

Distance Business Programme (D-Biz Programme)

Guidance Notes for Funding Applications

Implementation Agent:



Secretariat:



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Contents

<i>Objective.....</i>	<i>3</i>
<i>Eligibility</i>	<i>3</i>
<i>Funding Scope.....</i>	<i>4</i>
<i>Funding Amount and Project Duration</i>	<i>7</i>
<i>Procurement Procedures.....</i>	<i>8</i>
<i>Avoidance of Conflict of Interest.....</i>	<i>9</i>
<i>Handling of Cash Payment</i>	<i>10</i>
<i>Application Procedures</i>	<i>10</i>
<i>Assessment of Application</i>	<i>11</i>
<i>Assessment Criteria</i>	<i>12</i>
<i>Notification of Result.....</i>	<i>13</i>
<i>Project Implementation</i>	<i>13</i>
<i>Changes to Approved Project</i>	<i>14</i>
<i>Disbursement of Funding</i>	<i>14</i>
<i>Auditing Requirement</i>	<i>15</i>
<i>Termination of the Project.....</i>	<i>16</i>
<i>Handling of Information.....</i>	<i>17</i>
<i>Important Notes</i>	<i>18</i>
<i>Prevention of Bribery.....</i>	<i>18</i>
<i>Prevention of Bid-rigging and other Anti-competitive Conduct</i>	<i>19</i>
<i>Post Project Evaluation</i>	<i>19</i>
<i>Assignment</i>	<i>19</i>
<i>Annex A – IT Solution Categories</i>	<i>21</i>
<i>Annex B – Model Clauses in Probity and Non-Collusive Quotation/Tendering Certificate</i>	<i>23</i>
<i>Annex C – Documents Required for Submission of Application.....</i>	<i>26</i>

Distance Business Programme

Guidance Notes for Funding Applications

1. The Guidance Notes for Funding Applications (“Applications Guide”) aims to provide an overview on the application for funding and implementation of projects under the Distance Business (“D-Biz”) Programme.

Objective

2. Under the Anti-epidemic Fund, the Innovation and Technology Commission (“ITC”) launched the D-Biz Programme to support enterprises to continue their business and services during the epidemic through adoption of IT solutions. Hong Kong Productivity Council (“HKPC”) is the Secretariat of the D-biz Programme (“the Secretariat”).

Eligibility

3. To be eligible, the applicant must fulfill the following requirements -
 - (a) (i) Hold a valid **Business Registration Certificate** issued under the **Business Registration Ordinance** (Cap. 310) (“BRO”)¹;
OR
(ii) Hold a **Social Enterprises Certificate** issued by the **Hong Kong Council of Social Service** (“HKCSS”) for the Programme²;
AND
 - (b) **Not** a listed company, statutory body, nor a non-government organisation funded by the Government;
AND

¹ The applicant must be a holder of a valid Business Registration Certificate (holder of a Branch Registration Certificate is not qualified) issued by the Inland Revenue Department of the HKSAR Government.

² Details will be announced soon. Please refer to the website of HKCSS.

(c) Commenced its business before 1 January 2020;³

AND

(d) Has **substantive business operation**⁴ in Hong Kong which is related to the project under application at the time of application. An enterprise holding a shell business registration or having its main business operation outside Hong Kong will **not** be regarded as having substantive business operation in Hong Kong.

4. The Government or the Secretariat reserves at all times the right to determine whether an entity is eligible to apply for funding under the D-Biz Programme.

Funding Scope

5. The D-Biz Programme covers 12 IT solution categories relating to distance business as set out in **Annex A**. Prior approval must be obtained and funding agreement must be signed with the Secretariat before commencement of the project. The project deliverables should be used in a way that would have direct impact on the applicant's business operation in Hong Kong.

6. The applicant is required to provide a detailed breakdown of the costs to be directly incurred for the purpose of, and during the approved period of, the proposed project that the applicant estimates. Funding could cover -

(a) Engagement of **IT Service Provider (“Service Provider”)** – for the purpose of a D-Biz Programme project, “Service Provider” refers to company which can demonstrate its relevant technical capabilities and experience in providing the solutions or services to the applicant for the IT solutions to be adopted in the project. The applicant should provide the expected deliverables from the engagement of the Service Provider, as well as breakdown of payment to this Service Provider including manpower cost (in man-hour) and other related costs for the purpose of the project.

³ The applicant is required to submit a copy of the Valid Business Registration Certificate or the Notification of Commencement of Business by Corporation (IRBR200) which specifies its business commencement date.

⁴ When considering whether the applicant has substantive business operation in Hong Kong, various factors will be considered, such as : nature of the business operations in Hong Kong, size/extent/percentage of the business operation in Hong Kong, number of employees in Hong Kong, information of customers/clients, year of establishment, etc.

- (b) Purchase, rental or subscription of **custom-built** equipment / hardware, software and other IT services or solutions that form an essential part of the project. In general, software systems that require compilation / integration by the Service Providers at the request of the applicants, including those involving standard modules with or without tailor-made features, will be regarded as custom-built items, as long as they are not readily available off-the-shelf. The funding period is **six months**.
- (c) Purchase, rental or subscription of **off-the-shelf / readily available** equipment / hardware, software and other subscription-based IT services or solutions that **form an essential part of the project**. Off-the-shelf / readily available items in general refer to those that can be procured “off-the-shelf” and installed / used directly by the applicants. The funding period is **12 months**.
- (d) **Training expenses related to the adoption of the IT solution for the employees** to be capped at **10%** of the solution cost.
- (e) Project auditing for projects with approved funding exceeding HK\$30,000 (please refer to paragraph 40(d) below). The maximum audit fee to be counted towards the total project cost is HK\$3,000.

7. The procurement of equipment / hardware / software / other assets is subject to the following rules -

- (a) The title and interest in new equipment / hardware / software and other assets purchased with funds under the D-Biz Programme shall vest with the applicant;
- (b) Unless prior written approval from the Secretariat is obtained, the applicant is required to keep all equipment / hardware / software / other assets purchased with funding under the D-Biz Programme **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 the Secretariat or representatives of the Government⁵ / Government's authorised agencies upon request. The applicant shall **not** transfer, sell or dispose of the equipment / hardware / software / other assets within the period specified above without prior approval. In general, as the ownership of subscription-based IT solution / platform does not belong to the applicant, hence it is not bound by this provision;

- (c) All items purchased, procured or leased with funds under the D-Biz Programme should be licensed products and should 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 remained with the applicant.

8. Normal business operating costs including but not limited to the following will **not** be funded under the D-Biz Programme⁶ –

- (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) Insurance of existing and newly purchased equipment/ hardware / software;
- (d) Recurrent repair/ maintenance cost for existing and newly purchased equipment / hardware / software;
- (e) Non-IT related professional service fees (except for project auditing);
- (f) Transportation and accommodation;
- (g) Financing expenses (e.g. interest payment for loans);
- (h) Administrative overheads; and
- (i) Any other fees which are not directly related to the implementation of the project.

⁵ For the sake of clarity, the Audit Commission is part of the Government.

⁶ This list of normal business operating costs not funded under the D-Biz Programme is not exhaustive and is subject to review and revision from time to time.

Funding Amount and Project Duration

9. Each applicant may submit at most **two** applications. The second application can only be submitted after the applicant has replied to the Secretariat on the result of the first application.

10. The funding ceiling for each IT solution and the relevant training expenses for employees is **HK\$100,000**, while each enterprise may receive total funding of up to **HK\$300,000**. Each application may contain a maximum of **three** IT solutions, which must fall under different categories and not be interdependent with each other (i.e. should not be in form of modules). In other words, unless the applicant is being rejected in the first application, or has withdrawn the application before receiving the result of the first application, or has rejected the approved IT solutions after receiving the result of the first application, it cannot submit IT solution(s) in the same category(ies) in the second application. The quota of first application is deemed as used in the above cases.

11. An initial payment of 30% of the approved funding amount is payable to a designated bank account of the applicant after the approval of the project and signing of the funding agreement with the applicant enterprise. The final payment will be made to the applicant upon project completion and acceptance of the final project report by the Government and the Secretariat. Expenditure items under an approved D-Biz Programme project cannot benefit from other government funding schemes at the same time.

12. Each project should normally be completed **within six months** and commenced **within one month** upon the signing of the funding agreement. Unless provided otherwise in the funding agreement, no waiver, cancellation, alteration or amendment of the funding agreement shall be valid unless made in writing and duly signed by all the parties to the funding agreement. However, this is not required for advance of the project completion date. Applicant should give prior written notification of the advance to the Secretariat instead, and record the changes in the final project report. The Government and the Secretariat 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 delay of the project completion date.

Procurement Procedures

13. Applicants should ensure that all procurement for goods and services (including project auditing) are carried out in an open, fair and competitive manner. Applicants should obtain written price quotations which meet the Programme's requirements. In general, each quotation should list out in details the project duration, scope of work, deliverables, and breakdown of cost items such as the software expenses, hardware expenses and IT service charges. If the applicant needs to supplement on how the project deliverables can improve the business operation of the applicant during the epidemic, it can provide detailed information in the quotation for the Secretariat's reference. The procurement contract should, unless otherwise justified by the applicant and agreed by the Government or the Secretariat, be awarded to the Service Provider submitting the lowest conforming quotation.

14. Applicants can freely select suitable IT service providers according to their individual needs. The IT Service Providers Reference List ("Reference List") serves to provide relevant market information merely for enterprises' reference only. **The Government or the Secretariat have not appointed or endorsed any companies or organisations to provide services in relation to the D-Biz Programme.** Whether or not the enterprises engage Service Providers on the Reference List will not affect the application outcomes.

15. For applications which engage a system integrator or non-subscription based service provider, applicant should obtain quotations from at least two service providers, otherwise full justifications must be provided. For applications which engage subscription-based service provider, the applicant is only required to provide one quotation. The applicant should submit the requisite number of quotations at the time of application as evidence of proper quotations. Where necessary, an applicant may be requested by the Government or the Secretariat to obtain additional quotations or references to support the cost of equipment, other goods and services.

16. The applicant shall be vigilant against fraud and any anti-competitive conduct by bidders. The applicant should ensure that each bidder has signed a probity and non-collusive quotation / tendering

certificate as part of their quotation submission to the applicant⁷. Please refer to **Annex B** for the model clauses and provisions to be included in the probity and non-collusive quotation / tendering certificate.

17. Upon request of the Secretariat, the applicant shall provide the contact information of the Service Provider(s) that are not on the Reference List for processing of application.

Avoidance of Conflict of Interest

18. To avoid conflict of interest, the applicant, or any person / staff authorised by the applicant to call for or in any way involved in the quotation, or any Service Providers, the owners, shareholders, management of which are the owners, shareholders, management of the applicant or their relatives shall **not** offer a quotation or make a bid themselves.

19. Applicants should engage Service Provider(s) of their choice. However, to avoid conflict of interests, in engaging Service Provider for implementing the project, applicants must **not** engage a Service Provider whose owners, shareholders, management 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 to be involved in the quotation or tender exercise should declare that they have no actual or potential conflict of interests; or otherwise should **not** participate in the procurement process. In addition, applicants should not solicit or accept loans from Service

⁷ The Independent Commission Against Corruption ("ICAC") has published a booklet "Strengthening Integrity and Accountability Government Funding Schemes Grantee's Guidebook" providing applicants/grantees with a practical set of guidelines in utilising the funds. Softcopy of the Guidebook is available on ICAC's website (http://www.icac.org.hk/filemanager/en/Content_1031/GranteeBPC.pdf). The Competition Commission ("CC") has also published a booklet which provides guidance relating to Model Non Collusion Clauses and Non Collusive Tendering Certificate (available on CC's website: https://www.compcomm.hk/en/media/press/files/Model_Non_Collusion_Clauses_and_Non_Collusive_Tendering_Certificate_Eng.pdf). The applicant should include non collusion clauses in its formal contract with the successful bidder/tenderer. For further information, please refer to CC's Model Non Collusion Clauses and Non Collusive Tendering Certificate (in particular, Appendix 1 and Appendix 2).

Applicants are also advised to make reference to the best practices in the ICAC's Guidebook and contact the Corruption Prevention Advisory Service of ICAC (Tel: 2526 6363) for any questions concerning the Guidebook or the booklet or if they need any advice to prevent corruption. The CC also published two brochures – "Getting the most from your tender" brochure" and "Fighting Bid-rigging" – which are designed to assist procurers in ensuring open and effective competition by preventing and detecting possible bid-rigging cartels. They are available on the CC's website (https://www.compcomm.hk/en/media/reports_publications/other_publications.html).

Provider(s) for carrying out the D-Biz Programme projects. Applicants are required to report cases of conflict of interest, including actions taken, to the Secretariat in writing.

20. Applicants should not apply for funding under the D-Biz Programme in the solution category(ies) in which they are involved as Service Providers. When necessary, the applicant may be requested by the Government or the Secretariat to provide information on its business nature for verification purpose.

Handling of Cash Payment

21. 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 that the procurement price is reasonable. The applicant has to certify in writing the fulfilment of all these requirements.

22. Subject to paragraph 21, any single transaction made by the applicant of a total value exceeding HK\$5,000 shall **not** be done in cash. The applicant should purchase, procure or lease equipment, other goods or services for the project through non-cash methods such as credit card, cheque, or bank transfer.

Application Procedures

23. D-Biz Programme is open for application from 9 am on 18 May 2020 to 6 pm 31 October 2020. If enterprises have replied to the Secretariat on the result of the first application, they can submit a second application from 9 am on 31 August 2020.

24. Applicants should submit their applications through the D-Biz Programme dedicated website hosted by the Secretariat with the documents listed in **Annex C**. Applicants may contact the Secretariat for assistance if they encounter difficulties in submitting the applications.

25. All applications will be processed in accordance with the order they reach the Secretariat.

Incomplete application will **not** be further processed until the applicant has rectified the errors or provided all the necessary information. The Secretariat would only continue to process the application after the applicant has provided the outstanding information or documents. The applicant should assign a person who shall act as the main contact point between the applicant and the Government or the Secretariat (“authorised person”). In order to ensure the smooth implementation and completion of the project, the authorised person should be able to fully represent the applicant and be conversant with the operation and business processes of the applicant. As such, the authorised person must be a responsible personnel of the applicant.

Assessment of Application

26. Upon receipt of an application, the Secretariat will conduct eligibility checking and preliminary screening. The Government or the Secretariat can seek clarification or supplementary information from the applicant or the service provider if necessary. The actual processing time will depend on the amount of applications received at the time, complexity of individual applications, comprehensiveness, clarity of the information provided, etc. To ensure fair and reasonable allocation of resources as well as to facilitate applicants to obtain quotations for submitting funding applications, the Secretariat will process up to 100⁸ applications involving the provision of services by the same system integrator each week. The rest of the applications will be processed in the following week(s).

27. Eligible applications for the D-Biz Programme will be considered by the D-Biz Programme Vetting Committee (“the Committee”), chaired by the Commissioner for Innovation and Technology (“CIT”). The Committee is composed of members from technology sector, the professional services sector, academia and the Office of the Government Chief Information Officer and its composition can be found on the D-Biz Programme website (u.hkpc.org/dbiz).

28. Eligible applications supported by the Committee will then be submitted to CIT for approval of funding, whilst ineligible applications will be rejected.

⁸ The original number of applications to be processed by the Secretariat was 10 per week (*cf. Guidance Notes for Funding Applications, May 2020, Version 1*).

29. Applicants must **not** approach members of the Committee to avoid affecting their impartiality of advice. Application results will be released to the applicants by the Secretariat.

30. To avoid conflict of interest, members of the Committee will be required to declare their general pecuniary interests on appointment, in addition to the report of conflict of interest that may arise from any particular application on which they may be asked to advise. Where considered appropriate, CIT, in the capacity of the Chairperson of the Committee, may request the member concerned to refrain from participating in discussion and assessment of the relevant application.

Assessment Criteria

31. Applications will be assessed based on individual merits and considered on a case-by-case basis. The assessment criteria of the D-Biz Programme projects include –

- (a) **Relevance of the proposed project to the applicant's business** – the project should enable enterprises to continue their business and services during the epidemic;
- (b) **Reasonableness of the budget** – assessment with reference to market prices of the technologies in question as known to the Committee or the Secretariat 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 IT solution and the project duration; and
- (d) **Capability of Service Provider(s)** – consideration will be made to the technical capability of the Service Provider(s). Each Service Provider will be considered on a case-by-case basis having regard to the Service Provider's technical capabilities and experience relating to the IT solution categories as mentioned in the Guidance Notes for IT Service Providers;
- (e) **Adverse record of Service Provider(s)** as known to the Committee and the Secretariat if available.

32. If a project is worthy of support in principle, the level of funding may be adjusted with

reference to the project cost approved by the Committee. In general, the funding amount received by applicants will be within a reasonable price range available in the market, and the funding amount should be enough for applicant enterprises to implement a more economical and readily available IT solution to achieve the same effect.

33. The Government and the Secretariat reserves the right to reject an application on grounds including but not limited to –

- (a) A petition is presented or a proceeding is commenced or an order is made or a resolution is passed for the winding up of the applicant; or
- (b) A false, inaccurate or incomplete statement or representation is contained in the application or a promise or a proposal is made knowingly or recklessly; or
- (c) The applicant is in default of its obligation(s) under another grant agreement entered into with any other local public funding sources whether or not in relation to the D-Biz Programme.

Notification of Result

34. Applicants will be informed of the result in writing. Applicants must not commence the project unless it has been approved and a funding agreement has been signed with the Secretariat.

Project Implementation

35. An approved project is required to be carried out strictly in accordance with the funding agreement and the application as approved by the Government. It is the applicant's responsibility to monitor the work of the Service Provider(s) and the implementation of the project to ensure the proper use of funds by Service Provider(s) in accordance with the approved budget; and to resolve any disputes with its Service Provider(s). Applicants should agree with the Service Provider(s) on the detailed service scope and project budget prior to the commencement of the project, and set out the information in the application. It is the responsibility of the applicant to ensure proper completion of the project for the purpose of seeking disbursement of the final payment. The Government or the Secretariat will also conduct random checks on individual projects as mentioned in paragraph 46.

36. Funding will **not** be provided for items not included in the approved proposal, nor for expenditures incurred outside the project period.

Changes to Approved Project

37. Approved project are expected to be carried out strictly in accordance with the applications as approved by the Government and cannot be changed unless otherwise provided in this Guidance Notes.

Disbursement of Funding

38. An initial payment of 30% of the approved funding amount is payable to a designated bank account after signing of the funding agreement.

39. The final payment will be made to the applicant upon project completion and the Government and the Secretariat's acceptance of the documents specified in paragraph 40. The actual amount of the final payment will be determined by the Government and the Secretariat having regard to the actual total project expenditure upon project completion and any initial payment already disbursed.

40. **Within two months** after completion of the D-Biz Programme project, the applicant should submit the following electronically through the D-Biz Programme dedicated website to the Secretariat for the disbursement of the final payment:

- (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) 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 receipt(s) must be the **same** as the name of the applicant; and
- (d) If the total approved funding **exceeds HK\$30,000**, an **audited statement of income and expenditure** covering the whole project period from an independent auditor is required to be submitted to the Secretariat.

41. Late submission of the required documents specified in paragraph 40 above may lead to withholding, reduction or cessation of the funding support for the project. Applicants may contact the Secretariat for assistance if they encounter difficulties in submitting the final report and supporting documents through the D-Biz Programme website.

42. The Government and the Secretariat reserves the right to seek clarifications from the applicant regarding the project and / or the Service Provider(s). Under normal circumstances, the final payment will be made upon acceptance of all the required documents / supplementary information and the final project report by the Government and the Secretariat.

Auditing Requirement

43. To ensure that the project funds have been solely and properly applied to the project and expended in accordance with the approved budget, an audited statement of income and expenditure covering the whole project period shall be required for projects under paragraph 40(d) above. The required accounts shall be audited by an independent auditor who must be a Certified Public Accountant holding a practicing certificate registered under the Professional Accountants Ordinance (Cap. 50) (the “auditor”). The applicant shall specify in the engagement letter for the employment of the auditor that the auditor shall strictly follow the requirements stipulated in the latest version of the Notes for Auditors issued by the Secretariat in conducting the audit and preparing the auditor’s report for each project. The engagement letter shall also specify that the Secretariat or representatives of the Government / Government’s authorised agencies shall have the right to communicate with the auditor on matters concerning the project accounts and the supporting statements, and the auditor shall provide the Secretariat and the Government with access to such project accounts and supporting statements for inspection, verification and copying from time to time upon reasonable notice being given by the the Secretariat and Government. In conducting the audit, the auditor must comply with the relevant Standards and Statements of Professional Ethics issued and updated from time to time by the Hong Kong Institute of Certified Public Accountants. In the auditor’s report, the auditor is required to express an audit opinion as to whether the applicant has complied, in all material respects, with the terms and conditions of the funding agreement and to make full disclosure of any material non-compliance.

44. To maintain a high level of integrity of the projects under the D-Biz Programme, the Government or the Secretariat will conduct random checks on individual D-Biz Programme projects. Successful applicants are required to keep a proper and separate set of books and records for each D-Biz Programme project for **seven years** after the completion of the project, and produce such books and records for checking by the Secretariat or representatives of the Government / Government's authorised agencies upon request.

45. If an applicant fails to comply with any requirements in the Application Guide and the terms and conditions stipulated in the funding agreement, the Government or the Secretariat may cease disbursement of any part of funding support to the applicant and / or shall have the right to claim for repayment of the disbursed funding in full or in part together with all administrative, legal and other costs incurred and interest accrued up to the date of repayment from the applicant. Under such circumstances, the Government or the Secretariat will inform the applicant of its decision and reasons.

46. The applicant is **not** entitled to charge any interest or claim any compensation or relief of whatsoever nature against the Government or the Secretariat for any payment made or in the event of any withholding of payment for any reason whatsoever.

Termination of the Project

47. The Government or the Secretariat may at any time terminate all or any part of the funding support by giving written notice to the applicant with immediate effect and / or shall have the right to claim for repayment of the disbursed funding in full or in part together with all administrative, legal and other costs incurred and interest accrued up to the date of repayment from the applicant on the occurrence of any of the following events -

- (a) The applicant is in breach of any of the terms and conditions of the funding agreement;
- (b) The project fails in a material way to progress in accordance with the approved proposal;
- (c) The Government or the Secretariat forms the opinion that:
 - (i) It is unlikely that the project will be completed in accordance with the approved proposal and other requirements in the funding agreement; or

- (ii) The project should be terminated in public interest;
- (d) The applicant terminates the project;
- (e) Any material change occurs in the management, ownership or control of the applicant;
- (f) Any material change occurs in the composition of the service providers referred to in the application;
- (g) The applicant engages in any conduct prejudicial to the project; or
- (h) The passing of any resolutions, the initiation of any proceedings, or the making of any order which may result in the winding up or dissolution of the applicant (other than for the purpose of reconstruction or amalgamation) or if a receiver, provisional liquidator, liquidator or administrator is appointed in respect of the whole or any part of its assets or if the applicant makes an assignment for the benefit of or composition with its creditors generally or threatens to do any of these things or any judgement is made against the applicant or any similar occurrence under any jurisdiction that affects the applicant.

48. In the event the project is terminated by the applicant for whatever reasons, the applicant should notify the Government and the Secretariat in writing immediately to explain the reasons of termination.

Handling of Information

49. Subject to the provisions below, information provided by the applicants in their applications and final project reports will be kept by the Government or the Secretariat in confidence and all personal data will be handled in accordance with the relevant provisions of the Personal Data (Privacy) Ordinance (Cap. 486). In this regard, the Government and the Secretariat shall have the right to disclose, without further reference to the applicants, whenever it considers appropriate, Discloseable Information⁹ to other Government bureaux / departments, statutory bodies or third parties for the

⁹ "Discloseable Information" means any information on the application and the project including without limitation, information provided by the applicant in, and in connection with, its application under the D-Biz programme, the name and address of and other information on the applicant including past applications, other projects it is undertaking / propose to or will undertake, details of the application and the project, the project cost and the D-Biz programme funding, the final project report, information provided by the applicant to the Government and information on the applicant's Service Providers.

purposes of processing the application, conducting research and survey, compiling statistics, meeting requirements of the law and / or performing their functions, and if the application is approved, monitoring the project, disbursing funding or related purposes including publication of the name of applicant(s), funding scope and amount of successful application(s), or if explicit consent to such disclosure is given by the applicant. In submitting the application form, each applicant irrevocably and unconditionally authorises the Secretariat and the Government to make and consents to the Secretariat and the Government making any of the aforesaid disclosure.

50. By submitting an application, an applicant is regarded to have agreed to, and to have obtained from the authorised person and the Service Provider(s) and each individual whose information (including personal data) is provided in the application, his / her consent for the disclosure, use and further disclosure by the Secretariat and the Government of the information (including personal data) for the purposes set out above.

Important Notes

51. It is the responsibility of the applicant to complete an application form and the final project report timely and truthfully, and to provide all supporting documents for the application and for the disbursement of the final payment. Inaccurate and incomplete information will affect the processing of application or disbursement of funding. Any omission or misrepresentation of information may lead to rejection of applications, cancellation of applications approved, and part or full recoupment of funding awarded. It is an offence in law to obtain property / pecuniary advantage by deception or assisting persons to obtain property / pecuniary advantage under D-Biz Programme . Any person who does so may be liable to legal proceedings.

Prevention of Bribery

52. The applicant shall observe the Prevention of Bribery Ordinance (Cap. 201) ("PBO") and shall procure that its project team, directors, employees, agents, consultants, contractors and other personnel who are in any way involved in the project shall not offer to or solicit or accept from any person any advantages, including money, gifts, loan, etc. (as defined in section 2(1) of the PBO) in the conduct of or in relation to the project. If the applicant, its project team, directors, employees, agents, consultants, contractors and other personnel who are in any way involved in the project commit an

offence under the PBO in relation to a D-Biz Programme project, the Government or the Secretariat shall be entitled to terminate the project, cancel the funding approved, recoup the funding awarded, and shall hold the applicant liable for any loss or damages the Government or the Secretariat may thereby sustain.

Prevention of Bid-rigging and other Anti-competitive Conduct

53. The applicant shall observe the Competition Ordinance (Cap. 619) (“CO”) and shall take steps to prevent bid-rigging and other anti-competitive conduct. As mentioned in paragraph 16, the applicant should require each bidder to sign a non-collusive quotation / tendering certificate as part of their quotation submission. The applicant should also include non-collusion clauses in its invitation to tender/ quotation and its formal contract with the successful bidder/tenderer. Doing so is intended to draw bidders’ attention to the consequence of engaging in bid-rigging or other anti-competitive conduct, in particular that such conduct contravenes the CO and potentially attracts enforcement action by the Competition Commission.¹⁰

Post Project Evaluation

54. The applicant is required to submit a post-project evaluation survey to the Secretariat **six months** after project completion on the extent of the project in achieving the objective to support it to continue its business and services through adoption of IT solutions.

Assignment

55. Unless prior written approval from the Government or the Secretariat is obtained, the applicant shall not assign, transfer, sub-contract or otherwise dispose of any or all of its interests, rights, benefits or obligations under the funding agreement.

56. The applicant shall seek the approval of the Government or the Secretariat before engaging services of independent Service Providers on its own to assist it with its duties under the funding agreement, provided that the applicant shall –

¹⁰ Where the applicant suspects anticompetitive conduct they should contact the Competition Commission by phone (+852 3462 2118) or via email (complaints@compcomm.hk).

- (a) Not be relieved from any of its obligation and duties under this Application Guide by engaging any such independent Service Providers and shall remain liable to the Government or the Secretariat for the performance of such obligations and duties;
- (b) Remain liable for any act or omission of any such independent Service Providers as if such act or omission were its own; and
- (c) Secure binding obligations from all such independent Service Providers so as to ensure that the obligations under this Application Guide would be complied with.

Note :

- 1. In case of discrepancies between the English and Chinese versions of this Application Guide, the English version shall apply and prevail.
- 2. The Government or the Secretariat reserves the right to amend this Application Guide from time to time.

Annex A – IT Solution Categories

Solution category	Descriptions
1. Online business	<ul style="list-style-type: none"> ● For the company to establish a web portal, mobile app or other online channels, with aims to promote its goods and services, by using either subscription-based or custom-built e-commerce platform, including development and management ● Enable consumers to place orders over the Internet ● Promote such online portal through search engine promotion, digital advertisement such as social media promotion, e-coupon, loyalty programme, etc. ● Excluding production of promotion materials, contents or assets (e.g. image, text and video etc. as part of the marketing and promotion materials)
2. Online order taking and delivery, and smart self-service systems	<ul style="list-style-type: none"> ● For the company to establish a web portal, mobile app or other online channels, for consumers to place orders of goods or services, by using either subscription-based or custom-built e-commerce platform, including development and management ● Such adoption of technologies should enable the company to perform end-to-end order placement and delivery to designated locations, by using e.g. smart self-servicing system, smart kiosk, smart vending machine, smart lockers, or with integration to e-logistics provider platform ● Suitable but not limited to industries that are acquiring or promoting self-services, such as takeaway services in Food & Beverages industries ● Promote such online portal through search engine promotion, digital advertisement such as social media promotion, e-coupon, loyalty programme, etc. ● Excluding production of promotion materials, contents or assets (e.g. image, text and video etc. as part of the marketing and promotion materials)
3. Online customer services and engagement	<ul style="list-style-type: none"> ● For the company to enable order placements of services to take place over the Internet, such as reservations, appointment bookings, including development and management ● Such adoption of technologies can also include distance learning facilities ● Promote such online portal through search engine promotion, digital advertisement such as social media promotion, e-coupon, loyalty programme, etc. ● Excluding production of promotion materials, contents or assets (e.g. image, text and video etc. as part of the marketing and promotion materials)
4. Digital customer experience enhancement	<p>For the company to improve customer service experience and engagement with use of various technologies, including but not limited to the following:</p> <ul style="list-style-type: none"> ● Round-the-clock customer service support via Chatbot ● Uplift product or service experience with use of Augmented Reality (AR) / Virtual Reality (VR) or Mixed Reality (MR) technologies or Digital Twin technology ● Apply analytics to improve customer experience such as purchasing data
5. Digital payment / mobile point of sale	<ul style="list-style-type: none"> ● Enable online / physical stores with multiple digital payment channels, e.g. payment gateway or mobile Point-of-Sales (POS) ● Including one-time setup and associated hardware / equipment ● Excluding the handling fee or equivalent of each payment transaction
6. Online / cloud-based financial management systems	<p>Adopt computerised system to manage the financial related processes of the company, including but not limited to:</p> <ul style="list-style-type: none"> ● Invoicing and bill collection, accounting and budget planning, asset and liabilities management, regulatory compliance, reporting ● System could be cloud-based or accessible remotely by staff with appropriate cybersecurity protections
7. Online / cloud-based human resources management systems	<p>Adopt computerised system to manage the human resources related processes of the company, including but not limited to:</p> <ul style="list-style-type: none"> ● Payroll and expense reimbursement, attendance and leave records, training, reporting ● System could be cloud-based or accessible remotely by staff with appropriate cybersecurity protections

Solution category	Descriptions
8. Remote document management, cloud storage and remote access services	<ul style="list-style-type: none"> ● Digitise hard copy document into electronic format and store on cloud storage ● Enable staff to access the company information, data and system remotely with solutions such as remote desktop control, Virtual Private Network (VPN), Virtual Desktop Infrastructure (VDI)
9. Virtual meeting and conference tools	<p>Adopt tools to allow groups of people to collaborate or meet virtually through the Internet with the following functions but not limited to:</p> <ul style="list-style-type: none"> ● Support both audio and video communication, content sharing, manage appointments and registrations, meeting recordings, online polling and Q&A
10. Virtual team management and communications	<p>Adopt tools to allow groups of people to collaborate or communicate virtually through the Internet with the following functions but not limited to:</p> <ul style="list-style-type: none"> ● Instant messaging, video and voice calls, document sharing and co-authoring / concurrent editing, task assignment, progress monitoring and collaborative product development
11. Cybersecurity solutions	<ul style="list-style-type: none"> ● Improve the cybersecurity of the companies by implementing software, hardware or services to defend against cyber-attacks <p>Solution examples include but not limited to data encryption, firewall, anti-virus / malware solutions</p>
12. Other online / custom-built / cloud-based business support systems	<ul style="list-style-type: none"> ● Other solutions, either off-the-shelf or custom-built, that support the programme objectives of enabling enterprises to conduct and continue business remotely but do not fit into the above categories ● Solution examples include but not limited to Enterprise Resource Planning (ERP), e-application form and approval workflow, Robotic Process Automation (RPA)

(for Submission by Bidder/Tenderer to Applicants)

- (1) *The appropriate wording to be used in the Certificate will depend on the specific project and quotation/tender, and that the wording set out below is intended to act as a general reference only.*
- (2) *This Certificate should be addressed to the applicants (showing its full name as shown on the Business Registration Certificate) and include the signature of a person authorised to sign the relevant contract on behalf of the bidder/tenderer, together with his/her name and position and the date of signing clearly shown at the end of this Certificate.*

3. We represent and warrant that in relation to the Quotation/Tender:
- (a) Our bid was developed genuinely, independently and made with the intention to accept the contract of the Project if awarded;

(b) Our bid was not prepared with any agreement, arrangement, communication, understanding, promise or undertaking with any person (including any other bidder/tenderer or competitor) regarding:

- (i) prices;
- (ii) methods, factors or formulas used to calculate prices;
- (iii) an intention or decision to submit, or not submit, a bid;
- (iv) an intention or decision to withdraw a bid;
- (v) the submission of a bid that does not conform with the requirements of the quotation/tender;
- (vi) the quality, quantity, specifications or delivery particulars of the products or services to which this quotation/tender relates; and
- (vii) the terms of the bid,

and we undertake that we will not, prior to the award of the contract for the Project, enter into or engage in any of the foregoing.

4. Paragraph 3(b) of this certificate shall not apply to agreements, arrangements, communications, understandings, promises or undertakings with:

- (a) _____ (*name of applicant*) (the "Applicant");
- (b) a joint venture partner, where joint venture arrangements relevant to the bid exist and which are notified to the Applicant;
- (c) consultants or sub-contractors, provided that the communications are held in strict confidence and limited to the information required to facilitate that particular consultancy arrangement or sub-contract;
- (d) professional advisers, provided that the communications are held in strict confidence and limited to the information required for the adviser to render their professional advice in relation to the Quotation/Tender;
- (e) insurers or brokers for the purpose of obtaining an insurance quote, provided that the communications are held in strict confidence and limited to the information required to facilitate the particular insurance arrangement; and
- (f) banks for the purpose of obtaining financing for the Project, provided that the communications are held in strict confidence and limited to the information required to facilitate that financing.

Disclosure of subcontracting

5. We understand that we are required to disclose all intended sub-contracting arrangements relating to the Quotation/Tender to the Applicant, including those which are entered into after the contract for the Project is awarded. We warrant that we have duly disclosed and will continue to disclose such arrangements to the Applicant.

Consequences of breach or non-compliance

6. We understand that in the event of any breach or non-compliance with any warranties or undertakings in this certificate, the Applicant may, at its discretion, invalidate our bid, exclude us in future quotations/tenders, pursue damages or other forms of redress from us (including but not limited to damages for delay, costs and expenses of re-quotation/re-tendering and other costs incurred), and/or (in the event that we are awarded the contract for the Project) terminate the contract.
7. Under the Competition Ordinance, bid-rigging is serious anti-competitive conduct. We understand that the Applicant may, at its discretion, report all suspected instances of bid-rigging to the Competition Commission (the "Commission") and provide the Commission with any relevant information, including but not limited to information on our bid and our personal information.

Disclosure of information

8. We understand that our bid will be used by the Applicant to apply for funding support under the Distance Business Programme ("D-Biz Programme") implemented by the Innovation and Technology Commission ("ITC") of the HKSAR Government (the "Government") with the Hong Kong Productivity Council being the Secretariat ("the Secretariat"). By submitting our bid, we consent to the disclosure and use by the Applicant to the Government and the Secretariat and further disclosure by the Government or the Secretariat to other Government bureaux / departments, statutory bodies or third parties of the information (including personal data) contained in our bid for the purposes of processing the D-Biz Programme application, conducting research and survey, compiling statistics, meeting requirements of the law and/or performing their functions, and if the application is approved, monitoring the Project, disbursing funding or related purposes.

Bidder/Tenderer:

(Signature)

(Name of authorised person)

(Post Title)

(Date)

(Company Chop)

Annex C – Documents Required for Submission of Application

**Documents Required for Submission of Application through
D-Biz Programme website**

Before submitting the application, applicant must ensure that **ALL** the required documents listed below are attached to the application:

- ☒ A **copy** of the Business Registration Certificate issued under the Business Registration Ordinance; or a **copy** of Social Enterprise Certification issued by HKCSS for the Programme.
- ☒ **Copies** of the documentary evidence proving that the applicant has **substantive business operations** in Hong Kong which is **related to the project** under application at the time of application. For example, invoices / receipts or commercial contracts issued within three months before submitting application, the latest audited account, profits tax returns and taxation assessment issued by the Inland Revenue Department.
- ☒ **Copies** of the documentary evidence showing **employees' information**. For example, Mandatory Provident Fund records or approved retirement plan records, salary payment records and employees' compensation insurance records.
- ☒ **Copy** of **bank statement** showing the bank account holder's name and number. The bank account holder should either be the applicant company or the shareholder of the applicant company with authorization letter(s) from all shareholder(s).
- ☒ **Copy(ies)** of the **quotation(s)** for IT solutions (both selected and non-selected bidder) submitted by the IT solution bidder(s) showing their **detailed contact information** (including address, telephone number and email address) and all **signed probity and non-collusive quotation / tendering certificate(s)** as stipulated in paragraph 16 of the Application Guide. Please indicate which quotation is to be chosen by the applicant and how the item(s) listed in individual quotation(s) correspond to the expenditure item(s) listed in the application form.

- ☒ **Copy(ies)** of the **quotation(s)** for audit fee (both selected and non-selected bidder) submitted by the bidder(s) and all **signed probity and non-collusive quotation certificate(s)** if the applicant wishes to cover the audit fee in the project expense. External audit fee not included in the application will not be reimbursed.