

Enhanced funding arrangements for Enterprise Support Scheme announced

The Innovation and Technology Commission (ITC) today (January 31) announced the arrangements for disbursing partial funding in advance for projects funded by the Enterprise Support Scheme (ESS). The arrangements aim to ease the cash-flow requirements faced by small and medium-sized enterprises and start-ups when they conduct the funded projects.

Under the new arrangements, the ITC will disburse an advance payment of up to 50 per cent of the matching fund approved under the Innovation and Technology Fund (ITF) for the first six months or up to \$500,000, whichever is lower, to the recipient company upon request and on the condition that the recipient company has contributed the same amount on a matching basis. The remaining payment will be disbursed in instalments upon the recipient company's fulfilment of the obligations stated in the agreement.

The new arrangements will be applicable to applications submitted to the ITC from tomorrow (February 1).

The ESS aims to encourage more private sector investment in research and development (R&D) through funding support for enterprises to conduct in-house R&D work. Funding of up to \$10 million will be provided on a dollar-for-dollar matching basis for each approved R&D project with a duration of about two years in general. There is no requirement for recoupment of the Government's contribution and the recipient company will own the intellectual property generated from the project.

Further information is available on the ITF website (itf.gov.hk). For enquiries, please contact the ESS Secretariat (Tel: 3422 3700; email: ess@itc.gov.hk).