

Frequently Asked Questions (FAQs) for Recycling Fund Applicants

Enterprise Support Programme - Relocation Rental Support Project (“RRSP”)

1. Eligibility

1.1 What is the eligibility for applying funding support on RRSP?

Criteria to be eligible for RRSP are set out as follows:

- 1) Any enterprise (including but not limited to sole proprietor, partnership, private company and public company) duly established, incorporated and registered under the laws of Hong Kong or its place of incorporation with a valid business registration certificate issued under the Business Registration Ordinance (Cap 310 of the Laws of Hong Kong) for carrying on a business in Hong Kong (unless it is exempted from the requirement to apply for a business certificate under such Ordinance (where applicable)) and have substantive business operations in Hong Kong. The applicant must provide documentary evidence proving its substantive business operations at the time of application. Such evidence can be employee records, tax returns, business transaction documents such as business contracts, invoices, etc.;
- 2) The applicant should have been involved in recycling related operation with a proven track record for **at least 1 year** before submitting an application to the Recycling Fund; and
- 3) The applicant should be already occupying the existing operation sites for **at least 1 year**.

2. Funding Amount and Principles

2.1. What is the funding amount for RRSP?

Funding for each approved RRSP project would be set at 50% of the total approved project cost and capped at HK\$15 million.

2.2. What are the funding principles for RRSP?

- 1) RRSP should be a **one-off rental relocation support** for each successful applicant and no funding would be provided for further relocation of operation sites.
- 2) The cumulative funding ceiling and the number of approved projects per applicant should make reference to that of ESP. Funding for RRSP will count towards the cumulative funding ceiling and the maximum number of approved projects under the ESP.

2.3. What is the funding period for RRSP?

The funding period for each approved project is 48 months.

2.4. What are the unallowable expenditures items for RRSP?

The approved funding amount should **exclude utilities, rental deposit and rental expenses of assets provided in the premises, such as furniture and equipment, etc.** Application may be rejected if it is made to circumvent any prescribed limit and requirement under the ESP.

2.5. Could the landlord and the tenant (i.e. the applicant) be “related persons”?

Unless prior written approval from the Government / Secretariat is obtained, the applicant should only rent for operation sites from the landlords who are not “related persons”¹.

¹ Please refer to the Guide to Application for the Recycling Fund (Enterprise Support Programme) – Section 3.5.4 for the details of “related person(s)”
https://www.recyclingfund.hk/images/app_esp/guide_e.pdf

3. Application Submission and Assessment Procedures

3.1. What will be the deadline for the applicant to submit the RRSP application, upon signing of the tenancy agreement of the relocation site?

The applicant should note that the Secretariat will consider the date of signing the tenancy agreement of the relocation site with **maximum of 3 months** before date of application submission as supporting document for consideration. If the date of signing the tenancy agreement of the relocation site falls outside 3 months before the date of application submission, such application will not be considered unless advised otherwise by the Secretariat.

3.2. How will the amount of funding support of the relocation site be calculated?

For budgetary items, applicants are required to provide the **latest market rent of each relocation site assessed by Rating and Valuation Department (“RVD”)** to the Secretariat as supporting document. In case if market rent assessed by RVD is not available, applicants can also provide the comparable rental reference or other relevant supporting document for consideration.

3.3. How do I know if the existing operation site and the proposed operation site are classified as proper or improper?

The Secretariat will help applicants to check with **Lands Department** and **Planning Department** on the appropriateness of the existing sites and proposed sites. Common examples of improper sites for recycling activities would be sites within the zoning of agriculture (“AGR”), green belt (“GB”), etc.