



# **ENVIRONMENT AND CONSERVATION FUND**

## **環境及自然保育基金**



### **Guide to Application**



## **Community Involvement Projects for Waste Reduction Through Quantity-based Municipal Solid Waste Charging**

*(Latest version in January 2018)*

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Waste Reduction Projects Vetting Sub-committee  
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## 1. INTRODUCTION

Quantity-based charging can create financial incentive to drive behavioural changes in waste generation thus reducing the overall amount of waste required for disposal. The Environment Bureau announced the proposed implementation arrangements for municipal solid waste (MSW) charging in 2017 (please see **Appendix A** for details) and plans to introduce the bill on MSW charging into the Legislative Council in 2018. It is expected that MSW charging will be implemented by the end of 2019 at the earliest.

The charging scheme will be implemented in all sectors in one go. It involves many detailed arrangements and various stakeholders so its complexity cannot be underestimated. In addition, continuing public education is critical to shape behavioural change in the community to achieve the intended enhancement in both the quantity and quality of our recycling performance and to promote compliance of the new charging legislation.

To support the implementation of MSW charging, the Environment and Conservation Fund (ECF) Committee<sup>1</sup> has initiated a funding scheme for non-profit making organisations to conduct community involvement projects under the banner of “MSW charging”. The purpose of this funding scheme is to get the entire community prepared for the implementation of quantity-based MSW charging in Hong Kong and reduce waste. Its aim is not merely to enhance community awareness, but to mobilize collective actions within different sectors so as to maximize the benefits of charging in terms of waste reduction and recycling.

### 1.1 Purpose of this Guide

This Guide provides guidance on application for funding “*Community Involvement Projects for Waste Reduction Through Quantity-Based Municipal Solid Waste Charging*” (*Projects*) and describes the basic requirements and responsibilities for recipient organisations. Upon approval of funds by the ECF Committee, the applicant will sign an agreement with the Government undertaking to observe the conditions of using the allocated grant and the approved budget.

### 1.2 Nature of Projects

The *Projects* should be community-based and result-oriented, aiming to encourage all sectors in the community to try out how to implement quantity-based MSW charging in the respective sectors with features that can help the waste producers to better understand the type and quantity of wastes they generate / dispose, to develop practices to help the waste producers get prepared for complying with MSW charging and to develop measures to reduce waste in order to pay less.

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<sup>1</sup> A statutory body, which comprises mainly non-officials, was set up in 1994 under the Environment and Conservation Fund Ordinance to advise the Secretary for the Environment on the use of funds. Under the Ordinance, the Secretary for the Environment is the trustee responsible for the administration of the Fund.

### 1.3 Administration

Administration of grants for the *Projects* is undertaken by the Secretariat of the Waste Reduction Projects Vetting Sub-committee (the Vetting Sub-committee) under the ECF Committee.

## 2. GUIDE TO APPLICATION

### 2.1 Who may apply?

Local non-profit making organisations (e.g. community bodies, green groups) are eligible to apply.

### 2.2 What is the duration of each project?

The project shall consist of **three parts**: (i) preparation stage, (ii) the trial and (iii) post-trial evaluation. The duration of the trial shall be at least **three months** and not exceed **six months**.

### 2.3 How to apply?

Applicants have to fill out an application form for the *Projects*, which can be obtained from:

- Secretariat, Waste Reduction Projects Vetting Sub-committee  
5/F Southorn Centre, 130 Hennessy Road, Wan Chai, Hong Kong  
Tel: 2835 1003

Softcopy can be downloaded from ECF website: <http://www.ecf.gov.hk/>

The person-in-charge of the project should be the **head or deputy head of the applicant organisation**. Completed application form **shall be signed by the person-in-charge, affixed with seal of the applicant organisation** and returned to the Secretariat of the Waste Reduction Projects Vetting Sub-committee at 5/F Southorn Centre, 130 Hennessy Road, Wan Chai, Hong Kong **before 6:00 pm** on the invitation closing date as specified in each round of the invitation exercise. (Please state “**Municipal Solid Waste Charging Projects**” on the envelope.) If the applications are submitted by mail, the postmark should be dated on or before the invitation closing date. In case a Black Rainstorm Warning Signal or Tropical Cyclone Warning Signal No. 8 or above is in force for any duration between 12:00 noon and 6:00 pm on the invitation closing date, the invitation closing time will be extended to 6:00 pm on the next working day.

Late or incomplete applications or applications not submitted in accordance with the format prescribed above, including applications submitted by facsimile or e-mail or without submission of the original hard copy, or the application form is not personally signed by the person-in-charge of the proposed project and / or affixed with an original seal of the applicant organisation, **will not be processed**.

## 2.4 What are the vetting procedures?

The Vetting Sub-committee was established under the ECF Committee to consider the applicant's project. The Vetting Sub-committee comprises representatives of the ECF Committee, Environmental Campaign Committee (ECC)<sup>2</sup>, Advisory Council on Environment's Waste Management Subcommittee and the Environmental Protection Department (EPD). Other members may also be co-opted into the Vetting Sub-committee if such is considered necessary by the ECF Committee.

The following steps will be taken after an application is received –

- Step 1: Upon receipt of an application, the Secretariat of the Waste Reduction Projects Vetting Sub-committee (the Secretariat) will send an interim reply to the applicant to acknowledge receipt of the application. Where necessary, the applicant will be required to provide clarification or supplementary information. However, it should be noted that applicants should provide the best and fullest information in their applications, and the Vetting Sub-committee is not obliged to request for additional information from applicants.
- Step 2: The application will be considered by the Vetting Sub-committee.
- Step 3: The Vetting Sub-committee will approve or reject the application, or request the applicant to provide further information. The Vetting Sub-committee will also consider the budget, and where necessary, amend the budget details and set ceilings for individual expenditure items. The Secretariat will inform the applicant of the Vetting Sub-committee's decision. The Secretariat will also upload information of the approved projects on the ECF website.

For funding applications above HK\$2,000,000, the Vetting Sub-committee will recommend the application for consideration by the ECF Committee, reject it or request the applicant to provide further information.

Where the applicant needs to provide further information for a project, the Secretariat will provide the applicant's responses to the Vetting Sub-committee, which will make the final decision. The Secretariat will inform the applicant of the Vetting Sub-committee's decision as soon as practicable.

- Step 4: The ECF Committee will consider funding applications above HK\$2,000,000 recommended by the Vetting Sub-committee. The Secretariat will inform the applicant of the ECF Committee's decision. The Secretariat will also upload the information of the approved projects on the ECF website.

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<sup>2</sup> The ECC, which comprises mainly non-officials, was set up in 1990 to promote awareness of environmental issues so as to encourage and mobilise the public to contribute actively towards a better environment.

Step 5: If the approved project requires the use of premises under the management of the Housing Authority / Society (e.g. vacant shop at public housing estates, factory unit), the Secretariat will inform the Housing Authority / Society of details of the project to facilitate the Authority / Society's consideration of the recipient organisation's application for leasing premises.

**Note for Applicants:** Decisions of the ECF Committee / the Vetting Sub-committee in respect of project approvals and conditions of grants will be final.

## **2.5 What are the vetting criteria?**

The following broad criteria are used in assessing the merits of individual applications –

- 2.5.1 The project must contribute to raising awareness and understanding of the upcoming MSW charging initiative through simulating the actual scenario as far as practicable where MSW charging is in place and developing, rehearsing and recommending best practice guides specific to the target sector.
- 2.5.2 The benefits must accrue to the community of the target sector, and not to individuals, a single private organisation or a consortium of private companies.
- 2.5.3 The project must be non-profit making in nature.
- 2.5.4 In considering a project proposal, due consideration will be given to –
  - (a) the expected benefits that it will bring to the efforts in promoting / achieving waste reduction in the participating buildings / premises / target sector, and the extent to which it will achieve the goals mentioned in Section 2.5.1 above;
  - (b) whether the positive impacts, e.g. behavioural change on waste generation / reduction, brought about by the project in the participating units can be sustained in the long run;
  - (c) the technical and project management capability and commitment of the applicant, as well as the past performance of the applicant, including the effectiveness of past projects, and the applicant's ability to comply with the funding conditions;
  - (d) the technical feasibility of the proposal, e.g. whether the proposed measures to implement "Pay As You Throw" (PAYT) are practical and could be easily adopted by other waste producers in the same target sector;
  - (e) whether the project's schedule of implementation is well-planned and practicable, and the duration is reasonable;
  - (f) whether the proposed budget is prudent, realistic and cost-effective, and with full justification for every expenditure item;
  - (g) whether the project has alternative sources of funding support;

- (h) whether the project should more appropriately be funded by other sources; and
- (i) whether there is or likely to be a duplication of the work already or currently carried out by other groups or in the buildings / premises where MSW charging has already been tested out.

## **2.6 Avoidance of Conflict of Interests**

To avoid conflict of interest, members of the Vetting Sub-committee and the ECF Committee who are directly or indirectly related to an application will be required to declare interest and refrain from taking part in the discussion of that application by leaving the venue where the deliberation takes place. This will apply to members who are part of the project team and / or members who belong to the same organisation.

## **2.7 Invitation for Funding Applications**

Invitation for applications of Projects would be arranged at scheduled intervals and details will be announced through ECF website: <http://www.ecf.gov.hk/> .

## **2.8 Can I withdraw my application?**

The applicant can write to the Secretariat to withdraw an application at any time before an agreement is signed with the Government.

## **2.9 Can I resubmit my application?**

For unsuccessful applications, the applicants may always revise and modify their applications for re-submission in subsequent invitation exercise. These applications, together with other new applications, will be considered on equal footing at the next round of invitation. In completing the application form for a resubmitted application, the applicant should set out clearly the differences of the resubmitted application vis-à-vis the previous one.

### **3. APPLICATION FORM**

#### **3.1 General**

- 3.1.1 All sections of the application form should be completed with supporting documents wherever required. Where the information sought is not applicable or not available, please fill in “NA”.
- 3.1.2 The application form should be typed or printed on both sides of a paper and shall be personally signed by the person-in-charge (i.e. Head or Deputy Head of the applicant organisation) and / or affixed with an original seal of the applicant organisation. The completed application form should be submitted in both hard and soft copies (in word format).
- 3.1.3 Applicants should read the “Guide to Application” carefully, and provide all details of the proposed project in a clear and concise manner. Additional pages may be attached to the form if necessary. Please ensure that all required information is submitted with the application form.
- 3.1.4 Applicants are required to provide additional or supplementary information in relation to their applications upon request. It should be noted that applicants should provide the best and fullest information in their applications, and the Vetting Subcommittee is not obliged to request for additional information from applicants.
- 3.1.5 Acknowledgment will be sent to the applicant after receipt of an application by the Secretariat.

#### **3.2 Sections of the Application Form**

##### **3.2.1 Section A - Data Sheet**

This Section serves as a summary of an application. Once approval is granted to an application, the information given by the applicant in this Section may be put on the ECF website as necessary for public access. If the applicant does not wish certain information to be released, please forward its request and justifications upon submission of the application to the Secretariat.

If the project is jointly applied by several organisations, the organisations should identify and nominate a principal organisation as the applicant to apply for the project.

##### **3.2.1.1 *Project Title***

State the project title, in both English and Chinese. To avoid overlapping / confusion, the Secretariat may request the applicant to change the project title accordingly.

### 3.2.1.2 *Target Sector of the Project*

Indicate the proposed target sector of the project-

- Residential estates with property management companies
- Rural and other low density residential buildings
- Single block buildings
- Institutional and community services units
- Commercial and industrial buildings

## 3.2.2 Section B - Content of Project Proposal

### 3.2.2.1 *Duration of the Project*

Give the duration of the project. Please specify the commencement and completion date. The project shall consist of **three parts**: (i) preparation stage, (ii) the trial and (iii) post-trial evaluation. The duration of the trial shall be at least **three months** and not exceed **six months**.

### 3.2.2.2 *Objectives of the Project*

State the objective(s) of the project through simulation of the actual scenario as far as practicable where MSW charging is in place and the development, rehearsal and recommendation of the best practice guides such that:

- (a) waste producers in the target sector may get prepared individually by reducing waste; and / or
- (b) new measures may be tried out to effectively implement PAYT among waste producers in the participating buildings / premises.

The applicant should preferably specify more than one of the above objectives and is encouraged to specify any other objective(s) that the project may achieve.

**Note for Applicants:** Quantity-based MSW charging will be implemented as a statutory measure with penalty for non-compliance. Through participation in the project, all stakeholders in the participating units should take the opportunity to rehearse the charging process and reflect on waste reduction impact so that necessary preparatory work can be undertaken to get ready for full implementation of charging as soon as practicable.

### 3.2.2.3 *Project Details*

State the following -

#### ***(a) Target building(s) / premises and anticipated number of participants***

Provide the name and address of the target building(s) / premises (in both Chinese and English, if available) and specify whether it has confirmed to participate in this project. Indicate also the anticipated number of participants / participating units in each building / premises.



Indicate the mode of waste collection and disposal of each target building / premises by filling in:

- “1” for direct collection by refuse collection vehicles of the Food and Environmental Hygiene Department (FEHD) or its contractors;
- “2” for disposal at refuse collection points managed by the FEHD;
- “3” for collection by private waste collector using refuse collection vehicles with rear compactors; or
- “4” for collection by private waste collector using other types of refuse collection vehicles, i.e. without rear compactor.

**Note for Applicants:**

- (i) All participating buildings / premises should preferably belong to the same target sector.
- (ii) For application involving housing estates, not more than 4 multi-storey residential blocks shall be included in each estate.
- (iii) Please also attach a written consent from the appropriate authority or residents’ representatives for buildings / premises that has confirmed to be involved in the project.
- (iv) The applicant should ensure that the mode of waste collection and disposal for each target building / premises is accurately provided as it affects the PAYT measure to be tested out during the Trial phase. For instance, the EPD will provide free designated garbage bags for projects involving target premises under waste collection and disposal mode “1”, “2” and “3” above.

**(b) *Work plan and timetable***

Give a work plan in the form of a timeline showing the start day, end day and duration of key tasks to be carried out under the project. The project shall consist of **three parts**: (i) preparation stage, (ii) the trial and (iii) post-trial evaluation. Examples of key tasks to be shown in the work plan may include:

- (i) Preparation Phase
  - Conduct promotion and education activities to recruit and confirm participation
  - Review existing waste collection, disposal and recycling arrangement of participating buildings / premises
  - Identify measures to implement PAYT measure(s) among individual waste producers
  - Set waste reduction / recycling targets
  - Enhance existing waste-related infrastructure
  - Identify additional outlets for recyclables and potential support from Community Green Stations (CGSs)
  - Devise monitoring mechanisms for waste disposal quantity and recyclables arrangement including the collected quantity, the name of the recycler and the charging arrangement of the recycler for each type of recyclables, as well as the distribution and usage monitoring mechanism for designated garbage bags where applicable
  - Develop best practice guide(s)

- (ii) Trial Phase
  - Engage participants to rehearse the charging process
  - Conduct measures to implement PAYT measure(s) among individual waste producers
  - Monitor waste disposal quantity and recyclables arrangement including the collected quantity, the name of the recycler and the charging arrangement of the recycler for each type of recyclables
  - Distribute and monitor the usage of designated garbage bags (if applicable)
  - Conduct promotion and education activities to maintain momentum and encourage participation
- (iii) Post-trial Evaluation Phase
  - Collect views from participants
  - Refine best practice guides
  - Conduct promotion and education activities to announce findings and conclude the project
  - Review the deliverables and assess the effectiveness of the project

**Note for Applicants:**

- (i) The duration of the trial shall be at least **three months** and not exceed **six months**.
- (ii) For projects involving the use of designated garbage bags, bags of appropriate sizes will be provided by EPD free of charge for each participating unit (e.g. household) on the basis of no more than 30 bags / unit / month for the trial.
- (iii) The applicant shall regularly monitor and report relevant data to EPD (Please refer to Section 4.5 for the reporting requirements).
- (c) *Processes to recruit participants including briefing and confirmation of participation*

Describe how to recruit participants and confirm participation for the project. Such an exercise may be in the form of meetings, briefing sessions in which the policy intent of MSW charging and the implementation arrangement of the project will be explained to the stakeholders of the target buildings / premises. Separate engagement may be required for personnel at executive, managerial and operational levels as well as the residents or tenants at large.

Support and participation is to be sought during these processes and a sign-up form may be provided for the appropriate authority or residents' representatives to confirm their participation.

Please also fill in the required information for the above event under "Before the launch of the trial" in the table in Section B Part 3(n) of the application form.

***(d) Measures to implement “Pay As You Throw” among individual waste producers***

Describe the measure(s) to be implemented during the trial that allow(s) individual waste producers of the participating buildings / premises to experience the PAYT principle. Each project should try out at least one such measure, examples of which may include adoption of ready available technology or device (such as Radio Frequency Identification (RFID) System) to track waste source, designated bag system and weighing system. The selection of such measures should be in line with the MSW charging mechanism applicable to the participating building / premises (please refer to **Appendix A** for details of the charging mechanisms).

For example, projects involving building / premises using collection service by the FEHD or private waste collectors using refuse collection vehicles with rear compactors (RCVs) should allow participants in the building / premises to use designated garbage bags for waste disposal. Whereas for those buildings / premises using private waste collectors using refuse collection vehicles without rear compactors, the project should involve a mechanism to apportion the waste charge on the basis of the waste load among various waste producers in the participating buildings / premises.

As it is aimed to simulate as far as practicable the actual scenario in which MSW charging is in place, any measure proposed should be compatible with the existing waste collection and disposal situations of the participating building / premises and be sustainable in the long term upon the actual implementation of MSW charging.

The applicant shall report to the participating units their mock MSW charge every month during the trial. For example, this may be done through the issuance of a mock charge statement.

**Note for Applicants:** No actual charges shall be collected from the participants. Uncooperative participants who, for instance, fail to use designated garbage bags to dispose of their refuse, should be gently reminded to cooperate. No penalty-oriented measures, such as condemnation or refusal to collect refuse, shall be taken against any participants for non-compliance.

***(e) Waste reduction / recycling targets***

State the waste reduction / recycling targets to be pursued in the trial, i.e. the percentage reduction in waste disposal and percentage increase in recyclables collection

**Note for Applicants:** Waste reduction and recycling enhancement are important parameters to measure the performance of the project. Applicants must set out and state the targets in the application form.

***(f) Enhancement of the existing waste separation / tracking / weighing / recovery support (type, quantity and locations)***

Give details on the enhancement proposed for the participating building / premises to get ready for the trial. These may include the installation of waste tracking system, waste weighing equipment and enhancement of the waste separation / recovery facilities on site to encourage participants to recycle more, dispose of less waste and implement PAYT measures.

The enhancement of waste separation / recovery support may be achieved through providing separation bins for collecting additional types of recyclables, increasing the number of waste separation bins and relocating the existing bins to more convenient locations to the users. To determine the necessary enhancement measures to be taken, a walk-through of the building / premises would be required to take stock of the existing waste collection and recovery facilities.

The ECF may provide funding support for additional waste separation support subject to approval.

***(g) Outlet(s) for existing recyclables collected***

Give details about the outlet(s) (e.g. the name of the collector or recycler) for the existing recyclables collected. The recyclables should not be disposed of as waste at landfills or other waste treatment facilities.

***(h) Additional outlet(s) for recyclables***

Give details about the outlet(s) (e.g. the name of the collector or recycler) for the additional type(s) and quantity of recyclables proposed under Section B Part 3(h) of the application form. The applicant is encouraged to make use of EPD's CGS<sup>3</sup> in the relevant District as possible outlet of the non-traditional types of recyclables collected.

***(i) Potential support from CGSs***

Give details of the potential support that may be provided by the local CGSs developed by EPD. Apart from collecting recyclables, such support may include arranging visits to the CGSs, collaborating with the Operators of the local CGSs to hold publicity and education activities for participants of the project.

***(j) Waste quantity monitoring mechanism***

Give details of the procedures to be taken to regularly monitor the quantity of waste generated (e.g. the number of waste bins or weight of waste handed over to FEHD's refuse collection vehicles for disposal) from the participating building / premises.

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<sup>3</sup> For details of the CGSs, please refer to EPD website: [https://www.wastereduction.gov.hk/en/community/cgs\\_intro.htm](https://www.wastereduction.gov.hk/en/community/cgs_intro.htm)

The applicant shall report the waste disposal data to EPD on a monthly basis during the trial (Please refer to Section 4.5 for the reporting requirements). If the waste quantity is not monitored on a daily basis, the applicant shall report the number of samples taken in the month and the estimation approach (e.g. weighing of waste was carried out 8 times in the month and the average weight of waste requiring disposal from the building in these 8 weighing is 1,100 kg / day. The figure provided in the report is estimated based on a pro-rata basis, i.e. 1,100 kg x 30 days). The applicant should give due consideration to the method and frequency of measurements such that the recorded data is representative to enable meaningful interpretations of any observable trends.

**Note for Applicants:** EPD may also take samples of the waste generated from the participating building / premises before, during and / or after the trial for off-site analysis of waste composition. The applicant and the participating building / premises shall facilitate EPD during the waste sampling operation.

**(k) *Recyclables monitoring mechanism***

Give details of the methods and frequencies in monitoring the quantities of recyclables collected. For instance, if the collection by recycler is conducted on a daily basis, then weighing of the recyclable from the recycling bin before collection by the recycler will provide a daily figure for the recyclables collected from the building.

The applicant shall report the recyclables data to EPD on a monthly basis during the trial (Please refer to Section 4.5 for the reporting requirements). If the quantity of a particular recyclable is not monitored on a daily basis, the number of samples taken in the month and the estimation approach shall be reported (e.g. weighing of the recyclable was carried out 8 times in the month and the average weight of recyclable collected from the building in these 8 weighing is 67 kg/day. The figure provided in the report is estimated based on a pro-rata basis, i.e. 67 kg x 30 days). The applicant should give due consideration to the method and frequency of measurements such that the recorded data is representative to enable meaningful interpretations of any observable trends.

The applicant shall also report to EPD on a monthly basis during the trial, the name of the recycler and the charging arrangement for the recycler for each type of recyclables during the trial.

**(l) *Designated garbage bags distribution and usage monitoring mechanism (if applicable)***

Under the enhancement arrangement, waste producers in building / premises using collection service by the FEHD or private waste collectors using RCVs must use designated garbage bags for waste disposal. For projects involving these types of waste producers, give details about how the designated garbage bags will be distributed to the household / unit, including the mode and location of distribution, the number and required size of designated garbage bags to be distributed to each household / unit per month as well as any mechanism for the collection and refund of garbage bag charge.

As mentioned in Section 3.2.2.3(b), designated garbage bags of appropriate sizes will be provided by EPD to the applicant free of charge during the trial period (on the basis of no more than 30bags / unit / month). The applicant shall record the number of bags distributed to the participants and conduct regular stock taking. The applicant shall calculate the *participation rate* based on the formula below for reporting to EPD on a monthly basis during the trial (please refer to Section 4.5 for the reporting requirements).

$$\textit{Participation rate} = \frac{N_P}{N_T} \times 100\%$$

where

$N_P$  = Number of individual households / units that have requested for designated garbage bags in the month

$N_T$  = Target number of participating households/ units as stated in the application form

Give also details on the monitoring mechanism to determine the usage of designated garbage bags by the participants. Such mechanism should include physical checking and counting the numbers of designated garbage bags and non-designated garbage bags collected in the communal garbage bins on each floor of a building. The applicant shall calculate the *usage rate* and the ratio of designated garbage bags to total garbage bags used for disposal of waste based on the formula below for reporting to EPD on a monthly basis during the trial (please refer to Section 4.5 for the reporting requirements).

$$\textit{Usage rate} = \frac{N_D}{N_R} \times 100\%$$

where

$N_D$  = Number of designated garbage bags used for disposal of waste in the month (bags)

$N_R$  = Total number of designated garbage bags requested by households/ units in the month (bags)

and

$$\textit{Ratio of designated garbage bags to total garbage bags used for disposal of waste} = \frac{N_D}{N_{TG}} \times 100\%$$

where

$N_D$  = Number of designated garbage bags used for disposal of waste in the month (bags)

$N_{TG}$  = Number of designated garbage bags used for disposal of waste in the month (bags) + Number of non-designated garbage bags used for disposal of waste in the month (bags)

If the usage of designated and non-designated bags is not monitored on a daily basis, the number of days that have carried out the monitoring in the month and the estimation approach shall be reported (e.g. counting of designated bags was carried out 8 times in the month and the average number of designated bags found in these 8 weighing is 133 numbers / day. The figure provided in the report is then estimated based on a pro-rata basis, i.e. 133 numbers x 30 days). The applicant should give due consideration to the frequency and mechanism for taking the samples such that the recorded data is acceptable and appropriate for statistical analysis.

***(m) Data quality assurance and control mechanism***

Describe the procedures to be taken to ensure the integrity and accuracy of data obtained when monitoring the waste quantity and designated garbage bags usage. For instance, on-site cross checking of recorded data by supervisors, back-office double checking of data for unreasonable data. In case of doubt, the data collected should be discarded and the measurement should be repeated where possible.

***(n) Mechanism to collect views from the participants on the trial arrangements***

Give details about how the views from the participants regarding the trial arrangements can be collected. This may be undertaken in the form of experience sharing forums or questionnaire surveys or a combination of various means. The views collected will be useful during the development / review of the best practice guide(s) described in Section 3.2.2.3(r).

***(o) Promotion and education activities***

State clearly the details of the promotion and education activities to be conducted through the three phases of the project.

Activities should be provided before, during and after the trial aiming to enhance the understanding of MSW charging, solicit support and enhance participation, keep up the momentum during the trial, disseminate the objectives and arrangement of the trial and publicise the message on “3R” as well as clean recycling. The enhancement of recycling support e.g. those from CGSs should also be promulgated.

Examples of such activities include briefing sessions, experience sharing sessions, seminars, workshops, door-to-door visits, competitions etc.

**Note for Applicants:** Normally, no funding will be supported for activities which start before approval is given by the Vetting Sub-committee.

**(p) *Publication and production of education materials***

Give details of the publication or educational materials, such as newsletters, posters and flyers with general information on MSW charging or the **Projects** or with specific contents on the arrangements of the project in the participating buildings / premises.

**(q) *Services to be out-sourced in the project***

Give details about services which are intended to be out-sourced in the project, e.g. the design and installation of sophisticated waste tracking system, say, involving RFID chips / readers and the associated software.

**(r) *MSW charging best practice guides to be developed / reviewed in the project***

Give details on the best practice guide(s) to be developed before the trial, rehearsed during the trial and reviewed after the trial.

It should be noted that the applicant should grant unconditionally and irrevocably to the Government the right to publish the best practice guide(s) which may be used for sharing among stakeholders or other organisations.

**Note for Applicants:** Project application without the elements of development and review of the MSW charging best practice guide(s) will not be considered. The project organisation is required to provide one copy of the best practice guide(s) either in electronic or hard copy for reference by the Government after project completion. No fund will be provided for mass production of the best practice guide.

**(s) *Other additional initiatives***

Give details of other additional initiatives to be tried out in the project, if any.

**3.2.2.4 *Expected Benefits of the Project***

State the following:

- (a) *Deliverables*** – Give quantitative and qualitative results of the project, which may include best practice guides as exemplars for sharing, coverage of stakeholders that have rehearsed the charging process in real life situation, reach out rate of education and publicity activities, enhancement of waste reduction support, etc..
- (b) *Sustainability*** – Describe whether the result of the project could be sustained, e.g. through behavioural change on waste reduction.



Upon completion of the project, evaluation should be made to assess the effectiveness of the project, where applicable, against the performance indicators. Some examples of performance indicators are listed below for reference:

- Best practice guide(s) prepared;
- Number of stakeholders that have rehearsed the charging process in real life situation;
- Participants' awareness and understanding on quantity-based MSW charging (e.g. by conducting pre- and post-trial questionnaire survey with participants);
- Reach out rate of promotion and education activities;
- Percentage reduction in waste disposal during the trial;
- Percentage increase in recyclables collection during the trial;
- Percentage reduction in mock charge during the trial;
- Waste tracking / weighing systems successfully tried out; and
- Usage of designated garbage bags (if applicable).

#### 3.2.2.5 *Budget of the Project*

The applicant should provide a detailed budget list for the project. Each income and expenditure item should be reasonable, realistic and sufficiently broken down. All expenditure items must be incurred between the commencement and completion dates of the project, with supporting receipts in original.

All applications are considered on their individual merits. For projects involving recurrent expenditure, the applicant has to demonstrate that such expenses will be of a specified finite duration or that the project will become self-financing after a certain period of time.

For the proposed budget of the project, the applicant shall follow the format as prescribed in the Application Form. Please also study carefully the following funding criteria when preparing the budget. For existing level of funding support for expenses, please refer to **Appendix B**.

**Note for Applicants:** Any increase in cost arising from inflation or unforeseen requirements will be the responsibility of the applicant. Request of budget variation for additional funding after project approval will normally not be considered.

#### (a) *Staff cost*

- (i) The applicant is expected to have the ability to supervise and the expertise to undertake the project. Hence funding support will not be provided for hiring of professional advisor or trainers / provision of training course for staff of the applicant for undertaking the project, the costs brought about by the deployment of the existing staff of the applicant for miscellaneous duties relating to the project such as research, editorial and translation work for the project, etc.

- (ii) Funding for hiring project coordinators / assistants may be supported, the salaries of which will be considered on a case-by-case basis. The total amount for covering the staff costs of hiring project coordinators/assistants should normally be below 50% of the approved total budget or the actual expenditure for the project, whichever is the less. The applicant shall list out the position and salary of each project staff.
- (iii) The statutory minimum wage, MPF and insurance requirements, as well as other employment legislations must be complied with.
- (iv) Funding for MPF and staff insurance for the project will be supported.

**(b) *Labour cost***

- (i) Funds for engaging direct labour as green ambassadors and workers for waste quantity assessment and monitoring, promotion and education activities and where applicable, designated bag distribution and monitoring is supported. The actual amount to be granted will depend on the modus operandi of the project. The calculation method of the proposed budget for labour cost should be provided.
- (ii) The statutory minimum wage, MPF and insurance requirements, as well as other employment legislations must be complied with.
- (iii) Funding for MPF and labour insurance for the project will be supported.

**(c) *Waste separation / tracking / weighing / recovery support***

Funding for the purchase and installation of waste separation / tracking / weighing / recovery support will be considered on a case-by-case basis.

**(d) *Promotion and education activities***

Funding for promotion and education activities in connection with the project will be supported. For the level of funding support on specific types of event, please refer to **Appendix B**.

**(e) *Publication and production of educational materials***

- (i) Applicants are encouraged to develop promotion or educational materials with specific contents on the arrangements of the project in the participating buildings / premises.
- (ii) Funding for production of promotion or educational materials on MSW charging, waste reduction and clean recycling will be considered. Details of publication arrangements and relevant budget should be provided in the application proposal for overall assessment.
- (iii) Funding for website design and maintenance costs will be considered.
- (iv) Funding for mass production of the best practice guide(s) will not be supported (for the requirements on the best practice guide, please refer to Section 3.2.2.3(r)).

(f) ***Audit fee***

- (i) For projects receiving grant of more than \$300,000, the statement of accounts must be audited by certified public accountants (practising) within the meaning of Section 2 of the Professional Accountants Ordinance (Cap 50) to be submitted 2 months after the completion of project.
- (ii) For projects lasting more than \$300,000 and longer than 18 months, the applicant is required to submit a statement of accounts audited by certified public accounts (practising) to the Secretariat once every 12 months in addition to the final statement of accounts to be submitted 2 months after the completion of project. For more details of reporting requirements relating to statement of accounts, please refer to Section 4.6.
- (iii) Funding for auditor's reports will be supported.

(g) ***General expenses***

- (i) Funding support for renting premises necessary for the project (e.g. temporary storage of equipment for waste quantity assessment) will be considered. The actual amount will depend on the size and location of the selected venue. This does not apply to premises under the possession of the applicant.
- (ii) For applications from NGOs (including green groups) without receiving Government subventions, general administrative and overhead costs incurred from the project will be considered, subject to a cap of 10% of the total approved grant or actual expenditure, whichever is the less.

**Note for Applicants:** the applicant should declare in the application form whether it receives Government subventions or not.

- (iii) Funding for general expenses, such as personal protective equipment during examination of garbage bags and photos and CDs on activities, will be considered. An item list should be provided.
- (iv) Expenses on internal educational materials and computer softwares will be considered on the condition that the educational materials and computer softwares are essential.
- (v) Funding support will ***not*** be given to the applicant for renting or purchasing materials already in the applicant's stock.
- (vi) Funding for payments to individuals as a reward for their participation in the project will ***not*** be given.
- (vii) Funding for unspecified miscellaneous and contingency items is ***not*** supported.

**(h) *Other sources of funds (both confirmed and being applied for)***

The availability of alternative funds will be taken into account when an application is considered. In case the applicant has sought/ obtained private sponsorship to cover the budget items not to be funded by the ECF, the applicant should include details of the sponsorship in the Application Form (Section A - Item 3 under Declaration and Section B – Items 5(a) and 6(b)) for Vetting Sub-committee's consideration. In case there are any changes to the sponsorship after the project approval, for example when the applicant has sought / obtained private sponsorship to support items not funded by the ECF or to top up items that are partly funded by the ECF, these changes have to be submitted as soon as practicable to the Vetting Sub-committee for consideration.

The Vetting Sub-committee would consider whether the sponsorship would constitute any conflict of interest, and whether the sponsorship might cause any potential liability or damage to the image of the ECF and etc. It would be up to the applicant to agree with their sponsor(s) on how to use the sponsorship and how to handle the unspent balance of the sponsorship.

**(i) *Estimated revenue generated from the project***

Estimated revenue gains from the project should normally be deducted from the amount of grant applied for. State how this will be used to offset the project's cost. If this is not possible, full explanation should be given.

**3.2.2.6 *Project and Staffing Arrangement***

State the following:

- (a) Details of the Project Leader;
- (b) Details of assisting / supporting / sponsoring bodies for the project;
- (c) The contact details and relevant written consent (if available) for any organisation stated in (b) that has confirmed to be involved in the project;
- (d) Information of the project team including the composition and number of staff to be involved in the project, their positions in the organisation, their role in the project and the amount of time to be contributed to the project. Please also provide the project team structure / organisation chart;
- (e) Experience of the applicant organisation in implementing similar projects; and
- (f) Record of previous applications which are either supported or rejected by the ECF.

### 3.2.2.7 *Details of Applicants*

Applicant organisation is required to provide the following information in the Supplementary Sheet –

- Registration status of the organisation;
- Whether the organisation is charitable;
- Whether the organisation receives Government subvention;
- Background information of the organisation;
- Information about the key members of the organisation and the person-in-charge of the project; and
- Documentary proof of the organisation's non-profit making status

### 3.2.2.8 *Other Relevant Information in Support of Your Application*

Please provide other relevant information as required.

## **4. CONDITIONS FOR THE USE AND ALLOCATION OF FUND**

### **4.1 Contractual Requirements**

For each project for which funds have been approved, the applicant has to sign an agreement with the Government and comply with all the terms of the agreement.

### **4.2 Use of Funds**

- 4.2.1 The allocated funds shall not be used as payments to individual members of the public as a financial reward for their participation in the activities associated with the project.
- 4.2.2 The benefits must accrue to the participating buildings / premises as a whole, and not just an individual, a single private organisation or a consortium of private companies.

### **4.3 Disbursement and Reimbursement of Funds**

- 4.3.1 Depending on the cash flow requirement and nature of the project, the recipient organisation will receive not more than 25% of the grant upon approval of the application. Upon the submission of the first quarterly progress reports and / or half-yearly progress report, the recipient organisation may apply for a further disbursement if it proves that the previous payment has been mostly spent or that further disbursement is required for undertaking the project as scheduled. The final disbursement will normally only be released after completion of project and subject to submission of a completion report together with a statement of accounts for the project endorsed by the Vetting Sub-committee in accordance with the requirement specified in Sections 4.5 and 4.6 below. The Secretariat will agree with the recipient organisation a schedule of payment.

- 4.3.2 All revenue received, irrespective of whether it has been declared in the proposal, must be defrayed against the actual expenditure before calculating the amount to be reimbursed as final payment.
- 4.3.3 Amount to be reimbursed for individual items of the budget will not exceed the approved amount for that item. However, the Secretariat may increase the approved amount of an individual item by up to 20% provided that the total amount to be paid will not exceed the total approved grant.
- 4.3.4 The grant could be reduced on a pro-rata basis in the following circumstances:
- (a) the scope and / or activities of the project are changed;
  - (b) the actual frequency of activities (e.g. frequency of waste quantity assessment) is less than proposed;
  - (c) the number of participants is substantially less than proposed number and the grant allocated is according to the number of participants;
  - (d) the number of publications (e.g. leaflets) is substantially less than that proposed; and / or
  - (e) the duration of project is reduced.
- 4.3.5 Any item not on the approved list of budget items will not be reimbursed.
- 4.3.6 Income derived from the project during the project period, including revenue generated from activities and interest income generated from cash in hand for the project, should be ploughed back into the project account.
- 4.3.7 Any unspent balance of the grant shall be returned to the ECF within two months after the completion of the project.
- 4.3.8 Income derived from the project after the project period should be returned to ECF for offsetting part or whole of the funded amount. Failure to report and return such income to ECF will render the organisation ineligible for future funding support.

#### **4.4 Project Interest**

- 4.4.1 The ECF funds shall be paid into a risk-free interest-bearing account opened with a licensed bank.
- 4.4.2 Interest incomes generated from the ECF funds and other receipts for a project have to be reasonably apportioned to the project and no negative interest should be charged to the project. The use of interest is subject to the approval of the Secretariat and in no circumstances should the interest earned be applied for other uses outside the project.
- 4.4.3 The recipient organisation may be required to compensate the Government for loss of interest income if the ECF fund is not properly handled. Where necessary, the Government will initiate legal action for suitable remedies.

## 4.5 Reporting Requirements

4.5.1 The Secretariat will monitor on-going projects and review the completed projects. Recipient organisations shall submit to the Secretariat the following progress and performance reports:

**(a) *Monthly Performance Report***

Recipient organisations shall submit a monthly performance report every month during the trial period within 7 days following the end date of the corresponding reporting period.

**(b) *Quarterly Progress Report***

Recipient organisations shall submit a quarterly progress report once every 3 months during the project period within 2 weeks following the end date of the corresponding reporting period. Submission of the quarterly report is not required if the project is expected to be completed within 2 months after the end of the reporting period (e.g. for a project with a project period of 9 to 11 months, the 3<sup>rd</sup> quarterly progress report will not be required. Similarly, for a project with project period of 12 to 14 months, the 4<sup>th</sup> quarterly progress report will not be required.)

**(c) *Half-yearly Progress Report***

Recipient organisations shall submit a half-yearly progress report attached with a statement of accounts together with original receipts for the expenses once every 6 months during the project period within 1 month following the end date of the corresponding reporting period.

**(d) *Completion Report***

Recipient organisations shall submit a completion report with attachment of a statement of accounts to the Secretariat within 2 months of completion of the project or before the date specified in the agreement. For projects over \$300,000, the statement of accounts should be audited by certified public accountants (practising) within the meaning of Section 2 of the Professional Accountants Ordinance (Cap 50). The Vetting Sub-committee will assess the success or effectiveness of the project by comparing the project results against its original objectives and targets (e.g. participation rate, the percentage reduction in waste disposal and percentage increase in recyclables, etc.) as set out in the project proposal.

4.5.2 All the reports should be signed off by the person-in-charge of the recipient organisations and submitted in the format specified in the agreement.

4.5.3 If an extension of the submission deadline for any report is required, prior approval should be obtained from the Secretariat.

- 4.5.4 Except for the first disbursement, all disbursements (please refer to Section 4.3 for details) will be subject to satisfactory performance and progress of the project. The Vetting Sub-committee or its Secretariat may carry out site inspections and surprise checks to examine the progress of a project at any time. To facilitate the smooth disbursements by the Secretariat, recipient organisations shall be obliged to submit all the reports in accordance with the above reporting requirements and ensure satisfactory performance and progress of the project prior to the application for disbursements. Unsatisfactory performance will affect the organisation's future chance of getting funding support, and the organisation's management will be informed.

## **4.6 Statement of Accounts**

- 4.6.1 A statement of accounts must be submitted in a prescribed format as specified by the Secretariat, together with the original receipts. Essentially the actual expenses, reference numbers of individual receipts and elaborations on individual transactions under each approved budget item should be clearly indicated.
- 4.6.2 For projects receiving a grant of or below \$300,000, auditing will not be required, but the Secretariat reserves the right to check all financial records kept by the recipient organisation relating to the use of the grant.
- 4.6.3 For projects receiving a grant more than \$300,000, the following should be noted:
- (a) The funds should be kept in a separate account opened with a licensed bank and all income and expenditures on the project should be clearly marked to facilitate the checking of all financial records by the Government and auditors as and when necessary.
  - (b) The statement of accounts attached to the completion report must be audited by certified public accountants (practising) within the meaning of Section 2 of the Professional Accountants Ordinance (Cap 50), providing assurance that the audited accounts properly presented the financial position and that the conditions of grants are met.
  - (c) For projects lasting more than 18 months, recipient organisations are also required to submit a statement of accounts audited by certified public accountants (practising) to the Secretariat once every 12 months, in addition to the requirements specified under Section 4.6.5.
- 4.6.4 For universities, the funds should be kept by the finance offices and there is no need to open a separate account with a licensed bank. Regardless of the amount of the grant involved in a project, a statement of accounts certified by the finance office of the university will be acceptable.
- 4.6.5 Within two months of completion of the project or before the date specified in the agreement, recipient organisations have to submit a complete statement of accounts, attached to the Completion Report, to the Secretariat. If an extension of the submission deadline is required, prior approval should be obtained from the Secretariat.



## **4.7 Intellectual Property Rights Arising from Projects and the Use of Project Results**

- 4.7.1 The recipient organisation is required to grant unconditionally and irrevocably to the Government the right to publish results, findings and any other information provided in the application form, progress report, completion report and other publications, guides or publicity material.
- 4.7.2 The best practice guide(s) developed under this project may also be publicized for sharing among stakeholders or other organisations.

## **4.8 Publicity of Project Events and Results**

- 4.8.1 Recipient organisations should try to publicise the project results or any events related to the projects through publications, seminars, workshops, conferences and exhibitions etc. and provide details in the reports. They should also provide information before the events take place such that the Secretariat and EPD might conduct spot checks on the proposed activities.
- 4.8.2 Recipient organisations should notify the Secretariat of the project results before publicising them. Copies of publications or publicity material produced under the project must be made available to the Secretariat within one month after the completion of the project.
- 4.8.3 Projects which receive funding support from the ECF, including the activities, publicity and other events organised under the projects, as well as their related educational, publicity and other related materials, should not be used for purposes of personal, political, commercial or religious publicity of any individuals or organisations. Nor should any such activities, events or materials arising from an ECF-funded project be presented in a way as to induce public perception of any personal, political, commercial or religious publicity of any kind, or misrepresent any association of any individuals or organisations with the ECF. In addition, activities and events organised and materials produced under the projects should not be implemented or distributed in a way which may adversely affect ECF's image, or cause any liability to ECF.
- 4.8.4 Project findings may be uploaded on the websites of EPD for public access.
- 4.8.5 For the purpose of identification, the recipient organisation should issue suitable work identity cards for staff and / or volunteers carrying out activities under approved projects. Staff and / or volunteers should not wear other uniforms apart from those of the recipient organisation. Where other means of identification is proposed, prior approval should be obtained from the Secretariat.
- 4.8.6 The recipient organisation is obliged to submit a copy / sample / artwork of all publicity materials proposed, produced or used for the project or its activities for review by the Secretariat as and when required, and should follow the advice of the Secretariat on the format and presentation of such materials whenever required.
- 4.8.7 When considering the location and arrangements for displaying publicity materials, the recipient organisation should comply with the relevant legislation and regulations, and obtain the endorsement of all relevant authorities, Government departments and

other relevant parties, including consultation of parties affected as appropriate. ECF's funding support for the project should in no way be construed as support for the proposed location and arrangements for the display of such publicity materials.

- 4.8.8 Apart from the names and logos of the ECF, recipient organisation and supporting organisations as approved by the ECF, prior approval should be obtained from the Secretariat for any additional names, logos and photos of other individuals, single private organisation or a consortium of private companies to be published in any publicity materials and promotional items relating to the project.

## **4.9 Acknowledgement of Support and Disclaimer**

- 4.9.1 To acknowledge the source of funding, “ECF” should be added at the beginning of the project title while both the name and logo of the ECF should be used in all publicity material resulting from the project. Failure in making proper acknowledgment may result in suspension or termination of funding support and affect the future applications.
- 4.9.2 The logo of ECF may be used and printed onto the following categories of publicity material with a view to promulgating the contribution of the funds. Examples of publicity materials include publicity leaflets / posters / banners; reports and publications of project outcome; and advertisements on newspaper and electronic media.
- 4.9.3 For publicity materials produced under ECF-funded projects or activities, the size of the name and / or logo of the organisers / assisting / supporting / sponsoring bodies should not be larger, or placed in a more prominent position, than those of the ECF. For example:

Order from top to bottom, or from left to right:

**ECF**

**Organisers**

**Assisting / supporting / sponsoring bodies**

- 4.9.4 Use of the name and logo of the ECF for other purposes is subject to the prior approval of the Secretariat.
- 4.9.5 In no circumstances shall the name and logo of the ECF be used for publicity for commercial interest or other purposes which may damage the image and/or cause any liability to the ECF. A disclaimer should be added to all publications and media briefs relating to ECF-funded projects: *“Any opinions, findings, conclusions or recommendations expressed in this material / event do not necessarily reflect the views of the Government of the Hong Kong Special Administrative Region and Environment and Conservation Fund.”*

#### **4.10 Renting of Premises under the Management of Housing Authority / Society**

- 4.10.1 For projects that require the use of premises under management of the Housing Authority (e.g. for setting up recyclables collection centres), applications for leasing premises should be submitted to the Housing Department (HD) upon the Vetting Sub-committee's approval of the project.
- 4.10.2 Applicants should provide the following details for consideration by Management Branch and Commercial Properties Division of HD:
- (a) Type of activities to be carried out at the premises;
  - (b) Location, size and headroom of the premises; and
  - (c) Technical requirements such as electricity loading, drainage for discharging foul water, etc.
- 4.10.3 HD will positively consider each application on individual merits and subject to the following criteria:
- (a) All lettings be confined to converted / vacant bays or shops under domestic blocks not at prime location or factory units. Premises in shopping centres will normally not be considered;
  - (b) Support from respective Estate Mutual Aid Committee is required. (HD will help arrange for the recipient organisation to brief the Committees on their projects);
  - (c) Operation of the recycling activities should not cause any environmental impact such as noise nuisance, unpleasant smell, toxic gas, hygienic problems, obstructions, effluent discharge, potential fire hazard, etc. in the neighbourhood (unless mitigated to acceptable level);
  - (d) No inflammable goods are stored inside the premises;
  - (e) The premises are suitable for the intended purposes after HD has examined site conditions; and
  - (f) Operation at the premises should comply with the laws of Hong Kong SAR.
- 4.10.4 The premises, if approved, will be let on monthly licence at fair market or concessionary rent to be determined by HD.
- 4.10.5 For projects that require the use of premises under management of the Housing Society, applicants should follow procedures applicable to the Society.

## 4.11 Procurement of Capital Items, Goods and Services

**Important Notice:** The recipient organisation is obliged to adhere to a high standard of integrity and spend the funds in an open, fair and accountable manner. Recipient organisation is advised to observe the Best Practice Checklist issued by the Corruption Prevention Department of the ICAC namely “Strengthening Integrity and Accountability – Grantee’s Guidebook” as well as the “Integrity and Corruption Prevention Guide on Managing Relationship with Public Servants” which can be downloaded from the following hyperlinks of the ICAC website –

([http://cpas.icac.hk/UPLoadImages/InfoFile/cate\\_43/2017/b725a7ed-5dd7-4a33-b13c-c68da84b43bf.pdf](http://cpas.icac.hk/UPLoadImages/InfoFile/cate_43/2017/b725a7ed-5dd7-4a33-b13c-c68da84b43bf.pdf)

[http://cpas.icac.hk/UPLoadImages/InfoFile/cate\\_43/2016/ba310525-655b-461c-bb29-1c4bbedddefb.pdf](http://cpas.icac.hk/UPLoadImages/InfoFile/cate_43/2016/ba310525-655b-461c-bb29-1c4bbedddefb.pdf) )

4.11.1 The recipient organisation should exercise utmost prudence in procuring capital items (including minor works and equipment), goods or services for the project and must adhere to the following procedures unless the Vetting Sub-committee agrees otherwise:

- (a) For every procurement the aggregate value of which is HK\$5,000 or below, quotations from suppliers are not required for most items unless specified in **Appendix B**;
- (b) For every procurement the aggregate value of which is more than HK\$5,000 but less than HK\$10,000, quotations from at least two suppliers should be obtained;
- (c) For every procurement the aggregate value of which is HK\$10,000 or more, but less than HK\$500,000, quotations from at least three suppliers should be obtained;
- (d) For every procurement the aggregate value of which is HK\$500,000 or more, open tendering should be used.

4.11.2 The recipient organisation should select the supplier that has submitted the lowest compliance bid. If the lowest compliance bid is not selected, full justifications must be given and prior agreement must be obtained from the Vetting Sub-committee.

4.11.3 In case the recipient organisation intends to procure the items from a specified company / organisation / individual without following the open procurement process in Section 4.11.1 above, it has to provide details of the proposed procurement, justifications for the special procurement arrangement, and its relationship with the company / organisation / individual concerned in the application form. If the application including the proposed special procurement arrangement is approved, subsequent approval from the Vetting Sub-committee will not be required.

4.11.4 In case of universities, they may adhere to their established / current standard procurement procedures.

- 4.11.5 All quotations and tendering documents should be kept for inspection by the Secretariat. The recipient organisation should also observe the Code of Practice on Procurement of Supplies, Goods & Services issued under the Building Management Ordinance (Cap. 344) for the guidance of owners' corporations if applicable.
- 4.11.6 Recruitment of staff and procurement of goods / services must be conducted in an open and fair manner. A mechanism should be put in place for staff / workers to declare any conflict of interest and to prohibit staff / workers from soliciting or accepting any advantage when handling the ECF funded projects. All records of declaration of interest should be properly documented and submitted to the Secretariat for inspection. Please refer to **Appendix C** for the probity requirements for recipient organisations of grants from the ECF.

#### **4.12 Title of Capital Items, Educational Materials and Computer Softwares**

The title of capital items (including minor works and equipment but excluding consumables such as recycling bins), educational materials and computer softwares procured with the fund will remain with the Government during the project period. Upon satisfactory completion of the project and subject to the approval of the Vetting Sub-committee, the title of these items may be changed to the recipient organisation on a case-by-case basis.

#### **4.13 Suspension / Termination of Funding Support**

- 4.13.1 The Vetting Sub-committee may suspend / terminate funding support of a project under the following circumstances:
- (a) If the project does not commence within three months of the approval of the grant and no reasonable explanation has been given;
  - (b) The Vetting Sub-committee considers that the project has not progressed satisfactorily and no reasonable explanation has been given;
  - (c) The project leader leaves the recipient organisation prior to the completion of the project and there is no one available who has been involved in the project and considered suitable by the Vetting Sub-committee to take over the role of project leader; or
  - (d) If the recipient organisation fails to comply with the funding conditions as set out in this Guide and / or the approval letter and no reasonable explanation has been given.
- 4.13.2 In each of the above cases of suspension / termination of funding support, the Vetting Sub-committee shall give one month notice to the recipient organisation, stating the reasons for the suspension / termination. In cases of suspension, the recipient organisation should demonstrate that measures have been taken to rectify the problems and improve the unsatisfactory situation before the Vetting Sub-committee lifts the suspension. In cases of termination, the balance of the grant or any funding given in advance shall be returned to the ECF. The Vetting Sub-committee will consider possible redeployment of the capital items, educational materials and computer softwares acquired for the project.

- 4.13.3 Any suspension or termination of a project will affect the organisation's future chance of getting financial support from ECF, and the organisation's management will be informed.
- 4.13.4 The ECF shall be entitled to be refunded by the recipient organisation of some or all of a grant which has been used other than in accordance with the terms of the approved project.
- 4.13.5 Any major changes to the project must be approved by the Vetting Sub-committee. Such major changes include:
- (a) Revision to the objectives and / or content and / or budget;
  - (b) Change of team leader;
  - (c) Transfer of project to another organisation;
  - (d) Deferral of progress / completion reports / statement of accounts submission date; or
  - (e) Change in sponsorship.
- 4.13.6 The Vetting Sub-committee may suspend / terminate funding support for the project if the project is being carried out under any of the above circumstances without prior approval.
- 4.13.7 Any proposed minor changes to a project should be submitted to the Secretariat for approval in advance.

#### **4.14 Others**

- 4.14.1 The ECF Committee, ECC, their sub-committees and secretariats, and Government shall have no responsibility, financial or otherwise, for expenditure or other liabilities arising from the projects.
- 4.14.2 The Secretary for the Environment may at any time, if he considers fit, amend or add to the above conditions, without prior notice to recipient organisations.
- 4.14.3 If personal information of participants was to be collected for purpose of the project, the information should be properly handled according to the requirements of the Personal Data (Privacy) Ordinance. If in doubt, advice from the Office of the Privacy Commissioner of Personal Data should be sought.

**Implementation Arrangements for Municipal Solid Waste (MSW) Charging**

The charging mechanism is proposed to be built upon the existing MSW collection and disposal system. There would be two primary charging modes of (a) charging by designated garbage bags / designated labels and (b) charging by weight-based gate-fee. The charging mode applicable to a waste producer would depend on the waste collection service he or she uses:

- (a) For MSW being collected by the Food and Environmental Hygiene Department (FEHD) through their refuse collection vehicles, refuse collection points and bin sites, as well as MSW being collected by private waste collectors (PWCs) using refuse collection vehicles with rear compactors (RCVs), charging would be imposed through requiring the use of pre-paid designated garbage bags. The MSW would have to be properly wrapped in the designated garbage bags before disposal. This charging mode is applicable to most residential buildings, village houses, street-level shops, and institutional premises, accounting for some 80% of the daily MSW disposed of at landfills.

Charging for oversized waste collected by FEHD that cannot be wrapped into a designated garbage bag will be imposed through requiring the oversized waste so collected to be affixed with a designated label before disposal. A uniform rate of \$11 per piece would be charged regardless of the size and weight of the oversized waste

- (b) For MSW being collected by PWCs using waste collection vehicles without compactors (i.e. non-RCVs including grab lorries, demountable trucks, and tippers, etc.), it is proposed that charging would be subject to a gate-fee based on the weight of MSW disposed of at the waste disposal facilities, i.e. landfills or refuse transfer stations. Such MSW comprises largely oversized waste or waste which are irregular in shape, e.g. large-sized metal ware and wood panels, etc., that cannot be put into a designated garbage bag.

Other details of the charging scheme can be found in the following papers presented at the meetings of the Panel on Environmental Affairs of the Legislative Council:

- <http://www.legco.gov.hk/yr17-18/english/panels/ea/papers/ea20171030cb1-126-2-e.pdf>
- <http://www.legco.gov.hk/yr17-18/english/panels/ea/papers/ea20171030cb1-126-3-e.pdf>
- <http://www.legco.gov.hk/yr16-17/english/panels/ea/papers/ea20170327cb1-697-1-e.pdf>
- <http://www.legco.gov.hk/yr16-17/english/panels/ea/papers/ea20170327cb1-705-3-e.pdf>

**Level of Funding Support for Expenses of Community Involvement Projects  
for Waste Reduction through Quantity-based Municipal Solid Waste Charging**

<b>Items</b>	<b>Level of funding support (HK\$)</b>
<b>1. Staff Cost</b>	<ul style="list-style-type: none"> <li>- For hiring of Project Coordinator / Project Assistant.</li> <li>- The total amount for covering the staff costs of hiring project coordinators / assistants should normally be below 50% of the approved total budget or the actual expenditure for the project, whichever is the less.</li> </ul>
<b>2. Labour Cost</b>	<ul style="list-style-type: none"> <li>- For hiring of labour and green ambassadors involved in waste quantity assessment, waste separation and tracking, promoting and education activities and where applicable, designated bag distribution and monitoring, etc.</li> <li>- Maximum \$48 per hour for each labour carrying out promotion and education activities;</li> <li>- Maximum \$60 per hour for each labour carrying out waste handling works and such; and</li> <li>- The cost will further be adjusted on the merit of each case.</li> </ul>
<b>3. Waste Separation / Tracking / Weighing / Recovery Support</b>	<ul style="list-style-type: none"> <li>- Funding for the purchase and installation of waste separation / tracking / weighing / recovery support will be considered on a case-by-case basis.</li> <li>- The ceiling for all systems (if approved) is capped at 20% of the approved total budget.</li> </ul>
<b>4. Promotion and Education Activities</b>	<ul style="list-style-type: none"> <li>- The ceiling for all promotion and education activities is capped at 20% of the approved total budget.</li> </ul>
4.1 Briefing sessions / Seminars / Experience Sharing sessions / Workshops / Door-to-door Visits	<ul style="list-style-type: none"> <li>- The ceiling is capped at \$20,000 per event (including set up and decoration, backdrop, rental payment for venue, PA system, etc.).</li> <li>- To avoid generation of waste, souvenirs are not supported.</li> </ul>
4.2 Hire of speakers / instructors for events under item 4.1	<ul style="list-style-type: none"> <li>- Maximum \$250 per hour per speaker / instructor.</li> <li>- For speaker / instructor holding teaching positions in tertiary institutions or doctorate degree in relevant fields, maximum \$800 per hour (qualification should be supported by certificates issued by relevant authorities).</li> <li>- Fee to be counted on a half-hourly basis.</li> <li>- The funding support may be adjusted upwards on the merit of each case.</li> </ul>



	<ul style="list-style-type: none"> <li>- Honoraria for speakers who are staff employed for the project are normally not supported.</li> </ul>
4.3 Booths	<ul style="list-style-type: none"> <li>- The ceiling is capped at \$650 per booth including rental payments, decoration and prizes for game booths.</li> </ul>
4.4 Admission fee for environmental visits	<ul style="list-style-type: none"> <li>- Participants are required to pay 40% of the admission fee.</li> </ul>
4.5 Coach	<ul style="list-style-type: none"> <li>- Maximum \$2,000 per coach per round trip.</li> <li>- Quotations must be provided for hire of coach.</li> </ul>
4.6 Transportation of materials	<ul style="list-style-type: none"> <li>- The amount of funding support is based on the actual expenditure with the proof of receipts.</li> <li>- Quotations must be provided for hire of van / lorry.</li> </ul>
4.7 Competitions	<ul style="list-style-type: none"> <li>- The ceiling is capped at \$6,500 per competition (including prizes in 4.8 below).</li> </ul>
4.8 Prizes for competition under item 4.7	<ul style="list-style-type: none"> <li>- Maximum \$1,500 per set of trophies and prizes for each subcategory of competition. Cash or cashable items must not be given.</li> </ul>
<b>5. Promotion and Educational Materials</b>	<ul style="list-style-type: none"> <li>- The ceiling for this item is capped at 10% of the approved total budget.</li> </ul>
5.1 Production of exhibition panels	<ul style="list-style-type: none"> <li>- Maximum \$2,100 per panel.</li> <li>- The ceiling is capped at \$21,000 per project.</li> </ul>
5.2 Best practice Guide	<ul style="list-style-type: none"> <li>- Mass production of the best practice guide is not supported. Only one copy of an electronic version or hard copy is required. (Please refer to Section 3.2.2.3(r)).</li> </ul>
<b>6. Audit Fee</b>	<ul style="list-style-type: none"> <li>- Funding for auditor's reports for the project (as per the requirements under Section 4.6) will be supported.</li> </ul>
<b>7. General Expenses</b>	
7.1 Rental payment (for equipment and premises)	<ul style="list-style-type: none"> <li>- The ceiling is capped at 10% of the approved total budget.</li> <li>- Not applicable to premises under the possession of the organisation.</li> </ul>
7.2 Licence fee	<ul style="list-style-type: none"> <li>- Applicants are requested to comply with regulations of Hong Kong and apply to all authorities concerned for licences to conduct the project.</li> </ul>
7.3 Insurance for third party liabilities	<ul style="list-style-type: none"> <li>- Funding support will be based on the basic requirements.</li> <li>- Quotation must be provided.</li> </ul>

<p>7.4 Administrative and overhead costs (only applicable to NGOs, including green groups, without Government subventions)</p>	<ul style="list-style-type: none"> <li>- The ceiling is capped at 10% of the approved total budget or actual expenditure, whichever is the less.</li> <li>- Detailed breakdown on items to be charged to the administrative and overhead costs must be provided in the application for assessment.</li> </ul>
<p>7.5 Other general expenses (including stationary, films and film development, video tapes, etc.)</p>	<ul style="list-style-type: none"> <li>- The ceiling is capped at 10% of the approved total budget or actual expenditure, whichever is less.</li> <li>- Detailed breakdown on items to be charged to other general expenses must be provided in the application for assessment.</li> </ul>
<p>7.6 Travel allowance for staff and volunteers (only allowed for staff travelling from workplace to workplace, both under the project)</p>	<ul style="list-style-type: none"> <li>- Maximum \$15 per journey.</li> <li>- The funding support may be adjusted upwards on the merit of each case.</li> </ul>
<p>7.7 Meal allowance (for volunteers only)</p>	<ul style="list-style-type: none"> <li>- Maximum \$40 per volunteer for activities lasting 3-5 hours (excluding preparation / travelling time).</li> <li>- Maximum \$70 per volunteer for activities lasting more than 5 hours (excluding preparation / travelling time).</li> </ul>
<p>7.8 Contingency items</p>	<ul style="list-style-type: none"> <li>- Not supported.</li> </ul>

Remarks: The level of funding support may be adjusted by the Waste Reduction Projects Vetting Sub-committee as and when necessary. For the latest version, please refer to the website of Environment and Conservation Fund.

In general, for other expense items not specified in the above table, please make reference to **Appendix I** of the Guide to Application for “Community Waste Reduction Projects”.

**Probity Requirements for Recipient Organisations of Grants from  
the Environment and Conservation Fund**

**1. Introduction**

As Government funds involve public money, there is high public expectation on the recipient organisations of grants from the Environment and Conservation Fund (ECF) to adhere to a high standard of integrity and spend the funds in an open, fair and accountable manner.

**2. Probity Provisions**

To uphold the integrity of staff members and agents of the recipient organisation in relation to the funded project, the recipient organisation shall:

- require its staff members, subcontractors, agents, assisting / sponsoring organisers and other personnel who are in any way involved in the ECF-funded project, not to offer, solicit or accept from any person any money, gifts or advantages as defined in the Prevention of Bribery Ordinance (Cap 201) in relation to the project;
- be liable for any loss or damage to the ECF, or its trustee, or the Secretariat of the ECF Committee or its Vetting Subcommittees arising from the termination of the funding agreement, where the termination is attributed to the commitment of any offence under the Prevention of Bribery Ordinance in relation to the funded project by the recipient organisation or its staff members, subcontractors, agents, assisting / sponsoring organisers or other personnel who are in any way involved in the project;
- ensure, during the period of the project, that it (including its staff members, subcontractors, agents or other personnel) shall not undertake any service, task or job or do anything whatsoever for or on behalf of the recipient organisation or any third party (other than in the performance of the funding agreement) which conflicts, or which may be seen to conflict, with the recipient organisation's duties to the ECF (or its trustee, or the ECF Committee or its Vetting Subcommittees, or the Secretariat to the ECF Committee or its Vetting Subcommittees) under the funding agreement, unless and to the extent the Secretariat of the ECF Committee or the relevant Vetting Subcommittee has been fully informed, and whose permission has been obtained, by the recipient organisation in a timely fashion of all the circumstances in which the permission is sought; and
- notify the Secretariat of the ECF Committee or the relevant Vetting Subcommittee in writing of all or any facts which may reasonably be considered to give rise to a situation where the financial, professional, commercial, personal, or other interests of the recipient organisation or any of its directors, staff members, agents, assisting/ sponsoring organisers and contractors, or any of their respective associates or associated persons, conflict or compete, or may conflict or compete, with the recipient organisation's duties to the ECF (or its trustee, or the ECF Committee or its Vetting Committees, or the Secretariat to the ECF Committee or its Vetting Subcommittees) under the funding agreement.

### **3. Staff Recruitment**

The recipient organisation or the Person-in-charge (PIC) should maintain fairness and transparency in recruiting staff for the ECF-funded project, and ensure that all such staff members recruited with ECF grants are well qualified, suitably deployed, and properly remunerated.

### **4. Procurement**

- In procuring goods and services in relation to the ECF-funded project and implementation of activities under the project, the recipient organisation or the PIC should:
  - adopt a set of standard procurement procedures to procure all goods and services in an open, fair and competitive basis, which should be no less stringent than the requirements set out in the ECF's Guide to Application, Terms & Conditions for the Allocation and Use of Fund, and other relevant conditions prescribed for the grant of fund, to ensure consistency in practice.
  - segregate the duties in the procurement process as far as possible, e.g. assign different staff members to source suppliers/contractors for invitation of quotations/tenders, approve quotations/tenders, and certify the goods/services received.
  - specify the approving authorities and the procurement methods for purchases of different values (e.g. open tendering for purchases of significant value or restricted tendering for minor purchases of a specified amount), which should be no less stringent than the requirements set out in the ECF's Guide to Application, Terms & Conditions for the Allocation and Use of Fund, and other relevant conditions prescribed for the grant of fund.
  - state the approving authorities for purchases by single source quotation or tender (preferably by a panel in case of high value purchases) and require the staff concerned to give justifications in writing.
  - include in the tender/quotation invitation documents probity clauses to prohibit all bidders from offering or soliciting bribes in relation to the bidding exercise.
  - incorporate anti-collusion clauses in the tender/quotation invitation document, and require the bidders to submit, together with their bids, a declaration pledging compliance with the anti-collusion clause.
  - add probity clauses to prohibit all contractors'/service providers' staff from offering, soliciting or accepting bribes, in the contracts to be awarded.
  - Seek ICAC's tailor-made advice, if necessary, on procurement in relation to the ECF- funded projects.
- In sourcing suppliers and service providers, the recipient organisation should:
  - compile lists of suppliers/service providers for approval by the designated authority in the recipient organisation to facilitate sourcing of suppliers/service providers for the goods or services that are required frequently.

- invite the required number of suitable suppliers/service providers on the respective approved lists to bid on a fair-share basis (e.g. by rotation).
- add other suppliers nominated, with justifications for their nominations and approval by designated authority, by the users or other staff.
- source, for those without any approved list, suitable suppliers/service providers for invitations to bid, taking into account their company size, experience and past performance records, if any, through the Internet and nominations by the users and other staff, and include the current supplier/service provider as appropriate.

## **5. Handling of Project Assets**

- The PIC should be responsible for the overall control and management of project assets (i.e. all capital items and equipment, minor works installations, educational materials and computer software procured with ECF grant for use of the project), including any movements or transfers of these items among users. He should keep a register to record the movements of each item, such as the date of issue and the recipient, date and cost of acquisition, detailed description of the equipment and its physical location. He should also mark on each item to show that it is an asset of ECF.
- The PIC should conduct and record random and regular (e.g. yearly) physical checks on these assets.
- The PIC should report on any loss or damages to these assets, or any unserviceable assets, to the management of the recipient organisation for necessary action. He should also report to the police and the Secretariat for all assets which are lost or stolen.

## **6. Record Keeping**

- The recipient organisation should maintain, for a minimum period of 7 years after the completion of the project, full and proper books of accounts and records in respect of the project.
- The recipient organisation should allow the Secretariat and its authorised representatives to access to all or any of the books and records for conducting audit, inspection, and verification whenever required.

*Secretariat, Waste Reduction Projects Vetting Subcommittee  
January 2018*