Environment and Conservation Fund (ECF)
On-site Meal Portioning Projects in Schools

General Conditions of Grant

1. Agreement

1.1 For each approved project, the recipient school has to sign an agreement to comply with all the terms and conditions of grant therein.

2. Use of grant

2.1 "On-site Meal Portioning Projects in Schools" (projects) are of non-profit-making nature and aim to foster the adoption of an environmentally friendly lifestyle among students. The benefits of the project must accrue to the students of the recipient school as a whole, and not just an individual, a single private organisation or a consortium of private companies.

2.2 The allocated funds shall be used for the approved project only and shall not be used as payments to individual members of the public as a financial reward for participation in the activities associated with the project.

3. Disbursement and reimbursement of funds

3.1 For recipient schools deploying the 'Full Project Management Services' of the Electrical and Mechanical Services Trading Fund (EMSTF), no disbursement of fund will be made to the recipient schools since the procurement of equipment and relevant works will be arranged by the EMSTF. Upon signing the funding agreement, the EMSTF will start arranging the relevant works. If the recipient school subsequently withdraws its application, the ECF reserves all rights to pursue claims for losses and compensation.

3.2 For recipient schools deploying the 'Full Project Management Services' of the EMSTF, but arranging the procurement of tables and benches or installation of sliding doors by their own means, the recipient schools will receive the first payment equivalent to 90% of the actual expenditure after submission of the original invoices, receipts and quotations. Normally, the last 10% of the grant will be released only after the endorsement of the completion report of the project by the Vetting Subcommittee.

3.3 Recipient schools arranging for the conversion and installation works by their own means (not deploying the 'Full Project Management Services' of the EMSTF) will receive the first payment with a maximum of 50% of the total grant upon the signing of the funding agreement and submission of all quotations and tender documents. Upon submission of a completion report with information on satisfactory performance of the project, as well as submission of a statement of accounts, the auditor's report (if applicable) or the original invoices and receipts (if applicable), the recipient school will be eligible for a further disbursement. The last 10% of the grant will normally only be released after the endorsement of a completion report for the project by the Vetting Subcommittee.

Note: The final payment will normally be released within three months upon the endorsement of the completion report by the Vetting Subcommittee, in addition to the receipt of all necessary reports and/or documents as appropriate and when

required; settlement of all subsequent necessary clarifications as requested by the Vetting Subcommittee and/or the Secretariat; and fulfilment of the auditing requirement, as applicable.

3.4 Amount to be reimbursed for an individual budget item will normally not exceed the approved grant for that item. However, the ECF Committee may consider increasing the approved grant and/or the level of funding support for an individual budget item on a case-by-case basis but the total approved grant for the project should normally remain unchanged.

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

(a) the scope of the Project is changed; or

(b) the number of items procured is fewer than that proposed.

3.6 Any item not included in the approved grant will normally not be reimbursed.

3.7 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 the final payment.

3.8 The handling of profits / net income arising from trading operations on the school premises in relation to implementing on-site meal portioning, including engagement of the lunch supplier, must strictly adhere to the EDB's guidelines and regulations. Otherwise, any income (such as interest income generated from cash in hand for the project) shall be returned to the ECF, and failure to report and return such income to the ECF may render the recipient school ineligible for future funding support.

3.9 Any unspent balance of the grant shall be returned to the ECF within two months after the commencement of the on-site meal portioning or on or before the date as specified in a letter issued by the Secretariat requesting for the return of unspent grant.

4. Project account and interest

4.1 The requirements listed under paragraph 4 only apply to recipient schools arranging for the conversion and installation works by their own means.

4.2 All ECF grant paid to the recipient school shall be deposited into and appropriately kept in a risk-free interest-bearing account opened with a licensed bank. The recipient schools 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 for the project.

4.3 For a project receiving a grant of HK$300,000 or above, the grant should be kept in a separate account with a licensed bank for the project. All income and expenditure should be clearly book-kept to facilitate the checking of all financial records by the Government and auditors as and when necessary.

4.4 The recipient school must strictly comply with the guidelines and regulations of the Education Bureau (EDB) in handling any profits or net income derived from trading operations (including the hire of lunch supplier) related to the implementation of on-site meal portioning. Otherwise, such profits or net income must be returned to the ECF.

4.5 The recipient school may be required to compensate the Government for loss of interest income if the ECF fund is not properly handled. Where necessary, the Government will initiate legal action for suitable remedies.

5. Requirements for implementing on-site meal portioning

5.1 After completion of the conversion and installation works, recipient schools are required to make their own arrangement to implement on-site meal portioning for at least 36 months (three-year commitment period). No funding will be provided for hiring of lunch suppliers or additional workers, and other operating expenses such as electricity fee and water charge. Also, the projects will provide a two-year defect liability period for the equipment. **After that, recipient schools shall bear the full repair costs of the equipment themselves**.

5.2 When engaging lunch suppliers to operate on-site meal portioning within the school premises, recipient schools should observe the relevant guidelines and regulations of the Education Bureau (EDB) (including EDBC No.19/2024 on "Arrangements for Green Lunch and Reduction of Food Waste in Schools" and EDBC No. 18/2025 on "Trading Operations in Schools" .

5.3 The recipient school should notify the Secretariat at least one week before the effective date of cessation of on-site meal portioning if it decides to discontinue on-site meal portioning after the three-year commitment period.

6. Inspection and reporting requirements

6.1 To gain a better understanding of the project progress, the ECF Committee, Vetting Subcommittee, Secretariat, the Environment and Ecology Bureau (EEB), the Environmental Protection Department (EPD), the EMSTF and other government departments may conduct inspection(s) and/or surprise check(s) at the activity venue(s) of the project to examine the progress of the conversion and installation works and the implementation of the lunch arrangement.

6.2 To maintain a more comprehensive record of the project progress, the recipient school shall submit a completed Green Lunch and Food Waste Survey Form every academic year upon commencement of the on-site meal portioning. Recipient schools shall provide further information in relation to the project upon request by the EPD and Secretariat. Such information may be used for publicity, promotional, and statistical purposes of the ECF, EEB and/or EPD.

6.3 The recipient school has to submit a completion report within two months upon the commencement of the on-site meal portioning. The recipient school has to assess the 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. If an extension of the submission deadline(s) for the completion report(s) is required, prior approval should be obtained from the Vetting Subcommittee.

6.4 The completion report should be signed off by the person-in-charge or the project leader of the recipient school and submitted in the format as requested.

6.5 Unsatisfactory performance and delay in report(s) submission will affect the recipient school's future chance of getting funding support from the ECF.

7. Statement of accounts

7.1 The requirements listed under paragraph 7 only apply to recipient schools arranging for the works by their own means (not adopting 'Full Project Management Services' of the EMSTF).

7.2 The recipient school has to submit a complete statement of accounts together with the completion report to the Secretariat within two months upon the commencement of the on-site meal portioning. If an extension of the submission deadline is required, prior approval should be obtained from the Vetting Subcommittee.

(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, receipts, quotations and so on. Auditing will not be required, but the Secretariat reserves the right to check all financial records kept by the recipient school 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 school may opt for showing the grant received in the complete statement of accounts together with the original copies of invoices, receipts, quotations and so on which auditing will not be required, or for the statement of accounts be audited by a certified public accountant (practising) within the meaning of Section 2 of the Professional Accountants Ordinance (Cap. 50) in accordance with the auditing requirements as provided in paragraph 8 below. Submission of copies of invoices, receipts, quotations and so on 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 a certified public accountant (practising) within the meaning of Section 2 of the Professional Accountants Ordinance (Cap. 50) in accordance with the auditing requirements as provided in paragraph 8 below. Submission of copies of invoices, receipts, quotations and so on will not be required if the auditing requirements are adequately fulfilled.

7.3 The statement of accounts as required above must be submitted in prescribed format as specified by the Secretariat, in particular, the actual expenditure under each approved expenditure category should be presented in accordance with the approved budget table (in the same order and grouping) as stated in Appendix A of the Approval Letter, and the reference number of individual receipts should be clearly indicated. It should be noted that the recipient school should provide all necessary details in the completed statement of accounts, and the Secretariat is not obligated to review the statement of accounts and request for additional information from the recipient school. The Vetting Subcommittee will determine the total amount to be reimbursed for the project based on the verified eligible expenditures within the project. If any unverified expenditures have already been reimbursed, the Vetting Subcommittee/Secretariat reserves the right to reclaim the relevant amount from the recipient school.

8. Auditing requirements

8.1 The requirements listed under paragraph 8 only apply to recipient schools arranging for the works by their own means (not adopting 'Full Project Management Services' of the EMSTF).

8.2 For projects receiving a grant of more than HK$150,000, depending on the auditing arrangement opted by the recipient school, the statement of accounts submitted to the Secretariat is required to be audited by a certified public accountant (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, with these conclusions explicitly stated in the auditor's report. If the certified public accountant (practising) is unable to provide assurance as exception(s) is/are noted or due to any other reason(s), such exception(s) and reason(s) should be specified in the audit report.

8.3 The recipient school is not required to attach copies of invoices, receipts, quotations and so on to the audited statement of accounts, unless specifically requested by the Secretariat to do so. However, the recipient school should still keep the original copies of relevant documents 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 is the longer.

8.4 The recipient school is required to make available to the auditors all information, documents and explanations relating to their projects funded by the ECF for audit purposes. The Secretariat is not obligated to review the information contained in the auditor's report, including its completeness and accuracy. If the recipient school fails to properly keep and provide all valid information such as procurement records, project income, expenditure receipts, etc. to the auditors during project implementation, resulting in the auditor's report(s) being unable to verify all eligible project expenditures, the recipient school shall bear all associated financial losses in full, including any additional costs incurred for revising and resubmitting the auditor's report(s) where necessary.

8.5 The recipient school may visit the ECF website for reference to "the List of Audit Service Providers for Environment and Conservation Fund Projects" ("the List") when it seeks audit service for the approved project. "The List" can be viewed at the following link:

https://www.ecf.gov.hk/doc/List_of_Audit_Service_Providers_for_ECF_Projects.pdf

"The List" is for reference only and inclusion of audit service providers should not be taken as endorsement or recommendation of such service providers by the Government or the Secretariat for the provision of any kinds of services to the recipient school. The Secretariat reserves the right to update "The List".

9. Intellectual property rights arising from projects and use of project results

9.1 Unless negotiated otherwise between the Secretariat and recipient school, the recipient school will solely own all intellectual property rights arising from the project.

9.2 The recipient school 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, Green Lunch and Food Waste Survey Forms, completion report and other publications or publicity materials of the project.

10. Acknowledgement of support and publicity

10.1 For all on-site meal portioning projects funded by the ECF, a signboard with the logo of the ECF together with "Green Kitchen" should be displayed in a conspicuous location of the kitchen, with a view to acknowledging the funding support from the ECF. Recipient schools shall attach relevant photos in the completion report.

10.2 Recipient schools should also display the ECF logo with the words「資助」or "Funded by" clearly marked on the top left position of the logo on labels not less than A4 size at conspicuous positions on capital items (such as mobile warmer trolleys) placed in areas outside the kitchen. Recipient schools shall attach relevant photos in the completion report.

10.3 When using the ECF logo, the image files provided by the Secretariat should be used. In no circumstances shall the logo and name of the ECF be used for commercial publicity or other purposes which may damage the image of ECF and/or cause any liabilities to the ECF Committee and the Secretariat.

10.4 The recipient school should notify the Secretariat of the project results before publicising them. Copies/photographs of publications or publicity materials produced under the projects must be submitted along with the completion report to the Secretariat.

10.5 The recipient school should publicise the project results or any events related to the projects through e-newsletters, websites, social media platforms, seminars, workshops, exhibitions, etc. and provide the relevant details in the completion report.

10.6 Information of the projects (including photographs and project results) may be uploaded to the websites of the ECF, EEB or EPD for public access.

11. Disclaimer and terms

11.1 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 all ECF-funded projects. For posts disseminated through the social media that are relevant to projects funded by the ECF, a statement reading "*The content of this post does not represent the position of the Government of the Hong Kong Special Administrative Region or the Environment and Conservation Fund*" should be remarked depending on the nature of the posts.

11.2 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 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 associations of any individuals or organisations with the ECF. In addition, activities/events organised and materials produced under the projects should not be implemented or distributed in a way which may adversely affect the image of and/or cause any liabilities to the ECF.

11.3 During the implementation of the project, the recipient school should strictly comply with all applicable legislations and regulations including, but not limited to, those relating to national security, public safety and health, corruption prevention, environmental protection and nature conservation, environmental hygiene, labour as well as fire safety. The recipient school should also strictly comply with the good working practices, guidelines and instructions as issued by the relevant bureaux or departments of the government.

11.4 Under no circumstances shall the ECF Committee, its Subcommittees, the relevant secretariats and /or the Government be held liable for any loss or damages or liabilities arising from the funded project.

11.5 The ECF Committee, its Subcommittees, the relevant secretariats and/or the Government shall have no responsibility, financial or otherwise, for expenditure or other liabilities arising from the projects.

12. Procurement of capital items, goods and services

12.1 The requirements listed under paragraph 12 only apply to recipient schools arranging for the works by their own means.

12.2 The recipient school is obligated to adhere to a high standard of integrity and spend the grants in an open, fair and accountable manner. The recipient school is advised to observe the best practice checklists issued by the Hong Kong Independent Commission Against Corruption (ICAC) titled, "Strengthening Integrity and Accountability - Government Funding Schemes Grantee's Guidebook" and the "Integrity and Corruption Prevention Guide on Managing Relationship with Public Servants" which can be downloaded from the ICAC website or the link as below –

https://psic.icac.org.hk/sites/default/files/pdf/guides_032_pdf_en.pdf
https://psic.icac.org.hk/sites/default/files/pdf/guides_043_pdf_en.pdf

12.3 The recipient school must strictly comply with the guidelines and regulations of the EDB in tendering and procurement procedures, to ensure that the procurement process is properly managed with appropriate monitoring and checks-and-balances in place. In addition, the recipient school shall also adhere to the following procedures in procuring capital items, goods and services unless the Vetting Subcommittee agrees otherwise –

(a) For every procurement of an aggregate value of HK$5,000 or below, quotations from suppliers are not required.

(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 an aggregate value of HK$500,000 or more, open tendering should be conducted.

12.4 The recipient school 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 schemes) must be given and prior approval must be obtained from the Vetting Subcommittee. All quotations and tendering documents should be kept for inspection by the Secretariat and the auditor (if applicable).

12.5 In case a recipient school intends to procure capital items, goods and services from a specified company/organisation/individual without following the procurement process as stated in paragraph 12.2 above, it has to provide details of the proposed procurement, justifications for the special procurement arrangement, and its relationship with the company/organisation/individual concerned in the application form. If such special procurement arrangement is not proposed in the application form and approved, subsequent prior approval from the Vetting Subcommittee prior to the relevant procurement will be required.

12.6 For projects not requiring auditing, recipient schools shall submit the original copies of all invoices, receipts and quotations/tendering documents to the Secretariat for processing the reimbursement of grant. Should the recipient school need to retrieve or retain the original documents, a formal application must be made in writing. For projects requiring auditing, all invoices, receipts, quotations/tendering documents should be kept for inspection 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 is the longer.

12.7 Recruitment of staff and procurement of capital items/goods/services for all 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.

13. Title of capital items

13.1 Upon proper installation of the equipment for on-site meal portioning project, the title of the equipment funded by the ECF would be transferred to the recipient schools.

13.2 Recipient schools must not transfer equipment under the projects within three-year commitment period. Equipment under the projects should be used, as far as practicable, to the end of their service-life for the purpose of on-site meal portioning to avoid wastage.

14. Installation of machinery and equipment and other minor works

14.1 The requirements listed under paragraph 14 only apply to recipient schools arranging for the works by their own means.

14.2 The recipient school must ensure the installation of machinery and equipment and other minor works comply with the relevant statutory requirements and guidelines, including the Code of Practice for the Electricity (Wiring) Regulations issued by the Electrical and

Mechanical Services Department. The recipient school should hire qualified person(s)/organisation(s) for the installation/works. Where necessary, the recipient school should seek assistance and/or professional advice from the EMSTF.

15. Suspension/termination of funding support

15.1 Except for paragraph 15.6 which is applicable to all recipient schools, other requirements listed under paragraph 15 only apply to recipient schools arranging for the works by their own means.

15.2 The Secretariat may immediately suspend funding support of a project, while the Vetting Subcommittee may make a final decision to suspend/terminate funding support of the project under the following circumstances, including but not limited to –

(a) the procurement or the works do not commence within one year of the approval of the grant and no reasonable explanation has been given.

(b) the recipient school fails to submit the required report(s) and/or achieve the project deliverables and performance indicators by the deadline stipulated;

(c) the recipient school fails to make proper acknowledgment of the ECF; or

(d) the recipient school fails to comply with the funding conditions as set out in the approval letter and no reasonable explanation has been given.

15.3 In each of the above cases of final decision to suspend/terminate the funding support, the Vetting Subcommittee may, depending on the situation, consider giving about one-month notice to the recipient school, stating the reason(s) for the final decision to suspend/terminate. In the case of final decision to suspend, the recipient school should demonstrate that measures have been taken to improve the unsatisfactory situation and rectify the problems before the Vetting Subcommittee considers lifting the suspension. In the case of termination, the balance of the grant or any funding given in advance, and the capital items acquired for the project shall be returned to the ECF. The Vetting Subcommittee will consider possible redeployment of the above items.

15.4 Any suspension or termination of a project will affect the recipient school's future chance of getting financial support from the ECF. If the termination is due to failure in submission of the completion report and/or the associated document(s), the recipient school will not be allowed to apply for ECF funding for a period of not less than three years, counting from the date of the termination notice, as a penalty and the recipient school's management will be informed.

15.5 The ECF shall be entitled to be refunded by the recipient school of some or all of a grant which has been used other than in accordance with the terms of the approved project.

15.6 For any major changes to the project, the application for change request must be submitted in advance and be approved by the Vetting Subcommittee. Such major changes include –

(a) revision to the content and/or budget;

(b) change in project leader and/or person-in-charge;

(c) transfer of project to another school;

(d) deferral of the submission date of the completion report or the statement of accounts; or

(e) suspension or early termination of "on-site meal portioning" project within 36 months after the commencement, and/or transferal of the equipment funded under the project.

15.7 The Vetting Subcommittee may suspend/terminate funding support for a project if the project is being carried out under any of the circumstances as mentioned in paragraph 15.6 above without prior approval by the Vetting Subcommittee.

16. Dispute resolution and jurisdiction

16.1 The recipient school and the ECF Committee, Vetting Subcommittee, the Secretariat and/or the Government (the Parties) shall first refer any dispute or difference arising out of or in connection with the funding agreement to mediation in accordance with The Government of the Hong Kong Special Administrative Region Mediation Rules prevailing at the time.

16.2 If the said dispute or difference is not settled by mediation according to paragraph 16.1 above, either the recipient school or the Parties may institute litigation in respect of the said dispute or difference. The recipient school and the Parties agree that the courts of Hong Kong shall have exclusive jurisdiction in respect of the said dispute or difference.

17. Assistance in legal proceedings

17.1 If and whenever requested to do so by the Government Representative, the recipient school shall provide to the Government all relevant information, documents (including documentation and statements from staff) and other assistance in connection with any inquiry, investigation, mediation, arbitration, tribunal hearings or court proceedings in which the Government may become involved or any internal disciplinary hearing of the Government that arises out of or in connection with the funding agreement or the recipient school's presence at the Government's premises. If requested by the Government, the recipient school shall arrange for relevant staff to give evidence at such inquiries, investigations, arbitrations, hearings or proceedings or to participate and/or provide assistance at such mediation.

17.2 Where the recipient school or any employees, agents or contractors of the recipient school become aware of an incident, accident or other matter which may give rise to a claim or legal proceedings by a third party against the Government or the recipient school or in respect of the funding agreement, it shall notify the Government Representative immediately in writing giving full details of such incident, accident or matter as the Government Representative may require.

18. Others

18.1 The ECF Committee, Vetting Subcommittees, the Secretariat and/or the Government may at any time, if consider fit, amend or add to the above conditions, without prior notice to the recipient school.

18.2 If personal information of participants was to be collected for any purposes 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 for Personal Data should be sought.