

Think Ahead



Secretary for Commerce and Economic Development
Commerce, Industry and Tourism Branch
Commerce and Economic Development Bureau
The Government of the Hong Kong SAR
23/F, West Wing, Central Government Offices,
2 Tim Mei Avenue
Tamar
Hong Kong

30th May 2016

Dear Ms. Ivy Chan,

New Support Scheme for Professional Services in Hong Kong

On behalf of ACCA (The Association of Chartered Certified Accountants) Hong Kong, we present herewith our responses to the questionnaire regarding New Support Scheme for Professional Services in Hong Kong

If you or any of your colleagues wish to further discuss our submission, please feel free to contact us at 2973 1108.

Yours faithfully

A handwritten signature in black ink, appearing to read "Arthur Lee". The signature is fluid and cursive, with the first name "Arthur" being more prominent than the last name "Lee".

Arthur Lee
Chairman

Enclosures



Questionnaire

New Support Scheme for Professional Services in Hong Kong

[Please complete the questionnaire by 31 May 2016 and return by fax (no. 2147 3065) or by email (louisa_leung@cedb.gov.hk)]

Q1. *The following professional service sectors were eligible for government funding support under the Professional Services Development Assistance Scheme (PSDAS) -*

- *accounting and legal-related services;*
- *engineering and infrastructure-related services (including project development and finance, real estate services, and facilities management);*
- *medical-related services (including dental, paramedical, and veterinary services); and*
- *others (including design, as well as consultancy services in business, management, information technology, financial and environmental matters).*

Should the new scheme adopt the same list of eligible sectors?

Yes

No, please specify the proposed changes with reasons (e.g. including/excluding certain professional service sector(s)).

We suggest expanding the list of professional service providers to allow more parties to participate in the PSDAS to enhance exchanges and cooperation with the Belt and Road countries and in other regions outside Hong Kong. Professional services providers, such as architects, interior designers, energy and logistic consultants, education services providers, etc, can be considered. We recommend that global professional qualifications be referred as a benchmark to identify all relevant and eligible professional service sectors.

Q2. *Government funding support was provided on a dollar-for-dollar matching basis under PSDAS. Should the new scheme adopt the same funding principle?*

Yes

No, please specify the proposed changes with reasons (e.g. increasing/decreasing the percentage of government funding support by a certain amount).

The partially self-funded arrangement would encourage applicants to submit well-thought projects with greater commitment.

Q3. *The maximum amount of government funding support under PSDAS was HK\$2 million per project. Should the new scheme adopt the same maximum amount of government funding support?*

Yes

No, please specify the proposed changes with reasons (e.g. increasing/decreasing the maximum amount of grant per project by a certain amount).

The maximum amount of \$2 million per project allows the PSDAS to accommodate more projects.

Q4. *The maximum project period under PSDAS was two years. Should the new scheme adopt the same maximum project period?*

Yes

No, please specify the proposed changes with reasons (e.g. increasing/decreasing the maximum project period by a certain amount of time).

As the Belt and Road Initiative is a new concept and projects in these countries may take longer time to materialize, we suggest the maximum project period should be extended to three years, with an option for applicants to apply for an extension to five years with appropriate justifications.

Q5. *Each PSDAS applicant was allowed to submit a maximum of 10 applications in 12 consecutive months. Should the new scheme adopt the same requirement?*

Yes

No, please specify the proposed changes with reasons (e.g. increasing/decreasing the maximum number of submissions allowed within a certain period of time by a certain amount).

Restricting the number of application to 10 within 12 consecutive months allows the PSDAS to accommodate more projects from different applicants.

Q6. *Government funding support was released by instalments under PSDAS, except for smaller (i.e. below \$200,000) or shorter (i.e. less than one year) projects, for which government funding support was released upfront on a lump sum basis. Should the new scheme adopt the same arrangements?*

Yes

No, please specify the proposed changes with reasons (e.g. increasing/decreasing the threshold for releasing government funding support by lump sum by a certain amount).

Q7. *Non-profit-distributing professional bodies, trade and industry organisations and research institutes, including statutory organisations, were eligible for government funding support under PSDAS. Enterprises were **not** eligible. Should the new scheme adopt the same list of eligible bodies?*

Yes

No, please specify the proposed changes with reasons (e.g. allowing other bodies or enterprises to apply for government funding support under the new scheme).

We are of the view that the scheme should be open to all professional service providers but not limited to non-profit-distributing professional bodies, trade and industry organisations and research institutes. Both the non-profit-distributing professional organisations and professional services

providers who can demonstrate their new initiatives to enhance the standard and external competitiveness of our professional service sector with relevant projects can contribute to enhancing exchanges and cooperation with the Belt and Road countries and other regions outside Hong Kong.

If you have selected “no” for Q7, please also complete Q8.

Q8. For new bodies or entities proposed to be covered by the new scheme, should they be subjected to the same requirements as other applicants in relation to the following –

- (a) funding principle;
- (b) maximum amount of government funding support;
- (c) maximum project period;
- (d) maximum number of applications;
- (e) releasing government funding support by lump sum; and
- (f) any other areas?

Please set out your views below.

(a) Funding principle

New bodies or entities eligible to the scheme should be subject to the same requirements as other applicants in all aspects for fair play purpose

(b) Maximum amount of government funding support

Same as above

(c) Maximum project period

Same as above

(d) Maximum number of applications

Same as above

(e) Releasing government funding support by lump sum

Same as above

(f) Any other areas

Q9. Please let us know if you have any other suggestions on improvements to arrangements under PSDAS.

Our above suggestions and recommendations are based on our understanding that there is a clear and transparent review and approval process, together with well-administered progress monitoring measures in place, to ensure the funds granted are spent appropriately.

— The End and Thank You! —

