



HONG KONG MONETARY AUTHORITY
香港金融管理局

(Translation)

By mail and by fax (2826 9148)

15 June 2015

Hon WONG Ting-kwong, SBS, JP
Room 610, Legislative Council Complex
1 Legislative Council Road
Central, Hong Kong

Dear Hon WONG,

Question Relating to the Examination of Estimates of Expenditure 2015-16

Thank you for your question in the context of the Estimates of Expenditure 2015-16 (Question No. R098) relating to the Microfinance Scheme (the Scheme) of the Hong Kong Mortgage Corporation (HKMC). Please find below our reply.

Following the Financial Secretary's announcement in his 2015-16 Budget to expand and enhance the Scheme, the Board of the HKMC approved this April the extension of the Scheme by three years until June 2018 and a number of enhancement measures. These measures include (a) increasing the aggregate loan amount from \$100 million to \$200 million; (b) allowing borrowers who have satisfactory repayment record for at least two years to apply for further advance (under such arrangement, the maximum loan amount for each borrower, including any existing outstanding loan amount, will be increased to \$600,000 and a concessionary interest rate of 8% per annum will apply to the further advance); and (c) increasing the maximum loan amount of a Self-employment Loan from \$200,000 to \$300,000, on par with that of the Micro Business Start-up Loan. The enhancement measures will come into effect on 29 June 2015. The HKMC will also continue to strengthen mentor support under the Scheme for the borrowers and enhance the network among borrowers and mentors to facilitate experience sharing.

Yours sincerely,

(Darryl Chan)
for Chief Executive
Hong Kong Monetary Authority

c.c. Clerk to the Finance Committee of the Legislative Council (Attn: Mr Daniel Sin)
Financial Services and the Treasury Bureau