



可持續發展委員會  
Council for  
Sustainable Development

# **SUSTAINABLE DEVELOPMENT FUND**

## **可持續發展基金**

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### **Application Guidelines**

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# Sustainable Development Fund

## Application Guidelines

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# ***1. What is the Sustainable Development Fund?***

## **Background**

1.1 As part of the vision of “Making Hong Kong an Ideal Home” outlined in the 1999 Policy Address, the then Chief Executive emphasised the importance of the community, the business sector and the Government working in partnership to embrace the principles of sustainable development. To encourage the community to develop an understanding of this concept and to put the principles of sustainability into practice, the then Chief Executive identified the need for a dedicated source of funding for this work.

## **Objectives**

1.2 The Sustainable Development Fund (SDF) was established with a sum of \$100 million to provide a source of financial support for initiatives that will help develop a strong public awareness of the concept of sustainable development and encourage sustainable practices in Hong Kong. Specifically, SDF is a source of support for initiatives that will promote:

- (a) public understanding of the importance of advancing the long-term economic, social and environmental interests of the community in a balanced and integrated manner;
- (b) everyday practices that are consistent with the principles of sustainability; and

- (c) public participation in the discussion and implementation of Hong Kong's long-term sustainable development.

## **2. What is “Sustainable Development”?**

- 2.1 The internationally accepted definition of sustainable development comes from the report of the United Nations World Commission on Environment and Development (‘Our Common Future’ (1987)) – *“Development that meets the needs of the present without compromising the ability of future generations to meet their own needs.”* The Plan of Implementation of the 2002 United Nations World Summit of Sustainable Development specifically states the need to “enhance partnerships between governmental and non-governmental sectors, including all major groups, as well as volunteer groups, on programmes and activities for the achievement of sustainable development at all levels”.
- 2.2 In Hong Kong, the “Sustainable Development for the 21<sup>st</sup> Century” study, concluded in 2000, defined sustainable development in the Hong Kong context as a balance of “social, economic, environmental and resource needs, both for present and future generations, simultaneously achieving a vibrant economy, social progress and a high quality environment, locally, nationally and internationally, through the efforts of the community and the Government”.
- 2.3 In his 1999 Policy Address, the then Chief Executive articulated the

need for the community to work in partnership to achieve sustainable development, by:

- (a) finding ways to increase prosperity and improve the quality of life while reducing overall pollution and waste;
- (b) meeting our own needs and aspirations without doing damage to the prospects of future generations; and
- (c) reducing the environmental burden we put on our neighbours and helping to preserve common resources.

### ***3. Who can apply for Sustainable Development Fund?***

3.1 Organisations including non-governmental and community organisations, academic and research institutes, schools, chambers of commerce, etc. may apply for grant under SDF. Where an organisation is not a legal person, certain designated individuals will be required to apply for the grant in their own personal capacity. In the case of a society registered under the Societies Ordinance, all office-bearers of that society will generally be required to apply for SDF in their individual capacity on a joint and several basis and each of the office-bearers shall be required to comply with all terms and conditions as if a separate application has been made by each of them. In the case of a school registered under the Education Ordinance, and

whose management committee is not incorporated, the principal will be required to apply for SDF in his or her individual capacity. If the school's management committee has been incorporated, the management committee shall be the applicant. In other cases where the organisation is not a legal person, the organisation shall specify the individual(s) who will be designated as the applicant(s), and the designated individual(s) shall deem to be applying in their personal capacity. Where there is more than one person as applicant, each such person will be required to comply with, and observe all terms and conditions of the grant from SDF on a joint and several basis.

- 3.2 Individuals aged 18 or above who are ordinarily residents in Hong Kong are also eligible to apply for grants from SDF.
- 3.3 A person applying for grant under SDF may collaborate with other person(s) (who are not project staff, paid or voluntary) to carry out a proposed project. However, only the person leading or driving the project shall submit an application in his or her own name, and if such application is successful, he or she will enter into the grant agreement with the Government as a single grantee. Information on the persons collaborating with the applicant of the project should be provided in the application form. Collaborating persons should have no pecuniary interest in the project and if there are exceptional circumstances making this impracticable, the applicant shall set out clearly details of the interest involved and explain why such interest could not be avoided.

- 3.4 Applicants may submit more than one application at any one time. In the case of multiple applications, a clear priority should be indicated. If the project proposal under application already has one or more other sources of funding support or is the subject of a separate application for other public or private funding, details such as the names of other funding sources and amounts of grant already awarded or sought from other sources should be indicated.
- 3.5 Government departments may only apply for grants in partnership with non-governmental organisations (NGOs), and in such cases the latter should be the lead partner in the proposed project.
- 3.6 The Council for Sustainable Development (SDC) may also apply for grants from SDF and will be subject to the same application and vetting procedure as other applicants.

#### ***4. What types of project will the Sustainable Development Fund support?***

- 4.1 Projects selected for funding support shall meet the objectives stated in Clause 1.2 above.
- 4.2 The concept of sustainable development involves integrating the economic, social and environmental aspects of development.

Projects failing to clearly demonstrate full integration of at least two of these aspects would normally not be supported.

- 4.3 The benefits of projects must accrue to the community as a whole, and not just a single organisation, a consortium of companies or a narrow sector. Projects may involve work undertaken outside Hong Kong. However, such work should be able to benefit the local community.
- 4.4 Projects should be non-profit making in nature. Any income derived from a project must be used to further the project's objectives.
- 4.5 In considering a project proposal, due consideration will be given to:
- (a) whether the project could meet the objectives of SDF;
  - (b) whether the nature and scope of the project falls within the priority area(s) set out by SDC; and
  - (c) whether the project could meet the assessment criteria set out by SDC.
- 4.6 Applications for one-off events with limited potential for long-term impact, such as carnivals and exhibitions of short duration would generally be accorded lower priority.
- 4.7 An application from an individual for scholarship for study or research in relevant fields should show clearly how such work could benefit the community, for example, in terms of the applicant's ability to use the



knowledge acquired to participate in work relating to sustainable development. If funds are granted for the proposed study course, the applicant may be required to share his or her acquired expertise by participating in the work of NGOs or capacity building in the community.

- 4.8 The assessment criteria and priority areas for SDF applications can be viewed at <http://www.enb.gov.hk/en/susdev/sdf/index.htm>.

## ***5. How to apply?***

- 5.1 Applicants have to fill in an application form which can be downloaded from <http://www.enb.gov.hk/en/susdev/sdf/index.htm>. Completed application form should be e-mailed to [sdf@enb.gov.hk](mailto:sdf@enb.gov.hk) or forwarded to:

The SDF Secretariat  
Sustainable Development Division  
Environment Bureau  
46/F, Revenue Tower  
5 Gloucester Road  
Wanchai, Hong Kong

## ***6. Deadline for applications***

- 6.1 The deadline for applications for each round can be viewed at <http://www.enb.gov.hk/en/susdev/sdf/index.htm>.

## ***7. How will the applications be processed?***

- 7.1 The SDF Secretariat will issue an acknowledgement letter to applicants within two weeks of receipt of the application.
- 7.2 After receipt of the applications, the SDF Secretariat will conduct an initial screening to ensure that the applications are complete and in line with the broad funding criteria and will then forward the applications to the Education and Publicity Sub-committee (EPSC) of the SDC and/or the Vetting Committee (VC) formed by EPSC for consideration.
- 7.3 For the purpose of understanding the details of an application, an applicant may be invited to provide supplementary information or to present their proposals to the VC or EPSC.
- 7.4 Approval of applications for \$500,000 or above would be subject to the advice of the SDC. Approval of applications for sums of less than \$500,000 will be subject to the advice of the EPSC.
- 7.5 Provided all relevant information is available, the SDF Secretariat would normally advise applicants of the outcome of their applications within six months.
- 7.6 A successful applicant will be required to enter into a written agreement with the Government (grant agreement). The grant

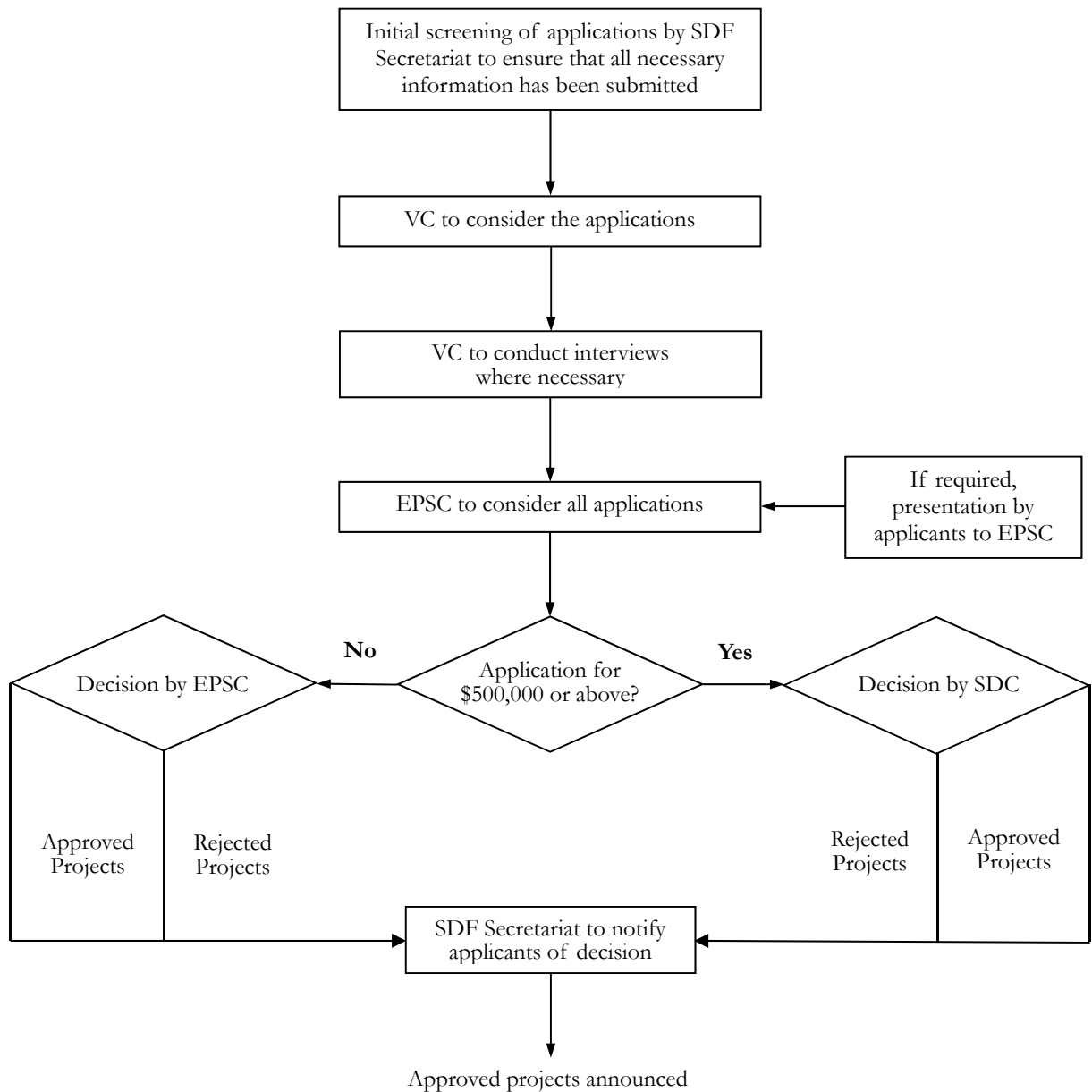
agreement, together with these Application Guidelines, the proposal and budget as submitted by the successful applicant (subject to such modifications as the Government may stipulate), together with all requirements, directions and orders relating to the project as may from time to time be prescribed or made by the Government in writing, constitute the complete terms and conditions of a grant to be made under SDF to that successful applicant. The grant agreement will cover matters including, but not limited to, obligations of the grantee, payment of the grant, representations and warranties of the grantee, indemnity by the grantee in favour of the Government, intellectual property rights arising from the project materials, title to the equipment, confidentiality, procurement of goods and services and insurance. A standard grant agreement may be made available to applicants for perusal upon request. Notwithstanding anything herein to the contrary, no grant shall be made under SDF to a successful applicant, until and unless a grant agreement is entered into between the Government and the successful applicant.

- 7.7 In the interests of transparency of the operations of SDF, by signing and submitting an application, a successful applicant is deemed to consent to the disclosure of details of the funded project to the public. In the event that an application is not successful, the applicant is required to indicate in the application form whether consent will be given for the disclosure of the name of the applicant, project title and amount of grant sought to the public for general information.

7.8 Membership and terms of reference of the SDC and the EPSC can be viewed at <http://www.enb.gov.hk/en/susdev/council/index.htm> and <http://www.enb.gov.hk/en/susdev/council/epsc.htm> respectively.

7.9 A flowchart summarising the procedures for processing applications is shown below:

### Procedures for Processing SDF Applications



## **8. *Financial arrangements***

### **Full and Itemised Budget**

- 8.1 Applicants will be required to provide a full and itemised budget for their proposed projects. The principles of economy and cost effectiveness of expenditure should be observed in budgeting.
- 8.2 Where 50% or more of the total budget for a project is for staff costs, applicants will have to provide appropriate justification. The maximum rates of reimbursement for staff cost are at ***Annex*** for reference. Applicants should note that these are maximum rates rather than standard rates and should exercise strict economy when incurring any expenses and avoid lavishness.
- 8.3 Reimbursement for administrative overheads (such as stationery, postage, photocopying charges, insurance, utilities, etc.) would be subject to a cap of 10% of the total expenditure of the project. Breakdown of such expenses should be provided.
- 8.4 Capital items such as computers, tablets, cameras, furniture, etc. will not normally be considered.

### **Income from Project**

- 8.5 Should the applicant expect any income to be generated by the project, this should be stated in the application. “Income” refers to any revenue received in connection with the project.

## **Payment to Grantees**

- 8.6 Grantees should keep a separate Hong Kong Dollar account with a bank licensed in Hong Kong for the SDF grant. Payments from that account should be made by the individual or the authorised representative(s) of the organisation that receives the approved funding. Subject to Clause 8.9 below, the unspent amount of the grant should be kept at all times in that account.
- 8.7 Subject to cash flow position of the project as supported by relevant receipts, payment would normally be made to grantees every three months, in accordance with a schedule of payment shown on the relevant grant agreement.
- 8.8 Expenses incurred before the commencement date of the project will not be reimbursable from the SDF. Applications for supplementary grants will not normally be considered. The Government, SDC, EPSC and VC accept no liability for deficits arising from projects funded by SDF grants.
- 8.9 Following the completion of the project in question, any unspent amount of the grant must be returned to the Government.
- 8.10 The grantees should maintain proper books, accounts, relevant records and information related to the approved projects. These records should be kept for at least seven years after the end of the financial year of the completion of the project, and be available for inspection

by the authorised staff of the Government at all reasonable times.

- 8.11 Individual applicants are required to have a warrantor to countersign the application form. By countersigning the form, the warrantor will confirm that information provided therein is true, complete and accurate.
- 8.12 Where circumstances justify, the Government may withhold or reclaim any payment from grantees in accordance with the grant agreement.
- 8.13 Grants cannot be used to create any permanent staff posts or recurrent financial commitments. Project staff engaged in approved projects should be recruited through an open and fair procedure.
- 8.14 Reimbursement for cash payment exceeding \$5,000 for a single transaction will not be approved.

### **Quotations**

- 8.15 Grantees should exercise utmost prudence in the purchase of goods and services in relation to their projects. For purchases of goods and services with a value exceeding \$5,000, grantees must adhere to the requirements under Clause 8.16 below for obtaining quotations to ensure openness and value for money.
- 8.16 For the purchase of goods and services with a value:

- (a) over \$5,000 but not exceeding \$50,000, more than one written quotation should be obtained;
- (b) over \$50,000 but not exceeding \$1,430,000, at least five written quotations should be obtained; and
- (c) over \$1,430,000, a competitive tendering procedure should be adopted.

## ***9. What are the obligations of the grantees?***

### **Monitoring Mechanism**

- 9.1 Grantees should ensure that the project objectives are achieved, their obligations are fulfilled and that the grants are disbursed according to the terms and conditions of the grant agreement.
- 9.2 An applicant should set out in the application form the criteria for benchmarking the effectiveness of the project. He or she should also specify the method used to gauge and demonstrate the effectiveness of the project. The focus should be on the outcome and impact of the project, and these should be measured quantifiably as far as possible. The applicant could consider conducting surveys of the target participants to substantiate the effectiveness of the project.

### **Regular and Final Reports**



9.3 Grantees will be required to submit the following reports:

- (a) a quarterly schedule on planned activities (including preparatory meetings) upon commencement of the project, and one month before the upcoming quarterly period during the entire project period;
- (b) a quarterly progress report for projects lasting less than six months (to be submitted within three weeks following the end of the first quarter after the project has started);
- (c) a half-yearly progress report (to be submitted within one month following the end of each six-month period);
- (d) a quarterly expenditure statement in prescribed forms supported with original receipts (to be submitted within one month following the end of each quarter);
- (e) a final evaluation report (to be submitted within four months following the agreed project completion date);
- (f) a signed financial statement of account supported by receipts for grants of less than \$50,000 (to be submitted within four months following the agreed project completion date);
- (g) an audited statement for grants of between \$50,000 and \$250,000 (to be submitted within four months following the

agreed project completion date); and

- (h) an annual audited statement for grants of more than \$250,000 (to be submitted within four months following the end of each 12-month period and the agreed project completion date).

9.4 Failure to submit a report containing sufficient and complete information may result in deferral or termination of project funding.

### **Audited Statement of Accounts**

9.5 For grants of more than \$250,000, grantees will be required to submit annual audited accounts. The accounts must contain the Auditors' Report (including an assurance that the funding was spent in accordance with the conditions of grant), Balance Sheet, Income and Expenditure Statement, Cash Flow Statement and Notes to Accounts. Such accounts should be audited by a certified public accountant.

9.6 Annual audited statements should be submitted no later than four months following the end of each 12-month period, and the last audited statement of the project should be submitted no later than four months after the completion of the project.

9.7 Should the project not be audited separately, but rather as part of the annual audit of the grantee, the SDF grant should be shown as a separate item in the audited financial statement.

9.8 Grantees should appoint their own auditors. The auditors' fee may

be reimbursed (as part of the grant) as follows:

Amount of the Grant	Maximum Auditors' Fee Reimbursable (Per Year)
Less than \$1 million	\$5,000
\$1 million or above	\$10,000

### **Monitoring Meeting/ Visit**

9.9 Monitoring meetings with grantees/ visits to projects may be arranged for members of the VC, EPSC, SDC and staff of the Government. Grantees will be required to attend such meetings and assist in arranging such visits.

### **Public Forum**

9.10 The SDC, EPSC, VC or SDF Secretariat may hold public forums from time to time to review progress of SDF, and to allow grantees to share their experience in implementing their projects. Grantees may be required to attend and participate in these forums.

## ***10. Who should the applicants approach for assistance during the application process?***

10.1 Applicants may contact the SDF Secretariat for general enquiries regarding the SDF and for assistance in completing the application form.

Address:	The SDF Secretariat Sustainable Development Division Environment Bureau 46/F, Revenue Tower, 5 Gloucester Road Wanchai, Hong Kong
Contact Tel.:	3150 8166
Fax No.:	3150 8168
E-mail Address:	<a href="mailto:sdf@enb.gov.hk">sdf@enb.gov.hk</a>
Web-site:	<a href="http://www.enb.gov.hk/en/susdev/sdf/index.htm">http://www.enb.gov.hk/en/susdev/sdf/index.htm</a>

## ***11. Notes about personal data of the applicants***

### **Purposes of Collection**

11.1 The personal data provided in an application for SDF will be used by the Government for processing and assessing the application; monitoring, evaluating, taking remedial or any follow-up actions on the funded project; conducting research, recording and preparing statistics; daily operation of SDF; meeting legal requirements to make disclosure; and any other purposes relating to the above. The provision of personal data is voluntary. However, if an applicant does not provide sufficient information, the SDF Secretariat may not be able to process the application.

### **Classes of Transferees**

11.2 The personal data provided in an application for SDF may be transferred or disclosed by the Government to any person for the purposes of verifying the particulars provided and other purposes

relating to the application.

### **Access to Personal Data**

11.3 Applicants have the right of access and correction with respect to personal data as provided for in sections 18 and 22 and Principle 6 of Schedule 1 of the Personal Data (Privacy) Ordinance, Cap. 486. The applicant's right of access includes the right to obtain a copy of the personal data provided in the application.

### **Enquiries**

11.4 Enquiries concerning the personal data collected, including requests for access and corrections should be addressed to Executive Officer (Sustainable Development)<sup>3</sup> of the Environment Bureau:

Address:	Sustainable Development Division Environment Bureau 46/F, Revenue Tower, 5 Gloucester Road Wanchai, Hong Kong
Contact Tel.:	3150 8166
Fax No.:	3150 8168
E-mail Address:	<a href="mailto:sdf@enb.gov.hk">sdf@enb.gov.hk</a>

**Maximum Rates of Reimbursement of Staff Cost of  
Sustainable Development Fund Applications**  
(For Reference)

	<b>Job Title</b>	<b>Maximum Rate* HK\$</b>	<b>Minimum Qualification</b>
1.	Project Manager	26,785/month	University graduate with at least three years' relevant experience
2.	Project/ Research Assistant	22,765/ month	University graduate
		10,600/ month	Hong Kong Certificate of Education (HKCE)/Hong Kong Diploma of Secondary Education (DSE) or equivalent <sup>#</sup>
3.	Technician	11,285/ month	HKCE/DSE <sup>#</sup> + diploma in IT or related subjects, or equivalent
4.	Clerk	10,600/ month	HKCE/DSE or equivalent <sup>#</sup>
5.	Trainer/ Lecturer	1,000/ hour	Renowned academics or professionals in the relevant field
		800/ hour	Lecturer or equivalent in the relevant field
6.	Instructor/ Tutor	250/ hour	Instructor certificate issued by the relevant authorities or equivalent
7.	Casual/ Student Helper	60/ hour	Both should be at tertiary level
8.	Others	At minimum market rate	As required

\* The maximum rate is inclusive of Mandatory Provident Fund and other employment-related allowances.

<sup>#</sup> (i) Before 2007, five subjects passed including English Language (Syllabus B) and Chinese Language in the HKCE Examination; or (ii) in 2007 or after, five subjects passed including Level 2 or above for English Language and Chinese Language in the HKCE Examination; or (iii) in 2012 or after, Level 2 or above in five subjects including English Language and Chinese Language in the DSE Examination.

Note:

- (1) In preparing the budget, please ensure that pay rates for staff should fully comply with the requirements of the Minimum Wage Ordinance (Cap. 608).
- (2) The principle of economy and cost effectiveness of expenditure should be observed in budgeting. Successful applicants should exercise strict economy when incurring any expenses and avoid lavishness.