

Remarks by FS at media session (with photo/video)

Following are the remarks by the Financial Secretary, Mr Paul Chan, at a media session after attending an event today (September 6):

Reporter: The first one is about the Kai Tak sports hub which will open next year. Other than Coldplay, what other big names or artists or mega events is the Government working on attracting? And the second one is about SMEs (small and medium-sized enterprises). As you know, a fitness chain, Physical, announced today that it will shut down their branches. How do you evaluate the SME situation and is there any outcome from your meeting with the SME task force, maybe any emergency measures to support the SMEs?

Financial Secretary: The Kai Tak Sports Park, opening in the first half of next year, will be a very significant sports infrastructure in recent decades. There have been a number of events being lined up for the launch of this particular facility and to make good use of it. The details will be announced in due course. But I should stress that it is not just a sports complex, but also a wonderful venue for entertainment and cultural events. It can seat up to 50 000 spectators. There will also be ancillary training and other facilities. The detailed programmes for the Park will be announced in due course.

As to the current situation of the SMEs in Hong Kong, we understand that given the higher for longer interest rate environment, economic growth not as strong as some expected, and changing spending patterns of local residents and incoming tourists, SMEs in some sectors are facing challenges. We are helping them on three fronts.

One is providing liquidity support. We met with the banks and the SME sector. My colleagues in the Hong Kong Monetary Authority in particular asked the banks to be accommodative and supportive, even in the case where the value of collaterals that their clients pledged to secure banking facilities came down in light of the asset market situation. If those companies can still service their loan, there is no reason to call for early repayment or early partial repayment, or reduction in facilities merely because of the fall in the collateral's value. This message had been communicated to banks loud and clear. We gather from the banks that they are supportive of this position, and they would ensure that this information and policy would be brought to their frontline colleagues in handling different cases.

Apart from providing liquidity support, we are also helping SMEs to expand their businesses, depending on their sectors. For example, there is funding support under the BUD Fund (Dedicated Fund on Branding, Upgrading and Domestic Sales) to support SMEs to explore new markets, including the Mainland, as well as the Middle East, ASEAN (Association of Southeast Asian Nations) and other economies that have signed free trade agreements with Hong Kong. We also have different schemes and marketing funds to facilitate them

to go out and do marketing. There has also been relaxation to other funding schemes, for example, supporting SMEs to participate not just in overseas exhibitions, but also local exhibitions. I should mention that we support SMEs to move with the times and take part in e-commerce, and upgrade their business models and use e-commerce platforms to do business, particularly in opening the Mainland market. There are funding support schemes in these areas.

Third, we are helping SMEs to expedite their digital transformation. That includes technology vouchers. Apart from that, Cyberport has been administering a scheme to assist the SMEs in the retail and catering sectors to adopt off-the-shelf software solutions to assist their digital transformation. In a nutshell, we offer assistance on multiple fronts. Thank you.

(Please also refer to the Chinese portion of the remarks.)

