

For discussion on  
9 July 2010

Paper No. 05/10

**COUNCIL FOR SUSTAINABLE DEVELOPMENT  
EDUCATION AND PUBLICITY SUB-COMMITTEE**

**Sustainable Development Fund  
Eighth Round of Applications**

**Purpose**

This paper invites Members' views on various issues related to the launch of the eighth round of applications to the Sustainable Development Fund (SDF).

**Recommendations**

2. Members are invited to –
  - (a) note the results of the seventh round of SDF applications as set out at *Annex A*;
  - (b) comment on the priority areas for the eighth round of SDF applications as suggested in paragraph 6 below;
  - (c) comment on the assessment criteria at *Annex C* and give views on whether the criteria could be released to the public at the launch of the eighth round of SDF applications; and
  - (d) comment on the proposed arrangements for the launch of the eighth round of SDF applications as outlined in paragraphs 11 to 13 below.

**Results of the Seventh Round of SDF Applications**

3. Following the EPSC meetings on 12 March and 14 May 2010 and the additional information subsequently provided by the applicants as requested by Members, EPSC agreed to recommend five projects for awards of grant from the SDF. A list of these five projects is at *Annex A*.

4. All five projects are seeking grants exceeding \$500,000 each, and the Council for Sustainable Development (the Council)'s endorsement is required for these projects. In June 2010, the Council agreed to endorse grants to these five projects. As the Controlling Officer, the Permanent Secretary for the Environment approved the funding for these five projects. A media lunch was arranged on 2 July 2010 to announce the results to the media. At the media lunch, EPSC Chair introduced the details of SDF, announced the results of the seventh round of approved projects while the representatives of the fund recipients answered the enquiries from reporters. Reporters from a total of 12 newspapers/radio/television attended.

### **Current Financial Position of SDF**

5. The SDF was established in June 2003 with an amount of \$100 million. A total of 38 projects have been approved under the first seven rounds of applications, involving total grants of \$35.1 million. A breakdown of the number of projects approved and grants awarded in each round is at *Annex B*. So far, 22 projects have been completed.

### **Eighth Round of Applications**

#### *Priority Areas*

6. The priority areas adopted in the seventh round have been rationalised and listed under (a) to (c) below. For this time round, we recommend to adopt the modified priority areas of the seventh round and add a new priority area on "Climate Change" as shown in item (d) below –

(a) Building a sustainable community

This may include projects that can help establish a sustainable and functional community, through, for example, community participation, creation of mutual help network, conservation and preservation of cultural heritage, urban regeneration and community planning, promotion of local economy, building harmonious neighbourhood and local agenda for sustainability.

(b) Promoting sustainable lifestyle or practice

This may include projects that help promoting sustainable

practices in our daily lives in areas such as sustainable built environment, better air quality, urban living space, solid waste reduction, renewable energy, corporate social responsibility and conservation of biodiversity.

(c) Sustainability reporting by industry/sector

This may include projects that focus on sectoral or thematic reporting rather than broad territorial reporting. The objective is to develop a sustainability reporting tool to help illustrate progress of sustainable practice and raise public awareness of related issues in industries/sectors/areas such as production and consumption, community services, tourism, and building and construction.

(d) Climate Change

This may include projects that focus on mitigation and adaptation initiatives to promote low carbon footprint lifestyle and practices or to help reduce greenhouse gas emissions such as energy and water usage efficiency, building low carbon city, efficient use of alternative energy, clean manufacturing and low carbon office.

7. Notwithstanding the above, applications that are generally consistent with the overall SDF objectives should continue to be welcomed.

8. Subject to Members' views on the proposed priority areas as mentioned in paragraph 6, the SDF Secretariat will proceed to compile the information which will be suitably publicised through press release, the SDF website, as well as the proposed briefing session mentioned in paragraph 12 below.

*Pricing Standards for Applications to SDF*

9. Given that there is no significant change in the economic and employment situations since the pricing standards was reviewed in July 2009, we propose to maintain the current pricing standards, including the staff rates, for this time round.

### *Assessment Criteria*

10. Given that the assessment criteria adopted for the seventh round at *Annex C* is considered suitable for future assessment, we propose to maintain the current assessment criteria for this time round. To enhance transparency, it is recommended that the assessment criteria be released to the public with a view to increase the successful rate of the applications.

### *Proposed Arrangements for the Launch*

11. We propose that the eighth round of applications to the SDF be launched in mid-August 2010. The SDF Secretariat has proceeded to update the SDF project booklet as the publicity materials for the Fund launch. This booklet will include an introduction of the five newly approved projects, as well as the updated progress of the on-going ones.

12. As in line with past practice when a new round is launched, a briefing session will be arranged for potential applicants with a view to facilitating them to gain a better understanding of the concept and practice of SD and how to compile submissions for SDF applications, as well as achieving fruitful “matching” and cross-sectoral collaboration. For this time round, it is suggested that representatives of NGOs, Members of the District Councils, secondary schools, especially the participating schools for the Gold Award of the SD School Award Programme, chambers of commerce and industries and their members, social enterprises and tertiary education institutions be invited to attend the briefing session in order to encourage them to submit SDF applications. The tentative plan of the session is as follows –

- (a) The first part of the session would include an introduction of the SDF and the priority areas, as well as a brief introduction of the concept of SD.
- (b) The second part would be an experience sharing session by a fund recipient.
- (c) The last part would cover a short briefing by the SDF Secretariat on (i) producing quality SDF proposals,

including tips and examples for prospective applicants on producing good quality proposals, and (ii) the assessment criteria for SDF proposals. In this connection, a list of “DOs and DON’Ts” and the scoring percentage of each assessment criteria would be distributed to them for reference.

13. The briefing session should be organised at the launch of the eighth round of SDF applications so as to allow sufficient time for prospective applicants to prepare their project proposals. Members are also encouraged to participate in the event, and to refer any potential applicants to the SDF Secretariat as soon as possible such that we could invite them to join the session.

#### *Media Visit*

14. Media visits to SDF projects are a worthwhile on-going education and publicity initiative. In view of the successful media visits conducted in past years which received wide and positive media coverage, we plan to organise a media visit in tandem with the launch of the eighth round of applications to publicise the Fund.

#### **Way Forward**

15. Subject to Members’ advice, we shall proceed to make suitable preparatory work for the launch of the eighth round of SDF applications.

Council Secretariat  
July 2010

### Five Projects Approved in the Seventh Round of SDF Applications

Ref. No.	Title of Project	Name of Grantee	Description of Project	Duration of Project	Amount Approved (\$)
SDF333	Sustainable Development of Heritage and Cultural Project at Old District of Yau Ma Tei	Hulu Culture Limited	The project aims to revitalise the old district of Yau Ma Tei and boost local economy by promoting the importance of conservation and preservation of cultural heritage through the implementation of various kinds of activities in the district. Project activities include a series of community educational talks, guided tours, creative arts market and experiential workshops for the public to enhance their understanding of the history and culture of Yau Ma Tei and Hong Kong. To facilitate the development of creativity industry with a view to bringing some economic benefits to the old shops, the project will organise two competitions and a training course so as to encourage the youth to design new products which has incorporated the elements of traditional	24 months	1,160,200

			handicrafts. Besides, a website as an online resource and discussion platform will be set up for the project. Furthermore, the project would engage the deprived people, including the working poor, retired elders, recipients of the Comprehensive Social Security Allowance, etc. in its implementation of activities.		
SDF336	CSR Guide for SMEs in Hong Kong	CSR Asia	The proposal aims to provide a corporate social responsibility (CSR) guidebook, in English and Chinese online versions, as a practical resource and toolkit for Hong Kong companies to understand and adopt CSR practices, as well as to enrich CSR initiatives in their business operation. The guidebook will contain CSR concept with case studies and best practices which are Hong Kong-specific CSR issues. The proposal would include a pilot programme involving five SMEs in the service and retail sectors to trial run the Guide and produce five CSR reports. Besides, three half-day post-guide briefing workshops, and	12 months	761,948

			<p>twenty 1.5-hour seminars would be organised with partner associations in related trades and industries for about 900 representatives from the SMEs in Hong Kong to further enhance their knowledge and awareness of CSR. Besides, summary leaflets and VCD discs of the CSR Guide would be produced for distribution to SMEs in Hong Kong.</p>		
SDF356	<p>Guide to “Better Corporate Social Responsibility” for Apparel Industry – SME Version</p>	<p>Clothing Industry Training Authority</p>	<p>The proposal aims to develop a framework for sustainability reporting (SR) based on the Global Reporting Initiative (GRI) for the SMEs of the textile and apparel industry in the form of a guidebook with a view to encouraging the SMEs to start their own CSR initiatives and generate their own sustainability report. Three Hong Kong based factories will be selected from the supply chain of textile and apparel industry to participate in a pilot programme to develop the guidebook. Training on the use of the guidebook and assistance in drafting the sustainable report would be</p>	<p>18 months</p>	<p>670,000</p>

			<p>provided to the pilot factories. A Steering Committee comprising of six members representing different major textile and garment related associations would be formed to steer and monitor the project progress. Seminars and workshops would be organised to publicise the guidebook and each participating factory would be invited to share their experience and benefits reaped from the project.</p>		
SDF357	<p>Customized Sustainability Framework to Assist SMEs to Achieve Sustainability</p>	<p>Hong Kong Chamber of Small and Medium Business Limited</p>	<p>The proposal aims to develop a framework for SR based on the internationally applicable GRI G3 for the SMEs of the manufacturing sector, in particular for four industries contributing to a large portion of Hong Kong's total export value. The four target industries are toys, electronics, garment and watches and clocks. A vetting and advisory panel, comprising of representatives from leading organisations in related industries, would be formed to undertake the important tasks of reviewing and revising the draft sustainability</p>	<p>12 months</p>	<p>857,030</p>

			framework as well as selecting eight representative SMEs from the four target industries for the pilot programme. A sustainability report would be produced by each of these eight selected SMEs. Project activities include the compilation of a bilingual Sustainability Framework Booklet, organisation of seminars, presentation ceremony of Certificates of Appreciation, press activities and setting up of a website.		
SDF385	Low Carbon Manufacturing Programme Workshops: Sustaining Your Business in a Carbon-constrained Economy	World Wide Fund for Nature Hong Kong	The proposal aims at preparing the Hong Kong manufacturers, including those who have factory facilities in the Pearl River Delta region, for the forthcoming challenges and opportunities arising from climate change regulation through a series of 20 workshops organised for the managerial staff of the export-oriented factories to deepen their knowledge on climate change issues, stimulate their thoughts on the business risks and opportunities, share technological best practices, and formulate business strategies to address climate	24 months	1,986,822

			<p>change and sustainability. The 20 workshops are two-day workshops consist of presentations, breakout group discussions and feedback finding. Upon completion of the workshops, 60 sets of Combat Climate Change Action Plans would be developed from the participating manufacturers. Among these 60 sets of Action Plans, the applicant would conduct a mid-term review to follow-up with 10 manufacturers to monitor the progress of their individual Action Plans. A short report would be compiled at the end of the project period on the achievements of the 10 manufacturers that implement their Action Plans, to compare the pre- and post-action results, identify best practices and draw up successful case studies, if any, to be shared with the general public.</p>		
				<b>Total :</b>	<b>5,436,000</b>

**Number of Projects Approved and Grants Awarded in Each Round of SDF Application**

<b>No. of Round</b>	<b>No. of Projects Approved</b>	<b>Total Amount of Grants (\$)</b>
<b>1</b>	<b>8</b>	<b>7,752,685</b>
<b>2</b>	<b>2</b>	<b>3,092,900</b>
<b>3</b>	<b>4</b>	<b>1,695,075</b>
<b>4</b>	<b>4</b>	<b>1,959,650</b>
<b>5</b>	<b>8</b>	<b>7,279,545</b>
<b>6</b>	<b>7</b>	<b>7,906,525</b>
<b>7</b>	<b>5</b>	<b>5,436,000</b>
<b>Grand Total</b>	<b>38</b>	<b>35,122,380</b>

**Assessment Criteria for SDF Applications**

- Achievement of SDF Objectives (30%)
- Project Quality (20%)
- Effectiveness of Project (20%)
- Financial Viability (10%)
- Applicant's Track Record and Capability (10%)
- Additional factors such as extent of collaboration across sectors and groups, operational sustainability and innovation (10%)