



Innovation and Technology Commission

Small Entrepreneur Research Assistance Programme

Guide to Filling in the Application Form for Public Sector Trial Scheme

This Guide provides details on preparing funding applications for the **“Public Sector Trial Scheme”** (the Trial Scheme) under the Small Entrepreneur Research Assistance Programme (SERAP).

2. Unless stated otherwise in this Guide, applicants should follow the general rules set out in the “Guide to the SERAP” 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) for any latest update before submission.

3. Applications are open all year round and must be submitted to ITC in hard copy in triplicate (one original plus two duplicate copies) in person or by post. Please also kindly provide a soft copy (preferably in MS Word 2003 or above). If you have any question on this Guide and the application form, please contact –

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Innovation and Technology Commission
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General

Objective

1. To facilitate and promote the realisation and commercialisation of R&D results under ITF projects, the funding scope of the ITF has been extended to cover production of prototypes/samples **and** conducting of trials in the public sector.

Eligibility

2. The existing SERAP already allows a pre-defined amount of funding to be used for production and testing of prototypes/samples and conducting trials, as may be approved by the SERAP Assessment Panel and the Commissioner for Innovation and Technology. The Trial Scheme provides an additional source of funding for the above-mentioned activities to be carried out in the public sector specifically. All completed SERAP R&D projects are eligible for funding support under the Trial Scheme. Nonetheless, an applicant who has received funding from other Government funds (e.g. SERAP or funding schemes of the Trade and Industry Department) for the aforementioned activities for the same or similar R&D results are required to report so to ITC and explain the need for additional funding for such activities. He should also ensure that the funding approved under the Trial Scheme will be used strictly for the said purposes or otherwise there should be prior approval by ITC.

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

Funding Support

4. As a general rule, an ITF grant not exceeding 50% of the actual cost of the original SERAP project would be provided for such a purpose. However, in exceptional circumstances (e.g. great social value), an application for more funding

may be approved.

5. Use of samples/prototypes and conducting of trials are confined to the public sector which includes Government bureaux and departments, public bodies (e.g. Hospital Authority, Airport Authority, etc.), 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. However, the scale of such trials must be within reasonable limits and in general no more than half of the funds approved by ITC under the Trial Scheme could be used outside Hong Kong.

Submission of Applications

7. Please use ITF Form 6.3 to apply for funding under the Trial Scheme for SERAP projects.

8. Applicants are required to provide all necessary information with the consent of parties concerned, in particular letters of support/consent from the public sector organisation(s) and other participating/supporting organisations involved (e.g. universities, individual companies, etc.).

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 SERAP 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 public sector

trial 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.

Part A The SERAP Project Under Which Public Sector Trial Scheme is Applied

1. Applicants must provide the required information on the ITF project under which the R&D results will be employed and/or developed further to produce prototypes/samples and to support the trials. The required information includes project title/reference number and a summary of the original SERAP project and its results, in particular the technologies developed and the commercialisation plan.
2. The actual cost of the 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 a letter of consent/support from the public sector organisation 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, using the latest version of the proforma available from ITF's website.

Part C Production of Prototypes/Samples or Conducting of Trials

I. Purpose

1. The applicant must provide details on 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). This includes 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 commercialization 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 trial (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. The use and retention of them by the applicant within two years after project completion are subject to the rules set out in paragraph 5 below.
5. For an applicant intending to retain and use the materials for trials within two years after project completion, it should provide in its application to ITC documentary proof of consent of the participating public sector organisation, together with its justifications (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.). The applicant should also explain how, where and for what purposes such materials

will be used or retained. Where necessary, ITC reserves the right to require the applicant to transfer any prototypes/samples to a designated party (e.g. a public sector organisation) after project completion.

6. All proceeds obtained by applicants from the use or disposal of materials for trial within two years after project completion ought to be returned to the Government. It remains the responsibility of the 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 applicant to confirm the actual disposal of the materials for trial.

7. The project should in general be completed within 2 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 customize the project deliverables) and conducting of trials. **Internal administrative charges and overheads (except insurance costs) incurred by the organisation conducting the trials and other parties** are not allowed.

3. Project funding would not cover the emolument to the existing staff of a company undertaking the project unless ITC's prior consent has been obtained.

4. Applicants are encouraged to use their own money to make extra samples to be given to their own potential clients for trial to enhance the chance of commercialization.

Fund Disbursement

5. 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/report confirming project expenditure exceeding 50% of the approved project cost. The accounts/reports should be signed by an authorized person of the company including 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 or samples, source of procurement/production (including quotation where applicable) and the cost involved. Generally speaking, the applicant and/or the relevant research institutions should ensure that all procurement of goods and services is carried out in an unbiased and fair manner and comply with the relevant SERAP guideline or follow their established procedures in handling procurement of goods/services and staffing matters.

Conducting of Trials

2. Where trials will be conducted, applicants should work out, in consultation with the public sector organisations, the location of trials to be conducted, timeframe, milestones and expected results, etc.

3. 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 the Trial Scheme.

SERAP Secretariat
Innovation and Technology Commission
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