
Small Entrepreneur Research Assistance Programme

Mr. Kenneth Wong, Manager
(Technopreneurial Funding),
Innovation and Technology
Commission



Innovation and Technology Fund

- Launched in 1999 with fund HK\$5 bn (~US\$640 mn)
- 4 funding programmes
 - Innovation & Technology Support Programme (Two major types:
 1. Platform Project: 10% from industry; 90% from ITF
Industry does NOT own IPs
 2. Collaborative Projects: 50% from industry; 50% from ITF
Industry will own IPs
 - University-Industry Collaboration Programme
(50 % from industry; 50% from ITF; Industry will own IP)
 - General Support Programme (for non-R&D activities)
 - Small Entrepreneur Research Assistance Programme (SERAP)

Small Entrepreneur Research Assistance Programme

小型企業研究資助計劃 (SERAP)

- to encourage SMEs and technopreneurs to carry out R&D activities
- Started in 1999
- As of July 2010
Funded 329 projects , A total \$354.1m

SERAP

- ❑ Seed money of up to \$4 million
- ❑ Dollar-to-dollar matching
- ❑ Project period : Max 24 months
- ❑ financing for R&D and early market validation
- ❑ does not take equity interest or share in Intellectual Property Rights (IPR)
- ❑ government contribution only recouped if project successful

Eligibility

- ❑ Registered under the companies ordinance of Hong Kong (Cap. 32)
- ❑ with less than 99 employees
- ❑ Not a subsidiary of large company
- ❑ with substantial connection to Hong Kong i.e. a substantial part of its production, research, development, management or general business activities carried out in Hong Kong

SERAP

- Assessment Criteria
 - Innovation and Technology Content
 - Commercial viability
 - Team capability and commitment

ACCEPT APPLICATION ALL YEAR ROUND

Funding Support

- Manpower
 - The salary of R&D related staff
 - Include MPF
- Equipment
 - Research related equipment
 - The company will own the equipment
- Other Direct Cost
 - Audit, patent, certification,...

Internship Programme

- Participating Organizations
 - All organizations undertaking R&D projects funded by the ITF
- Participating Interns
 - the recruited intern should be a graduate from a local university.
 - should be a graduate in the relevant field of the research project
 - should not be employed by the company within the past three months preceding the date of application

Remuneration for interns

- Maximum monthly allowance of **\$10,000** for each intern plus employer's contribution (i.e. \$500 maximum) plus employer's MPF for those who possess a first degree
- Up to **\$12,000** for those with Master or higher degrees plus employer's MPF contribution

Cash Rebate Scheme

- 10% rebate for ITF projects and projects undertaken with local R&D institutions
- e.g. a \$1mn Collaboration Project:

	HK\$
(a) R&D expenditure borne by the company	500,000
(b) Profit tax saved (16.5%)	(82,500) (a x 16.5%)
(c) Cash rebate (10%)	(50,000) (a x 10%)
(d) Taxable part of the cash rebate (16.5%)	8,250 (c x 16.5%)
Actual R&D expenditure	375,750 (a-b-c+d)



**Only
37% of
total cost**

Thank you