

# Government approves five more production lines under Local Mask Production Subsidy Scheme

The Commerce and Economic Development Bureau announced today (April 17) that it has approved the following five applications under the Local Mask Production Subsidy Scheme:

1. Sinopharm Tech Medical Supplies Limited has been approved for obtaining subsidy for one production line, with April 10 as the target commencement date for supplying certified masks to the Government (the target commencement date) as estimated in its application. It is expected to supply an average of 2 million masks every month to the Government and to produce a further 1 million masks on average every month for the local market. The production line may receive a subsidy of up to \$3 million.
2. Hong Kong Lion Production Company Limited has been approved for obtaining subsidy for one production line, with April 15 as the target commencement date as estimated in its application. It is expected to supply an average of 550 000 masks every month to the Government. The production line may receive a subsidy of up to \$2 million.
3. HKer Medical Supplies Limited has been approved for obtaining subsidy for one production line, with April 16 as the target commencement date as estimated in its application. It is expected to supply an average of 2 million masks every month to the Government and to produce a further 1.6 million masks on average every month for the local market. The production line may receive a subsidy of up to \$3 million.
4. Action Medical Sundries Limited has been approved for obtaining subsidy for one production line, with April 16 as the target commencement date as estimated in its application. It is expected to supply an average of 2 million masks every month to the Government and to produce a further 1 million masks on average every month for the local market. The production line may receive a subsidy of up to \$3 million.
5. SDL Skin (Asia) Limited has been approved for obtaining subsidy for one production line, with April 16 as the target commencement date as estimated in its application. It is expected to supply an average of 1.2 million masks every month to the Government. The production line may receive a subsidy of up to \$2 million.

The target commencement date as estimated by an applicant in its application is one of the approval criteria. If an approved applicant cannot

supply certified masks to the Government by the target commencement date, it may apply for extension of not more than one month. Any extension beyond one month without exceptional reasons and full justifications would result in revocation of the subsidy.

After approval in principle is given, the Government will sign an agreement with the approved applicant and will disburse subsidy funds to the approved applicant in instalments pursuant to the terms of the agreement. The actual subsidy amount for each production line under the Scheme is contingent upon the actual expenditure for production equipment and setting up the venue and clean room facilities as well as testing and standards compliance, and will be finalised when the expenditure is confirmed.

An approved applicant must fulfil the terms of the agreement, including securing the relevant certification for the masks produced, before the Government begins purchasing masks from it.

The Government launched the Scheme under the Anti-epidemic Fund to facilitate local production of masks as soon as possible to help address the imminent shortage as well as to build up stock.

The Scheme will provide subsidies to a maximum of 20 local production lines. Thus far, 13 production lines have been approved under the Scheme, and there is a subsidy quota of seven production lines remaining. The Hong Kong Productivity Council has confirmed that there remain 26 applications (involving 33 production lines) which meet all the eligibility criteria of the Scheme, and the Government will process them as soon as possible.