

**Advisory Council on the Environment
Nature Conservation Subcommittee**

Nature Conservation Management Agreement Proposals

Purpose

This paper invite Members' views on two applications received under nature conservation management agreement (MA) scheme.

Background

2. The Government announced a new nature conservation policy to better achieve the nature conservation objectives, in particular, to enhance the conservation of ecologically important sites which are in private ownership. Under the new policy, 12 priority sites have been identified for enhanced protection and the Administration undertook to implement a Pilot Scheme for management agreement as one of the measures to enhance the ecological value of these sites.

3. Three MA pilot projects have been implemented since 2005. At the last Nature Conservation Subcommittee meeting, we briefed Members on the progress of these three projects. Recognizing the merits of MA scheme in conserving and enhancing the biodiversity of the ecologically important sites, Members supported the continuation of the scheme. After obtaining the Environment and Conservation Fund (ECF) Committee's in-principle support to continue the funding for MA scheme, a new round of application for MA was invited from July 2007. Since then, we received two applications from the Conservancy Association and Tai Po Environmental Association, involving land located at Long Valley and Fung Yuen respectively. The Guide to Application is attached at **Annex A** and the summary of the applications is at **Annex B**.

Recommendations

4. The Agriculture, Fisheries and Conservation Department and the Environmental Protection Department have examined these two applications in accordance with the following major evaluation criteria –

- (a) the benefits that the proposed project will bring to the efforts in enhancing the conservation of the site concerned and in better achieving the nature conservation objective;
- (b) the sustainability of the proposed project including its resources

implications, participation of the landowner(s) and local community, the nature and enforceability of the management agreement;

- (c) whether the proposed budget is reasonable and realistic, and whether the project is cost effective; and
- (d) the technical and project management capability, and track record of the applicant. In this regard, NGOs may seek assistance or support from other relevant professional bodies where necessary.

In general, we consider that the proposed projects will be beneficial to the ecology of the concerned sites and are worth supporting. It is also worthwhile to maintain the momentum of the conservation works implemented by the pilot MA projects in Long Valley and Fung Yuen. Our assessments are at **Annex C** for Members' reference.

Advice Sought

5. Subject to Members' comments, the proposals will be submitted to the ECF Committee for funding support in January 2008.

*Agriculture, Fisheries and Conservation Department
Environmental Protection Department
November 2007*

GUIDE TO APPLICATION

**ENVIRONMENT
AND
CONSERVATION
FUND**

**Nature Conservation Management
Agreement Projects**

**WOO
WHEELOCK
GREEN
FUND**

For enquiries, please contact
Environmental Protection Department
46/F Revenue Tower
5 Gloucester Road
Wan Chai
Hong Kong
Tel : 2594 6229
Fax : 2136 3304
E-mail : florencechan@epd.gov.hk

(Amended October 2007)

1. INTRODUCTION

The Administration has announced a new nature conservation policy to better achieve the nature conservation objectives, especially enhancing conservation of ecologically important sites which are in private ownership. Under the new policy, management agreement option with landowners was proposed. Following the success of the pilot scheme for management agreements, the Environment and Conservation Fund (ECF) Committee¹ support the continuation of the Scheme and will provide allocation for this cause.

1.1 Purpose of this Guide

This Guide provides guidance on application for funding management agreement projects under the new nature conservation policy, and describes the basic requirements and responsibilities for recipient organisations. Upon approval of funds by the ECF Committee, recipient organisations will sign an agreement with the Government undertaking to observe the conditions of using the allocated grant and the approved budget.

1.2 Nature of Projects

Nature Conservation management agreement projects must contribute to enhancing the conservation of the sites concerned through management agreements between non-governmental organisations (NGOs) and landowners. Under these agreements, NGOs may provide landowners with financial incentives in exchange for management rights over their land or their cooperation in enhancing conservation of the priority sites listed in *Appendix 1*.

1.3 Administration

Applications will be administered by Environmental Protection Department (EPD) and the Agriculture, Fisheries and Conservation Department (AFCD).

¹ A statutory body, which comprises mainly non-officials, was set up in 1994 under the Environment and Conservation Fund Ordinance to advise Secretary for the Environment on the use of funds. Under the Ordinance, the Secretary is the trustee responsible for the administration of the Fund.

2. GUIDE TO APPLICATION

2.1 Who may apply?

Registered local non-profit making organisations (e.g. universities, community bodies, green groups) or groups formed under a registered non-profit making organisations in Hong Kong are eligible to apply.

2.2 What are the funding limits?

There are no funding limits. Funds may be granted for full or partial support of projects.

2.3 What is the duration of each project?

Each conservation management agreement project should last for at least 12 months and not more than 24 months.

2.4 How to apply?

Applicants have to fill in an application form which can be obtained from –

- EPD website: http://www.epd.gov.hk/epd/english/boards/ecfc/appl_for_ecf.html
- AFCD website: <http://www.afcd.gov.hk>

Completed application form should be signed by the person-in-charge and returned to the Secretariat of the Environment and Conservation Fund (33/F, Revenue Tower, 5 Gloucester Road, Wanchai) at least four months before commencement of the project.

2.5 What are the vetting procedures?

All applications received will first be vetted by EPD and AFCD in consultation with other relevant government departments and the Advisory Council on the Environment (ACE) or its subcommittee where appropriate. The recommendations will then be submitted to the ECF Committee for endorsement. Information of the approved projects will be uploaded onto the websites of EPD and the ECF Committee.

2.6 What are the vetting criteria?

The following broad criteria will be used in assessing the merits of individual applications –

- (1) the benefits that a proposed project will bring to the efforts in enhancing the conservation of the site concerned, better achieving the nature conservation objectives, and evaluating the effectiveness of this new conservation measure;
- (2) the sustainability of a proposed project including its resource implications, participation of the landowner(s) and local community, nature and enforceability of the management agreement concerned;

- (3) the technical and project management capability of the applicant organisation, as well as its track record, including the effectiveness of past projects, and its ability to comply with funding conditions;
- (4) whether the proposed project's schedule of implementation is well-planned and practicable, and the duration is reasonable;
- (5) whether the proposed budget is reasonable and realistic, and whether the project is cost-effective, with full justification for every expenditure item;
- (6) whether the proposed project has alternative sources of funding, and whether it would be more appropriate for the proposed project to be funded by other sources; and
- (7) if recurrent expenditure is incurred, whether the proposed project has potential to become self-sufficient after a certain period of time.

2.7 Avoidance of Conflict of Interests

To avoid conflict of interest, members of ACE (or its subcommittee) and the ECF Committee who are directly or indirectly related to an application will be required to declare interest and refrain from taking part in the discussion of that application by leaving the venue where the deliberation takes place. This will apply to members who are part of the project team and/or members who belong to the same organisation.

2.8 When will I know the result?

It normally takes within six months to process an application. If no additional information is required, the applicant will be informed of the outcome shortly after the ECF Committee meeting, which is normally held quarterly.

2.9 Can I withdraw my application?

The applicant organisation can write to the EPD to withdraw an application at any time before an agreement is signed with the Government.

3. PROJECT PROPOSAL

The applicant organisation should submit a project proposal covering the details of the programme.

3.1 Project Title

A project title, in both English and Chinese, has to be provided for each application.

3.2 Duration of Project

This section should give the commencement and completion date and duration of project.

3.3 Nature and Purpose of Project

In clear and specific terms, state how the project will contribute to enhancing the conservation of the sites concerned through management agreements between non-governmental organisations (NGOs) and landowners. Under these agreements, NGOs may provide landowners with financial incentives in exchange for management rights over their land or their cooperation in enhancing conservation of the priority sites listed in *Appendix 1*.

3.4 Name of Recipient Organisation

Give the name of recipient organisation in Chinese and English. You must be a local non-profit making organisation or a group formed under a registered non-profit making organisation in Hong Kong.

3.5 Details of Team Members

Give details of the project team structure, the person – in – charge and the supporting staff.

3.6 Role of the Recipient Organisation

State the role the recipient organisation will play in organizing and implementing the project. Projects in which the recipient organisation does not make a major contribution will not be eligible for funding support.

3.7 Details of other co-organizing/assisting/supporting/sponsoring bodies for the proposed project

Give details of other co-organizing/assisting/supporting/sponsoring bodies.

3.8 Project Details

State the following –

(a) the target site;

- (b) the target habitats and species be conserved;
- (c) the estimated area of site to be conserved under the management agreement; and
- (d) the anticipated number of participants of each activity.

3.9 Method of implementation of project

State clearly the implementation method to be employed and show how this could help achieve the purpose of the project.

3.10 The Workplan, Timetable and Deliverables

- (a) Workplan - Give a detailed workplan describing the various activities that will be carried out under the project.
- (b) Timetable - Give a timetable showing the length and sequence of the various activities in the project.
- (c) Deliverables – Give targeted quantifiable and quality results and publicity plans to announce project results

3.11 First time applicant

For applicant organisation which applies to the ECF for the first time, please provide the following information –

- (a) background information of the organisation;
- (b) information about key members of the organisation and the person-in-charge of the project;
- (c) experience in organizing environmental activities; and
- (d) documentary proof of the organisation's non-profit making status.

4. BUDGET GUIDELINES

The application should be accompanied by a detailed budget for the project. Each income and expenditure item should be reasonable, realistic and clearly broken down. All expenditure items must be incurred between the commencement and completion dates of the project. For items which “will not normally be supported”/“may only be supported with full justification”/“only supported on a case-by-case basis”, please provide detailed justifications in the form of an attachment to this application.

4.1 Manpower

- 4.1.1 The recipient organisation is expected to have the ability to supervise and the expertise to undertake the proposed project. Hence, no funding will be granted for employment of additional supervisory/administrative staff, hire of professional advisors or training course for staff of the recipient organisation for undertaking the project.
- 4.1.2 Funding for project coordinators or their assistants (full/part-time) may be considered on a case-by-case basis but the total amount for covering the cost of project coordinators/research assistants should normally below 35% of the total approved amount or the total actual expenditure, whichever is the less. Under exceptional circumstances and if the recipient organisation can fully justify to the satisfaction of the relevant vetting authorities including EPD and AFCD, funding for the cost of project coordinators/research assistants exceeding 35% may be considered.
- 4.1.3 Direct labour cost (for hiring of full/part-time workers) involved in conducting nature conservation or related activities on the site concerned may be supported. The actual amount to be granted will depend on the modus operandi of the project.

4.2 Equipment and Capital Items

Funding for equipment/capital items may be granted if the equipment/capital item is essential for implementation of the project; and that the recipient organisation will bear all subsequent recurrent costs, including maintenance costs, of the equipment/capital items.

4.3 Rental Payment and Renovation Fee

- 4.3.1 Funding for renting land and premises necessary for the implementation of the project (e.g. land for implementing nature conservation or related activities or premises for establishment of a site office to conduct the activities) may be considered. The actual amount will depend on the size and location of the selected land/venue. This does not apply to land/premises under the possession of the recipient organisation, its office bearers or persons associated with the recipient organisation.
- 4.3.2 One-off payment for basic renovation of premises necessary for the implementation of the project will be considered, subject to a ceiling of HK\$20,000.

4.4 Other sponsorships

Applicants are encouraged to seek sponsorships from other sources to fund part of the projects applying for ECF. However, applicants should clearly indicate in their submission details (including the source, amount, and income to be generated) regarding sponsorships outside ECF. Applicants' intention to seek other sponsorships should be stated if details are not available when their applications are submitted.

4.5 Others

4.5.1 All essential elements of an application will be considered in an integral manner. For projects involving production of publication, the recipient organisation should include details of publication arrangements in the application together with its budget for overall assessment.

4.5.2 All applications are considered on their individual merits. For projects involving recurrent expenditures, the recipient organisation has to demonstrate that such expenses will be of a specified finite duration or that the project is able to become self-financing after a certain period of time.

4.5.3 Funding for public education activities in connection with the project, hire of transport, light meals for unpaid voluntary workers and premium for public liability insurance will be allowed. The level of funding for such expenses are set out in *Appendix 2*.

4.5.4 Funding for general administrative costs incurred by the recipient organisation in undertaking the project will not normally be given. Under exceptional circumstances and if the recipient organisation can fully justify to the satisfaction of the relevant vetting authorities including EPD and AFCD, funding may be granted. But under no circumstances will such funding granted be in excess of 20% of the total approved grant or the total actual expenditure, whichever is the less.

4.5.5 Requests for funding for contingency items will be considered on a case-by-case basis.

4.5.6 Funding will not be granted to the recipient organisation for renting or purchasing materials already in the organisation's stock.

4.5.7 Funding for payments to individuals as a reward for their participation in the activities organised under a project will not be given.

4.5.8 The applicants may provide a proposed payment schedule in accordance with the conditions in paragraph 5.3 below to EPD/AFCD for consideration.

5. CONDITIONS FOR THE USE AND ALLOCATION OF FUND

5.1 Contractual Requirements

For each project for which funds have been approved, the recipient organisation has to sign an agreement with the Government and comply with all the terms of the agreement.

5.2 Use of Funds

5.2.1 The allocated funds shall not be used as payments to individual members of the public as a financial reward for their participation in the activities associated with the project.

5.2.2 The proposed project must accrue benefits to the district/local community as a whole, and not just an individual, a single private organisation or a consortium of private companies.

5.3 Disbursement and Reimbursement of Funds

5.3.1 Disbursement of approved allocation will take into account the estimated cash flow of the project. The recipient organisation will receive between 25-50% of the grant upon approval depending on the nature of the project. The recipient organisation may submit a proposed plan for payment to EPD/AFCD for consideration. Interim payment may be released to the recipient organisation subject to endorsement of the proposed payment plan and progress report, but the last 10% will normally be released only after completion of the project, subject to submission of a statement of accounts and a completion report to the satisfaction of EPD/AFCD.

5.3.2 All revenue/income received/derived from the project (including sales of output, fees generated from activities conducted and interest income generated from cash in hand for the project), irrespective of whether it has been declared in the application, must be defrayed against the actual expenditure before calculating the amount to be reimbursed as the final payment; or ploughed back into the project account as set out in the agreement signed between the Government and the recipient organisation.

5.3.3 Amount to be reimbursed for individual items of the budget will not exceed the approved amount for that item. However, EPD/AFCD may increase the approved amount of an individual item by up to 20% provided that the total amount to be paid will not exceed the approved total.

5.3.4 The grant could be reduced on a pro-rata basis in the following circumstances –

- (a) the scope and/or activities of the project have been changed;
- (b) the actual area of the site conserved under the management agreement is less than originally proposed;
- (c) the actual frequency of activities conducted (e.g. field visits) is less than originally proposed;

- (d) the number of participants is less than originally proposed and the grant allocated is decided according to the number of participants;
- (e) the number of publication (e.g. leaflets) is less than originally proposed; or
- (f) the duration of the project has been reduced.

- 5.3.5 Any item not on the approved list of budget items will not be reimbursed.
- 5.3.6 Any unspent balance of the grant shall be returned to ECF within two months after completion of the project.
- 5.3.7 Income derived from the project after the project period, including sales of output, should be returned to ECF for offsetting part or whole of the funded amount.

5.4 Project Interest

- 5.4.1 The ECF grant shall be paid into a risk-free interest-bearing account opened with a licensed bank.
- 5.4.2 Interest incomes generated from the ECF grant and other receipts for a project have to be defrayed against the actual expenditure before calculating the amount to be reimbursed as the final payment, if any.
- 5.4.3 The recipient organisation may be required to compensate the Government for loss of interest income if the ECF grant is not properly handled. Where necessary, the Government will initiate legal action for suitable remedies.

5.5 Progress and Completion Reports

- 5.5.1 The recipient organisation has to submit a progress report with certified statement of account of its project once every six months to EPD/AFCD. Except for the first disbursement, all disbursements will be subject to satisfactory progress of the project. EPD/AFCD may carry out visits or surprise checks to examine the progress of the project.
- 5.5.2 Within two months after completion of the reporting period / project or before the date specified in the agreement, the recipient organisation has to submit a progress / completion report to EPD/AFCD. If an extension of the submission deadline is required, prior approval should be obtained from EPD/AFCD. EPD/AFCD will assess the success or effectiveness of the project by comparing the project results against its original objectives and targets as set out in the application.
- 5.5.3 All progress and completion reports should be signed off by the person-in-charge of the project and submitted in such format as prescribed in the Progress/Completion Report Form.
- 5.5.4 Unsatisfactory performance will affect the organisation's future chance of getting funding. The organisation's management will be informed.

5.6 Statement of accounts

- 5.6.1 Within two months after completion of the project or before the date specified in the agreement, the recipient organisation has to submit a complete statement of accounts, attached to the completion report, to EPD/AFCD. If an extension of the submission deadline is required, prior approval should be obtained from EPD/AFCD.
- 5.6.2 For any project receiving a grant under HK\$150,000, the grant received must be shown in a complete statement of accounts, together with the original copy of invoices and receipts. Auditing will not be required, but EPD/AFCD reserves the right to check all financial records kept by the recipient organisation relating to use of the grant.
- 5.6.3 For any project receiving a grant of HK\$150,000 or more, the statement of accounts attached to the completion report must be an audited statement of account prepared by an auditing firm, providing assurance that the audited accounts properly presented the financial position of the project and that the conditions of the grant were met.
- 5.6.4 For any project lasting more than 18 months, the recipient organisation has to submit certified statement of accounts to EPD/AFCD in each progress report and within two months after completion of the project.
- 5.6.5 For universities, a statement of accounts certified by the finance office of the institution will be acceptable, regardless of the amount of the grant involved in a project.

5.7 Intellectual Property Rights Arising from Projects and the Use of Project Results

- 5.7.1 Unless negotiated and agreed otherwise with EPD/AFCD, the recipient organisation will solely own all intellectual property arising from the project.
- 5.7.2 The recipient organisation is required to grant unconditionally and irrevocably to the Government the right to publish results, findings and any other information provided in the application, progress report(s), completion report and other publications or publicity materials.

5.8 Publicity of Project Events and Results

- 5.8.1 The recipient organisation should, as far as practicable, publicise the project results or any events related to the project through publications, seminars, workshops, conferences and exhibitions etc.. It should also provide information about the events to EPD/AFCD.
- 5.8.2 The recipient organisation should notify EPD/AFCD of the project results before publicising them. Copies of publications or publicity materials produced under the project must be made available to EPD/AFCD within one month after completion of the project.

5.8.3 Project findings will be uploaded on the websites of EPD and the ECF Committee for public access.

5.9 Procurement of Equipment and Capital Items

5.9.1 The recipient organisation should exercise utmost prudence in procuring equipment, goods or services for the project and must adhere to the following procedures unless EPD/AFCD agrees otherwise –

(a) for every procurement the aggregate value of which is more than HK\$5,000 but less than HK\$10,000, quotations from at least two suppliers should be obtained. The recipient organisation should select the supplier that has submitted the lowest bid. If the lowest bid is not selected, full justifications must be given and prior agreement must be obtained from EPD/AFCD;

(b) for every procurement the aggregate value of which is HK\$10,000 or more, but less than HK\$500,000, quotations from at least three suppliers should be obtained. The recipient organisation should select the supplier that has submitted the lowest bid. If the lowest bid is not selected, full justifications must be given and prior agreement must be obtained from EPD/AFCD; and

(c) for every procurement the aggregate value of which is HK\$500,000 or more, open tendering should be used.

5.9.2 In the case of universities, they may adhere to their established/current standard procurement procedures.

5.9.3 In case the recipient organisation intends to procure equipment or capital items from one company/organisation/individual, it has to provide details, justifications and its relationship with the company/organisation/individual in the application form for not following the open procurement process in paragraph 5.9.1 above. If the application is approved, subsequent approval from EPD/AFCD will not be required.

5.9.4 All quotations and tendering documents should be kept for inspection by EPD/AFCD.

5.10 Title of Equipment and Capital Items

The title of equipment/capital items acquired for implementation of the funded project will remain with the Government. The recipient organisation should surrender to EPD/AFCD the equipment/capital items upon completion of the project.

5.11 Acknowledgement of Support and Disclaimer

5.11.1 The source of funding (the name and logo of ECF) must be acknowledged in all publicity materials relating to the project.

- 5.11.2 The logo of ECF may be used and printed onto various categories of publicity materials with a view to promulgating the contribution of the funds. Examples of publicity materials include publicity leaflets/posters/banners; reports and publications of project outcome; and advertisements on paper and electronic media.
- 5.11.3 Use of the name and logo of ECF or EPD/AFCD for other purposes is subject to the prior approval of EPD/AFCD in consultation with the ECF Committee.
- 5.11.4 In no circumstances shall the name and logo of ECF or EPD/AFCD be used for publicity for commercial interest or other purposes which may damage the image and/or cause any liability to ECF.

5.12 Suspension/Termination of Funding Granted

- 5.12.1 EPD/AFCD may suspend/terminate funding granted to a project under the following circumstances –
- (a) if the project does not commence within six months after approval of the grant and no reasonable explanation has been given;
 - (b) EPD/AFCD considers that the project has not progressed satisfactorily and no reasonable explanation has been given;
 - (c) the team leader leaves the recipient organisation prior to completion of the project and there is no one available who has been involved in the project and considered suitable by EPD/AFCD to take over the role of team leader; or
 - (d) if the recipient organisation fails to comply with the funding conditions as set out in this Guide and/or the approval letter and no reasonable explanation has been given.
- 5.12.2 In each of the above cases of suspension/termination of funding granted, EPD/AFCD shall give one month notice to the recipient organisation, stating the reasons for the suspension/termination. In cases of suspension, the recipient organisation should demonstrate that measures have been taken to rectify the problems and change the unsatisfactory situation before EPD/AFCD will lift the suspension. In cases of termination, the balance of the grant or any funding given in advance shall be returned to ECF. EPD/AFCD will, in consultation with the ECF Committee, consider possible redeployment of the equipment acquired for the project.
- 5.12.3 Any suspension or termination of a project will affect the organisation's chance of getting financial support from ECF or similar funding in future. The organisation's management will be informed.
- 5.12.4 The ECF grant shall be entitled to be refunded by the recipient organisation of part or all of a grant which was used other than in accordance with the terms of the approved project.

5.12.5 Any major changes to the project must be approved by EPD/AFCD in consultation with the ECF Committee. Such major changes include –

- (a) revision to the budget;
- (b) change of the team leader;
- (c) transfer of the project to another organisation; or
- (d) deferral of the submission of progress/completion reports/statement of accounts.

5.12.6 EPD/AFCD may suspend/terminate funding granted to the project if the project is being carried out under any of the above circumstances without prior approval.

5.12.7 Any proposed minor changes to a project should be submitted to EPD/AFCD for approval.

5.13 Others

5.13.1 The Government and ECF Committee shall bear no responsibility, financial or otherwise, for expenditure or other liabilities arising from the projects.

5.13.2 The Secretary for the Environment may at any time, if he considers fit, amend or add to the above conditions, without prior notice to recipient organisations.

**List of Sites for Implementation of
Nature Conservation Management Agreement Projects**

Sites

Ramsar Site

Sha Lo Tung

Tai Ho

Fung Yuen

Luk Keng Marsh

Mui Tsz Lam and Mau Ping

Wu Kau Tang

Long Valley and Ho Sheung Heung

Deep Bay Wetland outside Ramsar Site

Cheung Sheung

Yung Shue O

Sham Chung

**Level of Funding Granted for Expenses and Staff for
Nature Conservation Management Agreement Projects**

Items	Level of funding granted
1. Publicity – including items such as banners, posters, leaflets, postage, etc.	Maximum: 10% of the total budget
2. Opening/closing ceremony – including invitation cards, souvenirs for officiating guests, set up and decoration, backdrop, rental payment of venue, PA system, etc.	Maximum: HK\$10,000 per project
3. Invitation cards	Unit Price: HK\$4 Maximum: HK\$2,000
4. Hire of speakers/instructors	Maximum HK\$500 for a speaker for each function The funding support may be adjusted upwards on the merit of each case
5. Refreshment	HK\$6 per head Maximum: HK\$6,000 per project
6. Meal allowance for volunteers	For half-day activities – Maximum: HK\$34 per day For full day activities – Maximum: HK\$48 per day
7. Insurance for third party liabilities	HK\$1,500 per activity Quotation must be provided.
8. Hiring of coach	HK\$1,500 per coach Quotation must be provided.
9. Souvenir	For volunteer, unit price:HK\$3 Maximum: HK\$600 per day of function For officiating guests and judges only for function other than ceremony, maximum unit price :HK\$50
10. Exhibition panels	Unit price: HK\$1,000 Maximum: HK\$8,000
11. Educational Materials	Maximum: HK\$1,000

12. Stationery	Maximum: HK\$500
13. Films and film development	Maximum: HK\$1,000
14. Video tapes	Maximum: HK\$500
15. Admission fee for environmental visits and other activities	Maximum: HK\$100 per head Participants are required to pay 40% of the admission fee.
16. Project Coordinator/assistants	Funding for project coordinators/assistants (full-time or part-time) may be considered on a case-by-case basis but the total amount for covering the cost of project coordinators/research assistants should normally below 35% of the total approved amount or the total actual expenditure, whichever the less. Under exceptional circumstances and if the recipient organisation can fully justify to the satisfaction of the relevant vetting authorities including EPD and AFCD, funding for the cost of project coordinators/research assistants exceeding 35% may be considered.
17. Direct labour cost (full-time / part-time workers) involved in conservation management work	HK\$35 per hour for each labour
18. Minor equipment or tools	Maximum: HK\$50,000
19. Basic renovation of premises necessary for the project	One-off payment. Maximum: HK\$20,000
20. Licence Fee	Applicants are requested to comply with regulations of Hong Kong and apply to all authorities concerned for licences to conduct the project.
21. Administrative and overhead cost	Only supported with full justification to the satisfaction of EPD/AFCD in consultation with the ECF Committee.
22. Miscellaneous and contingency items	Only supported with full justification to the satisfaction of EPD/AFCD in consultation with the ECF Committee.

Remarks: The level of funding granted may be adjusted by EPD/AFCD in consultation with the ECF Committee as and when necessary.

**Summary of applications for
nature conservation management agreement projects**

Project Title	Nature Conservation Management for Long Valley 塋原自然保育管理計劃	Management Agreement on the Private Land with High Conservation Value at Fung Yuen Valley Site of Special Scientific Interest in Tai Po, Hong Kong. 以管理協議方式保育鳳園谷具特殊科學價值地點內具高生態價值的私人土地
Site involved	Long Valley	Fung Yuen
Size of proposed management area	about 1,300,000 sq. ft.	about 200,000 sq. ft.
Proponent	Conservancy Association (CA)	Tai Po Environmental Association (TPEA)
Key partner in project implementation	Hong Kong Bird Watching Society (HKBWS)	N/A
Project description	This is a joint project to conserve and enhance the biodiversity particularly the avifauna and freshwater wetland dependent species in the Long Valley through management agreement with local farmers and landowners.	This is a nature conservation project for the conservation of the natural habitat of butterflies through management agreement with landowners of private land that are situated in the SSSI at Fung Yuen Valley.
Key conservation objectives	<ul style="list-style-type: none"> - To enhance nature conservation in Long Valley, particularly avifauna and other freshwater dependent species; - to conserve agricultural freshwater habitats in Long Valley; - to establish close partnership with farmers and landowners in management agreement and small projects; - to monitor habitats and biodiversity with a view to developing effective and efficient habitat management 	<ul style="list-style-type: none"> - To reduce and minimize environmentally incompatible behavior on private land in Fung Yuen; - to enhance and maintain the habitat quality of private land in Fung Yuen; - to provide a refuge area for butterfly's foraging, inhabiting, and breeding, so as to help increase the diversity of butterfly species; - to train volunteers in conservation programme; and

	measures for long term ecological conservation; and - to promote nature conservation awareness.	- to promote nature conservation awareness.
Duration	24 months	24 months
Amount of fund applied for	\$4,292,884	\$2,849,990

**Evaluation of Applications for
Nature Conservation Management Agreement Projects**

Our views on the applications received are set out below -

I. Nature Conservation Management for Long Valley (submitted by the Conservancy Association (CA) in cooperation with the Hong Kong Bird Watching Society (HKBWS))

Evaluation criteria	Comments
Benefits that will bring to the efforts in enhancing the conservation of the site concerned and in better achieving the nature conservation objective	<p>CA and Hong Kong Bird Watching Society (HKBWS) have gained experience and knowledge about different conservation measures undertaken in Long Valley in the two-year pilot project. They now join hands to undertake the proposed project to achieve synergy in conserving Long Valley. The project is expected to benefit the conservation of Long Valley by –</p> <ul style="list-style-type: none">• reducing and minimising the incidence of any irregularities and environmentally incompatible activities on the private land;• enhancing biodiversity of the agricultural freshwater wetland, Fung Shui Woods and fish ponds in Long Valley;• enhancing conservation of the Greater Painted-snipe;• enriching our knowledge on effective and efficient habitat management measures to facilitate the long-term conservation and management of Long Valley;• building communication channels with landowners and local villagers, and gaining their support in nature conservation; and• demonstrating how stakeholders cooperate in biodiversity conservation to the general public.
Sustainability including its resources implications, participation of the landowners and local community, the nature and enforceability of	<ul style="list-style-type: none">• The proposal will assess the effectiveness of different management measures for conservation management of Long Valley. Experience gained will help to determine which management scheme is most effective and appropriate for the long-term conservation of Long Valley.

<p>the management agreement</p>	<ul style="list-style-type: none"> • CA and HKBWS have already entered into agreements with some 20 landowners during the pilot project stage. It is anticipated that 8 new local stakeholders will sign agreements with CA and/or HKBWS for the new project. • The experience in implementing pilot projects shows that income generated from eco-tour, membership fee, product sales, etc is limited. Financial support from the Government is still required.
<p>Whether the budget is reasonable and realistic, and whether the project is cost effective</p>	<ul style="list-style-type: none"> • While the proposed area to be managed in the project (1,270,800 sq.ft.) exceeds the total area of the two pilot projects (996,160 sq.ft.) by 28%, the proposed budget (\$4,292,884) has increased by 49% when compared with the total funding of the two pilot projects (\$2,876,720). • Compared to the pilot projects, the proposed increase in budget is mainly due to <ul style="list-style-type: none"> - management of a larger area and new habitat types including water flea ponds (\$61,440), fish ponds (\$213,024) and Fung Shui Woods (\$70,000), and extending bird monitoring to cover this larger area / new habitat types (budget increased from \$104,000 to \$232,000), - additional “seasonal habitat and vegetation monitoring” (\$40,000), “biodiversity surveys for amphibians, reptiles and mammals” (\$69,000) and “management measures effectiveness monitoring” (\$72,000) - conservation management of Greater Painted-snipe (\$58,000) - establishment of a “Conservation Corner” (\$63,200) with facilities to minimise human disturbance for sensitive birds - higher staff cost (budget increased from \$720,000 to \$1,442,100) due to heavier involvement of project management staff and higher salaries • We welcome the proposal to manage a larger area and new habitat types. The extended bird monitoring programme, conservation management of Greater Painted-snipe and “Conservation Corner” are well justified.

	<p>However, the applicant should be asked to explore whether there is room to increase cost effectiveness of the different monitoring / surveys, for example, through joint surveys and data sharing.</p> <ul style="list-style-type: none"> • The exact amount of funding to be approved will be decided by the Environment and Conservation Fund (ECF) Committee.
<p>Technical and project management capability, and track record of the applicant. NGOs may seek assistance or support from other relevant professional bodies where necessary</p>	<ul style="list-style-type: none"> • Both CA and HKBWS are experienced in implementing environmental projects including projects funded by the ECF and Sustainable Development Fund. • The two full-time staff members from CA and HKBWS have been actively engaged in the pilot projects and are experienced in managing the management agreements and liaising with various stakeholders. • The project is supported by the North District Councillor Mr. Hau Kam Lam and the New Territories Conservation Association.

II. Management Agreement on the Private Land with High Conservation Value at Fung Yuen Valley Site of Special Scientific Interest in Tai Po, Hong Kong (submitted by Tai Po Environmental Association (TPEA))

Evaluation Criteria	Comments
<p>Benefits that will bring to the efforts in enhancing the conservation of the site concerned and in better achieving the nature conservation objective</p>	<p>The project will continue the measures being carried out by TPEA under the two-year pilot project and, similar to the pilot project, will benefit the conservation of Fung Yuen by –</p> <ul style="list-style-type: none"> • reducing and minimising the incidence of any irregularities and environmentally incompatible behaviours on the private land; • enhancing and maintaining the habitat quality of private land as an important site to butterflies;

	<ul style="list-style-type: none"> • enhancing and maintaining the diversity of butterfly species; and • providing a refuge area for foraging, inhabiting and breeding butterflies. <p>It will also promote the importance of conservation to local community and the general public.</p>
<p>Sustainability including its resources implications, participation of the landowners and local community, the nature and enforceability of the management agreement</p>	<ul style="list-style-type: none"> • The project will provide TPEA with the funding to enhance the infrastructure of the butterfly reserve (i.e. an irrigation system and footpath paving). This would reduce maintenance and staff costs in the long-run and facilitate fund raising, sponsorship and conservation education programmes and product sales, etc. • TPEA has already entered into agreements with landowners during the pilot project stage. It is expected that these agreements will be extended to the current project. • The experience in implementing the pilot project shows that income generated from eco-tours, membership fee, product sales, etc is limited. Financial support from the Government is still required.
<p>Whether the budget is reasonable and realistic, and whether the project is cost effective</p>	<ul style="list-style-type: none"> • While the area to be managed under the proposed project (about 200,000 ft²) exceeds the pilot project (i.e. 174,000 ft²) by 15%, the proposed budget has increased by 64% to \$2,849,990, compared to \$1,743,630 granted for the pilot project. • Compared to the pilot project, the increase in budget is mainly due to <ul style="list-style-type: none"> – the provision of an irrigation system (\$50,000) for enhancing the infrastructure of Fung Yuen, – footpath paving (\$120,000) for enhancing the safety of visitors, – increase in rentals (\$72,000 to \$504,000) of two village houses with open space which will be used as exhibition centre,

	<p>visitors' centre, lecture room and office.</p> <ul style="list-style-type: none"> - increase in salary of project manager due to changing his term of employment from part time to full time (from \$420,000 to \$682,800). <p>The proposed capital works for footpath and irrigation are justified. The rental of two bigger houses with open space immediately outside can help enhance visitor services. The venue will be used as exhibition centre and lecture room for educating the public on nature conservation. As for the employment of project manager, TPEA has not yet identified a suitable candidate for the post. If the project is approved, TPEA would identify a person with comparable qualifications of a "senior research assistant" as set out in ECF research project guidelines to fill the post. Should the post not be filled or filled by person with less experience or lower qualification, the funding should be adjusted downward by ECF.</p> <ul style="list-style-type: none"> • The exact amount of funding to be approved will be decided by the ECF Committee.
<p>Technical and project management capability, and track record of the applicant. NGOs may seek assistance or support from other relevant professional bodies where necessary</p>	<ul style="list-style-type: none"> • TPEA is experienced in implementing environmental projects including projects funded by the Environmental Campaign Committee and ECF. • The project will be supported by the Chinese University of Hong Kong, the Kadoorie Farm and Botanic Garden, Hong Kong Bird Watching Society and the Hong Kong Lepidopterists' Society. • We understand that TPEA is trying to recruit a qualified person to be the Project Manager.

*Agriculture, Fisheries and Conservation Department
Environmental Protection Department
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