

**Business Facilitation Advisory Committee
Wholesale and Retail Task Force**

**“E-commerce Easy”
under Dedicated Fund on Branding, Upgrading and Domestic Sales
(the BUD Fund)**

Purpose

This paper aims to brief Members on “E-commerce Easy” under the Dedicated Fund on Branding, Upgrading and Domestic Sales (the BUD Fund).

Background

2. Established in 2012, the BUD Fund currently provides funding support to non-listed Hong Kong enterprises for assisting their business development in 40 markets¹ with which Hong Kong has signed Free Trade Agreements (FTAs) and/or Investment Promotion and Protection Agreements (IPPAs) through branding, upgrading and restructuring, and promoting sales. As at end October 2024, around 9 300 applications have been approved, involving a total funding amount of around \$5.7 billion and benefitting some 6 200 enterprises.

3. Since 2018, the Government has injected a total of HK\$6 billion into the BUD Fund, and launched rounds of enhancement measures to better support local enterprises in enhancing their competitiveness and in exploring more diversified markets. Among others, the geographical scope of the Fund has been extended from the Mainland to a total of 40 economies in phases and the cumulative funding ceiling per enterprise has increased successively from \$0.5 million to \$7 million. Besides, “Easy BUD” was introduced in June 2023 to expedite the processing of applications involving designated measures with a funding amount of \$100,000 or below.

¹ The 40 economies being covered include the Mainland, New Zealand, the four member states of the European Free Trade Association (comprising Iceland, Liechtenstein, Norway and Switzerland), Chile, Macao, the ten member states of the ASEAN (comprising Brunei Darussalam, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Vietnam), Georgia, Australia, Japan, Korea, Kuwait, Austria, Bahrain, Belgo-Luxembourg Economic Union, Canada, Denmark, Finland, France, Germany, Italy, Mexico, the Netherlands, Peru, Sweden, Türkiye, the United Arab Emirates and the United Kingdom.

“E-commerce Easy”

4. Amid the rapid growth of global electronic commerce (e-commerce) business, in particular the flourishing Mainland e-commerce market, the Government launched “E-commerce Easy” under the BUD Fund on 15 July 2024, with a view to assisting enterprises to develop the Mainland market through e-commerce business. Under “E-commerce Easy”, enterprises can flexibly make use of a maximum funding of \$1 million within their cumulative funding ceiling of \$7 million to implement e-commerce projects.

Funding Scope of “E-commerce Easy”

5. Enterprises can make use of the funding for the establishment of online stores and placement of advertisements on third-party online sales platforms, development or enhancement of mobile applications and incorporation of online payment options on their websites.

Funding Amount and Principles

6. The cumulative funding ceiling of “E-commerce Easy” is \$1 million per enterprise. Unlike general applications of the BUD Fund, items under “E-commerce Easy” projects are not subject to individual funding caps, so that more targeted support can be provided to enterprises.

7. Funding under “E-commerce Easy” will be provided to enterprises on a matching basis. Enterprises can opt for an initial payment of up to 75% of the approved government funding. “E-commerce Easy” is open for application all year round. All projects must be completed within 24 months.

8. Apart from “E-commerce Easy”, enterprises may continue to apply for funding through the general application track or “Easy BUD” of the BUD Fund, in order to assist their business development in the Mainland and other markets with which Hong Kong has signed FTAs and/or IPPAs.

9. Details of the “E-commerce Easy” are available on the BUD Fund’s webpage (<https://www.bud.hkpc.org/en/>).

Latest Development

10. To further support small and medium enterprises to upgrade their operations and develop new markets, it was announced in the 2024 Policy Address that \$1 billion would be injected into the BUD Fund and the geographical scope of “E-commerce Easy” would be expanded to the ten ASEAN countries. Besides, the BUD Fund would provide targeted funding support for enterprises to implement green transformation projects. Details of the implementation arrangements of the enhancement measures would be announced in the first half of 2025.

Advice Sought

11. Members are invited to note the content of this paper.

**Programme Secretariat of BUD Fund
Hong Kong Productivity Council
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