

**For discussion
on 17 August 2021**

Legislative Council Panel on Commerce and Industry

**New Programme to Step Up Promotion of
Hong Kong's Professional Services under the
Professional Services Advancement Support Scheme**

PURPOSE

As announced in the 2020 Policy Address, \$50 million has been set aside under the Professional Services Advancement Support Scheme (PASS) to subsidise the participation of Hong Kong's major professional bodies in relevant activities organised by the Government, Hong Kong Trade Development Council (HKTDC) and overseas Hong Kong Economic and Trade Offices (ETOs), with the objective of encouraging Hong Kong professional services sectors to step up promotion of Hong Kong's competitive edges and professional services to the Mainland cities of the Guangdong-Hong Kong-Macao Greater Bay Area (GBA) and overseas markets after the pandemic has stabilised. This paper briefs Members on the details of the new programme.

BACKGROUND

2. The Government set up the \$200 million PASS in November 2016 to provide financial support for non-profit-distributing organisations¹ to carry out non-profit-making projects aimed at –

¹ Non-profit-distributing organisations operating as trade and industrial organisations, professional bodies or research institutes etc., which shall either be statutory organisations or organisations formed or registered under the laws of the Hong Kong Special Administrative Region, are eligible to apply for funding under PASS.

- (a) increasing exchanges and co-operation between Hong Kong professionals and their counterparts in the Mainland and overseas markets;
- (b) promoting relevant publicity activities; and/or
- (c) enhancing the standards and external competitiveness of Hong Kong professional services.

3. A wide range of professional services sectors are eligible for funding, including more traditional sectors (e.g. accounting, legal, building and construction and health) and relatively new ones (e.g. arbitration and mediation, information and communications technology and technical testing and analysis) (full list at **Annex**). A Vetting Committee (VC) has been set up to consider funding applications. Final funding approval is granted by the Government on the basis of the VC's recommendations. The maximum amount of PASS grant for an approved project is 90% of the total eligible project cost, or \$3 million, whichever is lower. Expenses directly incurred for implementing a project such as manpower costs, venue and set-up costs, production and promotion costs, and the travel and accommodation costs of the project team and participants with active roles outside Hong Kong, are typically eligible for funding.

4. Since the launch of PASS in end 2016, a total of 75 projects, with approved funding amount to \$54 million, have been approved under the Scheme. These funded projects covering a wide range of sectors and encompassing a diverse variety of activities, including seminars, forums, workshops, exchange events, exhibitions, research and studies. We expect that these projects would attract over 33 000 participants who would take part in a total of 478 project deliverables, including 269 capacity-building programmes for enhancing the standards of local professionals, 98 outreach and promotional activities for showcasing the strengths of Hong Kong's professional services, 70 exchange activities for deepening the interaction between Hong Kong professionals and their external counterparts and 41 other project deliverables (e.g. researches on potential external markets for Hong Kong professional services).

NEW PROGRAMME UNDER PASS

Objective and Subsidy Principles

5. The Outline of the 14th Five-Year Plan for National Economic and Social Development of the People's Republic of China and the Long-Range Objectives Through the Year 2035 indicated support for Hong Kong to foster co-operation and exchanges with countries and regions around the world. In this regard, to encourage Hong Kong professional services sectors to step up promotion of Hong Kong's competitive edges and professional services to the Mainland cities of the GBA and overseas markets after the pandemic has stabilised, a new programme named the Professionals Participation Subsidy Programme (PSP) has been set up under PASS to subsidise the participation of Hong Kong's major professional bodies in relevant activities organised by the Government, HKTDC and ETOs. That is to say, professional bodies could make use of the new PSP to participate in relevant activities organised by the Government, HKTDC and ETOs that aim at promoting Hong Kong's professional services and increasing exchanges and co-operation of Hong Kong's professional services with their counterparts in different markets (including the Mainland and overseas).

6. The new PSP will adopt the same key funding parameters of other PASS projects as outlined in paragraph 3 above. To simplify the application procedures, HKTDC, ETOs and other government departments would submit their proposed activities aimed at the professional services sectors to the PASS VC for approval first. PSP will subsidise up to 90% of the actual eligible participation cost incurred by Hong Kong professionals participating in eligible activities, capped at the approved maximum subsidy level. The approved maximum subsidy level is determined based on the lowest confirming quotation(s) obtained by activity organisers in accordance with the relevant organisation’s prevailing procurement procedures. Eligible participation cost includes direct cost related to the activities, such as travel and accommodation cost, group in-town transportation cost, venue cost of sectoral promotion/exchange sessions, etc. Applications for PSP subsidy should be submitted by Hong Kong major professional bodies on behalf of professionals taking part in eligible activities. PASS subsidy would be provided on a reimbursement basis, subject to full participation of the activity concerned by the eligible professionals.

Approved Activities Under the New PSP

7. So far, five activities have been given in-principle approval by the PASS VC as tentative activities under PSP, and their details are as follows –

Name of Activity	Location	Format	Target Beneficiary Sector	Organiser
Hong Kong Infrastructure Development and Real Estate-related Services Mission to Jakarta, Indonesia	Jakarta, Indonesia	<ul style="list-style-type: none"> • Forum • Meeting • Company visit • Business matching session 	<ul style="list-style-type: none"> • Building and Construction-related services 	HKTDC
Hong Kong Professional Mission to “Think Business, Think Hong Kong” Symposium	Bangkok, Thailand	<ul style="list-style-type: none"> • Conference • Thematic session • Business matching session 	<ul style="list-style-type: none"> • Accounting-related services • Legal services • Company Secretary services • Business Consultancy services 	HKTDC

Name of Activity	Location	Format	Target Beneficiary Sector	Organiser
Promotion of Hong Kong's Strengths in Dispute Resolution Services (particularly on maritime arbitration and online dispute resolution)	Tokyo, Japan	<ul style="list-style-type: none"> • Meeting • Seminar 	<ul style="list-style-type: none"> • Legal services (arbitration and mediation) 	Tokyo ETO
Hong Kong Professional Mission to "SmartHK, Guangzhou"	Guangzhou	<ul style="list-style-type: none"> • Forum • Business matching session • Company visit 	<ul style="list-style-type: none"> • Accounting-related services • Legal services • Information and Communications Technology services • Building and Construction-related services • Design services • Business Consultancy services 	HKTDC
Hong Kong Infrastructure Development and Real Estate-related Services Mission to Greater Bay Area	Huizhou	<ul style="list-style-type: none"> • Meeting • Infrastructure visit 	<ul style="list-style-type: none"> • Building and Construction-related services 	HKTDC

8. Key information of PSP, including the list of tentative activities, has been uploaded onto the PSP website. Attention of relevant professional bodies have been drawn to the new PSP and the activity list to facilitate their future applications. They will be encouraged to promote the relevant activities to Hong Kong professionals within their respective sectors as appropriate.

9. Due to the evolving pandemic developments, the exact timing, programme and cost details of the tentative activities under the PSP are still being finalised at this stage. Other activities are under planning by HKTDC and ETOs, the details of which could only be worked out after the pandemic situation has stabilised and overseas and cross-boundary travel could be resumed. The PASS Secretariat will continue to work with HKTDC, ETOs and other government departments, and will submit more proposed PSP activities to the PASS VC for consideration once their details are confirmed.

ADVICE SOUGHT

10. Members are invited to note the progress of the implementation of the PASS, including details of the new PSP as set out in the paper.

Commerce and Economic Development Bureau
August 2021

**Professional Services Advancement Support Scheme
List of Eligible Professional Services Sectors**

(i) Accounting-related services

- Accounting, auditing, book-keeping and tax services

(ii) Legal services

- Legal, arbitration and mediation services

(iii) Building and construction-related services

- Architecture and landscape architectural services
- Engineering services
- Integrated engineering services
- Planning services
- Project development and project finance services
- Real estate services (including agency services, facilities management and valuation and surveying services)
- Surveying services

(iv) Health-related services

- Medical, dental and Chinese medicine services
- Services provided by midwives, nurses, physiotherapists and paramedical personnel

(v) Other services

- Information and communications technology services
- Company secretary services
- Design services (including graphic, product, interior and fashion design)
- Business consultancy services (including human resource management consultancy services; management consultancy services; financial consultancy services, etc.)
- Waste management and environmental consultancy services
- Technical testing and analysis services
- Veterinary services