



## **SME Export Marketing Fund**

### **Guide to Application**

#### **Objective**

The SME Export Marketing Fund (EMF) aims at helping small and medium enterprises (SMEs) expand their businesses through participation in export promotion activities.

#### **Eligibility**

2. Businesses which are registered in Hong Kong under the Business Registration Ordinance (Chapter 310) and fulfill Government's definition of the SMEs, as follows, can apply for grant under the EMF -

- (i) any manufacturing business which employs fewer than 100 persons in Hong Kong; or
- (ii) any non-manufacturing business which employs fewer than 50 persons in Hong Kong.<sup>1</sup>

For the purpose of the EMF, "business" refers to any form of trade, commerce, craftsmanship, professional, calling or other activity carried on for the purpose of gain. Non-profit-distributing organisations are not eligible for applying the EMF.

3. SMEs must have substantive business operations in Hong Kong. An 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 and hence, the relevant applications will be rejected. Applicants will be asked to provide sufficient business proof if deemed necessary. The Trade and Industry Department (TID) will also reject those applications submitted by SMEs using different BRs to circumvent the grant ceiling.

#### **Scope**

4. The EMF provides grant to SMEs for their participation in trade fairs/exhibitions and business missions outside Hong Kong, as well as local trade fairs/exhibitions which are export-oriented. Such export promotion activities must be organised by bona fide

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<sup>1</sup> "Number of persons employed" shall include individual proprietors, partners and shareholders actively engaged in the work of the business; and salaried employees of the business, including full-time or part-time salaried personnel directly paid by the business, both permanent and temporary, at the time of submitting applications.

organisations/companies and directly relevant to the business of the applicants. The form of SMEs' participation must be as exhibitors of the trade fairs/exhibitions or as delegation members of the business missions.

5. The EMF also provides grant to SMEs for their advertisements on printed trade publications targeting export markets; as well as advertisements placed on eligible trade websites. The list of eligible websites will be updated from time to time on TID's website [www.smefund.tid.gov.hk](http://www.smefund.tid.gov.hk).

6. Applicants must participate in the export promotion activities as Hong Kong SMEs. In this connection, applicants must show Hong Kong contact information (including address, telephone number and fax number) on the exhibitor list/ delegation list/ advertisement and/ or on their listed company website. Failure to comply with this condition will lead to rejection of the application concerned.

7. Applicants must also be directly represented by their employers and/or employees in trade fairs/exhibitions/business missions in the name of the company concerned. Participation through any other means including third party commission will not be accepted. The organiser and any of its related or associated companies are not eligible for applying the EMF in respect of those export promotion activities organised or co-organised by them.

8. TID reserves at all times the absolute right to determine whether the applicant's and the organiser's eligibility, the nature of the export promotion activity (including whether the activity is export-oriented), the relevancy of the activity to the business operation of the applicant and the form of applicant's participation or advertisement are acceptable under the EMF.

9. Only the following expenditures incurred by SMEs in relation to their participation in the eligible export promotion activities will be subsidised –

- (i) Participation fee charged by the organiser/co-organiser (e.g. rental charges for the stand/booth or registration fee of a business mission);
- (ii) Construction and design fee of the stand/booth;
- (iii) Fee for advertising in the catalogue and/or production of brochure bearing names of the applicant and the concerned activity which are solely for use in the said activity;
- (iv) Travelling expenses of their employers and/or local employees incurred between Hong Kong and the city where the activity has taken place excluding expenses for in-town transportation and routes not directly related to the participation of the concerned activity;
- (v) Hotel accommodation expenses of their employers and/or local employees incurred during the period of the concerned activity excluding expenses of stay not related to the participation of the concerned activity; or
- (vi) Fee for advertising in trade publications targeting export markets; or
- (vii) Fee for advertising on the eligible trade websites.

TID reserves at all times the absolute right to determine whether the expenditures incurred will be regarded as fundable items. Participation fee not directly paid to the organiser/co-organiser

is not fundable. Expenditures paid by any third parties, regardless of their relationship with the applicants, are not fundable. TID will also make reference to the time of payment to determine whether the involved expenditures are fully and directly paid by the applicants.

### **Amount of Grant**

10. The maximum amount of grant for each successful application will be 50% of the total approved expenditures incurred by the applicant or \$50,000, whichever is the less.

11. The maximum cumulative amount of grant that an SME may obtain from the EMF is \$150,000.

### **Application Procedures**

12. An SME should submit the application for grant **within 60 calendar days** after the completion date of the concerned activity; the issue date of the trade publication containing the advertisement or the commencement date when the advertisement is put on the eligible trade website. Application can be submitted either in person or by post to SME Export Marketing Fund Unit, 4/F, Trade and Industry Department Tower, 700 Nathan Road, Kowloon with the following supporting documents:

- (i) A duly completed application form;
- (ii) A photocopy of the valid Business Registration (BR) Certificate of the applicant;
- (iii) A photocopy of the valid Hong Kong Identity Card or Passport of the person signing the application form for and on behalf of the applicant;
- (iv) Original and copy of receipt(s) in relation to the payment made by the applicant for the declared expenditures and copy of the relevant invoices/quotations/contracts showing detail contact information of the issuing company. The name of the payer on the receipt(s) must be the same as the name of the applicant. Expenditures not paid by the applicant are not eligible for grants under the EMF;
- (v) Certified Extract/Electronic Extract of Information on the Business Register [i.e. Form 1(a) of the BR Office] and/or Annual Return of the Companies Registry (i.e. Form AR1); and
- (vi) A completed Additional Declaration Form if the applicant's BR has more than one branch.

For applicants who are exhibitors of trade fairs/exhibitions or delegation members of business missions, the following supporting documents are also required :

- (vii) Brochures or pamphlets containing details to substantiate the declared information of the export promotion activity and the company profile of the organiser (name of the organiser, activity name and details, date of the activity, etc must be clearly shown);

- (viii) Evidence to substantiate the applicant's participation in the activity (e.g. delegation list, fair directory with exhibitor's information, photo of booth showing the exhibitor name and booth number, exhibitor badge and/or travelling and accommodation proof of employers/employees participating in the activity, etc);
- (ix) Evidence showing that representative(s) attending the activity are employers/employees (e.g. Mandatory Provident Fund records);
- (x) For reimbursement of traveling expenses: flight itinerary issued by airline/travel agency with contact details;
- (xi) For reimbursement of hotel accommodation expenses: copy of hotel voucher/guest folio showing address and telephone/fax number of the hotel as well as guest name(s), number of room(s) occupied, check in/out dates and room rates.

For applicants who have advertised in trade publications, the following is also required:

- (xii) Original copy of the trade publication containing the concerned advertisement.

For applicants who have advertised on eligible trade websites, the following is also required:

- (xiii) Printout of website showing the advertisement and certified by the website service provider.

The collection hours of the above office are –

Mondays to Fridays: 0845 to 1230 and 1330 to 1800  
(Lunch break- 1230 to 1330)

No services will be available on Saturdays, Sundays and public holidays.

13. The application form is obtainable free of charge from the EMF Unit of TID or can be downloaded at the homepage of the SME Funding Schemes at [www.smefund.tid.gov.hk](http://www.smefund.tid.gov.hk). Applicants may also make their own copies for use.

14. TID reserves at all times the absolute right to require the applicant to submit additional documentary proof to substantiate its application. Applicant may be required to provide bank record/ credit card statement/ copy of cheque/ telegraphic transfer record, etc to prove its expenditures. TID reserves the absolute right to refuse reimbursement of the item concerned in case the applicant cannot provide supporting documents or payment record. If necessary, TID will also ask the applicant to provide documents to prove that it has substantive business operation in Hong Kong (e.g. invoices, receipts, business contracts, letters of credit, shipping documents, bank statement and tax return, etc). Applications without such proof will be rejected.

15. Applicants should note that it is their responsibility to ensure that applications are

received by TID within 60 calendar days after completion of the concerned activity or the issue date of the trade publication containing the advertisement or the commencement date when the advertisement is put on the eligible trade website. Late submissions will not be entertained. Applicants should take note of the lead-time required and the risk involved for submitting applications and supporting documents by post. Local time will be used for all purposes in calculation of the deadline regardless of whether time zone difference is involved for non-local activities. In case the calculated deadline for submission falls under Saturdays, Sundays and public holidays, applicants should ensure that their submissions are properly received by TID on the working day before; otherwise the submissions will be regarded as late. [e.g. If there was an activity held in the USA on 1-2 June 2010 and the 60<sup>th</sup> calendar day was 1 August 2010 (Sunday), then the deadline for submission should be 30 July 2010 (Friday) and not 2 August 2010 (Monday).]

16. Applications will be processed on a first-come-first-served basis according to the time and date of receipt of a complete and valid application by TID. Under normal circumstances, TID will complete the processing of the application within 30 clear working days from the date of receipt of the duly completed application accompanied by all necessary documentation. Applicants are therefore reminded to ensure that applications are submitted together with all required supporting documents. Failure to do so may cause delay in processing their applications, or even resulting in deferment or rejection of applications. In case some of the required supporting documents are not available before the submission deadline (e.g. it takes longer time for overseas organisations to issue a formal receipt), applicants should submit their duly completed application forms first before the submission deadline, but such applications will not be processed until all outstanding supporting documents have been subsequently submitted by the applicants.

17. TID will notify the applicant of the result of application by post with all original receipts returned. TID will arrange to send the result and the original receipts through ordinary post to the latest available address at the own risk of the applicant. Successful applicants will at the same time receive grants offered by order cheques payable to them. The payee of the cheque will be the name of the applicant.

18. TID reserves at all times the absolute right to review all applications and adjust the entitlement of grants if necessary. In the event that there is overpayment due to error in calculation or assessment, applicants are required to refund the amount overpaid.

### **Amendment and Cancellation of Applications**

19. If there is any change to the information contained in the application after its submission, the applicant should submit a written request to TID promptly. Applicants are reminded that any amendments shall form an integral part of their applications. Likewise, an applicant shall submit a written request to cancel its application. In all correspondence, applicants should state clearly the application number (if available), the BR number and details of the activity (e.g. name and date) to facilitate the processing of the concerned application.

### **Handling of Information**

20. TID is committed to ensuring that all personal data submitted under various applications are handled in accordance with the relevant provisions of the Personal Data (Privacy) Ordinance. In this regard, the personal data provided in relation to applications made under the EMF will be used by TID or its authorised agents for activities related to –

- (i) the processing and authentication of applications, if any, payment of grants under the EMF and any refund thereof;
- (ii) statistics and research; and
- (iii) dissemination of SME information.

21. The personal data that the applicants provided in their applications will be kept in confidence. They may however be disclosed to other Government departments, or to third parties in Hong Kong or elsewhere, if such disclosure is necessary for the purposes mentioned in paragraph 20 above, is authorised or required by law, or if explicit consent to such disclosure is given by the applicants/data subjects.

22. If necessary, TID will contact other Government departments and relevant third parties (including the organisers of the relevant export promotion activities, the trustees of the Mandatory Provident Fund and the employers/employees of the applicants) to verify the personal data provided in the applications with those held by them for the purposes mentioned in paragraph 20 above.

23. Applicants/data subjects whose personal data are collected by TID may request access to them under the Personal Data (Privacy) Ordinance. A charge will be made to cover the cost of photocopying the data supplied. In addition, if the data subject considers that the data supplied to TID is inaccurate, a request for correction of the personal data may be made in writing after a data access request has been complied with. Requests for access to personal data submitted under various applications should be made in writing on the Data Access Request Form (No. OPS003 issued by the Privacy Commissioner), which is available at the Information Counter on G/F of Trade and Industry Department Tower and at TID's homepage ([www.tid.gov.hk/english/aboutus/form/publicform/others/index.html](http://www.tid.gov.hk/english/aboutus/form/publicform/others/index.html)), to the SME Export Marketing Fund Unit (4/F, Trade and Industry Department Tower, 700 Nathan Road, Kln).

### **Important Notes**

24. Successful applicants shall not be subsidised by any other public funding scheme(s) (whether provided by the Government of the HKSAR) in respect of the same export promotion activity(ies). TID reserves the right to determine whether there is a double benefit.

25. It is the responsibility of the applicants to complete the application forms fully and truthfully and to attach all supporting documents as required by TID. Inaccurate and incomplete information may affect the consideration and processing of the applications, and may result in them being deferred or rejected. Moreover, any misrepresentation or omission of information may lead to rejection of applications and/or full recovery of grants already awarded, and possible court proceedings. Applicants are reminded that it is an offence to obtain

property/pecuniary advantage by deception. Any person who does so commits an offence and is liable to legal proceedings.

### **Enquiries**

26. Enquiries on the EMF can be addressed to the SME Export Marketing Fund Unit at –

Address : SME Export Marketing Fund Unit,  
4/F, Trade and Industry Department Tower,  
700 Nathan Road, Kowloon

Telephone no. : 2398 5127/ 2398 5125

Fax no. : 2391 2646 / 3525 0329

Email : [emf\\_enquiry@tid.gov.hk](mailto:emf_enquiry@tid.gov.hk)

Homepage : [www.smefund.tid.gov.hk](http://www.smefund.tid.gov.hk)

27. On-line enquiry service is also available. Applicants may enquire the latest progress of their applications by quoting their Business Registration numbers via the online “Enquiry on Application Status” function at the SME Funding Schemes' website. Please note that the application status enquiry is for reference only. Applicants should refer to the written notification for the formal result of their applications. Applicants may visit the “FAQs” section at the above homepage as well.

28. For enquiries concerning the eligibility of any particular exhibition or business mission before the event, please provide sufficient information\* in writing. TID will endeavour to make a preliminary assessment based on the information as far as possible. It is important to note that the preliminary assessment is indicative only and it should not be taken as a guaranteed approval for all EMF applications related to the event. Any subsequent change in the details of the activity\* may affect the participants' eligibility for EMF grants. EMF applications submitted after completion of the activity should be supported by the finalized exhibition programme or confirmed itinerary of business mission. In addition, previous approval of EMF grants for participation in any exhibition or business mission should not be taken as guaranteed approval for the same/ similar activity in future. Each activity will be evaluated independently subject to the terms and conditions prevailing at the material time. TID reserves the right to review the eligibility of any activity and/or applicant whenever necessary.

\* including the target audience of exhibition and meetings arranged in the itinerary of business mission