



# **ENVIRONMENT AND CONSERVATION FUND**

## **環境及自然保育基金**



### **Guide to Application**



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

*(Latest version in October 2021)*

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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 the 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 behavioural changes to tackle environmental problems, with positive impact on the environment and measurable and tangible outcome against the objectives set for the projects. Projects should identify effective and innovative means, where possible, 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 comprising mainly non-officials, which was set up in 1994 under the Environment and Conservation Fund Ordinance (Cap. 450) to advise the Secretary for the Environment on the use of funds. Under the Ordinance, the Secretary for the Environment is the trustee responsible for the administration of the Fund.

### **1.3 Administration**

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

## 2. BASIC INFORMATION

### 2.1 Who may apply?

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

“Special Grant Projects” accepts applications from eligible organisations which have not been granted funding support from the ECF under the EE&CA Projects funding scheme and/or other eligible organisations (e.g. schools) as specified in each round of applications invitation.

For project proposals from schools (except government and profit-making schools) and welfare non-governmental organisations receiving recurrent subvention from the Social Welfare Department concerning provision of small scale solar energy generation systems at their premises, applicant organisations are encouraged to submit applications to the Electrical and Mechanical Services Department under its programme “Solar Harvest - Solar Energy Support Scheme for Schools and Welfare Non-Governmental Organisations”. Details of the programme are available at the following website:

<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 not more than two years, unless with justifications or as demanded by the Environmental Education and Community Action Projects Vetting Sub-committee (the Vetting Sub-committee) for specific reason(s). For “Special Grant Projects”, the project period should not be more than 12 months.

### 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 (<https://www.ecf.gov.hk>). Applications can be submitted online, in person, or by post<sup>2</sup>.

- (a) The person-in-charge of a project proposal should be the **Head or Deputy Head of the applicant organisation.**
- (b) Applicants can complete and submit an application by filling in the electronic application form at the GovHK website (<https://eform.one.gov.hk/form/epd005/en/>) **before 6:00 pm** on the application closing date as specified in the announcement of invitation. Applicants are advised to download a soft copy of the application for record.
- (c) Alternatively, applicants can fill out a paper-based application form which can be obtained from –

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<sup>2</sup> To submit an application for “Clean Shorelines Small Scale Projects” or “Special Grant Projects”, please fill in the specific paper-based application form titled “Environmental Education and Community Action Projects – Small Scale Project on Clean Shorelines” or “Environmental Education and Community Action Projects - Special Grant Projects” respectively (available at: <https://www.ecf.gov.hk/en/application/index.html>).

- The websites of ECF and EE&CA Projects
- 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

Duly completed application form **must be returned** to the Secretariat at 5/F Southorn Centre, 130 Hennessy Road, Wan Chai, Hong Kong **before 6:00 pm on the application 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.

2.3.2 Late or incomplete applications, and an application form not submitted in accordance with the format prescribed above (including an application submitted by facsimile or e-mail) **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 **HK\$50,000**.
2. For **medium scale projects**, the funding cap is **HK\$500,000**.
3. For **large scale and special theme 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.
4. For **special grant projects**, the funding cap is **HK\$100,000**.

Funds may be granted for full or partial support of projects. *Applicant organisations should take into account the amount of funding caps and funding allocations available for different scales and themes of projects when preparing budget proposals for their projects.*

#### 2.5 What are the vetting procedures?

The Vetting Sub-committee has been established under the Environmental Campaign Committee<sup>3</sup> (ECC) entrusted by the ECF for the vetting of EE&CA Projects. The Vetting Sub-committee may comprise representatives of the ECF Committee, ECC, 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

<sup>3</sup> The Environmental Campaign Committee, 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.

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 -

- 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 provide further information and/or give a presentation in meeting if necessary.
- Step 3: For an application with a proposed budget of HK\$2,000,000 or below, the Vetting Sub-committee will either approve or reject the application. For approved project proposal, the Vetting Sub-committee will consider the proposed budget, and where necessary, amend details of the proposed budgets and set ceilings for individual expenditure items. The Secretariat will inform the applicant organisation of the Vetting Sub-committee's decision.
- Step 4: For an application with a proposed budget of above HK\$2,000,000, the Vetting Sub-committee will assess the application, consider the proposed budget, and where necessary, amend details of the proposed budget and set ceilings for individual expenditure items. If the recommended budget of the application falls on or below HK\$2,000,000, the Vetting Sub-committee will either approve or reject the application. If the recommended budget of the application is 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 based on the recommendation of the Vetting Sub-committee. 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 and/or EE&CA Projects website.

**Note: Decisions of the ECF Committee/the Vetting Sub-committee in respect of project approval and conditions of grant 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, and/or to mobilise the community to take action to improve the environment.
- 2.6.2 The benefits must accrue to the local community, and 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 the local community;
- (b) whether there is a demonstrable need for the project;
- (c) whether the programmes of the project proposal can bring about positive impact in the longer run;
- (d) the technical and project management capability of the applicant organisations, including the effectiveness of their past project(s) and their ability to comply with the funding conditions;
- (e) the track record of the applicant organisations, including their community network and past experience in project implementation;
- (f) whether the project duration is reasonable and the schedule of implementation is well-planned and practicable;
- (g) whether the proposed budget is prudent, realistic and cost-effective, with every expenditure item well justified;
- (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 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 an ongoing or a completed project, whether the project shows enhancement/improvement in different aspects such as cost effectiveness, project mode or scope, quantity and type of deliverables, etc. and diminishing reliance on the ECF funding support without compromising the project performance.

2.6.5 Corresponding to the competition-based vetting mechanism and in line with the broad assessment criteria mentioned in paragraph 2.6.4 (a) to (m) of this Guide 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) Programme (65%)
  - (i) Programme Approach: A focused project which fully meets the theme and objectives.
  - (ii) Creativity: A creative project to effectively instil behavioural changes towards a green lifestyle.
  - (iii) Sustainability: Programmes of the project can bring about positive impact 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 community project implementation, its track record will be taken into consideration.
  - (ii) Ability to Manage Application Procedures: The applicant organisation presents strong ability to manage the application procedures.
  - (iii) Project Planning: The proposed schedule of project implementation is well-planned and practicable.
- (c) Budgetary Management (5%)

The proposed budget is prudent, realistic and cost-effective, with full justification for the expenditure items.

## **2.7 Avoidance of conflict of interests**

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

## **2.8 Invitation for funding applications**

Invitation for applications will normally be arranged twice a year and details will be announced through the ECF and EE&CA Projects websites.

## **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 application, the applicant organisation may revise, modify and enhance the application for resubmission. The application, together with other new applications, will be considered on equal footing at the applicable invitation exercise. If there are comments made by the Vetting Sub-committee in its earlier review, the resubmission shall include revision or new information to address such comments. In completing the application form for a resubmitted application, the applicant organisation should set out clearly the differences between the resubmitted application and the unsuccessful one.

### 3. APPLICATION FORM

#### 3.1 General

- 3.1.1 All sections of the application form should be completed with supporting documents wherever required. Please ensure that all required information is submitted with the application form. Where the information sought is not applicable or not available, please fill in “NA”.
- 3.1.2 For paper-based applications, the application form should be typed or printed on both sides of the paper. The completed application form should be submitted in both hard and soft copies (in “Word” format). For online applications via the GovHK website as specified in 2.3.1(b) of this Guide, submission of the hard copy of the completed application form is not required.
- 3.1.3 Applicant organisations should read this Guide carefully and provide all details of the proposed project in a clear and concise manner. Additional pages may be attached to the application form if necessary.
- 3.1.4 While 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 in the first place, and the Vetting Sub-committee and the Secretariat are not obligated 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 ECF and/or EE&CA Projects website(s) as considered necessary by the ECF Committee for public access. If the applicant organisation does not wish certain information in this section be released, please forward the justifications to the Secretariat upon submission of the application.

##### 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 a school, or a group formed under a local non-profit making organisation, and also particulars of the person-in-charge in English and Chinese.

##### 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 organisation must ensure that the project title is not the same as/similar to that of any projects held by other organisations; the Vetting Sub-committee reserves the right to request an applicant/recipient organisation to change the project title of an ECF-funded project 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*

State the commencement and completion dates and duration of the 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, etc.

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 it can help to achieve the objectives of the project. Please provide the following information in particular -

- (a) Target group(s), target district(s) and anticipated number of participants of the whole project;
- (b) Method(s) in selecting participants and the selection criteria; and
- (c) Work schedule and activities summary - To be presented, chronologically, with a table to show the dates, venues 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/work 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 material(s) (if any);
- (c) Seminar(s)/Workshop(s) (if any); and
- (d) Promotion through website(s) and/or social media platform(s)

**Note: Applicant organisations are encouraged to upload activity materials to the Internet to avoid printing and photocopying and consider innovative communication channels with the public other than videos and websites.**

#### 3.2.2.8 *Expected Benefits of Project*

- (a) Expected output and outcome - Set out both output and outcome performance indicators for monitoring and evaluation. Examples of the performance indicators are -

##### Quantitative results:

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

##### Qualitative results:

- awareness of key information about a topic and environmental protection knowledge to be learnt by the participants;
  - desire, interest, motivation, orientation or perception towards a topic of the participants; and
  - behavioural change of 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 expected output indicators set. Therefore, applicant organisations should set out the expected output indicators and indicate the relevant information to be collected by completing Appendix I of the application form. The expected output indicators will be one of the key considerations in vetting projects. Project evaluation should be made to assess the effectiveness of the project with

reference to the expected output indicators upon project completion. In addition, an activity assessment should be conducted by means of a set of pre-activity and post-activity questionnaires of a selected activity for each project.

**Note: Failure in meeting any performance indicators may affect subsequent applications. The Vetting Sub-committee may request the 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.

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

All applications are considered on their individual merits. Please study carefully the following funding criteria and the existing levels of funding support for expenses as set out in **Appendix I** of this Guide 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(s) and provision of training course(s) for staff of the recipient organisation. Funding support for the costs brought about by deployment of the existing staff of the recipient organisation for duties relating to the project will be considered on a case-by-case basis.
- (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 budget or actual expenditure of the project, whichever is the less.
- (iii) The requirements of statutory minimum wage, Mandatory Provident Fund (MPF), employees' compensation insurance, and other employment legislations must be complied with. 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 government subvention, 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 of the project, whichever is the less. Breakdown of expenditure with justifications should be provided. The applicant organisation should declare in the application form whether it is receiving any government subventions.

(c) 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 software will be considered on the condition that the education materials and computer software are essential.
- (iv) Funding for public education activities in connection with the project, hire of transport, light meals for unpaid voluntary workers will be considered.

(d) 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 damages or liabilities arising from the funded project.

(e) Others

- (i) Applicant organisations should ensure that the requested budget has included all the expected expenses including those required for facilities installation, site/works supervision, delivery and so on, if applicable. Funding for feasibility study, plan submission and facilities maintenance of not more than two years upon purchase/works

completion, etc., if required, will be considered on a case-by-case basis.

(ii) 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.

(iii) Lists of expenditure items that are not supported and may be considered are provided at **Appendix I** of this Guide.

#### 3.2.2.10 *Procurement of Capital Items (including equipment)*

In case an applicant organisation intends to procure capital items (including equipment) from a specified company/organisation/individual without following the procurement process as stated in paragraph 4.11.2 of this Guide, 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 12) 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 for consideration. The Vetting Sub-committee will consider whether the sponsorship(s) will constitute any conflict 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 detailed information of the project team including details of the project leader, composition and number of staff members and volunteers (if applicable), their respective positions in the applicant organisation (if applicable), their duties in the project and the amount of time they would spend working on the project (in terms of number of days/working hours per month). The project team's structure/organisation chart should be provided if needed; 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 *Contingency Plan under Social Distancing Measures*

Applicant organisation is required to formulate a contingency plan of project implementation if and when social distancing measures are in place by completing Appendix II of the application form.

### 3.2.2.15 *Supplementary Sheet for First-time Applicant Organisation*

A first-time applicant organisation of EE&CA Projects, or an organisation applied for funding support from ECF under the EE&CA Projects funding scheme before but the organisation's information and/or Memorandum of Association and/or Articles of Association has/have been changed, the following information must be provided 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 member(s) 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 recipient organisation has to sign an agreement with the Government and comply with all the terms of the agreement therein.

### 4.2 Use of funds

4.2.1 The benefits of the project must accrue to the 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 any individual member 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 Depending on the cash flow requirement and nature of the project, the recipient organisation will 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 not less than 80% of the previous payment(s) has/have been/will soon be spent such that a 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 of this Guide. The Secretariat will inform the recipient organisation of the schedule of payment or agree with the recipient organisation a special payment schedule, if required<sup>4</sup>.

**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 necessary reports and/or documents as appropriate and when required; 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 Amount to be reimbursed for an individual item of the budget will normally not exceed the approved amount for that item. In general, increase of the approved amount for a grouping of budget items will not be approved. However, with reasonable justifications, flexible use of approved funds among budget items under the same budget grouping as defined by the Vetting Sub-committee will be

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<sup>4</sup> For example, for projects requiring a feasibility study, only the amount required for the feasibility study will be granted as the first payment. Further payment(s) will be disbursed when the project is confirmed feasible and will be proceeded.

allowed provided that the total approved amount for the budget items within the same grouping will not be increased. In other words, the sum of the amounts to be reimbursed for all individual items under a same budget grouping will normally not exceed the approved amount for the budget grouping. The Vetting Sub-committee may consider increase the approved amount and/or the level of funding support for an individual item of the budget on a case-by-case basis but the total approved amount for the project should normally remain unchanged.

4.3.4 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 number of activities (e.g. seminars) is less than that proposed;
- (c) the number of participants is less than that proposed and the grant is allocated according to the number of participants;
- (d) the number of publications (e.g. leaflets) is less than that proposed; or
- (e) the duration of project is reduced.

4.3.5 Any item not listed in the approved budget will normally not be reimbursed.

4.3.6 Income derived from the project during and after the project period, including but not limited to sale 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. Failure to report and return such income to the ECF may render the recipient organisation ineligible for future funding support from the ECF.

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

#### **4.4 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 for the project.

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 for the project.

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. 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 Reporting requirement**

### **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 report(s). In addition, the Vetting Sub-committee or Secretariat may carry out site inspection and/or surprise check 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 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) of this Guide.
- (c) For a project receiving a grant of HK\$300,000 or above, submission of invoices and receipts for the expenses of the project together with the progress report is not required.

### **4.5.2 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 (except for Clean Shorelines Small Scale Projects, the recipient organisation of which has to submit a completion report together with a statement of accounts to the Secretariat within one month upon completion of project or before the date specified in the approval letter). The Vetting Sub-committee 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.

- 4.5.3 Additional report(s), such as installation report for facilities which is required to be submitted within one month after completion of the installation works concerned may be required for certain projects. Such specific reporting requirement will be specified in the respective agreement.
- 4.5.4 All progress and completion reports should be signed off by the person-in-charge of the recipient organisation or the project leader of the project 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 record 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 its previous projects under the same ECF funding scheme.
- 4.5.7 The recipient organisation is required to perform project evaluation and activity assessment for monitoring and measuring both output and outcome of the project. For project evaluation, the applicant organisation should state clearly the expected output indicators with the target beneficiaries specified in Appendix I of the application form and provide relevant information in the progress and/or completion report(s) for evaluation, as necessary. For activity assessment, the recipient organisation should identify one project activity of the project, illustrate the design of a set of pre-activity and post-activity questionnaires in the application form, and invite the activity's participants to fill in the questionnaires before and after the activity respectively. Questionnaires from not less than around 20% or 50 of the total participants (whichever is the less) should be collected for assessment. A summary of activity assessment should be submitted together with the completion report. Samples questionnaires are available at the EE&CA Projects website.

## **4.6 Statement of accounts**

- 4.6.1 Before the date(s) as specified in the agreement and/or within two months upon completion of the project, the recipient organisation has to submit a complete statement of accounts together with the progress, completion and/or installation report(s) 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, 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 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, 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 4.7 of this Guide. 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 4.7 of this Guide. Submission of copies of invoices, receipts, quotations and so on will not be required if the auditing requirements are adequately fulfilled. For projects receiving a grant of HK\$300,000 or above and lasting more than eighteen months, recipient organisations are required to submit a statement of accounts in accordance with the auditing requirements as provided in paragraph 4.7 of this Guide 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 all necessary details in the complete statement of accounts, and the Secretariat is not obligated to request for additional information from recipient organisations.

#### **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 of this Guide 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. 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 documents titled "Notes for Auditors of Recipient Organisations" and "Sample Auditor's Report" in **Appendices II** and **III** of this Guide respectively.
- 4.7.2 Recipient organisations are 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, 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 of the project.

#### **4.9 Publicity of project events and results**

- 4.9.1 Recipient organisations should provide information about the project events such that the Secretariat may conduct spot checks on the activities.
- 4.9.2 Recipient organisations should notify the Secretariat of the project results before publicising them. Copies of publications or publicity materials produced under the project must be made available to the Secretariat within one month after the completion of the project.
- 4.9.3 Recipient organisations should try to 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 progress/completion report(s).
- 4.9.4 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/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 liabilities to the ECF/ECC.
- 4.9.5 Information on the project findings may be uploaded to the websites of EPD, ECF and/or EE&CA Projects for public access.
- 4.9.6 For the purpose of identification, the recipient organisations should issue suitable work identity cards for staff and/or volunteers carrying out activities under the 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.
- 4.9.7 Recipient organisations are obligated to submit copies/samples including artwork of all publicity materials proposed to the Secretariat for review before the materials are produced or used for the projects or the projects' activities, and should follow the advice of the Secretariat on revising the format and presentation of such materials whenever required.

- 4.9.8 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 parties concerned, including consultation with the parties affected, as appropriate. The funding support from ECF for the projects should in no way be construed as support for the proposed display location and arrangement of such publicity materials.
- 4.9.9 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 photographs of other individual(s), private organisation(s) 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, the words “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. For installation facilities, the name and logo of the ECF/ECC of not less than A4 size should be displayed in an eye-catching location near to the facilities. 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 media and so on.
- 4.10.3 For publicity materials produced under the projects, the sizes of the names and/or logos of the recipient organisation and/or assisting/ supporting/sponsoring bodies should not be larger, or placed in a more prominent position, than those of the ECF/ECC.
- 4.10.4 Use of the project names and logos for other purposes is subject to the prior approval of the Vetting Sub-committee.
- 4.10.5 In no circumstances shall the names and logos of the 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 all ECF-funded projects.

#### **4.11 Procurement of capital items, goods and services**

- 4.11.1 Recipient organisations are obligated to adhere to a high standard of integrity and spend the grants in an open, fair and accountable manner. Recipient organisations are advised to observe the best practice checklists issued by the Hong Kong

Independent Commission Against Corruption (ICAC), namely, “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 -

[http://www.icac.org.hk/filemanager/en/content\\_218/GranteeBPC.pdf](http://www.icac.org.hk/filemanager/en/content_218/GranteeBPC.pdf)

[http://www.icac.org.hk/filemanager/en/content\\_216/ps.pdf](http://www.icac.org.hk/filemanager/en/content_216/ps.pdf)

- 4.11.2 Recipient organisations should exercise utmost prudence in procuring capital items, goods and services for their projects 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 I** of this Guide.
  - (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 procurement process as stated in paragraph 4.11.2 of this Guide, 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 Sub-committee will be required.
- 4.11.5 For universities, they may adhere to their established/current standard procurement procedures.
- 4.11.6 All 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(s), or release of the final payment, or in accordance with prevailing statutory requirements, whichever the longer.
- 4.11.7 Recruitment of staff and procurement of 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. Please refer to **Appendix IV** of this Guide for the probity requirements for recipient organisations.

#### **4.12 Title of capital items, educational materials and computer software**

The title to capital items (including minor works, facilities and equipment), educational materials and computer software procured with an ECF project will remain with the Government during the project period. Upon satisfactory completion of the project and subject to the approval of the Vetting Sub-committee, the title to the items may be transferred to the recipient organisation on a case-by-case basis.

#### **4.13 Suspension/Termination of funding support**

4.13.1 The Vetting Sub-committee may suspend/terminate funding support of a project under the following circumstances -

- (a) 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 and/or achieve the deliverables by the deadline stipulated; or
- (e) the recipient organisation fails to comply with the funding conditions as set out in this Guide and 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 improve the unsatisfactory situation before the Vetting Sub-committee considers to lift 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 reports 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/completion/installation report and 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 minor changes to a project such as change of activity date/venue and change of activity mode to online when social distancing measures are in force 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 the Government shall have no responsibility, financial or otherwise, for expenditure or other liabilities arising from the projects.
- 4.14.2 The ECF Committee, ECC, their sub-committees and secretariats, and the Government may at any time, if consider 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.

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

| Items  | Reference Level of Funding Support (HK\$)   |
|--|---|
| <b>Staffing</b>  |   |
| 1. Project Staff   | <ul style="list-style-type: none"> <li>• The ceiling is normally capped at 50% of the total approved grant or total actual expenditure, whichever is the less.</li> <li>• Full-time 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>• Full-time 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: 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.</b></p> |
| 2. Hire of Speakers/Instructors  | <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 a doctorate degree in relevant fields, maximum \$800 per hour (qualification should be supported by certificates issued by relevant authorities).</li> <li>• Fee to be remunerated 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>Travel and Transportation</b>   |   |
| 3. Transportation<br>- including hire of coach, hire of van for transportation of materials and hire of launch | <ul style="list-style-type: none"> <li>• Maximum \$2,000 per coach for each round trip.</li> <li>• Maximum \$300 per journey for hire of van.</li> <li>• For hire of launch, 40% of the charge should be paid by the participants.</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> </ul>  |

| Items   | Reference Level of Funding Support (HK\$)   |
|---|---|
| <p>4. Travel Allowance<br/>- including for staff and volunteers (For staff, only allowed for travelling from workplace to workplace, both under the project).</p> | <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>  |
| <b>Education and Promotion</b>  |   |
| <p>5. Publicity<br/>- including design and production of publicity items and use of publicity channels, such as social media, etc.</p>                            | <ul style="list-style-type: none"> <li>• The ceiling is capped at 20% of the total approved grant or total actual expenditure, whichever is the less.</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> <li>• The recipient organisation is free to manoeuvre with the grant among the various approved ‘publicity’ items.</li> </ul>                                     |
| <p>6. Event Launching/Closing<br/>- including venue rental payment, public address system, etc.</p>   | <ul style="list-style-type: none"> <li>• The ceiling is capped at 20% of the total approved grant or total actual expenditure, whichever is the less.</li> <li>• To avoid generation of waste, single use set up/decoration, backdrop, etc. should be avoided and souvenirs are not supported.</li> <li>• The recipient organisation is free to manoeuvre with the grant among the various approved ‘opening/closing ceremony’ items.</li> </ul>  |
| <p>7. Venue Setup<br/>- such as venue rental and public address system for seminars and workshops, etc.</p>   | <ul style="list-style-type: none"> <li>• The ceiling is capped at 30% of the total approved grant or total actual expenditure, whichever is the less.</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 such rental charges is capped at 20% of the current market price.</li> </ul> |
| <p>8. Booths<br/>- including rental payments, decoration and prizes for game booths.</p>  | <ul style="list-style-type: none"> <li>• Maximum \$650 per booth.</li> <li>• To avoid generation of waste, distribution of gifts or souvenirs will normally not be supported.</li> </ul>  |

| Items  | Reference Level of Funding Support (HK\$)   |
|--|---|
| 9. Production of Exhibition Panels<br>- 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>• Recipient organisation is encouraged to borrow exhibition panels from the Environmental Protection Department (Tel: 2835 1012).</li> </ul>     |
| 10. Competition Materials  | <ul style="list-style-type: none"> <li>• Maximum \$1,500 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>                           |
| 11. Admission Fee  | <ul style="list-style-type: none"> <li>• Participants are required to pay 40% of the admission fee.</li> </ul>  |
| 12. Package Activities   | <ul style="list-style-type: none"> <li>• For hire of package activities, 40% of the charge should be paid by the participants.</li> </ul>   |
| 13. Meal Allowance<br>- for volunteers only  | <ul style="list-style-type: none"> <li>• Maximum \$45 per volunteer for activities lasting for 3 to 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> |
| 14. Diving Gear Rental   | <ul style="list-style-type: none"> <li>• Maximum \$150 per person</li> <li>• Normally include: two scuba oxygen tanks, face mask, snorkel, wet suit, buoyancy compensator device, diving regulator, fins, weight belt, and diving computer</li> </ul>                                       |
| 15. Anti-epidemic Items  | <ul style="list-style-type: none"> <li>• Maximum \$300 per month</li> <li>• Normally include: surgical mask, alcohol-based handrub, disinfectant, etc.</li> </ul>   |
| <b>Insurance</b>   |   |
| 16. Insurance for Third Party Liabilities  | <ul style="list-style-type: none"> <li>• Funding support will be based on the basic requirements.</li> <li>• Quotations must be provided.</li> </ul>  |
| 17. Other insurance  | <ul style="list-style-type: none"> <li>• May be considered on a case-by-case basis.</li> </ul>  |

| Items  | Reference Level of Funding Support (HK\$)   |
|--|---|
| <b>Administrative and General Expenses</b>   |   |
| 18. Administrative and Overhead Costs<br>- only applicable to organisations without government subventions | <ul style="list-style-type: none"> <li>• The ceiling is capped at 10% of the total approved grant or total actual expenditure, whichever is the less.</li> <li>• Detailed breakdown on items must be provided.</li> </ul>   |
| 19. General Expenses<br>- including stationery, printing, photocopying and postage, etc.                   | <ul style="list-style-type: none"> <li>• The ceiling is capped at 10% of the total approved grant or total actual expenditure, whichever is the less.</li> <li>• Detailed breakdown on items must be provided.</li> </ul>   |
| 20. Audit Fee  | <ul style="list-style-type: none"> <li>• Maximum \$20,000 per audit report.</li> </ul>  |
| <b>Others</b>  |   |
| 21. Appointing Authorised Person (if required for installation of facilities)                              | <ul style="list-style-type: none"> <li>• Maximum \$20,000 for feasibility study.</li> <li>• Maximum \$50,000 each for plan submission and works/site supervision</li> </ul>   |
| 22. Purchasing and installation of greening system   | <ul style="list-style-type: none"> <li>• Maximum \$1,300 per sq. metre for a full set.</li> </ul>   |
| 23. Maintenance cost for greening system   | <ul style="list-style-type: none"> <li>• Maximum \$8,000 per year for at most 2 years for each application.</li> </ul>  |
| 24. Auxiliary greening installation  | <ul style="list-style-type: none"> <li>• Maximum \$55,000 per premises.</li> </ul>  |
| 25. Other greening subsidy   | <ul style="list-style-type: none"> <li>• Maximum \$25,000 per premises.</li> </ul>  |
| 26. Renewable energy facilities  | <ul style="list-style-type: none"> <li>• Maximum \$200,000 per application.</li> </ul>  |
| 27. Energy conversion installation   | <ul style="list-style-type: none"> <li>• Maximum \$50,000 per set for a maximum of 10 sets.</li> </ul>  |
| 28. Food waste composter   | <ul style="list-style-type: none"> <li>• Maximum \$20,000 each for not more than 2 sets of composter with a capacity of less than 5 kg per day.</li> <li>• Maximum \$100,000 for not more than 1 set of composter with a capacity of equal to or more than 5 kg per day.</li> </ul> |

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

# The reference level of funding support is not applicable to “Special Grant Projects” but other conditions and requirements such as those on procurement and environmental protection matters as stipulated in this Guide and the approval letter should all be fully complied with.

## **Expenditure items that are generally NOT supported**

1. Contingency.
2. Uniform (including but not limited to items such as cap, T-shirt, badge).
3. Capital items such as computer, camera, furniture, etc.
4. Souvenirs for officiating guests, guests, judges and participants and activity prizes to participants, except certificate of attendance and/or achievement.
5. Production of leaflets and/or other non-essential printed paper.
6. Refreshment for ceremonies.
7. Non-local travel. Non-local participants are normally expected to pay for their own travelling and living expenses for taking part in a local event/activity.
8. Payments to individuals as a reward for their participation in the project. Subsidy for volunteer(s) involvement in organising the project may be considered on a case-by-case basis.
9. Honoraria for speakers who are staff employed for the project.
10. Energy-saving facilities and procurement of prefabricated systems such as aquaponics systems.
11. Remunerations/rewards for directors/members/employees of the recipient organisation in return of any work/services/tasks rendered for the project unless otherwise agreed by the Vetting Sub-committee. Any remunerations/rewards paid to directors/members/employees of the recipient organisation without obtaining the Vetting Sub-committee's prior approval, as appropriate, will not be supported.
12. Costs for printing/photocopying of questionnaires for project evaluation and activity assessment which should be done by e-means.

## **Expenditure items that may be considered**

1. Hire of temporary/casual workers on a one-off basis.
2. Printing work including publicity materials.
3. Under exceptional circumstances, payment of reasonable fees to hire experienced and professional speakers/trainers.
4. Procurement of services such as production of design and artwork.
5. Premium for public liability insurance.

**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>1</sup>, ROs are required to submit annual and final “audited accounts”<sup>2</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>3</sup>; and
  - (c) all applicable instructions and correspondences issued by the Secretariat to the ROs in respect of the projects.

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

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<sup>1</sup> This means the funding and administrative guidelines of respective programme as referred to in the project agreement.

<sup>2</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>3</sup> In case there are written agreements to the otherwise, such agreements shall prevail to the extent where the context so permits.



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 **Appendix III**.

**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) 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.