**Cleaner Production Partnership Programme**

**Guide to Application for Funding Support for Hong Kong-owned Factories**

**The Secretariat**

**Cleaner Production Partnership Programme**

**Hong Kong Productivity Council**

**June 2023**

**CONTENTS**

**Page**

Glossary……………………………………………………………………………………………………..i

[1. GENERAL INFORMATION 1](#_Toc118126123)

[1.1 Objective 1](#_Toc118126124)

[1.2 Funding Support and Amount of Grant 2](#_Toc118126125)

[1.3 Who is Eligible to Apply for Funding Support? 3](#_Toc118126126)

[1.4 Implementation by Environmental Technology (ET) Service Providers 4](#_Toc118126127)

[2. APPLICATION AND VETTING PROCEDURES 5](#_Toc118126128)

[2.1 Application Procedures 5](#_Toc118126129)

[2.2 Assessment and Vetting Procedures 5](#_Toc118126130)

[2.3 Vetting Criteria 5](#_Toc118126131)

[2.4 Solicitation Themes of Technologies for Demonstration Projects 6](#_Toc118126132)

[2.5 Notification of Results 7](#_Toc118126133)

[2.6 Avoidance of Duplicated Government Funding 7](#_Toc118126134)

[2.7 Withdrawal of Application 7](#_Toc118126135)

[3. PROJECT AGREEMENT AND ADMINISTRATION 8](#_Toc118126136)

[3.1 Contractual Requirements 8](#_Toc118126137)

[3.2 Project Commencement, Milestones and Completion 8](#_Toc118126138)

[3.3 Procurement of and Title to Equipment under Demonstration Projects 9](#_Toc118126139)

[3.4 Reporting Format 9](#_Toc118126140)

[3.5 Unallowable Costs 10](#_Toc118126141)

[3.6 Representative of the Successful Applicant 10](#_Toc118126142)

[3.7 Change of Company Status and Project Details 11](#_Toc118126143)

[4. DISBURSEMENT OF FUNDS 12](#_Toc118126144)

[4.1 Conditions for Disbursement of Funds 12](#_Toc118126145)

[4.2 Suspension or Termination of Funding Support 12](#_Toc118126146)

[5. PUBLICITY AND USE OF PROJECT RESULTS 13](#_Toc118126147)

[5.1 Use of Project Results 13](#_Toc118126148)

[5.2 Publicity of the Results of Demonstration Projects 13](#_Toc118126149)

[5.3 Enquiries 13](#_Toc118126150)

[6. PREVENTION OF BRIBERY 14](#_Toc118126151)

**Annexes:**

Annex A – Application for Funding Support to Conduct On-site Improvement

Assessments (Form 1)

Annex B – Sample Service Contract for On-site Improvement Assessments between the Applicant and ET Service Provider

Annex C – Application for Funding Support to Conduct Demonstration Projects

(Form 2)

Annex D – Sample Service Contract for Demonstration Projects between the

Applicant and ET Service Provider

Annex E – Solicitation Themes of Technologies for Demonstration Projects

The forms are available for download from the Web Portal of the Programme

at https://www.cleanerproduction.hk/en/application

**Glossary**

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| --- | --- |
| Cleaner Production(CP) | Cleaner Production approach is a preventive, integrated strategy that is applied to the entire production cycle to increase productivity by ensuring a more efficient use of raw materials, energy and water, and to promote better environmental performance through reduction at source of waste and emissions. |
| DemonstrationProjects | These are projects to demonstrate the effectiveness, actual cost involved and potential financial return of cleaner production technologies or practices through installation of equipment and/or modification of production processes at participating factories. There are two categories of Demonstration Projects:***Demonstration Projects (I)***: to promote wider adoption of effective CP technologies by Hong Kong-owned factories.***Demonstration Projects (II)***: to support research and innovation in CP technologies by Hong Kong-owned factories with a view to encouraging development of new CP technologies. |
| DP(I) CPTechnologies | These are effective and well proven CP technologies under the Cleaner Production Partnership Programme (the Programme) for wider adoption by Hong Kong-owned factories.The full list of DP(I) CP technologies can be obtained from the official website of the Programme at [http://www.cleanerproduction.hk.](http://www.cleanerproduction.hk/) |
| Environmental Technology (ET) Service Providers | They are companies registered under the Programme in one or both of the following categories:***Category (I)***: a consultant to conduct On-site Improvement Assessments or to provide consulting services for implementation of Demonstration Projects, or***Category (II)***: an engineering firm to implement Demonstration Projects.The full list of ET Service Providers can be obtained from the official website of the Programme at [http://www.cleanerproduction.hk.](http://www.cleanerproduction.hk/) |
| Independent Evaluation of the Performance of Demonstrated CP Technologies | This is an independent evaluation to verify the effectiveness of the demonstrated CP technologies. The evaluation shall be undertaken by Hong Kong Productivity Council (HKPC). |
| Mainland | The People’s Republic of China (excluding Hong Kong, Macau and Taiwan). |
| On-site Improvement Assessments | These are projects to assess rooms for improvement in saving energy, reducing emissions, reducing and controlling effluent discharge, reducing solid waste and minimising material consumption, and also to recommend practical cleaner production improvement options for participating factories. |
| Project ManagementCommittee | The Project Management Committee (PMC) is set up to oversee the implementation of the Programme. The PMC is chaired by the Under Secretary for Environment and Ecology of the Government of the Hong Kong Special Administrative Region (HKSAR) and comprises representatives from the four major trade and industry associations, namely, the Chinese General Chamber of Commerce, the Chinese Manufacturers’ Association of Hong Kong, the Federation of Hong Kong Industries, and the Hong Kong General Chamber of Commerce, and an academic, as well as representatives from the Environmental Protection Department, the Trade and Industry Department, and the Innovation and Technology Commission. The HKPC provides secretarial support to the PMC |
| Three Forms of Processing and Assembly Operations and CompensatoryTrade （三來一補） | The expression “three forms of processing and assembly operations（三 來）” refers to processing with materials supplied by the Hong Kong Business（來料加工）， assembly with parts supplied by the Hong Kong Business（來件裝配） and processing in accordance with samples supplied by the Hong Kong Business（來樣加工）. Compensatory trade （一補或補償貿易） is an arrangement whereby the Hong Kong Business provides a loan (either in the form of money, equipment or technology) to an enterprise in the People’s Republic of China to either set up a factory (or /factories) or to exploit resources. When the project is completed, the enterprise uses its products or other products to pay back the loan by instalments within an agreed period of time |

# 1. GENERAL INFORMATION

## 1.1 Objective

1.1.1 In April 2008, the Environmental Protection Department (EPD) of the Government of the Hong Kong Special Administrative Region (HKSAR) launched the Cleaner Production Partnership Programme (the Programme) in collaboration with the then Economic and Information Commission of Guangdong Province (now the Department of Industry and Information Technology of Guangdong Province) to encourage and facilitate Hong Kong-owned factories in Guangdong Province and Hong Kong to adopt cleaner production (CP) technologies and practices, thereby contributing to improving the environment. In the light of the environmental benefits brought by the Programme, the EPD of the Government of the HKSAR has extended the Programme for another five years up to 31 March 2025 with a funding of $311 million. Hong Kong Productivity Council (HKPC) continues to be the implementation agent for the Programme and acts as the Secretariat for operation of the Programme.

1.1.2 Funding support will be provided to Hong Kong companies to carry out two types of projects in their factories in Hong Kong and Guangdong under the Programme:

• *On-site Improvement Assessments* (Assessment Projects) to identify CP solutions for their factories by engaging Environmental Technology Service Providers. The Government will share half of the assessment cost with a funding ceiling of HK$45,000 per project, whichever is lower; *and*

• *Demonstration Projects* (Demonstration Projects) to demonstrate the effectiveness of CP technologies through installation of equipment or modification of production processes. The Government will share half of the project cost subject to a funding ceiling, whichever is lower. There are two categories of Demonstration Projects:

 ‣ Demonstration Projects (I) – a new Demonstration Projects category to promote wider adoption of effective CP technologies by Hong Kong-owned factories. The funding ceiling per project is HK$450,000.

 ‣ Demonstration Projects (II) – to support research and innovation in CP technologies by Hong Kong-owned factories with a view to encouraging development of new CP technologies. The funding ceiling per project is HK$650,000.

1.1.3 Funding support will also be provided to workshop type enterprises in Hong Kong which involve polluting processes for carrying out Demonstration Projects.

1.1.4 Technology promotion activities will be organised in the forms of workshops, factory visits, etc. by HKPC to facilitate sharing of knowledge and successful experience in adoption of CP technologies and practices.

1.1.5 Funding support will also be provided to support non-profit-making trade and industry associations and professional organisations in Hong Kong to carry out trade-specific promotion and publicity activities for promoting wider adoption of CP technologies under Organisation Support Initiative (OSI). Please see separate application guide for application under OSI.

1.1.6 The new phase of the Programme will continue to provide technical support for factories in Hong Kong and Guangdong Province on the enhancement of energy efficiency/carbon reduction, reduction of air pollutant emissions, and reduction and control of effluent discharge. Particular focus will continue to be placed on encouraging the wider use of CP technologies for reduction of volatile organic compounds (VOC) and nitrogen oxides (NOx).

1.1.7 In addition, the Programme also starts to provide technical support on solid waste reduction technologies from June 2023. These solid waste reduction funding projects shall be limited to solid waste generated by factory’s own industrial processes but not from other sources.

1.1.8 This Guide sets out the funding application procedures, eligibility requirements, vetting criteria and other administration arrangements for the Assessment Projects and Demonstration Projects.

## 1.2 Funding Support and Amount of Grant

1.2.1 Table 1 summarises the type of projects and the funding amount of projects to be funded under the Programme:

Table 1: Nature of Projects and Funding Amount

|  |  |  |
| --- | --- | --- |
|  | Assessment Projects | Demonstration Projects |
| Nature of Projects | A consultancy project in which the participating factory can hire the service of a Category (I) ET Service Provider *Note* to identify potential CP measures suitable for its operation and recommend a plan to implement these measures. | An engineering project in which the participating factory can hire the service of a Category (I) ET Service Provider *Note* to provide consulting services for implementation of Demonstration Projects or a Category (II) ET Service Provider *Note* to implement a selected CP technology or practice through installation of equipment and/or modification of production processes in the factory to demonstrate its cost-effectiveness in real life application. The CP technology or practice must be related to improving energy efficiency, reducing air pollutants emissions, reducing and controlling effluent discharge or reducing solid waste. |
| Funding Amount per Project | 50% of the project fee, subject to a ceiling of HK$45,000 per project. | 50% of the project fee, subject to a ceiling of HK$450,000 per Demonstration Projects (I) and HK$650,000 per Demonstration Projects (II). |
| Number of Projects to be Funded | About 550 in five years | About 280 Demonstration Projects (I) and about 100 Demonstration Projects (II) in five years. |

Note: Please refer to Glossary for definition and the Programme website for the full list of ET service providers registered under the Programme.

1.2.2 For the same factory, each applicant may submit more than one application under the Assessment Projects Initiative[[1]](#footnote-2) and the Demonstration Projects Initiative. No application fee will be charged.

## 1.3 Who is Eligible to Apply for Funding Support?

1.3.1 Any business registered in Hong Kong under the Business Registration Ordinance (Cap. 310) (“Hong Kong Business”) and also meets any one of the following requirements:

(i) The Hong Kong Business has a connection with a factory in Guangdong Province which is owned and operated by any of the followings:

(a) a Sino-foreign equity joint venture or a co-operative joint venture established in the Mainland to which the Hong Kong Business is a party; or

(b) a wholly-owned foreign enterprise established in the Mainland with capital from the Hong Kong Business; or

(c) a Mainland enterprise which is a party to a subsisting agreement with the Hong Kong Business in relation to any of the three forms of processing and assembly operations or compensatory trade（三來一補）; or

(d) a Mainland enterprise to which a Hong Kong resident (natural person) is an owner with more than 50% shareholding or equity interest, who also possesses at least 30% shareholding or equity interest of the Hong Kong Business.

OR

(ii) The Hong Kong Business owns and operates a factory in Hong Kong.

OR

(iii) The Hong Kong Business which owns and operates a workshop in Hong Kong and which involves polluting processes such as paint-spraying and curing, solvent cleaning of metal parts and components, and vehicle engine testing, etc. may apply for Demonstration Projects.

1.3.2 Priority for funding support will be given to companies with factories belonging to any of the following eight targeted industries:

(a) chemical products;

(b) food and beverage;

(c) furniture;

(d) metal and metal products;

(e) non-metallic mineral products;

(f) paper and paper products;

(g) printing and publishing and

(h) textiles.

1.3.3 Hong Kong Business with factories from other industry sectors may also apply. Approval of funding for Demonstration Projects for these factories will, however, be subject to the endorsement of the Project Management Committee (the PMC) on a case by case basis.

1.3.4 For the purpose of this Guide, an applicant refers to any person which has capacity to contract and has submitted an application in response to this Guide.

## 1.4 Implementation by Environmental Technology (ET) Service Providers

1.4.1 All projects must be implemented by the ET Service Providers registered under the Programme.

1.4.2 Applicants can freely choose their ET service providers to implement the projects funded under the Programme. They should find out, understand and evaluate the services to be provided by the potential service providers and enter into contractual relationship in accordance with good commercial practices.

1.4.3 In engaging ET Service Provider(s) for implementing the projects under the Programme, the applicant should not engage a service provider who is an associate and/or associated person of the applicant[[2]](#footnote-3). For clarity purposes, where an applicant is an unincorporated entity, associate of such applicant shall include, among other things, relative of the owner, founder or office bearer of, and/or anyone having control over the applicant.

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a “person” shall mean any person or body of persons whether incorporated or unincorporated;

“associate” of a person means:

(i) a relative or partner of that person; or

(ii) a company one or more of whose directors is in common with one or more of the directors of that person;

“associated person” of a person means:

(i) any person who has control, directly or indirectly, over that person;

(ii) any person who is controlled, directly or indirectly, by that person; or

(iii) any person who is controlled by, or has control over, the first-mentioned person in (i) or (ii);

“control” over another person (“person under control”) means the power of a person to secure:

(i) by means of the holding of shares or interests or the possession of voting power in or in relation to that person under control or any other person;

(ii) by virtue of powers conferred by any constitution, memorandum or articles of association, partnership, agreement or arrangement (whether legally enforceable or not) affecting that person under control or any other person; or

(iii) by virtue of holding office as a director in that person under control or any other person;

that the affairs of the person under control are conducted in accordance with the wishes of that person exercising control;

“director” means any person occupying the position of a director by whatever name called and includes a de facto or shadow director; In the context of HKPC, it means a member of HKPC appointed under section 9 of the Hong Kong Productivity Council Ordinance (Cap. 1116);

“relative” means the spouse, parent, child, brother or sister of the relevant person, and, in deducing such a relationship, an adopted child shall be deemed to be a child both of the natural parents and the adopting parent and a step child to be a child of both the natural parents and the step parent;

# 2. APPLICATION AND VETTING PROCEDURES

## 2.1 Application Procedures

2.1.1 Step 1: Applicant should identify an ET Service Provider of the relevant category for conducting Assessment Projects or Demonstration Projects as appropriate.

2.1.2 Step 2: Applicant should prepare draft service contract with the ET Service Provider on the agreed services. The applicant may choose to use any format on the draft service contract as it considers appropriate. Alternatively, it may use the sample service contract prepared by the Secretariat as reference (Annex B and Annex D).

2.1.3 Step 3: Applicant should then fill in the electronic application form and submit it to the Secretariat together with supporting documents as required in the Funding Application Form. The Funding Application Form for On-Site Improvement Assessments (Form 1) and Demonstration Projects (Form 2) are respectively set out in Annexes A and C of this Guide, which can also be obtained from the Secretariat or downloaded from the Programme website: [http://www.cleanerproduction.hk](http://www.cleanerproduction.hk/). No application fee will be charged.

2.1.4 Step 4: For Demonstration Projects, applicant should also obtain quotations of equipment to be procured in the project as justification for the equipment budget in the funding application.

2.1.5 Step 5: Applicant should submit a full set of completed electronic Funding Application Form together with soft copies of supporting documents and additional information to the Secretariat by email (Annex A and C). Hard copy submission shall also be accepted.

2.1.6 The Programme is open for application all year round. Applications for Assessment Projects are processed on a continual basis while that for Demonstration Projects are processed by batches on a quarterly basis (refer to Clause 2.2.2).

## 2.2 Assessment and Vetting Procedures

2.2.1 Upon receipt of the application with complete information, the Secretariat will process the application and may seek clarification or supplementary information from the applicant.

2.2.2 For Assessment Projects, the Programme Director has been delegated the power to approve or reject an application according to the established vetting criteria endorsed by the PMC. For Demonstration Projects, the Programme Director will vet the application based on the vetting criteria and submit his recommendation to the PMC for endorsement.

## 2.3 Vetting Criteria

2.3.1 For Assessment Projects, the following are the vetting criteria:

 (a) Eligibility of the applicant;

(b) Priority will be given to small and medium enterprises[[3]](#footnote-4);

(c) Whether the scope of the project work is reasonable against the project fee;

(d) Whether the applicant is willing to pursue CP technologies and practices.

2.3.2 For Demonstration Projects, the following are the vetting criteria:

1. General vetting criteria for both categories of Demonstration Projects

(a) Eligibility of the applicant;

(b) No more than five DPs in the five years preceding the latest application will be approved for any factory unless there are exceptional justifications for the technology to be demonstrated (e.g. new technologies with great potential for wider application in the industry);

(c) Priority will be given to small and medium enterprises;

(d) Whether the scope of the project work is reasonable against the project fee;

(e) Balance of technologies to be demonstrated which should fall within the solicitation themes (refer to Clauses 2.4.1 and 2.4.2);

(f) Reasonableness of the project implementation plan.

1. Specific vetting criteria for Demonstration Projects (I)

(g) Technology to be demonstrated is on the published list of DP(I) CP technology;

1. Specific vetting criteria for Demonstration Projects (II)

(h) Anticipated effectiveness and/or benefits of the technology to be demonstrated;

(i) Whether the technology under demonstration can be widely adopted to the industry or other industries as well;

(j) Whether the industrial processes using the technology under demonstration are typical of the industry; and

(k) Whether the technology to be demonstrated is innovative or relatively new in Hong Kong and Guangdong industries, i.e. no/little number of successful application.

2.3.3 The Secretariat will monitor the cumulative funding allocation of approved projects against the various targeted industry sectors, the geographical locations of the participating factories and the participation rates with a view to ensure a reasonable mix of factories from the eight targeted industries with a balanced geographical distribution while those cities in Guangdong known to have more Hong Kong-owned factories will have greater shares of project allocations.

## 2.4 Solicitation Themes of Technologies for Demonstration Projects

2.4.1 The Secretariat will identify a number of solicitation themes to ensure a good mix of the Demonstration Projects in terms of technology areas including their contribution to energy efficiency/carbon reduction, reduction of air pollutants emission, reduction and control of effluent discharges, and solid waste reduction; benefits to the targeted industry sectors and priority of the Programme, etc. Annex E lists out the solicitation themes of technologies for Demonstration Projects. The Secretariat will regularly review the solicitation themes during the implementation of the Programme. The Secretariat will also proactively and systematically identify any suitable solicitation themes subsequent to the review of the demonstrated technologies and the suggestions after communication with the targeted industries.

2.4.2 The solicitation themes of technologies will be publicised for reference to applicants in preparing their applications for Demonstration Projects.

## 2.5 Notification of Results

2.5.1 For Assessment Projects, the Secretariat will notify the applicant of the vetting result within one month upon receipt of all relevant information submitted from the applicant. For Demonstration Projects, the Secretariat will notify the applicant of the vetting result within two weeks upon PMC’s decision of the application.

## 2.6 Avoidance of Duplicated Government Funding

2.6.1 For Assessment Projects and Demonstration Projects, the successful applicant shall not apply for duplicated funding for the same project or the equipment to be procured under the project from other funding schemes of the Government of the HKSAR such as the SME Funding Schemes, the Dedicated Fund on Branding, Upgrading and Domestic Sales (BUD Fund), etc. Likewise, if the applicant has successfully applied for any Government funding for a project or an equipment, it shall not apply for the funding support for the same project or equipment under the Programme.

## 2.7 Withdrawal of Application

2.7.1 The applicant can write to the Secretariat to withdraw an application at any time before a funding agreement is signed.

# 3. PROJECT AGREEMENT AND ADMINISTRATION

## 3.1 Contractual Requirements

3.1.1 The successful applicant is required to sign a funding agreement with HKPC and it must comply with all the terms and conditions of the agreement, this Guide and the instructions and correspondences issued by HKPC or the EPD of the Government of the HKSAR from time to time in respect of the project or the Programme.

3.1.2 The PMC reserves the right to revoke an application if an applicant fails to sign the funding agreement within two months of the Secretariat’s notification of the applicant’s vetting result and without justifications acceptable by HKPC.

3.1.3. For Demonstration Projects, equipment procurement prior to the signing of the funding agreement is acceptable, provided that the application is submitted before procurement of the equipment. The applicant shall bear its own risk that it may not be able to obtain any funding support under the Programme if its application is subsequently rejected by the PMC. The costs incurred before the date of application submission and after the completion date of the project would not be funded.

## 3.2 Project Commencement, Milestones and Completion

3.2.1 Approved projects shall commence within two weeks upon signing the funding agreement and shall normally be completed within the time limits specified; including submission of the project report to the Secretariat. Please refer to Clause 3.4 for Reporting Format. Failure to submit the report within the time limit as specified below will result in termination of the project:

(a) For Assessment Projects: three months upon signing the funding agreement.

(b) For Demonstration Projects: twelve months upon signing the funding agreement.

3.2.2 Demonstration Projects shall be completed within twelve months. For each project, the successful applicant is required to update the Secretariat in writing the progress of the project within the fifth month upon signing the funding agreement. If the project completion date needs to be revised, the applicant must obtain written consent of the Secretariat. Request for extension of project completion date will not be granted if the concerned equipment/system to be demonstrated has not yet been delivered to or installed at the factory by the end of the fifth month upon signing the funding agreement with HKPC. Failure to meet this requirement will result in termination of the project.

3.2.3 The successful applicant should notify the Secretariat by email two weeks before the equipment installation and the Secretariat shall arrange the first site visit before the equipment installation. The Secretariat may arrange more site visits or progress review meetings to monitor the progress of the project if necessary.

3.2.4 HKPC shall conduct independent evaluation on the effectiveness of demonstrated technologies for not less than 10% of Demonstration Projects (I) and each Demonstration Projects (II) after the successful applicant submits the project report to the Secretariat for approval. As a condition of funding approval, the applicant shall agree to allow and facilitate HKPC to carry out independent evaluation after the completion of the project. The evaluation will be carried out by an independent team of HKPC who are not involved in the administration of the Programme.

## 3.3 Procurement of and Title to Equipment under Demonstration Projects

3.3.1 The applicant shall follow the guidelines in Clauses 3.3.2 to 3.3.4 when procuring equipment for the projects.

3.3.2 If the equipment to be procured is a proprietary equipment/technology, applicants are required to indicate it on the application form with full justification, e.g. the benefit of the CP technology to be demonstrated versus conventional competing technologies, quality of the equipment against competing low-cost equipment, etc. Once the proprietary equipment/technology is approved, change to the proprietary equipment/technology is not allowed.

3.3.3 The applicant is required to ensure that all procurement of equipment is carried out in an unbiased and fair manner and must comply with the following procedures unless the PMC agrees otherwise:

(a) For every procurement the aggregate value of which does not exceed HK$50,000, written quotations from at least two suppliers or service providers should be obtained (verbal quotation is acceptable for value below HK$10,000).

(b) For every procurement the aggregate value of which exceeds HK$50,000, but does not exceed HK$1,400,000, written quotations from at least five suppliers or service providers should be obtained. If less than five suppliers could be identified on the market, this should be recorded on the procurement document.

(c) For every procurement the aggregate value of which is more than HK$1,400,000, open tendering should be used.

For (a) to (c), the lowest conforming bid meeting the technical requirements should be accepted unless justifications are given in the application and endorsed by the PMC. If less than the required number of suppliers or service providers could be identified from the market, it should be recorded on the procurement document.

3.3.4 The title to any equipment purchased under the Demonstration Projects belongs to the successful applicant. All the equipment and procurement documents should be kept by the successful applicant for one year from completion of the project and they should be made available for the Secretariat’s inspection upon request.

## 3.4 Reporting Format

3.4.1 Upon completion of the project by the ET Service Provider, the successful applicant shall submit to the Secretariat a project report to the satisfaction of the Secretariat which should be prepared by the ET Service Provider. The project report should, without limitation, include those items as required and listed on Table 2 below.

Table 2: Reporting Format

|  |  |
| --- | --- |
| **Assessment Projects** | **Demonstration Projects** |
| 1. a summary of production process of the factory, raw material, energy use, air pollutants emissions, effluent discharge and/or solid waste production ;

ii) potential CP measures identified and the anticipated benefits; iii) classification of these CP measure into no/low costs measures and measures with medium/high cost; andiv) recommendations on implementation plan. | i) a summary of production process of the factory employing the demonstrated technology;ii) a description of the demonstrated technology installed, the anticipated benefit, operation and maintenance requirements; andiii) an evaluation of the actual performance of the demonstrated technology against the actual benefits, the actual operation and maintenance data and the cost-benefit. |

3.4.2 The project report for Assessment Projects must be prepared by a registered cleaner production reviewer of the environmental technology service provider.

3.4.3 The successful applicant for the Demonstration Projects shall submit to the Secretariat an about one-minute technical introduction video clip, together with a final report (ref to Clause 3.4.1). The content of the video shall include:

(a) Factory background information;

(b) Demonstration project description; and

(c) Benefit evaluation

## 3.5 Unallowable Costs

3.5.1 The funding is to support the applicant to employ an ET Service Provider for technical support and procure equipment (including equipment installation costs) for carrying out the Demonstration Projects. Any internal manpower and expenses incurred by the successful applicant for the project funded under the Programme will NOT be covered by the funding support.

## 3.6 Representative of the Successful Applicant

3.6.1 At least two representatives shall be appointed by the successful applicant and be responsible for:

(a) Overseeing the approved project generally;

(b) Reporting in submitting the project progress of the approved Demonstration Projects at the end of the fifth month upon signing of the funding agreement with the Secretariat;

(c) Liaising with and answering all enquiries and requests raised by the EPD of the Government of the HKSAR, the PMC or the Secretariat for information and clarification on all aspects of the approved project; and

(d) Attending progress meetings as required.

3.6.2 The Secretariat will also communicate with the representatives of the successful applicant in the Assessment Projects on the progress of the implementation of improvement measures identified in the projects.

## 3.7 Change of Company Status and Project Details

3.7.1 Approved project is required to be carried out strictly in accordance with the scope of the project and all terms and conditions as set out in the funding agreement. The successful applicant must seek prior approval of the Secretariat in writing for any modification, amendment or addition to the project details or the funding agreement, including change of company status, representative(s) of the successful applicant, management structure of the company, project commencement or completion dates, ET Service Provider, scope of Assessment Projects, technology for Demonstration Projects, performance evaluation methodology, mode of publicity etc. The Secretariat shall have the absolute discretion in accepting such request for changes.

# 4. DISBURSEMENT OF FUNDS

## 4.1 Conditions for Disbursement of Funds

4.1.1 For Assessment Projects, disbursement of funds will be made in full to the successful applicant when all the following conditions are fulfilled:

(a) Submission of the project completion report by the successful applicant to the Secretariat within three months upon signing the funding agreement to the satisfaction of the Secretariat; and

(b) Showing evidence of full payment by the successful applicant to the service provider for the project.

4.1.2 For Demonstration Projects, disbursement of funds will be made in full to the successful applicant when all the following conditions are fulfilled:

(a) Submission of the project completion report by the successful applicant to the Secretariat within 12 months upon signing the funding agreement to the satisfaction of the Secretariat;

(b) Submission of the questionnaire on the service quality of the service provider after completion of the project;

(c) Showing evidence of full payment by the successful applicant to the service provider for the project; and

(d) Submission of all procurement documents and receipts for equipment and/or equipment installation work directly procured by the successful applicant, if any.

4.1.3 The Secretariat reserves the right to withhold disbursement of any percentage of the funding support if the successful applicant fails to comply with the procurement guidelines in Clauses 3.3.2 to 3.3.4 when procuring equipment for the project.

4.1.4 Disbursement of funds will be made by bank transfer to the successful applicant normally within one month upon fulfilment of all the respective conditions unless the Secretariat considers it necessary to withhold payment of funding support. Under such circumstance, the Secretariat will inform the successful applicant the reason of withholding payment.

## 4.2 Suspension or Termination of Funding Support

4.2.1 Without prejudice to any other rights or remedies which the Secretariat may have, the Secretariat may at any time terminate the approved project and/or suspend disbursement of funds if: (i) the project is not progressing at a satisfactory pace; (ii) the successful applicant fails to submit reports, deliverables within the stipulated time or to the satisfaction of the Secretariat; (iii) the successful applicant breached of any of the terms and conditions of the funding agreement; or (iv) the Secretariat considers it fit to do so on the grounds of public interest. The reasons for termination or suspension are non-exhaustive and the Secretariat, after consulting the PMC, may exercise such right when it considers appropriate. Upon termination, no funds will be disbursed to the successful applicant and the Secretariat or the PMC shall not be liable for any costs incurred by the successful applicant.

# 5. PUBLICITY AND USE OF PROJECT RESULTS

## 5.1 Use of Project Results

5.1.1 Successful applicant can publicise its role in the project funded under the Programme and the project results on their own initiatives through publications, seminars, workshops, conferences, exhibitions, site visits, etc. with prior notice to the Secretariat. Acknowledgement of this funding support (by showing the official logo of the Programme provided by the Secretariat) must appear on all equipment, facilities, publicity/media events related to the project, as well as in publications arising from the project. The following disclaimer should also be included in these publicity and media events related to the acknowledgement:

*“Any opinions, findings, conclusions or recommendations expressed in this material/event (or by the successful applicant) do not reflect the views of the Government of the Hong Kong Special Administrative Region (HKSAR), the Environmental Protection Department of the Government of the HKSAR, the Project Management Committee of the Cleaner Production Partnership Programme or Hong Kong Productivity Council.”*

## 5.2 Publicity of the Results of Demonstration Projects

5.2.1 The Secretariat may share the findings of the Demonstration Projects and experience gained with the industry and factories. The successful applicant will need to participate in the publicity and technology promotion activities of the Programme when being invited by the Secretariat to share their experience gained in the Demonstration Projects. These activities may include seminars, workshops, conferences, exhibitions, etc. as well as site visits to the successful applicant’s factory on the production process where installation of equipment/modification of production process has been carried out under the Demonstration Projects, as arranged by the Secretariat under the Programme.

## 5.3 Enquiries

5.3.1 Below are the contacts for further enquiries about the Programme:

 The Secretariat

Cleaner Production Partnership Programme

HKPC Building

78 Tat Chee Avenue

Kowloon

Hong Kong

Telephone : (852) 2788-5588

General enquiry : enquiry@cleanerproduction.hk

Assessment Projects : ap@cleanerproduction.hk

Demonstration Projects : dp@cleanerproduction.hk

Website : [http://www.cleanerproduction.hk](http://www.cleanerproduction.hk/)

1. **PREVENTION OF BRIBERY**
	1. The applicant shall observe the Prevention of Bribery Ordinance (Cap.201) (“PBO”) and shall procure that its project team, directors, employees, agents, consultants, contractors and other personnel who are in any way involved in the project shall not offer to or solicit or accept from any person (including HKPC staff) any money, gifts or advantages (as defined in the PBO) in relation to the project.
	2. The offer of an advantage to the Secretariat or any member of the PMC/Government either with or without a view to influencing the approval of an application is an offence under the PBO. Any such offer by the project team, directors, employees, agents, consultants, contractors and other personnel who are in any way involved in the project will render the application null and void. The Government may also cancel the application approved and hold the applicant liable for any loss or damage which the Government may sustain.
	3. The applicant is also advised to observe the guidelines set out in the “Best Practice Checklist – Strengthening Integrity and Accountability – Grantee’s Guidebook” compiled by the Corruption Prevention Department of the Independent Commission Against Corruption (ICAC) in order to execute the funding agreement in an ethical and accountable manner which meets the public expectation. The Guidebook is available for download from the Web Portal of Corruption Prevention Advisory Service of ICAC (<https://cpas.icac.hk/EN/Info/Lib_List?cate_id=3&id=142>).
1. As endorsed in the 33rd PMC meeting in September 2016, more than one application of Assessment Projects are accepted for eligible factories which meet the following requirements:

	1. a time gap of at least five years after their completion of Assessment Projects funded under the Programme with implementation of at least one cleaner production improvement measure as recommended in the approved Assessment Projects report. The improvement measure should involve investment in facilities that have demonstrated obvious environmental benefits; and
	2. change in major production process/material usage; or change of factory address; or expansion of factory production area (area of warehouse, carpark and living area was excluded). [↑](#footnote-ref-2)
2. [↑](#footnote-ref-3)
3. ##  It refers manufacturing businesses employing fewer than 100 employees

 [↑](#footnote-ref-4)