

**Measures adopted in response to the Financial Tsunami
(as at 15 June 2009)**

2008

- From Sep **Hong Kong Monetary Authority (HKMA)** injected up to 14 May 2009 a total of HK\$340.4 billion into the banking system by purchasing US dollar against Hong Kong dollar under the currency board arrangement.
- 2 Oct **HKMA** provided liquidity assistance, from 2 October 2008 until the end of March 2009, to licensed banks on their request through five temporary measures.
- 9 Oct **HKMA** adjusted the formula in determining the base rate by lowering the spread of the base rate over the Fed Funds Target Rate by 1 ppt to 0.5 ppt.
- 14 Oct **The Financial Secretary (FS)** announced two pre-emptive measures –
- (a) use of Exchange Fund to guarantee repayment of all HK\$ and foreign-currency deposits held with all authorized institutions in Hong Kong, including branches of overseas institutions; and
 - (b) establishment of a Contingent Bank Capital Facility for the purpose of making available additional capital to locally incorporated licensed banks, should this become necessary.
- 23 Oct **Secretary for Commerce and Economic Development (SCED)** convened an SME Summit.
- 28 Oct **Finance Committee of LegCo (FC)** approved enhancement to SME Funding Schemes -
- (a) ceilings for the Business Installations & Equipment Loans (\$5 m) and Working Capital Loans (\$1 m) under the SME Loan Guarantee Scheme removed; overall maximum guarantee for each SME remains at \$6 m. Guarantee period for Working Capital Loans extended from two to five years. Each SME allowed to recycle the guarantee once after it has fully repaid the loan; and

- (b) Export Marketing Fund grant ceiling for each SME raised from \$100,000 to \$150,000, and sub-ceiling for each application raised from \$30,000 to \$50,000. Scope of funding expanded.

HKMA offered additional Exchange Fund Bills of HK\$2 billion, to meet the demand for the paper from banks for liquidity management purpose.

29 Oct **HKMA** issued a circular, urging banks to be more accommodating in lending to SMEs within the bounds of prudent risk management.

30 Oct **HKMA** announced that the Base Rate was adjusted downward to 1.5% with immediate effect.

3 Nov **Task Force on Economic Challenges (TFEC)** first met.

4 Nov **HKMA** offered additional Exchange Fund Bills of HK\$2 billion, to meet the demand for the paper from banks for liquidity management purpose.

6 Nov **HKMA** further refined the term money facility by extending the tenor from one month to three months, and setting a lower lending rate compared with the relevant inter-bank interest rate for this facility.

10 Nov **FS** announced two further support measures -

- (a) Trade and Industry Department (TID) to launch a time-limited Special Loan Guarantee Scheme to provide \$10 billion liquidity to SMEs. The Government guarantee ratio will be 70% as compared with 50% under the existing scheme (latest statistics at the **Annex**); and

- (b) Hong Kong Export Credit Insurance Corporation (ECIC) to launch new enhanced measures including provision of higher cover for exports generally and in particular for six emerging markets (i.e. UAE, Kuwait, Chile, Brazil, the Czech Republic and Malaysia). The statutory maximum liability will be correspondingly increased from \$15 billion to \$30 billion.

19 Nov **HKMA** issued a circular on “Hong Kong Approach to Corporate Difficulties” to banks emphasizing that when dealing with corporate borrowers in financial difficulties, banks should remain

supportive and should not hastily put them into receivership or issue writs demanding repayment if they have a reasonable chance of survival.

20 Nov **Secretary for Home Affairs** (SHA) announced after a meeting with the chairmen and vice-chairmen of the Districts Councils (DCs) that together with the DCs, the Government would work out ways to speed up district minor works projects to create more jobs.

21 Nov **HKMA** announced adoption of a flexible approach towards the premium on capital adequacy ratio of individual banks and an arrangement with the People's Bank of China to allow Hong Kong banks operating on the Mainland to approach the People's Bank of China if they need liquidity support.

25 Nov **Secretary for Development** (SDEV) announced three measures to assist construction contractors undertaking government works projects, in particular small and medium sized companies, to resolve their cashflow difficulties. These relate to interim payments and speeding up of valuation of variation orders for making payments, early finalisation of accounts and partial release of retention money before expiry of works maintenance period.

Housing Authority (HA) announced that the Commercial Properties Committee under HA endorsed that shops, markets and factory units, except supermarkets, superstores and banks, under HA would enjoy a 50%-cut in net rent (excluding rates and air-conditioning charges) for two months with effect from January 2009.

27 Nov **SHA** announced that the redevelopment of the Hong Kong Sports Institute would create 1 000 jobs while the construction and upgrading of various sports venues for the East Asian Games have created another 1 000 jobs.

2 Dec **HKMA** offered additional Exchange Fund Bills, totalling HK\$8 billion, to meet the demand for the paper from banks for liquidity management purpose.

ECIC announced the waiver of a fixed annual policy fee of \$1,500 for new and existing policyholders for one year with effect from 1 January 2009. Around 3,000 policyholders would benefit from this initiative.

- 8 Dec **The Chief Executive** announced after the **Second Meeting of the TFEC** a series of measures to lead Hong Kong out of the economic downturn, including -
- (a) substantially expanding the recently introduced Special Loan Guarantee Scheme to increase the maximum commitment to \$100 billion while continuing to provide 70% loan guarantees (latest statistics at the **Annex**);
 - (b) making available over 60 000 employment opportunities next year through expediting infrastructure projects, advancing recruitment of civil servants to fill 7 700 vacancies arising from December 2008 to March 2010 and creating temporary positions;
 - (c) making the best use of funds approved to create jobs;
 - (d) complementing the efforts of a number of non-governmental organisations in their expansion or removal projects to promote their development and increase employment opportunities; and
 - (e) working with the Central Government and Guangdong Province to undertake measures to alleviate the difficulties faced by Hong Kong enterprises in the Pearl River Delta, expand the scope of RMB business in Hong Kong and increase the number of Mainland residents visiting Hong Kong.
- 10 Dec **SDEV** announced that having critically reviewed the projects under their purview, works departments had identified 22 additional batches of minor works projects and would increase spending on minor works from \$6.9 billion in 2008-09 to \$8.5 billion in 2009-10 (representing an increase of 23%).
- 11 Dec **SCED** briefed the media on the job creation initiatives under the **Innovation and Technology Commission (ITC)**, **Office of the Government Chief Information Officer (OGCIO)** and **Tourism Commission**, providing about 680 additional jobs in 2009 mainly for university graduates.
- 15 Dec **TID** launched the expanded Special Loan Guarantee Scheme announced by the Chief Executive earlier (latest statistics at the **Annex**).

17 Dec **HKMA** announced that the Base Rate was adjusted downward to 0.5% with immediate effect (lower Band of Fed Funds Target Rate 0% + 50 basis points).

31 Dec **Secretary for Transport and Housing** said that major railway and highway projects would create more than 40 000 jobs during the construction period.

2009

7 Jan **Home Affairs Bureau (HAB)** secured the in-principle support of the Public Works Subcommittee of the LegCo's FC to upgrade to Category A three projects on recreational and cultural facilities, namely improvement works for Mong Kok Stadium, construction of a public library and indoor recreation centre in Yuen Long, and development of a swimming pool complex in Tuen Mun. These projects cost about \$2 billion in total, and will create over 1 000 jobs, including over 900 for labourers and over 100 for professional/technical staff.

13 Jan **HKMA** offered additional Exchange Fund Bills, totalling HK\$12 billion, to meet the demand for the paper from banks for liquidity management purpose.

15 Jan **TID** and five major industrial and trade organisations organised a large-scale seminar at the Hong Kong Convention and Exhibition Centre to brief SMEs on the support measures provided by the Government and supporting organisations. Enquiry counters were set up by 23 lending institutions and supporting organisations on site to answer questions by SMEs.

20 Jan **HKMA** offered additional Exchange Fund Bills, totalling HK\$6 billion, to meet the demand for the paper from banks for liquidity management purpose.

HKMA and the **People's Bank of China (PBoC)** signed a currency swap agreement to provide short-term liquidity support to the Mainland operations of Hong Kong banks and the Hong Kong operations of Mainland banks in case of need.

22 Jan **The Chief Executive** announced after the **Third Meeting of the TFEC** a new series of measures to cope with the expected wave of

staff layoffs and to assist school-leavers who will be entering the labour market in the middle of this year, including -

- (a) carrying out a one-year special operation to remove 5,000 abandoned advertising signboards, creating about 170 jobs;
- (b) expanding the Internship Programme under the Innovation and Technology Fund, providing 600 internship places this year;
- (c) the Employees Retraining Board increasing its provision of training places by 20 000 to at least 143 000 in 2009-10;
- (d) tertiary institutions strengthening their career services and endeavouring to increase places for tutors, research fellows and postgraduate students and provide more continuing education opportunities;
- (e) over 20 statutory bodies recruiting some 6,000 workers and creating about 2,000 temporary jobs or internship opportunities this year; and
- (f) exploring with the Hong Kong General Chamber of Commerce, other local and international Chambers of Commerce, and the Hong Kong Chinese Enterprises Association to provide internship and training opportunities in the private sector.

The Chief Executive also announced that the Government would re-consider the introduction of a corporate rescue procedure, to provide an opportunity for companies in short-term financial difficulties but with viable long-term business prospects to turn around or restructure.

23 Jan

ITC announced job creation initiatives under the Innovation and Technology Fund (ITF) which aims to facilitate the employment of R&D interns for ITF projects, to increase the number of rounds of project proposal solicitation from one to three times in 2009, and to increase our level of funding support to SMEs on R&D. From 1 Jan to 10 June 2009, the employment of 115 R&D interns have been approved under the enhanced scheme.

- 10 Feb **HKMA** offered additional Exchange Fund Bills, totalling HK\$7.7 billion, to meet the demand for the paper from banks for liquidity management purpose.
- 11 Feb **SCED** obtained approval from the Legislative Council to increase the maximum statutory liability of **ECIC** from \$15 billion to \$30 billion to enhance its underwriting capacity.
- 13 Feb **HAB** secured funding approval for two projects, namely development of a swimming pool complex in Tuen Mun and conversion of Yau Ma Tei theatre into a Xiqu Activity Centre. These projects cost about \$980 million in total, and will create about 500 jobs, including about 450 for labourers and about 50 for professional/technical staff.
- 17 Feb **HKMA** offered additional Exchange Fund Bills, totalling HK\$7 billion, to meet the demand for the paper from banks for liquidity management purpose.
- 19 Feb **The Chief Secretary for Administration** convened the Liaison and Co-ordinating Meeting of Hong Kong, Guangdong and Macao in Jointly Taking Forward the Implementation of “The Outline of the Plan for the Reform and Development of the Pearl River Delta”, together with the Vice-Governor of Guangdong Province and the Secretary for Economy and Finance of the Macao Special Administrative Region. At the meeting, the three sides reached consensus on the following -
- (a) setting up a liaison and co-ordinating meeting mechanism;
 - (b) confirming the key cooperation areas including finance, industries cooperation, infrastructural and town planning, environmental protection, as well as education and training;
 - (c) jointly conducting specialised topical plans on regional cooperation; and
 - (d) taking forward major cooperation initiatives such as tourism, environmental protection, infrastructural and transport arrangements, regional development and town planning.
- 24 Feb **Secretary for Transport and Housing (STH)** signed a memorandum of understanding with Ministry of Railways on the technical arrangement for connecting the Mainland and Hong

Kong sections of the Guangzhou-Shenzhen-Hong Kong Express Railway Link. Works are expected to start at the end of 2009 and be completed by 2015.

HKMA offered additional Exchange Fund Bills, totalling HK\$5.7 billion, to meet the demand for the paper from banks for liquidity management purpose.

25 Feb

FS announced in his 2009-10 Budget Speech that the Government will offer \$8.4 billion one-off revenue concessions and make a provision of \$1.6 billion to create 62 000 jobs and internship opportunities in the next three years. The latter include:

- (a) enhancing and integrating **Labour Department's (LD)** various employment programmes to provide training and employment opportunities for the vulnerable groups. It is estimated that some 44 000 people will benefit in the next two years;
- (b) adopting a more proactive approach in providing employment assistance to those made redundant during the financial crisis;
- (c) launching an "Internship Programme for University Graduates" to provide about 4 000 places for interested graduates to work as interns and receive training in local or Mainland enterprises for 6 to 12 months;
- (d) launching a \$1-billion "Operation Building Bright" to assist owners of about 1 000 old buildings to carry out repair works in the coming two years and granting \$130 million to implement energy efficiency measures in Government facilities. These two initiatives will create some 10 200 job opportunities;
- (e) earmarking \$100 million to assist organisers to host more attractive events in the areas of arts, culture and sports over the next three years to further promote Hong Kong as an events capital of Asia, which are expected to create 2 800 jobs;
- (f) allocating \$78 million to promote and organise community involvement activities for the 2009 East Asian Games and join with various sectors of the community to organise a number of celebration activities for the 60th anniversary of the

founding of the People's Republic of China. These activities will create about 260 jobs in project co-ordination, publicity and promotion; and

- (g) earmarked \$63 million to conduct a one-year Internet education campaign on safe and healthy use of the Internet, targeting young students and their parents and teachers. It is expected that this programme will create some 500 temporary jobs for about one year (major recruitment exercise scheduled for July/August 2009).

- 27 Feb **The Hong Kong Science and Technology Parks Corporation** announced its rental relief measures including 2-month rent-free period (in the months of April and October 2009) to all existing tenants in Science Park, InnoCentre and Industrial Estates; freezing of rent of tenants (whose leases would be renewed in 2009); and extending the licence fee free period of incubatees (who have completed the 12-month program in 2009) for a maximum of 6 months.
- 5 Mar **The Chief Executive** arranged local business leaders to meet with senior officials of the Ministry of Commerce to exchange views on how to assist Hong Kong enterprises to develop the Mainland's domestic market. Subjects discussed included streamlining procedures for enterprises to restructure and to develop the Mainland's domestic market, difficulties encountered by Hong Kong businessmen in opening retail shops in the Mainland, and the need to enhance protection of intellectual property rights.
- 10 Mar **HKMA** offered additional Exchange Fund Bills, totalling HK\$5.7 billion, to meet the demand for the paper from banks for liquidity management purpose.
- 11 Mar **Buildings Department** commenced demolition of up to 5,000 abandoned signboards around the territory under a 12-month special operation. About 170 job opportunities will be created. (Up to 8 June, 536 signboards have been demolished.)
- 12 Mar **HKMA** and the **PBoC** signed a Memorandum of Understanding for the establishment of multi-currency cross-border payment arrangements between the Mainland and Hong Kong. The arrangements were launched on 16 March 2009.

- 13 Mar **STH** announced that the preliminary design and site investigation for the Hong Kong-Zhuhai-Macao Bridge Main Bridge started, with a view for its construction to commence before end of 2009.
- 14 Mar **SDEV** announced that a career expo on infrastructure would be conducted on 24 – 26 March to recruit about 1 000 professionals and technical personnel in government and non-government sectors. The Expo was held as announced.
- 17 Mar **HKMA** offered additional Exchange Fund Bills, totalling HK\$9 billion, to meet the demand for the paper from banks for liquidity management purpose.
- 24 Mar **HKMA** offered additional Exchange Fund Bills, totalling HK\$7.7 billion, to meet the demand for the paper from banks for liquidity management purpose.
- 26 Mar **HKMA** announced that it would continue to conduct foreign exchange swaps and term repos under its market operations to provide liquidity assistance to licensed banks, if needed, after the five temporary measures for providing liquidity assistance expired on 31 March 2009. **HKMA** also strengthened the Lender of Last Resort (LOLR) framework by including foreign exchange swaps as one of the basic instruments to provide LOLR support and expanding the definition of eligible securities for repos to include foreign currency securities of acceptable ratings.
- 1 Apr **Securities and Futures Commission** offered a one-off waiver of the annual licence fees from over 37 000 intermediaries for one year to help relieve the cost burden on intermediaries amidst economic downturn. All licensed corporations, registered institutions, responsible officers and representatives will benefit from the scheme.
- 3 Apr **The Chief Executive** announced after the **Fourth Meeting of the TFEC** to explore how to further develop six economic areas where Hong Kong enjoys clear advantages, namely: testing and certification; medical services; innovation and technology; cultural and creative industries; environmental industry; and educational services.
- Apr -May **Central Policy Unit** organised a series of focus group discussions to further explore room for the development and related implementation issues of the six economic areas identified by

TFEC on 3 April and will report the outcome to TFEC at its next meeting.

8 Apr **Environment Bureau (ENB)** launched the \$450-million Building Energy Efficiency Funding Schemes to subsidize building owners to conduct energy-cum-carbon audits and energy efficient projects. (Up to 15 Jun, more than 440 applications have been received).

24 Apr **HAB** secured funding approval for a project on improvement works for Mong Kok Stadium. The project costs about \$280 million and will create about 200 jobs, including about 180 for labourers and about 20 for professional/technical staff.

Development Bureau (DEVB) obtained FC approval for the funding application to increase the approved allocation on minor works projects in 2009-10 from \$7.57 billion by \$0.99 billion to \$8.56 billion. The proposed additional allocation of \$0.99 billion for works-related block allocations in 2009-10 will create about 1 600 jobs (1 500 for labourers and another 100 for professional/technical staff).

SDEV secured FC approval to create a new non-recurrent commitment of \$700 million as Government contribution to the \$1-billion Operation Building Bright (the remaining \$300 million for the Operation is contributed by the Hong Kong Housing Society and the Urban Renewal Authority on an equal sharing basis (i.e. \$150 million each)).

28 Apr **HKMA** offered additional Exchange Fund Bills, totalling HK\$7.7 billion, to meet the demand for the paper from banks for liquidity management purpose.

5 May **HKMA** offered additional Exchange Fund Bills, totalling HK\$7.7 billion, to meet the demand for the paper from banks for liquidity management purpose.

7 May **SDEV** formally launched the Operation Building Bright. (Over 1,100 applications for Category 1 target buildings have been received and a computer ballot to determine the priority of eligible applications is scheduled for 19 June.) An additional funding of \$1 billion has been earmarked for the Operation as announced by FS on 26 May.

- 8 May **LD** secured approval of LegCo's FC to create new commitments of \$398.6 million for enhancing and integrating various employment programmes for the youth, middle-aged and disabled and \$140 million for launching an "Internship Programme for University Graduates".
- HAB** secured funding approval for the development of a municipal services building in Lam Tin. The project costs about \$700 million and will create about 390 jobs, including about 350 for labourers and 40 for professional/technical staff.
- 13 May Other than the three measures introduced in Nov 2008 to assist construction contractors in undertaking public works projects, **SDEV** announced an additional measure to include appropriate provisions in existing public works contracts using "milestone" payment method such that the contractors could get early payments for the purchase of construction materials.
- 19 May **HKMA** offered additional Exchange Fund Bills, totalling HK\$6.7 billion, to meet the demand for the paper from banks for liquidity management purpose.
- 26 May **FS** announced a new round of relief measures to strengthen our efforts to combat the financial crisis. Apart from enhancing the loan guarantee schemes, the revenue and expenditure measures amount to \$16.8 billion. Amongst others:
- (a) *small and medium enterprises*, in general, can apply for maximum loans of \$12 million (for which Government provides a 80% guarantee) and enjoy maximum business registration fee and rates waiver of \$8,000. For those involved in export trade, the ceiling of "small credit limit" applications set by ECIC will be increased from \$500,000 or below to \$1 million or below;
 - (b) *individual sectors affected by the financial tsunami and the human swine flu* will be exempted the relevant licence fees; and
 - (c) *among members of the public*, the lower income group and the middle class will benefit from the full year rates waiver; some 700 000 public rental housing tenants will not need to pay rent for two months; parents of some 570 000 students will receive \$1,000 financial assistance. The middle class will also enjoy

maximum tax relief of \$8,000. Some 1.1 million people will receive one additional month of the standard rate of Comprehensive Social Security Assistance payment, Old Age Allowance and Disability Allowance as appropriate.

Excluding possible expenditure in relation to loan guarantees, the total stimulus and relief package since the 2008-09 Budget amounts to some \$87.6 billion or 5.2% of GDP.

- 26 May **HKMA** offered additional Exchange Fund Bills, totalling HK\$6.7 billion, to meet the demand for the paper from banks for liquidity management purpose.
- 29 May **HAB** announced the launching of support measures involving about \$10 million to help small and medium arts groups tide over economic adversity in various aspects, including assistance in publicising their programmes, enhancement of performance opportunities, promotion of community involvement for audience building, as well as relief on cash flow.
- 30 May In addition to the annual Education and Careers Expo in February, the **Trade Development Council** organized the “Entrepreneur and Continuing Education Day” to promote entrepreneurship and opportunities for continuing education. A total of 113 exhibitors, comprising local degree providers, education and vocational training institutions, and organizations/companies from the entrepreneurship sector took part in the event which has attracted more than 7 700 visitors.
- 2 Jun **HKMA** offered additional Exchange Fund Bills, totalling HK\$10.7 billion, to meet the demand for the paper from banks for liquidity management purpose.
- HKMA** announced the issuance of additional Exchange Fund Bills totalling HK\$46.1 billion on 9 June, 16 June, 23 June and 30 June to meet the demand for the paper from banks for liquidity management purpose.
- 5 Jun **ENB** secured funding approval from LegCo’s FC for the Sludge Treatment Facilities at an estimated cost of \$5.1 billion. The proposed design and construction works will create about 610 jobs, including 550 labourers and 60 professional/technical staff.

- 9 Jun **HKMA** offered additional Exchange Fund Bills, totalling HK\$8 billion, to meet the demand for the paper from banks for liquidity management purpose.
- 10 Jun **LD** started to invite offer of internship opportunities for university graduates under the “Internship Programme for University Graduates” as approved by LegCo’s FC on 8 May.

Other On-going Efforts

2. The **LD** has -

- (a) kept certain sectors and certain companies under close vigilance and would intervene early should it be aware of cases of wage arrears, wage reductions, under-payment of wages, retrenchments or likely cases of bankruptcy/winding-up;
- (b) continued to provide conciliation service, facilitate resort to the Labour Tribunal, facilitate employees to apply for ex-gratia payment from the Protection of Wages on Insolvency Fund (PWIF) for disputes involve bankruptcy and winding-up;
- (c) appealed to prospective employers to solicit suitable vacancies; and
- (d) set up a dedicated recruitment centre for the catering industry in early February 2009 to offer job-matching service for the industry.

3. Government is committed to promoting economic development through infrastructure projects, thereby increasing employment opportunities during the construction stage. As such, the **DEVB** and its works departments will continue to press ahead the implementation of the Ten Major Infrastructure Projects and other major projects, as well as carry out more minor works. For instance, the LegCo FC approved the funding for the advance works of Kai Tak Development to meet the target to commence the operation of the first berth in mid-2013. Funding for the Hong Kong–Zhuhai–Macao Bridge was also obtained for works to commence in 2009. Up to the last meeting of the 2008-09 LegCo session held on 15 June 2009, the FC’s Public Works Subcommittee (PWSC) endorsed funding applications at total value of \$127.03 billion (140 works project items, including 42 items for increase in approved project estimates). Major projects with funding endorsed by PWSC include Central-Wan Chai Bypass, Wan Chai Development Phase II and related works at a total cost of \$32.8 billion, funding support for West Island Line (\$12.25 billion), and sewage conveyance tunnels for Harbour Area Treatment Scheme, Stage 2A

(\$9.28 billion). Based on PWSC's endorsement, FC has already approved funding for works projects totaling \$59.7 billion by 5 June. On the meetings on 19 June and 3 July, FC will consider PWSC's recommendation for approval of funding application totaling \$13.7 billion and \$53.6 billion respectively, i.e. the total value of funding for works projects to be approved by FC in 2008-09 LegCo session will reach \$127.03 billion.

4. In addition, the expenditure under Government's Capital Works Programme will be increased from \$23 billion in 2008-09 (excluding the upfront endowment of \$21.6 billion to the West Kowloon Cultural District Authority) to some \$39.3 billion in 2009-10, providing around 47 100 job opportunities, of which around 4 680 are for professional/technical staff and around 42 420 are for labourers, representing an increase of some 11 800 from 2008-09.

5. The **Lands Department** has adopted a simplified procedure to process the applications for the use of about 1 000 vacant Government sites which may be put to temporary beautification or other temporary uses (such as organic farms, temporary cycling parks and venues for school activities). Up to now, there are over 25 projects agreed or implemented in different districts.

6. The **HA** has accelerated some of its maintenance and improvement (M&I) programmes (including in-flat inspection and repair under the Total Maintenance Scheme of some 20 estates, improvement to pedestrian access by adding escalators and lifts, and redecoration works and other improvement works). These would help create about 940 job opportunities in each of the coming two years. As at 15 June 2009, over 180 job opportunities have been created.

7. The **HA** has also accelerated a number of construction projects so as to enable earlier employment of about 1 025 construction workers and 80 professionals.

8. The **ENB** would continue to implement various environmental infrastructure projects, and to subsidize companies to implement clean production and enhance energy efficiency to promote green business opportunities. During the 2008-09 LegCo sessions, altogether 16 environmental infrastructure projects have been approved at a total cost of \$24.3 billion. The proposed work will create about 4 700 jobs, including 3 900 for labourers and 800 for professional and technical staff. To provide additional support to the local waste recycling industry, three short term tenancy (STT) have been leased out to recycling trade since end-October 2008 and eight more STT sites have been earmarked for recycling use, four of which are scheduled for tendering in late June 09. The Environmental Protection Department has extended the 20% rental reduction for three more months for tenants in EcoPark.

9. Policy bureaux/departments are expediting civil service recruitment. As at end-May 2009, of the some 7 700 vacancies concerned, some 3 140 have been filled and appointments were offered to another some 1 640 suitable candidates.

10. The tertiary institutions have adopted various measures in response to the financial tsunami including: (1) continue to strengthen their career services for their graduates; (2) implemented measures to expedite planned recruitment; and (3) jointly promote courses.

Secretariat, TFEC
June 2009

**Latest statistics on the enhanced SME Loan Guarantee Scheme
and the Special Loan Guarantee Scheme
(as at 15 June 2009)**

Enhanced SME Loan Guarantee Scheme (SGS)

The enhancement measures for SGS were implemented on 6 November 2008. As at 15 June 2009, **36 participating lending institutions (PLIs)** have joined the SGS. **1,339 loan applications** were submitted to the Trade and Industry Department (TID), of which **1,149 have been approved**, involving a total loan amount of about **\$3.7 billion**.

Special Loan Guarantee Scheme (SpGS)

The SpGS was launched on 15 December 2008. As at 15 June 2009, **41 PLIs** have joined the scheme. **11,432 loan applications** were submitted to TID, of which **10,192 have been approved**, involving a total loan amount of about **\$19.2 billion**.

Overall position of the SGS and SpGS

As at 15 June 2009, TID has received **12,771 loan applications** from the PLIs under the two schemes, of which **11,341 have been approved**, involving a total loan amount of about **\$23 billion**. There are about 8,600 beneficiaries employing over 160,000 employees.

Trade and Industry Department
June 2009