

LCQ9: Supporting professional services sectors

Following is a question by the Hon Jimmy Ng and a written reply by the Secretary for Commerce and Economic Development, Mr Edward Yau, in the Legislative Council today (September 8):

Question:

In November 2016, the Government launched the Professional Services Advancement Support Scheme (PASS) with a total commitment of \$200 million, with an aim to support Hong Kong's professional services sectors to carry out worthwhile projects, thereby spearheading proactive outreaching promotion efforts and enhancing service standards. In this connection, will the Government inform this Council:

(1) of the following information on PASS for each year since it was implemented and the period from January 1 to July 31 this year: (i) the number of funded projects, (ii) the number of projects rejected, (iii) the number of beneficiary organisations, (iv) the average amount of grant per project, and (v) the major beneficiary sectors;

(2) whether it will consider afresh formulating a set of quantitative key performance indicators for assessing and monitoring the effectiveness and achievements of all funded projects; if so, of the details; if not, the reasons for that;

(3) given that financial services, maritime services and tourism services are pillar industries of Hong Kong, whether the Government will include such sectors in the list of eligible professional services sectors and encourage the relevant organisations of such sectors to apply for funding under PASS; if so, of the details; if not, the reasons for that; and

(4) as the Chief Executive announced in the 2020 Policy Address that a funding of \$50 million had been set aside for setting up a Professionals Participation Subsidy Programme (PSP) under PASS to subsidise major professional bodies to participate, after the epidemic situation has stabilised, in relevant exchange, promotion and professional standard enhancement activities organised by the Government, the Hong Kong Trade Development Council and overseas Hong Kong Economic and Trade Offices, so as to encourage Hong Kong's professional services sectors to step up efforts to promote Hong Kong's competitive edges and professional services to the Mainland cities in the Guangdong-Hong Kong-Macao Greater Bay Area and overseas markets, of the following information on PSP since it was launched: (i) the number of approved applications, (ii) the total amount of subsidies granted, and (iii) the estimated number of beneficiaries?

Reply:

President,

In response to the question raised by the Hon Jimmy Ng, my reply is as follows:

(1) As at July 2021, a total of 171 eligible applications (Note) have been received under the Professional Services Advancement Support Scheme (PASS). Excluding 50 applications still pending the applicants' submission of supplementary information or clarifications on the project content, the Vetting Committee (VC) has completed the assessment of 121 applications, of which 75 projects have been funded with a total grant of about \$54 million. The funding amount for each project ranges from \$110,000 to \$2,780,000, and the average funding per project is \$720,000. It is expected that over 33 000 Hong Kong professionals will participate in the aforementioned projects.

These funded projects involve 49 grantees and cover a wide range of professional services sectors, including accounting, legal and dispute resolution, architecture, engineering, healthcare, information and communications technology, design, business consultancy, technical testing and analysis, company secretary and waste management and environmental consultancy services.

The annual breakdown of the number of applications for which the VC has completed assessment is as follows:

Financial year	2017-18	2018-19	2019-20	2020-21 and April to July 2021	Total
Number of funded projects	20	24	16	15	75
Amount of approved grant (\$ million)	17.72	17.86	8.7	10.03	54.31
Number of rejected applications	26	2	6	6	40

Another six applications have also been approved in principle. Pending the submission of cashflow projections and revised project proposals from the applicants concerned and subject to the signing of project agreements with the Government, these projects would be funded.

(2) To monitor and evaluate the progress and deliverables of funded projects, all grantees must submit project final reports and audited accounts upon completion of the projects. For projects with implementation period exceeding 18 months and/or funding amount exceeding \$300,000, grantees are also required to submit project progress reports during project implementation. The project final reports and progress reports must include details of project implementation, quantifiable project deliverables, project evaluation

by grantees and evaluation of project deliverables by users and participants. In addition, the PASS Secretariat will carry out onsite visits for funded activities held locally (or online visits in case of online activities), and progress review meetings with grantees for activities held outside Hong Kong.

We consider that the existing monitoring and evaluation arrangements would enable multi-dimensional monitoring and evaluation of the progress and deliverables of funded projects. For projects already completed with project final reports submitted, the majority of PASS project participants had given positive comments on the project deliverables.

(3) The professional services sectors covered under PASS are determined with reference to the relevant classifications of professional services sectors by the World Trade Organization, the United Nations and the Census and Statistics Department, which were adjusted according to the views expressed in the meeting of the Legislative Council Panel on Commerce and Industry held in June 2016. PASS also encourages applicants to consider organising cross-professional sector projects. For example, projects pertaining to shipping or maritime law, arbitration and dispute resolution, financial technology and even travel technology may also be funded. PASS had also received applications relating to the financial technology sector in the past.

(4) As announced by the Chief Executive in the 2020 Policy Address, \$50 million has been set aside under the PASS to set up a new funding programme named the Professionals Participation Subsidy Programme (PSP), to subsidise the participation of Hong Kong's major professional bodies in relevant activities organised by the Government, the Hong Kong Trade Development Council (HKTDC) and overseas Hong Kong Economic and Trade Offices (ETOs), with a view to encouraging Hong Kong professional services sectors to step up promotion of Hong Kong's competitive edges and professional services to the Mainland cities of the Guangdong-Hong Kong-Macao Greater Bay Area and overseas markets after the pandemic has stabilised.

At present, a total of five activities have been approved in principle as tentative activities under the PSP. Details are as follows:

Name of Activity	Location	Format	Target Beneficiary Sector	Organiser
Hong Kong Infrastructure Development and Real Estate-related Services Mission to Jakarta, Indonesia	Jakarta, Indonesia	<ul style="list-style-type: none"> • Forum • Meeting • Company visit • Business matching session 	<ul style="list-style-type: none"> • Building and Construction-related services 	HKTDC

Hong Kong Professional Mission to "Think Business, Think Hong Kong" Symposium	Bangkok, Thailand	<ul style="list-style-type: none"> • Conference • Thematic session • Business matching session 	<ul style="list-style-type: none"> • Accounting-related services • Legal services • Company Secretary services • Business Consultancy services 	HKTDC
Promotion of Hong Kong's Strengths in Dispute Resolution Services (particularly on maritime arbitration and online dispute resolution)	Tokyo, Japan	<ul style="list-style-type: none"> • Meeting • Seminar 	<ul style="list-style-type: none"> • Legal services (arbitration and mediation) 	Tokyo ETO
Hong Kong Professional Mission to "SmartHK, Guangzhou"	Guangzhou	<ul style="list-style-type: none"> • Forum • Business matching session • Company visit 	<ul style="list-style-type: none"> • Accounting-related services • Legal services • Information and Communications Technology services • Building and Construction-related services • Design services • Business Consultancy services 	HKTDC
Hong Kong Infrastructure Development and Real Estate-related Services Mission to Greater Bay Area	Huizhou	<ul style="list-style-type: none"> • Meeting • Infrastructure visit 	<ul style="list-style-type: none"> • Building and Construction-related services 	HKTDC

Key information of PSP (including the list of tentative activities) has been uploaded onto the PSP website. Due to the evolving pandemic developments, the exact timing, programme, number of beneficiaries and cost details of the tentative activities under the PSP are still pending at the present stage. Other activities are under planning by the HKTDC and ETOs and the details concerned can only be worked out after the pandemic has stabilised and cross-border/boundary travel has resumed.

Note: The number of eligible applications does not include applications submitted by ineligible organisations, applications for projects which were profit-making in nature and/or applications where the majority of target beneficiaries were not Hong Kong professionals from the eligible professional services sectors. The figure concerned also does not cover applications withdrawn or given up by the applicants.