



**Asia-Pacific
Economic Cooperation**

2018/SMEWG46/035

Agenda Item: 16.2

Staying Ahead, Nurturing Innovative Start-ups

Purpose: Information

Submitted by: Hong Kong, China



**46th Small and Medium Enterprises
Working Group Meeting
Bandar Seri Begawan, Brunei Darussalam
26-27 March 2018**

EXECUTIVE SUMMARY:

Agenda item 16: New initiatives and exchange of best practice

Agenda item 16.3: “Staying Ahead, Nurturing Innovative Start-ups” [Hong Kong, China]

Hong Kong, China’s best practice sharing focused on support for innovative start-ups, especially Fintech start-ups. Supporting start-ups was an important part of Hong Kong, China’s drive to develop innovation and technology for the economy. A broad range of measures were adopted such as enhancing existing start-up incubation programmes, introducing new programmes, reducing general and specific taxes, and improving SME funding schemes to enable start-ups to benefit as well.



Staying Ahead, Nurturing Innovative Start-ups



***Ms. Belinda Wong
Assistant Director-General of
Trade and Industry
(Industries Support)***

**The Government
of the Hong Kong Special
Administrative Region**



I&T Development in HK

2015: Set-up

Innovation and Technology Bureau

- to spearhead development of I&T in HKC

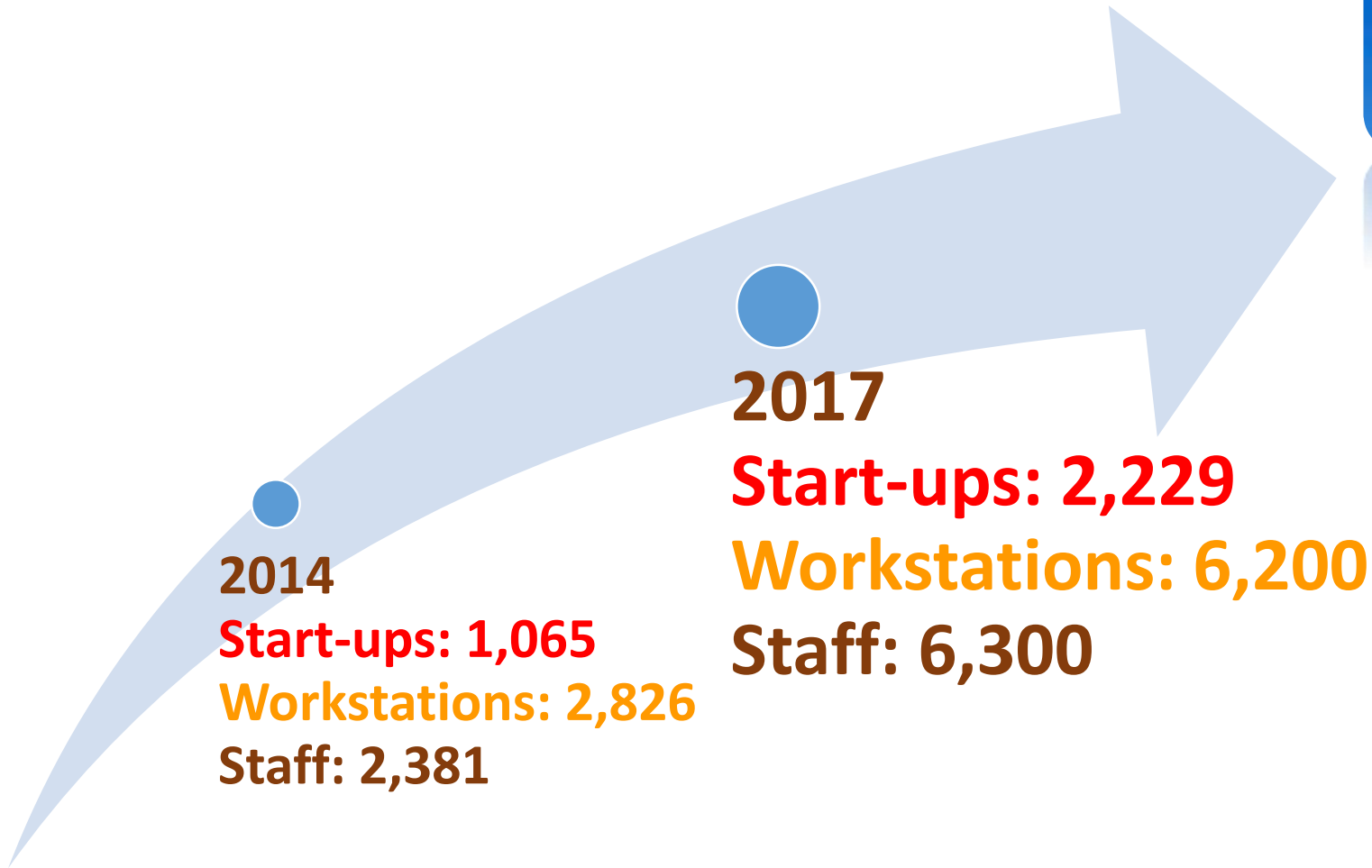
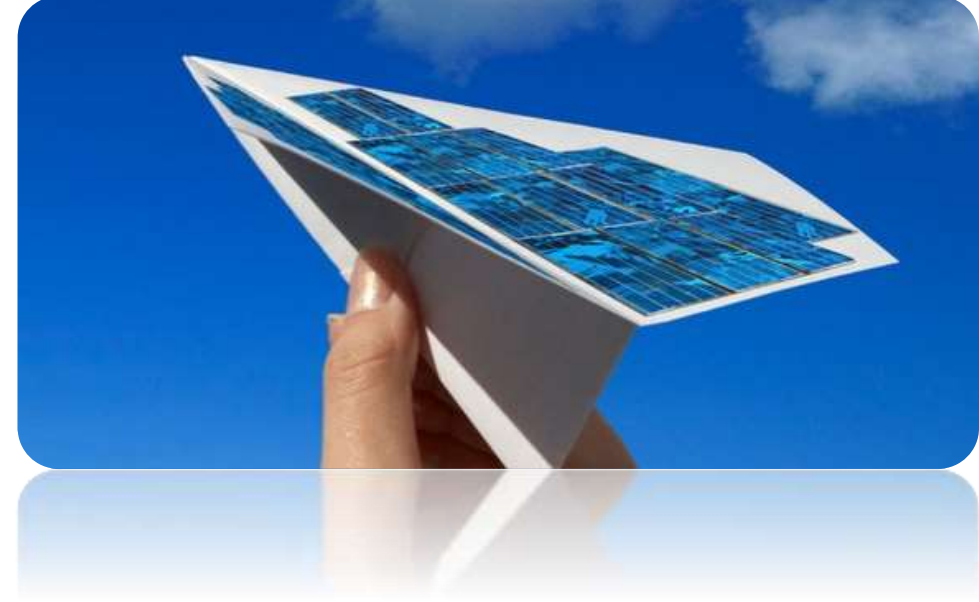
2017: Set-up

Committee on Innovation, Technology and Re-industrialization

- to coordinate efforts at a higher-level and
inter-bureau approach



Start-up Ecosystem in HK





Science Park

The 2018-19
Budget

Inject HK\$10 billion (US\$1.3 billion)

- Enhance support for incubates and tenants
- Set up a Smart Campus
- Construct research-related infrastructure and facilities





Cyberport

The 2018-19
Budget

Inject HK\$200 million (US\$26 million)



- Roll out new support scheme, up to HK\$200,000 (US\$26,000) for each eligible start-up to conduct market research and promotion
- Enhanced Incubation programme: HK\$500,000 (US\$64,000) to individual start-up



Supporting Fintech Start-ups

Cyberport: HK's leading Fintech Community

- **“Smart-Space”**: dedicated co-working space tailored made for Fintech start-ups and companies

Cyberport Incubation Programme

- Designated support for 150 Fintech start-ups by 2020
- 67 Fintech start-ups have been supported as at end 2017



Supporting Fintech Start-ups

Accenture to continue its cooperation with **Cyberport** to roll out “**FinTech Innovation Lab**” in HK in 2017-2019



Supporting Fintech Start-ups

2016: Launch of *Fintech Innovation Hub*

by Hong Kong Monetary Authority (HKMA) & HK Applied Science and Technology Research Institute

- neutral testing ground
- tech firms and banks to formulate innovative Fintech ideas
- conduct proof-of-concept trials



2017: Launch of *Fintech Haccelerator Programme*

by HKMA & Cyberport



- platform to organise Hackathon competitions
- accelerators to explore co-operation with Fintech start-ups and innovators

Supporting Fintech Start-ups

2016: Launch of **Fintech Supervisory Sandbox (FSS)** by HKMA

- allow banks and partnering tech firms to conduct pilot trials
- no need to achieve full compliance during trail period



2017: Launch of **FSS 2.0 - Chatroom**



- offer speedy feedback to banks and tech firms
- tech firms & start-ups can access the Chatroom direct without the need to partner with a bank

Fiscal Measures



Fiscal Measures

The 2018-19 Budget



Information and Technology Fund

Inject further HK\$10 billion
(US\$1.3 billion)

SME Funding Schemes

Relax eligibility criteria

~~Years of operation~~
requirement



Start-ups can apply!

Hong Kong
The Global Connector for Start-ups



*Lots to offer
Willing to learn*