

Government announces launch of Retail Sector Subsidy Scheme under Anti-epidemic Fund

To provide relief to retailers to help tide them over their financial difficulties during this challenging time, the Government will launch the Retail Sector Subsidy Scheme (the Scheme) under the Anti-epidemic Fund (the Fund) on March 23 (Monday).

A sum of \$5.6 billion is earmarked under the Fund for the Scheme which is expected to benefit some 70 000 retailers. Each eligible retail store will receive a one-off subsidy of \$80,000. The first tranche of payment will be made within April.

The Scheme covers shops that sell tangible goods to the public for personal or household consumption or utilisation. No processing or transformation of the goods should be involved in the resale process. This definition has all along been adopted by the Census and Statistics Department for the purpose of its regular economic and vacancies surveys for the retail sector and corresponds with the relevant international classification.

Eligibility criteria

To be eligible, an applicant must be:

- conducting substantial and substantive retail business at a fixed physical and individually operated store in Hong Kong; and
- running a business that has commenced before January 1, 2020, and is still in operation at the time of application.

Under the Scheme, eligible retail stores do not include:

- stores with licences of restaurants, canteens, light refreshment restaurants, fresh provision shops, food factories, bakeries, siu mei and lo mei shops issued by the Food and Environmental Hygiene Department;
- hawkers (including licensed hawkers);
- mobile stalls and counters in department stores without a separate payment system and stores operating under a short-term tenancy of a duration less than six months; and
- retail stores conducting non-store retailing via mail order, internet or direct marketing sales only.

Under the Scheme, the maximum amount of subsidy for a parent company that operates retail groups or chain stores under the same business

registration is \$3 million (equivalent to no more than 38 stores).

Applicants are required to submit documentary proof of their applications, including a valid Business Registration Certificate and two other most-recent bills/statements which can ascertain their eligibility for the subsidy such as MPF contribution statements, rental receipts, utility bills, etc.

Online application system to commence operation on March 23

The Government has commissioned the Hong Kong Trade Development Council to help implement the Scheme. To expedite the application process and minimise the time required for vetting the eligibility of applications received, the Scheme will only accept online applications via a dedicated online application system.

The online application system is scheduled to commence operation at 9am on March 23 (Monday). The deadline for applications is 11.59pm on April 12 (Sunday). During the three-week application period, applicants may submit applications and necessary supporting documents through personal computers or smartphones. There is no need for applicants to rush their submissions of online applications on the first day of the application period as the Scheme is not run on a first-come-first-serve basis.

Retail stores operated by social enterprises

The Scheme also covers fixed physical retail stores operated by social enterprises meeting the following criteria:

- listed on the Social Enterprise Directory maintained by the Hong Kong Council of Social Service (HKCSS); or
- accredited under the Social Enterprise Endorsement Mark administered by the Hong Kong General Chamber of Social Enterprises; or
- supported by government grants, such as the Social Innovation and Entrepreneurship Development Fund, Enhancing Self-Reliance Through District Partnership Programme and Enhancing Employment of People with Disabilities through Small Enterprise Project.

Eligible retail stores operated by social enterprises should have commenced their businesses before January 1, 2020, and should still be in operation at the time of application.

As retail outlets operated by social enterprises may not have a business registration, the HKCSS will help provide certification for these retail shops to confirm their eligibility and collect applications from them directly. Accordingly, there is no need for eligible retail stores operated by social enterprises to submit applications through the online system.

Enquiries and assistance

A dedicated telephone hotline (1836 111) and email account (enquiry@retailsubsidy.hk) for the Scheme have commenced operation today (March 16) to handle enquiries on the details of the Scheme and provide assistance to applicants in preparing their online applications.