

立法會

Legislative Council

LC Paper No. CB(1)245/19-20(06)

Ref. : CB1/PL/CI

Panel on Commerce and Industry

Meeting on 17 December 2019

Background brief on the Professional Services Advancement Support Scheme

Purpose

This paper provides background information on the Professional Services Advancement Support Scheme ("PASS"). It also summarizes the views expressed by members of the Panel on Commerce and Industry ("the Panel") during previous discussions on the subject.

Background

2. The Administration has been promoting the development of the professional services sector¹ on various fronts, including improving market access of Hong Kong's service sectors to world economies through trade agreements and marketing Hong Kong's service providers outside Hong Kong through proactive promotion programmes.

3. In 2002, the Administration set up the Professional Services Development Assistance Scheme ("PSDAS"), with an approved commitment of HK\$100 million,² to enhance the standards and external competitiveness of Hong Kong's professional services sector against a backdrop of opportunities

¹ According to the Administration, the services sector is the driving force of Hong Kong's economic growth and accounted for around 93% of the gross domestic product ("GDP") in 2018. Being a high-value component of the services sector, professional services include areas such as accounting, architecture, legal and dispute resolution, engineering, business consulting and information technology. In 2017, professional services accounted for 4.7% of GDP and provided over 221 000 jobs.

² The Finance Committee approved the setting up of a HK\$100 million Professional Services Development Assistance Scheme on 11 January 2002.

brought by the opening up of the Mainland market following China's accession into the World Trade Organization in 2001, and challenges from the restructuring of the local economy.

4. PSDAS had been concluded in 2015 but the Administration saw the need to continue supporting the professional services sector in their outreaching and enhancement efforts through a funding scheme, so as to assist the sector in tapping opportunities and meeting challenges ahead.

Professional Services Advancement Support Scheme

5. Against the above background, the then Chief Executive announced in the 2016 Policy Address that the Government would allocate HK\$200 million to support the professional services sector in enhancing exchanges and cooperation with the Belt and Road countries and other regions outside Hong Kong (including the Mainland), and promote related publicity activities.

6. Subsequent to the funding approval from the Finance Committee ("FC") in July 2016, the HK\$200 million PASS was launched in November 2016 to support Hong Kong's professional services sector to carry out worthwhile projects to spearhead proactive outreaching promotion efforts and to improve service offerings. Non-profit-distributing organizations operating as support organizations, trade and industrial organizations, professional bodies or research institutes, which shall either be statutory organizations or organizations formed or registered under the laws of the Hong Kong Special Administrative Region, are eligible to apply for funding under PASS.

7. PASS provides funding support for non-profit-making projects which are aimed at:

- (a) increasing the exchanges and cooperation of Hong Kong's professional services with their counterparts in external markets;
- (b) promoting relevant publicity activities; and
- (c) enhancing the standards and external competitiveness of Hong Kong's professional services.

Activities relating to exchanges, cooperations and publicity are encouraged in particular. The maximum amount of PASS grant for an approved project is 90% of the total eligible project cost, or HK\$3 million, whichever is lower. Projects should normally be completed within three years.

8. A Vetting Committee ("VC") has been set up to consider the applications

received under PASS, recommend on the level of funding support and monitor approved projects. VC is chaired by a non-government official and comprises members drawn from or are knowledgeable about the professional services sector and include ex-officio members. The first batch of funded projects has been rolled out since mid-2017. Particulars of all the funded projects are listed in **Appendix I**.

Previous discussions

9. The Administration briefed the Panel on the proposed setting up of PASS at the Panel meeting on 21 June 2016 and sought FC's approval at the meeting on 12 July 2016. Members' views and concerns are summarized in the ensuing paragraphs.

Eligible professional services

10. At both meetings, members noted that according to the list of professional services eligible for funding under PASS as stated in the Administration's paper tabled at the meetings, items related to information technology ("IT") were classified under the category of "Others". They suggested that the Administration should revise the classification to cover various areas of IT services (e.g. fintech and information security) and to reflect the importance of the IT sector appropriately. VC should also include professionals from the IT sector.

11. The Administration advised that fintech and information security were included in information communications technology services and would be supported by PASS. The Administration would continue to reach out to major professional bodies and other stakeholders to exchange views on the implementation of PASS and planned to review the cost effectiveness, funding principles and modus operandi of PASS two years after its implementation.

Market

12. At the meeting on 12 July 2016, FC members enquired whether the professional sectors might only explore markets in the Mainland or the countries along the Belt and Road under projects funded by PASS; and the respective proportion of funding to be granted to professional sectors for exploring Mainland and overseas markets. Members also asked whether the Administration had assessed the way forward for professional sectors to explore new markets in the future.

13. The Administration advised that the professional sectors would play a leading role in the scheme and it would not require the funded organizations to

promote their services in any specific market. The proportion of funding in respect of Mainland and overseas markets would depend on the details of the projects approved in the end. Projects funded under PSDAS that involved the Mainland market accounted for about 10% of the total funded projects.

Latest position

14. The Administration will brief the Panel on 17 December 2019 on the progress of implementation of PASS and the way forward.

Relevant papers

15. A list of relevant papers is in **Appendix II**.

Council Business Division 1
Legislative Council Secretariat
10 December 2019

Appendix I

List of funded projects (as at 10 December 2019)

Project Title	Grantee	Major Beneficiary Sector(s)	Funds Approved (HK\$)
Outreaching for Professional Auditors and Enhancing Competitiveness of Local Professional in South East Asia Market	Hong Kong Institution of Certified Auditors Limited	Technical testing and analysis services	712,000
Hong Kong Law in a Nutshell	Hong Kong Bar Association	Legal services	451,000
Strengthening Hong Kong's Status as the Dispute Resolution Hub for ASEAN Jurisdictions under the Belt and Road Initiative	Hong Kong International Arbitration Centre	Legal services	1,188,000
Continuing Medical Education Programmes for Primary Care Doctors	Hong Kong Doctors Union	Health-related services	170,000
Signature Display of Hong Kong's Professional Services, Infrastructure and Real Estate-related Services at the Belt and Road Summit 2017	Hong Kong Trade Development Council	Building and construction-related services	900,000
Green Manufacturing Index for Hong Kong and Guangdong – Research and Application	CMA Industrial Development Foundation Limited	Technical testing and analysis services	1,374,000
World Chinese Accountants Conference – Opportunities of Belt Road Initiative	The Society of Chinese Accountants and Auditors	Accounting-related services	691,000

Project Title	Grantee	Major Beneficiary Sector(s)	Funds Approved (HK\$)
Promoting Hong Kong as a Venue to Mediate International Trade Disputes and Enhancing the Effectiveness of Mediation as an Alternative Dispute Resolution Method	Joint Mediation Helpline Office	Legal services	664,000
International Acupuncture Summit	Hong Kong Traditional Chinese Medicine Education and Research Foundation Limited	Health-related services	592,000
Mediation Development Programme for the Belt and Road (Cambodia, Vietnam and Malaysia)	Hong Kong Arbitration Society	Legal services	741,000
Road to Big Data – Technical Enhancement Project for Hong Kong Information and Technology Industry	Federation of Hong Kong Industries	Information and communications technology services	890,000
Advancing Hong Kong Pharmacy Profession Development – Local Continuing Education Programmes	The Pharmaceutical Society of Hong Kong Limited	Health-related services	567,000
Belt and Road Conference 2018 – Smart Lawyers and A.I. Building a Smart Belt and Road	The Law Society of Hong Kong	Legal services	1,010,000
Mediator Mentorship Scheme for Capacity-building and Enhancing Competitiveness of Hong Kong Mediators	Joint Mediation Helpline Office	Legal services	2,015,000

Project Title	Grantee	Major Beneficiary Sector(s)	Funds Approved (HK\$)
Hong Kong Construction and Infrastructure Professionals Enhancement Scheme for Belt and Road Countries	Dashun Foundation	Building and construction-related services	261,000
Promote Land Surveying Technological Services to Belt and Road Countries – Mainland China, Pakistan, Kazakhstan and Sri Lanka	The Hong Kong Institute of Surveyors	Building and construction-related services	1,739,000
Developing Capacity and International Co-operation in Therapeutic Landscape Architecture for an Ageing Population	The Hong Kong University of Science and Technology	Building and construction-related services	107,000
Promoting and Extending Value Management Professional Services in Belt and Road Regions	Hong Kong Institute of Value Management Limited	Building and construction-related services	545,000
20th Beijing-Hong Kong Medical Exchange	The Hong Kong Medical Association	Health-related services	277,000
Application of Innovation and Technology in Healthcare	Vocational Training Council	Health-related services	471,000
Overseas Knowledge Exchange Programme on Belt and Road Initiative for Engineering Professionals – the Experience of Sri Lanka's Engineering Development	The Hong Kong Institution of Engineers	Building and construction-related services	218,000

Project Title	Grantee	Major Beneficiary Sector(s)	Funds Approved (HK\$)
From Mass Production to Scale Customisation: Challenges and Opportunities for Hong Kong Industrial Design Professionals	Federation of Hong Kong Industries	Design services	1,801,000
Outreaching Program for Game Developers in Hong Kong	Hong Kong Game Industry Association Limited	Information and communications technology services	452,000
Professional Enhancement and Professional Exchange Programme in Thailand for Interior Designers	Interior Design Association (HK) Limited	Design services	1,401,000
Improving and Exporting Hong Kong Industrialised Construction Services under the Belt and Road Initiative	The Hong Kong Polytechnic University	Building and construction-related services	547,000
Promoting Hong Kong as an Innovation Hub in Bio-medical Industry	Hong Kong Biotechnology Organization	Health-related services	693,000
Standardisation of Soft Landscape Planting Materials Specification for Guangdong Province and Hong Kong	The Hong Kong Institute of Landscape Architects	Building and construction-related services	825,000
Guangdong-Hong Kong-Macao Bay Area End-of-life Care Professional Training Programme	The Society for the Promotion of Hospice Care	Health-related services	824,000

Project Title	Grantee	Major Beneficiary Sector(s)	Funds Approved (HK\$)
Promotion of the Advantages of Hong Kong's Professional Services and Strengthening Exchanges and Cooperation with the Belt and Road Enterprises and Chinese Entrepreneurs	The Chinese General Chamber of Commerce	Accounting, legal, building and construction, health-related, information and communications technology, business consultancy and environmental consultancy services	1,339,000
Hong Kong Young Fashion Profession in London	Design Renaissance Foundation Limited	Design services	2,775,000
Cybersecurity Advancement Programme for Banking Industry in Hong Kong	The Hong Kong Institute of Bankers	Information and communications technology services	225,000
From Local to Global Dialogues: Public Health-law Nexus to Enhance Professional Knowledge for Safeguarding Population Health	Health In Action Limited	Legal and health-related services	178,000
International Dispute Resolution Conference 2019 – New Era of Global Collaboration	Hong Kong Mediation Centre Limited	Legal services	637,000
Exchange Programme for Chinese Medicine Pharmaceutical Professionals in Guangdong-Hong Kong-Macao Greater Bay Area	Technological and Higher Education Institute of Hong Kong	Health-related services	1,058,000

Project Title	Grantee	Major Beneficiary Sector(s)	Funds Approved (HK\$)
Belt and Road Cross-Professional Advancement Programme	The Hong Kong Polytechnic University	Accounting, legal, building and construction-related services	2,323,000
Educating Accounting Professionals on How to Adopt Green Finance in Capital Projects	The Hong Kong Polytechnic University	Accounting services	963,000
Guideline on Modern Design Method of Second-order Direct Analysis for Steel Structures	The Hong Kong Polytechnic University	Building and construction-related services	272,000
Study of Innovative Construction Technologies Applied to Infrastructure Projects in New Zealand	The Hong Kong Institution of Engineers	Building and construction-related services	147,000
Advancing Capacity for Professional Engineering Services and Environmental Consultancy Services in Renewable Energy Applications	Green Council	Building and construction-related, waste management and environmental consultancy services	406,000
Establishing Your Own Corporate Academy for Training	Hong Kong Quality Assurance Agency	Business consultancy services	228,000
Building Effective Nursing Clinical Handover Communication: Improving Patient Safety	City University of Hong Kong	Health-related services	774,000

Project Title	Grantee	Major Beneficiary Sector(s)	Funds Approved (HK\$)
Knowledge Exchange Programme for Enhancing Urban Horticulture Industry: Expediting Technologies and Sustainability Mindset Series	Technological and Higher Education Institute of Hong Kong	Building and construction-related services	321,000
Empowering Big Data Analytics with Artificial Intelligence for the Professional Development of Information Technology Industry in Hong Kong	Federation of Hong Kong Industries	Information and communications technology services	884,000
Paving the Way for and Achieving Excellence in Evidence-informed Health Care in the Belt and Road Regions	The Chinese University of Hong Kong	Health-related services	924,000
Step to Global Green Finance Hub – Establishment of Green Finance Professional Network and Outreaching Programme	Hong Kong Quality Assurance Agency	Accounting, legal, company secretary, business consultancy and waste management and environmental consultancy services	268,000
Resilient City – Landscape Planning towards Climate Adaptation	The Association of Landscape Consultants Hong Kong Limited	Building and construction-related services	628,000
Capacity Building on Medical Professionalism and Professional Ethics	Hong Kong Academy of Medicine	Health-related services	758,000

Project Title	Grantee	Major Beneficiary Sector(s)	Funds Approved (HK\$)
Advancing Hong Kong's Building and Construction Professional Development on Green and Sustainable Procurement	Hong Kong Green Building Council Limited	Building and construction-related services	286,000
International Conference on Fragility Fracture – Current and Prospective Management of Osteoporotic Fractures	The Chinese University of Hong Kong	Health-related services	318,000
To Promote Hong Kong's Speech Therapy Services in Greater Bay Area	The Hong Kong Polytechnic University	Health-related services	457,000
International Conference on Gerontechnology	The Open University of Hong Kong	Health-related services	448,000
The Hong Kong Institute of Architects Belt and Road Forum 2020	The Hong Kong Institute of Architects	Building and construction-related services	1,574,000
Promoting Hong Kong as a Leading Centre for International Trade Dispute Mediation	Joint Mediation Helpline Office	Legal services	141,000
Elevating Professional Standards of Mediators, Reaching Out to the Greater Bay Area	Hong Kong Institute of Mediation Limited	Legal services	280,000
Strengthening Technical Capability and Regional Collaboration in Implementing Retro-commissioning in Buildings	Building Services Operation and Maintenance Executives Society Hong Kong Limited	Building and construction-related services	877,000

Project Title	Grantee	Major Beneficiary Sector(s)	Funds Approved (HK\$)
The Establishment of an International Inter-disciplinary and Inter-professional Network for Community-based Aged Care Services – Developing an Urban Model of Care in Hong Kong	Tung Wah College Limited	Health-related services	644,000

Remarks: the above information is extracted from the Administration's website for the Professional Services Advancement Support Scheme (https://www.pass.gov.hk/en/list_of_funded_projects/index.html).

List of relevant papers

Date of meeting	Meeting	Minutes/Paper
21/6/2016	Panel on Commerce and Industry	<p>Administration's paper on "Proposed setting up of the Professional Services Advancement Support Scheme" (LC Paper No. CB(1)1045/15-16(10))</p> <p>Minutes of meeting (LC Paper No. CB(1)1197/15-16)</p>
12/7/2016	Finance Committee	<p>Administration's paper on "Professional Services Advancement Support Scheme" (FCR(2016-17)68)</p> <p>Administration's follow-up paper (LC Paper No. FC299/15-16(01))</p> <p>Minutes of meeting (LC Paper No. FC334/15-16)</p>