

## **CEDB responds to media enquiries on Local Mask Production Subsidy Scheme**

In response to media enquiries regarding details of the Local Mask Production Subsidy Scheme under the Anti-epidemic Fund, a spokesman for the Commerce and Economic Development Bureau today (February 23) said the following:

"We have not set the purchase price at \$3 per mask. That price is only an assumption for estimating the budget for undertaking to buy the masks for the entire scheme, so as to seek funding approval from the Legislative Council. The Government and the Hong Kong Productivity Council are devising a mechanism to determine a reasonable purchase price for buying the masks produced under the scheme. We will take into consideration the production costs, such as the cost of raw materials and factory rental. The Government will announce the formula for determining the purchase price later. As the production costs may change over the year, we will not rule out setting different purchase prices for different periods of the year.

"To be eligible for a subsidy from the Government, a production line must satisfy a number of stringent conditions, including having a clean room in the factory, having production machinery and raw materials for producing at least 500 000 masks every month, the masks meeting at least the American Society for Testing and Materials Level 1 standard, and the factory obtaining ISO 13485 certification. The Hong Kong Productivity Council will provide technical support to organisations interested in establishing production lines in Hong Kong.

"A subsidy of up to \$3 million may be given to each production line and up to \$2 million to each additional production line in the same factory. This is merely the maximum subsidy level but not a subsidy amount across the board. The actual subsidy amount for each production line depends mainly on its production capacity. The principle is that the higher the production capacity, the more the subsidy. The Government and the Hong Kong Productivity Council are studying the subsidy criteria having regard to the capital cost of establishing a production line, and will publicise the details later.

"The Government reiterates that the only policy objective of the scheme is to facilitate the establishment of mask production lines in Hong Kong as soon as possible, so as to stabilise the supply of masks in the short term and to build up stock to meet future need in the long run.

"The Government welcomes applications from all organisations interested in establishing mask production lines in Hong Kong. The Government will scrutinise every application in an open, fair and transparent manner in accordance with the aforementioned requirements and other factors under the scheme."