

Dedicated Fund on Branding, Upgrading and Domestic Sales – Enterprise Support Programme

Guidance Notes for Applications on “Normal Track – Simplified Option”

This set of Guidance Notes applies to applications of **“Normal Track – Simplified Option”** under Type (ii) Project Applications and should be read in conjunction with the *Guide to Application for the Dedicated Fund on Branding, Upgrading and Domestic Sales (Enterprise Support Programme) (The Guide)*. For areas not specifically mentioned in this set of Guidance Notes, the general requirements set out in the Guide shall apply. The Programme Management Committee (PMC) reserves its right to change any requirements or to decide how requirements should be implemented at any time without prior notice.

1. Background

- 1.1 To facilitate Hong Kong enterprises to better make use of the Enterprise Support Programme (ESP), the “Normal Track – Simplified Option” was launched in October 2016. Details of the “Normal Track – Simplified Option” are set out in this set of Guidance Notes which should be read in conjunction with the Guide.
- 1.2 The eligibility of applicants for “Normal Track – Simplified Option” is the same as those of the existing “Normal Track” application. Please refer to the Guide for details.

2. Funding Amount, Principles and Funding Scope

- 2.1 Funding would be provided on a matching basis, i.e. the Government will cover a maximum of 50% of the total approved project cost and the enterprise has to contribute no less than 50% of the total approved project cost in cash. The cumulative funding ceiling per enterprise under the Programme is \$500,000.
- 2.2 The principles and funding scope of “Normal Track – Simplified Option” are same as those of the existing “Normal Track” application. Please refer to the Guide for details.

3. Funding Arrangement

3.1 There will be **no** initial payment to the successful applicant under “Normal Track – Simplified Option”. Payment will be made to the applicant on a reimbursement basis when the relevant reports and audited accounts are accepted by the PMC and the Government. Depending on the project duration, the arrangement for disbursement of fund and reporting requirement are as follows:

Project Duration	Number of Payments	Initial payment	Mid-term payment (12 th month)	Final payment	Reporting Requirement
18 months or below	1	Not Applicable	Not Applicable	Approved Government funding*	One final report ¹ and final audited accounts ² on the income and expenditure of the project covering the whole project duration
More than 18 months and up to 24 months	2	Not Applicable	50% of approved Government funding at maximum, subject to project progress and actual total allowable project expenditure	Balance of approved Government funding*	One 12 th month progress report ¹ and annual audited accounts ² on the income and expenditure of the project covering the first 12 months. One final report ¹ and final audited accounts ² on the income and expenditure of the project covering the whole project duration.

* The actual amount will be determined by the PMC and the Government having regard to the recognisable total project expenditure upon project completion.

3.2 The project duration can start from a date before the project is approved by the PMC and before the funding agreement is signed but after the date of submission

¹ In accordance with paragraph 6.1 of the Guide.

² In accordance with paragraph 5.5 of the Guide.

of application, subject to PMC's approval of the application. All relevant expenditure incurred as early as after the date of submission of application³ to the Programme Secretariat can be recognised and funded, provided that the measure was within the project duration and included in the project proposal approved by the PMC. The costs incurred outside the project duration would not be funded.

- 3.3 It is not mandatory for the successful applicant to open and maintain a designated project account for the purpose of processing receipts and payments relating to the approved "Normal Track – Simplified Option" project. The applicant is, however, still required to keep proper and separate books and records for expenses incurred under the project as required in Clause 5.4 of the Guide.

4. Application Submission

- 4.1 The applicant is required to indicate clearly whether it wishes to apply for the "Normal Track – Simplified Option" by marking the appropriate checkbox on the application form. Once the selection was made, the applicant could not change the choice after submission of the application. The latest version of the application form can be obtained from the Programme Secretariat or downloaded from the website of the Programme (www.bud.hkpc.org). Applicants should submit the required supporting documents together with the application form.

BUD(ESP) Programme Secretariat
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³ The submission date of application is according to the Secretariat's confirmation of receipt date of application form and required documents.