

# **CEDB briefs Trade and Industry Advisory Board on Policy Address (with photos)**

The Secretary for Commerce and Economic Development, Mr Algernon Yau, briefed members of the Trade and Industry Advisory Board on initiatives related to commerce and trade in "The Chief Executive's 2023 Policy Address" at a meeting today (October 30).

Mr Yau said that while there was a strong rebound in the middle of this year following the full resumption of normalcy early this year, Hong Kong's economy is still facing a lot of challenges due to the change in the demand for goods affected by the external environment and interest rate hikes. In this connection, the Chief Executive has outlined a range of measures in the Policy Address to boost Hong Kong's economy and support businesses, with a view to enhancing Hong Kong's overall competitiveness.

Stressing that the Government is committed to supporting enterprises, in particular small and medium-sized enterprises (SMEs), so as to help them secure a firm footing amid the difficult and volatile environment, Mr Yau briefed the members on various measures for supporting SMEs in addressing the challenges.

The application period of the principal moratorium arrangement under the SME Financing Guarantee Scheme ended last month, and some enterprises have already resumed normal repayment, with the principal moratorium arrangement of the remaining loans expiring gradually by the end of next year. Having regard to the cash flow situations of different enterprises, the Government will provide more flexible repayment options so that enterprises may choose to repay only 10 per cent, 20 per cent or 50 per cent of the original principal amount payable each month during the specified period, enabling them to have more time to gradually switch to normal repayment.

The Government will also establish the E-commerce Development Task Force to implement policies assisting SMEs in developing e-commerce business, such as organising Hong Kong Shopping Festivals on e-commerce platforms and launching "E-commerce Easy" under the Dedicated Fund on Branding, Upgrading and Domestic Sales to provide funding support for SMEs' implementation of e-commerce projects, with a view to promoting brand awareness of Hong Kong products for developing the Mainland domestic sales market.

In addition, the Government suggested raising the statutory cap on the contingent liability of the Hong Kong Export Credit Insurance Corporation (ECIC) from \$55 billion to \$80 billion to enhance its underwriting capacity. The ECIC will also upgrade its free credit check services for policyholders regarding buyers from the 10 member states of the Association of Southeast Asian Nations, giving exporters more confidence in accepting overseas orders.

Mr Yau highlighted that the Government will proactively explore emerging markets to create impetus for Hong Kong's economic growth by organising promotional programmes and networking sessions, business missions to Belt and Road countries and visits to the Guangdong-Hong Kong-Macao Greater Bay Area for overseas enterprises operating in Hong Kong. The Government will also set up additional offices for business and trade along the Belt and Road to strengthen trade promotional efforts in emerging countries. Hong Kong at the same time will continue to seek to forge free trade agreements and investment promotion and protection agreements with more economies.

Meanwhile, Mr Yau updated the members on the Government's work on attracting enterprises and investment. The Office for Attracting Strategic Enterprises set up last year has reached out to over 200 enterprises, of which 30 are planning to establish their foothold or expand their operations in Hong Kong. A total of about \$30 billion of new investment is involved. In the first nine months of this year, Invest Hong Kong assisted over 300 Mainland and overseas enterprises in establishing or expanding their operations in Hong Kong, representing an increase of more than 25 per cent over the same period last year.

Mr Yau said that despite the difficulties facing the global economy, Hong Kong will be able to overcome the challenges with its strong resilience and adaptability, and will also better integrate into the national development, to enable the economy to move forward.

