



香港旅遊業議會
TRAVEL INDUSTRY COUNCIL
OF HONG KONG
Incorporated with limited liability

**Application Guide to the
Development Fund for the Travel Industry
(Promotional Activities)**

1. Background

- 1.1 With a view to supporting the development of the local travel industry, the Airport Authority Hong Kong (AAHK) has allocated HK\$10 million for the establishment of the Development Fund for the Travel Industry (“Development Fund”).

2. Objective (Promotional Activities)

- 2.1 The objective is to enhance the overall competitiveness of the local travel industry through subsidising promotional activities for the travel industry.

3. Management and Operation

- 3.1 The Working Group on the Development Fund for the Travel Industry (“Working Group”) is charged with setting out details of the Development Fund, monitoring the implementation of the Development Fund and the use of funding in relation to the Development Fund, and carrying out other duties.

- 3.2 The Executive Office of the Travel Industry Council of Hong Kong (“TIC”) is the Secretariat of the Development Fund, responsible for promoting the Development Fund, releasing application information, handling enquiries, supporting the Vetting Committee of the Development Fund for the Travel Industry (“Vetting Committee”) in processing applications, and carrying out other duties.

4. Criteria for and Scope of Subsidy

- 4.1 Promotional activities eligible for subsidy under the Development Fund must (i) be related to the outbound and the inbound industries; and (ii) meet the objective of the Development Fund (Promotional Activities).

- 4.2 Eligible promotional activities must be open to all travel agents which hold a valid travel agent’s licence under the Travel Industry Ordinance. Any activities aimed at promoting the business of individual travel agents and advertisements unrelated to the promotional activities are ineligible.

4.3 Approved promotional activities must be completed by grantee organisations within six months from the date of signing of a funding agreement between the grantee organisations and the TIC.

5. Eligibility for Application

5.1 Eligible organisations refer to the following organisations or categories of organisation:

- (i) the Hong Kong Tourism Board;
- (ii) the Asia Tourism Exchange Center (as representative of official tourism organisations in Mainland China);
- (iii) the offices or representatives of overseas official tourism organisations or official tourism organisations of other places which or who are based in Hong Kong; and
- (iv) the offices or representatives of overseas official tourism organisations or official tourism organisations of other places whose target of promotion is the Hong Kong market.

5.2 Eligible organisations must submit their applications for subsidy before the relevant promotional activities are organised.

5.3 Eligible organisations, at the time of submitting applications, must declare that they will not apply for subsidy under the Development Fund for any components of the promotional activities concerned which have received or will receive any forms of subsidy or sponsorship, and that they will not apply, during the process of application and after approval of their applications for subsidy under the Development Fund, for any other forms of subsidy or sponsorship for such other components of the promotional activities concerned which have not received any subsidy or sponsorship at the time of submitting applications.

5.4 No applications made by individual travel agents or staff members of travel agents will be accepted.

6. Amount of Subsidy and Year of Subsidy

- 6.1 Each approved promotional activity, regardless of the number of applicant organisations, will be subsidised with a maximum of 50% of its approved cost or HK\$300,000, whichever is lower. The applicant organisation must contribute not less than 50% of the approved cost of an activity in cash (out-of-pocket expenses).
- 6.2 “Approved cost” refers to the net expenditure as approved by the Vetting Committee after the sponsorships from other sources (in cash, in kind or otherwise) and the fees to be collected from participating travel agents are deducted from the total expenditure.
- 6.3 Each eligible organisation is subject to a subsidy ceiling of HK\$600,000 per year based on the actual completion date of the approved promotional activity.
- 6.4 The first year of subsidy is to commence from the day when the Development Fund is launched until 31 December of the following year; and subsequent years of subsidy are to commence from 1 January of each year until 31 December of the same year.

7. Application Procedures

- 7.1 Applications for subsidy for promotional activities may be made throughout the year except for those applications for the first year of subsidy, which must be made on or after 1 January 2018.
- 7.2 The applicant organisation must complete and submit the application form before organising the promotional activity concerned. The application form and the application guide can be downloaded from the website of the TIC (www.tichk.org → “Industry Subsidy and Incentive Schemes” → “Development Fund” → “Promotional Activities”).
- 7.3 The applicant organisation must submit: (i) a duly completed and signed application form, together with a soft copy of the completed application form (in MS Word format); and (ii) documents which allow verification of the eligibility of the applicant organisation such as a copy of its Business Registration Certificate, a copy of the document which authorises it to act

as representative of the official tourism organisation concerned, etc.

7.4 The duly completed application form together with the supporting documents must be sent to the Secretariat by post and by email:

(i) By post: mark “Application for the Development Fund for the Travel Industry (Promotional Activities)” on the envelope and post to the Travel Industry Council of Hong Kong, Rooms 1706-09, Fortress Tower, 250 King’s Road, North Point, Hong Kong

(ii) By email: Dfund@tichk.org

8. Withdrawal

8.1 The applicant organisation can write to the Secretariat to withdraw its application, but such withdrawal is irrevocable.

9. Vetting Procedures

9.1 Upon receipt of an application, the Secretariat will assign its person(s)-in-charge (who must be of a managerial grade or above) to conduct a preliminary assessment on the eligibility of the applicant organisation and the promotional activity, etc, and may seek, if necessary, clarification or supplementary information from the applicant organisation.

9.2 After collecting all the information and documents, the Secretariat will submit the application to the Vetting Committee for consideration.

9.3 The Vetting Committee may impose any terms and conditions on an approved promotional activity and adjust the amount of the subsidy.

9.4 The applicant organisation will be informed in writing by the Secretariat of the result of its application within three months after all the necessary documents are submitted to the Secretariat. If an application is declined, reasons will be provided.

9.5 An application that has been rejected may be resubmitted, but substantive revisions must be made or supplementary grounds provided to address the

concerns raised by the Vetting Committee. A resubmitted application will be treated as a new application and will be subject to the same vetting approval procedures.

9.6 Decisions of the Vetting Committee are final.

10. Vetting Criteria

10.1 All applications will be considered by the Vetting Committee based on their individual merits. The main assessment criteria include:

- (i) the eligibility of the applicant organisation;
- (ii) the promotional activity must satisfy the criteria for and fall within the scope of subsidy;
- (iii) the anticipated results and effects of the promotional activity;
- (iv) the criteria for selecting participants of the promotional activity;
- (v) the reasonableness of the proposed cost of the promotional activity, including whether individual expenditure items are directly related to the implementation of the activity;
- (vi) the practicality and timeline of the promotional activity, including whether the entire activity can be completed within a reasonable period of time; and
- (vii) other factors that are considered relevant by the Vetting Committee.

11. Funding Agreement

11.1 The TIC will enter into a funding agreement (“Funding Agreement”) with each eligible organisation whose application for subsidy for its promotional activity is successful. Such eligible organisations must pledge to observe the terms and conditions as stipulated in the Funding Agreement, including such other terms and conditions as imposed by the Vetting Committee on individual items in relation to the subsidy.

12. Procurement Procedures

- 12.1 For every procurement of products or services in relation to the promotional activity with the aggregate amount not exceeding HK\$100,000, the grantee organisation must invite at least two suppliers which can provide such products or services for written quotations and must accept the lowest bid. Full justifications must be given if fewer than two suppliers are invited for quotations. If the lowest bid is not selected, the grantee organisation must obtain prior written consent from the Secretariat with full justifications given.
- 12.2 For every procurement of products or services in relation to the promotional activity with the aggregate amount exceeding HK\$100,000, the grantee organisation must invite at least three suppliers which can provide such products or services for written quotations and must accept the lowest bid. Full justifications must be given if fewer than three suppliers are invited for quotations. If the lowest bid is not selected, the grantee organisation must obtain prior written consent from the Secretariat with full justifications given.
- 12.3 The grantee organisation must ensure the principles of openness and fairness for procurement, competitiveness of the procurement process and appointment of reasonable qualified vendors.
- 12.4 Unless prior written approval is obtained from the Secretariat, the grantee organisation, or any person authorised by the grantee organisation to conduct invitation of quotations or in any way involved in the quotation exercise, must not participate in the bidding exercise.
- 12.5 When the procurement process is completed, the grantee organisation must submit copies of the relevant documents to the Secretariat.

13. Purchase of Insurance

- 13.1 The grantee organisation is advised to take out appropriate insurance for the promotional activity before it is organised in order to protect the interests of the grantee organisation and the participants of the promotional activity.

The premium of the insurance concerned is also eligible for subsidy under the Development Fund.

14. Avoidance of Conflicts of Interest

- 14.1 To avoid conflicts of interest, members of the Vetting Committee and the Secretariat are required to declare their general pecuniary interests on appointment and annually thereafter, in addition to declaring any conflicts of interest that may arise from any particular application. Where appropriate, the Chairman of the Vetting Committee may request the members/staff concerned to refrain from participating in the discussion and vetting of the relevant application.
- 14.2 The applicant organisation must not approach members of the Vetting Committee to avoid affecting the impartiality of their advice.
- 14.3 In engaging any suppliers for implementing the promotional activity, the grantee organisation must not engage any supplier whose owner(s), shareholder(s) or management is/are the owner(s), shareholder(s) or management of the grantee organisation, or their relatives or close friends.

15. Acknowledgement

- 15.1 Acknowledgment of subsidy under the Development Fund for the Travel Industry must appear in all media events or publicity publications related to the subsidised promotional activity.

16. Disclaimer

- 16.1 The grantee organisation must include the following disclaimer in all media events or publicity publications related to the subsidised promotional activity: “Any opinions expressed in this publication/event do not reflect the views of the Airport Authority Hong Kong, the Travel Industry Council of Hong Kong, the Working Group on the Development Fund for the Travel Industry or the Vetting Committee of the Development Fund for the Travel Industry.”

17. Indemnity

17.1 The applicant organisation and its staff must indemnify and keep each of the Secretariat, the Working Group, the Vetting Committee, the AAHK, and the employees and/or authorised persons of these four parties fully and effectively indemnified against (i) all legal actions, claims (whether or not successful, compromised, settled, withdrawn or discontinued) and demands threatened, brought or established against the Secretariat, the Working Group, the Vetting Committee, the AAHK, and the employees and/or authorised persons of these four parties; and (ii) all costs (including all legal fees and other awards, costs, payments, charges and expenses), losses, damages and liabilities suffered or incurred by the Secretariat, the Working Group, the Vetting Committee, the AAHK, and the employees and/or authorised persons of these four parties, which in any case arise directly or indirectly in connection with a breach of the duty of confidence under general law; the use of any personal data in contravention of the Personal Data (Privacy) Ordinance; any breach of the Funding Agreement by the applicant organisation; or the wilful act, misconduct, default, unauthorised act or wilful omission of the applicant organisation and its staff; or any allegation or claim of infringement of any intellectual property rights of any persons.

18. Prevention of Bribery

18.1 When applying for and receiving subsidy under the Development Fund, the applicant organisation and its staff must observe the Prevention of Bribery Ordinance and must ensure that any of its directors, employees, agents, consultants, contractors and other personnel who are in any way involved in the application must not offer to or solicit or accept from any person any money, gifts or advantages (as defined in the Prevention of Bribery Ordinance) in relation to the application.

19. Disbursement of Subsidy

19.1 The grantee organisation will only be disbursed the subsidy when the promotional activity is completed and the specified requirements are fulfilled.

19.2 The grantee organisation must within six months after completion of the promotional activity submit the following supporting documents to the Secretariat in order for the subsidy to be disbursed:

- (i) the Completion Report; and
- (ii) a complete set of expenditure records, together with the originals or true certified copies of the invoices and receipts of the expenditures.

20. Enquiries

20.1 Enquiries regarding the Development Fund (Promotional Activities) can be sent to:

Address: Travel Industry Council of Hong Kong
Secretariat of the Development Fund (Promotional Activities)
Rooms 1706-09, Fortress Tower, 250 King's Road, North Point,
Hong Kong

Tel: (852) 2969 8157

Fax: (852) 2510 9907

Email: Dfund@tichk.org

Website: www.tichk.org → “Industry Subsidy and Incentive Schemes” →
“Development Fund” → “Promotional Activities”