

## **Legislative Council Panel on Trade and Industry**

### **PILOT MENTORSHIP PROGRAMME FOR SMALL AND MEDIUM ENTERPRISES**

#### **INTRODUCTION**

The Government will launch a Pilot Mentorship Programme for Small and Medium Enterprises (the Programme) for a period of one year. This paper informs Members of the details of the Programme.

#### **OBJECTIVE**

2. Small and medium enterprises (SMEs) are the backbone of the Hong Kong economy. The provision of effective support for SMEs to grow and develop is one of the priorities of the Government. The objective of the Programme is to assist SMEs, particularly those at their early stage of development, to learn from the experience of successful businesses. Similar schemes have been implemented successfully in some other economies, such as the "Service Corps of Retired Executives" Programme of the United States and the Mentoring Program of Canada.

#### **THE PROGRAMME**

3. The Programme will be operated by the Small and Medium Enterprises Office (SMEO) of the Industry Department. Primary targets of the Programme are SMEs at their early stage of development and which are relatively small in size, as we believe that these SMEs will benefit most from the Programme. To be eligible for the Programme, a SME must be –

- (a) registered under the Business Registration Ordinance;
- (b) of a size of not more than 20 employees; and
- (c) established for not more than five years.

4. Forty-five experienced entrepreneurs, business executives and professionals have been nominated by nine trade and industry associations to serve as mentors under the Programme. These mentors will provide counselling to participating SMEs on a voluntary basis and will not receive any honorarium. In order not to overload the mentors, each mentor will be assigned no more than two SMEs. Initially, the Programme will assist about 90 SMEs.

5. To participate in the Programme, a SME must register with the SMEO between 8 May and 3 June 2000. The SMEO will do initial matching on the basis of the nature of business of the SME and the type of expertise expressly sought. It will then consult both the mentor identified and the SME concerned on whether they will accept the matching. An SME that turns down a matching will only be considered for another matching subject to availability of other mentors. The SMEO will deal with applications on a first-come-first-served basis. If the demand exceeds the number of mentors available, the remaining applicants will be placed on a waiting list.

6. The SMEs and their mentors will be required to meet at least three times during the one-year period, although they can meet more frequently if they so agree. They may also decide between themselves the most appropriate form of communication, as different SMEs and mentors may have different requirements and expectations. Mentors will listen to the problems of the SMEs concerned, share with the latter their thinking and experiences and provide advice to them. However, mentors will not make decisions for the SMEs concerned.

7. To protect the interests of a participating SME, the mentor and the SMEO, the three parties will sign a deed setting out the obligations and liabilities of each. Under the deed, there will be provisions to protect confidentiality of information provided by the SME. There will also be provisions to protect the mentor and the SMEO from claims of losses by the SME as a result of its participation in the Programme.

8. Both the SME and the mentor may terminate the mentorship relationship by giving the SMEO at least 30 days prior notice.

9. The SMEO will review the effectiveness of the Programme after one year with a view to deciding whether and, if so, how the Programme should be run in the longer term.

## **PUBLICITY**

10. Industry Department will issue a press statement and hold a press briefing on 5 May 2000 to announce the launching of the Programme. The Programme will also be publicised through local newspapers and periodicals. Application forms will be available in the SMEO, information counters of the Trade Department, District Offices, and the SME Information Centre and Government Information Centre on the Internet.

11. A leaflet on the Programme is enclosed for Members' reference.

**Trade and Industry Bureau**  
**May 2000**