



AGRICULTURE, FISHERIES AND
CONSERVATION DEPARTMENT

Sustainable Agricultural Development Fund

Background

In 2016 Policy Address, the Government decided to implement the New Agriculture Policy, including the establishment of the Sustainable Agricultural Development Fund (SADF) to provide financial support for the modernisation and sustainable development of local agriculture.

Purpose and Funding Scope of Projects

General Applications

The SADF is designed to support practical, application-oriented projects, schemes or research work that would help farmers enhance their productivity and output, as well as contribute to fostering the sustainable development and enhancing the overall competitiveness of the agricultural industry. Projects to be considered may include direct grants to individual farmers for mechanizing and modernizing their farming equipment and materials under the “Farm Improvement Scheme” (FIS); funding support for promoting research and development that eases the application of technology to agricultural production; projects to facilitate the transfer of agriculture knowledge, etc. Projects in general should be non-profit making in nature. The SADF Application Guideline has provided further information and examples.

Commercial Projects

Eligible projects may contain commercial elements. There are initiatives that aim at demonstrating the technical feasibility and commercial viability of new agricultural practices and can subsequently be imparted to other stakeholders within the agricultural industry. Such initiatives may involve a commercial element, which will be funded on a dollar-for-dollar matching basis, with the Government’s total contribution capped at the applicant’s total contribution as set at the time the Agreement is signed. In other words, the Government’s contribution will be limited to no more than 50% of the total project costs (where there is no funding from any third party financier(s)). As a general rule, the Government may recoup its contribution in a manner commensurate with the Government’s share of funding contribution in relation to the applicant and third party financier(s), if any, towards the project on a pro rata basis

Eligibility and Assessment Criteria on Projects

The following will be eligible to apply –

- (a) where applications are made by legal entities, the entity concerned should be a company incorporated in Hong Kong under the Companies Ordinance (Cap. 622) and has substantial connection to Hong Kong or a body corporate incorporated in Hong Kong under other Ordinances of the Hong Kong Special Administrative Region, and having demonstrated a close connection with the agricultural industry in Hong Kong. These include local registered agricultural co-operatives, non-profit making agricultural organisations, non-governmental organisations or social enterprises;
- (b) academic and research institutions in Hong Kong; and
- (c) individual farmers seeking grants under the Farm Improvement Scheme (FIS).

Joint applications with overseas organisations and institutions are permissible, provided that the projects are led by a local group/farming organization satisfying the criteria stated in paragraphs (a) to (c) above. Except for applicants seeking grants under the FIS, applicants for funding under SADF must demonstrate that they possess the necessary experience, expertise or technical knowhow in agriculture in order to be eligible to be considered for funding under SADF.

Programmes, projects and research that would facilitate the development of modern and sustainable agriculture, thereby enhancing the overall competitiveness of the agricultural industry as a whole may be considered and awarded on their individual merits (including the efficacy of the project and the capability of the applicant). Whilst the FIS established under SADF is targeted at individual farms to assist them in modernising their farming equipment and facilities, the benefits of projects funded under SADF in general must accrue to the local agricultural community as a whole, and not just to an individual, a single organisation, a consortium of agricultural companies or a narrow sector.

Submission of Applications

The application form can be downloaded from the AFCD website (www.afcd.gov.hk) or obtained from the Sustainable Agricultural Development Fund Secretariat (Secretariat) or the Agricultural Extension Office in Yuen Long. The completed application form, together with background information of the relevant organisation (in particular the relationship with the local agricultural industry) and supporting documents required, should be sent to the Secretariat either by e-mail to sadf@afcd.gov.hk or by post to the following address:

The Sustainable Agricultural Development Fund Secretariat
5/F, Cheung Sha Wan Government Office
303, Cheung Sha Wan Road, Kowloon, Hong Kong

Processing of Applications

The Secretariat will endeavour to ensure that all applications received will be processed expeditiously as far as practicable. The proposed projects will be forwarded to relevant units of AFCD for assessment in parallel. Afterwards, the Secretariat will prepare a summary of the project incorporating the assessment results for consideration by the Advisory Committee. The Director of Agriculture, Fisheries and Conservation may approve, on the advice of the Advisory Committee, grants not exceeding \$15 million. Grant exceeding \$15 million recommended by the Advisory Committee will be subject to the approval of LegCo Finance Committee. The Secretariat will notify applicants of the application results in writing.

Upon approval of a project, the Government will enter into an Agreement with the successful applicant and other relevant parties such as third-party financier(s) as appropriate. The Agreement will prescribe in detail each party's rights, obligations and involvement in the project, etc. If the application is rejected, the Secretariat will notify the unsuccessful applicant in writing of the result and the reasons for the rejection including the criteria that have not been satisfied. The applicant may resubmit an application if it is subsequently substantially revised or incorporated fresh information in response to the queries and concerns raised.

Enquiries

The application guideline can be downloaded from the AFCD website (www.afcd.gov.hk) or obtained from the Agriculture, Fisheries and Conservation Department. For enquiries, please contact the Secretariat:

Contact Tel. : 2150 6829

Fax No. : 2736 5393

Email Address : sadf@afcd.gov.hk

Agriculture, Fisheries and Conservation Department

April 2022