

GUIDE TO APPLICATION

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GUIDE TO APPLICATION

A - INTRODUCTION

1. Purpose of Guide to Application

- 1.1. This Guide to Application (the Guide) provides guidance to the Applicant Organisation for application of funds for Conservation and Related Projects under the Lantau Conservation Fund (LCF). It also describes the key obligations and responsibilities of the Grantee of the LCF.
- 1.2. Enquiries on this Guide, the Application Form or any other matters in relation to the LCF shall be addressed to the Secretariat of the LCF Advisory Committee (LCFAC):
- Fax : 2114 0197
Email : enquiry@lcf.gov.hk
- 1.3. Should there be any discrepancy between the English and Chinese version of this Guide, the English version shall prevail.

2. Terminology

- 2.1. The following terms are used in the Application Form and this Guide:

| | |
|---|--|
| Applicant Organisation | The organisation applying for funding support for Conservation and Related Projects under the LCF |
| CEDD Conservation and Related Projects | Civil Engineering and Development Department Projects within the scope of funding support under the LCF as set out in Section 5.1 |
| Grantee | The organisation receiving funding support for Conservation and Related Projects under the LCF |
| LCF | Lantau Conservation Fund |
| LCFAC | Lantau Conservation Fund Advisory Committee |
| Person-in-charge of Organisation | Person-in-charge of the Applicant Organisation as defined in Section 8.4 |
| Project Leader | The project leader appointed by the Applicant Organisation / Grantee to oversee the implementation of the project |
| Secretariat | The Secretariat of the LCFAC |

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3. Background of LCF

- 3.1. At present, Lantau's conservation resources, particularly in South Lantau, are largely private-owned. The fragmented private land ownership has rendered considerable difficulties in implementing conservation initiatives. It is considered that local communities, landowners and non-governmental organisations (NGOs), etc., could be motivated through financial incentive and support to promote conservation and take part in related projects.
- 3.2. As such, the Government announced in the 2018 Policy Address that the LCF would be set up to support projects that would contribute to the overall conservation of Lantau, raise community awareness on the conservation of Lantau, and engage the community to put conservation into practice, with a view to fostering a quality living environment for the current generation and beyond. The \$1 billion LCF consists of two parts, namely (i) \$500 million for Conservation and Related Projects and (ii) \$500 million for minor local improvement works to be carried out by the Government on government land in Lantau in support of conservation initiatives.
- 3.3. This Guide is applicable to funding applications for the part of Conservation and Related Projects under the LCF that provides financial support to local communities, landowners and non-profit-making organisations, etc., to carry out projects involving private land¹, research projects and projects that promote community involvement and education in Lantau. The conservation efforts to be covered by the Conservation and Related Projects may include natural environment, ecology, culture, history, rural character, landscape, geomorphology and other relevant elements. Through provision of resources for implementing these Conservation and Related Projects, it is anticipated that the environmental capacity can be enhanced, culture and rural character can be conserved and sustainable development of Lantau can be promoted.
- 3.4. To guarantee a fair and transparent operation of the LCF, the LCFAC comprising official members and non-official members from relevant fields appointed by the Secretary for Development has been set up. The Secretariat is responsible for the day-to-day administration of the LCF and provision of secretariat support to the LCFAC.

¹ If the proposed projects involve government land, adjacent waters and / or islands of Lantau and will bring benefits for the conservation of Lantau as a whole, they will be considered on a case-by-case basis.

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B - APPLICATION FOR FUNDING SUPPORT

4. **Eligibility**

4.1. Only organisations having legal capacities to enter into contract and satisfying one of the following criteria are eligible to apply for funding support for Conservation and Related Projects under the LCF:

(a) Local tax-exempt charities (only accept applications from organisations having legal personality²)

Local tax-exempt charities refer to organisations which are exempted from tax under section 88 of the Inland Revenue Ordinance (Cap. 112).

When submitting an application, the Applicant Organisation must provide:

- i. a copy of the letter issued by the Inland Revenue Department on tax-exemption under section 88 of the Inland Revenue Ordinance (Cap. 112);
- ii. a copy of the organisation's registration document;
- iii. a copy of the articles of association or other equivalent document; and
- iv. a list of the principal persons-in-charge and their positions.

(b) Local registered and non-profit-making companies

When submitting an application, the Applicant Organisation must provide:

- i. a copy of the certificate of incorporation issued by the Companies Registry pursuant to the Companies Ordinance (Cap. 622) or the former Companies Ordinance (Cap. 32);
- ii. a copy of the company's articles of association (which must include clauses prohibiting the distribution of the organisation's profits or properties amongst its members upon dissolution; and its objects and powers shall not include the distribution of profits to members); and
- iii. a list of directors and their positions.

(c) Local post-secondary education institutions

Post-secondary education institutions refer to the degree-awarding higher education institutions listed on the Education Bureau's website³ and the member institutions which provide manpower training under the Vocational Training Council⁴.

² Excluding organisations registered under the Societies Ordinance (Cap. 151).

³ <https://www.edb.gov.hk/en/edu-system/postsecondary/local-higher-edu/institutions/index.html>

⁴ <http://www.vtc.edu.hk/html/en/institutions.html>

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When submitting an application, the Applicant Organisation must provide:

- i. a copy of the institution's own ordinance / Post Secondary Colleges Ordinance (Cap. 320) as documentary proof of its establishment, or other documentary proof as accepted by the Secretariat (please confirm with the Secretariat whether the document(s) is / are valid documentary proof); and
- ii. a list of board members and their positions.

4.2. Each application must be submitted by a single organisation as described in Section 4.1 above. The Applicant Organisation shall be the single contact point of and accountable for its proposed project. Nevertheless, the Applicant Organisation is allowed to collaborate with other supporting / sponsoring bodies to implement the proposed project.

5. **Scope of Support**

5.1. The scope of the proposed projects⁵ must fall within one of the following three streams:

- (a) Conservation Management Agreement: conservation projects (nature conservation, cultural conservation and / or village revitalisation) involving management and conservation of privately-owned land and / or buildings⁵ of conservation value, by engaging land / building owners to contribute, enhance and revitalise the ecological / nature / cultural / historical significance of the site;
- (b) Research: conservation-related scientific research or culture and local history research; and
- (c) Education and Engagement: initiatives or activities for community involvement, public education and promotion in relation to conservation and related purposes.

5.2. The proposed projects should also fulfill the following basic requirements:

- (a) The projects must contribute to the conservation of Lantau (including adjacent waters and /or islands of Lantau), or raise conservation awareness of the local community, or engage the community in conserving Lantau;
- (b) The benefits of the projects must accrue to the community as a whole, and not just to individuals, a single private organisation or a consortium of private companies; and
- (c) The projects must be non-profit-making in nature.

5.3. The specific requirements on the three streams of projects are set out below:

⁵ If the proposed projects involve government land, adjacent waters and / or islands of Lantau and will bring benefits for the conservation of Lantau as a whole, they will be considered on a case-by-case basis.

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Conservation Management Agreement Projects

- (a) The project should add value / benefits to the nature / cultural conservation in the area / community / village revitalisation through management agreements between the Applicant Organisation and owners and/or tenants of the concerned land / building(s) in clear and specific terms and would facilitate promotion and public appreciation and awareness of conservation by implementing the proposed measures;
- (b) If restoration / renovation of structure / built heritage are involved, their importance, uniqueness and conservation value, the benefits of the proposed restoration / renovation, the proposed use, mode of operation, management and maintenance, public access arrangement and information on assurance of structural safety after restoration / renovation are required;
- (c) The project use, renovation / restoration works and activities proposed should be planned and carried out in accordance with the relevant Government requirements and guidelines; and
- (d) The scope of work by the Applicant Organisation and the other assisting / supporting / sponsoring bodies of the project should be clearly specified.

Research Projects

- (a) The need, importance and benefits of the research activities or studies which are conducive to nature / cultural conservation for Lantau;
- (b) Appropriate promotion and educational proposal on the awareness of the research activities or information may be proposed; and
- (c) The scope of work by the Applicant Organisation and the other assisting / supporting / sponsoring bodies of the project should be clearly specified.

Education and Engagement Projects

- (a) The project should aim at increasing public appreciation, understanding and awareness of, or mobilising the community to take action for Lantau nature / cultural conservation, and thus bringing about positive impact;
- (b) The theme and objective, expected outputs and benefits of the project for promoting conservation for Lantau / sustainable Lantau should be clearly specified; and
- (c) The scope of work by the Applicant Organisation and the other assisting / supporting / sponsoring bodies of the project should be clearly specified.

5.4. Projects that do not meet any of the requirements as stated in Sections 5.1, 5.2 and 5.3 are not eligible for funding support from LCF and the applications will not be considered.

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6. Priority Projects

- 6.1. While the project quality in achieving conservation objective is the primary consideration in granting funding support, priority consideration will be given in the assessment to support projects that match with the planning intention of the Lantau Conservation and Recreation Masterplan and the conservation themes, when everything of projects considered being equal, in order to create synergy amongst different projects and to maximise the conservation benefits through efficient use of fund. Details are posted on the Lantau Conservation Fund website (<https://www.lcf.gov.hk/en/application/priority-project.html>).
- 6.2. For the avoidance of doubt, these projects are still subject to assessment and the LCFAF will recommend or reject any applications on the basis of their own merits and in accordance with the assessment criteria in Section 12 of this Guide.

7. Funding and Duration

- 7.1. Projects seeking funding support from the LCF are expected to be of sufficient scale in order to bring noticeable contributions to the conservation of Lantau. In order to be more effective and reach more beneficiaries, the lower threshold limit for application is HK\$250,000.
- 7.2. Notwithstanding the above, each proposed Conservation and Related Project will generally be subject to the funding and duration limits in the following project stream:

| Project Stream | Funding Limit (HK\$ million) | Duration Limit |
|-----------------------------------|------------------------------|----------------|
| Conservation Management Agreement | 13.0 | 3 years |
| Research | 2.5 | 3 years |
| Education and Engagement | 2.0 | 2 years |

- 7.3. Applications exceeding the above funding and / or duration limits will be considered on a case-by-case basis, having regard to full justifications and / or the benefits and merits of the proposed project.

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8. Submission of Application

General Guidelines

- 8.1. The Applicant Organisation shall complete an Application Form in Times New Roman font type or equivalent and a minimum font size of 12 points, which is available on the LCF website (www.lcf.gov.hk), for each project. The Applicant Organisation shall also provide necessary supporting documents and relevant information as required in the Application Form and this Guide. A checklist of the supporting documents and their submission requirements is given in Appendix 1 of this Guide for reference.
- 8.2. Supplementary information should aid in the presentation of ideas, it should include mainly photos, diagrams, illustrations, tables, charts, etc. Applicant Organisation should note that a repeat of ideas between different sections of the Application Form may negatively affect the presentation of the project proposal. The Secretariat reserves the right to not process supplementary information that does not follow the following rules:
- The supplementary information should not contain text for further elaboration of project details which should be provided in the application form;
 - The supplementary information should be A4 or A3 pages in Microsoft (MS) Word and / or Excel format;
 - The minimum font size is 12;
 - There is a maximum limit of 10 pages of supplementary information, not counting documentary proof submitted to support the eligibility of the Applicant Organisation (Section 4.1), covering letter from research office (for Research project submitted by post-secondary education institution) (Section 8.5), location map (Section 8.9), written consent from owners / tenants (Section 8.11), curriculum vitae of key project staff (Section 8.13) and budget (Section 9).
- 8.3. If the application was previously rejected, the Applicant Organisation shall state clearly in Appendix A to Application Form the revisions / amendments made.
- 8.4. The Application Form must be signed by person-in-charge of the Applicant Organisation (hereinafter known as Person-in-charge of Organisation). Such Person-in-charge of Organisation shall be one of the principal persons-in-charge / directors / office-bearers / board members as shown in the documentary proof provided by the Applicant Organisation in accordance with Section 4, or any other person as accepted by the Secretariat. The Person-in-charge of Organisation shall have the authority to sign the agreement on behalf of the Applicant Organisation, be accountable for the project

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implementation, and be responsible for endorsing project submissions. An official organisation / company chop must be stamped on the hard copy of the Application Form. Any application without the signature of an acceptable Person-in-charge of Organisation or without the official chop will not be considered. In case of doubts, the Applicant Organisation should contact the Secretariat prior to submission of the application.

- 8.5. Application for Research project from a post-secondary education institution must be submitted through its research office, i.e. there should be a covering letter in writing to the Secretariat from the research office. An official chop of the research office of the post-secondary education institution must be stamped on the covering letter.
- 8.6. If the current appointment of the proposed Project Leader cannot cover the whole Research project period, the research office shall further undertake that at least one successor to the Project Leader from the same institution must be included in the project, who has the ability to take over the project upon the retirement or departure of the Project Leader.
- 8.7. It is the Applicant Organisation's responsibility to ascertain all statutory requirements involved in the implementation of the proposed project, such as planning applications, places of public entertainment licence, environmental impact assessments, etc., and to obtain all necessary endorsement from relevant authorities prior to the commencement of the associated activities. The Applicant Organisation shall specify its plan, budget and time frame for obtaining such endorsements in the application, which will be taken into account in the assessment. For avoidance of doubt, fund for the parts of the proposal or activities of the application requiring the relevant endorsements would only be released after all statutory requirements are compiled with.
- 8.8. For more details regarding the application submission arrangements such as submission deadline, please refer to the Important Notes in the Application Form.

Guidelines on Specific Sections of Application Form

- 8.9. Project Location and Area (Section B – Item 9(a))
For projects that are location specific, please attach a map (in MS Word or Adobe Portable Document Format (PDF) format) to the Application Form showing the project location and area.
- 8.10. Publicity and Promotional Plan & Public Participation Activities (Section B – Item 9(c) & (d))
The Applicant Organisation shall describe the methods to publicise the project to the community to encourage participation. The Applicant Organisation shall also consider

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elements that can involve the general public to increase their awareness of Lantau conservation and provide information as follows:

- (a) If production of promotional videos is involved, the Applicant Organisation should state the purpose, content and distribution channel, etc. Information about the length and languages of video and broadcast frequency should be given when available.
- (b) If production of websites is involved, the Applicant Organisation should state the purpose, content, anticipated number of visitors, production period and hosting period.
- (c) If competitions are involved, the Applicant Organisation should provide details such as aims of the competitions, assessment of effectiveness, target groups, anticipated number of participants, number of divisions and prizes, background information of judges and judging criteria.
- (d) If seminars / workshops / education activities are involved, the Applicant Organisation should provide the theme of the activity and details of the speakers / tutors (duties, qualifications, means of selection, invitation status and number of sessions involved). Curriculum vitae of the invited speakers / tutors should be submitted for reference.
- (e) If conferences related to scientific research and / or sharing of conservation practices are involved, the Applicant Organisation should provide the theme / purpose of the conference, study scope, details of speakers (qualifications, professional background, means of selection, invitation status), estimated number of participants of the conference, number of sessions of conferences.

8.11. Owner(s) / Tenant(s) of the Land or Buildings Involved for Conducting the Project and Associated Activities (Section B – Item 9(h))

It is the Applicant Organisation's responsibility to check the ownership of the land and / or buildings involved and obtain consent from the land owner(s) / building owner(s) / tenant(s) / relevant government department(s) concerned for implementing the project. The Applicant Organisation shall provide written consent from the land owner(s) / tenant(s) / relevant government department(s) concerned and the lot number(s) or address(es) of premises involved as far as possible during the application stage. If only oral consent has been obtained, the Applicant Organisation is required to provide details as far as possible, e.g. owner name and lot number.

The Applicant Organisation shall submit all necessary written consent within three months from funding approval, or any reasonable period as agreed between the Applicant Organisation and the Secretariat. In any case, the agreement would only be signed after all written consent is obtained.

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8.12. Performance Indicators of Project (Section B – Item 11)

The Applicant Organisation shall provide qualitative and quantitative performance indicators to gauge the effectiveness of the project. Given the uniqueness of individual project, the Applicant Organisation can propose tailor-made indicators based on its activities and programme to evaluate the effectiveness of the project. Some typical indicators are given below for reference:

- (a) area of land conserved / managed (breakdown by habitat types / habitat management measures should be provided);
- (b) biodiversity conserved (e.g. number of species of target taxonomic group recorded, change in species richness / abundance of target taxonomic groups / species, number of species of conservation concern recorded, etc.);
- (c) number of education and engagement programmes organised and the number of participants;
- (d) behavioural changes of the participants; and
- (e) conservation knowledge learnt by the participants.

8.13. Key Project Staff (Section B – Item 12 (b))

The Project Leader should oversee the implementation of the project and ensure that all the provisions set out under the agreement and all the requirements under this Guide are complied with. A curriculum vitae (CV) of the Project Leader, at most 2 pages (in MS Word or PDF format), shall be submitted together with the application to demonstrate his / her relevant knowledge and experiences in organising and managing other similar conservation projects. If other key project staff possess relevant experience in managing similar conservation projects, the Applicant Organisation may also submit their CVs (at most 2 pages per staff member) highlighting their relevant experience for consideration.

8.14. External Assessor (Appendix B to Application Form)

The Project Leader is requested to nominate at least three external assessors in the proposal for consideration by the LCFAC. The nominated list of external assessors will be helpful in assisting the Secretariat to identify independent experts to evaluate the proposals. In nominating external assessors, the Person-in-Charge of Organisation and the Project Leader are required to declare their full relationship with the nominated assessors, for fairness and transparency. Any undeclared relationships that have existed between the Person-in-Charge and the Project Leader and the external assessors, and subsequently come to the attention of the LCFAC will be treated seriously and will affect the current and future chance of the Application Organisation and the Project Leader of getting financial support from LCF.

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9. **Budget Guidelines**

- 9.1. The application should be accompanied by a detailed budget of each income and expenditure item for the proposed project in Excel format (sample budget template can be downloaded from the LCF website: www.lcf.gov.hk). Expenditure items should be grouped into categories to facilitate monitoring and reallocation. Each income and expenditure item should be reasonable, realistic, clearly broken down and well justified.
- 9.2. For proposed project period lasting more than one year, the budget should also be broken down for each year.
- 9.3. For items that are to be “considered on a case-by-case basis” as stated below, please provide detailed justifications in the budget.
- 9.4. Any increase in cost arising from inflation or unforeseen situation will be borne by the Grantees. Request for additional funding after project approval will not be considered.
- 9.5. Manpower
- (a) The Grantee is expected to have the ability to supervise and the expertise to undertake the project. Hence, no funding will be granted for employment of additional supervisory / administrative staff, engagement of professional advisors or provision of training courses for staff of the Grantee for undertaking the project.
 - (b) Funding for project staff may be supported, the salary of which will be considered on a case-by-case basis including duties, qualifications and experience of the staff. The total amount for covering the cost of project staff (except for research projects) should normally be below 50% of the approved total budget or actual expenditure for the project, whichever is the less. If the Grantee can fully justify to the satisfaction of the Government, the funding for the cost of project staff could exceed 50% of the approved total budget and / or actual expenditure for the project (provided that the approved amount for the cost of project staff is not exceeded).
 - (c) To prevent double benefits, the grant must not be used in any way to remunerate any staff if they are receiving any forms of salary / remuneration / honorarium / allowance on a full-time basis by other funding sources. In case a project staff member to be remunerated by the LCF is working on the project on a part-time basis, his / her salary should be apportioned accordingly. The Grantee who fails to comply with the rules of prevention of double benefits will be required to refund the Government the benefits overpaid to the Grantee with interest.
 - (d) Direct labour cost involved in conducting conservation or related activities on the

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site concerned may be supported. The actual amount to be granted will depend on the modus operandi of the project.

- (e) Any unused fund in the approved budget for project staff costs is not allowed to be reallocated to other expenditure items unless prior approval from the Government has been obtained.

9.6. Equipment

- (a) Funding for purchase of equipment will be considered on a case-by-case basis. Please specify the purpose of the proposed procurement, justifications and its relationship with the Applicant Organisation and related parties.
- (b) Maintenance costs of the approved equipment up to the first two years upon installation / purchase will be considered.

9.7. Production of Publications and Websites

- (a) Funding for production of publications will be considered. Details of publication arrangements and relevant budget should be provided in the application for overall assessment. The Applicant Organisation is encouraged to minimise the generation of waste and production of excessive printed materials such as pamphlets. Environmentally friendly materials and electronic means should be used for publication as far as possible. Publication and printed copy are encouraged to be in bilingual.
- (b) Funding for website design and maintenance costs will be considered.

9.8. Purchase of Educational Materials and Computer Software

- (a) Expenses on educational materials and computer software will be considered on the condition that the educational materials and computer software are essential. However, the Applicant Organisation is encouraged to adopt rental arrangement for educational materials and computer software as far as possible.

9.9. Rental Payment

- (a) Funding for renting land and premises, negotiated at arm's length, necessary for the implementation of the project (e.g. land for implementing conservation or related initiatives or premises for establishment of a visitor / education centre to conduct the activities) will be considered. The actual amount will depend on the size and location of the selected land / venue. This does not apply to land / premises under the

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possession of the Grantee, its office bearers or persons associated with the Grantee⁶.

9.10. Structures and Facilities

- (a) Funding for the reinstatement of existing structures / facilities and / or addition of structures / facilities that may potentially bring benefits to project implementation and the general public will be considered. Such funding would be granted only if the proposal fits the intention of the LCF as stated in Sections 3 and 5.
- (b) The Applicant Organisation should provide details in the application and stipulate whether such initiatives are planned and implemented in accordance with established statutory procedures, principles and guidelines.
- (c) The Applicant Organisation should indicate and break down clearly the budget items that are related to such initiatives.

9.11. Sponsorships and Income

- (a) The Applicant Organisation is encouraged to generate income and / or seek sponsorships from other sources to fund part of the project. The Applicant Organisation should clearly indicate in its submission details of the income and sponsorships including the source and amount. The Applicant Organisation should note that the acceptance of other funding sources shall not bring the Government into disrepute, or give rise to any actual or perceived conflict of interest, or involve undue publicity for the funding bodies, or generate commercial benefits. The Applicant Organisation should state in the application its intention to seek other sponsorships even if details are not available when its application is submitted. The Applicant Organisation's commitment to generate income and secure sponsorships will be taken into account in the assessment. Any income and sponsorships must be ploughed back to support the project. The amount of income and sponsorship should be stated in the budget, and must be deducted from the proposed project expenditure before calculating the amount of funding to be sought.

9.12. Others

- (a) Funding for public education activities in connection with the project, hire of transport, meal allowance for unpaid voluntary workers and premium for public liability insurance will be considered.
- (b) Fees for auditors to prepare audited accounts as required under Section 16.3 will be

⁶ Persons associated with the Grantee include, but not limited to, family member, close relatives, close friends, business partner of the Person-in-Charge of the Applicant Organisation/ Grantee and the Project Leader

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- considered. Any unused fund in the approved budget for audit fee is not allowed to be reallocated to other expenditure items.
- (c) For an Applicant Organisation (including post-secondary education institution) that receives government subventions, funding for general administrative and overhead costs will not be supported. Otherwise, general administrative and overhead costs incurred from the project will be considered subject to a cap of 10% of the total approved grant or actual expenditure, whichever is the less. The Applicant Organisation must provide detailed breakdown of these administrative and overhead costs and the Grantee has to submit the original or the certified copy of receipts or invoices for expenses to evidence its actual expenditure. (Note: the Applicant Organisation should declare in the Application Form whether it receives government subventions or not).
 - (d) Requests for funding for contingency items will be considered on a case-by-case basis.
 - (e) For Research projects, funding support for presentation of project results in local or overseas conferences or to relevant overseas bodies will be considered on a case-by-case basis. Unless strong justifications are provided, funding support would only be granted for no more than one project member for presentation of the project results at one conference in the final year of the project duration.
 - (f) Funding will not be granted to the Grantee for renting or purchasing materials already in the Grantee's stock.
 - (g) Funding for payments to individuals as a reward for their participation in the activities organised under a project will not be granted.
 - (h) Upon signing of the agreement and, where applicable, meeting any conditions as imposed by the LCFAC, an initial payment which is normally between 20-25% of the approved grant will be effected to the Grantee as first disbursement. The Applicant Organisation should submit a proposed plan for disbursement in the Application Form for consideration. The last 10% of the approved grant will normally be released to the Grantee only after completion of the project, subject to submission of the necessary deliverables (e.g. completion report, project summary, etc.) together with the final audited accounts to the satisfaction of the CEDD.
 - (i) Except for the initial payment, every disbursement should come with a submission of progress report and a statement of Income and Expenditure. The reporting period of a progress report should cover 6 months or any period as agreed by the government representative.

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10. Acknowledgement of Application and Request for Supplementary Information

- 10.1. Upon receipt of application, the Secretariat shall issue an acknowledgement to the Applicant Organisation within 14 calendar days from the date of receipt of the application. Applicant Organisation not receiving such acknowledgement within 14 calendar days should enquire the Secretariat.
- 10.2. For applications that obviously fall outside the scope of the LCF, the Secretariat shall inform the Applicant Organisation and the application will not be further processed.
- 10.3. For the avoidance of double benefit, the Secretariat shall check with other government bureaux and departments to verify whether the Applicant Organisation is receiving or has received any financial support for the proposed project under any other funding schemes. Depending on the arrangement of other funding sources obtained by the Applicant Organisation, the Secretariat reserves the right to reduce the amount of grant or stop processing the application. Should there be any change in the funding status of the proposed project, the Applicant Organisation shall report to the Secretariat immediately.
- 10.4. The Secretariat shall check whether the Applicant Organisation has any on-going / completed LCF projects. In case the Applicant Organisation has outstanding progress / completion report(s) under the LCF, the Secretariat shall inform the Applicant Organisation concerned that its application may not be further processed until such outstanding report(s) is / are received to the satisfaction of the Secretariat.
- 10.5. During the assessment process, the Secretariat may request the Applicant Organisation to provide supplementary information. The Applicant Organisation should provide the requested information within 14 calendar days from the date of the Secretariat's request, or a reasonable period agreed with the Secretariat. To avoid undue delay in processing the application, if the Applicant Organisation fails to provide the information requested by the Secretariat within 14 calendar days or the agreed period without reasonable explanation, the Secretariat reserves the right to terminate the processing of the application.
- 10.6. No matter whether the application is successful or not, all submitted materials will not be returned. Therefore, the Applicant Organisation should make copies of the documents and materials submitted for its own records.
- 10.7. If considered necessary, the Secretariat may request to examine the originals of the documentary proofs provided by the Applicant Organisation.

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C - ASSESSMENT OF APPLICATIONS

11. Application Assessment Procedures and Mechanism

11.1. The following procedures shall be adopted to consider each application:

- (a) In addition to the checking as set out in Section 10, the Secretariat will consult relevant government departments and / or local or non-local external assessors for advice on the proposed project when necessary. The Applicant Organisation's track record (in terms of progress, past performance, financial management, etc.) on implementing other LCF projects will also be taken into consideration. Any unsatisfactory past performance identified, such as breaching of agreement terms, termination of agreement or serious delay in submission of deliverables, will be taken into account in the assessment and may result in disqualification of the application. The information will be consolidated by the Secretariat and reported to the LCFAC for consideration.
- (b) The LCFAC, or subcommittees formed under the LCFAC (the Subcommittees), will be responsible for assessing each application with reference to the consolidated information from the Secretariat, as well as the established assessment criteria.
- (c) Before a decision is made, the LCFAC or its Subcommittees may raise queries and / or make suggestions related to applications. Depending on the nature of the queries and suggestions, the Applicant Organisation may be required to submit supplementary information and / or attend meetings with the LCFAC / Subcommittees.
- (d) The LCFAC may recommend to approve an application on certain conditions, which may include a reduction of the funding amount requested. In such case, the Secretariat shall inform the Applicant Organisation concerned in writing of the conditions recommended to be imposed on the application. The Applicant Organisation shall reply in writing to confirm whether it agrees with the conditions. In the event that the Applicant Organisation does not agree with the conditions imposed, the application shall be considered as rejected.
- (e) Decision of the LCFAC / CEDD in respect of recommendations for project approval and conditions of grants shall be final.

11.2. From the closing date of application period, it normally takes around 4 to 7 months to complete the assessment.

11.3. Notwithstanding anything to the contrary in the application documents, the Government reserves the right to disqualify an application on the grounds that the applicant

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organisation has engaged, is engaging, or is reasonably believed to have engaged or be engaging in acts or activities that are likely to cause or constitute the occurrence of offences endangering national security or otherwise the exclusion is necessary in the interest of national security, or is necessary to protect the public interest of Hong Kong, public morals, public order or public safety.

12. Assessment Criteria

12.1. The criteria for assessment of the funding applications and their weightings are as follows:

- | | |
|--|-------|
| (a) Overall benefits to achieve conservation purpose | (40%) |
| (b) Quality of proposal | (30%) |
| (c) Applicant Organisation/Project Team's capability | (20%) |
| (d) Quality of budget | (10%) |

13. Notification of Results and Signing of Agreement

13.1. The Applicant Organisation will normally receive notifications from the Secretariat about the application result in 4 to 7 months after the closing date of application period. Information of the approved project will be uploaded onto the LCF website.

13.2. For an approved project, the notification shall set out the amount of funding support together with the agreement documents setting out the terms and conditions to be complied with for the execution of the approved project. In case conditions are imposed (see Section 11.1(d) above), these conditions will be included in the agreement documents.

14. Withdrawal of Application

14.1. The Applicant Organisation can write to the Secretariat to withdraw its application at any time before an agreement is signed with the Government.

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D - PROJECT IMPLEMENTATION

15. Signing of Agreement

15.1. Upon approval for funding support of the proposed project and subject to any conditions imposed by the Government, the Person-in-charge of Organisation shall sign an agreement with the Government and comply with all the terms of the agreement, which is legally binding.

16. Key Responsibilities of Grantee

16.1. This section lists some of the key responsibilities of the Grantee and is by no means exhaustive. For full details of the terms and conditions to be observed during the implementation of the project, please refer to the sample agreement for reference.

16.2. The Grantee is required to submit the following documents to the Secretariat as appropriate:

- (a) Progress report(s);
- (b) Annual audited accounts;
- (c) Completion report together with the final audited accounts; and
- (d) Project summaries showing the progress, findings, outcome and achievement.

16.3. The above-mentioned audited accounts shall be audited by a certified public accountant (practising) within the meaning of section 2 of the Professional Accountants Ordinance (Cap. 50). This requirement is not applicable to post-secondary education institutions provided that the accounts are certified by their respective finance offices.

16.4. The Grantee shall open and maintain a risk-free interest-bearing Hong Kong Dollar account in the sole name of the Grantee with a licensed bank for keeping and operating the grant, and keep separate the Grant from other monies belonging to the Grantee. This requirement is not applicable to post-secondary education institutions provided that the grant is kept and operated by their respective finance offices.

16.5. The grant shall be expended for the sole and exclusive purpose of the project and in accordance with the terms and conditions of the agreement. Otherwise, the associated expenses will not be recognised and reimbursed.

16.6. The Grantee shall follow the requirements as set out in the agreement for procurement of

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goods and services under the project. Otherwise, the associated expenses will not be recognised and reimbursed.

- 16.7. The Government may attend any activities / events of the project and the Grantee shall give access and provide all such assistance and facility to the Government for such purpose. The Government may also directly collect opinions or responses from the participants / users / readers / beneficiaries of the project for a comprehensive assessment of the effectiveness of the use of the grant.
- 16.8. The Grantee shall attend all meetings as required by the Government including the giving of presentations and briefings on or relating to any aspect of the project.
- 16.9. Major changes to approved project and / or budget are normally NOT allowed. In case the changes to the project are unavoidable, the Grantee shall obtain written approval by the Government. Full justifications should be provided to substantiate the request for such major changes.
- 16.10. For application of Conservation Management Agreement projects with built heritage conservation, the proposal should include a baseline programme for progress review and a proposed arrangement for public access to the building(s) for appreciation and publicity programme after the completion of the maintenance works. The proposed provision of public access to the building(s) and publicity programme should comprise at least 50% of the project period. For example, for a 3-year project, the maintenance works of the built heritage should be completed in 18 months or less. The remaining period should be arranged for public access to the building. If there is any slippage or delay on the proposed maintenance works such that the requirement on providing public access to the building(s) for at least 50% of original project period cannot be fulfilled, the Secretariat may request the Grantee to implement measures such as extending the period for public access to fulfil the requirement without additional funding support. It is the responsibility of the Grantee to ensure the structural safety of the building(s) for public access.

17. Prevention of Bribery Ordinance / Probity Requirements / Conflict of Interest

- 17.1. The Grantee undertakes to observe the Prevention of Bribery Ordinance (Cap. 201). The Grantee shall issue a copy of Code of Conduct to each key project staff and employees who are in any way involved in the approved project stating that they are not allowed to offer or solicit or accept from any person any advantages (e.g. money and gift) as defined in the Prevention of Bribery Ordinance. The Grantee shall make reference to the sample code of conduct set out in the Best Practice Checklist – Strengthening Integrity and Accountability – Government Funding Schemes Grantee’s Guidebook compiled by the

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ICAC⁷. If offences are committed under the said Ordinance by the Grantee or its key project staff in undertaking the approved project, the Government shall be entitled to terminate the agreement and shall hold the Grantee liable for any loss or damages the Government may thereby sustain.

- 17.2. The offer of an advantage to any government officers or the Chairperson or Members of the LCFAC or its Subcommittees while having business dealing with them or with a view to influencing the approval of the application is an offence under the Prevention of Bribery Ordinance. Any such offer by the Applicant Organisation, or the relevant personnel may cause conflict of interest with the government officers involved in LCF or the Chairperson or Members of the LCFAC or its Subcommittees and those be seen as such will render the application null and void. The Government may cancel the application approved and hold the Applicant Organisation / the Grantee liable for any loss or damage which the Government may sustain.
- 17.3. The Applicant Organisation / the Grantee shall ensure that the relevant personnel shall avoid conflict of interest situations and not to disclose any confidential information in the conduct of or in relation to the project.
- 17.4. The Applicant Organisation / the Grantee shall ensure that the relevant personnel shall not accept lavish, unreasonably generous or frequent entertainment, or which is likely to give rise to any actual, potential or perceived conflict of interest situations.
- 17.5. The Applicant Organisation / the Grantee should lay down the procedures for declaration and handling of conflict of interest relevant to the implementation of the project activities (e.g. selection of suppliers/service providers for procurement of goods and services). The procedures should cover, among others, the requirement on avoidance and declaration of interest, and documentation of the measures to mitigate any declared conflict of interest, and documentation of the measures taken and the related considerations/justifications. Reference can be made to the guidelines as attached at Appendix 2 of this Guide.

18. **Personal Data**

- 18.1. The personal data of any individual provided by the Applicant Organisation / the Grantee whether in the application for the Grant or from time to time for the purpose of the project may be used by the Government, local and non-local external assessors and the LCFAC, for the purposes of processing the application, administering the Grant, monitoring the

⁷ http://www.icac.org.hk/filemanager/en/content_218/GranteeBPC.pdf

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project, exercising its rights and powers under the agreement and all other purposes arising from or incidental to the aforementioned purposes.

- 18.2. The Applicant Organisation / the Grantee has to ensure that the relevant individual to whom the personal data belongs has acknowledged and consented that the personal data provided may be disclosed to other government departments or bureaux, local and non-local external assessors, the LCFAC, other public bodies or the public or such other person as the Government considers appropriate having due regard of the purposes mentioned in Section 18.1 above.
- 18.3. An individual to whom the personal data belongs has the right of access and correction with respect to personal data as provided for in Sections 18 and 22 of, and Principle 6 of Schedule 1 to the Personal Data (Privacy) Ordinance (Cap. 486). The right of access includes the right to obtain a copy of the personal data provided.
- 18.4. Enquiries concerning the personal data collected, including the making of access and correction, should be addressed to the Secretariat.

19. Intellectual Property Rights

- 19.1. In this Section, Intellectual Property Rights means patents, trade marks, service marks, trade names, design rights, copyright, domain names, database rights, rights in know-how, new inventions, designs or processes and other intellectual property rights whether now known or created in future (of whatever nature and wherever arising) and in each case whether registered or unregistered and including applications for the grant of any such rights.
- 19.2. The Applicant Organisation shall unconditionally grant or in case it is not empowered to do so, shall at its own costs and expenses procure the grant of an irrevocable, non-exclusive, royalty-free, worldwide, perpetual and sub-licensable and transferable licence for the benefits of the Government, its authorised users, assigns and successors-in-title to do any of the acts restricted by copyright under sections 22 to 29 of the Copyright Ordinance (Cap. 528) in respect of the Application Form and all its accompanying materials (including but not limited to the items set out in Appendix 1 of this Guide) to be submitted by the Applicant Organisation ("Submitted Items") for all purposes contemplated by or incidental to this Guide, the application and approved grant including without limitation the application assessment, monitoring of the progress of the approved project, evaluation, review, audit and record keeping in relation to the funding support. Such licence shall include without limitation the rights to copy, possess, process, archive and keep the Submitted Items, and to distribute copies of the Submitted Items to CEDD personnel, members of the LCFAC and

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its Subcommittees, advisors, consultants, scholars, experts, and the related government bureaux and departments.

- 19.3. With respect of any works, deliverables or materials of which the Intellectual Property Rights subsisting therein are vested in a third party and are used (including replication, distribution and / or publication thereof), contained or incorporated in the Submitted Items (“Third Party Materials”), the Applicant Organisation shall obtain or procure at its own costs and expenses prior to such use or incorporation of the Third Party Materials, the prior written consent or licences from the owners of the relevant Intellectual Property Rights, which allow the Applicant Organisation and its authorised users, the Government, its authorised users, assigns and successors-in-title, to use the Third Party Materials in any manner and for any purposes provided in Section 19.2 above. The Government reserves the right to require the Applicant Organisation to submit the aforementioned written consent or licences concerned for verification.
- 19.4. The Applicant Organisation shall inform the Government in writing of the existence of any Third Party Materials and any restrictions whatsoever affecting the use of the Submitted Items such as restrictions on doing the acts restricted by copyright stated in Section 19.2 above.
- 19.5. The Applicant Organisation shall indemnify and keep the Government, its authorised users, assigns and successors-in-title fully and effectively indemnified against all actions, expenses, losses, damages, claims, liabilities, proceedings, demands, charges, costs and any awards and costs which may be agreed to be paid in settlement of any proceedings and liabilities of whatsoever nature arising out of or in connection with any allegation and / or claim that any Intellectual Property Rights or any other rights of any person have been infringed due to (i) the Applicant Organisation’s failure to comply with any of the provisions in this Section 19; (ii) the exercise by the Government, its authorised users, assigns or successors-in-title of any of the rights granted under this Guide (including without limitation this Section 19); or (iii) the use, custody or possession by the Government, its authorised users, assigns or successors-in-title of any of the Submitted Items in relation to the application and funding support.
- 19.6. The Government has the right to require the Grantee to vest in the Government the Intellectual Property Rights subsisting in any works, deliverables, materials or assets (including without limitation structure and sculpture) created, developed, made, supplied or constructed by or on behalf of the Grantee which are supported by the funding approved under the LCF. The Grantee shall execute any agreements, deeds, instruments or documents (or procure that the same be executed) as required by the Government to give such effect.

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19.7. This Section shall survive the termination or completion of the application of the Applicant Organisation for funding support from the Conservation and Related Projects of the LCF and be binding on the Grantee.

20. Revisions to Guide to Application

20.1. This Guide may be subject to review and updates when necessary.

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Appendix 1 - Checklist for Application Submission

(This checklist is NOT required to be submitted)

- ONE original hard copy of Application Form (signed and stamp-chopped) to be delivered to the Secretariat of the Lantau Conservation Fund Advisory Committee at 12/F, 1063 King's Road, Quarry Bay, Hong Kong by hand or post.
- ONE set of electronic-input Application Form and other relevant documents to be sent by email to lcfac@cedd.gov.hk or submitted in a CD-ROM together with the hard copy.

Important Notes:

- a) This checklist is not exhaustive and is for guidance and reference only. The Applicant Organisation should read the Application Form and Guide to Application carefully to complete the application. The Secretariat may request for additional documentary proofs when necessary.
- b) All copies of documentary proof should be clear and readable. If considered necessary, the Secretariat may request to examine the originals of the documentary proofs.
- c) For enquiries, please contact the Secretariat at enquiry@lcf.gov.hk or visit the LCF website at www.lcf.gov.hk.

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| | | Reference in Guide to Application | Hard copy required? | Soft copy format requirement |
|--|--------------------------|---|------------------------|--|
| A - Essential Documents | | | | |
| 1. Original copy of Application Form | <input type="checkbox"/> | Section 8.4 | Yes | Electronic-input Application Form (Downloadable from LCF website) |
| • Signed by an acceptable Person-in-charge of Organisation | <input type="checkbox"/> | | | |
| • Stamped with official chop of the Applicant Organisation | <input type="checkbox"/> | | | |
| 2. Copies of documentary proof of the Applicant Organisation's eligibility | <input type="checkbox"/> | Section 4.1 | Not required | MS Word / PDF |
| 3. Project Leader's curriculum vitae (at most 2 pages) | <input type="checkbox"/> | Section 8.13 | Not required | MS Word / PDF |
| 4. Budget | <input type="checkbox"/> | Section 9 | Not required | MS Excel template (Downloadable from LCF website) |
| B - Supplementary Documents | | | | |
| 5. Supplementary information to the Application Form (at most ten A4 pages) | <input type="checkbox"/> | Section 8.2 | Not required | MS Word / Excel |
| 6. Appendix A Re-submission form (for previously rejected applications only) | <input type="checkbox"/> | Section 8.3 | Not required | MS Word |
| 7. Covering letter from research office (for Research project submitted by post-secondary education institution) | <input type="checkbox"/> | Section 8.5 | Not required | Scanned copies in PDF |
| 8. Map of the project location and area | <input type="checkbox"/> | Section 8.9 | Not required | MS Word / PDF |
| 9. Written consent of owner(s) / tenant(s) / government department(s) of the land(s) or premise(s) involved for conducting the project and associated activities | <input type="checkbox"/> | Section 8.11 | Not required | Scanned copies in PDF |
| 10. Curriculum vitae(s) of Key Project Staff with relevant conservation project experience (at most 2 pages per staff) | <input type="checkbox"/> | Section 8.13 | Not required | MS Word / PDF |
| 11. Appendix B External Assessor | <input type="checkbox"/> | Section 8.14 | Not required | MS Word |

Appendix 2 – Reference for Managing Declared / Potential Conflict of Interest

Managing Declared/Potential Conflict of Interest

1. Upon receipt of a report on conflict of interest situation, the appropriate authority should; as soon as practical, decide on the appropriate course of action to be taken such as to relieve the member/staff of his involvement in the task, ask the member/staff to divest himself of certain investment, etc., and give clear direction/instruction to the member/staff concerned. The declaration and the management decision/action should be properly recorded. The appropriate authority should ensure the member's/staff's compliance with the instruction so as to effectively remove/mitigate the conflict of interest.

2. In deciding on the course of action to be taken or making a recommendation, the appropriate authority should take into account the seriousness of the conflict, the public interest involved and public perception. Mitigating measures which the appropriate authority can consider adopting are as follows -

(a) Record - Where the risk in a conflict of interest situation is indirect, remote or insignificant, and the occurrence of such a situation is infrequent, it may be sufficient to take note of the conflict only.

(b) Restrict - Where a conflict is not likely to arise frequently and the member/staff can be effectively separated from the part of activity or process in which the conflict arises, it may be suitable to restrict the member's/staff's involvement in the task in which he has a conflict (e.g. withdrawing from discussion on a specific issue, abstaining from voting on the decisions) and access to the related information.

(c) Recruit - Where it is impractical to restrict a member's/staff's involvement, an independent staff member / expert may be recruited to participate in, oversee, or review part or all of the decision-making process if appropriate (e.g. engaging expert in the selection of highly specialised items).

(d) Redeploy - Where it is inappropriate to allow the member/staff who has declared a conflict of interest to handle a specific matter, it may be suitable to relieve of the member's/staff's duty which may then be taken up by another member/staff through redeployment. For serious conflict of interest cases with a high likelihood of relapse, it may be suitable to post out the member/staff to avoid negative public perception.

(e) Relinquish - Where a member's/staff's commitment to the public duty outweighs his attachment to his private interest, and adopting other mitigating measures are not appropriate or possible, he may be asked to relinquish his personal or private interests (e.g. divesting the investments, ceasing to be a member of a club/association).