

Construction Innovation and Technology Fund

Appendix I to the Guide to Application Application Framework

1 May 2026 Issue

I. General Remarks

- a) Unless otherwise specified, this Application Framework shall apply to new applications submitted on or after 1 May 2026. Applications made before this date shall be subject to the Application Framework (April 2026 issue).
- b) Unless otherwise specified, all amounts below are in **Hong Kong dollars**.
- c) Applicants shall submit the application **BEFORE** any financial commitment. **Retrospective approval**, except subsidy for hiring Specialist Modular Integrated Construction (MiC) Consultant, and procuring or renting MiC Specific Construction Plant and MiC Modules, will **NOT** be **given for expenses incurred before** submitting Construction Innovation and Technology Fund (CITF) applications.
- d) To facilitate project planning and implementation, applicants can commit expenditures after submitting CITF application before the CIC issues notification of approval. Nevertheless, applicants shall bear the associated risks for applications being rejected.
- e) Enterprises with **30% or more ownership** held by the same owner/shareholder, irrespective of processing different Business Registration numbers, shall be treated as **one single enterprise in counting the funding ceiling per applicant**.
- f) To encourage the use of local technological innovations and products¹, CITF will bear a higher maximum ratio of **80%** (as opposed to the ratio of 70% in general cases) of the total costs of the Approved Project² which adopts locally developed innovations or products.
- g) To encourage technology adoption among Small-and-Medium Enterprises (SMEs)³, the co-funding ratio for SMEs is increased by 10% for all technology adoption applications, i.e. increased to 80% for general technologies or 90% for locally developed products, 30% for traditional plants and 60% for general rental.
- h) Applications together with complete supporting documents on Manpower Development shall be submitted to the CIC at least 90 calendar days before event date. Urgent applications would be considered on individual merits.
- i) CITF will not fund the maintenance cost, office overheads, materials cost, consumables, spare parts, solutions, services and other administrative expenses incurred in the project in general, unless specified otherwise or there are exceptional circumstances or justified grounds.
- j) Procurement or rental of product(s) or service(s), unless specified otherwise, will have to be supported by **written quotation(s)** as per the below requirements -

Aggregate Value of Procurement or Rental	No. of Required Written Quotations
(i) Value not exceeding \$50,000	At least one quotation
(ii) Value over \$50,000 but not exceeding \$0.2M	At least two quotations
(iii) Value over \$0.2M	At least three quotations

- k) Applicants shall provide full justifications if failing to submit the required quotations or accept the lowest conforming offer.
- l) Approved funding will be disbursed on a reimbursement basis. For technology adoption, **reimbursement will generally be made in two instalments (except those who opt for earlier funding disbursement and procurement-by-instalments for construction robots⁴, as detailed in the bullet below)**. The first instalment of 80% of approved funding will be paid upon provision of documentary proof of payments while the remaining instalment of 20% will be paid 12 months after the date of the first disbursement request and upon the Successful Applicant's satisfactory submission of the required information or documents listed in the final disbursement form⁵. Please refer to the [Guide to Application](#) for detailed requirements for disbursement.
- m) Successful Applicants for the categories of Advanced Construction Technology (ACT) and Building Information Modelling (BIM) adoption may opt for earlier funding disbursement if the following two criteria are fulfilled: (i) Product delivery time (either pledged or actual) takes longer than 2 months; and (ii) Payment to vendor in one single bank transaction exceeds \$0.1M. Where Successful Applicant opts for earlier funding disbursement, reimbursements could be made every time it makes payment (payment sum exceeding \$0.1M) to the vendor before product delivery upon the Successful Applicant's submission of document proof to the CIC. The reimbursement will be kept at a rate of 70% of the actual amount the Successful Applicant has paid for procuring the technology before product delivery, subject to a cap of 80% of the approved funding. Upon product delivery, Successful Applicant could apply for

reimbursing the remainder (if any) of 80% of the approved funding. Similar to applications without opting for earlier funding disbursement, the final instalment of 20% will be paid upon Successful Applicant initiating the final disbursement request 12 months after the date of the first disbursement request and the satisfactory submission of the required information or documents listed in the final disbursement form⁵. Please refer to the details about funding disbursement procedures and arrangements on CITF "[Guide to Application](#)", as well as the example of the earlier funding disbursement arrangement in [Annex B](#).

- n) For **manpower development**, **reimbursement** will be made **within two years** from the date of approval, subject to prior approval up to the specified ceilings. For local courses or conferences, payments on an instalment basis may also be allowed subject to receipt of documentary proof.
- o) Approved funding will only be disbursed upon fulfilment of all Terms and Conditions.
- p) In the event of any inconsistency between the English version and Chinese version of any provision of the Application Framework, the English version shall prevail.

II. Overall Scope of Subsidy (Please refer to Part III and IV for details)

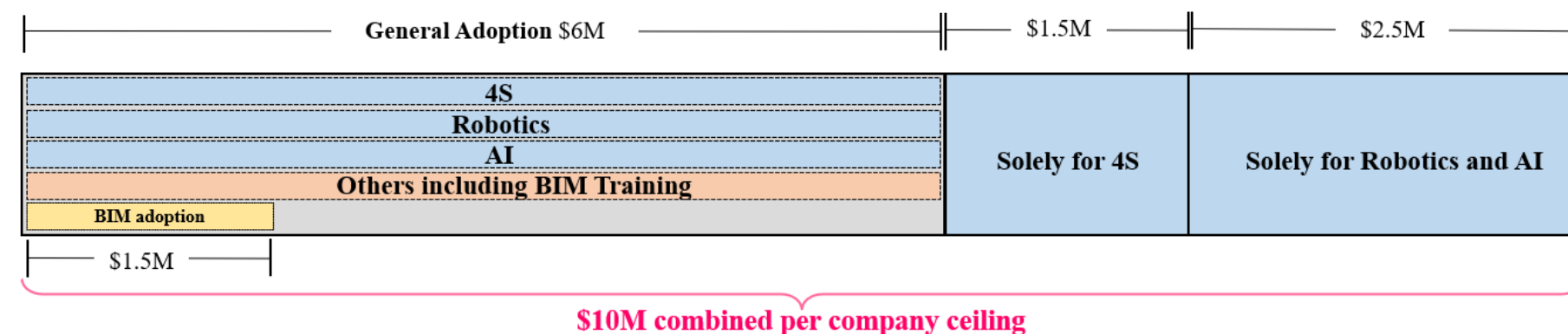
1. Technology Adoption

	T1: ACT	T2: BIM	T3: (A) MiC (B) MiMEP	T4: Prefabricated Steel Rebar
Eligible Applicant	Contractors, sub-contractors, consultants, trade associations	Contractors, sub-contractors, consultants, trade associations and professional bodies	Contractors, sub-contractors, consultants	Contractors, sub-contractors
Funding Scope	- General Application (procurement/ rental in general) - Pioneering Application in Hong Kong - Industrialised Processing - Robotic Welding	- BIM Adoption - BIM Training - Classroom-bound Mode Training - BIM Viewer Collaborative Training - Project-based Coaching	- Additional costs incurred by Project Consultant for MiC adoption - MiC Specific Construction Plant - MiC Modules	Prefabricated rebar products manufactured by Civil Engineering and Development Department (CEDD) pre-approved yards
Funding Ceiling	- General Application: \$10M per applicant (combined with BIM) (see Fig. 1), including: \$6M for ACT general technologies and BIM training \$1.5M solely for 4S products⁶ \$2.5M solely for AI and robotics⁷ - Rental: \$1M per applicant - Pioneering Application: \$10M per application* - Industrialised Processing - Robotic Welding: \$0.8M per applicant* \$0.3M per specified heavy machineries⁸ (*independent of the \$10M combined BIM and ACT per-company fund ceiling)	\$6M per applicant, including: - BIM Adoption: \$1.5M per applicant - BIM Training: \$6M per applicant (included in \$10M combined BIM and ACT per-company fund ceiling)	- For buildings of 16 to 30 or above storeys: Up to \$17M per project - For buildings of 6 to 15 storeys: Up to \$13.5M per project	\$2.5M per project

2. Manpower Development

	M1: Local Collaborative Courses	M2: International Conferences in Hong Kong	M3: Non-local Enrichment Courses for Students	M4: Non-local Training / Visits for Practitioners
Eligible Applicant	Local higher education institutions, Professional institutions, Industry trade associations, Unions, Quasi-governmental, statutory organisations	Local higher education institutions, Professional institutions, Industry trade associations, Unions	Local higher education institutions	Local higher education institutions, Professional institutions, Industry trade associations, Unions
Funding Scope	• Event venue and set up • Additional manpower • Course material • Cross-border transportation and accommodation for speakers • Reasonable meals • Honorarium • Administration and Audit fees	• Event venue and set up • Additional manpower • Conference collaterals • Cross-border transportation and accommodation for speakers • Reasonable meals • Honorarium • Administration and Audit fees	• Course fees • In-town transport and miscellaneous expenses • Reasonable meals • Cross-border transportation and accommodation of reasonable standard	• Training fees • In-town transport and miscellaneous expenses • Reasonable meals • Cross-border transportation and accommodation of reasonable standard (50% matching basis)
Funding Ceiling	\$0.3M per course	\$10M per conference and \$2,000 per participant per day	\$0.1M per student (accumulative)	\$20,000 per person per training/visit

Fig. 1: Graphical Illustration of the Combined BIM and ACT Per-applicant Funding Ceiling



Details of Subsidy Scope

1. Technology Adoption

T1: Advanced Construction Technologies (ACT)

- (a) General Application
- (b) Pioneering Application in Hong Kong
- (c) Industrialised Processing - Robotic Welding

T2: Building Information Modelling (BIM)

- (a) BIM Training
 - (i) Classroom-bound Mode Training
 - (ii) BIM Viewer Collaborative Training
 - (iii) Project-based Coaching
- (b) BIM Adoption

T3: (A) Modular Integrated Construction (MiC)

- (a) Project Design Stage - Additional costs incurred in implementing the MiC Project
- (b) Project Construction Stage

(B) Multi-trade Integrated Mechanical, Electrical and Plumbing (MiMEP)

- (a) Project Design Aspects
- (b) Project Construction Aspects
- (c) Other MiMEP Requirements and Disbursement Arrangement for Design and Construction Aspects

T4: Prefabricated Steel Rebar

2. Manpower Development

M1: Local Collaborative Courses

M2: International Conferences in Hong Kong

M3: Non-local Enrichment Courses for Students

M4: Non-local Training / Visits for Practitioners

III. Technology Adoption

T1: Advanced Construction Technologies (ACT)	
(a) General Adoption	
Eligible Applicant	Contractors, Consultants, Registered Specialist Trade Contractors and Subcontractors
Funding Scope	• Project Adoption (Procurement) • Rental • Ancillary costs for 4S adoption⁹, including: (i) <u>Additional</u> network cost¹⁰ (e.g. additional gateways/ transmitters/ receivers and subscription of mobile network (e.g. 4G/ 5G) to enable the necessary internet coverage for 4S adoption areas) induced by adoption of CITF-funded 4S products; (ii) <u>Additional</u> manpower cost¹¹ directly incurred for implementation of the CITF-funded 4S products; and (iii) Cost of technical support required¹² for operation, maintenance and trouble-shooting of the CITF-funded 4S products provided by the 4S product vendor(s)¹³ after the bundled initial maintenance period. • Ancillary costs for adoption of robotic technologies¹⁴ through procurement, including: (i) <u>Additional</u> manpower/ training costs (e.g. deployment of manpower for operating or maintaining the robots, provision of necessary training for robot operators etc.) induced by adoption of CITF-funded robots; and (ii) Cost of maintenance of the CITF-funded robots provided by the robot vendor(s)¹⁵ after the bundled initial maintenance period. • For AI solutions, the following costs shall be supported: (i) The product cost; (ii) Development cost of AI solutions for applicant's own use; (iii) Ancillary costs to facilitate AI adoption (i.e. IT infrastructure upgrade); and (iv) AI training cost.
Funding Mode	• Project adoption (including AI solution development cost, IT infrastructure upgrade cost for AI adoption and AI training cost) • 70% matching fund (80% matching fund for locally developed innovations or products; 20% matching fund for "traditional plants incorporated with built-in innovative elements inseparable from the plants the cost of which does not account for a substantial portion of the cost of the plants") • Rental • 50% matching fund for rental of non-robotics technologies • 70% matching fund for rental of robotics (For applications involving pre-approved products, the total costs of the Approved Project shall be subject to the Approved Product Price published on the CITF website)
Overall Ceiling	\$10M for ACT and BIM per <u>applicant</u> , including • a maximum of \$1M per applicant for rental; • \$1.5M designated solely for 4S products in private works sites; and • \$2.5M designated solely for AI solutions and robotics with specific sub-ceilings for the followings: • \$50,000 per robot per month of rental subsidy; • \$0.3M per project of AI solution development for applicant's own use; • \$0.5M per applicant for AI adoption ancillary cost (i.e. IT infrastructure upgrade); • \$5,000/ person (cumulative) for AI training
Per-technology ceiling	• \$1.5M¹⁶ per technology • \$2M^{16,17} per site safety-related technology • \$0.3M¹⁶ per technology defined as "traditional plants incorporated with built-in innovative elements inseparable from the plants the cost of which does not account for a substantial portion of the cost of the plants" • For ancillary costs for 4S adoption:

T1: Advanced Construction Technologies (ACT)	
(a) General Adoption	
	• Funding cap for additional manpower cost is \$20,000 per month for each construction site; and • Combined funding cap for all ancillary costs for 4S adoption is 50% of the total CITF subsidy for the 4S products procured using CITF funding for each construction site. • Funding cap for ancillary costs (i.e. maintenance and additional manpower/training costs) for procurement of robotics is 50% of the fund grant for the relevant robot.¹⁸ • For robotics, \$3M per technology as below: • \$1M per technology for rental; • \$2M per technology for procurement
Other Requirements	• Maximum period for rental: 12 months • For funding applications for 4S products: Subsidy for 4S shall be counted against the \$1.5M designated solely for 4S first. Where the total approved amount on 4S of the applicant has reached \$1.5M, the applicant can still apply for 4S products subject to the remaining balance under the combined fund ceiling for ACT and BIM. • For funding applications for AI solutions or robotics: Subsidy for AI solutions or robotics shall be counted against the \$2.5M designated solely for these technologies first. Where the total approved amount on AI solutions or robotics of the applicant has reached \$2.5M, the applicant can still apply for these technologies subject to the remaining balance under the combined fund ceiling for ACT and BIM. • For additional manpower under ancillary costs for 4S adoption: • The applicant is required to confirm a designated staff is assigned to undertake the duties arising from 4S implementation by submitting a signed standard declaration form provided by the CIC. Applicant shall notify the CIC in writing for any change of such 4S personnel dedicated for such works. • For outsourcing work to external parties, the stipulated procurement procedures shall be complied with and the required number of quotations by different service providers with clear descriptions of the scope of work, work requirements, quantity and cost of the relevant personnel shall be submitted in the funding application. For funding disbursement purpose, the invoices, receipts and completed job order (i.e. similar to delivery note) shall be submitted by the applicant. • For additional manpower under ancillary costs for robotic adoption, the applicant is required to confirm the designated staff is assigned to undertake the duties arising from the adoption of the robots by submitting a signed standard declaration form provided by the CIC. Applicant shall notify the CIC in writing for any change of such personnel dedicated for such works within 7 calendar days from the change effective date. • For procurement of used robots, the applicant shall submit the declaration of the robot manufacturer regarding the year of manufacture for value assessment. • For AI solutions development, the applicant shall provide an initial proposal in a standard template of 1-page long consisting of the brief description on: • project objective(s); • functions of the proposed solution; • resources and budget required with brief justification; • expected deliverables and merits in the design, planning, construction, handover or repair and maintenance process with respect to improvement in either productivity, quality, safety and environmental performance. • Once the preliminary AI solution development proposal is accepted, the applicant shall submit a detailed proposal consisting of specific details under each topic of the initial proposal for detailed assessment. • For ancillary cost for AI solution (i.e. IT infrastructure upgrade), the applicants shall demonstrate the need for the proposed upgrade with full justification in a standard template to support the funding application, i.e. how the upgrade will be used for the AI adoption to meet one or more of the CITF objectives.

T1: Advanced Construction Technologies (ACT)	
(a) General Adoption	
	For AI training, the applicants shall submit the course details in a standard template including course brochure outlining the training organiser, training venue and equipment including software, the trainer's qualification and experience, the training content, expected learning outcomes and course fee.

(b) Pioneering Application in Hong Kong	
Eligible applicants	Contractors, Registered Specialist Trade Contractors and Subcontractors, Consultants or Industry Trade Associations (may partner with organisations such as local tertiary educational institutions, local research institutes, Cyberport, Hong Kong Science and Technology Park, Hong Kong Productivity Council, etc. to implement the project)
Funding Scope	Costs incidental to introducing the technology for experiential use in Hong Kong, e.g. machine procurement and delivery, hardware and software modification and adaptation for a new functional use in Hong Kong, related material, manpower development and training costs, etc.
Funding Mode	70% matching fund in general (to be determined on a case-by-case basis)
Overall Ceiling	\$10M per project ¹⁹ (independent of the \$10M combined funding ceiling per applicant)
Per-technology ceiling	N/A
Other Requirements	The applicant shall share the benefits/ experience for the use of the technology with other industry stakeholders through one or more of the following means: - Share or transfer the intellectual property (IP) rights, if any, to industry stakeholders e.g. solutions providers, training institutes, universities, research and development (R&D) centres; - Open, transparent and non-exhaustive rights of use of the technology; - Licensing fees, if any, should be made on an equitable basis and at reasonable level; - Other IP/ benefit sharing arrangement as required by the vetting committee

(c) Industrialised Process – Robotic Welding	
Eligible applicants	Contractors, Registered Specialist Trade Contractors and Subcontractors, Consultants
Funding Mode	15% matching fund for processing fee involved
Funding Ceiling	\$0.8M per applicant (independent of the \$10M combined funding ceiling per applicant)
Other Requirements	- Only prefabricated components manufactured by off-site robotic welding in Hong Kong will be subsidised - The CITF will subsidise processing fee only - Applied funding will be checked against the Approved Product Price

T2 Building Information Modelling (BIM)	
(a) (i) Classroom-bound Mode Training	
Eligible applicants	Contractors, Registered Specialist Trade Contractors and Subcontractors, Consultants, Industrial trade associations and Professional bodies
Funding Mode	- For general training courses: cash rebate of 70% matching fund - For CIC-Certified BIM Co-ordinators (CCBC) and CIC-Certified BIM Managers (CCBM) course: cash rebate of up to 85% matching fund disbursed in two phrases. 70% for completion of training and the other 15% granted upon completion of CCBC or CCBM certification.
Overall Fund Ceiling	\$6M per applicant (subject to the \$10M combined fund ceiling per applicant) ²

T2 Building Information Modelling (BIM)	
(a) (i) Classroom-bound Mode Training	
Funding Ceiling	Subject to a ceiling of \$15,000 per person²⁰ (accumulative): • In general, \$3,000 or 70% of the course fee per course, whichever is the higher • For CCBC/ CCBM course, • 70% of course fee for successful completion of training (<i>subject to the cumulative \$15,000 per-person ceiling</i>); and • 15% of course fee for successful obtainment of the CCBC/ CCBM certification within 1 year from the course completion date (NOT <i>subject to the cumulative \$15,000 per-person ceiling</i>)
Other Requirements	• Applicants engaging external trainer to organise in-house BIM Training Course shall submit the duly completed CITF application form and the below training details before committing the training service: ➢ Course contents/syllabus, duration and course fee; ➢ Course trainer's curriculum vitae including education level, teaching experience, professional qualifications, BIM related credentials (Mandatory); ➢ Course Assessment with samples provided (Mandatory); and ➢ Course establishment such as trainer to student ratio, class size, venue and equipment, software specification to conduct the course • Applicants may submit disbursement requests separately for the 70% of course fee upon successful course completion and that for the 15% of course fee upon successful obtainment of CCBC/ CCBM certification. • Industry trade associations and professional bodies²¹ are eligible to submit applications and disbursement request on behalf of their SME or sub-contractor member companies which are eligible applicants. Industry trade associations and professional bodies are not entitled to any funding and should observe the following requirements: ➢ Applicant shall declare conflict of interest with the proposed training organisers; ➢ Training fee shall be calculated on per-participant basis according to the actual no. of eligible attendees satisfactorily completing the course; ➢ The training participants shall be construction-related personnel; ➢ For applications for BIM viewer training by industry trade associations and professional bodies, the CIC's BIM Viewer Teaching and Learning Kit shall be used for assessment; ➢ All other CITF requirements apply unless otherwise specified.

(a)(ii) BIM Viewer Collaborative Training	
Eligible applicants	Contractors, Registered Specialist Trade Contractors and Subcontractors, Consultants (Only for applications of Small-and-Medium Enterprises (SME) ³ or sub-contractors ²² or main contractors who provide training for sub-contractors)
Funding Mode	70% matching fund for costs involved
Overall Fund Ceiling	\$6M per applicant (subject to the \$10M combined fund ceiling per applicant)
Funding Ceiling	\$8,000²³ for trainer fees and class administration ; and \$5,000 for rental of external training venue²⁴ per session per class
Other Requirements	• Qualified trainers shall have either: i) completed CIC Accredited BIM Manager/ BIM Coordinator courses; or ii) registered as CIC Certified BIM Managers/ BIM Coordinators • Applicants engaging external trainer to organise in-house BIM Training Course shall submit the duly completed CITF application form and the below training details before committing the training service: ➢ Course contents/syllabus, duration and course fee; ➢ Course trainer's curriculum vitae including education level, teaching experience, professional qualifications, BIM related credentials (Mandatory); ➢ Course Assessment with samples provided (Mandatory); and ➢ Course establishment such as trainer to student ratio, class size, venue and equipment, software specification to conduct the course

(a)(ii) BIM Viewer Collaborative Training	
	- Main contractors are eligible to apply for the CITF for delivering BIM viewer collaborative training to sub-contractors subject to the following requirements: ➤ there can be one or more sub-contractors in the same class; ➤ the requirements of the fixed lump sum subsidy shall apply; ➤ The main contractor and subcontractor(s) shall jointly declare who their employees are in the funding application such that the subsidy shall be counted towards the company fund ceiling of the respective main contractor and sub-contractors on pro-rata basis. The subsidy will be disbursed to the main contractor who incurred the costs ➤ All other CITF requirements apply unless otherwise specified.

(a) (iii) BIM Project-based Coaching	
Eligible applicants	Contractors, Registered Specialist Trade Contractors and Subcontractors, Consultants (Only for applications of SMEs ³ or sub-contractors ²²)
Funding Mode	70% matching fund for costs involved
Overall Fund Ceiling	\$6M per applicant (subject to the \$10M combined fund ceiling per applicant)
Funding Ceiling	\$0.2M per applicant on hiring a consultant to provide training according to the project characteristics including software skill coaching.
Other Requirements	- Classroom-bound Mode Training is not supported under this category unless the content is project-specific - Project(s) under application shall demonstrate genuine need for BIM adoption (e.g.: provision of relevant contract requirements, client's supporting letter or self-declaration of BIM adoption) - Applications must be supported by undertaking with BIM trainer's signature confirming that his/her service would only be confined to providing BIM training for the project team but not carrying out the BIM work of the project direct - Project-based coaching shall be delivered throughout the BIM adoption period requiring Project-based Coaching within the project, as specified by applicant.

(b) Project Adoption²⁵	
Eligible applicants	Contractors, Registered Specialist Trade Contractors and Subcontractors, Consultants
Funding Mode	70% matching fund (The total costs of the Approved Project shall be subject to the Approved Product Price published on the CITF website)
Ceiling	\$1.5M per applicant on BIM adoption (i.e. BIM software and hardware, including experiential use) (including a maximum of \$0.2M per applicant for Experiential Use) - The funding granted for BIM adoption will count towards the \$10M combined funding ceiling.
Per-item Ceiling	\$10,000 for each computer²⁶ Subscription of BIM software license up to 3 years

T3(A): Modular Integrated Construction (MiC)	
(a) Project Design Stage - Additional costs incurred in implementing the MiC Project	
Eligible applicants	Consultants
Funding Scope	Additional costs incurred by <u>Project Consultant</u> in implementing the MiC Project
Funding Mode	Direct subsidy <u>per project</u>
Funding Ceiling	- For Project Consultant's consultancy fee ➢ \$5M or 15% of the fee, whichever is the lesser (for 6 to 15 storeys) ➢ \$7.5M or 15% of the fee, whichever is the lesser (for 16 to 30 storeys) ➢ \$7.5M or 30% of the consultancy fee, whichever is the lesser (for 31 storeys or above) Others: ➢ Additional \$1M to encourage innovative design, smart approaches and best practice²⁷
Other Requirements	- MiC projects shall be a building project with buildings of at least 6 storeys of permanent nature - Applicant shall provide proof such as BD's consent to commence superstructure works of the MiC building and commencement of MiC modules installation on site for reimbursement purpose - Applicant shall provide BD's approval of the General Building Plan and Superstructure Plan of the MiC project together with the funding application - Applicant shall submit an agreement with all other consultants engaged in the MiC project with respect to the sharing of funding grant with the fund applicant. - Eligible MiC projects shall: ➢ involve a building with 6 storeys or more; ➢ occupy at least 60% of Gross Floor Area of EACH typical floor for MiC adoption; ➢ occupy at least 5 000m² of Gross Floor Area for MiC adoption; and ➢ have MiC modules installation commenced on site after 1 July 2020
Funding Disbursement	80% of approved funding upon provision of the proof for commencement of MiC modules installation on site 20% of approved funding upon provision of the proof for completion of MiC modules assembly on site
Remarks	The additional subsidy to Project Consultant and the subsidy on engaging Specialist MiC consultant are not mutually exclusive.

(b) Project Construction Stage	
Eligible applicants	Contractors, Registered Specialist Trade Contractors and Subcontractors
Funding Scope	- MiC Specific Construction Plants - MiC Modules (MiC projects undertaken by the Architectural Services Department (ArchSD) or the Hong Kong Housing Authority (HKHA) will not be subsidised)
Funding Mode	70% matching fund for costs involved <u>per project</u>
Funding Ceiling	- Purchase or rental MiC specific construction plant: ➢ \$2.5M (for 6 to 15 storeys) ➢ \$3.5M (for more than 15 storeys) ➢ Additional maximum \$1M subsidy will be provided for safety-related measures incorporated in the process - Purchase/ off-site production of MiC modules: \$4M cap

(b) Project Construction Stage	
Other Requirements	• MiC projects shall be a building project with buildings of at least 6 storeys of permanent nature • Applicant shall submit document proof of approval for commencement of MiC module production/ installation with the funding application • For application for the additional maximum \$1M subsidy for safety-related measures incorporated in the process, applicant shall specify the type of proposed safety measures such as engagement of external safety specialists, formulating MiC-specific safety plan, conducting MiC-specific safety audits and training etc. and submit the detailed proposal. • Applicant shall submit a safety audit report on logistics and lifting operation in the MiC project for final reimbursement purpose. Details on the scope of the safety audit are available at the CITF Portal
Funding Disbursement	• 80% of approved funding upon provision of the proof for commencement of MiC modules installation on site • 20% of approved funding upon provision of the proof for completion of MiC modules assembly on site
Remarks	Retrospective approval for procuring or hiring MiC Specific Construction Plant and Modules is allowed. Applicants can engage the supplier of MiC Specific Construction Plant or Modules before submitting the application but which shall be submitted within 12 months from committing the relevant expenditure.

T3(B): Multi-trade Integrated Mechanical, Electrical and Plumbing (MiMEP²⁸)	
(a) Project Design Aspects	
Eligible applicants	Contractors, Registered Specialist Trade Contractors and Subcontractors, Consultants
Funding Scope	• Production of a complete BIM model for MiMEP by the Project Consultant. • Development of the BIM model for production of a complete prefabrication plan by the MEP Sub-contractor through in-house resources/ hiring of Specialist MiMEP Consultant.
Funding Mode	70% matching fund for costs involved <u>per project.</u>
Funding Ceiling	For <u>Project Consultant</u> • \$0.5M cap for producing a complete BIM model up to LOD-G 200 and incorporating contractors' intended MiMEP arrangement: ➢ 60% subsidy for producing a complete BIM model on MEP works for tendering; and ➢ 40% subsidy for collaborating with the contractors upon award of the relevant construction contracts and incorporating contractors' intended MiMEP arrangements in an updated BIM model. This facilitates the MEP Sub-contractor to take over and develop the BIM model for subsequent production of MiMEP prefabrication plan. For <u>MEP Sub-contractor</u> nominated by the Main Contractor: • \$0.5M cap for upgrading the BIM model from LOD-G 200 to LOD-G 400 and producing a complete MiMEP prefabrication plan ➢ 40% subsidy for taking over and upgrading the BIM model from the Project Consultant to produce the MiMEP fabrication plan; and ➢ 60% subsidy for producing a complete MiMEP prefabrication plan, which includes BIM-generated prefabrication drawings and detailed method statements for on-site installation.
Remarks	Retrospective approval for hiring Specialist MiMEP Consultant is allowed. Applicant can engage the Specialist MiMEP Consultant before submitting the application but which shall be submitted within 12 months from committing the relevant expenditure.

(b) Project Construction Aspects	
Eligible applicants	Contractors, Registered Specialist Trade Contractors and Subcontractors
Funding Scope	Rental of offsite MiMEP specific workshops for prefabrication and additional costs incurred for delivery and installation of MiMEP modules.
Funding Mode	70% matching fund for costs involved <u>per project.</u>
Funding Ceiling	For <u>MEP Sub-contractor</u> nominated by the Main Contractor: • \$2.5M cap for rental of offsite MiMEP specific workshop for prefabrication and additional costs incurred for delivery and installation of MiMEP modules, such as extra supporting frames, hoisting and protection requirements. • In-house workshops for MiMEP prefabrication shall not be considered for the CITF subsidy. • The additional costs incurred for the MiMEP modules shall exclude the costs of their MEP equipment/ component and the costs of lifting plant that has received / will receive CITF subsidy.
Remarks	Retrospective approval for hiring Specialist MiMEP Consultant is allowed. Applicant can engage the Specialist MiMEP Consultant before submitting the application but which shall be submitted within 12 months from committing the relevant expenditure.

(c) Other MiMEP Requirements and Disbursement Arrangement for Design and Construction Aspects	
Other Requirements	• MiMEP refers to the integration of multi-trade building services components into a single volumetric assembly of prefabricated modules, manufactured offsite, then transported to the site for connection of modules to complete various trades of building services installations to minimise on-site works. MiMEP can integrate with structural elements, architectural builders' works and finishes (ABWF) to form an advanced assembly, such as false ceiling unit and plant room unit to enhance productivity. • Eligible MiMEP projects: ➢ MiMEP proposals with merits meeting the CITF objectives will be considered subject to the applicant's justification. • For a project with multiple sections to be implemented under separate contracts, applicants may apply for the subsidy for each section separately if it fulfils the above criteria of an eligible MiMEP project. • Applicants may apply the CITF on MiC and MiMEP for the same project provided that its MiC and MiMEP modules are not referring to the same modules. • The MiMEP subsidy shall not consider prevailing existing practices in Hong Kong that elevators, escalators, chillers, generator sets, AHU's, switch boards and the like are mostly prefabricated offsite for delivery to site in modules. Applicants need to demonstrate extra prefab/modular effort over and above the prevailing existing practices to justify the grant of subsidy for MiMEP. • MiMEP proposals meeting the CITF objectives regardless of whether the use of MiMEP is specified in its contract requirements. • The applicant shall submit an agreement with all other Mechanical, Electrical and Plumbing (MEP) sub-contractors engaged in the MiMEP project with respect to the sharing of funding grant with the fund applicant.
Funding Disbursement	• 80% of approved funding upon provision of the proof for commencement of MiMEP modules installation on site. • 20% of approved funding upon provision of the proof for completion of MiMEP modules assembly on site.

T4: Prefabricated Steel Rebar	
Eligible Applicants	Contractor, Registered Specialist Trade Contractors and Subcontractors
Funding Mode	Cash rebate of \$300 per tonne
Funding Ceiling	\$2.5M per project
Other Requirements	• Prefabricated steel rebars shall be produced by yards on the Civil Engineering Development Department (CEDD)'s List of Approved Steel Reinforcing Bar Prefabrication Yards • The percentage by weight of straight rebars without processing (cutting and/or bending) in each delivery shall be less than 25% • Projects undertaken by the Hong Kong Housing Authority (HKHA) will not be subsidised.
Funding Disbursement	• Applicants will normally be reimbursed every three months upon submission of proof of purchase

IV. Manpower Development

	M1: Local collaborative courses²⁹	M2: International Conferences in Hong Kong³⁰	M3: Non-local Enrichment Courses for Students	M4: Non-local Training / Visits for Practitioners³¹
Eligible Applicants	- Local higher education institutions, Unions - Professional institutions, Industry trade associations - Quasi-governmental or statutory organisations	- Local higher education institutions, Unions - Professional institutions, Industry trade associations	Local higher education institutions	- Local higher education institutions, Unions - Professional institutions, Industry trade associations
Target Beneficiary	- Professionals - Technicians, Registered skilled workers - Tertiary students and Academic staff	- Professionals - Technicians, Registered skilled workers - Tertiary students and Academic staff	Full-time students of undergraduate, postgraduate or sub-degree programmes in construction related disciplines	- Professionals - Technicians, Registered skilled workers
Funding Scope	- Event venue and set up - Additional manpower - Course material, Reasonable meals - Cross-border transportation and accommodation for speakers - Honorarium³² - Administration and Audit fees	- Event venue and set up - Additional manpower - Conference collaterals, Reasonable meals - Cross-border transportation and accommodation for speakers - Honorarium³² - Administration and Audit fees	- Course fees - In-town transport and miscellaneous expenses - Cross-border transportation and accommodation³³ of reasonable standard - Reasonable meals - Administration and Audit fees	- Training fees - In-town transport and miscellaneous expenses - Cross-border transportation and accommodation of reasonable standard (50% matching basis) - Reasonable meals - Administration and Audit fees
Funding Ceiling	\$0.3M per course	\$1M per conference and \$2,000 per participant per day	\$0.1M per student (accumulative)	\$20,000 per person (per training/visit)
Funding Mode	Reimbursement to applicants	Reimbursement to applicants	Reimbursement to applicants	Reimbursement to applicants
Required documents	<u>Application Stage</u> - Programme details/ proposals: description, deliverables, implementation plan - Budget (including itemised income and expenditure grouped under the applicable categories of reimbursable costs)³⁴ - Target number of participants <u>Post-implementation Stage</u> - Evaluation report - Participants' feedback - Conference, course or training material for sharing in public domain (if applicable) <u>Others</u> - Participants undertaking non-local programmes may be invited to give presentation or attend sharing session.			
Other Requirements	University Grants Committee (UGC)-funded courses will NOT be supported	- Conferences must be non-profit making - Promotional materials e.g.	- Non-local programmes must be non-profit making - Participating students must be	- Non-local programmes must be non-profit making - Participating practitioners must

	M1: Local collaborative courses²⁹	M2: International Conferences in Hong Kong³⁰	M3: Non-local Enrichment Courses for Students	M4: Non-local Training / Visits for Practitioners³¹
	• Courses must be non-profit making • Promotional materials e.g. leaflets, flyers, banner must acknowledge the sponsorship of the CITF	leaflets, flyers, banner must acknowledge the sponsorship of the CITF	Hong Kong permanent resident • Promotional materials e.g. leaflets, flyers, banner must acknowledge the sponsorship of the CITF	be Hong Kong permanent resident • Promotional materials e.g. leaflets, flyers, banner must acknowledge the sponsorship of the CITF

List of Reimbursable Items

Local Courses and International Conferences	Non-local Courses/ Training/ Visits
(a) Event venue and set up • Venue rental • Audio and Visual set up • Backdrop • IT infrastructure including IT support, virtual platform set up and domain registration (b) Reasonable meals, food and beverage³⁵ • Meals with training activities or elements; • Inclusive refreshments in the programme • Meals for networking purposes (c) Additional Manpower³⁶ • Salary • Employer's contributions to Mandatory Provident Fund • Agency/ service fees charged by event planner and production houses (for international conferences only) (d) Course/ Conference material • Printing of collaterals³⁷ • Procurement (for Local Collaborative Courses only) and/ or rental of hardware and equipment³⁸ (e) Cross-border transportation and accommodation for speakers • Return tickets between Hong Kong and non-local speakers' departing city/ country will be supported • Only transportation of economy class will be supported • Ticket upgrade of transportation will be borne by participants • Accommodation of fair and reasonable standard will be supported (f) Honorarium³² (g) Administration and Audit fees • Administrative overheads³⁹ for programmes undertaken by UGC-funded institutions in accordance with their financial policies • External audit fees relating to the programme and arising from compliance with the requirements of CITF (not count towards the cumulative funding ceiling)	(a) Course / Training fees • Enrolment fees • Venue rental and set up • Course / training materials (b) In-town transport and miscellaneous expenses • Ground transport⁴⁰ at the visiting place e.g. coach rental (c) Reasonable meals, food and beverage³⁵ • Meals with training activities or elements; • Inclusive refreshments in the programme • Meals for networking purposes (d) Cross-border transportation and accommodation • Return tickets between Hong Kong and the destination city/ country will be supported • Only transportation of economy class will be supported • Ticket upgrade of transportation will be borne by participants • Accommodation of fair and reasonable standard will be supported • Subsidy on cross-border transportation and accommodation to practitioners will be provided on a 50% matching basis • Support staff's cross-border transportation and accommodation can be fully subsidised at a staff to participant ratio not higher than 1:10 (e) Administration and Audit fees • Administrative overhead³⁹ for programmes undertaken by UGC-funded institutions in accordance with their financial policies • Associated enrolment fees and other expenses for participation of the staff of the organising body to support the programmes • Insurance • External audit fees relating to the programme and arising from compliance with the requirements of CITF (to be reimbursed separately from the funding ceiling)

¹ For the purpose of CITF, local research and development projects which have been approved and completed under relevant funding schemes of the Government's Innovation and Technology Fund ("ITF") are regarded as locally developed innovations or products. For other locally developed innovations or products not involving ITF, applicants should provide information to substantiate that such innovations or products are developed in Hong Kong or by local talents or by local tertiary institutions. The Vetting Sub-Committee will assess whether such innovation or product can qualify for the higher maximum matching ratio of 80% on a case-by-case basis.

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- ² For applications involving pre-approved products, the total costs of the Approved Project shall be subject to the **Approved Product Price** published on the CITF website at <https://citf.cic.hk/?route=search-key&lang=1>.
- ³ SME refers to an enterprise employing less than 50 persons. “Persons” include all staff directly employed by the applicants including management, back office staff, front-line workers, etc. ‘Employment’ hereby refers to an employee who has been employed continuously by the same employer for four weeks or more, with at least 18 hours worked in each week.
- ⁴ Procurement by instalments for robotics is supported. Please refer to the Pre-approved Technologies List on the CITF Website at <https://citf.cic.hk/?route=search&lang=1> for products classified as robotics.
- ⁵ Please refer to [Important Notes – Technology Adoption](#) and [Important Notes – Manpower Development](#).
- ⁶ Please refer to the Pre-approved Technologies List on the CITF website for products classified as 4S.
- ⁷ Please refer to the Pre-approved Technologies List on the CITF website for products classified as AI solutions and robotics)
- ⁸ Specified heavy machineries refer to “traditional plants incorporated with built-in innovative elements inseparable from the plants the cost of which does not account for a substantial portion of the cost of the plants”. Please refer to the Pre-approved Technologies List on the CITF Website at www.citf.cic.hk.
- ⁹ The applicant can either submit a funding application together with or after the funding application for procurement/ rental of the 4S product(s). For the latter scenario, the applicant shall confirm the need for such cost items (e.g. additional maintenance after the bundled initial maintenance period to sustain the 4S adoption throughout the project period). In any case, the applicant shall submit the application within 6 months from the approval date of the funding application for the relevant 4S product(s) for additional network and 4S implementation manpower cost; or within 6 months from the expiry of the initial bundled maintenance period for additional maintenance cost.
- ¹⁰ Assessment Principle for additional network cost:
- For mobile network, the cost to be supported shall be such installation and operation of mobile network cost required, and/or the quantity of SIM cards under the funding application to support the CITF-funded 4S devices.
 - For fixed network (e.g. wifi, LoRA, etc.), the assessment shall be based on the applicants’ completion of a standard form provided by the CIC confirming use, cost and quantity of the key cost items listed in the form (e.g. location plans of network equipment, types of equipment, 4S products covered for the relevant parts of network set-up, etc.), so as to demonstrate that such network system is provided additionally on site for 4S implementation but not for routine operation of the site office unrelated to 4S.
- ¹¹ The duties of the additional manpower shall be any one of or a combination of the following due to 4S implementation:
- overseeing and monitoring and promptly attending alerts/ signals for taking immediate actions;
 - co-ordinating with different groups of users on-site for follow-up on daily use of 4S systems liaison with the relevant vendors for resolving technical issues and their maintenance;
 - preparing and coordinating the execution of the overall 4S implementation plan including deducing procedures for all site users to follow;
 - data transmission and analysis including generation of necessary reports;
 - monitoring of network or 4S equipment or device set-up, installation or relocation including associated cabling and electrical works; and
 - 4S system configuration work.
- ¹² Reasonable technical support and maintenance include the following:
- Extension of hardware warranty;
 - Regular updates/ revisions of the centralised management platform or software or e-platform of the 4S products;
 - On-site or online diagnosis of faults of 4S products;
 - Provision of technicians for repair and maintenance of 4S products including both hardware and software;
 - Reasonable period of technical support and maintenance, which we suggest that it should not exceed the expiry of contract period and in any case no longer than 3 years.
- ¹³ Product vendor here means the 4S product manufacturer or intellectual property (IP) right owner or

its authorised service provider.

¹⁴ CITF supports procurement of used robots and procurement of robots by instalments. Whichever the procurement or payment method is (i.e. one-off payment or by instalments), the total product price used for assessing the fund grant shall be capped at the approved product price published on the Pre-approved List and the machine value assessed according to the 'straight-line depreciation approach' for used robots at a fixed annual depreciation rate of 20% subject to the relevant funding caps. For robotics, total funding subsidy (i.e. the subsidy on both rent and procurement) shall be capped at 70% of the initial machine value (80% for applications of SMEs). For procurement by instalments, the funding shall be provided on reimbursable basis subject to the actual expenses at a minimum interval of 3 months

¹⁵ Product vendor here means the robot manufacturer or intellectual property (IP) right owner or its authorised service provider.

¹⁶ Including \$1M per technology for rental share among all applications under ACT.

¹⁷ Funding support for ancillary costs for 4S adoption should not be counted towards this per-technology ceiling.

¹⁸ Funding support for ancillary costs for robotics should not be counted towards the per-technology ceiling.

¹⁹ Projects with applied funding exceeding \$10M will be considered by the Steering Committee on CITF.

²⁰ The training participants shall be Hong Kong permanent residents or holders of Hong Kong Identity Card with the legal rights to reside in Hong Kong for the purpose of employment. For the latter, the training participants shall be working for the applicant of the concerned approved funding application for at least one year upon completion of the approved BIM training in at least one local construction project with genuine requirements to use BIM in participant's job. For details, please refer to Paragraph 30 of the [Guide to Application](#).

²¹ Industry trade associations and professional bodies shall be those in lists of eligible CITF applicants in the published CITF Terms and Conditions at https://citf.cic.hk/Product_Photo/files/Framework%20and%20T%26C/CITF%20Terms%20and%20Conditions_Eng.pdf, the list of trade associations in the website of Hong Kong Trade Development Council (HKTDC) under the category named 'Building & Construction Services' : <https://research.hktdc.com/en/article/MzM0NTYzNjEw> or those listed in Directory of Hong Kong Trade and Industrial Organisations published by the Trade and Industry Department (TID): https://www.tid.gov.hk/en/our_work/support_for_trade_industry/policy_supporting_trade_and_industry/hktio.html or other construction-related trade associations deemed appropriate as endorsed and approved by the relevant CITF committees. To avoid confusion, eligible main industry trade associations and professional bodies shall include Hong Kong Construction Association Limited (HKCA), Hong Kong General Building Contractors Association (HKGBCA), Hong Kong Registered Contractors Association (HKRCA), Hong Kong Construction Sub-contractor Association (HKCSA), Registered Specialist Trade Contractor Federation (RSTCF), Hong Kong Federation of Electrical and Mechanical Contractors (HKFMEC). Examples of eligible professional institutions are The Hong Kong Institution of Engineers (HKIE), The Hong Kong Institute of Architects (HKIA), The Hong Kong Institute of Surveyors (HKIS), and The Hong Kong Institute of Construction Managers (HKICM).

²² Sub-contractors here refer to specialist trade contractors and subcontractors which are registered with the CIC and hold a valid registration at the time of application.

²³ A fixed lump-sum subsidy of \$4,000 shall apply for a 4-hour BIM Viewer Collaborative Training by in-house / external instructors adopting CIC's BIM Viewer Teaching and Learning Kit for not less than 6 numbers of trainees including the administration fee.

²⁴ Applicants shall justify there is no appropriate in-house venue for training purposes.

²⁵ In the context of CITF, "Project adoption" means the adoption of relevant technology in a local construction project in Hong Kong, either under planning or on-going, at the time of application.

²⁶ Computers subsidised by CITF are required to have CITF-funded BIM software installed and be used for this purpose.

²⁷ Examples of best practice include adoption of open book target cost contract, advanced payment to suppliers in the construction contracts etc. subject to case-by-case assessment.

²⁸ MiMEP refers to the integration of multi-trade building services components, into a single volumetric assembly of prefabricated modules, manufactured offsite in a workshop, then transported to the site for connection of modules to complete various trades of building services

installations to minimise on-site works. MiMEP can integrate with structural element, architectural builders' works and finishes (ABWF) to form an advanced assembly, such as false ceiling unit and plant room unit to enhance the productivity.

29 Local Collaborative Courses delivered/ conducted online are supported under the CITF.

30 International Conferences delivered/ conducted online are supported under the CITF.

31 Non-local training/ visit will be supported on a pro-rata basis in proportion to the relevance of the programme serving the CITF objectives at the ratio of the duration of relevant activities of training purpose to the total programme duration i.e .days of relevant programme / days of all programme. A minimum unit of 0.5 days for assessment will be adopted. Applicant is entitled to include one-day before or after the approved training / visit programme as buffer in their budget.

32 The honorarium shall be supported on a reimbursement basis subject to the cap of an hourly rate of \$800 per speaker for all types of local programmes. For calculating the funding support on honorarium, only the actual duration of activities the speakers/ trainers delivered in the programme will be considered.

33 Participating students of non-local programmes may also make alternative arrangement for accommodation such as sharing a twin room with another member of the delegation in order to make savings on the provision for other non-local programmes. Only actual and reimbursable expenses incurred by a student will be deducted from his/her individual ceiling.

34 Quotation(s) are not required to be submitted at the application stage. However, applicants must provide quotation(s) that comply with the procurement procedures mentioned in paragraph I of the General Remarks during the disbursement stage.

35 The CITF supports reasonable meals, food and beverage for both local and non-local programmes. Participation of participants is not necessarily required for networking meals. The grant of subsidy is subject to the following conditions –

	Networking meals with participants of the programmes	Networking meals without participants of the programmes
Attendees	Participants, invited guests, speakers, facilitators and unremunerated organising committee of the programme	Invited guests, speakers, facilitators and unremunerated organising committee of the programme
Ratio of participants	Ratio between non-local and local participants: not less than 1:13	Ratio between invited speakers, guests, facilitators to unremunerated organising committee of the programme: not less than 1:1
	Any claims on reasonable meals in excess of the prescribed ratio will be non-reimbursable	
Funding	- Lunch: max. \$400/ head - Dinner: max. \$600/ head - Overall funding support on meals shall be capped at 20% of total reimbursable expenses of the programme	
No. of persons	- International conference: max. 100 persons - Local Collaborative courses: max. 50 persons - Non local visits / training: max.50 persons	
No. of meals	2 meals per day	2 meals per programme
Remarks	Subsidy on the networking meals with or without participants of the programmes are not mutually exclusive	

36 Applicants shall ensure the recruitment process is undertaken in a fair and transparent manner.

37 Souvenirs will not be supported in general.

38 Procurement of hardware and equipment will only be supported when rental is not available, feasible or cost-effective.

39 The overhead charges is capped at 18.5%.

40 Taxi will not be supported unless supported by justifications.

Examples of Fund Grant Calculation for Different Robotics Rental/Procurement-by-Instalment Scenarios

For assessment of the eligible fund grant and disbursement amounts for procurement-by-instalment of robots, procurement of used robots and rental of robots, some typical examples are given below for easy reference:

(a) Example 1 – Procurement-by-Instalments

- Successful Applicants for procurement of robotics under the ACT category may opt for procurement by instalments. The general disbursement arrangement will be as the example below:

Procurement-by-Instalments					
Example of Disbursement Arrangement for Procurement by Instalments for Robotics					
Background Information:					
Product Price: HK\$1,000,000 Co-fund Ratio: 70% Fund Grant: HK\$700,000 No. of Instalment: 12 (on monthly basis) Instalment Payment: HK\$83,333/ month Cap on Progress Disbursement: 80% of fund grant, i.e. HK\$560,000 Cap on Final Disbursement: 20% of fund grant, i.e. HK\$140,000 Disbursement Intervals: every 3 months					
Amount paid by applicant	\$250,000 ($\$83,333 \times 3$)	\$500,000 ($\$83,333 \times 6$)	\$750,000 ($\$83,333 \times 9$)	\$1,000,000 ($\$83,333 \times 12$)	
	The 3 rd month	The 6 th month	The 9 th month	The 12 th month	12 months from the last progress disbursement request
Each funding disbursement	\$140,000 ($\$83,333 \times 3 \times 70\% \times 80\%$)	\$140,000 ($\$83,333 \times 3 \times 70\% \times 80\%$)	\$140,000 ($\$83,333 \times 3 \times 70\% \times 80\%$)	\$140,000 ($\$83,333 \times 3 \times 70\% \times 80\%$)	\$140,000 ($\$1,000,000 \times 70\% \times 20\%$)
Progress Disbursement Total \$560,000					Final Disbursement \$140,000

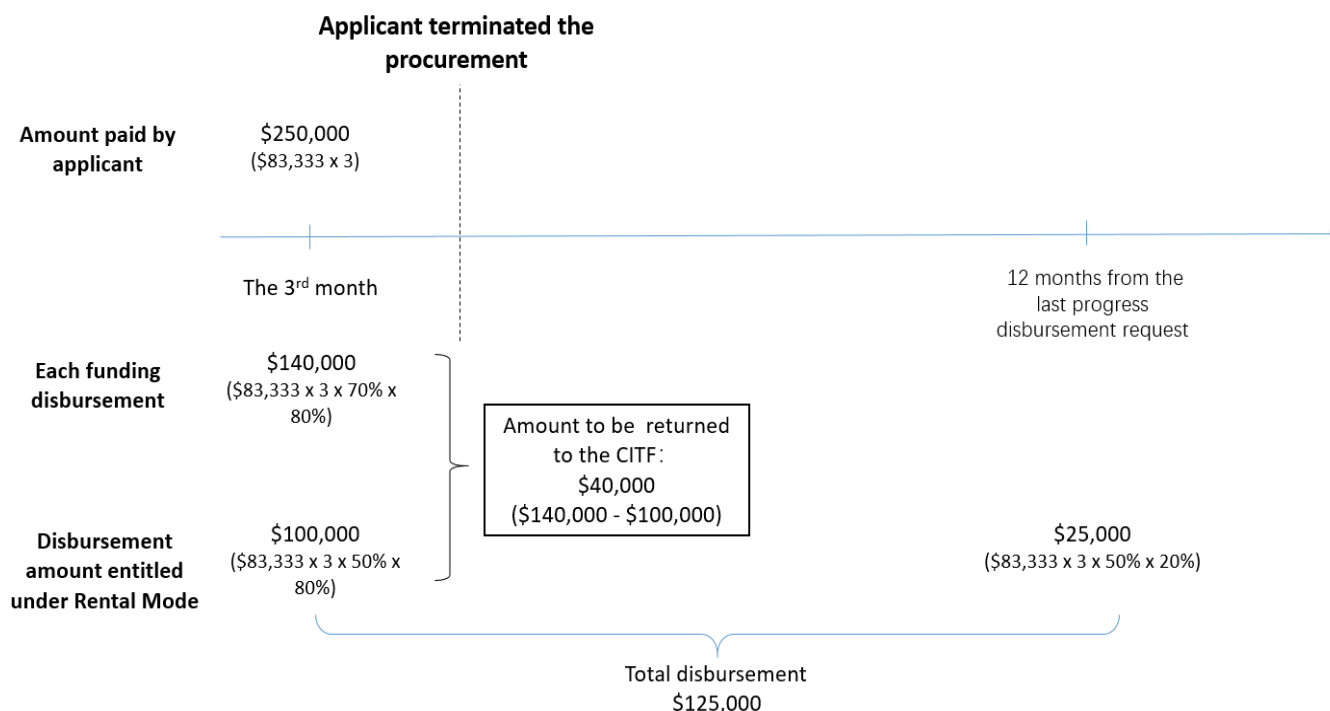
Examples of Fund Grant Calculation for Different Robotics Rental/Procurement-by-Instalment Scenarios

Procurement-by-Instalments		
Disbursement Type	Description	Disbursement Amount (HK\$)
Progress Disbursement (capped at 80% of Grant Amount)	1st Disbursement (for first 3 instalments) (i.e. Monthly instalment amount HK\$83,333 x 3 months x 70% = HK\$175,000 x 80%, ratio of progress disbursement)	\$ 140,000
	2 nd to 4 th Disbursement (for remaining instalments in 4 th to 12 th month) (i.e. Each Disbursement Amount = HK\$83,333 x 3 months x 70% x 80% = \$140,000 x 3 times of disbursements)	Subtotal to \$420,000 (at \$140,000/disbursement)
Final Disbursement (capped at 20% of Grant Amount)	Final Disbursement (upon 12 months from the last progress disbursement request)	\$ 140,000
Total Amount of Disbursement:		\$ 700,000

Procurement-by-Instalments

Arrangement for Termination of Procurement

Assuming the applicant discontinued the procurement after 3 instalments and 1st disbursement. The fund grant amount will be adjusted according to the rental mode of funding support and the applicant shall return the excess amount of fund grant provided as detailed below.



Examples of Fund Grant Calculation for Different Robotics Rental/Procurement-by-Instalment Scenarios

Procurement-by-Instalments		
Arrangement for <u>Termination of Procurement</u>		
Type	Description	Amount (HK\$)
Progress Disbursement	1 st Disbursement Amount (i.e. HK\$83,333 x 3 months x 70% co-fund = HK\$175,000 x 80% ratio of progress disbursement)	\$140,000
Instalments paid	1 st to 3 rd Instalment amounts paid by applicant (i.e. HK\$83,333 x 3 months)	\$250,000
Disbursement amount entitled under Rental Mode	Disbursement amount entitled under rental mode (i.e. HK\$83,333 x 3 months x 50% co-fund = HK\$125,000 x 80% ratio of progress disbursement)	\$100,000
Amount to be returned to the CITF	1 st disbursement amount <i>less</i> disbursement amount entitled under rental mode (i.e. \$140,000 - \$100,000)	\$40,000
Final Disbursement	Final Disbursement Amount (to be released upon 12 months from the last progress disbursement request) (i.e. HK\$83,333 x 3 months x 50% co-fund = HK\$125,000 x 20% ratio of final disbursement)	\$25,000

(b) Example 2 - Procurement of a used robot with one-off payment

Item	Description	Value/ Amount (HK\$)	Remarks
1	New machine cost	\$1,000,000	Nil
2	No. of years from manufacture	Less than 1 year	Nil
3	Used machine initial value (at the time of application)	\$800,000	The straight-line depreciation approach at a standard annual depreciation rate of 20% shall apply for value assessment purpose.
4	Co-fund ratio	70%	Non-locally developed product and non-SME application
5	Fund grant amount	\$560,000	Used machine initial value x applicable co-fund ratio
6	Payment Method	One-off	Nil
7	1 st instalment amount	\$560,000 x 80% = \$448,000	80% of fund grant amount; to be disbursed upon delivery and submission of required documents
8	2 nd (final) instalment amount	\$560,000 - \$448,000 = \$112,000	20% of fund grant amount; to be disbursed upon 12 months from last 1 st instalment disbursement request submission date and submission of required documents

Examples of Fund Grant Calculation for Different Robotics Rental/Procurement-by-Instalment Scenarios

(c) Example 3 - Procurement of a used robot by instalments

Item	Description	Value/ Amount (HK\$)	Remarks
1	New machine cost	\$1,000,000	Nil
2	No. of years from manufacture	Less than 1 year	Nil
3	Used machine initial value (at the time of application)	\$800,000	The straight-line depreciation approach at a standard annual depreciation rate of 20% shall apply for value assessment purpose.
4	Co-fund ratio	70%	Non-locally developed product and non-SME application
5	Fund grant amount	\$560,000	Used machine initial value x applicable co-fund ratio
6	Payment Method	By monthly instalments in 12 months	Nil
7	Monthly instalment amount borne by applicant	Approx. \$66,667	Nil
8	1 st instalment disbursement amount (for each 3-month period x 4 times)	$\$66,667 \times 3 \text{ months} \times 70\% \times 80\% \times 4 \text{ times} = \mathbf{\$112,000 \times 4 \text{ times} = \$448,000}$	80% of corresponding fund grant amount; to be disbursed upon delivery and submission of required documents at each interval of not less than 3 months
9	2 nd (final) instalment disbursement amount	$\$560,000 - \$448,000 = \mathbf{\$112,000}$	20% of fund grant amount; to be disbursed upon 12 months from last 1 st instalment disbursement request submission date and submission of required documents

Examples of Fund Grant Calculation for Different Robotics Rental/Procurement-by-Instalment Scenarios

(d) Example 4 - Rental of a used robot with ownership after the whole agreement period

Item	Description	Value/ Amount (HK\$)	Remarks
1	New machine cost	\$1,000,000	Nil
2	No. of years from manufacture	Less than 1 year	Nil
3	Used machine initial value (at the time of application)	\$800,000	The straight-line depreciation approach at a standard annual depreciation rate of 20% shall apply for value assessment purpose.
4	Rental period stated in the agreement	12 months	Nil
5	Monthly instalment fee borne by applicant	\$70,000	Nil
6	Co-fund ratio	70%	Non-locally developed product and non-SME application; same co-fund ratio for both rental and procurement for robotics
7	Fund grant	$\$70,000 \times 70\% \times 12 \text{ months} = \$588,000$, capped at \$560,000	Fund grant on instalment fees exceeds the cap of applicable co-fund ratio i.e. 70% for the machine initial value in this case (i.e. \$560,000)
8	1 st instalment disbursement amount for the rental fees (for each 3-month period x 4 times)	(a) Nominal disbursement amount of $\$70,000 \times 3 \text{ months} \times 70\% \times 80\% = \$117,600 >$ (b) Entitled disbursement amount per each time of 3 months being \$112,000 (i.e. (Fund grant amount \$560,000 x 80%)/ 12 x 3 months), (c) Since (a)>(b), thus, capped at (b) of \$112,000 for each time x 4 times = \$448,000	80% of corresponding fund grant amount; to be disbursed upon delivery and submission of required documents at each interval of not less than 3 months
9	2 nd (final) instalment disbursement amount	$\$560,000 - \$448,000 = \$112,000$	20% of fund grant amount; to be disbursed upon 12 months from last 1 st instalment disbursement request submission date and submission of required documents

Examples of Fund Grant Calculation for Different Robotics Rental/Procurement-by-Instalment Scenarios

(e) Example 5 - Rental of a used robot with ownership option upon end of rental agreement but applicant opting-out before maturity of the agreement

Item	Description	Value/ Amount (HK\$)	Remarks
1	New machine cost	\$1,000,000	Nil
2	No. of years from manufacture	Less than 1 year	Nil
3	Used machine initial value (at the time of application)	\$800,000	The straight-line depreciation approach at a standard annual depreciation rate of 20% shall apply for value assessment purpose.
4	Rental period stated in the agreement	12 months	Nil
5	Monthly instalment fee borne by applicant	\$70,000	Nil
6	Monthly rental fee	\$60,000	This monthly rental fee shall be used for adjusting the fund grant amount in case the applicant opts out before the maturity date of the agreement
7	Co-fund ratio	70%	Non-locally developed product and non-SME application; same co-fund ratio for both rental and procurement for robotics
8	Fund grant	$\$70,000 \times 70\% \times 12 \text{ months} = \$588,000$, capped at \$560,000	Fund grant on instalment fees exceeds the cap of applicable co-fund ratio i.e. 70% for the machine initial value in this case (i.e. \$560,000)
9	No. of instalments paid by applicant before opting-out	6 months	The applicant opted out upon the end of 6 months of rental. The rental mode of subsidy shall apply as no procurement (i.e. possession) of the robot is actualised.
10	1 st instalment disbursement amount for the rental fees (for each 3-month period x 2 times)	(a) Nominal disbursement amount of $\$70,000 \times 3 \text{ months} \times 70\% \times 80\% = \mathbf{\$117,600} >$ (b) Entitled disbursement amount per each time of 3 months being \$112,000 (i.e. (Fund grant amount \$560,000 x 80%)/ 12 x 3 months), (c) Since (a)>(b), thus,	80% of corresponding fund grant amount; to be disbursed upon delivery and submission of required documents at each interval of not less than 3 months

Examples of Fund Grant Calculation for Different Robotics Rental/Procurement-by-Instalment Scenarios

Item	Description	Value/ Amount (HK\$)	Remarks
		capped at (b) of \$112,000 for each time x 2 times = \$224,000	
11	2 nd (final) instalment disbursement amount	(a) Updated fund grant \$60,000 (monthly rental) x 6 months x 70% = \$252,000 ; (b) Final disbursement amount = Updated fund grant amount of \$252,000 – first instalment disbursed amount of \$224,000 = \$28,000	(a) The 6-month rental period shall be subsidized according to the rental mode of support based on the rental fee as the procurement of the robot is not actualised. (b) Final disbursement amount shall be 20% of updated fund grant amount to be disbursed upon 12 months from last 1 st instalment disbursement request submission date and submission of required documents.

Examples of Earlier Disbursement

Product price: HK\$1,000,000

Approved funding: HK\$700,000

Timing of applicant's payment to vendor	Applicant's Payment	Funding Disbursement by the CIC	Cumulative Funding Disbursement by the CIC	Remarks
1 st deposit (before delivery)	HK\$500,000	HK\$350,000	HK\$350,000	Funding Disbursement = 70% of Applicant's Payment
2 nd deposit (before delivery)	HK\$200,000	HK\$140,000	HK\$490,000	Funding Disbursement = 70% of Applicant's Payment
3 rd deposit (before delivery)	HK\$50,000	Nil	HK\$490,000	Not eligible for earlier funding disbursement as single bank transaction < HK\$100,000
Final (upon delivery)	HK\$250,000	HK\$70,000	HK\$560,000	Cumulative Funding Disbursement = 80% of approved funding
		HK\$140,000	HK\$700,000	Final instalment after 12 months = Remaining 20% of approved funding
Total	HK\$1,000,000	HK\$700,000		