

**Arts Capacity Development Funding Scheme (ACDFS) –
12th Round Funding Exercise (2022)
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¹ In this FAQ, except where the context otherwise requires, words denoting any one gender shall include every gender.

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Nature and Scope of the Funding Scheme

1. What kinds of activities will the ACDFS support?

The ACDFS will fund innovative and impactful arts and cultural activities as well as proposals aiming to develop the capacity of arts groups and nurture local artists. It seeks to promote a variety of art forms and practices, including performing arts, visual arts, multi-disciplinary arts, community arts, arts education/appreciation/promotion, arts administration and arts technology.

The ACDFS welcomes proposals which:

- are of a large scale and/or with a long time frame with a view to creating a greater impact on the arts scene of Hong Kong;
- contribute to the applicants' capacity development of a wider scope, such as enhancing capacities in creativity, human resources and organisational capabilities;
- seek to develop the capacity of specific art form(s) and/or the arts sector as a whole in addition to building the applicants' capacity;
- support local artists on cultural exchange with the Mainland and/or abroad and taking them to both the regional and international stage;
- encompass documentation, research, criticism, publication and/or other elements conducive to the sustainable development of the arts;
- pioneer new frontiers in art practices and related critical reflection;
- promote the convergence of arts and technology, e.g. to manifest the applicants' artistic vision and aspiration through the use of technology in a creative manner; and/or
- strive for artistic excellence and innovation in respect of programme/content development.

While the target beneficiaries of the ACDFS are established arts practitioners/arts groups, proposals which encompass training opportunities/elements to nurture young artists and/or arts administrators are also welcome.

The ACDFS does not cover projects that fall under the scope of other dedicated Government funding schemes including the Cantonese Opera Development Fund, CreateSmart Initiative, Film Development Fund, Innovation and Technology Fund, and Intangible Cultural Heritage Funding Scheme. Proponents of proposals seeking to promote Cantonese opera/film/intangible cultural heritage or to develop creative sectors (covering advertising, architecture, design, digital entertainment, publishing, printing and television), or innovation and technology projects not aiming at the promotion and furtherance of arts development should make applications

under the respective funding schemes instead.

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2. Are proposals required to meet all four main objectives of the ACDFS?

The ACDFS provides two types of grants: Springboard Grants and Project Grants. Proposals for Springboard Grants have to meet all four major objectives of the ACDFS viz. (1) capacity development of arts practitioners, arts groups, art forms and/or the arts sector; (2) programme/content development; (3) audience building; and (4) arts education. As to proposals for Project Grants, they can be designed to meet only one or more of the objectives.

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3. What are the differences between Springboard Grants and Project Grants?

In general, the two types of grants under the ACDFS bear the following differences:

First, Springboard Grants are matching grants while Project Grants are direct grants. An applicant applying for Springboard Grants for the first time must demonstrate that it has secured or will secure a cash income of not less than HK\$1 million, of which not less than HK\$250,000 is non-government sponsorships and/or donations for matching for its proposal. Each successful applicant of Springboard Grants may apply for a second Springboard Grant and the amount of cash income required shall be of not less than HK\$1 million, of which not less than HK\$250,000 is non-government sponsorships and/or donations for matching for its proposal. For Project Grants, there is no minimum amount set on cash income.

Second, Springboard Grants intend to support non-profit proposals which are designed to elevate applicants to a higher level of professional performance with enhanced deliverables capable of contributing to the four objectives of the ACDFS (viz. capacity development, programme/content development, audience building and arts education). Project Grants intend to support non-profit proposals of high artistic/professional merit that fulfil one or more of the objectives of capacity development, programme/content development, audience building and arts education.

Third, should a second Springboard Grant application be approved, the successful applicant is not eligible to apply for any further Springboard Grant. Upon completion of the proposal funded by the second Springboard Grant, subject to the recommendation of the ACAD, the successful applicant would be admitted as Graduated Springboard Grantee eligible for applying for the

Art Development Matching Grants Scheme². For Project Grants, there is no limitation on the frequency of application.

Unless otherwise approved by the Government, the funding period of first Springboard Grants and Project Grants may last for a maximum period of two years. For second Springboard Grants, the maximum funding period is three years.

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4. What is the apportionment of the annual provisions between Springboard Grants and Project Grants?

The ACDFS does not set a fixed apportionment of funds between Springboard Grants and Project Grants. All applications, no matter to which category of grants they belong, will be assessed and selected on merit.

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5. Will regular activities be funded?

Funding existing regular activities is not a priority of the ACDFS. However, if the funds sought by these activities can significantly enhance the scale and effectiveness of the activities and achieve the objectives of the ACDFS (capacity development, programme/content development, audience building and arts education) to promote arts development, such applications will also be considered.

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6. Will applications be allowed to carry a component of cultural exchange?

The ACDFS will consider proposals with cultural exchange components, for example, inviting Mainland and/or overseas artists to be resident artists of an organisation, or engaging in outbound arts and cultural exchange that take local artists to the regional and international stage. Nevertheless, applicants have to explain how such components can strengthen Hong Kong's cultural software and enhance the capacity of the local arts sector. Proponents of proposals solely aimed at conducting outbound exchange activities with the Mainland and/or abroad should consider applying for funding from the Hong

² The Art Development Matching Grants Scheme (ADMGS) is a Government initiative introduced in 2016 to promote a culture of donation. Graduated Springboard Grantees will be eligible for the ADMGS if they succeed in soliciting the pledged amount of sponsorships and/or donations as specified in the prevailing Application Guide during the one-year grant period. For information, according to the Application Guide of the 7th round ADMGS (2022-23), applicants have to secure a floor amount of HK\$200,000 sponsorships and/or donations for the Grant to be disbursed on a 1:1.5 matching ratio and there will be an upper limit of HK\$4 million for the aggregate amount of the Grant.

Kong Arts Development Council's Cultural Exchange Grant which is dedicated to promoting cultural exchange.

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7. Will projects promoting literary arts be accepted for application? Are there any application categories not being accepted?

All proposals related to arts and culture are eligible for application, including proposals which promote literary arts. However, applications on Cantonese opera, film, intangible cultural heritage, creative industries, as well as innovation and technology projects not aiming at the promotion and furtherance of arts development (which are supported by the dedicated Cantonese Opera Development Fund, CreateSmart Initiative, Film Development Fund, Innovation and Technology Fund, and Intangible Cultural Heritage Funding Scheme respectively) will not be accepted.

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8. Are there any restrictions on receiving sponsorships and/or donations?

The Grantees should not accept sponsorships and/or donations from, nor be in association with any person in the tobacco or tobacco-related industry or in the smoking products (including electronic cigarettes and heat-not-burn products) industry or any industry-related thereto. For proposals/events specifically aimed at young people under 18, sponsorships and/or donations from the alcohol industry are also not acceptable.

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Matching Mechanism of Springboard Grants

9. What kinds of income are eligible for the matching grant?

Non-government cash sponsorships and donations secured for supporting the implementation of the proposal are eligible for matching. Other cash income eligible for matching may include revenue generated from the approved proposal, such as box office receipts, admission fees, enrolment fees, participation fees and sales of merchandise developed as an integral part of the proposal. Cash sponsorships and/or donations provided directly or indirectly for the proposal by any government funding source and from members of the Grantee's Board of Directors are not eligible for matching.

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10. How does the matching grant work?

An applicant is required to set out in the application any non-government sponsorships and/or donations that it/he has secured or will secure and to produce documentary proof to the satisfaction of Advisory Committee on Arts Development and the Government that the claimed amount of income is achievable.

Springboard Grantees must deposit all committed income in the designated account set up for the approved proposal before the Government disburses the last instalment of the Grant.

The Government will disburse the Grant by instalments, tying with appropriate milestones/deliverables, including proof of matching amount of income deposited and any other conditions attached when the Grant is approved. The instalment schedule will be stipulated in the Funding Agreement to be entered into between the successful applicant and the Government upon mutual agreement.

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Eligibility and Application

11. What is a non-profit proposal?

The ACDFS proposals must be non-profit, which means that the project income (e.g. box office receipts, admission fees, enrolment fees, participation fees, sales of merchandise developed as an integral part of the proposal, sponsorship and other sources of cash support) must not exceed the project expenditure to be solely used for the implementation of the project. Moreover, the Grantees must maintain the non-profit nature of the proposal by returning residual funds or operating surplus to the Government upon completion of the proposal unless under special circumstances, the Government has approved the use of such funds.

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12. Who are eligible to apply for the ACDFS?

Successful applicants for Springboard Grants must be either companies incorporated under the Companies Ordinance (Cap. 622) or the Old Companies Ordinance (Cap. 32) as limited by guarantee whose objects and powers do not include the distribution of profits to members, or charitable institutions or trusts of a public character which are exempt from tax under section 88 of the Inland Revenue Ordinance (Cap. 112).

Successful applicants for Project Grants must be either companies incorporated under the Companies Ordinance (Cap. 622) or the Old Companies Ordinance (Cap. 32), or charitable institutions or trusts of a public character which are exempt from tax under section 88 of the Inland Revenue Ordinance (Cap. 112).

The legal status required must have been acquired by the successful applicants prior to the signing of the Funding Agreement.

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13. Will joint applications made by two or more groups be accepted?

The ACDFS will accept joint applications made by two or more groups, but all the applicants must meet the eligibility requirements mentioned in Q12. Their respective responsibilities should be stated clearly in the application and a principal applicant should be designated for the administration of the approved proposal.

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14. Can applicants re-submit their applications that were rejected in previous rounds of application?

Applicants cannot re-submit their applications that were rejected in previous rounds of funding exercises, unless significant and substantial changes and/or enhancements have been made to that proposal, or the applicant is able to produce new information and documents which show an in-depth review of the proposal. The applicant must indicate that it/he is a new application developed upon the rejected application and show changes that have been made to the original proposal.

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15. The ACDFS does not accept applications from arts groups receiving recurrent subvention from the Government. What arts groups does this refer to? Will proposals involving such arts groups be considered?

Arts groups receiving recurrent subvention include the nine major performing arts groups currently funded by the Culture, Sports and Tourism Bureau and the Hong Kong Arts Festival Society whose operational costs are partially funded by the Leisure and Cultural Services Department. They are not

eligible to apply for the ACDFS and should not be joint applicants.

Nevertheless, for applicants who have engaged arts groups receiving recurrent subvention to provide services (e.g. accompaniment), their applications will still be considered.

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16. Will the grantees of the Hong Kong Arts Development Council (HKADC)'s Eminent Arts Group Scheme/Year Grant Scheme or venue partners of the Leisure and Cultural Services Department (LCSD)'s performing arts venues be eligible to apply?

The grantees of the HKADC's Eminent Arts Group Scheme/Year Grant Scheme and venue partners of the LCSD's performing arts venues are eligible to apply. Proposals currently seeking/receiving non-cash support from other public funding sources³ (e.g. venue support and ticketing services sponsored by the Leisure and Cultural Services Department) may apply for the ACDFS as well.

Double subsidy in the form of cash support must be avoided. If support from other public funding sources has been granted to particular expenditure item(s) of the approved proposal, the same item(s) will not be eligible for funding. Applicants should not include such expenditure items receiving other public financial support in the projected expenditure of the proposal. The applicant for Springboard Grant which is receiving a grant from the HKADC's Eminent Arts Group Scheme or Year Grant Scheme is required to declare in the Application and submit the approved Project Information and Project Budget under such HKADC's grant as documentary proof to support the Application.

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17. Can proposals receiving funding support from the Government or other organisations be eligible for application?

Proposals which are financially self-sufficient may be given a lower priority unless the applicants can demonstrate how the ACDFS Grant, if provided, will enable the proposals to better fulfil the objectives of the ACDFS. In line with the principle to avoid double subsidy, the ACDFS will not subsidise the

³ Public funding sources refer to funding provided by Government Bureaux/Departments or public organisations receiving recurrent funding from the Government (e.g. Culture, Sports and Tourism Bureau, Leisure and Cultural Services Department, Hong Kong Arts Development Council, Education Bureau, Social Welfare Department and District Councils).

expenditure items which have been granted cash support from other public funding sources. Applicants should not include such expenditure items in the projected expenditure of the proposal.

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18. Can past or existing ACDFS Grantees submit applications in a new round of funding exercise?

Both past and existing ACDFS Grantees can submit applications again, except that a Springboard Grantee who has successfully been granted Springboard Grant for two times is not allowed to apply Springboard Grant for the third time. Springboard Grantees, after completing two rounds of Springboard Grant, can still apply for a Project Grant.

Applications from past/existing Grantees will be considered in conjunction with the applicants' performance under the previous round(s) of funding exercise(s). In case the applicant's approved proposal under previous funding exercise has not been completed at the time of assessment, the applicant's interim performance will be taken into account. Besides, any applications being granted approval-in-principle will be subject to the applicant's satisfactory completion of its approved proposals under the previous funding exercise(s).

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19. Is it possible for an applicant to submit applications for both Springboard Grants and Project Grants at the same time? Can more than one application be submitted?

In order to provide opportunities for various arts groups, only one application will be accepted from a single applicant in the same round of application.

The main objectives of the ACDFS are to enhance capacity development of arts groups and help deliver impactful projects of a large scale and/or with a long time frame, which require the commitment of the Grantees. A promising arts group/ensemble should make a long-term plan to enhance its capacity for sustainable development in the future. With the above in mind, arts groups should strive for excellence and submit only their best proposals. They should prudently consider whether to apply for Springboard Grants or Project Grants that best suit their development stages.

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20. Can the key player(s) of a proposal be involved in more than one proposal at the same time?

In principle, the ACDFS does not forbid the key player(s) of a proposal to participate in other proposals at the same time but would consider whether the player is capable of doing so and whether there may be potential conflicts in work schedule and workload. It is recommended that the applicant seeks each of the key players' prior consent regarding their participation in the applicant's proposal, and as far as practicable provides supporting documents (e.g. a letter of intent) demonstrating the artistic personnel's consent to participate in the project.

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21. Is the submission of letters of intent mandatory? Where can the template for a letter of intent be downloaded?

The applicant is advised to submit letters of intent if it proves to be helpful for assessing the feasibility of the proposal. There is no template or prescribed format for a letter of intent. It may be an email or any other form of written communication which demonstrates the artistic personnel's consent to take part in the project.

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22. What expenditure items can be included in the budget?

Generally speaking, the cost for additional manpower engaged for implementation of the approved proposal, production costs (including production material costs and remuneration of creative and artistic personnel), equipment rental, rental of venue not owned/leased by the applicant for creation/production/rehearsal use, and other non-recurrent direct costs (such as expenses for consumables and marketing) which are directly incurred for the implementation of the approved proposal would be eligible for funding support. Operation or administrative costs incurred by the applicant's organisation (e.g. the costs for establishing and/or maintaining the operation or administration of the applicant, rental, utility charges, renovation, maintenance and repair expenses and other costs not directly related to the activities) will not be funded.

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23. There are three major expenditure categories: manpower, production costs and other project costs. Is there any recommendation guiding the allocation of grant budget?

There is no pre-determined apportionment of funds on different expenditure categories. The Grantees will be given the freedom and flexibility in the deployment of funds to fulfil their artistic pursuit and meet with the genuine operational needs. When submitting the applications, applicants should be mindful that the proposed budget including income and expenditure is accurate, reasonable and realistic as well as showing prudent exercise of financial management and control. Sufficient funds should be allocated on essential areas including but not limited to programming, administration, marketing and financial management with a view to enhancing capacities in various aspects such as creativity, human resources and organisational capabilities.

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24. If the staff working on the approved project are already on the payroll of the applicant, can the applicant set aside part of their salaries and label them as administrative expenses to be reimbursed by the Grants?

Unless otherwise approved by the Government, Grants under the ACDFS must not be used to pay any emolument to a person who is already on the payroll of the Grantee's organisation. If the applicant has justifiable circumstances for such a request, such circumstances should be clearly stated in the proposal at the time of application.

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25. Is it required to use the standardised Excel table downloadable from the ACDFS webpage to prepare the budget and cash flow projection and fill in the "Budget of Individual Programme" spreadsheet of the Excel table?

Applicants must use the standardised Excel table to prepare the budget and cash flow projection as required under Section C of the application form. If the proposal consists of one main activity, the applicant should fill in the "Main Budget of Project" spreadsheet only. If the proposal consists of more than one activity, the applicant may choose to either fill in the "Main Budget of Project" spreadsheet with a clear income and/or expenditure breakdown of the activities, or present the breakdown with the "Main Budget of Project" and the "Budget of Individual Programme" spreadsheets respectively.

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26. How can I submit online applications?

Applicant can submit the e-Form, Budget and Cash Flow Projection in standardised Excel format, all information and supporting documents (if applicable) via the [online application system](#). For enquiries about online application, please refer to the relevant [“Points to Note”](#) or [“Common Enquiries on Online Application”](#).

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Assessment

27. How will the applications be assessed?

Applications which meet all the requirements set out in Chapter IV (Eligibility) of the Guide to Application of the ACDFS will be assessed in accordance with the criteria and guidelines approved by the Advisory Committee on Arts Development (ACAD). The assessment criteria include (1) artistic/professional merit, (2) creativity and originality, (3) impact on the arts sector and the community, (4) technical feasibility, (5) capacity in financial planning and management and (6) management ability of the applicant and the project team. Assessment panels comprising ACAD members and Expert Advisers including professionals, experienced arts practitioners and academics will help assess the artistic merit and related criteria.

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28. Will all applicants be invited to attend interviews?

The assessment panels will decide whether the applicant and its/his project team are required to attend interviews.

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29. What are the ways to ensure the vetting process is free from conflict of interest?

A system of declaration of interests has been established for members of the assessment panels to comply with. Members will be refrained from the discussion and decision-making process should there be a conflict of interest.

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30. Can an applicant make revisions or provide supplementary information to its/his submitted paper application?

Before 6 pm on the Closing Date for application, an applicant can provide a complete replacement application in paper form to supersede the previous one. To ensure fairness in assessment, no revisions or supplementary information will be accepted after application is closed unless otherwise requested by the Government.

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31. When will the application result be announced? Can a project start before the announcement date?

Applicants will generally be notified of the result of application in writing within 5 months of the date when the application is closed. Successful applicants should start their projects within September to December of the same year when the result is announced.

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32. Is there a review mechanism under the ACDFS?

There is no review mechanism. After considering the recommendations of the Advisory Committee on Arts Development in respect of the assessment results, the Government may either approve or reject the application. The Government's decision shall be **final**. The Secretariat of the ACDFS is responsible for the administrative work of the ACDFS. If applicants have any enquiries or feedback, please contact the Secretariat.

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Implementation and Monitoring

33. What will the Government do when a Springboard Grantee's actual cash income falls short of or exceeds the amount pledged in the application?

If a Springboard Grantee's income falls short of the pledged amount, the Government will match the actual amount it has secured. On the other hand, if a Springboard Grantee's cash income exceeds the pledged amount, it will

only receive the amount of matching grant stipulated in the Funding Agreement. In this scenario, the project may generate an operating surplus. The Grantee shall return the surplus to the Government unless approval is granted by the Government at the recommendation of the Advisory Committee on Arts Development on the use of the surplus for a purpose contributing to local arts development which is related to the scope and objectives of the approved proposal.

In the event the Grantee fails to secure cash income that meets the minimum requirement stipulated in the Funding Agreement in terms of the total amount or the amount for non-government sponsorships and/or donations, the Government reserves the right to suspend or terminate the Grant and require the Grantee to reimburse part of or the entire grant received.

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34. How will the Grants be disbursed?

Successful applicants will receive up to 30% of the approved Grant as the first instalment to start up the project. The rest of the Grant will be disbursed by instalments on satisfactory accomplishment of appropriate milestones/deliverables. In addition, instalments of Springboard Grants will be disbursed only when the sponsorships and/or donations and other income for matching are actually in place in accordance with the instalment schedule agreed between the Grantee and the Government, and stipulated in the Funding Agreement.

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35. What are the terms and conditions for the Grants?

The successful applicant must have acquired the legal status prior to signing an agreement with the Government which stipulates the terms and conditions of the Grant, including all the financial control measures and other requirements to be observed by the Grantee.

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36. Will the monitoring system of the ACDFS impose significant administrative workload on the Grantees?

It is necessary to put in place a monitoring system of the Grantees' financial management and progress of project implementation to ensure the proper use of public funds. The Grantees are expected to co-operate and communicate fully with the Secretariat of the ACDFS and to fulfil their obligations as stipulated in the Funding Agreement.

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37. Will additional grant be provided if the actual expenditure for implementing the proposal exceeds the estimated budget?

Under no circumstances will any additional grants be provided once the Funding Agreement is signed. In the event that the actual expenditure exceeds the estimated budget, the Grantee is required to cover the shortfall in order to implement the approved proposal. The Grantee will be required in the Agreement to give an undertaking to accept liabilities for all deficits arising from implementing the approved proposal. In addition, the Grantee should notify the Secretariat of the ACDFS immediately regardless of the estimated amount of overspending.

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38. Can equipment be procured for the purpose of implementing the proposal? How should such equipment be handled afterwards?

A Grantee may follow prescribed procurement procedures to procure equipment and/or goods necessary for the implementation of the proposal as approved by the Advisory Committee on Arts Development. Nevertheless, the Grantee is required to properly maintain the equipment and/or goods at its own costs and keep a register of such equipment and/or goods. The equipment and/or goods must not be transferred, sold or disposed of without obtaining prior written approval from the Government. Upon completion of the approved proposal, unless otherwise agreed by the Government in writing, the Grantee should dispose of the equipment and/or goods of more than HK\$5,000 at the prevailing market price by way of public sale. The sale proceeds from such disposal should be counted as revenue of the implemented proposal and reflected as such in the financial statement and audited account report.

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39. What are the requirements on the procurement of goods and services for the project?

A Grantee with a Board of Directors which comprises 5 or more members may follow the policies and procedures on procurement established by its Board. When establishing such policies and procedures, the Board shall draw reference from the guidebook entitled *Best Practice Checklist – Strengthening Integrity and Accountability – Government Funding Schemes Grantee’s Guidebook* issued by the Independent Commission Against Corruption. Other Grantees shall follow the prescribed procedures stipulated in the Guide to Application for different aggregate values of procurements. The Grantees must ensure that all procurements will be conducted on a fair, unbiased and competitive bidding basis.

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40. What happens if the proposal cannot be completed?

In case of any problem or unsatisfactory performance of the Grantee in implementing the approved proposal resulting in a failure to achieve the expected deliverables/targets, the Government reserves the right to withhold funding, request return of all or part of the Grant already disbursed to the Grantee and recover any loss or damages incurred. The Government may terminate the Funding Agreement by serving one-month notice in writing upon the Grantee.

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41. If the proposal has to be delayed due to venue constraints or other factors beyond the control of the Grantee, will the funding be withdrawn?

It depends on how long the implementation of the approved proposal will be delayed and the feasibility of the proposal after the postponement. If the project is delayed, the Grantee must obtain the Government’s written approval for the extension in advance. In principle, the approved proposal should commence within September to December of the same year when the result is announced, and complete in two years at maximum for a Project Grant and a first Springboard Grant and three years at maximum for a second Springboard Grant.

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Arts Technology

42. What does it take for a proposal to be defined as “Arts Technology” in nature?

The ACDFS introduced a new “Arts Technology” category in 2020 with a view to supporting proposals which aim to promote the convergence of arts and technology in the creation of novel presentation, curation and audience experiences. Projects that foster the integration of arts and technology in respect of research and development will also be considered.

Arts Technology, whose definition is not restricted to any absolute standard, encompasses endless possibilities requiring artists to explore and realise. Therefore, the ACDFS does not impose any restriction on a proposal in terms of its arts discipline and the technologies applied.

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43. Should technology or arts be the main focus for proposals submitted under “Arts Technology” category?

The ACDFS aims to strengthen Hong Kong’s cultural software and enhance the capacity of the local arts sector. Therefore, proposals made under “Arts Technology” category must have arts as the main focus and be capable of contributing to all/one or more than one of the four objectives of the ACDFS (depending on whether the application seeks funds under Springboard Grants or Project Grants), viz. (1) capacity development of arts practitioners, arts groups, art forms and/or the arts sector; (2) programme/content development; (3) audience building; and (4) arts education.

Proposals for “Arts Technology” category should highlight the convergence of arts and technology instead of merely showcasing high-end technology. If a proposed innovation and technology project is not aimed to promote and further arts development, it is not an arts-oriented proposal for which an application should be made under other relevant funding schemes (e.g. Innovation and Technology Fund) instead.

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44. In case the nature of proposal fits in with more than one category, which category should be selected?

An applicant should select a category that best describes the proposal's nature by taking its objective and content into consideration. For example, if music accounts for a predominant portion in terms of the arts disciplines involved, the music category may be selected; if a proposal involves different arts elements, the applicant may go for the category of multi-disciplinary arts. The Secretariat will proceed to arrange for the most suitable assessment panel to assess an application according to the category selected by the applicant.

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45. “Arts Technology” projects may require certain advanced equipment. To what extent can the costs of such equipment be covered by the Grant?

There is no pre-determined apportionment of funds on different expenditure categories. The Grantees will be given the freedom and flexibility in the deployment of funds to fulfil their artistic pursuit and meet with the genuine operational needs. Costs of equipment and/or goods procured and used solely for implementing the proposal as approved by the Advisory Committee on Arts Development may be covered by the Grant. Upon completion of the approved proposal, unless otherwise agreed by the Government in writing, the equipment and/or goods of more than HK\$5,000 at the prevailing market price shall be disposed of on an open and fair basis. The sale proceeds from such disposal should be treated as revenue of the implemented proposal and reflected in the financial statement and audited account report.

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