

Hong Kong SME Export Marketing Fund (EMF) Upgrades Set For Nov 3

PKF - Hong Kong

Hong Kong, November 2008 - Hong Kong has an area of 1,103 square kilometres and a population of about 7.02 million as of July 2008. Despite its small size, Hong Kong ranked 12th largest services exporter in the world. The value of Hong Kong's total merchandise trade amounted to US\$712 billion, or 344% of its Gross Domestic Product (GDP)

Manufacturing enterprises with fewer than 100 employees and non-manufacturing enterprises with fewer than 50 employees are regarded as small and medium enterprises (SMEs) in Hong Kong. There were about 300,000 SMEs which accounted for over 98% of the total establishments. Over 60% of SMEs in Hong Kong are engaged in import, export, wholesale, retail, catering and hotel and these businesses employ half of the total employment.

To tackle the global financial turmoil and to address more comprehensively the financing needs of SMEs, the Hong Kong Trade and Industry Department (TID) strengthen the support of "Export Marketing Fund (EMF)" :

With effect from 3 November 2008

- *Amount of Grant:* prior to the implementation of the new arrangements, the maximum amount of grant a SME might receive under the EMF was \$15,000. And the maximum amount of grant for each successful application will be 50% of the total approved expenditures or \$50,000, whichever is the less.
- *The scope of EMF:* extended to include advertisements on printed trade publications as well as advertisements on websites of exhibition organisers.

What is EMF?

Launched in December 2001, The SME Export Marketing Fund (EMF) aims at encourage SMEs to expand businesses through participation in export promotional activities, including study missions.

Who are eligible to apply for the EMF?

- SMEs that are registered in Hong Kong under the Business Registration Ordinance (Chapter 310). In this connection, “business” refer to any form of trade, commerce, craftsmanship, professional, calling or other activity carried on for the purpose of gain.
- Any manufacturing business which employs fewer than 100 persons in Hong Kong.
- Any non-manufacturing business which employs fewer than 50 persons in Hong Kong.
- SMEs must have substantive business operations in Hong Kong. (Notes: A SME holding a shell business registration (BR) or having its main business operation outside Hong Kong will not be regarded as having substantive local business operation.)

What can be funded?

The EMF provides grant to SMEs for their participation in overseas trade fairs or exhibitions and business missions, as well as local trade fairs or exhibitions which are export-oriented organised by experienced and reputable organisations/companies. All these activities have to be directly relevant to the business of the applicants.

Remark: The participation must be as exhibitors of the trade fairs or exhibitions or as delegation members of the business mission.

Only the following expenditures incurred will be subsidised –

- i. Participation fee (e.g. rental charges and registration fee);
- ii. Construction fee of the stand/booth;
- iii. Fee for advertising in catalogue or brochure;
- iv. Traveling expenses of their employers and/or local employees;
- v. Hotel accommodation expenses;
- vi. Fee for advertising in trade publications targeting export markets; and
- vii. Fee for advertising on the websites of exhibition organisers.

How to apply for grant under the EMF?

The application form can be download at SME funding official website:

http://www.smefund.tid.gov.hk/doc/emf/Appn_EMF_2008.pdf

For the further information about SME funding, please visit:
www.smefund.tid.gov.hk

If you have any further questions, or have any suggestions, comments, inquiries, or proposals, feel free to contact us. Our professionals are here to support you in your business.

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