



# **ENVIRONMENT AND CONSERVATION FUND**

## **環境及自然保育基金**



### **Guide to Application**



### **Environmental Education and Community Action Projects**

*(May 2020)*

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## 1. INTRODUCTION

The Environment and Conservation Fund (ECF) was set up by the Government of the Hong Kong Special Administrative Region to provide funding support for educational, research and other projects and activities in relation to environmental and conservation matters. The objectives are to promote individual behavioural and lifestyle changes to achieve sustainable development, and develop or introduce innovative technologies and practices to improve our environment and conserve resources. The key funding schemes are Community Waste Reduction, Environmental Education and Community Action and Environmental Research, Technology Demonstration and Conference.

### 1.1 Purpose of this Guide

This Guide provides guidance on application for ***Environmental Education and Community Action (EE&CA) Projects*** and describes the basic requirements and responsibilities for recipient organisations. Upon approval of funds by the ECF Committee<sup>1</sup>, the applicant organisations 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 EE&CA Projects

- 1.2.1 EE&CA Projects are educational programmes or activities to enhance community awareness and knowledge of environmental issues; and/or environmental projects that mobilise individuals to take direct and positive action to improve and conserve the environment and induce behavioural change towards a green lifestyle.
- 1.2.2 All EE&CA Projects should target at enhancing the environmental awareness and knowledge of the participants, mobilising action and inducing behavioral changes to improve the environmental problems, with positive impact on the environment and measurable and tangible outcomes against the objectives set for the projects. Projects should identify effective, and where possible, innovative, means to achieve the objectives and should take into account the environmental impact of project implementation (such as waste generation and material consumption).
- 1.2.3 Thematic programme areas will be specified and announced during the invitation for funding applications as appropriate. Priority will be given to fund those applications related to the prescribed thematic programme areas (“priority applications”), if any. Notwithstanding the above, other applications that are normally consistent with the overall EE&CA Projects nature will be considered should there be unallocated funding after the priority applications are considered, as appropriate.

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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 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 EE&CA Projects is undertaken by the Environmental Education and Community Action Projects Vetting Sub-committee Secretariat (Secretariat).

## 2. GUIDE TO APPLICATION

### 2.1 Who may apply?

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

For projects involving solely with installation facilities, applications from private schools, schools of the English Schools Foundation and international schools will be accepted and considered on individual merits, as far as the objectives and scope of the projects meet the funding criteria.

For better utilisation of resources, new applications for installation facilities from organisations with incomplete or ongoing works or installation facilities projects at the same premises will normally not be considered. For project proposals from schools concerning solar panel(s), applicant organisation are encouraged to submit applications to the Electrical and Mechanical Services Department's "Solar Harvest - Solar Energy Support Scheme for Schools and Welfare Non-Governmental Organisations (Phase Two)". Details of the Programme and Scheme are available at the following websites:

<https://re.emsd.gov.hk/english/gen/4S/4S.html>

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

Each EE&CA Project should normally last for ***around or less than 2 years***, unless with justifications. If the project includes installation facilities, it should include a ***monitoring period of one year or longer*** for organising the associated education activities as listed in the application form and for assessing the project effectiveness.

### 2.3 How to apply?

2.3.1 ***Normally applications will be invited twice a year.*** The start and closing dates for receiving applications for each round of invitation will be announced on the ECF website (<http://www.ecf.gov.hk>). Applicant organisations have to fill out an application form<sup>2</sup> which can be obtained from -

- EE&CA Projects Vetting Sub-committee Secretariat  
5/F Southorn Centre, 130 Hennessy Road,  
Wan Chai, Hong Kong  
Tel: 2840 1771  
Fax: 2827 8138  
E-mail: [eeca@epd.gov.hk](mailto:eeca@epd.gov.hk)
- The ECF website and the website of Environmental Campaign Committee - Environmental Education and Community Action Projects (ECC - EE&CA Projects) at:  
<http://eeca.ecc.org.hk/english/index.html>

2.3.2 The person-in-charge of a proposed project should be ***the Head or Deputy Head of the applicant organisation***. Completed application form ***must be personally signed by the person-in-charge, affixed with an original seal of the applicant organisation*** and returned to the Secretariat at 5/F Southorn Centre, 130

<sup>2</sup> To submit an application of "Clean Shorelines Small Scale Projects", please fill out the application form for "Environmental Education and Community Action Projects - Small-scale Project on Clean Shorelines" available at: <https://www.ecf.gov.hk/en/application/index.html>.

Hennessy Road, Wan Chai, Hong Kong ***before 6:00 pm on the invitation closing date*** as specified in each round of the invitation exercise. For applications submitted by mail, the postmark should be dated on or before the application closing date. In case the 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 application closing date, the application closing time will be extended to 6:00 pm on the next working day.

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

## 2.4 What are the funding limits?

There are funding caps for projects of different scales:

1. For **small scale** projects, the funding cap is **\$50,000**.
2. For **medium scale** projects, the funding cap is **\$500,000**.
3. For **large scale** projects, there is no specific funding cap and the amount of funding support will be assessed and determined on the merits of individual funding applications.

Funds may be granted for full or partial support of projects. Normally, funding support for installation facilities do not exceed HK\$750,000. Please refer to **Appendix I** for details.

***Unless otherwise specified, about 75% of the annual overall EE&CA Projects funding allocation will be assigned for large scale projects. Applicant Organisations should take into account the amount of funding caps and funding allocations available for different scales of projects when preparing budget proposals for their projects.***

## 2.5 What are the vetting procedures?

An Environmental Education and Community Action Projects Vetting Sub-committee (the Vetting Sub-committee) has been established under the Environmental Campaign Committee<sup>3</sup> (ECC) entrusted with the vetting of EE&CA Projects. The Vetting Sub-committee may comprise representatives of the ECF Committee, ECC, Advisory Council on the Environment's Waste Management Subcommittee and/or Environmental Protection Department (EPD) as appropriate. Other members may also be co-opted into the Vetting Sub-committee. The Vetting Sub-committee can approve grants up to HK\$2,000,000 for a project. For applications with a budget supported by the Vetting Sub-Committee of above HK\$2,000,000, the recommendation of the Vetting Sub-committee has to be endorsed by the ECF Committee.

The following steps will be taken ***normally within 6 months*** after an application is received -

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<sup>3</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 1: Upon receipt of an application, the Secretariat will send an acknowledgment notice to the applicant organisation. Where necessary, the applicant organisation will be requested to provide clarification or supplementary information.
- Step 2: The application will be considered by the Vetting Sub-committee. The Vetting Sub-committee may request the applicant organisation to make a presentation in meeting if necessary.
- Step 3: For funding an application with a budget of HK\$2,000,000 or below, the Vetting Sub-committee will either approve or reject the application. In the process, the Vetting Sub-committee will consider the proposed budget, and where necessary, amend details of the proposed budget and set ceilings for individual expenditure items. The Secretariat will inform the applicant organisation of the Vetting Sub-committee's decision.
- Step 4: For funding an application with a budget of above HK\$2,000,000, the Vetting Sub-committee will either recommend the application for consideration by the ECF Committee or reject it. The ECF Committee will consider funding the recommended application. The Secretariat will inform the applicant organisation of the ECF Committee's decision.
- Step 5: The Secretariat will also upload information of the approved projects on the ECF website.

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

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

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

- 2.6.1 The project must contribute to the overall environment of Hong Kong, to raise environmental awareness of the local community, or to mobilise the community to take action to improve the environment.
- 2.6.2 The benefits must accrue to the district/local community, but not limited to individuals, a single private organisation or a consortium of private companies.
- 2.6.3 The project must be non-profit making in nature.
- 2.6.4 In vetting a project proposal, due consideration will be given to -
  - (a) the benefits that it will bring to Hong Kong's environment, ecology, flora and fauna, etc., or the extent to which it will enhance the environmental awareness of local community;
  - (b) whether there is a demonstrable need for the project;
  - (c) whether the programmes of the project proposal can bring about positive impacts in the longer run;
  - (d) the technical and project management capability of the applicant organisation, as well as the past performance of the applicant organisation, including the effectiveness of past project(s), and the applicant organisation's ability to comply with the funding conditions;

- (e) the track records of the applicant organisations will be considered in vetting the applications and only a smaller scale project will be considered for first-time applicants without proven records of project implementation;
- (f) whether the project's schedule of implementation is well-planned and practicable, and the duration is reasonable;
- (g) whether the proposed budget is prudent, realistic and cost-effective, with full justification for every expenditure item;
- (h) whether the proposed activities will generate a lot of waste;
- (i) whether the proposed project has alternative sources of funding support;
- (j) whether the proposed project should more appropriately be funded by other sources;
- (k) whether there is or likely to be a duplication of the work already or currently carried out by other groups;
- (l) if recurrent expenditure is incurred, whether the project has potential to become self-sufficient after a certain period of time, and
- (m) if it is an application for extension of ongoing or completed project, whether the project shows enhancement/improvement in different aspects such as cost effectiveness; mode or scope of the project; quantity and type of deliverables; and diminishing reliance on the ECF funding support without compromising the performance of the project.

2.6.5 Corresponding to the competition-based vetting mechanism and in line with the broad assessment criteria mentioned in (a) to (m) above for vetting and evaluation of the merits of individual applications, a merit-based ranking system is implemented to assess and select the most meritorious applications for funding support. Under the merit-based ranking system, applications will be assessed against the following aspects-

- (a) Programmes (65%)
  - (i) Programme Approach: A focused project which fully meets the theme.
  - (ii) Creativity: A creative project to effectively instil behavioural changes towards a green lifestyle.
  - (iii) Sustainability: Programmes of the project can bring about positive impacts in the long run and can be self-sustained.
  - (iv) Measurable Results: The project has very clear indicators for measuring output and outcome, and can maximise outreach rate.
- (b) Project Management Capability (30%)

- (i) Track Record: For an applicant organisation which has past experience in ECF projects, its track record will be taken into consideration.
  - (ii) Ability to Manage Application Procedures: The applicant organisation presents strong ability to manage application procedures.
  - (iii) Project Planning: The proposed schedule of implementation is well-planned and practicable.
- (c) Budgetary Management (5%): The proposed budget is prudent, realistic and cost-effective, with full justification for every expenditure item.

## **2.7 Avoidance of Conflict of Interests**

To avoid conflict of interest, members of the Vetting Sub-committee and 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.

## **2.8 Invitation for Funding Applications**

Invitation for applications of projects of all scales will be arranged twice a year and details will be announced through the ECF website and the ECC - EE&CA Projects website.

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

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

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

For unsuccessful applications, the applicant organisations may revise, modify and enhance their applications for resubmission. These applications, together with other new applications, will be considered on equal footing at the subsequent invitation exercises. If there are comments made by the Vetting Sub-committee in its earlier review, the resubmission shall have revision or produce new evidence to address such comments. In completing the application form for a resubmitted application, the applicant organisation 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 duly signed by the person-in-charge of the project (i.e. the Head or Deputy Head of the applicant organisation) and 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 Applicant organisations should read this Guide carefully and provide all details of the project in a clear and concise manner. Additional pages may be attached to the application form if necessary. Please ensure that all required information is submitted with the application form.
- 3.1.4 Applicant organisations are required to provide additional or supplementary information in relation to their applications upon request. It should be noted that applicant organisations should provide the best and fullest information in their applications, and the Vetting Sub-committee and the Secretariat are not obliged to request for additional information from the applicant organisations.

#### **3.2 Sections of the application form**

##### **3.2.1 Data Sheet**

- 3.2.1.1 This section serves as a summary of an application. Once approval is granted to an application, the information given by the applicant organisation in this section may be put on the ECC-EE&CA Projects website as considered necessary by the ECF Committee for public access. If the applicant organisation does not wish certain information to be released, please forward its request and justifications upon submission of the application to the Secretariat.

- 3.2.1.2 *Name of Applicant Organisation and Particulars of the Person-in-charge*

Give the name of the applicant organisation, which must be a local non-profit making organisation or school or a group formed under a registered non-profit making organisation in Hong Kong, and also particulars of the person-in-charge in Chinese and English.

### 3.2.1.3

#### *Project Title*

State the project title in both English and Chinese, starting with “ECF” and “環保基金” respectively.

**Note:** The applicant must ensure that the project title is not the same/similar to that of any projects held by other organisations; the Vetting Sub-committee reserves the right to request the applicant/recipient organisation to change the project title as deemed necessary to avoid confusion on the source of funding.

### 3.2.1.4

#### *Brief Description of the Project*

Give a brief account of the project in not more than 500 words.

### 3.2.2 Content of Project Proposal

#### 3.2.2.1

##### *Project Theme*

Indicate the theme of the project.

#### 3.2.2.2

##### *Duration of the Project*

Give the commencement and completion date and duration of project.

#### 3.2.2.3

##### *Nature and Objectives of the Project*

In clear and specific terms, state how the project will enhance public awareness of the environment, promote understanding of ways to improve and protect it, or mobilise the community to take action.

#### 3.2.2.4

##### *Scope of Work of the Applicant Organisation in the Project*

State the scope of work to be performed by the applicant organisation in the project. A project of which the applicant organisation does not make a major contribution will not be eligible for funding support.

#### 3.2.2.5

##### *Details of other Assisting/Supporting/Sponsoring Bodies of the Project*

Give details of other assisting/ supporting/ sponsoring bodies.

#### 3.2.2.6

##### *Details of Implementation Plan of the Project*

State clearly the implementation method to be employed and show how this can help achieve the objectives of the project. Please provide the following information in particular -

- (a) Target group(s), target district of project(s) and anticipated number of participants of the whole project;

- (b) Method(s) in selecting participants and the selection criteria;
- (c) Work Schedule and Activity Summary. To be presented, chronologically, with a table to show the dates, venue and contents of activities that will be carried out under the project and the respective expected number of participants;

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

#### 3.2.2.7 *Other Information*

- (a) Method(s) in promoting the activities.
- (b) Publication and production of educational materials (if any).
- (c) Seminar(s)/Workshop(s) (if any).
- (d) Production of video (if any).
- (e) Production of website (if any).

**Note:** Applicant organisations are encouraged to upload materials to the internet to avoid printing and photocopying and consider innovative communication channels with the public other than video and website.

#### 3.2.2.8 *Expected Benefits of Project*

- (a) Expected Output and Outcomes - Set out both output and outcome performance indicators for monitoring and evaluation. Examples of the performance indicators are
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##### Quantitative results:

- (i) the number of participating schools, students, housewives, etc.;
- (ii) the number of volunteers recruited and/or trained; and
- (iii) the number of local community organisations involved.

##### Qualitative results:

- (i) targeted behavioural changes of the participants; and
- (ii) environmental protection knowledge to be learnt by the participants.

- (b) Monitoring and Evaluation Mechanism - Upon completion of a project, evaluation(s) should be made to assess the effectiveness of the project, where applicable, against the performance indicators listed above. Therefore, applicant organisations should indicate how the information on the performance indicators would be collected.

The performance indicators will be one of the key considerations in vetting projects. Evaluation should be made to assess the effectiveness of the project upon completion. Applicant organisations are required complete Appendix II of the application form to set out both the performance indicators for monitoring and evaluation.

**Note:** Failure in meeting any performance indicators may affect subsequent applications. The Vetting Sub-committee may request a recipient organisation to meet the performance indicators within a specific time at its own cost.

#### 3.2.2.9

#### *Budget of Project*

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

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

Please also study carefully the following funding criteria and the existing levels of funding support for expenses as set out in **Appendix II** when preparing the budget -

#### (a) Staffing

- (i) The applicant organisation is expected to have the ability to supervise and the expertise to undertake a project. Hence, no funding support will be given for additional supervisory/administrative staff, hiring of professional advisor or provision of training course(s) for staff of the recipient organisation for undertaking the project, the costs brought about by the deployment of the existing staff of the recipient organisation for duties relating to the project.
- (ii) Funding for project staff may be supported, the salaries of which will be considered on a case-by-case basis. The total amount for covering the cost of project staff

should normally be below 50% of the total approved amount or the total actual expenditure, whichever is the less.

- (iii) In most circumstances, for projects involve installation facilities solely, the recipient organisations are required to spare manpower to handle the approved projects. Salaries for project staff will normally not be supported.
- (iv) The statutory minimum wage, MPF and insurance requirements, as well as other employment legislations must be complied with.
- (v) Funding for MPF and staff insurance for the project will be supported.

(b) Centre Administration

For applications from non-governmental organisations (including green groups) without receiving any Government subventions, general administrative and overhead cost incurred from the project will be considered, subject to a cap of 10% of the total approved budget or actual expenditure, whichever is the less. Breakdown with justifications should be provided. The applicant organisation should declare in the application form whether it receives any government subventions.

(c) Installation Facilities

- (i) Funding for installation facilities will be considered on a case-by-case basis.
- (ii) Applicant organisations should ensure that the requested budget of the proposed facilities has included all the expected expenditures including those required for feasibility study, plan submission, construction supervision, installation, delivery and so on. Funding for feasibility study, plan submission and construction supervision will be considered on a case-by-case basis. If a project is concluded feasible by an Authorised Person and/or Registered Structural Engineer, the works concerned should commence. Otherwise, the recipient organisation is required to return the funding disbursed to the ECF.
- (iii) Maintenance costs of the approved installation facilities for the initial year upon purchase/works completion will be considered.

(d) Education and Promotion

- (i) Funding for production of practical and promotional guides such as that on green lifestyle, energy

efficiency, eco-tours and nature conservation will be considered. Details of the publication arrangements and relevant budget should be provided in the application form for assessment. Use of e-channels to release the publication is encouraged to minimise waste generation through printed materials.

- (ii) Design and maintenance costs of promotion and publicity platforms will be considered.
- (iii) Expenses on educational materials and computer softwares will be considered on the condition that the education materials and computer softwares are essential.
- (iv) Funding for public education activities in connection with the project, hire of transport, light meals for unpaid voluntary workers will be supported.

(e) Insurance

A recipient organisation must effect and keep in force appropriate insurance policies for its project(s) throughout the project period(s), including but not limited to employees' compensation insurance, third party insurance, public liability insurance, group personal accident insurance, etc. Under no circumstances shall the ECF or Vetting Sub-committee or Secretariat be held liable for any loss or damage or liabilities arising from the funded project.

(f) Others

- (i) All applications are considered on their individual merits. For projects involving recurrent expenditure, the recipient organisation 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.
- (ii) A list of expenditure items that are not supported and may be considered is also provided at **Appendix II**.

3.2.2.10 *Procurement of Capital Items (including installation facilities and equipment) (if applicable)*

In case an applicant organisation intends to procure capital items (including minor works and equipment) from a specified company/organisation/individual without following the open procurement process as stated in paragraph 4.11.2, it has to provide details of the proposed procurement, justification(s) for the special procurement arrangement and its relationship with the company/organisation/individual concerned.

3.2.2.11 *Estimated Revenue Generated from the Project*

State how the revenue (including recurrent income) derived from the project will be used to further the objectives of the project. Estimated revenue gained from the project should normally be deducted from the amount of grant applied for. Details should be provided on how the income will be used to offset the cost of the project. If this is not possible, full explanation should be given.

3.2.2.12 *Other Sources of Funds (both confirmed and being applied for)*

The availability of alternative funds (both confirmed and being applied for) will be taken into account when an application is considered. In case the applicant organisation has sought/obtained other sponsorship(s) to cover the budget items not to be funded by the ECF, the applicant organisation should include details of the sponsorship(s) in the application form (at both Section A Item 3 and Section B Item 13) for the Vetting Sub-committee's consideration.

In case there are any changes to the sponsorship(s) after project approval, for example when the recipient organisation has sought/obtained other sponsorship(s) to support items not funded by the ECF or to top up items that are partly funded by the ECF, the changes have to be submitted to the Vetting Sub-committee, or the Secretariat with delegated authority by the Vetting Sub-committee, for consideration. The Vetting Sub-committee, or the Secretariat with delegated authority by the Vetting Sub-committee, will consider whether the sponsorship(s) will constitute any conflicts of interest, cause any potential liabilities or damages to the image of the ECF/ECC and so on. It will be up to the recipient organisations to agree with their sponsor(s) on how to use the sponsorship(s) and how to handle the unspent balance of the sponsorship(s).

3.2.2.13 *Information of the Project Team*

- (a) State details of the project leader, the composition and number of staff members and volunteers (if applicable) to be involved in the project, their positions in the applicant organisation, their roles in the project and the amount of time to be contributed to the project (in terms of number of days per month). The project team's structure/organisation chart should also be provided; and;
- (b) Provide information on the experience and record of the applicant organisation in organising related activities other than previous project(s) under the ECF.

**Note:** While there is no limit to the number of projects one organisation can undertake at the same time, the organisation should be mindful of its capability and resources in taking on a number of projects concurrently.

3.2.2.14 *Supplementary Sheet for First-time Applicant*

A first-time applicant organisation is required to provide the following information in the Supplementary Sheet -

- (a) Details of the Applicant Organisation;
- (b) Registration status of the applicant organisation;
- (c) Whether the applicant organisation is charitable;
- (d) Whether the applicant organisation receives any Government subventions;
- (e) Background information about the applicant organisation; and
- (f) Information about the key members of the applicant organisation.

**Note: Documentary proof of the applicant organisation's non-profit making status is required.**

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

### **4.1 Contractual Requirements**

For each approved project, 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 benefits must accrue to the district/local community as a whole, and not just an individual, a single private organisation or a consortium of private companies.
- 4.2.2 The allocated funds shall not be used as payments to individual member(s) of the public as a financial reward for participation in the activities associated with the project.

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

#### **4.3.1 For Projects without Installation Facilities**

Depending on the cash flow requirement and nature of the project, the recipient organisation will normally receive between 25-50% of the grant upon approval of the application. Upon submission of a progress report with information on satisfactory performance and financial position of the project, the recipient organisation may be eligible for a further disbursement if the financial position of the project submitted justifies that the previous payment has been/will soon be mostly spent or that further disbursement is required for undertaking the project as scheduled. The last 10% of the grant will normally only be released after completion of the 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 requirements specified in paragraphs 4.5, 4.6 and 4.7. The Secretariat will agree with the recipient organisation a schedule of payment.

#### **For Projects solely with Installation Facilities**

Depending on the cash flow requirement and nature of the project, the Secretariat will agree with the recipient organisation a schedule of disbursement of the grant upon project approval. For engineering construction projects requiring conduction of feasibility study, such as green roof and renewable energy/energy conversion projects, only the amount of feasibility study will be granted as the first payment. Further payment(s) will be disbursed when the works are confirmed feasible and the project will proceed.

#### **For Projects with Installation Facilities and Educational Activities**

The Secretariat will agree with the recipient organisation a schedule of disbursement of the grant upon project approval.

**Note:** The final payment will normally be released within three months upon the endorsement of the completion report by the Vetting Sub-committee, in addition to the receipt of ALL original copies of the invoices and receipts (as appropriate); settlement of ALL subsequent necessary

**clarifications as requested by the Vetting Sub-committee and/or the Secretariat; and fulfilment of the auditing requirement, as applicable.**

4.3.2 All revenue received, irrespective of whether it has been declared in the project proposal, must be defrayed against the actual expenditure before calculating the amount to be reimbursed as final payment.

4.3.3 For projects with installation of renewable energy system, the recipient organisations are encouraged to join the Feed-in Tariff ("FiT") Scheme implemented by the CLP Power Hong Kong Limited ("CLP") and Hongkong Electric Company Limited ("HK Electric"). The FiT payment is not required to be ploughed back to the ECF. The income should be used for implementation of educational programme/activities related to environmental protection or for the repair and maintenance of the renewable energy facilities. More information on the FiT is available at the following websites:

[https://re.emsd.gov.hk/english/fit/int/fit\\_int.html](https://re.emsd.gov.hk/english/fit/int/fit_int.html)

<https://www.clp.com.hk/en/community-and-environment/renewable-schemes/feed-in-tariff>

<https://www.hkelectric.com/en/customer-services/smart-power-services/feed-in-tariff-scheme>

4.3.4 Amount to be reimbursed for an individual item of the budget will normally not exceed the approved amount for that item. However, flexible use of approved funds among the budget items under a same grouping as defined by the Vetting Sub-committee will be allowed with justifications provided that the total approved amount for the budget items within the same grouping will not be increased. In addition, the Secretariat may approve budget increase of an individual budget item for a project by up to 20% provided that the total approved grant for the project will remain unchanged.

4.3.5 The grant may be reduced on a pro-rata basis in the following circumstances -

(a) the scope and/or activities of the project is/are changed;

(b) the actual frequency of activities (e.g. seminars) is fewer than that proposed;

(c) the number of participants is fewer than that proposed and the grant is allocated according to the number of participants;

(d) the number of publications (e.g. leaflets) is fewer than that proposed; or

(e) the duration of project is reduced.

4.3.6 Any item not on the approved list of budget items will normally not be reimbursed.

4.3.7 Income derived from the project during and after the project period, including but not limited to sales of output, revenue generated from activities and interest income generated from cash in hand for the project, should be ploughed back into the project account for offsetting part or whole of the actual expenditure (except the FiT payment of renewable energy facilities). Failure to report and

return such income to the ECF will render the recipient organisation ineligible for future funding support from the ECF.

- 4.3.8 Any unspent balance of the grant shall be returned to the ECF within two months after the completion of the project.

#### **4.4 Project Interest**

- 4.4.1 The ECF fund shall be paid into a risk-free interest-bearing account opened with a licensed bank.
- 4.4.2 For a project receiving a grant of HK\$300,000 or above, the fund should be kept in a separate account opened with a licensed bank and all income and expenditure on the project should be clearly marked to facilitate the checking of all financial records by the Government and auditors as and when necessary. 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.
- 4.4.3 The recipient organisation should write to the Secretariat in case they have difficulties in opening a risk-free interest-bearing account and/or a separate account with a licensed bank.
- 4.4.4 Interest income generated from the ECF fund, if any, 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.
- 4.4.5 The recipient organisation may be required to compensate the Government for any 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 Installation, Progress and Completion Reports**

##### **4.5.1 Progress Report**

Recipient organisations shall submit a progress report together with a statement of accounts for the project expenses once every 6 months to the Secretariat. The progress report should be submitted within one month following the end date of the corresponding reporting period. Except for the first disbursement, all disbursements will be subject to satisfactory performance and timely submission of progress reports. In addition, the Vetting Sub-committee or Secretariat may carry out site inspections and surprise checks to examine the progress of a project at any time.

- (a) For a project receiving a grant below HK\$150,000, submission of original invoices and receipts for the expenses of the project together with the progress report is required.
- (b) For a project receiving a grant of HK\$150,000 or above and below HK\$300,000, submission of original invoices and receipts for the expenses of the project together with the progress report may be required depending on the auditing arrangement for the project opted by the recipient organisation as stipulated in paragraph 4.6.1(b).

- (c) For a project receiving a grant of HK\$300,000 or above, submission of original invoices and receipts for the expenses of the project together with the progress report is not required.

#### 4.5.2 Installation Report

For projects that include installation facilities, recipient organisations have to submit a Report on Completion of Installation (installation report) within one month after the installation item(s) has/have been installed.

#### 4.5.3 Completion Report

Within two months upon completion of the project or before the date as specified in the agreement, the recipient organisation has to submit a completion report together with a statement of accounts to the Secretariat. The Vetting Subcommittee will assess the success or effectiveness of the project by comparing the project results/benefits/outcomes/impacts against its original objectives and targets as set out in the project proposal.

- 4.5.4 All progress, installation and completion reports should be signed off by the person-in-charge of the recipient organisation and submitted in the format as requested.
- 4.5.5 If an extension of the submission deadline(s) for the progress and/or completion report(s) is required, prior approval should be obtained from the Secretariat.
- 4.5.6 Unsatisfactory performance and delay in report(s) submission will affect the recipient organisation's future chance of getting funding support from the ECF, and the recipient organisation's management will be informed of such. In particular, the past records of a recipient organisation's punctuality in report(s) and/or related document(s) submission will be taken into account when considering new application(s) from the recipient organisation. As appropriate, only conditional approval for new application(s) will be given if the recipient organisation has not submitted all the required reports and documents in previous projects under the same funding scheme.
- 4.5.7 For objective self-assessment on the overall performance and education impact of projects involving installation facilities, recipient organisations have to adopt a set of pre-test and post-test questionnaires before and during or after the project monitoring period respectively. The findings of the pre-test assessment should be submitted together with the installation reports while the results on post-test assessment should be attached to the progress and/or completion reports. Recipient organisations may also consider conducting the questionnaire surveys regularly after completion of the projects for their continued efforts in promoting environmental education. Details of the questionnaire are available at the ECC - EE&CA Projects website.

### 4.6 Statement of accounts

- 4.6.1 Within two months upon completion of the project or before the date as specified in the agreement, the recipient organisation has to submit a complete statement of accounts together with the completion report to the Secretariat. If an extension of the submission deadline is required, prior approval should be obtained from the Secretariat.

- (a) For a project receiving a grant below HK\$150,000, the grant received must be shown in the complete statement of accounts together with the original copies of invoices and receipts. 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.
- (b) For a project receiving a grant of HK\$150,000 or above and below HK\$300,000, the recipient organisation may opt for showing the grant received in the complete statement of accounts together with the original copies of invoices and receipts which auditing will not be required, or for the statement of accounts be audited by certified public accountants (practising) within the meaning of Section 2 of the Professional Accountants Ordinance (Cap. 50) in accordance with the auditing requirements as provided in paragraph 4.7. Submission of original invoices and receipts for the expenses of the project will not be required if the auditing requirements are adequately fulfilled.
- (c) For a project receiving a grant of HK\$300,000 or above, 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) in accordance with the auditing requirements as provided in paragraph 4.7. Submission of original invoices and receipts for the expenses of the project will not be required if the auditing requirements are adequately fulfilled. For projects lasting more than eighteen months, recipient organisations are also required to submit a statement of accounts in accordance with the auditing requirements as provided in paragraph 4.7 to the Secretariat once every twelve months and within two months upon completion of the project.

- 4.6.2 For universities, regardless of the amount of the grant involved in a project, a statement of accounts certified by the finance office of the university is acceptable.
- 4.6.3 The statement of accounts as required above must be submitted in prescribed format as specified by the Secretariat. Essentially the actual expenses and elaborations on individual transactions under each approved budget item should be clearly indicated. It should be noted that recipient organisations should provide complete statements of accounts, and the Secretariat is not obliged to request for additional information from recipient organisations.
- 4.6.4 For projects that include solely installation facilities and receiving a grant of more than HK\$150,000, depending on the auditing arrangement opted by the recipient organisations, a statement of accounts audited by certified public accountants (practising) within the meaning of Section 2 of the Professional Accountants Ordinance (Cap. 50) in accordance with the auditing requirements as provided in paragraph 4.7 should be attached to the installation report, as appropriate. For projects with more complicated expenditures of more than five independent procurements, another latest audited statement of accounts may be required to be submitted together with the completion report, subject to the decision of the Vetting Sub-committee.

## **4.7      Auditing Requirements**

- 4.7.1 For projects receiving a grant of more than HK\$150,000, depending on the auditing arrangement opted by the recipient organisations, the statement of

accounts submitted in accordance with paragraph 4.6 to the Secretariat is required to be audited by certified public accountants (practising) within the meaning of Section 2 of the Professional Accountants Ordinance (Cap. 50) to provide reasonable assurance that the audited accounts have properly presented the financial position and that the conditions of the grant are met, and that these conclusions are explicitly stated in the auditor's report. Recipient organisations should take note of and ensure that the auditors engaged by them to perform the reasonable assurance audit must comply with the requirements provided in the "Notes for Auditors of Recipient Organisations" and "Sample Auditor's Report" in **Appendices III** and **IV** respectively of this Guide.

- 4.7.2 Recipient organisations are not required to attach the original copies of invoices, receipts, quotations and so on to the audited annual and statement of accounts, unless specifically requested by the Secretariat to do so. However, recipient organisations should still keep the original copies of invoices, receipts, quotations and so on for record and checking by the Secretariat if necessary for at least seven years after submission of the completion/auditor's report or release of the final payment or in accordance with prevailing statutory requirements whichever the longer.
- 4.7.3 Recipient organisations are required to make available to the auditors all information, documents and explanations relating to their projects funded by the ECF for audit purpose.

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

- 4.8.1 Unless negotiated otherwise between the Secretariat and recipient organisation, the recipient organisation will solely own all intellectual property rights arising from the project.
- 4.8.2 The recipient organisation is required to grant unconditionally and irrevocably to the Government the right to publish or use the results, findings and any other information provided in the application form, progress reports, completion report and other publications or publicity materials.

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

- 4.9.1 Recipient organisations should try to publicise the project results or any events related to the projects through publications, seminars, workshops, conferences, exhibitions and so on, and provide details in the progress/completion reports. They should also provide information about the events such that the Secretariat may conduct spot checks on the project activities. For projects involve installation facilities, recipient organisations should post on their websites the work details, proposed education activities and means of performance assessment with regular updates upon completion of the installation.
- 4.9.2 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.
- 4.9.3 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 image of the ECF/ECC, or cause any liability to ECF/ECC.

- 4.9.4 Information on project findings may be uploaded to the websites of EPD for public access.
- 4.9.5 For the purpose of identification, the recipient organisations should issue suitable work identity cards for staff and/or volunteers carrying out activities under the approved projects. Staff and/or volunteers of the projects should not wear other uniforms apart from those of the recipient organisations. Where other means of identification is proposed, prior approval should be obtained from the Secretariat.
- 4.9.6 Recipient organisation are obliged to submit a copy/sample including artwork of all publicity materials proposed for review by the Secretariat before the materials are produced or used for the projects or the projects' activities, and should follow the advice of the Secretariat on the format and presentation of such materials whenever required.
- 4.9.7 When considering the location and arrangement for displaying publicity materials, the recipient organisations should comply with the relevant legislation and regulations, and obtain the endorsement from all relevant authorities, Government departments and other relevant parties, including consultation of the parties affected as appropriate. The funding support from ECF for the projects should in no way be construed as support for the proposed location and arrangement for the display of such publicity materials.
- 4.9.8 Apart from the name and logo of the ECF/ECC, recipient organisations 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 individual, single private organisation or a consortium of private companies to be published in any publicity materials and promotional items relating to the project.

#### **4.10 Acknowledgement of Support and Disclaimer**

- 4.10.1 To acknowledge the source of funding, “ECF” should be added at the beginning of the project title while the name and logo of the ECF/ECC should be used in all publicity materials resulting from a project. Failure in making proper acknowledgment may result in suspension/termination of funding support and affect future applications.
- 4.10.2 The logo of the ECF/ECC may be used and printed onto publicity materials as agreed by the Secretariat in advance with a view to promulgating the contribution of the fund. Examples of publicity materials include publicity leaflets/posters/banners; reports and publications of project outcome; advertisements on newspapers and electronic medias and so on.
- 4.10.3 For publicity materials produced under the ECF-funded projects or activities, the sizes of the names and/or logos of the recipient organisers and/or

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:

<b>ECF</b>	<b>ECC</b>	<b>Recipient Organisation</b>
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**Assisting / supporting / sponsoring bodies**

Order from left to right:

<b>ECF</b>	<b>ECC</b>	<b>Recipient Organisation</b>	<b>Assisting/ supporting/ sponsoring bodies</b>
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- 4.10.4 For installation facilities, acknowledgement with names and logos should be made on a material not smaller than A4 size for displaying in an eye-catching area of the premises where the facilities have been installed.
- 4.10.5 Use of the names and logos for other purposes is subject to the prior approval of Secretariat.
- 4.10.6 In no circumstances shall the names and logos of ECF/ECC be used for publicity for commercial interest or other purposes which may damage the images and/or cause any liabilities to ECF and ECC. A disclaimer reading "*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 the Environment and Conservation Fund.*" should be added to all publications and media briefs relating to the ECF-funded projects.

#### **4.11 Procurement of Capital Items, Goods and Services**

- 4.11.1 Recipient organisations are obliged to adhere to a high standard of integrity and spend the ECF in an open, fair and accountable manner. Recipient organisations are advised to observe the Best Practice Checklist issued by the Hong Kong Independent Commission Against Corruption (ICAC), namely, "Strengthening Integrity and Accountability - Government Funding Schemes 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 -

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

[https://cpas.icac.hk/ZH/Info/Lib\\_List?cate\\_id=3&id=224](https://cpas.icac.hk/ZH/Info/Lib_List?cate_id=3&id=224)

- 4.11.2 Recipient organisations should exercise utmost prudence in procuring capital items (including installation facilities), goods and services for the project and must adhere to the following procedures unless the Vetting Sub-committee agrees otherwise -
  - (a) For every procurement of an aggregate value of HK\$5,000 or below, quotations from suppliers are not required for most items unless specified in **Appendix II**.

- (b) For every procurement of an aggregate value of more than HK\$5,000 but less than HK\$10,000, quotations from at least two suppliers should be obtained.
  - (c) For every procurement of an aggregate value of HK\$10,000 or more but less than HK\$500,000, quotations from at least three suppliers should be obtained.
  - (d) For every procurement of aggregate value of HK\$500,000 or more, open tendering should be conducted.
- 4.11.3 Recipient organisations should select the supplier that has submitted the lowest conforming bid in a quotation exercise. If the lowest conforming bid is not selected, full justifications and assessment criteria (e.g. use of marking scheme) must be given and prior agreement must be obtained from the Vetting Sub-committee.
- 4.11.4 In case a recipient organisation intends to procure capital items from a specified company/organisation/individual without following the open procurement process as stated in paragraph 4.11.2, 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 such application including the proposed special procurement arrangement is approved, subsequent approval from the Vetting Sub-committee will not be required.
- 4.11.5 For universities, they may adhere to their established/current standard procurement procedures.
- 4.11.6 All quotations and tendering documents should be kept for inspection by the Secretariat.
- 4.11.7 Recruitment of staff and procurement of goods/services for ECF-funded projects 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 advantages when handling the ECF-funded projects. All records of declaration of interest should be properly documented and submitted to the Secretariat for record. Please refer to **Appendix V** for the probity requirements for recipient organisations.

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

The title to capital items (including minor works and equipment), educational materials and computer software procured with the ECF will remain with the Government during the project period. Upon satisfactory completion of the projects and subject to the approval of the Vetting Sub-committee, the title to the items may be changed to the recipient organisations 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) the project does not commence within six 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 the project leader;
- (d) the recipient organisation fails to submit the required report(s) and/or achieve the deliverables by the deadlines stipulated; or
- (e) 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 reason(s) for the suspension/termination. In the case 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 the case 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 software acquired for the project.
- 4.13.3 Any suspension or termination of a project will affect the recipient organisation's future chance of getting financial support from the ECF. If the termination is due to failure in submission of the completion report(s) and/or the associated document(s), the recipient organisation will not be allowed to apply for ECF funding for a period of not less than one year, counting from the date of the termination notice, as a penalty and the recipient 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 the project leader;
  - (c) transfer of the project to another organisation;
  - (d) deferral of the submission date of the progress report/completion report/statement of accounts; 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 by the Vetting Sub-committee.
- 4.13.7 Any proposed minor changes to a project such as change of activity date and venue 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.

**Funding Limits for Installation Facilities**

	<b>Funding Limit*</b>	
	<b>Kindergarten</b>	<b>Other premises</b>
<b>A. Per Application</b>	\$100,000	\$750,000
<b>B. Per Programme Area<sup>#</sup></b>	<b>Funding Limit*</b>	
	<b>Kindergarten</b>	<b>Other premises</b>
1. Greening & Biodiversity	\$100,000	\$750,000
2. Waste Reduction	\$100,000	\$200,000
3. Renewable Energy Facilities and Energy Conversion Facilities	\$100,000	\$200,000

\*Unless there are special justifications, e.g. the project will yield substantial and meritorious outputs, applied budget exceeding the funding limit will normally not be granted. The funding limits may be adjusted by the Environmental Education and Community Action Projects Vetting Sub-committee as and when necessary. For the latest version, please refer to the ECF and ECC – EE&CA Projects websites.

<sup>#</sup>Applications for installation of energy saving items and procurement of prefabricated systems (e.g. aquaponics systems) will normally not be supported.

**Environmental Education and Community Action Projects  
Reference Level of Funding Support for Expenses**

**(A) General**

<b>Items</b>	<b>Reference Level of Funding Support* (HK\$)</b>
1. <b>Publicity</b> - including design and production of publicity items and use of publicity channels, such as social media, etc.	<ul style="list-style-type: none"><li>• The ceiling is capped at 20% of the approved total budget.</li><li>• The applicant organisation is free to manoeuvre with the grant among the various approved ‘publicity’ items.</li><li>• Recycled paper must be used in all printed materials and eco-friendly printing is preferable.</li><li>• To avoid generation of waste, leaflets and banners will normally not be supported.</li></ul>
2. <b>Opening/Closing Ceremony</b> - including invitation, set up and decoration, backdrop, rental payment of venue, PA system, etc.	<ul style="list-style-type: none"><li>• The ceiling is capped at 20% of the approved total budget.</li><li>• The applicant is free to manoeuvre with the grant among the various approved ‘opening/closing ceremony’ items.</li><li>• To avoid generation of waste, souvenirs are not supported.</li></ul>
3. <b>Venue Setup</b> - including rental payment (for all activities other than opening/closing ceremony), set up and decoration, backdrop, rental payment of venue, PA system, etc.	<ul style="list-style-type: none"><li>• The ceiling is capped at 30% of the approved total budget.</li><li>• Request of funding to cover charges for use of in-house equipment/facilities of the applicant organisation will normally not be supported. If such support is necessary due to special reasons, prior agreement of the Vetting Sub-committee must be obtained and the expenditure for rental is set at 20% of the current market price.</li></ul>
4. <b>Booths</b> - including rental payments, decoration and prizes for game booths.	<ul style="list-style-type: none"><li>• The ceiling is capped at \$650 per booth.</li><li>• To avoid generation of waste, distribution of gifts or souvenirs will normally not be supported.</li></ul>
5. <b>Production of Exhibition Panels</b> - including rental of rack and accessories as well as design and production of two-sided panels if required.	<ul style="list-style-type: none"><li>• Maximum \$2,100 per panel.</li><li>• The ceiling is capped at \$21,000 per application.</li><li>• Applicant is encouraged to borrow exhibition panels from the Environmental Protection Department (Hotline: 2835 1012).</li></ul>

<b>6. Prizes for Competition</b>	<ul style="list-style-type: none"> <li>• Maximum \$1,500 per set of prizes for each sub-category of competition. Trophies, cash or cashable items must not be given.</li> <li>• Environmentally friendly tokens, instead of ordinary trophies or prizes, are preferable.</li> </ul>
<b>7. Hire of Speakers/Instructors</b>	<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> <li>• Honoraria for speakers who are staff employed for the project will normally not be supported.</li> </ul>
<b>8. Insurance for Third Party Liabilities</b>	<ul style="list-style-type: none"> <li>• Funding support will be based on the basic requirements.</li> <li>• Quotations must be provided.</li> </ul>
<b>9. Other insurance</b>	<ul style="list-style-type: none"> <li>• May be considered on a case-by-case basis.</li> </ul>
<b>10. Transportation - including hire of coach, hire of van for transportation of materials and hire of launch</b>	<ul style="list-style-type: none"> <li>• Maximum \$2,000 per coach (round trip).</li> <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 coach/launch.</li> <li>• For hire of launch, 40% of the charge should be paid by the participants.</li> <li>• Maximum \$300 per journey for hire of van.</li> </ul>
<b>11. Admission Fee</b>	<ul style="list-style-type: none"> <li>• Participants are required to pay 40% of the admission fee.</li> </ul>
<b>12. Package Activities</b>	<ul style="list-style-type: none"> <li>• For hire of package activities, 40% of the charge should be paid by the participants.</li> </ul>
<b>13. General Expenses - including stationery, printing, photocopying and postage, etc.</b>	<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 must be provided.</li> </ul>
<b>14. Travel Allowance - including for staff and volunteers (For staff, only allowed for travelling from workplace to workplace, both under the project).</b>	<ul style="list-style-type: none"> <li>• Maximum \$45 for each event/activity (excluding daily duty travelling of staff employed by the project).</li> <li>• The funding support may be adjusted upwards on the merit of each case.</li> </ul>

15. <b>Meal Allowance</b> - for volunteers only	<ul style="list-style-type: none"> <li>• Maximum \$45 per volunteer for activities lasting for 3-5 hours (excluding preparation/travelling time).</li> <li>• Maximum \$70 per volunteer for activities lasting for more than 5 hours (excluding preparation/travelling time).</li> </ul>
<b>16. Project Staff</b>	<p><b>Project Staff</b></p> <ul style="list-style-type: none"> <li>• The ceiling of expenditure should normally be below 50% of the approved total budget or actual expenditure for the project, whichever is the less.</li> <li>• Project Officer, tertiary education with 3-5 years' working experience whose major responsibilities are formulating project plans, co-ordinating project activities and supervising other staff (if necessary): \$28,700 per month (including Mandatory Provident Fund (MPF) contributions).</li> <li>• Project Assistant, tertiary education with no or less than 3 years' working experience whose major responsibility is handling routine project matters: \$16,850 per month (including MPF contributions).</li> </ul> <p><b>Note:</b> The monthly salaries are for reference only. Actual funding support will be considered based on the job requirements and qualifications of the project staff concerned.</p>
<b>17. Administrative and Overhead Costs</b> - only applicable to applicant organisations (including greens groups) without Government subventions	<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 must be provided.</li> </ul>
<b>18. Audit Fee</b>	<ul style="list-style-type: none"> <li>• \$20,000 per audit report</li> </ul>

## (B) Installation Facilities

Items	Reference Level of Funding Support* (HK\$)	
	Kindergarten	Other premises
1. <b>Appointing Authorised Person (AP) to seek approval from relevant government departments to:</b>  (a) prepare feasibility study report with structural calculations, (b) prepare building plan submission, (c) undertake work supervision of site work according to the approved building plan.	Not applicable to kindergartens.  Items that require feasibility study are normally for larger scale projects. Students in kindergartens are too young to fully appreciate the educational values of the facilities.	(a) \$20,000 (b) \$50,000 (c) \$50,000
2. <b>Purchasing and installation of full set of greening system, soil, plant and path, etc. in greening area.</b>	Not applicable	\$1,300/m <sup>2</sup>
3. <b>Maintenance cost for greening system</b>	Not applicable	\$8,000/year; maximum 2 years.
4. <b>Auxiliary greening installation</b> (e.g. automatic irrigation system, rainwater collection system, minor monitoring system, etc.)	Not applicable	\$55,000
5. <b>Other greening subsidy</b> (e.g. seed and soil, fertilizer, planting rack, farming tool, shelter for cultivating seeds/seedling, etc.)	\$25,000	\$25,000
6. <b>Small-scale food waste composter with capacity not exceeding 10kg waste/day</b>	Not applicable	Maximum \$20,000 per composter and 2 sets of composter with capacity ≤3.2kg/day; Maximum \$100,000 per composter and 1 set of composter with capacity >3.2kg -10kg/day.
7. <b>Renewable energy facilities</b> (e.g. solar panels, solar heater, wind power generator, etc.) <sup>^</sup>	Not applicable	\$200,000
8. <b>Energy conversion installation</b> (e.g. bicycle electricity generator) <sup>^</sup>	Not applicable	\$50,000; maximum 10 sets.

<b>Items</b>	<b>Reference Level of Funding Support* (HK\$)</b>	
	<b>Kindergarten</b>	<b>Other premises</b>

\* Unless there are special justifications, e.g. the project will yield substantial and meritorious outputs, applied budget exceeding the reference ceilings will normally not be granted. The reference level of funding support may be adjusted by the Environmental Education and Community Action Projects Vetting Sub-committee as and when necessary. For the latest version, please refer to the ECF and ECC – EE&CA Projects websites.

^ The total reference level of funding support of Item 7: Renewable energy facilities and Item 8: Energy conversion installation is capped at \$200,000 if both facilities are to be installed.

## **(C) Items that are generally NOT supported**

1. Renovation fee.
2. Contingency.
3. Uniform (including, but not limited to, items such as cap, T-shirt, badges).
4. Capital items such as computer, camera, furniture, etc.
5. Souvenirs and activity prizes to participants, except Certificate of Attendance.
6. Souvenirs for officiating guests, guests and judges.
7. Merely form-based or school-based visits will normally not be supported.
8. Production and printing of leaflets.
9. Refreshment for ceremonies.
10. Funding for reprinting of existing leaflets or education materials will not be supported, unless they form an essential part of the project.
11. Non-local travel will normally not be supported. Non-local participants in a local function are normally expected to pay for their own travelling and living expenses.
12. Payments to individuals as a reward for their participation in the project will not be given. Subsidy for volunteer involvement in organising the project may be considered in accordance with Part (D) below.
13. Honoraria for speakers who are staff employed for the project will normally not be supported.
14. Energy-saving facilities and procurement of prefabricated systems such as aquaponics systems.
15. Remunerations/rewards for directors/members/ employees of the recipient organisation: unless otherwise agreed by the Vetting Sub-committee, funding should not be used to pay any remunerations/ rewards to any directors/members/employees of the recipient organisation in return of any work/services/ tasks rendered for the funded project. Any remunerations/ rewards paid to directors/members/ employees of the recipient organisation without obtaining the Vetting Sub-committee's prior approval will not be supported.
16. Costs for printing/photocopying of questionnaires for project evaluation.  
(Note: Project evaluation survey should be done by e-means)

## **(D) Items that may be considered**

1. Hire of transport.
2. Meal allowance and travelling expenses on public transport for volunteers.
3. Hire of temporary/casual workers on a one-off basis.
4. Hire and decoration of venue, hire of lighting and public address facilities.
5. Procurement of postage, stationery, etc.
6. Printing work including publicity materials.
7. Light refreshments for ceremonies.
8. Under exceptional circumstances, payment of reasonable fees to hire experienced and professional speakers/trainers.
9. Procurement of services such as production of design and artwork.
10. Premium for public liability insurance.
11. A modest amount for contest prizes. Cash or cashable items must not be given.
12. For admission fee and hire of package activity, 40% of the charge should be paid by the participants.

## **Environment and Conservation Fund (ECF) Notes for Auditors of Recipient Organisations**

1. Pursuant to the project agreement made between the Environment and Conservation Fund (ECF) and the Recipient Organisations (ROs) in respect of each ECF project and the relevant ECF guidelines<sup>4</sup>, ROs are required to submit annual and final “audited accounts”<sup>5</sup> of each ECF project to the Secretariat of the Environment and Conservation Fund (the Secretariat) according to a stipulated timeframe. The requirement to submit “audited accounts” is to assure the ECF that:

- (a) the project funds were fully and properly applied to the project for which they were paid, and received and expensed in accordance with the approved project budget; and
- (b) the RO complied with the funding terms and conditions in the administration, management and usage of the ECF project.

These notes aim to provide guidance for auditors of ROs in conducting reasonable assurance engagements and in preparing auditor’s reports for each ECF project.

2. In conducting a reasonable assurance engagement, the auditors should perform audit procedures as they consider necessary in the circumstances and obtain all the information and explanations which they consider necessary in order to provide them with sufficient evidence to give their conclusion as to whether the ROs have complied with, in all material respects, the requirements set by the ECF (including the requirements to keep proper books and records and to prepare annual/final audited accounts of the project), and all the terms and conditions of ECF funding, as specified in the following documents:

- (a) the project agreements made between the ECF and the ROs in respect of the projects and the appendices thereto (which includes the project proposals);
- (b) relevant ECF guidelines<sup>1</sup> referred to in the project agreements<sup>6</sup>; and
- (c) all applicable instructions and correspondences issued by the Secretariat to the ROs in respect of the projects.

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<sup>4</sup> This means the funding and administrative guidelines of respective programme as referred to in the project agreement.

<sup>5</sup> The annual and final “audited accounts” comprise income and expenditure statement, balance sheet, notes to the accounts and the auditor’s report and mean annual and final accounts of the project which have been reported on by Auditors under a reasonable assurance engagement conducted in accordance with the Hong Kong Standard on Assurance Engagements 3000 (Revised) “Assurance Engagements Other Than Audits or Reviews of Historical Financial Information” issued by the Hong Kong Institute of Certified Public Accountants.

<sup>6</sup> In case there are written agreements to the otherwise, such agreements shall prevail to the extent where the context so permits.

3. The auditors should comply with the Hong Kong Standard on Assurance Engagements 3000 (Revised) “Assurance Engagements Other Than Audits or Reviews of Historical Financial Information” issued and updated from time to time by the Hong Kong Institute of Certified Public Accountants. The following information is required in an auditor’s report prepared by the auditors to be submitted by the ROs to the Secretariat -
  - (a) the auditors should state whether, in their conclusion, the ROs have complied with, in all material respects, the requirements set by the ECF (including the requirements to keep proper books and records and to prepare annual/final audited accounts of the project), and all the terms and conditions of ECF funding, as specified in documents mentioned in paragraph 2, and that audited accounts properly presented the financial position of the project;
  - (b) if the auditors are of the opinion that there exist any material non-compliances as identified in paragraph 3(a), they should make full disclosure and quantify the effects of such non-compliance in the auditor’s reports; and if the auditors are of the opinion that a proper and separate set of books and records has not been kept by the ROs for the projects, or the project accounts have not been properly prepared, or if the auditors fail to obtain all the information and explanations which are necessary for the purpose of their reasonable assurance engagements, they should make appropriate qualifications in their auditor’s reports.
4. The auditors should plan and conduct the reasonable assurance engagement to satisfy paragraphs 2 and 3. In case of any ambiguities regarding the terms and conditions contained in the project agreements and rules and regulations governing ECF projects, auditors should seek clarifications from the ROs and the Secretariat. Any unreasonable reservation or denial of conclusion, for example, comments about ambiguities of ECF guidelines or requirements, expressed by auditors in the auditor’s report, will be returned to the ROs for rectification before re-submission to the Secretariat.
- The auditors may come across during the course of their reasonable assurance engagements weaknesses/breakdowns in internal control on the part of the ROs which are considered material. They should bring to the ROs’ attention the details of such weaknesses/breakdowns and provide the ROs with their recommendations for improvement by setting them out in letters to the ROs. Copies of such letters should be sent to the Secretariat for reference and action as appropriate.
5. Auditors are expected to follow the sample auditor’s report as attached in the ***Appendix IV***.

**SAMPLE AUDITOR'S REPORT ON  
THE ANNUAL/FINAL ACCOUNTS UNDER THE  
ENVIRONMENT AND CONSERVATION FUND**

**UNQUALIFIED CONCLUSION**

**[ABC PROJECT]  
[FOR THE PERIOD FROM DD/MM/YY (Date/Commencement Date) TO DD/MM/YY  
(Date/Completion Date)]**

**Auditor's Report to XYZ Organisation**

Pursuant to the project agreement made between the Environment and Conservation Fund (ECF) and [XYZ Organisation] and the relevant ECF guidelines referred to in the project agreement in respect of the [ABC project] funded by the ECF, we have performed a reasonable assurance engagement to report on whether [XYZ Organisation] has complied with, in all material respects, the requirements set by the ECF (including the requirements to keep proper books and records and to prepare proper [annual/final] accounts of [ABC Project] (the project) for the period from [DD/MM/YY to DD/MM/YY] on pages .... to .... (the project accounts) in accordance with all applicable Hong Kong Financial Reporting Standards (HKFRSs), and all the terms and conditions of ECF funding, as specified in the following documents:

- (a) the project agreement made between ECF and [XYZ Organisation] in respect of the Project and the appendices thereto (which includes the project proposal);
- (b) the relevant ECF guidelines referred to in the project agreement; and
- (c) all applicable instructions and correspondences issued by ECF to [XYZ Organisation] in respect of the project.

**Respective responsibilities of XYZ Organisation and auditors**

The ECF requires [XYZ Organisation] to comply with its requirements (including the requirements to keep proper books and records and to prepare proper project accounts), and all the terms and conditions of ECF funding, as specified in the documents mentioned in the above paragraph.

It is our responsibility to form an independent conclusion, based on our reasonable assurance engagement, and to report our conclusion to you.

**Quality Control and Independence**

Our firm applies Hong Kong Standard on Quality Control (HKSQC) 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the Hong Kong Institute of Certified Public Accountants (HKICPA), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

## **Basis of conclusion**

We conducted our reasonable assurance engagement in accordance with the Hong Kong Standard on Assurance Engagements 3000 (Revised) “Assurance Engagements Other Than Audits or Reviews of Historical Financial Information” issued by the HKICPA and the latest Notes for Auditors of ROs issued by the Secretariat of ECF.

Our reasonable assurance engagement includes examination, on a test basis, of evidences relevant to XYZ Organisation’s compliance with the requirements set by the EPD/ECF (including the requirements to keep proper books and records and to prepare proper project accounts), and all the terms and conditions of ECF funding, as specified in the documents mentioned in the above first paragraph. It also includes an assessment of the significant estimates and judgements made by XYZ Organisation in the preparation of the project accounts, and of whether the accounting policies have followed the requirements of ECF, and are consistently applied and adequately disclosed.

We planned and performed our reasonable assurance engagement so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidences to give our conclusion as to whether XYZ Organisation has complied with, in all material respects, all applicable HKFRSs issued by the HKICPA and the requirements set by the ECF (including the requirements to keep proper books and records and to prepare proper project accounts), and all the terms and conditions of ECF funding, as specified in the documents mentioned in the above first paragraph. In forming our conclusion, we also evaluated the overall adequacy of the presentation of information in the project accounts. We believe that our reasonable assurance engagement provides a reasonable basis for our conclusion.

## **Conclusion**

Based on the foregoing, in our opinion, XYZ Organisation has complied with, in all material respects, all applicable HKFRSs issued by the HKICPA, the requirements set by the ECF (including the requirements to keep proper books and records and to prepare proper project accounts), and all the terms and conditions of ECF funding, as specified in the documents mentioned in the above first paragraph, and that the audited accounts properly presented the financial position of the project.

## **Use of this report**

This report is intended for filing by XYZ Organisation with the ECF, and is not intended to be, and should not be, used by anyone except the above two parties for any other purposes.

**ABC & Co.**

**Certified Public Accountants (Practising) [or Certified Public Accountants] Hong Kong  
Date**

## **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 Sub-committees 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 Sub-committees, or the Secretariat to the ECF Committee or its Vetting Sub-committees) under the funding agreement, unless and to the extent the Secretariat of the ECF Committee or the relevant Vetting Sub-committee 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 Sub-committee 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, 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 Sub-committees, or the Secretariat to the ECF Committee or its Vetting Sub-committees) under the funding agreement.

### **3. Staff Recruitment**

- The recipient organisation or the person-in-charge should maintain fairness and transparency in recruiting staff for the ECF-funded project, and ensure that all such staff members recruited with the ECF grant 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 person-in-charge 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 Use and Allocation 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 Use and Allocation 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 person-in-charge 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 the 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 the ECF.
- The person-in-charge should conduct and record random and regular (e.g. yearly) physical checks on these assets.
- The person-in-charge 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 keep the original copies of invoices, receipts, quotations and so on in respect of the project for record and checking by the Secretariat and its authorised representatives for at least seven years after submission of the completion/auditor's report or release of the final payment or in accordance with prevailing statutory requirements whichever the longer.