

# **COUNCIL FOR SUSTAINABLE DEVELOPMENT**

## **Education and Publicity Sub-Committee**

Paper 04/04

### **Sustainable Development Fund – Review of Processing Procedures and Monitoring of Approved Projects**

#### **Purpose**

This paper invites Members' views on proposed procedures for processing the second round of applications to the Sustainable Development Fund (SDF) and for monitoring approved projects.

#### **Proposals**

2. We propose that Members-
  - (a) Consider and advise on the recommendations in respect of the procedures for processing the second round of applications to the SDF outlined in paragraphs 8 to 11 below; and
  - (b) Note the procedures for monitoring approved projects outlined in paragraphs 12 to 13 below.

#### **Considerations**

##### *Procedures for Processing the First Round of Applications to the SDF*

3. During the first round of applications to the SDF, the Sustainable Development Unit (SDU) received 127 submissions. Given the large number of applications received, the EPSC Vetting Committee (VC) formed three sub-groups to conduct an initial "screening" of the applications, with assistance from the SDU.
4. Based on the assessment criteria at **Annex A**, VC Members

agreed on a “shortlist” of 32 applications that were considered suitable for further detailed assessment by the SDU. The SDU then conducted a detailed assessment of the applications using a standard marking form, to ensure as far as possible that the process was fair and objective. The VC considered these assessments in detail and made its recommendations for the consideration of the EPSC.

5. The EPSC considered the recommendations of the VC at two meetings on 6 February and 9 March respectively. Having requested and received further information from some applicants concerned, the EPSC made its own recommendations.

6. In making its recommendations, the EPSC considered that there might be scope for applicants to reduce project costs, in particular those for staffing and administration. Applying a set of pricing standards for key budget items for SDF projects, the budgets of the recommended projects were reviewed and in several cases significantly revised.

7. At the meeting on 22 March 2004, the Council for Sustainable Development considered and endorsed the recommendations of the EPSC and the pricing standards for the SDF.

### **Proposed Procedures for Processing the Second Round of Applications to the SDF**

8. The formation of VC sub-groups to conduct the initial screening and short-listing of applications (with assistance from the SDU) proved to be a practical and effective way to complete the screening of a large number of applications within a tight timeframe. Depending on the response to the second round of applications, we **propose** that a similar procedure be adopted to help complete the assessment process in a timely manner.

9. The assessment criteria outlined in Annex A would still be applicable to assessing the second round applications and no major change is recommended. However, to make the detailed assessment form clearer to Members, we **propose** to make the minor changes indicated at **Annex B**.

10. In the first round of applications, priority was given to projects targeted at young people and the wider community. These projects should have a significant impact on community awareness of sustainable

development principles and practices. For the second round of applications, we **propose** that Members consider whether priority might be given to projects targeting other sectors of the community, such as the business or professional sectors – this issue is also related to the proposed education and publicity strategy (paper 05/04) where we propose that the business sector be one of the “target groups” for promoting SD.

11. To help future applicants in drawing up the budgets for their projects, we **propose** that the pricing standards endorsed by the Council be made available to potential applicants when the second round of SDF funding is launched. The pricing standards are at **Annex C** for reference.

### **Mechanism for Monitoring Approved Projects**

12. To ensure that successful applicants can achieve their project objectives and that grants are properly disbursed, grant recipients are required to sign an agreement with the Government and to undertake the project and fulfill their obligations in accordance with the stipulated terms and conditions. Grant recipients are required to submit regular progress reports and financial statements and to provide reports upon the conclusion of the projects. Grant recipients may also be requested to attend public forums and meetings arranged by the SDU to review the progress of their projects and to share their experience in implementing them. Where circumstances justify, the Government shall withhold or reclaim payment from the grant recipients, or even terminate the project in accordance with the agreement.

13. While monitoring the SDF projects is the responsibility of staff of the SDU, EPSC members might wish to assist in monitoring the progress of individual projects, for example by forming small sub-groups. If the Sub-committee were to form, say, four sub-groups, with two to three Members each to monitor two projects, this would provide a mechanism for the EPSC closely to monitor progress with the use of SDF grants. As appropriate, the SDU would make arrangements for the sub-groups to meet grant recipients or “visit” the projects to facilitate better understanding of project implementation. Alternatively, Members might simply wish to monitor projects through reports to the regular EPSC meetings.

**Further Action**

14. Subject to Members' views, we shall make the appropriate arrangements for the second round of applications to be announced in June 2004. To tie in with the second call for applications to the SDF, we shall publicize any new arrangements with respect to the procedures for processing applications and monitoring projects by updating the SDF web page and revising the application guidelines and forms. We will also organize a workshop at the end of June to publicise the second call, with the assistance of the proponents of the approved applications from the first round of funding.

Council Secretariat  
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