery，冼雅恩不但為她分析創立品牌的利弊，並就產品開發路線提供意見，建議她不用跟風，並應先發掘公司強項及確立方向，繼而實踐創新想法。「我們公司的強項就是緊貼市場，開創能力強。現時著名品牌推出不少可換吊墜的手鏈，其實早在2014年我們已推出構思相似的皮繩吊墜系列，至今仍有推出新款，算是週期較長的產品。」

林玉婷指打工與做老闆不同，需要不同思維和技巧，而計劃的資深導師便可給予相關意見。



Sponsor Authority: Support and Consultation Centre for SMEs,  
Trade and Industry Department  
<https://www.success.tid.gov.hk>

### Eligibility:

An entrepreneur who owns and actively runs a business which :

1. is registered in Hong Kong under the Business Registration Ordinance, Cap. 310;
2. has been established for less than 5 years; and
3. employs fewer than 20 employees in Hong Kong.

### Mentors

Mentors are experienced entrepreneurs, senior executives and professionals as recruited and recommended by the Co-organisers. Mentors will listen to mentees' views and problems, share with mentees their thinking and experience, and give advice. However, mentors will not make decision for mentees regarding business and personal development.

Hong Kong Jewellery & Jade Manufacturers Association is among the 80 Co-organisers.

## Mentorship

A 12-month mentorship will commence after a mentee has been successfully matched with a mentor. During the mentorship period, a mentor and his/her mentee are encouraged to meet at least 3 times as mutually agreed.

## Activities

SUCCESS will organise various activities for mentees including experience sharing sessions, seminars, workshops, etc. with a view to broadening their business knowledge and expanding their network of contacts.



# Design Incubation Programme (DIP)

The Design Incubation Programme (DIP) aims to nurture design startup companies and help them to meet the challenges at the early and critical stage of development. Successful applicants of this two-year programme will enjoy a variety of support services including ready-to-use office, financial subsidies, business development and networking opportunities.

Sponsor Authority: Hong Kong Design Centre

<https://www.hkdesignincubation.org/dip>

## Eligibility:

1. The applicant must have his/her application-company as a start-up Hong Kong-registered company (i.e. incorporated in Hong Kong for not more than three years as at the date of application), and still in its early stage of development in which financial and professional support is much needed.
2. For local application, the applicant must be a Hong Kong permanent resident. For overseas applications, the applicant must have an overseas registered company that has registered for not more than three years as at the date of application. The applicant must set up a Hong Kong registered company immediately to qualify for programme commencement after the application approval is granted.
3. The applicant is expected to require less than 350 square foot net of office space at the time of admission in general.
4. A shareholder or partner of the applicant must not be a shareholder or partner of a current Incubatee or graduated company in the DIP or Fashion Incubation Programme (FIP), or other incubation programmes funded by the Government.
5. The applicant-company must have as at the date of application at least two full-time staff (the applicant included) based in Hong Kong, and
  - i. at least one of them must be the major shareholder and must be a designer in a recognised design discipline;
  - ii. the aggregate shareholding percentage or interest of the full-time designer(s) must be in majority; and
  - iii. all staff must be able to work in Hong Kong legally.

## Grant:

1. Free Rental for office premises for the 1st year and Discount Rental for the 2nd year
2. Financial Assistance in Operation, Marketing and Development (Total Maximum Amount of Financial Assistance = HKD260,000)
3. Business Centre Assistance
4. Business Knowledge Enrichment Programmes
5. Mentorship Programmes
6. Business Outreaching Programmes

## Application Procedures:

After admission to DIP, the achievements of incubatees will be assessed at the 4th, 12th and 20th month of the incubation period.

## Application Procedures:

After admission to DIP, the achievements of incubatees will be assessed at the 4th, 12th and 20th month of the incubation period.

The following milestone goals will be measured in the assessments:

- Product and service development status
- Sales revenue and projected profit
- Increase in head count
- Incubatees must participate in HKDC's specified training and networking programmes. Failure in attendance may result in reduction in Financial Assistance to the incubatees.

Incubatees who do not achieve their milestone goals will be disqualified from DIP and they must move out of the Design Incubation Centre.

# SME Development Fund (SDF)

The SME Development Fund (SDF) provides financial support to non-profit-distributing organisations to implement projects that aim to enhance the competitiveness of Hong Kong's SMEs in general or in specific sectors.

Sponsor Authority: Trade and Industry Department

<https://www.smefund.tid.gov.hk>

## Eligibility:

Non-profit-distributing organisations such as trade and industrial organisations, professional bodies or research institutes, etc. are eligible to apply.

Projects which are or will be in receipt of other Government funding support will not be considered.

## Scope of Funding:

All proposals that are conducive to enhancing the competitiveness of Hong Kong's SMEs in general or in specific sectors are welcome to apply. Examples include seminars, workshops, conferences, exhibitions, research studies, award schemes, codes of best practices, databases, service centres, support facilities and technology demonstration, etc.

Projects funded under the SDF shall be completed in 3 years.

## Grant:

The maximum amount of funding support for each approved project is \$5 million, or 90% of the approved project expenditure, whichever is the less. The applicant has to contribute the remaining 10% of the project expenditure, which may be in cash, in kind or in the form of sponsorship.

## Application Period:

Applications for the SDF are accepted all year round.

## CreateSmart Initiative (CSI)

The CreateSmart Initiative (CSI) promotes and speeds up the development of local creative industries so as to build Hong Kong into Asia's Creative Capital. The CSI aims at providing financial support to projects conducive to the development of creative industries in Hong Kong. It is administered by Create Hong Kong.

Sponsor Authority: Create HK

<http://www.createhk.gov.hk>

Eligibility: Locally registered institution/organisation

Scope of Funding:

The projects sponsored by the CSI are diverse in nature, ranging from internship and graduate trainee programmes; programmes for young creative talent to undertake overseas work attachments and study; programmes for creative SMEs and creative talent to participate in Mainland and overseas exhibitions and competitions; incubation programmes for emerging designers to organising signature events, competitions / awards, exhibitions, seminars, workshops etc. to promote Hong Kong as Asia's creative capital.

Grant:

Funding support is normally provided by way of a grant; more than one application can be submitted by each applicant; no limit is imposed on the maximum amount of subsidy to be granted, but projects involving funding support of HK\$10 million or above would have to be submitted to the Finance Committee of the Legislative Council for consideration and approval.

Application Period:

Applications for the CSI are accepted all year round.

# Professional Services Advancement Support Scheme (“PASS”)

The Professional Services Advancement Support Scheme (“PASS”) amounts to HK\$200 million; it is set up to support Hong Kong’s professional services sector to carry out worthwhile projects to spearhead pro-active outreaching promotion efforts and to improve service offerings.

Sponsor Authority: The Commerce and Economic Department Bureau

<http://www.pass.gov.hk>

## Eligibility:

A wide range of professional services sectors are eligible for funding under PASS, including accounting, legal, building and construction, health and other services such as information and communications technology, company secretary, veterinary, design, business consultancy, waste management and environmental consultancy, technical testing and analysis, etc.

There are no particular restrictions on the types of non-profit-making projects eligible under PASS. Eligible projects may include, but are not limited to:

1. outreach and home visit activities, e.g. conferences, roadshows, promotional seminars and visits;
2. exchange programmes for professionals;
3. capacity-building programmes, e.g. workshops and training courses and expert briefings;
4. researches and studies, e.g. researches on the development potential of external markets, development of guidebooks and manuals on new international standards or standards of external markets; and
5. others, e.g. establishment of professional networks.

Projects which are or will be funded by other government sources will not be considered.

Projects shall normally be completed within three years.

## Application Procedures:

Applications are normally invited four times a year. Applications will be considered by a Vetting Committee, which will recommend on the level of funding support for the applications.