

香港特別行政區政府  
商務及經濟發展局  
工商及旅遊科



COMMERCE, INDUSTRY AND TOURISM BRANCH  
**COMMERCE AND ECONOMIC  
DEVELOPMENT BUREAU**  
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21 September 2007

Miss Erin Tsang  
Clerk to Panel on Commerce & Industry  
Legislative Council Secretariat  
Legislative Council Building  
8 Jackson Road, Central  
Hong Kong

By Fax : 2869 6794

Dear Miss Tsang,

**Professional Services Development Assistance Scheme (PSDAS)**

The procedures for handling applications under the above Scheme were discussed at the Panel meeting on 18 July 2006. I write to deal with follow-up actions arising from that meeting.

At the above meeting, we briefed Members on certain proposed changes to the procedures, after taking into account suggestions made by the Panel. The relevant changes include (a) increasing the frequency of inviting applications from three to four times a year on a pilot basis; (b) lifting the restriction of no more than two applications by each applicant in each round; and (c) increasing the total number of applications that each applicant may submit in any 12 consecutive months from eight to ten. The Administration was invited to provide the following information at an appropriate juncture after the new procedures have been in operation for some time :

- (a) the number of applications received and the amount of funding granted, broken down by the nature of applicants since the commencement of the Scheme in February 2002; and
- (b) a comparison by the number of applications and the nature of applicants before and after the procedures are changed in August 2006.

The information requested by the Panel under (a) and (b) above is provided at Annex A and Annex B respectively.

Members will note that in the full year after the commencement of the revised procedures (i.e. from 1 August 2006 to 31 July 2007) :

- (a) professional bodies remain the largest category of applicants under the Scheme; and
- (b) the number of applications received (and incidentally the amount of funding granted) remains more or less the same as in the previous year.

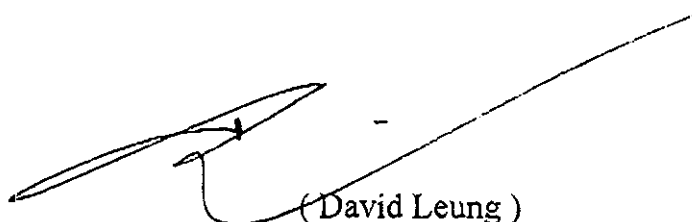
Seen from the applicants' point of view, the PSDAS Vetting Committee observes that the revised procedures have enhanced the operation of the Scheme in the following manner :

- (a) for an applicant who has just missed the deadline of the previous round of applications, the lead time incurred in waiting for the next round has been reduced by 6 weeks; and
- (b) under the revised procedures, applications received are spread out over four (instead of three) meetings per year. The number of applications which require the Vetting Committee's attention at each meeting is thus smaller and hence conducive to more in-depth discussion.

The Vetting Committee has decided to continue the practice of inviting applications four times a year.

By way of background, the Scheme started operation in February 2002 after the Finance Committee's approval of the allocation of \$100 million. The objective of the Scheme is to provide financial support for eligible professional services sectors to organize projects which aim at enhancing their professional standards and external competitiveness. The Scheme is open for applications by non-profit-distributing professional bodies, trade and industry organizations and research institutes.

Yours sincerely,



(David Leung)  
for Secretary for Commerce & Economic Development

Encl.

**Number of Applications and Amount of Funding Granted  
By nature of Applicants**

(From commencement of the Scheme in February 2002 up to the latest round of applications in July 2007)

<b>Nature of Applicant Organizations</b>	<b>No. of Applications</b>	<b>Amount of Funding Granted</b>
Professional Bodies	250 (70.4%)	\$57.86M (81.2%)
General Trade Organizations	6 (1.7%)	\$0.45M (0.6%)
Other Private Organizations*	34 (9.6%)	\$3.47M (4.9%)
Government-subsented Education Institutions	58 (16.3%)	\$8.28M (11.6%)
Other Government-subsented Organizations and Statutory Bodies	7 (2%)	\$1.19M (1.7%)
Total	355 (100%)	\$71.25M (100%)

\* These include private education institutions, hospitals, and community organizations.

**Comparison of Applications Received  
Before and After Changes to the Application Procedures**

**(A) Comparison by number of applications and amount of funding granted**

From 1 August 2005 to 31 July 2006 (i.e. before the application procedures are changed)

<b>Round (4 months a round)</b>	<b>No. of Applications</b>	<b>Amount of Funding Granted</b>
10 <sup>th</sup>	17	\$3.50M
11 <sup>th</sup>	23	\$6.04M
12 <sup>th</sup>	8	\$2.80M
<b>Total</b>	<b>48</b>	<b>\$12.34M</b>

From 1 August 2006 to 31 July 2007 (i.e. after the application procedures are changed)

<b>Round (3 months a round)</b>	<b>No. of Applications</b>	<b>Amount of Funding Granted</b>
13 <sup>th</sup>	11	\$4.21M
14 <sup>th</sup>	12	\$2.92M
15 <sup>th</sup>	17	\$3.39M
16 <sup>th</sup>	8	\$1.12M
<b>Total</b>	<b>48</b>	<b>\$11.64M</b>

**(B) Comparison by nature of applicants**

Nature of Applicants	No. of Applications		Amount of Funding Granted	
	1 Aug 2005 - 31 Jul 2006	1 Aug 2006 - 31 Jul 2007	1 Aug 2005 - 31 Jul 2006	1 Aug 2006 - 31 Jul 2007
Professional Bodies	38 (79.1%)	40 (83.3%)	\$11.22M (90.9%)	\$8.7M (74.7%)
General Trade Organizations	0	0	\$0	\$0
Other Private Organizations	2 (4.2%)	1 (2.1%)	\$0 (0%)	\$0.85M (7.3%)
Government-subsented Education Institutions	6 (12.5%)	7 (14.6%)	\$0.90M (7.3%)	\$2.09M (18%)
Other Government-subsented Organizations and Statutory Bodies	2 (4.2%)	0 (0%)	\$0.22M (1.8%)	\$0 (0%)
Total	48 (100%)	48 (100%)	\$12.34M (100%)	\$11.64M (100%)