

# Marine Ecology Enhancement Fund (MEEF)

## Guidance Note

Updated in November 2019

## 1. Introduction

The Marine Ecology Enhancement Fund (MEEF) has been established in accordance with the requirements stipulated in Condition 2.8 of the Environmental Permit No. EP-489/2014 “Expansion of Hong Kong International Airport into a Three-Runway System”. The MEEF aims to support the conservation objectives and initiatives as set out in the Marine Ecology Conservation Plan (MECP). Please refer to the MECP for more details.

### 1.1. Purpose of this Guidance Note

This Guidance Note provides guidance on the application for MEEF and describes the basic requirement and responsibilities for Recipient Organisations (ie recipients of funding from the MEEF or the related Top-up Fund). The MEEF will be managed by an independent MEEF Management Committee (MEEF-MC) for application assessment. Upon approval of funding by the MEEF-MC, Recipient Organisations will sign a funding agreement with the Trustee of MEEF (Trustee) undertaking to observe the conditions of using the allocated funds.

### 1.2. Objective of MEEF

1.2.1. The objective of the MEEF is to contribute to the conservation and enhancement of marine life particularly the Chinese White Dolphins (CWDs) within Hong Kong (especially North Lantau around the 3RS Project Area) and Pearl River Estuary (PRE) waters. The mechanism for the MEEF implementation, the funding arrangement, and the setting up of MEEF-MC are detailed in the MECP.

1.2.2. The MEEF will provide support for the following themes:

- Marine Habitat & Resource Conservation & Enhancement;
- Scientific Research & Studies; and
- Environmental Education & Eco-tourism.

## 2. Nature of Projects

Projects will be expected to contribute to the conservation and enhancement of marine life particularly the CWDs within Hong Kong and PRE waters, especially in marine waters and habitats in the vicinity of the 3RS land formation area and afield into the PRE. Projects should be focused in Hong Kong and/or the PRE waters with at least one of the three

themes listed in Section 1.2.2 above.

### **3. Guide to Application**

#### **3.1. Who may apply?**

Non-profit making organisations (e.g. green groups, community bodies, academic institutions, etc.) are eligible to apply. Projects in general should be charitable in nature.

#### **3.2. What are the funding limits?**

AAHK has allocated a total of HK\$150 million into the MEEF. The fund will be put into an endowment arrangement to generate investment income for funding projects that meet the MEEF objectives. It is targeted to generate HK\$6 million per year from the endowment arrangement. Funds may be granted for full or partial support of projects. There is no preset level of maximum funding for projects under the MEEF.

#### **3.3 What is the duration of each funded project?**

Due to the endowment arrangement of the MEEF to generate yearly investment income and to promote participation from different organisations/ parties, the duration of each funded project is generally 1 year and the project should be conducted and completed within the same funded Financial Year for the MEEF (ie on or before 30 June of the subsequent year). Applicants that wish to conduct their projects for more than 1 year (but not more than 3 years) or outside of the funded Financial Year may write in the **Application Form** and the application will be considered on a case-by-case basis. It is expected that all funded projects will be completed within 3 years.

#### **3.4 How to apply?**

3.4.1. The MEEF will be open for application in a particular time every year. The application period and deadline will be published on the dedicated website (<http://env.threerunwaysystem.com/funds/>). Applicants should refer to the dedicated website for the latest information in case the application deadline is extended. Applicants must fill out the application form available on the dedicated website and the completed application form should be returned to the Secretariat before the deadline of the application.

3.4.2. The application form should be endorsed by the applicant organisation with the signature of the representative authorised by

the applicant organisation and the official chop of the organisation.

### 3.5 What are the vetting procedures?

The MEEF-MC has been established to consider the application of proposed projects. The following steps will be taken after the application is received:

- 3.5.1. Upon receipt of an application, the Secretariat will send an interim reply to the applicant acknowledging receipt of the application. A reference number will be given to each application for identification purpose. The reference number should be quoted in all future correspondence. Where necessary, the applicant will be requested to provide clarification or supplementary information.
- 3.5.2. The MEEF-MC will then consider the application, assess the proposal and make comments. The applicant may be invited to provide response to the comments. Where necessary, the applicant will be requested to provide clarification or supplementary information.
- 3.5.3. The MEEF-MC will either approve the application with or without conditions or reject it. The MEEF-MC will also consider the budget, and may amend the budget details and set ceilings for individual expenditure items. The Secretariat will inform the applicant of the MEEF-MC's decision.
- 3.5.4. The Secretariat will upload the relevant information of the approved projects on a dedicated website.

### 3.6. What are the vetting criteria?

3.6.1 The following criteria are used in assessing the merits of individual applications:

#### 3.6.1.1 **For all applications:**

- (i) Does the project fulfil the objectives for MEEF in at least one of the three themes?
- (ii) Is the project within the geographic area of focus of the MEEF?
- (iii) Projects must be non-profit making in nature.
- (iv) The number of MEEF Funded Projects (ie projects that have received funding support from MEEF) the project leader currently holds. In general, an application will not be

approved if the project leader already holds more than two MEEF Funded Projects concurrently (including the existing project and newly approved project).

3.6.1.2 **For applications of the single-year project or the first phase of multiple-year project:**

- (v) In considering a proposal for the single-year project or the first phase of multiple-year project, due consideration will be given to:
  - a. whether the proposed projects can bring about positive impacts;
  - b. the technical and project management capability of project team, as well as past performances, including effectiveness of past projects and the applicant's ability to comply with the funding conditions;
  - c. whether the project presents clear and achievable goals and sound methodology;
  - d. whether the proposed methodology and schedule of implementation are well-planned and practicable, and whether the duration is reasonable;
  - e. whether the manpower and resources arranged for the project is sufficient;
  - f. whether the proposed budget is prudent, realistic and cost-effective, with full justification for every expenditure item; and
  - g. whether there is or is likely to be a duplication of the work already or currently carried out by other groups.

3.7. **Avoidance of conflict of interests**

To avoid conflict of interest, members of the MEEF-MC who have any connection with an applicant should declare interest and refrain from taking part in the discussion and approval of the relevant application, or the review of progress or completion reports submitted by a Recipient Organisation.

3.8. **Can I submit an application that is already receiving funding from and/or if I intend to apply for funding from other agency(ies)?**

3.8.1. Applicants whose projects are already receiving funding from other agencies, and/or who intend to apply to other agencies for funding

support, may apply for funding from the MEEF provided that full disclosure of the existing funding information and/or the parallel application is made in the MEEF application. The funding decision of the other fund(s) should be relayed to the MEEF Secretariat immediately as and when it is available. Double funding of projects is not encouraged by MEEF.

3.8.2. To ensure that double funding does not occur, the Secretariat reserves the right to check whether the applicant has applied for funding from other agencies for the project, or whether the project is receiving funding from, other funding agencies. Failure by the applicant organisation, without reasonable excuse, to comply with the Secretariat's request to submit further information on the funding status of the project will be taken into account by the MEEF-MC in considering whether or not the application should be approved.

### 3.9. When will I know the results?

It normally takes about 6 months to process an application after the submission deadline. If no additional information is required, the applicant will be informed of the outcome shortly after the MEEF-MC decides on funding, as appropriate.

### 3.10. Withdrawal of application

3.10.1. The applicant may write to Secretariat to withdraw an application at any time before a funding agreement is signed with the Trustee.

3.10.2. To avoid undue delay in processing applications, if there is no feedback/response from the applicant within 1 month, the MEEF-MC will consider the applicant has withdrawn the application and terminate the processing of the application.

### 3.11. Can I resubmit my application?

For unsuccessful applications, the applicant may revise the contents of their applications for re-submission next time when new applications are invited. In completing the application form for a resubmitted application, the applicant should set out clearly the differences of the resubmitted application vis-à-vis the previous one. The revised application will be treated as a new application, and will be subject to the same assessment procedures.

### 3.12. Can the approved projects be extended?

Applicants can apply for extension of approved project. The applicant

should set out clearly the project details, including project title, project progress, outcomes, any improvement and change in project scope (if any) in the **Application Form for Project Extension**. The application will be subject to similar assessment procedures, together with the consideration of performance / outcome of the Project during the previous year. Applicants are reminded that funding applications for subsequent phase(s) of multiple-year projects may not be approved.

#### **4. Application Form**

##### **4.1. General**

- 4.1.1. All sections of the application form should be completed with supporting documents wherever required. Where the information sought is not applicable or not available, please fill in “NA”.
- 4.1.2. Given the charitable nature of the MEEF, on-costs arrangement, such as overhead, management and administrative costs, is not allowed. Applicant should include project costs only on the Application Form.
- 4.1.3. The application form must be typed or printed on both sides of A4 paper and duly signed by the representative authorised by the applicant organisation to submit the application. The completed application form should be submitted either by email or by post.
- 4.1.4. Acknowledgment will be sent to the applicant after receipt of an application by the Secretariat.

##### **4.2. Sections of the Projects Proposal**

###### **4.2.1. Section A - Data Sheet**

- 4.2.1.1. This section serves as a summary of an application. Once approval is granted to an application, the information given by the applicant in this section will be published on a dedicated website for public access.
- 4.2.1.2. The application form should be endorsed by the applicant organisation with signature of the representative authorised by the applicant organisation and official chop of the organisation.

###### **4.2.2. Section B – Content of Project Proposal**

- 4.2.2.1. Details of the project team must be provided along with records in undertaking similar projects. The attached C.V.

of the project leader and each key member should not be more than 2 pages in length each.

4.2.2.2. The proposal must demonstrate how project performance will be measured. Recipient Organisations are required to evaluate and assess the effectiveness of their projects using, where applicable, performance indicators including but not limited to:

- (i) outcomes that benefit habitats and species, decision-makers or stakeholders;
- (ii) number of individuals, schools, students, companies participating in the programmes of the projects;
- (iii) number of volunteers recruited or trained;
- (iv) number of local community organisations involved; and
- (v) number of research papers published; media coverage on the programmes; and increase in environmental awareness (by conducting pre- and post-project questionnaire survey with participants).

4.2.2.3. **Items that are not supported include, but are not limited to:**

- (i) renovation fee
- (ii) major equipment – unless full justification is provided and be approved by the MEEF-MC on an as-needed basis
- (iii) uniform (including, but not limited to, items such as caps, T-shirts, badges)
- (iv) souvenirs to participants, except certificate of attendance
- (v) merely form-based or school-based visits
- (vi) reprinting of existing leaflets or education material
- (vii) overseas travel – except for bringing experts to Hong Kong



- (viii) payments to individuals as a reward for their participation in the project
- (ix) honoraria for speakers who are staff employed for the project

**4.2.2.4. Funding support may be considered for the following expenses:**

- (i) hire of transport
- (ii) contingency – may be included in the budget, but will require full justification and only be approved by MEEF-MC on an as-needed basis
- (iii) meal allowance and travelling expenses on public transport for volunteers
- (iv) capital items such as computer, camera, furniture, etc – will require justification and only be approved by MEEF-MC on as as-needed basis
- (v) hire of temporary/casual works on a one-off basis
- (vi) hire and decoration of venue, hiring of lighting and public address facilities
- (vii) procurement of postage, stationery, etc.
- (viii) printing work including publicity materials
- (ix) light refreshments for ceremonies
- (x) procurement of services such as production of design and artwork
- (xi) premium for public liability insurance
- (xii) a modest amount for contest/participation prizes. Cash or cashable items must not be given
- (xiii) for admission fee and hire of package tour, 40% of charge should be paid by the participants
- (xiv) Auditing fee for the preparation of statement of account as mentioned in Section 5.9.4 below

*(Please refer to the Appendix 1 for existing level of funding support of expenses.)*

## **5. Conditions for the Use and Allocation of Funds**

### **5.1. Contractual Requirements**

For each approved project, the Recipient Organisation must sign a funding agreement with the Trustee and comply with all the terms of the agreement.

## 5.2. Use of Funds

5.2.1. Recipient Organisations, must not use the funds (and any derived surplus) in any unlawful manner, whether or not such use may involve bribery, money-laundering, terrorism or infringement of any international or local law.

5.2.2. Recipient Organisations shall uphold the integrity of their members of the project team and project staff in relation to the MEEF Funded Projects including:

5.2.2.1. prohibiting the related personnel from soliciting, accepting or offering any advantages as defined in the Prevention of Bribery Ordinance (Cap. 201) to and from any party, except where the advantages offered are of permissible natures, within specified permissible monetary limits and in circumstances where no improper influence is involved;

5.2.2.2. avoiding, during the project period, to undertake any service, task or job or do anything whatsoever which conflicts, or which may be seen to conflict, with the Recipient Organisation's duties under the funding agreement, and require members of the project team and his/her project staff to observe the same obligations; and

5.2.2.3. where a conflict is unavoidable, ensuring proper handling of such conflict, including duly notifying the Secretariat in writing as soon as possible of the circumstances and the actions taken to remove/minimise its impact (e.g. with the officers concerned removed from the related duties).

5.2.3. Recipient Organisations must use the funds received (and any derived surplus) solely for the studies or projects which promotes the MEEF Objectives and are prohibited to distribute any portion of such received funds (including any derived surplus) to member(s) of the Recipient Organisation or the public as a financial reward, whether for his/her participation in the activities associated with the projects or otherwise.

5.2.4. The benefits must accrue to the local community as a whole, and

not just to individuals, a single private organisation or a consortium of private companies.

5.2.5. Should the applicant expect any income to be generated by the project, this should be noted in the application.

### 5.3. Disbursement and Reimbursement of Funds

5.3.1. Recipient Organisations will usually receive up to 30% of the grant upon project approval depending on the cash flow requirement, nature of the project and total amount of approved funds. For projects lasting for more than 6 months, the Recipient Organisation may apply for a further disbursement subject to the MEEF-MC being satisfied of progress report(s) explaining why further expenditure is required for undertaking the project as scheduled. Approval of MEEF-MC for such application will depend on the performance and progress of the project. The remaining grant (usually not less than 30% of the total grant) will be released after completion of project subject to the MEEF-MC being satisfied of a completion report together with an audited statement of account for the project in accordance with the requirement specified in Sections 5.8 and 5.9 below. Recipient Organisations must submit an invoice for final payment by the end of the funded Financial Year. The final payment will be released once the completion report and the audited statement of account are accepted by the MEEF-MC.

5.3.2. Expenses incurred before the commencement date of the project will not be reimbursed from the fund. Applications for supplementary grants will not normally be considered. The Trustee, the MEEF-MC and the Secretariat are not responsible for deficits arising from projects funded by the MEEF.

5.3.3. All revenue received, irrespective of whether it has been declared in the proposal, must be defrayed against the actual expenditure before calculating the amount to be reimbursed as final payment.

5.3.4. The amount to be reimbursed for individual items of the budget shall not exceed the approved amount for that item.

5.3.5. The grant may be reduced on a pro-rata basis in the following circumstances:

5.3.5.1. the scope and/or activities of the project are changed;

5.3.5.2. the actual frequency of activities (e.g. seminars) is less than that proposed;

- 5.3.5.3. the number of participants is less than the proposed number and the grant is allocated according to the number of participants;
- 5.3.5.4. the number of publications (e.g. leaflets) is less than the proposed number; or
- 5.3.5.5. the duration of project is reduced.
- 5.3.6. Any item not on the approved list of budget items will not be reimbursed.
- 5.3.7. Income derived from the projects during the period, including sales of output and interest income generated from cash in hand for the projects should be ploughed back into the account.
- 5.3.8. Any unspent balance of the grant shall be returned to the MEEF after the completion of the project.

#### 5.4. Procurement of Goods and Services

- 5.4.1. The Recipient Organisation should exercise utmost prudence in procuring goods or services for the project and must adhere to the following procedures unless the MEEF-MC agrees otherwise:
  - 5.4.1.1. For every procurement the aggregate value of which is HK\$5,000 or below, quotations from suppliers are not required.
  - 5.4.1.2. For every procurement the aggregate value of which is more than HK\$5,000 but less than HK\$10,000, quotations from at least 2 suppliers should be obtained.
  - 5.4.1.3. For every procurement the aggregate value of which is HK\$10,000 or more, but less than HK\$500,000, quotations from at least 3 suppliers should be obtained.
  - 5.4.1.4. For every procurement the aggregate value of which is HK\$500,000 or more, open tendering should be used.
  - 5.4.1.5. To ensure that tenders are properly prepared, a Recipient Organisation should submit the draft tender documents to the Secretariat, and should only invite tender after obtaining written approval from the MEEF-MC. The Recipient Organisation should select the supplier that has submitted the lowest bid and/or quotation. If the lowest bid/quotation is not selected, full justifications must be given and prior agreement must be

obtained from the MEEF-MC.

- 5.4.1.6. In case there is only one provider of the goods or services required and Recipient Organisation wishes to apply for sole sourcing, full justification must be given and prior agreement must be obtained from MEEF-MC.
- 5.4.1.7. All quotations and tendering documents should be kept for inspection by the MEEF-MC.
- 5.4.1.8. The Recipient Organisations should not avoid the above requirements on quotation and open tender by arbitrarily dividing a single procurement into multiple procurements of smaller amounts.

#### 5.5. Specified Recipient Organisations and Non-Specified Recipient Organisations

- 5.5.1. For the purpose of granting funding support, Recipient Organisations are divided into 2 categories, Specified Recipient Organisations and Non-Specified Recipient Organisations.
- 5.5.2. A Specified Recipient Organisation means a Recipient Organisation which is:
  - (i) a degree-awarding higher education institution in Hong Kong, Mainland China or overseas;
  - (ii) a member institution of the Vocational Training Council; or
  - (iii) a government research institute in Hong Kong, Mainland China or overseas.
- 5.5.3. Non-Specified Recipient Organisation means any recipient organisation other than a Specified Recipient Organisation.
- 5.5.4. In respect of financial reporting requirements, Specified Recipient Organisations may choose to adopt either the general financial reporting requirements set out in Sections 5.9.3 and 5.9.4 or alternative financial reporting requirements as set out in Section 5.9.5.

#### 5.6. Reporting Requirements

- 5.6.1. The MEEF-MC will monitor ongoing projects. For projects lasting for more than 6 months, Recipient Organisations need to submit brief half-yearly progress reports with information on progress, current status and the financial position of the project.

5.6.2. For all projects, Recipient Organisations are required to submit a completion report.

5.6.3. Reimbursement of expenditure will be subject to satisfactory performance and progress of the project.

#### 5.7. Progress Reports

5.7.1. The progress reports should contain at least the following information:

- (i) Project title and brief description of the Project;
- (ii) Progress against the proposed Work Schedule;
- (iii) Brief results/descriptions on the completed activities, with the support of photos, videos, social media platform, etc., if any;
- (iv) List of activities that is behind the Work Plan with proposals to expedite progress;
- (v) Interim evaluation of the project effectiveness in achieving the proposed objectives as well as the impact (benefits) of the Project;
- (vi) Financial statement of the project (enclose as an appendix to the progress report) in the suggested format as set out in Appendix 2;
- (vii) Copies of supporting receipts for expenses incurred, and copies of respective quotation/tendering documents of the major expenses enclosed in an appendix to the progress report in accordance with Section 5.9.3 of this Guidance Note <sup>(1)</sup>;
- (viii) Staff attendance record in accordance with the attendance monitoring plan (enclosed as an appendix) (see Section 5.17) ; and
- (ix) If applicable, recruitment record for all project staff employed in accordance with the recruitment plan under the project (enclosed in an appendix) (see Section 5.17).

5.7.2. The progress reports should be signed off by the project leader or the representative authorised by Recipient Organisation. The

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(1) This requirement is not applicable to Specified Recipient Organisations who choose to adopt the alternative financial reporting requirements as specified in Section 5.9.5.

following declaration shall be included in all progress reports and completion reports submitted:-

*“I hereby irrevocably declare to the MEEF Management Committee and the Steering Committee of the relevant Funds including the Top-up Fund, that all the dataset and information included in the progress report has been properly referenced, and necessary authorisation has been obtained in respect of information owned by third parties.”*

5.7.3. The following disclaimer should be added to the progress report:

*“Any opinions, findings, conclusions or recommendations expressed in this report do not necessarily reflect the views of the Marine Ecology Enhancement Fund or the Trustee.”*

5.7.4. Please see Section 5.9.3 for more details concerning financial reporting requirements when preparing a progress report.

## 5.8. Completion Report

5.8.1. Within 2 months of completion of the project or before the date specified in the funding agreement, all Recipient Organisations need to submit a completion report to the Secretariat. If an extension of the submission deadline is required, approval should be obtained from the Secretariat.

5.8.2. The completion report should contain at least the following information:

- (i) Executive Summary (1-2 pages);
- (ii) Project title and brief description of the Project;
- (iii) Completed activities against the proposed Work Schedule;
- (iv) Results/ descriptions on the completed activities with appropriate analysis, with the support of photos, videos, social media platform, etc., if any;
- (v) Evaluation of the project effectiveness in achieving the proposed objectives as well as the impact (benefits) of the Project;
- (vi) Summary and Way Forward;
- (vii) Audited statement of account (enclosed as an appendix to the completion report) in the suggested format as provided in Appendix 2 to this Guidance Note;

- (viii) A list of all project assets (as defined in Section 5.14) with photos (see Appendix 4) enclosed as an appendix to the completion report;
- (ix) Staff attendance record in accordance with the attendance monitoring plan (see Section 5.17); and
- (x) If applicable, recruitment record for all project staff employed under the project enclosed as an appendix to the completion report in accordance with the recruitment plan (see Section 5.17).

5.8.3. The completion report should be signed off by the project leader or the representative authorised by Recipient Organisation. The following declaration shall be included in completion reports submitted:-

*“I hereby irrevocably declare to the MEEF Management Committee and the Steering Committee of the relevant Funds including the Top-up Fund, that all the dataset and information included in the completion report has been properly referenced, and necessary authorisation has been obtained in respect of information owned by third parties.”*

5.8.4. The following disclaimer should be added to the completion report:

*“Any opinions, findings, conclusions or recommendations expressed in this report do not necessarily reflect the views of the Marine Ecology Enhancement Fund or the Trustee.”*

5.8.5. Please see Section 5.9 for more details concerning financial reporting requirements when preparing for a completion report.

5.8.6. The Recipient Organisation may be required to complete a post-implementation review on the effectiveness of the project and may be invited to make a presentation to the MEEF-MC upon completion of the project. Unsatisfactory performance will affect the organisation’s prospects of receiving future funding support, and the organisation’s management will be informed.

## 5.9. Financial Reporting Requirements

### 5.9.1. General Requirements for All Recipient Organisations

5.9.1.1 All Recipient Organisations are required to comply with the following financial reporting requirements:



- (i) Deposit all funds received from the Trustee in respect of the project into a separate bank account;
- (ii) Submit copies of receipts and quotations for checking in the progress report (unless the Recipient Organisation is a Specified Recipient Organisation which has chosen to adopt the alternative arrangement in Section 5.9.5); and
- (iii) Submit an audited statement of account in the completion report.

#### 5.9.2. Separate Bank Account

5.9.2.1. All funds received from the Trustee should be kept in a separate interest-bearing Hong Kong Dollar (or other currency) bank account opened with a bank approved by the Trustee or the Secretariat of MEEF to facilitate the checking of financial records by the Trustee and auditors as and when necessary <sup>(2)</sup>;

5.9.2.2. Where the opening of a separate interest-bearing Hong Kong Dollar (or other currency) bank account is impossible or impracticable, the Recipient Organisation shall inform the Secretariat and provide written justification in the Beneficiary's Bank Account Information Form within 5 business days of receipt of such form from the Secretariat. In any event, the authorised representative of the Recipient Organisation shall, in the Beneficiary's Bank Account Information Form, declare that he/she will maintain proper book-keeping for the project and that all financial records will be kept for the purpose of preparing an audited statement of account after the completion of the project;

#### 5.9.3. Requirement to submit copies of receipts and quotations

5.9.3.1. For those Recipient Organisations who are required to submit progress reports, they shall submit copies of receipts and quotations to the Secretariat to facilitate the progress tracking by the Secretariat. Copies of receipts and quotations should be submitted within 1 month from the date of procurement of the relevant goods and/or services, or at the same time as the progress report,

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(2) This requirement does not apply to applicants who are universities.

whichever is earlier.

- 5.9.3.2. For those Specified Recipient Organisations who are required to submit progress reports, they may choose either to submit copies of receipts and quotations in accordance with Section 5.9.3.1, or to adopt the alternative financial reporting requirements set out in Section 5.9.5 below.

5.9.4. Audited Statement of Account

- 5.9.4.1. All Recipient Organisations must attach an audited statement of account in their completion reports.

- 5.9.4.2. The statement of account attached to the completion report must be audited by certified public accountants (practising) within the meaning of section 2 of the Professional Accountants Ordinance (Cap 50), or, in the case of overseas accountants, accountants certified by recognised overseas accountancy bodies, providing assurance that the audited accounts have been properly prepared and accurately presents the financial position and that the conditions of the grant are met. If, for whatever reason, the accountants do not provide such assurance, prior written approval from the MEEF-MC should be obtained. Selection of accountants is subject to the prior approval of the Trustee or the Secretariat of MEEF <sup>(3)</sup>;

- 5.9.4.3. The project leader or the representative authorised by the Recipient Organisation must also sign in the statement of account attached to the completion report, or sign in the completion report, the following declaration, warranty and undertaking:-

*"I hereby irrevocably declare, warrant and undertake to the MEEF Management Committee and the Steering Committee of the relevant Funds including the Top-up*

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(3) This requirement is not applicable to the Specified Recipient Organisations who adopt the alternative financial reporting requirements as specified in Section 5.9.5.

*Fund, that I myself, and the Organisation:-*

1. *do not deal with, and are not in any way associated with, any country or organisation or activity which is or may potentially be relevant to, or targeted by, sanctions administered by the United Nations Security Council, the European Union, Her Majesty's Treasury-United Kingdom, the United States Department of the Treasury's Office of Foreign Assets Control, or the Hong Kong Monetary Authority, or any sanctions law applicable;*
2. *have not used any money obtained from the Marine Ecology Enhancement Fund or the related Top-up Fund (and any derived surplus), in any unlawful manner, whether involving bribery, money-laundering, terrorism or infringement of any international or local law; and*
3. *have used the funds received (and any derived surplus) solely for the studies or projects which further the MEEF Objectives and have not distributed any portion of such funds (including any derived surplus) to members of the Recipient Organisation or the public."*

#### 5.9.5. Alternative Arrangement for Specified Recipient Organisations

5.9.5.1. Prior to the commencement of the project, Specified Recipient Organisation may, with prior written notice to the Secretariat of MEEF, adopt the following alternative financial reporting requirements instead of complying with the financial reporting requirements set out in Sections 5.9.3.1 and 5.9.4.2:

5.9.5.1.1. Enclose, in the progress report, a financial statement summarising the interim project financial position. The financial statement should be signed off by the person in charge of the accounting / finance department of the Specified Recipient Organisation with the following declaration:

*"I hereby irrevocably declare to the MEEF*

*Management Committee and the Steering Committee of the relevant Funds including the Top-up Fund, that I myself as the person in charge of the accounting / finance\* department of the Recipient Organisation, and confirms that:*

- (i) the books and records of the Recipient Organisation has been properly kept for the reporting period, and*
- (ii) the financial statement enclosed in the progress report has been prepared in accordance with the financial reporting requirements prescribed by the MEEF.”*

*\* Please delete as appropriate*

5.9.5.1.2. Enclose, in the completion report, a statement of account audited by:

- (i) the person in charge of accounting / finance department of the Specified Recipient Organisation, or
- (ii) a practising certified public accountant within the meaning of section 2 of the Professional Accountants Ordinance (Cap 50), or
- (iii) in the case of overseas accountant, an accountant certified by recognised overseas accountancy bodies,

to ensure that the audited account has been properly prepared and accurately presents the financial position of the project, and that the conditions of the grant are met. In the case where the statement of account is audited by accountants, if, for whatever reason, the accountants do not provide such assurance, prior written approval from the MEEF-MC should be obtained. Selection of the accountant is subject to the prior approval of

the Trustee or the Secretariat of MEEF.

5.9.5.2. If the statement of account is signed off by the person in charge of accounting / finance department of the Specified Recipient Organisation, the following declaration should be included in the statement of accounts:

*“I hereby irrevocably declare to the MEEF Management Committee and the Steering Committee of the relevant Funds including the Top-up Fund that I myself as the person in charge of the accounting / finance\* department of the Recipient Organisation, and confirms that:*

*(i) the books and records of the Recipient Organisation has been properly kept for the reporting period, and*

*(ii) the statement of account enclosed in the completion report has been prepared in accordance with the financial report requirements prescribed by the MEEF.”*

*\* Please delete as appropriate*

#### 5.10. Site Inspection

5.10.1. The Secretariat of MEEF shall arrange for site inspections for selected MEEF funded projects in each Financial Year to check the project progress against the project proposals and progress reports. A project may be selected if it fulfils the following criteria:-

- (i) If the project duration is longer than 6 months in each Financial Year;
- (ii) If the requested funding amount is over HK\$2.5 million in each Financial Year; and
- (iii) If the project involves site works/surveys in Hong Kong.

5.10.2. There shall be one (1) inspection for each selected project within each Financial Year, and the inspection shall, if practicable, be conducted within one (1) month upon the receipt of progress report.

## 5.11. Intellectual Property Rights and Publicity of Projects and Results

- 5.11.1. Unless agreed otherwise between the Secretariat and/or the Trustee and the Recipient Organisation, the Recipient Organisation will solely own all intellectual property rights arising from the project.
- 5.11.2. The Recipient Organisation is required to grant unconditionally and irrevocably to the Trustee the right to publish results, findings and any other information provided in the application form, progress report, completion report and other publications or publicity material. The completion report (excluding any financial information) will be published onto the dedicated website after agreement by MEEF-MC.
- 5.11.3. The Recipient Organisation should notify the Secretariat of the results of projects before publishing them. Copies of publications produced under the projects must carry the Trustee's logo in Appendix 3 to this Guidance Note, and be submitted to Secretariat for approval in advance. Copies of publications or publicity materials must be made available to the Secretariat within 20 business days after the completion of the projects.
- 5.11.4. If requested, Recipient Organisations should ensure relevant information of the projects are made available to the Secretariat for the use or promotion of MEEF. This shall take the form of a PowerPoint presentation and information to be included in the dedicated website.

## 5.12. Acknowledgment of Support and Disclaimer

- 5.12.1. The source of funding (both the name and logo specified by the Trustee) must be acknowledged in all publicity materials produced from the projects. Use of the name and logo for other purposes is subject to the prior approval of Trustee. Copies of publications or publicity materials must be made available to the Secretariat within 20 business days after the completion of the projects.
- 5.12.2. In no circumstance shall the Trustee's name or logo be used for publicity for commercial interest or other purposes which may damage the image and/or otherwise expose the MEEF or the

Trustee to liability. The following disclaimer should be added to all publications and media briefs relating to MEEF funded projects:

*“Any opinions, findings, conclusions or recommendations expressed in this material/event do not necessarily reflect the views of the Marine Ecology Enhancement Fund or the Trustee.”*

### 5.13. Suspension/Termination of Funding Support

5.13.1. The MEEF-MC may suspend/terminate support for a project under the following circumstances:

- (i) if the project does not commence within 6 months of the approval of the grant and no reasonable explanation has been given in writing;
- (ii) the MEEF-MC considers that the project has not progressed satisfactorily and no reasonable explanation has been given;
- (iii) if the project leader resigns prior to the completion of the project and there is no suitable candidate to take over the role of project leader among the members who have been involved in the project; or
- (iv) the Recipient Organisation fails to comply with the funding conditions as set out in this Guidance Note and/or in the funding agreement and no reasonable explanation has been given.

5.13.2. In each of the above cases of suspension/termination, the MEEF-MC shall give 1 month notice to the Recipient Organisation, stating the reasons for the suspension/termination.

5.13.3. In cases of suspension, the Recipient Organisation should demonstrate in writing that measures have been taken to rectify the problems and to improve the unsatisfactory situation for consideration by the MEEF-MC. Depending on the circumstances, the MEEF-MC may or may not lift the suspension.

5.13.4. In cases of termination, the balance of the grant or any funding

given in advance shall be returned to the MEEF with an audited statement of account for the project in accordance with the requirement specified in Section 5.9.4 within 2 months from the date of termination. The MEEF-MC will consider possible redeployment of the goods, education materials and computer software acquired for the project.

5.13.5. The MEEF-MC may suspend/terminate funding support for the project if the project is being carried out in any of the circumstances below without prior approval:

- (i) revision to the objectives and/or content;
- (ii) change of project leader;
- (iii) transfer of project to another organisation; or
- (iv) deferral of completion date of the project.

5.14. Title of Capital Items, Equipment, Goods, Educational Materials and Computer Software

Title of capital items, equipment, goods, educational materials and computer software procured by the Recipient Organisation in respect of the project ("Project Assets") will be vested in the Trustee. The Trustee may transfer title of Project Assets to the Recipient Organisation upon satisfactory completion of a project on a case-by-case basis.

5.15. Custody of Project Assets

Whenever a project is completed, the authorised representative of the Recipient Organisation will be appointed by the Trustee as the custodian of the Project Assets, until such time as the Secretariat of MEEF informs the authorised representative that the Project Assets have been transferred to another custodian ("Subsequent Custodian"). A custodian shall be responsible for the storage and maintenance of the Project Assets during the period when the Project Assets are in the custody of the custodian.

5.16. Borrowing of Project Assets

5.16.1. To further support the funds initiative and encourage the sustainable use of project assets, Project Assets of completed projects will be made available for borrowing by MEEF applicants



if the applicants state in the Application Form that they wish to utilise Project Assets and the project applications are approved.

- 5.16.2. The Secretariat will set up a list of Project Assets available for borrowing on the dedicated website. Applicants may consider using Project Assets for their projects when submitting project applications.
- 5.16.3. The following Terms and Conditions will apply in case an applicant wishes to borrow Project Assets:
  - (i) Applicant should indicate which Project Assets his/her organisation would like to borrow by reference to the Project Asset Reference Number and item name of the Project Asset under “Budget of the Project” in the Application Form or the Application Form for Project Extension. An example is given in Appendix 5 of this Guidance Note.
  - (ii) If the application is approved, the authorised representative of the Recipient Organisation will be required to sign a custodial agreement with the Trustee and becomes a Subsequent Custodian.
  - (iii) Once a custodial agreement is signed, the Subsequent Custodian or his/her designated representative shall be responsible for collecting the Project Assets at the place of their current custody, in the presence of the current custodian or his/her designated representative and the Secretariat’s representative.
  - (iv) The Subsequent Custodian or his/her designated representative shall check and ensure the Project Assets are received in good and working conditions. The Subsequent Custodian shall be responsible to keep and maintain the Project Assets during the project period or other period as specified in the custodial agreement at the Recipient Organisation’s own cost and expense.
  - (v) The Subsequent Custodian shall ensure that the Project Assets are adequately kept and insured against fire, theft and damage.

- (vi) If for whatever reason that the Subsequent Custodian is unable to discharge his/her responsibility as the custodian of the Project Assets, or if any of the Project Assets is damaged or lost while it is in the custody of the Subsequent Custodian, it is the Subsequent Custodian's responsibility to inform the MEEF-MC promptly and the MEEF-MC will determine whether or not the Recipient Organisation is liable for any damage or loss of the Project Assets and whether or not the Subsequent Custodian may continue to use the Project Assets that are in its custody.
- (vii) Borrowing of Project Assets may be terminated at any time, by the MEEF-MC and/or the Secretariat if there is any misuse or damage of the Project Assets during the project period while the Project Assets is in the Subsequent Custodian's custody.
- (viii) The Subsequent Custodian shall request in writing if he/she wishes to extend the borrowing period of the Project Assets. The request will be subject to approval by the MEEF-MC.
- (ix) The Subsequent Custodian shall remain as the custodian of the Project Assets notwithstanding completion of the project or lapse of the project period. He/she shall be responsible for keeping the Project Assets in good condition until custody of the Project Assets is transferred to another Subsequent Custodian.
- (x) Applicants are advised to read the Terms and Conditions for Borrowing the Project Assets carefully before submitting the MEEF application forms if they wish to borrow Project Assets.

#### 5.17. Project Staff Recruitment and Attendance Monitoring

- 5.17.1. If a Recipient Organisation intends to recruit staff in addition to the key member(s) of the project team, the Recipient Organisation should draw up a recruitment plan for additional project staff (excluding any project leader and key member(s) of the project team whose identities have already been specified in

the project proposal) and an attendance monitoring plan for all project staff. These plans should be included in the project proposal with details including, but not limited to:

- (i) minimum qualification requirements for individual posts;
- (ii) advertisement methods for job vacancies (e.g. identification of local newspapers and/or other channels);
- (iii) selection and approval mechanism for staff appointment; and
- (iv) project staff attendance recording system.

5.17.2. Further, Recipient Organisations shall maintain proper recruitment and attendance records for all project staff employed under the project. These records shall be enclosed with the progress and completion reports to ensure the implementation of the plans.

#### 5.18. Confidentiality

Applicants shall treat all information relating to the applications, funding support and their communications with the Secretariat confidential, and shall not, without prior written consent of the Secretariat (whose consent would be given on its own behalf and also behalf of the MEEF Management Committee and the Trustee), disclose such information, in whatever form or on whatever medium, to any third party.

#### 5.19. Others

5.19.1. The MEEF-MC and the Trustee shall have no responsibility, financial or otherwise, for expenditure incurred by Recipient Organisations or other liabilities which may arise from the projects.

5.19.2. The Trustee and MEEF may at any time, amend or add to the above conditions, without prior notice to recipient organisations.

Appendix 1

Level of Funding Support for Expenses

Items	Descriptions	Level of Funding Support (HK\$)
1	Booths – including rental payments, decoration and prizes for game booths	The ceiling is capped at HK\$600 per booth.
2	Production of Exhibition Panel	Maximum HK\$2,000 per panel. The ceiling is capped at HK\$20,000 per application.
3	Hire of Speakers/ Instructors	Maximum HK\$500 for a speaker for each function.
4	Insurance for Third Party Liabilities	Funding support will be based on the basic requirements. Quotations must be provided.
5	Admission Fee	Participants are required to pay 40% of the admission fee.
6	Package Tour	For hire of package tour, 40% of the charge should be paid by the participants.
7	Souvenir	Maximum unit price: HK\$50
8	Travel Allowance for Staff and Volunteers	Maximum HK\$15 per journey.
9	Meal Allowance for volunteers only	For <b>half day</b> activities – maximum: HK\$34 per day. For <b>full day</b> activities – maximum: HK\$48 per day
10	Funding Scale for Research Project Support Staff	<b>Student Research Assistant</b> (Undergraduate), maximum HK\$50 per hour <b>Research Assistant II</b> (Recent graduate with little or no work experience), maximum HK\$14,330 per month <b>Research Assistant I</b> (First degree graduate with some experience or master's degree holder with no working experience), maximum HK\$17,760 per month <b>Senior Research Assistant</b> (Master's degree holder with working experience or above), maximum HK\$28,450 per month

Remarks: The funding scale may be adjusted by MEEF-MC as and when necessary.

*Appendix 2*

**Suggested Format of Financial Statement in Progress Report**

Expense Items as listed in Clause 4 of the Funding Agreement	Unit cost (HKD)	Quantity	Expected Expenditure (HKD)	Quantity procured up to end of reporting period of Progress Report	Expenditure up to end of reporting period of Progress Report (HKD)	Receipt reference no.

**Suggested Format of Audited Statement of Account in Completion Report**

Expense Items as listed in Clause 4 of the Funding Agreement	Unit cost (HKD)	Quantity	Expected Expenditure (HKD)	Expenditure up to end of reporting period of Progress Report (HKD) [a]	Quantity procured in current reporting period	Expenditure incurred in current reporting period (HKD) [b]	Expenditure up to end of reporting period of Completion Report (HKD) [a+b]	Receipt reference no.

*Appendix 3*

Logo of the Trustee



*Appendix 4*

List of Project Assets

Project Assets*	Quantity	Date of Purchase	Receipt Reference no.	Location of Item	Person-in-Charge (Name and post)	Photo is / is not Provided

\* Please detail out the brand, model and serial number, if any

*Appendix 5*

Request for borrowing project assets from the custodian in “Budget of the Project” of the Application Form or Application Form for Project Extension

Particulars	Unit Cost (HK\$)	Quantity	Expected Expenditure (HK\$)	Amount Requested (HK\$)
Desktop computer (Project Asset Ref. No. as shown on the dedicated website)	0	1	0	0
Total:				