

**An Overview of the Enhancement Measures on the BUD Fund and
the Implementation Timetable**

Overview of the Enhancement Measures

| | Before Enhancement | After full Implementation of Enhancement |
|---|--|---|
| Geographical Coverage | All economies with which Hong Kong has signed Free Trade Agreements ¹ (FTAs) (20 in total) | All economies with which Hong Kong has signed FTAs and/or Investment Promotion and Protection Agreements ² (37 in total) |
| Cumulative Funding Ceiling per Enterprise | \$4 million | \$6 million |
| Funding Ceiling per Project | \$1 million | \$1 million |
| Maximum Number of Approved Projects per Enterprise | 40 | 60 |

¹ These economies include the Mainland, New Zealand, the four member states of the European Free Trade Association (i.e. 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 and Australia.

² The 17 newly added economies include Japan, Korea, Austria, Belgo-Luxembourg Economic Union, Canada, Denmark, Finland, France, Germany, Italy, Mexico, the Netherlands, Sweden, the United Kingdom, Kuwait and the United Arab Emirates.

Implementation Timetable of the Enhancement Measures

| | |
|--------------------------------------|--|
| Phase 1 (30 July 2021) | <ul style="list-style-type: none">• Increase the cumulative funding ceiling per enterprise from \$4 million to \$6 million• Extend the geographical coverage to Japan and Korea |
| Phase 2 (the first quarter of 2022) | <ul style="list-style-type: none">• Extend the geographical coverage to Austria, Belgo-Luxembourg Economic Union, Canada, Denmark, Finland, France, Germany, Italy, Mexico, the Netherlands, Sweden and the United Kingdom |
| Phase 3 (the second quarter of 2022) | <ul style="list-style-type: none">• Extend the geographical coverage to Kuwait and the United Arab Emirates |