



## **Innovation and Technology Commission**

### **Innovation and Technology Support Programme**

#### **Public Sector Trial Scheme**

#### **Guide to Filling in the Application Forms**

#### **(ITSP, MRP and UICP Projects)**

This Guide provides details on preparing funding applications for the **“Public Sector Trial Scheme”** (the Scheme) under the Innovation and Technology Support Programme (ITSP).

2. Unless stated otherwise in this Guide, applicants should follow the general rules set out in the “Guide to Filling in the Application Forms of the ITSP” and supplementary information and guidelines issued by the Innovation and Technology Commission (ITC) from time to time. Please check the website of the Innovation and Technology Fund (ITF) ([www.itf.gov.hk](http://www.itf.gov.hk)) for any latest update before submission.

3. Applications are open all year round and must be submitted to the ITF Secretariat (ITSP Section) either -

- (a) through the Innovation and Technology Commission Funding Administrative System (ITCFAS) (<https://itcfas.itf.gov.hk/>); or
- (b) in hard copy in triplicate (one original plus two duplicate copies) in person or by post. Please also provide a soft copy (preferably in MS Word 2003 or above).

4. If you have any question on this Guide and the application form, please contact –

ITF Secretariat (ITSP Section)  
Innovation and Technology Commission  
21/F, West Wing, Government Central Offices  
2 Tim Mei Avenue, Tamar, Hong Kong.  
Tel: (852) 3655 5725  
E-mail: [enquiry@itc.gov.hk](mailto:enquiry@itc.gov.hk)

ITF Secretariat (ITSP Section)  
Innovation and Technology Commission  
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## General

### Objective

1. To facilitate and promote the realisation and commercialisation of research and development (R&D) results under ITF projects, the funding scope of the ITF has been extended to cover production of prototypes/samples and/or conducting of trials in the public sector. The Scheme aims to provide additional funding to support such activities relating to R&D results of completed ITF projects.

### Eligibility

2. All completed ITF R&D projects undertaken by R&D Centres set up under the ITF (R&D Centres)<sup>1</sup> and designated local public research institutes<sup>2</sup> under the Innovation and Technology Support Programme (ITSP), including the Guangdong-Hong Kong Technology Cooperation Funding Scheme (TCFS), the Midstream Research Programme for Universities (MRP) and the University-Industry Collaboration Programme (UICP) are eligible for funding support under the Scheme. The applicant should either be the R&D Centre or the designated local public research institute undertaking the R&D project or the company owning the intellectual property (IP) of the project deliverables (the company applicant). If the applicant does not own the project IP, it must enclose a letter of consent from the relevant IP owner for using the IP in the Scheme.

3. The production of prototypes/samples and/or conducting of trials under the Scheme (the project) should aim to facilitate the development of new products not available in the market currently, and should employ the R&D results/deliverables

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<sup>1</sup> R&D Centres set up under the ITF include –

- (a) Automotive Parts and Accessory Systems R&D Centre ([www.apas.hk](http://www.apas.hk));
- (b) Hong Kong Research Institute of Textiles and Apparel ([www.hkrita.com](http://www.hkrita.com));
- (c) Hong Kong Applied Science and Technology Research Institute ([www.astri.org](http://www.astri.org));
- (d) Hong Kong R&D Centre for Logistics and Supply Chain Management Enabling Technologies ([www.lscm.hk](http://www.lscm.hk)); and
- (e) Nano and Advanced Materials Institute ([www.nami.org.hk](http://www.nami.org.hk)).

<sup>2</sup> Designated local public research institutes refer to local universities, the Hong Kong Productivity Council, the Vocational Training Council, the Clothing Industry Training Authority and the Hong Kong Institute of Biotechnology.

of the original ITF projects.

## **Funding Support**

4. As a general rule, an ITF grant not exceeding 50% of the actual cost of the original R&D project (and up to 100% for projects initiated by R&D Centres) would be provided under the Scheme. However, in exceptional circumstances (e.g. great social value), an application for more funding may be approved.

5. Use of samples/prototypes and/or conducting of trials are confined to the public sector which includes Government bureaux and departments, public bodies (e.g. Housing Authority, Airport Authority), non-profit-making trade associations, charitable organisations, etc.

6. The trials can be conducted outside Hong Kong but are similarly confined to the public sector of the economies concerned. The scale of such trials must be within reasonable limits and in general no more than half of the funds approved by ITC under this Scheme for the trial project could be used outside Hong Kong.

## **Submission of Applications**

7. Please use ITF Form 3.6 to apply for funding under this Scheme for ITSP, MRP and UICP projects.

8. Applicants are required to provide all necessary information with the consent of all parties concerned, in particular authorised letters of support/consent from the public sector organisation(s) and other participating/supporting organisations involved (e.g. universities, companies, etc.). For applications from R&D Centres, they should be endorsed by the Technology Committee of the respective R&D Centres before submission to ITC.

9. ITC reserves the right to seek additional information where necessary.

10. The applicant will be notified of the result of its application in writing.

Withdrawal of an application should be made by the applicant in writing to the ITF Secretariat as soon as possible and in any case before the project agreement is signed.

### **Insurance and Indemnity**

11. The applicant shall indemnify and keep indemnified the Government (similar to the requirement for ITF projects) from and against any claims, actions, loss, investigations, demands and all liabilities from carrying out the project and the use and retention of any materials deployed in the trials. This includes the procurement of necessary insurance policies by the applicant or any other measures which the applicant considers appropriate.

12. ITC holds no responsibility with the prototypes/samples to be produced and/or the trials to be conducted by the applicant. The applicant should ensure that the scope of the project is within the ambit of the Scheme and the implementation is in compliance with the relevant requirements in this Guide.

## ***Part A The ITF Project under which Public Sector Trial Scheme is Applied***

1. Applicants must provide the required information on the original ITF projects under which the R&D results will be employed and/or developed further to produce the prototypes/samples and/or to support the trials. The required information includes project title/reference number, details of the industry sponsors/industry co-applicant and a summary of the original ITF project and its results, in particular the technologies developed and the commercialisation plan.
2. The actual cost of the original ITF project refers to the audited expenditure of the project, excluding internship allowance provided under the ITF.

## ***Part B The Applicant***

1. The applicant should enclose an authorised letter of support/consent from the public sector organisation(s) agreeing to the conducting of the trials including the scope, duration, its involvement/support and undertaking to provide user feedback. If the public sector organisation is outside Hong Kong, the applicant should also provide details of the organisation including its institutional set-up.
2. Upon funding approval by ITC, the applicant will enter into a project agreement with the Government and is required to comply with the terms and conditions therein, including monitoring the project progress and expenditure, submission of reports and audited accounts, etc. Applicants are responsible for drawing up and entering into separate agreements with other concerned parties involved as deemed necessary.
3. Within a period of six months after project completion, the applicant is required to submit an evaluation report on how the project facilitates the realisation and commercialisation of the R&D results, including the wider benefits to be brought about by putting the R&D results into application, using the latest version of the proforma available on ITCFAS.

### **I. Purpose**

1. The applicant must provide details of the proposed trial project, and how the production of prototypes/samples and/or conducting of trials can enhance the prospects for the R&D results to be applied (e.g. enhancing the chance of adoption in the public sector, technology transfer to industry or product development), including the wider benefit to the community to be brought about by putting the R&D results into application.
2. The applicant should explain the follow-up on the results of the trials (e.g. how to make use of the trial results/report from public sector users to promote commercialisation of the R&D results, further R&D collaboration, etc.).
3. During the project period, the prototypes/samples produced or equipment purchased for conducting the trials (hereafter collectively known as “materials for trials”) should not be used other than for the original purposes as approved by ITC. In any case where proceeds are generated from the materials for trials (regardless whether they have been used or not) during the project period, the applicant should inform ITC as soon as possible and return the proceeds to the Government.
4. As regards the disposal of materials for trials after project completion, the applicant must set out in the application form the proposed disposal arrangement. Generally speaking, they should be used and retained by the participating public sector organisation(s). The use and retention of the materials for trials by the applicant within two years after project completion are subject to the following:
  - (a) for R&D Centres and designated local public research institutes, ITC should be notified in writing, with enclosed written consent of the public sector organisation(s) which participated in the trials; and
  - (b) for company applicants, written consent of ITC is required (see paragraph 5 below).



5. For a company applicant intending to retain and use the materials for trials within two years after project completion, it should explain in its application to ITC how, where and for what purposes such materials will be used or retained. It should also provide justifications for retaining and using the materials for trials (e.g. why this is the best way to help commercialise such a technology or R&D result or to bring the best benefit to the community at large, and set out the relevant arrangement to keep the equipment in safe custody for the said purpose, etc.), together with the documentary proof of consent of the participating public sector organisation(s). Where necessary, ITC reserves the right to require the company applicant to transfer any prototypes/samples to a designated party (e.g. a public sector organisation) after project completion.

6. All proceeds obtained by the company applicant from the use or disposal of the materials for trials within two years after project completion ought to be returned to the Government. It remains the responsibility of the company applicant to report to ITC, as soon as possible, any proceeds so received or any deviation from the original application of the disposal arrangement regarding the materials for trials. ITC reserves the right to seek information from the company applicant to confirm the actual disposal of the materials for trials.

7. The project should in general be completed within two years.

## II. Budget

### Project Expenditure

1. The total project cost is the sum of all estimated expenditure to be incurred during the project period.

2. Unless otherwise agreed by ITC, the project funding would only cover additional costs incurred exclusively for the production of prototypes/samples (including the cost to customise the project deliverables) and/or conducting of trials. **Internal administrative charges and overheads (except insurance costs) incurred by the organisation(s) conducting the trials or any other parties** are not allowed.

3. Project funding would not cover the emolument to a person who is already on the payroll of a local university, or to the existing staff of a company undertaking the project unless ITC's prior consent has been obtained.
4. For projects undertaken by R&D Centres (except ASTRI which is under a separate funding arrangement), local universities (for University Grants Committee-funded institutions only) and the Vocational Training Council, the application can include administrative overheads up to 15% of the ITF funding requested (i.e. net of administrative overheads).
5. For company applicants, they are encouraged to use their own money to make extra samples to be given to their own potential clients for trials to enhance the chance of commercialisation.
6. Industry sponsorship is **not mandatory**. However, where the applicant receives in-kind sponsorship from individual companies to support the production of prototypes/samples and/or conducting of trials, details should be provided in the application (under "Other relevant information".)

### **Fund Disbursement**

7. For R&D Centres and designated local public research institutes, the approved ITF grant will normally be disbursed upfront. After completion of the project or its earlier termination, the applicant shall return to the Government any residual funding in the project account (including interest and proceeds from disposing the materials for trials).
8. For company applicants, disbursement of the approved ITF grant will be made in two instalments. The first instalment, being 50% of the approved grant will be effected after the company submits management accounts/reports confirming project expenditure exceeding 50% of the approved project cost. The accounts/reports should be signed by an authorised person of the company applicant, e.g. company directors, chief executive officer, chief finance officer, etc. The second instalment,

comprising the remaining contribution to the actual expenditure of the project, will only be effected after the audited account of the project is accepted by ITC.

### **III. Key Details**

#### **Production of Prototypes/Samples**

1. The applicant should set out the basis for determining the amount of prototypes and/or samples, source of procurement/production (including quotation where applicable) and the cost involved. Generally speaking, the applicant and/or the relevant research institutes should ensure that all procurement of goods and services is carried out in an unbiased and fair manner and comply with the relevant ITF procedures and guidelines set out below or follow the research institutes' established procedures in handling procurement of goods/services and staffing matters.

Aggregated value of each procurement	Requirement
\$50,000 and below	Quotations from at least two suppliers
Above \$50,000 to \$1,430,000	Quotations from at least five suppliers
Above \$1,430,000	Open tender

2. In case the applicant needs to procure goods or services from one company/organisation/individual without a competitive process, it has to provide details, justifications and its relationship with the company/organisation/individual in the application form for ITC's prior approval.

#### **Conducting of Trials**

3. Where trials will be conducted, applicants should work out, in consultation with the concerned research institute(s) and the public sector organisation(s), the location of trials to be conducted, timeframe, milestones and expected results, etc.

4. To establish credibility internationally, we allow trials to be conducted outside Hong Kong in the public sector of the economies concerned. The cost so incurred (i.e. expenditure incurred in the trials and the cost of the relevant prototypes/samples used outside Hong Kong) should not exceed 50% of the funding approved by ITC under this Scheme for the trial project.