

LCQ16: Professional Services Advancement Support Scheme

Following is a question by the Hon Maggie Chan and a written reply by the Secretary for Commerce and Economic Development, Mr Algernon Yau, in the Legislative Council today (February 19):

Question:

The Professional Services Advancement Support Scheme (PASS) launched by the Government in 2016 with a total commitment of \$200 million aims at funding non-profit-making industry-led projects to increase exchanges and co-operation between Hong Kong's professional services and external counterparts, promote relevant publicity activities, and enhance the standards and external competitiveness of Hong Kong's professional services. In addition, the Government has set aside \$50 million to launch the Professionals Participation Subsidy Programme (PSP) under PASS, which subsidises Hong Kong's major professional bodies to participate in relevant activities organised by the Government and the Hong Kong Trade Development Council after the epidemic has stabilised in order to step up the promotion of Hong Kong's competitive edges and professional services to external parties. In this connection, will the Government inform this Council:

(1) of the following information on the Main Programme of PASS from August 2021 to November last year: the number of (i) funded and (ii) rejected projects, (iii) the number of beneficiary organisations, (iv) the average amount of grant for approved projects, and (v) the beneficiary sectors and their proportions;

(2) given that according to the paper submitted by the Government to the Finance Committee of this Council on July 8, 2016, the funding of \$200 million allocated to PASS could sustain its operation up to around 2021-22, of the total amount of grants involved in the approved projects of PASS since its launch, and whether the Government has re-assessed up to when the funding can sustain the operation of PASS;

(3) of the following information on the PSP since its launch: (i) the number of applications approved, (ii) the total amount of subsidies granted, and (iii) the number of beneficiaries;

(4) as there are views pointing out that international legal and dispute resolution services are among the several industries in which Hong Kong can utilise its unique advantages under "one country, two systems", whether the Government has compiled statistics on the number of applications for PASS funding submitted by organisations in the legal sector and the proportion they account for, and analysed their reasons for applying; of the highest and lowest amounts of funding granted for such applications;

(5) whether it has reviewed if the number of applications under PASS has resumed to the pre-epidemic level after the Government's lifting of all mandatory mask-wearing requirements in March 2023; if the number of applications has resumed to the pre-epidemic level, of the details; if not, whether it has studied the reasons for that; and

(6) apart from issuing a press release on December 1 last year announcing that PASS would accept a new round of applications, whether the Government has formulated other promotion plans for PASS; if so, of the details; if not, whether it will formulate the relevant plans expeditiously?

Reply:

President,

The Professional Services Advancement Support Scheme (PASS), launched in November 2016 with a total commitment of \$200 million, aims to support Hong Kong's professional services sector in undertaking worthwhile projects to strengthen exchanges and co-operation with external counterparts, promote relevant publicity activities, and enhance service standards and external competitiveness. Since the launch of the Main Programme of PASS, nearly 120 projects have been funded, involving a total grant of about \$80 million.

In addition, it was announced in the 2020 Policy Address that the Government would set aside \$50 million under PASS to set up the Professionals Participation Subsidy Programme (PSP), which subsidises Hong Kong's major professional bodies to participate in relevant activities organised by the Government (e.g. Hong Kong Economic and Trade Offices) and the Hong Kong Trade Development Council after the pandemic situation has stabilised, with a view to stepping up promotion of Hong Kong's competitive edge and professional services to Mainland cities and overseas markets.

My reply in response to the question raised by the Hon Maggie Chan is as follows:

(1), (3) and (4) From August 2021 to November last year, a total of 41 projects were funded under the PASS Main Programme, involving 24 applicants with a total grant of about \$24 million. The average amount of grant for each project is about \$600,000. A total of 25 applications were not funded. Among the beneficiary sectors, health-related services accounted for about 40 per cent, legal services accounted for about 20 per cent and building and construction-related services accounted for around 15 per cent. Beneficiary sectors of the remaining projects included design services, information and communications technology services etc. Projects related to legal services involved four applicants, with the highest and lowest amounts of grant approved being around \$1.1 million and \$270,000 respectively. As for the PSP, since the stabilisation of the pandemic and easing of travel restrictions at the end of 2022, a total of 14 activities were funded. Nearly 300 local professionals participated, involving a total subsidy of about \$3.4 million.

(2) As mentioned in the first paragraph above, since the launch of the PASS

Main Programme in 2016, the total amount of grant approved is about \$80 million, averaging around \$10 million of funding approved per year. With reference to the average annual funding approved in the past, it is expected that the funding of \$150 million designated for the Main Programme can sustain its operation until around 2031-32, though the actual situation will depend on the number of applications submitted by applicants and the amount of grant approved for each project.

(5) and (6) The number of applications under PASS during the pandemic was similar to those before and after the pandemic. Most of the applicants conducted their projects online during the pandemic, hence the relatively low amount of funding applied. The projects have now resumed in a physical format. We have been actively promoting PASS through various channels, such as holding quarterly briefing sessions, sending emails to post-secondary institutions, commercial and industrial organisations as well as professional bodies, issuing press releases, and providing application information on the PASS website. We also take the initiative to reach out to and meet with commercial and industrial organisations as well as professional bodies from time to time to brief them on PASS and encourage them to actively apply for funding. Relevant promotion work is on-going.