

TVP FAQs

General

1. What is Technology Voucher Programme (TVP)?

Technology Voucher Programme (TVP) is a funding scheme under the Innovation and Technology Fund (ITF) that aims to subsidise non-listed local entities in using technological services and solutions to improve productivity, or upgrade or transform their business processes.

2. How should I make an application?

You can submit application through the [Technology Voucher Programme Funding Administrative System](#). Applicants may contact ITC for assistance if they encounter difficulties in submitting applications through the TVP website.

3. Can I submit more than one application under the TVP at any one time?

You can submit only one application under the TVP at any one time. A new application may only be submitted by an applicant after completion of an earlier approved project and submission of the final project report.

4. How to obtain more information about TVP?

You can obtain more information about TVP at

Technology Voucher Programme Secretariat,
Innovation and Technology Commission,
Address: 10/F, Rykadan Capital Tower, 135 Hoi Bun Road,
Kwun Tong, Kowloon, Hong Kong

Tel: (852) 3523 1170

Fax: (852) 3523 1189

Email: tvp-enquiry@itc.gov.hk

5. What is the role of project coordinator in the application? Are there any requirements to become the project coordinator?

The project coordinator of the application will act as the main contact point between the applicant and ITC. In order to ensure the smooth implementation and completion of the project, the project coordinator should be able to fully represent the applicant and be conversant with the operation and business processes of the applicant. As such, the project coordinator must be a responsible personnel of the applicant.

Eligibility to Apply

1. Who are eligible to apply for funding under TVP? Can trade associations or non-governmental organisations apply?

Local entities (except listed enterprises) fulfilling the following requirements are eligible to apply for funding under the TVP

- (a)(i) **Registered in Hong Kong** under the **Business Registration Ordinance** (Cap. 310); or
- (a)(ii) **Incorporated and registered in Hong Kong** under the **Companies Ordinance** (Cap. 622); or
- (a)(iii) **Established in Hong Kong** by relevant ordinances as **statutory bodies**;
AND
- (b) **Not** a government subvented organisation* or subsidiary of any government subvented organisation*;
AND
- (c) With **substantive business operation** in Hong Kong which is related to the project under application at the time of application.

*Government subvented organisation means organisation that receives subvention from the Government on a recurrent basis. The subvention contributes towards the organisation's operational expenses, in exchange for its service to the public. The recurrent subvention may account for the bulk of the organisation's income or may just be a token contribution/sponsorship forming a small percentage of the organisation's total income.

Any organisations fulfilling the above requirements may apply for the TVP. The Innovation and Technology Commission (ITC) reserves at all times the right to determine whether an entity is eligible to apply for a TVP grant.

Application

Eligibility:

- ◆ registered under the Business Registration Ordinance; or
 - ◆ incorporated and registered under the Companies Ordinance; or
 - ◆ statutory bodies established in Hong Kong;
- AND**
- ◆ not a listed company in Hong Kong, and not a government subvented organisation or its subsidiary;
- AND**
- ◆ have business operation in Hong Kong

Obtain quotations from technology service provider(s) and supplier(s)

Submit application with required documents[#]:

- ◆ copy of Form 1(a)/1(c) of Business Registration Office or Form NAR1 of Companies Registry
- ◆ evidence of business operation (e.g. invoices/receipts issued within three months before submission of application)
- ◆ copy of identity proof of the signatory on the application form
- ◆ copy of quotations for all expenditure items

Applicants can start their projects on the day following the submission of application at the earliest. For details and points to note, please refer to the application guidelines.

2. Is an entity holding a “shell” business registration or having most of its main business operation outside Hong Kong eligible for applying TVP?

An entity holding a “shell” business registration or having most of its main business operation outside Hong Kong will not be regarded as having substantive business operation in Hong Kong and hence is not eligible for applying TVP.

3. Another company of my partner has successfully applied for TVP. Can another project of our partnership apply for TVP as well?

Related entities, i.e. entities set up as different legal entities but having the same individual(s) each holding 30% or more ownership in such entities (up to the ultimate level of natural person(s) if the entities are held by corporate shareholder(s)), would be treated as one single entity for the purpose of calculating the cumulative funding amount (i.e. subject to the cumulative funding ceiling of \$600,000). Applicants are required to indicate in the application form as to whether any of their related entities have applied for or received funding support under TVP at the time of application.

4. Our company is going to launch an IT project and has been granted subsidies from other public funding. However, with the huge project size, we still need quite a large amount of funding. Can we apply for TVP as well?

The applicant shall not apply or accept other direct subsidy from local public funding for expenditure items under the approved project.

5. Our company has many ideas but not enough funding to implement. Is there any chance that all of our projects will be approved by ITC in one go?

Subject to the cumulative funding ceiling of \$600,000, up to six projects from an entity may be approved. To ensure proper focus on project implementation, an applicant is not allowed to undertake more than one TVP project at the same time in parallel. A new application may only be submitted by an applicant after completion of an earlier approved project and submission of the final project report.

6. If our company missed the chance for application at this stage, when can we apply for TVP funding again?

Since 27 February 2019, TVP has been converted into a regular funding programme under the Innovation and Technology Fund and is open for application throughout the year.

7. Will members of a trade association or an entity be counted when determining its number of employees?

According to Annex A of the Guidance Notes for Applications of the TVP, "number of persons employed" shall include proprietors/partners/shareholders actively engaged in the work of business, and all salaried employees of the applicant at the time of submitting the application. Those employees, including both full-time and part-time salaried personnel, no matter permanent or temporary, must be directly paid by the applicant. In general, only the staff but not members of a trade association or an entity would be counted when determining its number of employees.

8. We note that applicant are required to provide supporting documents to show that they have substantive business operation in Hong Kong at the time of application. As such, what kinds of documents will be accepted as valid supporting document?

Applicants are required to provide supporting documents to show that they have substantive business operation in Hong Kong which is related to the project under application at the time of making the application. Typical examples of supporting documents include commercial contracts, invoices, receipts issued within three months before submission of application, latest audited account, etc.

Funding Coverage

1. What kinds of project will be funded by TVP?

TVP supports projects in the form of technological services and solutions which could improve productivity, or upgrade or transform the business processes of the applicant. A list of typical technological services and/or solutions covered by TVP is at Annex B of the [Guidance Notes for Applications](#). Applicants are welcome to propose other technological services and solutions which could achieve the objectives of TVP. We shall consider the merits of such applications on a case-by-case basis. The project deliverables should be used in a way that would have direct impact on the applicant's business operation in Hong Kong.

2. What is the scope of TVP funding?

- a. Technology Consultancy – for the purpose of a TVP project, 'consultant' refers to the company/institution providing external consultancy to the applicant for recommending technological services/solutions to be adopted in the project. To encourage proper consideration of the local setting in the formulation of technological solutions for the applicants, the consultant must be a local university or research institution, or a company registered in Hong Kong under the Business Registration Ordinance (Cap. 310) ("BRO") at the time of application. The applicant should provide the expected deliverables from the engagement of the consultant, as well as breakdown of the payment to this consultant including manpower cost and any other related cost for the purpose of the project.
- b. Purchase, rental or subscription of customised equipment/hardware, software and technological services or solutions that form an essential part of the project. Software systems that require compilation/integration by the service providers at the request of the applicants, even those involving standard modules with or without tailor-made features, will be regarded as customised items, as long as they are not readily available off-the-shelf.

- c. Purchase, rental or subscription of off-the-shelf/readily available equipment/hardware, software and technological services or solutions that form an essential part of the project. For this purpose, off-the-shelf/readily available items refer to those that can be procured “off-the-shelf” and installed/used directly by the applicants, such as desktop/notebook computers, printers, scanners, servers, mobile phones, tablets, standard office suites, anti-virus software, etc. Subscription-based technological services or solutions (e.g. cloud-based services) may be permitted for funding support for up to 12 months irrespective of the completion of other project deliverables, provided the cost to be incurred only covers the project duration. In general, the costs of off-the-shelf/readily available equipment/hardware/software/services or solutions should constitute no more than 50% of the project cost. Otherwise, the TVP Committee would be consulted to decide whether to approve such applications. Unless exceptionally justified, applications involving merely procurement of off-the-shelf/readily available items are generally not supported under the TVP.
- d. Project auditing for projects with approved funding exceeding \$50,000. The maximum audit fee to be counted towards the total project cost is \$3,000.

3. Will TVP funding cover general office equipment, professional service fees or administrative expenses?

TVP will not fund normal business operating costs including but not limited to:

- a. rental of premises;
- b. staff salary and other related expenses including but not limited to contribution to the Mandatory Provident Fund, contract gratuities, annual salary adjustment, general fringe benefits (e.g. medical), and allowances (e.g. expenses on housing, travelling, overtime), general training and development;
- c. general office equipment/hardware, software and technological services or solutions for normal business operation;

- d. maintenance, warranty and insurance of existing and newly purchased equipment;
- e. non-technology related professional service fees;
- f. marketing and branding expenses;
- g. transportation and accommodation;
- h. financing expenses (e.g. interest payment for loans); and
- i. administrative overheads.

4. Our company has successfully applied for the TVP. Can this approved TVP project apply for the R&D Cash Rebate Scheme (CRS) or Public Sector Trial Scheme (PSTS) under the Innovation and Technology Fund?

TVP projects are not eligible to apply for the CRS or the PSTS.

5. What kinds of testing and certification services will be funded by the TVP?

The TVP aims to subsidise local entities on the use of technological services and solutions to improve productivity, or upgrade or transform their business processes. Similar to other applications, we will consider the merits of applications related to testing / certification on a case-by-case basis. Considerations will be given on how the applicants engage technological services and solutions in the process of fulfilling the testing/ certification requirements. Annex B of the Guidance Notes for Applications of the TVP provides some examples of management system related to certification:

- a. Energy management system (ISO 50001)
- b. Environmental management system (ISO 14001)
- c. Information security management system (ISO/IEC 27001)

Entities are more likely to involve usage of technological services and solutions in the process of fulfilling the certification requirements of the above management systems. The above management systems only serve as some examples. Applicants are welcome to propose other technological services and solutions which could achieve the objectives

of the TVP (i.e. to improve productivity, or upgrade or transform the business processes).

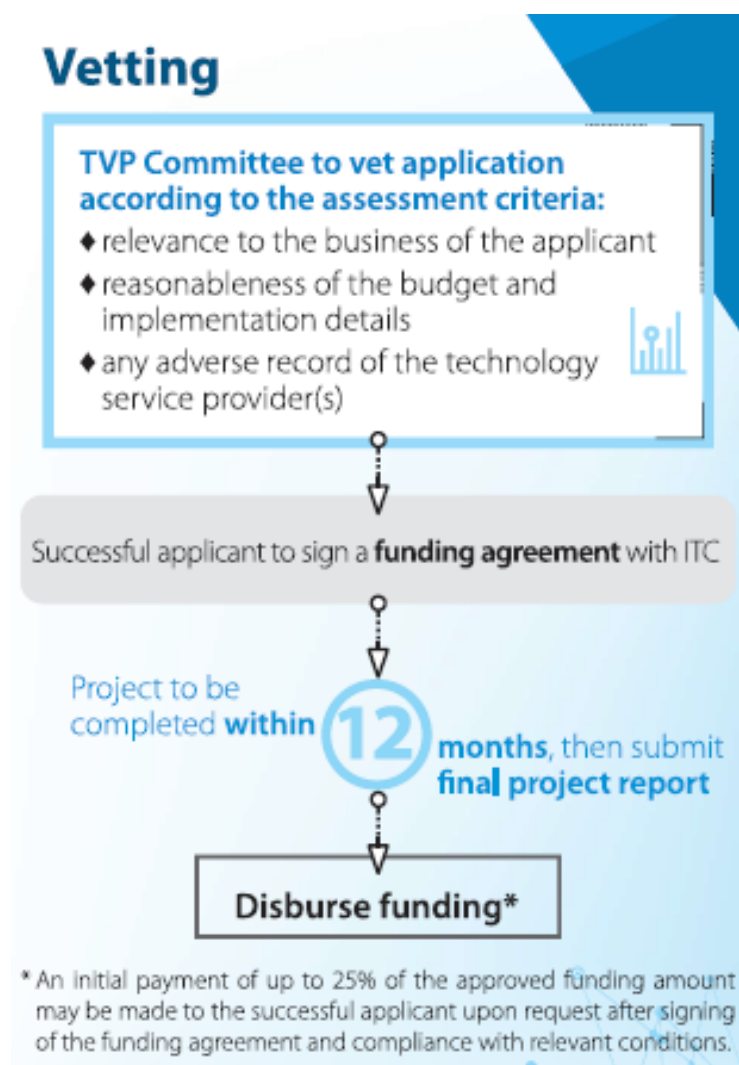
6. Can project deliverables (i.e. the technological services or solutions to be adopted in the project) be used outside Hong Kong?

While we do not impose restrictions on the locations for using the project deliverables, project deliverables should be used materially for the applicant's business operations in Hong Kong.

Assessment

1. How will ITC process the applications?

Upon receipt of an application, ITC will check its eligibility and conduct a preliminary screening. ITC may also seek clarification or supplementary information from the applicant if necessary. Eligible applications will be considered by the TVP Committee (the Committee) while ineligible applications will be returned to the applicant by the Secretariat. The Committee is composed of members from the business sector, technology sector, professional services sector and relevant Government departments and its composition can be found [here](#). Applications supported by the Committee will be submitted to the Commissioner for Innovation and Technology (CIT) for approval of funding.



2. What are the assessment criteria?

Each eligible application will be assessed based on individual merits and considered on a case-by-case basis. The assessment criteria of TVP projects include –

- a. relevance of the proposed project to the applicant's business – the project should have good prospects of enhancing its competitiveness through improving productivity, cost reduction or efficiency enhancement, upgrading/improving/transforming business processes;
- b. reasonableness of the budget – assessment with reference to market prices of the technologies in question as known to the TVP Committee or ITC will be made. Individual items of expenditure must also be essential and directly related to the implementation of the project;
- c. reasonableness of the implementation details – consideration may include whether concrete project deliverables and outcomes have been set. The implementation details should also be realistic taking into account factors such as the complexity of the technology and the project duration; and
- d. adverse record of consultants and/or service provider(s) as known to the TVP Committee and ITC if available.

If a project is worthy of support in principle, the level of funding may be adjusted with reference to the costs of the project approved by the TVP Committee.

3. When and how will we know the result of our TVP application?

Applicants will be informed of the result in writing. The actual processing time will be subject to the amount of applications received at the time, complexity of individual applications, comprehensiveness and clarity of the information provided, etc. Successful applicants may be required to revise the application to fulfill the conditions for approval set by the TVP Committee and/or ITC, if any. Similar to other ITF projects, basic information of the approved projects will be posted onto the ITC website.

4. What are the common reasons for past applications not supported by the Technology Voucher Programme (TVP) Committee?

Each eligible application will be assessed based on individual merits and considered on a case-by-case basis. Some common reasons for applications not supported by the TVP Committee include:

- cost of the off-the-shelf/readily available items constituting a substantial portion of the total project cost (according to the Guidance Notes for Applications of the TVP, purchase, rental or subscription of off-the-shelf/readily available equipment/hardware, software and technological services or solutions that forms an essential part of the project should constitute no more than 50% of the project cost); and
- application involving only little or no technological elements and hence not consistent with the objectives of the TVP.

Procurement

1. Our company has awarded a contract to a supplier for the provision of certain equipment. Can we purchase the equipment for the TVP project from them directly?

No. Applicants should ensure that all procurement for goods and services (including technology consultancy and project auditing) are carried out in an open, fair and competitive manner and the appointment of reasonable qualified suppliers or service providers. In general, applicants should adhere to the following procurement procedures –

- a. for every procurement of equipment or other goods or services for the purposes of or in relation to the Project, the aggregate value of which does not exceed HK\$50,000, the applicant itself (versus its agents or sub-contractor) shall obtain written price quotations from at least two suppliers or service providers.
- b. for every procurement of the equipment or other goods or services for the purposes of or in relation to the Project, the aggregate value of which exceeds HK\$50,000 but does not exceed HK\$300,000, the applicant itself (versus its agents or sub-contractors) shall obtain written price quotations from at least three suppliers or service providers;
- c. for every procurement of the equipment or other goods or services for the purposes of or in relation to the Project, the aggregate value of which exceeds HK\$300,000 but does not exceed HK\$1,400,000, the applicant itself (versus its agents or sub-contractors) shall obtain written price quotations from at least five suppliers or service providers; and
- d. for every procurement of the equipment or other goods or services for the purposes of or in relation to the Project, the aggregate value of which is more than HK\$1,400,000, the applicant shall follow an open procurement process. Channels which are easily accessible by the general public shall be used to publicise the tender notices.

For a-c, full justifications must be given if the minimum number of quotations was not obtained from the market. If the lowest bid is not

selected for a-c, prior written consent must be obtained from ITC and full justifications must be given.

The applicant must provide full justifications of shortlisted or selected supplier(s) or service provider(s), including but not limited to company profile, year founded, number of staff, etc., upon the request of ITC. ITC reserves the right to eliminate any supplier(s) or service provider(s) and request the applicant to conduct the procurement exercise again should there be any doubts regarding their technical capability and/or track record in similar projects or if ITC considers that the procurement for any goods or services are not carried out in an open, fair and competitive manner.

2. If the issued quotation/tender invitation document already included the probity clause and non-collusion clause, is the Probity and Non-Collusive Quotation/Tendering Certificate signed by bidders/tenderer still required?

Applicant should also ensure that each bidder/tenderer has signed the Probity and Non-Collusive Quotation/Tendering Certificate as part of their tender or quotation submission to the applicant. Please click [here](#) for the model clauses in probity and non-collusive quotation/tendering certificate.

3. Our mother company is a supplier of some equipment required for our TVP project. Can we order from our mother company directly?

Though applicants can engage consultants, service providers and suppliers of its choice, to avoid conflict of interests, applicants must not engage a consultant/service provider/supplier, the owners, shareholders, management of which are the owners, shareholders, management of the applicant or their relatives. Applicants or any person/staff authorised by the applicants to handle or in any way involved in the quotation or tender exercise should have no actual or potential conflict of interest, and should not participate in the procurement process if otherwise.

Applicants are required to report cases of conflict of interest, including actions taken, to ITC in writing.

4. Our company needs many new equipment/software for the TVP project. Are there any rules we should follow when procuring these items?

The procurement of equipment/hardware/software/other assets or consultancy services is subject to the following rules:

- a. The title and interest in new equipment /hardware/software and other assets purchased with funds under the TVP shall vest with the applicant;
- b. Unless prior written approval from ITC is obtained, the applicant is required to keep all equipment/hardware/software/other assets funded under the TVP for at least one year after project completion or termination of the project, and shall make such equipment/ hardware/software/other assets available for inspection by ITC or representatives of the Government / Government's authorised agencies upon request. The applicant shall not transfer, sell or dispose of the equipment/hardware/software/other assets within the period as specified above without prior approval;
- c. All items purchased, procured or leased with funds under the TVP should be licensed products and would not infringe any third party intellectual property rights; and
- d. The risk in using the equipment/hardware/software/other assets or consultancy services will be borne by and remain with the applicant.

5. Our company bought some new computers last year which are suitable for the TVP project. Instead of purchasing new ones, can we use these computers for the project and claim reimbursement from TVP?

Purchases, maintenance, warranty and insurance of existing and newly purchased equipment for normal business operation of the applicant will not be funded under TVP. Besides, TVP funding will not be provided for

expenditures prior to project approval or incurred outside the project period.

6. Our TVP project urgently needs a piece of equipment that costs HK\$5,500. So we purchased it in cash and got a proper receipt. How can we claim reimbursement from TVP?

The applicant shall purchase, procure or lease the equipment, other goods or services for the project through non-cash methods such as credit card, cheque, bank transfer. The applicant may procure equipment, other goods or services for the project in cash to meet immediate needs, provided that the total value of any single transaction of the equipment, goods or services or all of the above for the purposes of or in relation to the project shall not exceed HK\$5,000 each and the transaction shall be reasonably necessary for the discharge of the obligations and duties owed by the applicant under the funding agreement, and the procurement price is reasonable. The applicant has to certify in writing all these requirements. Any single transaction by the applicant of a total value exceeding HK\$5,000 shall not be made in cash without the prior written approval of ITC.

7. Can technology consultants/service providers/suppliers provide loans to entities for carrying out TVP projects?

To avoid potential conflict of interest, technology consultants/ service providers/ suppliers may not provide loans to entities for carrying out TVP projects.

Disbursement of Funding

1. Will TVP funding be provided to our company before we commence our TVP project?

For applications received before 1 December 2019, funding of no more than two-thirds of the actual cost of a project (up to the ceiling approved by the Commissioner for Innovation and Technology (CIT)) will be provided to an applicant on a reimbursement basis. In this connection, within 2 months after completion of the TVP project, the applicant should submit required documents electronically through the [Technology Voucher Programme Funding Administrative System](#) to ITC for reimbursement of the approved funding.

For applications received on or after 1 December 2019, an initial payment of up to 25% of the approved funding amount will be disbursed in advance upon request by the applicant after signing of the funding agreement, subject to funding contribution of the same percentage by the applicant on a matching basis. The remaining funding will be disbursed upon ITC's acceptance of the applicant's project completion report.

2. We have got some new equipment that our TVP project needs. Can these be counted as part of our contribution to the total project cost?

Contribution by the applicant in kind will not be accepted as project cost.

3. If my company successfully applied for funding support from TVP, does this mean that we can receive the TVP funding immediately once we have completed the project?

Upon completion of the TVP project, the applicant should submit the following electronically through the [Technology Voucher Programme Funding Administrative System](#) to ITC for reimbursement of the approved funding within 2 months:

- a. a final project report indicating completion of project, a summary of project expenditures and project deliverables;
- b. evidence of deliverables (e.g. consultancy report(s), delivery receipt(s), photos, etc.);
- c. original or copy of invoice(s) and corresponding receipt(s) in relation to the payment for each expenditure item. The name of the payer on the invoice(s) and receipts(s) must be the same as the name of the applicant;
- d. if the approved funding exceeds \$50,000, an audited statement of expenditure for the project from an independent auditor is required to be submitted to ITC; and
- e. if the approved funding is HK\$50,000 or below, applicant are required to prepare and submit a final statement of expenditure and declare that the final statement of expenditure is accurate and all spending is made in compliance with the requirements as set out in the funding agreement. Applicants may refer to the format of the audited statement of expenditure at Annex of the Notes for Auditors (mentioned in paragraph 42 of the Guidance Notes for Applications) when preparing the final statement of expenditure. ITC reserves the right to conduct detailed checks on the final statement of expenditure.

Late submission of the required documents may lead to withholding, reduction or cessation of the funding support for the project. Applicants may contact ITC for assistance if they encounter difficulties in submitting the final report and supporting documents through the TVP website.

4. I would like to request for an initial payment of the approved funding amount. Can I use my existing bank account? How much money should I contribute?

The initial payment arrangement is applicable to TVP applications received by ITC on or after 1 December 2019.

A successful applicant with an approved project who wishes to receive an initial payment of the approved funding is required to open under its name a separate risk-free interest-bearing Hong Kong dollar bank account with a licensed bank registered under the Banking Ordinance

(Cap. 155) solely and exclusively for the purpose of processing all receipts and payments of the project (“designated bank account”). Normally, existing bank accounts with other uses will not be acceptable as designated bank account.

As TVP funding is provided on a 3 (government):1 (enterprise/organisation) basis, the applicant should first deposit its own share of contribution to the project fund into the designated bank account, and produce the relevant deposit proof to support its request for initial payment.

For example, TVP application with a total project cost of \$400,000 is approved with \$300,000 Government funding, while the applicant needs to contribute \$100,000. The Government will make a maximum initial payment of \$75,000 (25% of \$300,000) upon the applicant’s deposit of \$25,000 (25% of \$100,000) to the designated bank account. If the applicant deposits \$30,000 (i.e. more than 25% of \$100,000), the Government’s initial payment would still be \$75,000. If the applicant only deposits \$10,000 (i.e. 10% of \$100,000), then the Government’s corresponding initial payment would be \$30,000 (i.e. 10% of \$300,000).

Changes to Approved Projects

1. Our project has encountered some unexpected delay. Can we apply for project extension?

Each project should normally be completed within 12 months. Applicants should seek prior approval from ITC for any modifications in the project completion date. However, prior approval from ITC is not required for early project completion, and project extension for no more than six months. Applicant should give prior written notification to ITC instead, and record the changes in the final project report. Request for project extension for more than six months without increase in the approved funding amount will be considered on a case-by-case basis. Applicants should provide full justifications on the reasonableness of the proposed extension for ITC's assessment. ITC reserves the right to withhold disbursement of any part of funding support to the applicant and/or revoke approval of funding in full or in part should there be extension for more than six months in the project completion date without prior approval.

2. We found a better way to complete the approved TVP project but that would increase the total project cost. Can we request further funding support according to the increased project cost?

Any request for change in project scope (i.e. the approved technological solution(s)), or the total amount of ITF funding for the project will not be entertained. For other changes to the project, the applicant should submit a change request electronically through the [Technology Voucher Programme Funding Administrative System](#). ITC's prior approval must be obtained before adopting the proposed changes.

3. Due to budget constraint, my company has to terminate the TVP project. Can we partially get the approved funding? Or can we withhold the project and re-launch it with TVP funding support later?

In the event the project is terminated by the applicant for whatever reasons, the applicant should notify ITC in writing immediately to explain the reasons of termination. ITC may at any time terminate all or any part of the funding support by giving written notice to the applicant with immediate effect.

Under normal circumstances, reimbursement will be made upon submission of all the required documents (including the final project report) and supplementary information and ITC's acceptance of the final project report.

In case applicants need to make changes to their application because of unexpected circumstances, any requests for changes to the approved projects, including change of the project commencement or completion dates, consultant or service providers, equipment, and/or budget, will require prior approval by ITC. Depending on the extent of the requested changes and the impact of the proposed changes on the outcome of the project, recommendations by the TVP Committee may be sought before approval by ITC.