

**New round of enhancements to
the Dedicated Fund on Branding, Upgrading and Domestic Sales and
the SME Export Marketing Fund and “SME ReachOut”**

The Trade and Industry Department (TID) is rolling out a new round of enhancement measures to the Dedicated Fund on Branding, Upgrading and Domestic Sales (BUD Fund) and the SME Export Marketing Fund (EMF), and will start to receive applications on 20 January 2020. The enhancement measures are summarised below:

BUD Fund

- Extending the geographical coverage of the BUD Fund to all economies with which Hong Kong has signed Free Trade Agreements (FTAs)¹.
- Increasing the maximum funding ceiling per enterprise to \$4 million, including \$2 million for projects in the Mainland and \$2 million for projects in ASEAN and other FTA markets.
- Increasing the ratio of initial payment from 25% to up to 75% of the total approved government funding.
- Removing the requirements for the grantee to open and maintain a separate interest-bearing bank account and to deposit into the account the required amount of matching funds before receiving the initial payment.
- All projects, including those opting for initial payment, can commence upon submission of applications.
- Relaxing the budget cap of individual expenditure items (including procuring/leasing of additional machinery/equipment, producing samples/prototype, patent/trademark/design/utility model registration).
- Allowing more fundable items (including costs for setting up new business entity in the Mainland, procuring/leasing additional machinery/equipment for increasing production capacity under the Mainland Programme, etc.).

¹ Including Mainland China, New Zealand, the four member states of the European Free Trade Association (i.e. Iceland, Liechtenstein, Norway and Switzerland), Chile, Macao, the ten member states of the Association of Southeast Asian Nations (ASEAN), Georgia and Australia.

EMF

- Increasing the cumulative funding ceiling per SME to \$800,000.
- Adding an option for an applicant to apply for an initial payment of up to 75% of the total approved government funding.

The updated application guides and application forms of the BUD Fund and the EMF will be uploaded to the website of the relevant funding schemes in mid-January 2020.

SME ReachOut

To raise the awareness and enhance the utilisation of various Government funding schemes, a dedicated service team named “SME ReachOut” will commence operation starting from 1 January 2020 to reach out to SMEs and answer questions on funding applications.

For enquiries, please contact the following:

- EMF hotline at 2398 5127 or email at emf_enquiry@tid.gov.hk;
- BUD Fund hotline at 2788 6088 or email at bud_sec@hkpc.org; and
- “SME ReachOut” hotline at 2788 6262 or email at sme_reachout@hkpc.org.
