

Invitation Brief

Engagement of an Intermediary for Designing, Developing and Operating a Gerontechnology Platform for the Trustee of the Social Innovation and Entrepreneurship Development Fund (SIE Fund)



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TABLE OF CONTENT

INTRODUCTION AND OVERVIEW	3
SERVICE SCOPE	10
ELIGIBILITY REQUIREMENTS	16
SUBMISSION OF PROPOSAL	17
ASSESSMENT OF PROPOSALS	20
KEY ENGAGEMENT TERMS	23

APPENDICES

Appendix 1	More Information about the SIE Fund
Appendix 2	Template for Business Plan Proposal
Appendix 3	Corporate Governance Guidelines
Appendix 4	Template for Fee Proposal
Appendix 5	Illustration of the Tiered and Incentive-based Payment Structure of Service Fee
Appendix 6	Detailed Assessment Criteria
Appendix 7	Control Measures
Appendix 8	Consent to Disclosure

INTRODUCTION AND OVERVIEW

1. Purpose of this Brief

- 1.1. The Trustee of the SIE Fund (“Trustee”) invites interested parties to submit proposals to act as an intermediary (“Intermediary”) to design, develop and operate a gerontechnology platform (“Platform”) with the service scope as described in paragraph 4 below so as to facilitate the development of the gerontechnology ecosystem in Hong Kong (“Services”).
- 1.2. This Invitation Brief sets out the scope of Services of the Intermediary, the eligibility and submission requirements, the assessment process and criteria to be used in selection of the Intermediary, and the key engagement terms.
- 1.3. The Trustee has the full discretion to decide on the actual funding size and engagement period of the appointed Intermediary, having regard to the proposal received from the Intermediary under this invitation.

2. The SIE Fund

- 2.1 The SIE Fund, as a catalyst for social innovation in Hong Kong, connects our community with different sectors, including businesses, non-governmental organisations (“NGOs”), academics, philanthropies, etc. to create social impact through innovative solutions that address issues related to poverty and social exclusion as well as foster the well-being and cohesion of the society. Mostly through intermediaries, the Fund provides visionary individuals and organisations with diverse resources in support of research, capacity building and the entire life cycle of innovative ventures, from idea incubation and seed funding to implementation and eventual scale-up. The ultimate goal is to foster an ecosystem where social entrepreneurs can thrive and innovative ideas, products and services can benefit society by meeting underserved needs and unleashing underutilised talents.
- 2.2 Established as a Trust Fund in February 2014 under the Secretary for Home Affairs Incorporated, the SIE Fund is overseen by the Commissioner for Efficiency who was appointed by the Trustee as the Secretary-General (“SG”) whereas the SIE Fund Task Force (“TF”) set up under the Commission on Poverty in December 2012 is tasked to advise the SG on all policies and procedures governing the operation of the SIE Fund and all matters relating to the administration of the Fund.
- 2.3 More information about the SIE Fund is at **Appendix I**.

3. The Overall Gerontechnology Landscape in Hong Kong

Challenges and Opportunities

- 3.1 Hong Kong's population is ageing rapidly. Statistics show that by 2040, approximately 30% of the local population will be aged 65 or over, and the elderly dependency ratio¹ will increase drastically from 198 in 2014 to 494 in 2040.
- 3.2 Yet, the future ageing population will be better educated and wealthier than those currently in the same demographic group. In 2016, only 25% of the local population aged 60 or above had received senior secondary or tertiary education, while the corresponding figures were 51% for those aged 50-59, and 67% for those aged 40-49. The latter two groups will enter their golden age in 10 to 20 years respectively. They are expected to seek a more self-reliant and quality living after retirement. Besides, according to the Ageing Asia Silver Economy Index 2015, Hong Kong was ranked second in the Asia-Pacific Region in terms of spending power of the ageing population and their children. These statistics point to greater elderly spending and huge potential of the silver market in Hong Kong with many business opportunities.
- 3.3 Gerontechnology, combining gerontology with technology, is widely recognised as a key to addressing the challenges and tapping the opportunities arising from the ageing population. It is an inter- and multi-disciplinary sector which focuses on the application of technology towards elderly-related products and services to enhance the well-being, quality of life, independence and self-reliance of the elderly, and provide support to the families, caregivers, healthcare staff and institutions. It is an essential element of the "ageing at home" or "ageing in community" concept. These products and services may very often be applied to rehabilitation and cater for the needs of people with disabilities ("PwDs"). In addressing the needs of the society, gerontechnology is set to become another momentum which will generate economic growth and increase productivity in Hong Kong.
- 3.4 The Government has been actively promoting technological innovations as a means to meeting the challenges of our ageing population in recent years. In June 2017, the Government and Hong Kong Council of Social Service ("HKCSS") co-hosted the first Gerontech and Innovation Expo cum Summit ("GIES") in Hong Kong with the aim of building awareness and promoting the potential of gerontechnology. The first GIES was well-received by the community, recording a total of 45 000 participants and visitors, including elderly and rehabilitation service practitioners and users, caregivers, commercial sector, academia and other professionals. Apart from providing stakeholders of various sectors with a platform for discussion and exchange, the GIES had helped raise public awareness of the benefits of technology-based solutions and encourage their use to meet the needs of the aged people of present and future generations. Riding on the success of the first GIES, the second GIES was staged in November 2018, attracting a total of 53 000 participants and

¹ Defined as the number of people aged 65 and over in relation to a thousand of those aged 15 to 64.

visitors.

- 3.5 In the light of the potential of gerontechnology and leveraging on the organisation of the first GIES in 2017, the SIE Fund commissioned the HKCSS to conduct the first landscape study on gerontechnology in Hong Kong in February 2017. Findings of the gerontechnology landscape study were released in June 2017².
- 3.6 The gerontechnology ecosystem in Hong Kong, as illustrated in Figure 1 below, encompasses cross-sector stakeholders on both the supply and demand sides and four main product development stages. Conducted by Our Hong Kong Foundation in partnership with the HKCSS, the landscape study concluded that the current market for gerontechnology in Hong Kong is relatively small compared to other economies, but is expected to grow substantially.

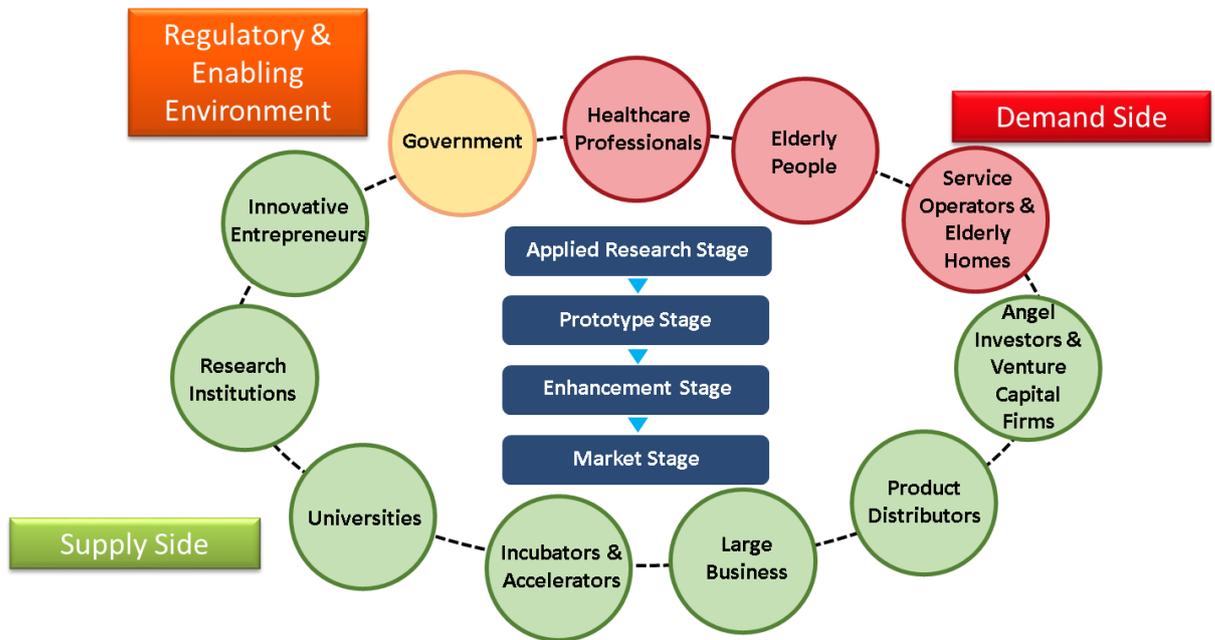


Figure 1: Stakeholders and Stages of Product Development of the Gerontechnology Ecosystem in Hong Kong

- 3.7 The landscape study also looked into 72 products and services with the potential of widespread use in Hong Kong and identified 24 gaps and difficulties involving different stakeholders across various stages of the ecosystem. It has identified five key challenges:
- (a) society's lack of awareness in the importance of technology in improving elderly care;

² The Gerontechnology Landscape Report can be downloaded from the link below - https://ourhkfoundation.org.hk/sites/default/files/media/pdf/healthtech_eng_cover_ss.pdf

- (b) lack of collaboration between different stakeholders in the ecosystem;
- (c) lack of support for Hong Kong gerontechnology companies to overcome the “valley of death”³;
- (d) cultural differences and difficulties in localisation of overseas commercially successful gerontechnology products; and
- (e) lack of testing ground for new gerontechnology products.

3.8 Since the organisation of the first GIES, there has been increasing interest in gerontechnology across different sectors of the community. Different organisations have embarked on their gerontechnology initiatives with a view to addressing the ageing issue and facilitating the development and application of gerontechnology in Hong Kong. Examples include:

- (a) the “Smart Living @ Science Park – Ageing in Place”, a demonstration flat set up by the Hong Kong Science and Technology Park to demonstrate the present technology for an age-friendly home. The flat was opened to public from March 2017 to March 2018;
- (b) the Good Life 365, a physical and online platform launched by the HKCSS in 2018 to advocate gerontechnology and provide a platform for shopping for gerontechnology products, such as innovative ageing auxiliary equipment, living aids products, etc.;
- (c) the Jockey Club Smart Ageing Hub established by the Hong Kong Polytechnic University in October 2018 to serve as a platform for both individuals and the society to enhance the awareness and promote the adoption of new technologies that can facilitate healthy and active ageing population and support people with disabilities;
- (d) the \$1 billion Innovation and Technology Fund for Application in Elderly and Rehabilitation Care, which was announced in the Policy Address in 2017 and launched by the Social Welfare Department in December 2018, to subsidise elderly and rehabilitation service units to try and procure technology products so as to improve the quality of life of service users and reduce the pressure and burden of care staff and carers;
- (e) the Memorandum of Understanding signed between the Hong Kong University of Science and Technology and Haven of Hope Christian Service in December 2018 to, making use of research-based science and technology, co-create

³ “Valley of death” is a funding gap that start-ups often face in the later stages of prototyping and throughout the product enhancement stages because venture capitalists prefer to invest at the later stages of a business development when more information is available and the firm faces a lower risk of failure. As a result, the lack of funding makes it difficult for firms to successfully commercialise their business idea (Gerontechnology Landscape Report, June 2017).

practical solutions to benefit the elderly, local healthcare and social service sectors and make impactful strides toward building a more comprehensive understanding of ageing; and

- (f) the Gerontech Cluster (aka GLink) launched by the Hong Kong Productivity Council in January 2019 with the aim of facilitating exchange of information among industry practitioners, strengthening the development of gerontechnology, and promoting smart ageing in the community.

SIE Fund's Flagship Projects

- 3.9 As a catalyst to build the social innovation ecosystem, in addition to nurturing social ventures through the intermediaries' programmes, the SIE Fund will also actively identify service gaps across the whole of Hong Kong where there is a need for greater co-ordination and collaboration to achieve bigger impact and fund infrastructure or institutions that will help plug these gaps.
- 3.10 Riding on the success of the first flagship project that the Fund has launched to enhance the efficiency and effectiveness of the overall food support service in Hong Kong⁴ and in light of the challenges and opportunities arising from the ageing population, the SIE Fund has, since 2016, explored how to address the challenges and tap the opportunities through innovative means and more extensive cross-sector collaboration.
- 3.11 In October 2016, representatives of the SIE Fund joined an overseas delegation to Japan to appraise the development of gerontechnology in other places. As mentioned in paragraph 3.5 above, we have also commissioned a study to analyse the gerontechnology landscape in February 2017.
- 3.12 Subsequent to the release of the findings of the gerontechnology landscape study, a cross-sector stakeholder engagement workshop was held in June 2017 to brainstorm opportunities. Over 60 participants from a wide spectrum of sectors gathered together and shared their perspectives regarding how to foster the development and application of gerontechnology products and related services in Hong Kong. Whilst acknowledging the challenges identified in the study, most of the workshop participants echoed that fragmentation of both the demand and supply sides was a critical factor hindering the effective development of the ecosystem. The

⁴ In the light of the imbalance between the demand and supply of food support service in Hong Kong, the Fund conducted an extensive stakeholder engagement exercise in 2014 to bring together stakeholders from various sectors to brainstorm ideas and co-create solutions. In 2016, the Fund engaged St. James' Settlement ("SJS") as an intermediary to design, build and operate an inclusive platform for food support service providers to facilitate information sharing, coordination and matching of the demand and supply of surplus food. In May 2017, FOOD-CO was launched by the SJS as Hong Kong's first all-round food support collaborative platform to connect food support service operators, food donors, supporting organisations, volunteers, etc. to enhance service efficiency and effectiveness. As at end February 2019, 257 food service, about 750 food support service points and food donors have been registered under FOOD-CO. Over 2 000 food donation transactions were completed, covering about 320 tonnes of food of a total value of about \$33 million.

participants were of the view that the SIE Fund should consider establishing a gerontechnology platform to link up different stakeholders⁵.

3.13 In early 2018, the SIE Fund decided to establish the Platform to link up different stakeholders on the supply side and connect them with the demand side so as to facilitate the development of the gerontechnology ecosystem in Hong Kong. The initiative will be taken forward as the second flagship project of the Fund.

3.14 The SIE Fund then kick-started a three-stage stakeholder engagement programme to collectively shape the scope and design of the Platform. The first stage was a sharing session held in May 2018⁶ to enable stakeholders to gain an overall picture of the gerontechnology ecosystem in Hong Kong. The second stage was a series of site visits conducted in June 2018 to enable stakeholders to evaluate first-hand the existing situation, challenges and opportunities of the ecosystem⁷. The third stage was two co-creation workshops held in July and August 2018 respectively to engage stakeholders in brainstorming the scope and co-designing the Platform⁸.

3.15 Over 140 stakeholders across various sectors participated in the stakeholder engagement programme. Major views and suggestions on the Platform are summarised below:

- (a) to establish a knowledge repository of different available resources, opportunities, knowledge, data, information, etc. relating to gerontechnology (“Resources”) for stakeholders on both the supply and demand sides of the gerontechnology ecosystem, and facilitate access of the stakeholders to the Resources;
- (b) to link up stakeholders on the supply and demand sides through networks, platforms, activities, events, etc. to facilitate knowledge sharing, exchange, collaboration, co-creation, development and testing of gerontechnology products;
- (c) to support and nurture gerontechnology start-ups, facilitate the purchase and adaptation of overseas gerontechnology products and the testing of new

⁵ A post-event report of the cross-sector stakeholder engagement workshop can be downloaded from the link below:

https://www.sie.gov.hk/html/sie/en/doc/engagement_activity_post-event_report_2017.pdf

⁶ Videos of the presentations made at the sharing session can be downloaded from the link below:

<https://www.sie.gov.hk/en/news-event/news.page?archive=05.2018>

⁷ Post-visit reports can be downloaded from the link below:

https://www.sie.gov.hk/html/sie/en/doc/post_visits_report_gerontech_stakeholder_engagement.pdf

⁸ A summary of the key suggestions collected from the two co-creation workshops can be downloaded from the link below:

<https://www.sie.gov.hk/html/sie/en/doc/Summary%20of%20Views%20of%20the%20Stakeholder%20Engagement%20Programme.pdf>

gerontechnology products;

- (d) to evaluate the effectiveness of the gerontechnology platform against its objectives and target outcomes;
- (e) to commission or undertake researches or studies relating to gerontechnology; and
- (f) to enhance public awareness and appreciation of the use of technology to address the challenges and seize the opportunities arising from the ageing population.

3.16 Taking due account of those views and suggestions as well as the resources, initiatives and support already available in the ecosystem, the TF has endorsed that the Platform should be designed to cover the suggested scope set out in paragraph 3.15(a) to (d) above. Details of the scope are set out in paragraph 4 below.

SERVICE SCOPE

4. Service Scope of the Intermediary

Objectives and Guiding Principles

- 4.1 In view of the challenges and opportunities arising from the ageing population as mentioned above or otherwise expressed by the stakeholders, the SIE Fund has decided to engage **one Intermediary** to design, develop and operate an **inclusive** Platform so as to facilitate the development of the gerontechnology ecosystem in Hong Kong. The Platform should serve to link up different stakeholders on the supply side and connect them with the demand side by way of engagement, cross-sector partnerships and collaborations.
- 4.2 While it is good to see that different organisations are currently working on various initiatives or embarking on their own cross-sector platforms to facilitate the development of gerontechnology in Hong Kong, there may be a risk that these initiatives or platforms would proliferate and a different kind of fragmentation may emerge.
- 4.3 Therefore, the objective of the Platform is not to replace, duplicate or crowd out the valuable work being taken forward by those organisations. Instead, the Platform should facilitate knowledge and experience sharing as well as collaborations across those initiatives or platforms with the aim of gathering the efforts of all stakeholders to address the ageing issue in a holistic manner, avoiding duplication of efforts, building capacity, further synergising, and collectively achieving efficiency and effectiveness in the gerontechnology sector as well as bigger social impact for Hong Kong.
- 4.4 In this connection, the Intermediary is expected to possess strong capability to engage and enlist the support and participation of existing and new stakeholders in delivering the Services. The design, development and operation of the Platform is expected to be flexible and versatile to meet the changing needs and the evolution of the gerontechnology ecosystem. These elements will be assessed under the criteria of “Capability” and “Service Design” respectively when the SIE Fund conducts assessment of the proposals. More details on the assessment of proposals are set out in paragraph 7 below.
- 4.5 In addition, the Platform should be designed, developed and operated in an **inclusive** manner to enable:
- (a) cross-sector partnership, collaboration and engagement with existing and new stakeholders; and
 - (b) complementarity to and linking up of existing and future set-ups, initiatives and efforts of existing and new stakeholders.

- 4.6 The SIE Fund will provide the Intermediary with seed funding to design, develop and operate the Platform. This is a one-off funding grant. The Intermediary is required to devise a business model which will be financially sustainable for the scope of Services covered in this paragraph 4.

Service Scope

- 4.7 The Platform shall comprise the following basic elements:

- (a) Knowledge hub;
- (b) Network and capacity building;
- (c) Consultancy, localisation and testing support; and
- (d) Impact assessment.

The Platform may be designed, developed and operated by phases in terms of the above basic elements and/or different specific themes⁹ to be proposed by the proponents under this invitation (“Proponents”). Elaborations on each element are given below.

- 4.8 Subject to paragraphs 4.1 to 4.7 above, the Intermediary is required to:

Knowledge hub

- (a) design, establish and maintain throughout the engagement period of the Intermediary and three (3) years thereafter an online repository of different Resources¹⁰ for all stakeholders (“Knowledge Hub”) to facilitate information search, research, data analysis, product development and testing, development and operation of elderly care services or rehabilitation services, etc. The Proponent is free to propose the types and varieties of the Resources to be covered by the Knowledge Hub. For the sake of sustainability, the Knowledge Hub should be developed by a commonly-used open source software as far as possible;
- (b) formulate and implement strategy and plan to keep individual stakeholders updated of the latest information of the Resources which are of interest to them

⁹ For example, mental health, food, mobility, health monitoring, ageing in place, institutional care, care for the caregivers, etc.

¹⁰ Examples include funding schemes, sponsorship, donations available, incubation programmes, industry news and publications, support for different types of elderly, PwDs, families, caregivers, care staff and institutions available in the community, insurance plans covering the purchase or rental of gerontechnology products and related services, list and details of tested or adopted gerontechnology products and related services, testing records or results of gerontechnology products and related services, research findings, demographic data, health data, data collected from testing ground and other sources, etc.

with suitable analysis and facilitate their access to the Resources.

Network and capacity building

- (c) formulate and implement strategy and plan to establish networks and organise activities and events for the purpose of:
 - (i) linking up stakeholders on the supply side to facilitate knowledge sharing, exchange and collaboration;
 - (ii) connecting stakeholders on the supply side with funders and facilitating their pitching for external funding and investment to further their businesses;
 - (iii) connecting stakeholders on the supply side with those on the demand side to facilitate collection of local demand and needs, user requirements and experience; idea exchange; and co-creation, development and testing of gerontechnology products and related services; and
 - (iv) building the capacity of stakeholders from different sectors and facilitating cross-sector collaboration in generating innovative ideas and co-designing innovative solutions for specific social issues with the potential of gerontechnology application.
- (d) pursuant to paragraph 4.3 above, formulate and implement strategy and plan to collaborate and link up with other organisations which are working on initiatives relating to the basic elements set out in paragraph 4.7 above as well as those existing and future set-ups, initiatives and efforts of existing and new stakeholders of the gerontechnology ecosystem which serve to facilitate the development of the ecosystem in Hong Kong, so as to achieve co-ordination of the resources from different organisations, avoid duplication of efforts, and create synergy to collectively build a healthy gerontechnology ecosystem in Hong Kong;
- (e) implement any referral and collaboration mechanisms with the Trustee, other intermediaries of the SIE Fund or any other parties as directed by SIE Fund, including, without limitation –
 - (i) referral of innovators/ventures of gerontechnology products and related services which are in need of funding and incubation support to intermediaries of innovative programmes under the SIE Fund;
 - (ii) referral of stakeholders of the gerontechnology ecosystem to enrol in capacity building programmes or participate in capacity building events or activities organised by the Trustee, other intermediaries of the SIE Fund or other actors in the field; and

- (iii) support and contribution to the establishment and operation of a social innovation knowledge hub¹¹ to be established under the SIE Fund.

Referral and collaboration mechanisms will be drawn up by the Trustee in collaboration with the appointed Intermediary and other intermediaries of the SIE Fund after appointment.

Consultancy, localisation and testing support

- (f) set up and maintain a central pool of professionals and consultants¹² to:
 - (i) provide, on a pro bono basis or at concessionary fee, consultancy or mentorship to gerontechnology start-ups which are in need of incubation or specific knowledge, advice, design services, network, etc. for developing or commercialising their products;
 - (ii) strengthen the case-building and pitching skills of gerontechnology start-ups for pitching external funding or investment for furthering their businesses;
- (g) organise tours for stakeholders to visit local and overseas exhibitions, and identify and source suitable overseas gerontechnology products and related services for the Hong Kong market;
- (h) formulate and implement strategy and plan to identify and source overseas gerontechnology products and related services that suit local demands, assemble a group of local service providers to test the products and share their experiences with other local service providers, and identify areas for localisation and adaptation;
- (i) formulate and implement strategy and plan to coordinate and publicise the demand for overseas gerontechnology products and related services among interested local players and facilitate their communication with the suppliers or distributors;
- (j) formulate and implement strategy and plan to engage one single service unit/centre/entity providing elderly care services and/or multiple service units/centres/entities serving different elderly clienteles to showcase and test new gerontechnology products and related services;

¹¹ Social innovation knowledge hub is a platform to be established by the Trustee with the support from an intermediary to be appointed to assist in building the capacity of the whole social innovation ecosystem. The aforesaid intermediary will be required to proactively reach out and link up the different stakeholders of the social innovation space and provide them with one-stop access service and customised support. The gerontechnology Intermediary will be required to support and contribute to the establishment and operation of the hub.

¹² For example, occupational therapists, physiotherapists, pharmacists, engineers, business/investment consultants, etc.

- (k) coordinate and facilitate the provision of professional and technical support and advice (from researchers, product developers, suppliers, etc.) for testing sites by those parties involved in the development of the gerontechnology products and related services under testing;
- (l) formulate and implement strategy and plan to facilitate suppliers and service providers in buying insurance for testing new gerontechnology products and related services;
- (m) compile and disseminate testing records and results of new gerontechnology products and related services to interested stakeholders of the gerontechnology ecosystem;

Impact assessment

- (n) design and conduct a baseline study on the fragmentation of the gerontechnology ecosystem; and
- (o) design and implement a mechanism to regularly measure and evaluate the effectiveness of the Platform against its objective, agreed key performance indicators (“KPIs”), target outcomes and expected impacts as compared to the baseline situation within the engagement period and for three (3) years thereafter.

4.9 In respect of the operation of the Platform, the Intermediary is also required to:

- (a) formulate and implement marketing strategy and plan to promote the Platform through engagement with different sectors including social innovators/ventures, businesses, NGOs, academics, philanthropies, etc.; and
- (b) develop and apply a credible performance management mechanism to measure and evaluate the performance of the Intermediary against the agreed KPIs, target outcomes and expected impacts as stipulated in the legally binding agreement to be signed between the Trustee and Intermediary covering the intermediary engagement (“Engagement Agreement”).

4.10 For smooth delivery of the Services, the Intermediary shall set up a steering committee to oversee the implementation work. This committee shall provide steer, guidance and advice for the Intermediary to deliver the Services. The committee shall comprise at least a representative nominated by the Trustee as well as those from a variety of relevant sectors. Its composition during the engagement period should be agreed by the Trustee.

4.11 The appointed Intermediary will be required to submit information and data of the Platform to the Trustee from time to time upon request. The information and data to be submitted and their format of submission will be discussed between the Trustee and the Intermediary.

4.12 The Proponent is free to propose the duration of the engagement period for designing, developing and operating the Platform but the proposed period should last for **at least three (3) years and no more than five (5) years**.

4.13 To ensure that various information and communication technology system support is in place to underpin the operation of the Knowledge Hub covered in paragraphs 4.8(a) & (b) and any other information technology (IT) system (“System”) to be established by the Intermediary for delivering the Services, the Intermediary shall undertake different measures, including but not limited to:

(a) IT security risk assessment and audit conducted by an independent consulting firm before launching the Knowledge Hub and System in a manner widely adopted by the IT industry. Reference can be made to the guidelines adopted for government IT projects at -

https://www.ogcio.gov.hk/en/our_work/information_cyber_security/governme nt/doc/ISPG-SM01.pdf; and

(b) contingency plan or disaster recovery plan to ensure continuous operation of the Knowledge Hub and System in the event of a disastrous disruption with the aim of minimising the disruption effects on users of and services provided through the Knowledge Hub and System. It may include some interim measures to recover the Knowledge Hub and System following an emergency or service disruption arising from system/operation failure of the Knowledge Hub and System. Interim measures can include the relocation of the Knowledge Hub and System to an alternate site, the recovery of services using alternate equipment, or the performance of services using alternative (e.g. manual) methods. The Intermediary shall identify and recommend safeguards with the aim of strengthening the service management, security management and business continuity of the Knowledge Hub and System.

ELIGIBILITY REQUIREMENTS

5. Eligibility Requirements

- 5.1 Subject to paragraph 5.2 below, without limitation, the Intermediary can be (i) a charitable institution of a public character exempted from tax under section 88 of the Inland Revenue Ordinance (Cap 112); (ii) a company (private or public) formed and registered under the Companies Ordinance (Cap 622); (iii) a co-operative society registered under the Co-operative Societies Ordinance (Cap 33); (iv) a society registered under the Societies Ordinance (Cap 151); or (v) a statutory body established under the legislation in Hong Kong. For a legal entity not specified above, its eligibility will be considered on a case-by-case basis.
- 5.2 The Intermediary must have been duly formed, registered, established or constituted in Hong Kong under the relevant legislation on the date that it enters into an Engagement Agreement with the Trustee. It must be an entity capable of entering into the Engagement Agreement and must **not** be a natural person only or sole proprietor only.
- 5.3 Proponents are encouraged to engage partners from different sectors and of different strengths in formulating their proposals. They are also welcome to form an alliance/consortium with their partners to submit proposals. In this case, one of the parties should be assigned as the principal proponent (“Principal Proponent”) and authorised by all other parties to take up the overall coordination role and, on behalf of the alliance/consortium, liaise with the Trustee on all matters relating to this invitation exercise. If the alliance / consortium is eventually selected as the Intermediary by the Trustee, the Principal Proponent will have to enter into the Engagement Agreement with the Trustee and be held responsible for the due and faithful performance of the Intermediary as a whole, including every party in the alliance/consortium, as prescribed in the Engagement Agreement. The eligibility requirements set out in paragraphs 5.1 and 5.2 above will apply only to the Principal Proponent but not the other parties of the alliance/consortium.
- 5.4 **Proposals received from Proponents that do not meet the eligibility requirements set out in paragraphs 5.1 to 5.3 above will not be considered further.**

SUBMISSION OF PROPOSAL

6. Submission of Proposal

- 6.1 Interested parties are invited to submit proposals to act as the Intermediary to design, develop and operate the Platform for the Trustee. **Each Proponent may submit only one proposal.** If the Proponent takes the form of an alliance/consortium comprising two or more parties, the Principal Proponent may submit only one proposal, while other parties of the alliance/consortium (i.e. those other than the Principal Proponent) may be involved in more than one proposal as a party under different alliance(s)/consortium(s) but not as the Principal Proponent of the alliance(s) / consortium(s). **Proposals received from Proponents that fail to comply with this requirement will not be considered further.**
- 6.2 A valid proposal must consist of a **Business Plan Proposal** and a **Fee Proposal**. Proposal submitted shall be valid for a minimum of twelve (12) months from the Proposal Closing Date (see paragraph 6.4 below). Proponents are required to indicate the validity period of their proposal in the Business Plan Proposal. The Trustee may request an extension of the validity period of the proposal.
- 6.3 The Proponent shall submit, for each of the Business Plan Proposal and the Fee Proposal, one (1) set of hardcopy and one (1) set of softcopy stored in a USB thumb-drive and placed in a sealed plain envelope marked **“Proposal for Design, Development and Operation of a Gerontechnology Platform for the SIE Fund”**.
- 6.4 The proposals must be submitted by depositing in the collection box marked as **“Proposal for Design, Development and Operation of a Gerontechnology Platform for the SIE Fund”** located at the Efficiency Office, 41/F, Revenue Tower, 5 Gloucester Road, Wan Chai, Hong Kong, not later than **18:00 hr on 23 July 2019** (Hong Kong Date and Time) or such other date as extended under paragraph 6.5 below (“Proposal Closing Date”).
- 6.5 If a black rainstorm warning or tropical cyclone warning signal No. 8 or above is hoisted between 9:00 hr and 18:00 hr on the Proposal Closing Date, the deadline for submission will be extended to 18:00 hr on the following working day.
- 6.6 **Late submissions or proposals not complying with paragraphs 6.1 to 6.4 above will not be considered further.**
- 6.7 The Business Plan Proposal is expected to contain the information as specified in the template at **Appendix 2**. To facilitate a comprehensive and accurate assessment of the proposal, the Proponent is strongly recommended to adopt the framework of the template in preparing the proposal and provide all the information required.
- 6.8 When submitting the Business Plan Proposal, each Proponent is required to provide its Corporate Governance Plan (see Part II(b)(4a)(v) of the template at **Appendix**

2) in accordance with the corporate governance guidelines stipulated at **Appendix 3**.

- 6.9 Each Proponent shall disclose in the Business Plan Proposal any circumstances which may reasonably be considered to give rise to a situation where the interests of the Proponent or each of the relevant persons conflict or compete with the Intermediary's duties to the Trustee in the performance of the Services (see Part II(a)(D) of the template at **Appendix 2** and paragraph 17 below).
- 6.10 Information to be included in the Fee Proposal is set out in the template at **Appendix 4**. In the proposal, each Proponent must submit a fixed, all-inclusive lump sum service fee in Hong Kong Dollars for providing the proposed Services covering the proposed engagement period. The service fee quoted, with cost breakdown, should include, without limitation, the costs for engaging implementation partners and hiring sub-contractors, if any, and those for compliance with the terms and conditions of the engagement¹³. Save for the incentive payment(s) provided in paragraph 6.11 below (i.e. additional service fees for delivering/achieving a maximum of two better levels of performance above the baseline), no other expenses, costs, charges or disbursements will be payable by the Trustee for the Services proposed by the Proponent on top of the fixed, all-inclusive lump sum service fee.
- 6.11 A tiered and incentive-based payment structure, with the fixed, all-inclusive lump sum service fee mentioned in paragraph 6.10 above as the "baseline service fee" (Tier 0), will be considered by the Trustee in appointing the Intermediary. Apart from the fixed, all-inclusive lump sum service fee required for delivering/achieving the baseline performance, Proponents are invited to include in the Fee Proposal additional service fees for delivering/achieving a maximum of two better levels of performance (Tiers 1 and 2) above the baseline (see illustration at **Appendix 5**). Correspondingly, Proponents should specify in the Business Plan Proposal the types and levels of KPIs linked to the payment of the different tiers of service fee (see Part II(a)(C) of the template at **Appendix 2**).
- 6.12 To facilitate a comprehensive and accurate assessment of the proposal, the Proponent is strongly recommended to adopt the framework of the template at **Appendix 4** in preparing the Fee Proposal and provide all the information required.
- 6.13 For the purpose of financial vetting mentioned in paragraph 7.9 below, after submission of the proposal, a Proponent shall, upon written request by the Trustee, provide the Trustee with information and documents on or before a specified date stipulated in the written request. If the Proponent fails to provide the information and documents on or before the specified date, the proposal will not be considered further.

¹³ Including, for example, the fees for appointing external bodies to conduct annual performance assessment (see paragraph 11.2) and prepare annual audited accounts (see paragraph 13.1) respectively.

- 6.14 By submitting a proposal, the Proponent represents and warrants that it shall not communicate or fix with any person not related to its proposal on the amount of fee, make any arrangement with any such person as to whether to submit a proposal, or otherwise collude with any person in relation to this engagement. Breach of any of the aforementioned representations and/or warranties may result in rejection of the proposal, withdrawal of the acceptance of the proposal or termination of the Engagement Agreement (as the case may be), in addition to other rights and remedies against the Intermediary and possible disqualification of the Proponent's future standing as an intermediary for the Trustee.
- 6.15 By submitting a proposal, the Proponent shall be deemed to agree that the Trustee may make necessary copies of the proposals and provide the same to any relevant Government officers or other relevant individuals for the assessment of the proposals.
- 6.16 All proposals are submitted on the understanding that the Trustee will not be liable to pay any costs and expenses arising out of the preparation and submission or in explaining or clarifying their proposals, or otherwise in response to this invitation.
- 6.17 After submission of the proposals, the Proponents shall not attempt to initiate any further contact, whether direct or indirect, with the Trustee on its proposals or this invitation to submit proposals. Any further contact shall only be initiated by the Trustee. Except as requested by the Trustee, any further information relating to the proposals submitted to the Trustee after the Proposal Closing Date will not be considered.

ASSESSMENT OF PROPOSALS

7. Assessment of Proposals

- 7.1 Proposals received from Proponents will be assessed by the Intermediary Assessment Committee (“IAC”) established under the TF. Membership of the IAC comprises some serving members of the TF and a government official from the Efficiency Office.
- 7.2 The IAC will assess the proposals according to a set of pre-determined assessment criteria as follows:

Assessment Criteria	Maximum Score
1. Vision, Objectives and Impact	10
2. Capability	20
3. Service Design	35
4. Implementation/Execution	15
5. Cost Effectiveness	20
Total Score:	100

Details of the assessment criteria are provided at **Appendix 6**.

- 7.3 “Capability” and “Service Design” are critical assessment criteria with passing score of 50% of the maximum score each. Proposals that fail to exceed the passing score in any one of the two critical criteria will not be considered further. For details, please see paragraph 7.5 below.
- 7.4 Proposals received from Proponents will be subject to a three-stage assessment process as follows:
- Stage 1 – Paper assessment by the IAC
- Stage 2 – Interview by the IAC
- Stage 3 – Endorsement by the TF
- 7.5 In Stage 1, the IAC will conduct paper assessment as follows –
- (a) assess each Proponent against the eligibility requirements set out in paragraphs 5.1 to 5.3 above and its compliance with the requirements for submission of proposals set out in paragraphs 6.1 to 6.4 above. Proposals received from

Proponents that do not meet the aforesaid requirements will not be considered further;

- (b) assess each eligible proposal against the two critical assessment criteria (i.e. “Capability” or “Service Design”). Proposals that fail to exceed the passing score (i.e. 50% of the maximum score) of any one of the two criteria will not be considered further;
 - (c) for those proposals exceeding the passing scores of the two critical assessment criteria, further assess them against the other three assessment criteria (i.e. “Vision, Objectives and Impact”, “Implementation/Execution” and “Cost Effectiveness”). Those proposals reaching the following scores will be further considered in Stage 2 of the assessment process –
 - (i) a total score of 60 or above; or
 - (ii) a total score between 50 and 60, with any one of the two critical assessment criteria exceeding 70% of the maximum score of the respective criterion.
- 7.6 In Stage 2, Proponents passing Stage 1 will be invited to attend an interview conducted by the IAC. The IAC may seek clarification from and enter into discussion with the Proponents in relation to any aspect of their proposals. Any discussion or any assessment carried out through this process do not constitute any engagement or funding commitment by the Trustee.
- 7.7 The IAC will finalise its assessment on the Proponents in Stage 2 against the assessment criteria set out at **Appendix 6** having regard to the merits of their proposals, and the clarification sought and discussion with the Proponents after proposal submission.
- 7.8 In Stage 3, the TF will review the recommendations of the IAC and endorse the appointment of the Intermediary. Appointment of the Intermediary will be made by the Trustee on the advice of the TF.
- 7.9 For the purpose of ascertaining the Proponent’s financial capability in delivering the Services, if the estimated total contract value exceeds \$15 million in Hong Kong Dollars, the Trustee may, in the course of assessing the proposal of the Proponent, conduct financial vetting of the Proponent based on the information and documents provided by the Proponent pursuant to paragraph 6.13 above.
- 7.10 The Trustee may, as a condition for appointment, serve a written notice to and the selected Intermediary is thereby required to provide the Trustee on or before a specified date a contract deposit in cash, in the form of a banker’s guarantee or in the manner to be specified by the Trustee an amount equivalent to 2% to 6% of the fixed, all-inclusive lump sum service fee agreed between the Trustee and selected Intermediary. If the selected Intermediary fails to provide the contract deposit on or before the specified date, the offer of appointment by the Trustee may deem to lapse

and become invalid.

- 7.11 The Trustee reserves the right, in its sole and absolute discretion, not to accept any proposal, or to appoint any of Proponents who have submitted proposals in response to this invitation for the whole or any part of the engagement. The Trustee is also under no obligation to review or discuss the assessment or assessment result of any proposal with any person.

KEY ENGAGEMENT TERMS

8. The following sets out the essence of the key contractual terms and conditions that may be incorporated in the Engagement Agreement to be made between the Trustee and the appointed Intermediary. The Engagement Agreement shall contain terms and conditions of the engagement, including, without limitation, the matters referred to in this Invitation Brief, expanded and modified as necessary, and other matters relating to the engagement.

9. Engagement Period

9.1 The engagement period of the Intermediary shall be between three (3) and five (5) years, depending on the design and merits of the proposal of the appointed Intermediary. The Trustee has the full discretion to decide on the engagement period and apply contract break clause(s) before expiry of the full engagement period.

10. Payment Arrangement

10.1 The service fee payable by the Trustee for the Services provided by the Intermediary shall be payable in periodic instalments, subject to the Intermediary's satisfactory performance and compliance with relevant terms and conditions in the Engagement Agreement. Interval of the periodic instalments will be discussed between the Trustee and the Intermediary. The Trustee may consider making upfront payment if so requested by the Intermediary.

10.2 The Trustee is entitled to withhold, defer, forfeit or deduct any instalment of the service fee under circumstances to be specified in the Engagement Agreement.

11. Performance Monitoring of the Intermediary

11.1 The appointed Intermediary shall produce a detailed implementation plan including, without limitation: (a) proposed activities to be undertaken and the work plan; (b) the budget required; and (c) performance indicators to gauge the level of performance by the Intermediary and effectiveness of the Platform, throughout the engagement period.

11.2 The Intermediary is required to submit periodic operation reports and appoint an external body to conduct an annual assessment on its performance. The annual assessment should cover, without limitation, the views of the SIE Fund, stakeholders of the gerontechnology ecosystem and users of the Platform on the performance of the Intermediary and effectiveness of the Platform, progress-to-date, problems encountered and remedial measures taken, achievements against the intended outcomes/impacts, etc. Interval of the periodic operation reports shall tie in with the interval of the periodic instalments in paragraph 10.1 above.

12. Corporate Governance

- 12.1 The Intermediary undertakes to comply with and observe in all respects all applicable laws and regulations of Hong Kong in carrying out the Services including, without limitation, giving all notices, paying all fees, obtaining and retaining all licences, consents and approval required thereunder, and ongoing compliance with all conditions attached to any such licence, consent or approval.
- 12.2 A separate set of control measures (see example at **Appendix 7**) will be imposed on the Intermediary by the Trustee to ensure proper use and handling of funds (including, without limitation, sponsorship and donation (if any) received from the operation of the Platform).

13. Financial Reporting and Controls

- 13.1 The Intermediary shall maintain full and proper books of accounts and records in respect of the use of the SIE Fund and submit financial reports (including audited annual/financial reports) to the Trustee and comply with financial control requirements applicable to the engagement period and three (3) years thereafter.

14. Sponsorship and Donations

- 14.1 The Intermediary may accept from third party sponsors or donations for itself to deliver the Services provided that (i) the terms and conditions imposed by the funders, sponsors, donors, etc. if any, are consistent with the objectives and the terms and conditions of the Engagement Agreement; and (ii) prior written approval of the Trustee for acceptance of sponsorship or donations has been obtained. Other than the above, no other revenue from third party may be obtained save as otherwise agreed by the Trustee.

15. Variation in the Scope of the Services

- 15.1 The Trustee may during the engagement period make variations to the scope of the Services provided by the Intermediary, subject to good faith discussion with the Intermediary regarding the impact upon timelines, costs, payment schedule, etc.

16. Insurance

- 16.1 The Intermediary shall ensure that there will be in place during the continuance of the Engagement Agreement a valid and subsisting public liability policy of insurance sufficient to protect the Intermediary and the Trustee from claims for personal injury, bodily injury (including, without limitation, death) and property damage that may arise from or in connection with the performance of the Services.

17. Conflict of Interest

17.1 The Intermediary shall during the term of the Engagement Agreement made between the Trustee and the Intermediary and for three (3) years thereafter ensure that it, including its directors, employees, sub-contractors, etc. shall not engage in any act which conflicts or competes, or which may be seen to conflict or compete, with the Intermediary's duties to the Trustee under the Engagement Agreement. Where required by the Trustee, the Intermediary shall procure any of the relevant persons to execute a legally binding written undertaking in a form prescribed by the Trustee agreeing to the avoidance of the conflict provision.

18. Probity and Anti-Corruption

18.1 The Intermediary is expected to observe the Prevention of Bribery Ordinance (Cap 201) (the "Ordinance"). If offences are committed under the Ordinance by relevant persons, the Trustee shall be entitled to forthwith terminate the Engagement Agreement.

19. Data Security

19.1 The Intermediary and all personnel engaged in the performance of the Intermediary's obligations under the Engagement Agreement shall observe all their obligations under the Personal Data (Privacy) Ordinance (Cap 486) and ensure compliance with the Ordinance when handling personal data.

19.2 The Intermediary shall indemnify the Trustee against any loss or damage, which the Trustee may sustain or incur as a result of any breach of confidence or violation of the Personal Data (Privacy) Ordinance by any of those who are involved in the handling of personal data under the Platform.

20. Confidentiality

20.1 Proponents and the appointed Intermediary shall keep all data and information relating to assessment confidential and for internal use only. All information relating to the engagement shall also be subject to obligations of confidentiality during and after the engagement.

21. Intellectual Property Rights

21.1 Subject to paragraph 21.2 below, all intellectual property rights subsisting in any deliverables, including, without limitation, any reports and related materials, prepared, produced or created by the Intermediary arising from the delivery of or in relation to the Services ("Deliverables") shall be and remain vested in the Intermediary upon creation.

- 21.2 The Intermediary shall grant for the benefits of the Trustee, its authorised users, assignees and successors-in-title, a non-exclusive, free of any fee or charge, perpetual, worldwide, irrevocable, sub-licensable and transferable right or licence, to retain, copy, distribute and otherwise use such Deliverables for any purpose as the Trustee deems fit and to do the acts which are otherwise restricted by the intellectual property rights subsisting in Deliverables for any purposes as the Trustee deems fit. In relation to any part(s) of the Deliverables to which the Intermediary is not empowered to grant the right or licence aforesaid, the Intermediary shall undertake to procure at its sole cost and expense the grant of such right or licence for the benefits of the Trustee, its authorised users, assigns and successor-in-title by the relevant third party intellectual property rights owners.
- 21.3 It is the responsibility of the Intermediary to ensure that it complies with the provisions of the intellectual property laws of Hong Kong (including but not limited to the Trade Marks Ordinance (Cap 559), Patents Ordinance (Cap 514), Registered Designs Ordinance (Cap 522), Copyright Ordinance (Cap 528), if applicable). Under no circumstances should the Trustee be held liable for any breaches of intellectual property rights caused by the Intermediary.

22. Termination of the Engagement Agreement

- 22.1 The Trustee may terminate the Engagement Agreement forthwith upon giving written notice to the Intermediary, if, in the opinion of the Trustee, there is any breach or default by the Intermediary. The Trustee further reserves the right to terminate the Engagement without cause and/or to suspend the Engagement Agreement.
- 22.2 The Trustee reserves the right to re-assign the Services to another intermediary or take over the Services anytime within and beyond the engagement period if, in the sole and absolute opinion of the Trustee, the Intermediary fails to deliver the Services satisfactorily. Upon the re-assignment or the take-over of the Services or upon request of the Trustee, the Intermediary shall at its own costs provide all necessary assistance to the Trustee as determined by the Trustee.

23. Liabilities and Indemnity

- 23.1 The Intermediary shall indemnify and keep indemnified the Trustee against any and all claims which arise directly or indirectly in connection with or out of, or which relate in any way to its breach of the Engagement Agreement or other default as will be more particularly set out in the Engagement Agreement. The Trustee may require the Intermediary to take out or maintain (as the case may be) a valid policy of professional indemnity insurance to cover its liabilities under the Engagement Agreement.

24. Non-Assignment, Restrictions on Sub-Contracting and the Use of Sub-contractors

24.1 Assignment, transfer of sub-contracting of interests, rights, benefits or obligations under the Engagement Agreement are not permitted without the prior written consent of the Trustee. If all or any part of the Services is/are sub-contracted to any person in accordance with the Engagement Agreement, the Intermediary shall be liable for the full remuneration under the sub-contract and any act or omission of any such person as if such act or omission were its own.

25. Consent to Disclosure

25.1 The Trustee shall have the right to disclose to any person whenever it considers appropriate (i) the fees and expenses (including detailed breakdown) for engaging the Intermediary; (ii) the Fee Proposal (or part thereof) submitted by the Intermediary; and (iii) the engagement by the Trustee under the Engagement Agreement. Each Proponent shall complete, execute and deliver to the Trustee a Consent to Disclosure in the form attached at **Appendix 8** together with its **Business Plan Proposal** in respect of the Engagement.

26. Nature of Agreement

26.1 The Intermediary will be engaged by the Trustee as an independent contractor on a principal-to-principal basis and not as a partner, employee or agent of the Trustee or as a trustee for others.

27. Governing Law

27.1 The governing laws of this Invitation Brief and the Engagement Agreement shall be the laws of Hong Kong.

28. Trustee Not Liable for Information

28.1 The Intermediary should note that all information and statistics provided by the Trustee in connection with the engagement are for reference only. The Trustee gives no warranty or representation, expressed or implied, and accepts no liability as to the accuracy, availability, completeness, usefulness. Therefore, the Intermediary shall conduct its own independent assessment of the information and statistics.

29. Third Party Rights

29.1 Unless otherwise specified herein, no third parties shall have any rights pursuant to the Contracts (Rights of Third Parties) Ordinance (Cap 623) to enforce any term contained in this Invitation Brief.

30. Settlement of Disputes

- 30.1 Any dispute or difference between the parties arising out of or in connection with the Engagement Agreement shall first be mediated, and if still not settled, be referred to arbitration.

More Information about the SIE Fund

Established in September 2013 with an allocation of \$500 million from the Lotteries Fund, the SIE Fund seeks to alleviate poverty and social exclusion, and foster well-being and cohesion of the society in Hong Kong by promoting social innovation and nurturing social entrepreneurship.

Objectives of the SIE Fund

2. The objectives of the SIE Fund, as set out in its Trust Deed, are:

“To establish or support schemes and experiments with a view to attracting, inspiring or nurturing social entrepreneurship to develop innovations that aim at creating social impact and build social capital for supporting poverty relief in Hong Kong.”

By way of interpretation, “poverty relief” covers not only alleviation and prevention of poverty but also prevention of social exclusion, enhancement of the overall well-being of the beneficiaries, and facilitation of social cohesion. “Innovations that aim at creating social impact” are also known as “social innovations” which can be exemplified by advances in knowledge, products and services, including applications of existing business models, processes and methods to meet social needs.

3. Operation of the SIE Fund is guided by the following principles:

- (a) social innovation is the focus, not social enterprises per se;
- (b) the scope of the SIE Fund should remain flexible for more effective delivery of results in the light of actual experience;
- (c) focus on innovative ideas to alleviate and prevent poverty and social exclusion as well as foster the well-being and cohesion of the society;
- (d) risk assessment is important while promoting innovation so as to maintain the prudent use of public money; and
- (e) no overlapping with other existing public funding.

Ultimate Beneficiaries

4. The SIE Fund intends to benefit members of the public in Hong Kong who are generally residents of Hong Kong without conditions of stay and in need of assistance such as elderly, people with disabilities, ethnic minorities, underprivileged children/youth, single parents, new arrivals, low income families, and other segments of the community in Hong Kong who are in need of assistance and improved opportunity.

Funding Priorities

5. With a view to building up an ecosystem for nurturing social innovators/ventures to generate innovative ideas, the SIE Fund has accorded priority to initiatives that support three areas contributing to the development of a broad base for social innovation and entrepreneurship, namely innovative programmes, capacity building and research.

6. For innovative programmes, the objective is to provide funding, incubation and other support for social innovators/ventures and innovative projects of various stages, from idea generation, prototype to start-up and scale-up (including those crossing the “valley of death”).

7. For capacity building, the objective is to foster the development of the social innovation ecosystem, the work of which includes, for example, nurturing social entrepreneurs, enhancing the capacity of all involved actors, facilitating cross-sector collaboration, building public awareness and understanding of social innovation as a means to addressing social needs, etc.

8. For research, the objective is to identify areas of needs and opportunities and explore solutions by encouraging and supporting social, applied and action research as well as evidence-based pilots on social innovation.

Achievements

9. Since the establishment of the SIE Fund, over \$150 million has been allocated to take forward the various initiatives under the three priority areas. As at end March 2019, more than 1 200 ideas for social innovation have been generated, nearly 3 800 social entrepreneurs nurtured and 177 projects funded. These projects are expected to benefit about 160 000 people in need in Hong Kong. Achievements under the three priority areas are detailed below:

- (a) Innovative programmes - more than 1 000 ideas for social innovation ideas have been generated and 147 innovative projects funded, benefiting nearly 59 000 people in need including children and youth, elderly, ethnic minorities, people with disabilities, low income families, etc. The nature of the funded projects is diverse, encompassing healthcare, food, living, transport, education and learning, job training, job opportunities, and community participation, etc.;

- (b) Capacity building – seven projects have been funded, including the Food Support Flagship Project and the Community Housing Movement which are expected to benefit 22 000 persons and 1 000 low-income families respectively. Besides, more than 560 training and promotional events have been organised to raise the awareness and support for social innovation across different sectors. 140 000 attendances have been recorded, more than 200 ideas for social innovation generated and nearly 3 800 social entrepreneurs nurtured; and
- (c) Research – 23 research projects have been commissioned or funded. The research findings will help identify social problems and formulate corresponding strategies and solutions. Those applied research projects are expected to benefit nearly 78 000 persons, including those with mild neurocognitive disorder, ethnic minority students, the hearing, visually and speech impaired as well as children with autism.

- End -

Template for Business Plan Proposal

Points to Note:

1. Business Plan Proposal is expected to contain the information as specified below. To facilitate a comprehensive and accurate assessment of the proposal, the Proponent is strongly recommended to adopt the framework of the template below in preparing the proposal and provide all the information required. Failing to provide as specified may obtain low or no marks in the assessment.
2. In case the proposal is submitted by an alliance/consortium comprising two or more parties, **each party should complete Part I in separate sheets**. Please also indicate which one of the parties is authorised to take up the role of Principal Proponent and, on behalf of the alliance/consortium, liaise with the Trustee of the SIE Fund on all matters relating to this invitation exercise. It is preferable for the Proponent to attach relevant letters of intent or memoranda of understanding among the parties of alliance/consortium in support of the proposal.
3. In submitting the Business Plan Proposal, please ensure that the following information has been included in the proposal:
 - a. Part I – Particulars of the Proponent
(one form for each party in case of an alliance/consortium)
 - b. Part II(a) – Details of Proposal (Form))
 - c. Part II(b) – Details of Proposal (Free Format))

Part I - Particulars of the Proponent

Registered Name of Entity:	(Chi)	
	(Eng)	
<i>If the Proponent is an alliance/consortium, please indicate if the above entity is authorised to take up role of Principal Proponent and, on behalf of the alliance/consortium, liaise with the Trustee on all matters relating to this invitation exercise</i>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Correspondence Address		
Website (if any)		
Business Registration No. (if applicable)		
Name of the Contact Person	(Chi)	
	(Eng)	
Post title of the Contact Person		
Telephone No.		
Fax No.		
Email Address		
Mode of Entity (see paragraph 5.1 of the Invitation Brief):		
<input type="checkbox"/> Charitable institution of a public character exempted from tax under section 88 of the Inland Revenue Ordinance (Cap 112)		
<input type="checkbox"/> Company (private or public) formed and registered under the Companies Ordinance (Cap 622)		
<input type="checkbox"/> Co-operative Society registered under the Co-operative Societies Ordinance (Cap 33)		
<input type="checkbox"/> Society registered under the Societies Ordinance (Cap 151)		
<input type="checkbox"/> Statutory body established under the legislation in Hong Kong (please specify the ordinance below) <hr/>		
<input type="checkbox"/> Others (please specify) <hr/>		

Please sign and stamp your chop below

(Name of Authorised Signatory)

(Date)

Part II(a) – Details of the Proposal (Form)

Please fill in the form below.

A. Proposed Duration of Engagement Period
(See paragraphs 4.12 and 9.1 of the Invitation Brief)

_____ years

(Note: The proposed duration should fall within the range of 3 and 5 years.)

B. Proposed Number of Tiers for the Tiered and Incentive-based Payment Structure (See paragraph 6.11 and **Appendix 4** of the Invitation Brief)

_____ tier(s)

(Note: The proposed number should fall within the range of 1 to 3, i.e. Tier 0 (baseline) plus a maximum of 2 upper tiers (Tiers 1 and 2).)

C. Proposed Key Performance Indicators (KPIs) of the Intermediary and Services

(See paragraph 6.11 and **Appendix 4** of the Invitation Brief)

Proposed KPIs (Note 1)	Tier 0 (baseline)	Tier 1 (Note 2)	Tier 2 (Note 3)
(a)			
(b)			
(c)			

Notes:

- (1) The proposed KPIs cover all those critical tasks in respect of the Services to be delivered by the Proponent as far as possible. They should be SMART (specific, measurable, attainable, relevant and time-bound) and outcome-based as far as practicable. The Trustee will negotiate with the Proponent to finalise a set of KPIs to be adopted for appointment as and when the Proponent is selected under the assessment process.*
- (2) Only applicable if the proposed number of tiers for the tiered and incentive-based payment structure is 2 (i.e. Tiers 0 & 1) or 3 (i.e. Tiers 0, 1 & 2).*
- (3) Only applicable if the proposed number of tiers for the tiered and incentive-based payment structure is 3 (i.e. Tiers 0, 1 & 2).*

D. Conflict of Interest

(See paragraph 6.9 of the Invitation Brief)

Please specify below any circumstances which may reasonably be considered to give rise to a situation where the interests of the Proponent or each of the relevant persons conflict or compete with the Intermediary's duties to the Trustee in the performance of the Services.

E. Validity Period of the Proposal

(See paragraph 6.2 of the Invitation Brief)

_____ months from the Proposal Closing Date

(Note: The validity period shall be at least 12 months from the Proposal Closing Date.)

Please sign and stamp your chop below

(Name of Authorised Signatory)

(Date)

Part II(b) – Details of the Proposal (Free Format)

Please provide the information as required below in free format having regard to the detailed assessment criteria as set out at **Appendix 6**.

1. Vision, Objectives and Impact	
(a)	Understanding of the gerontechnology ecosystem and roles of intermediary Please articulate your understanding on: <ul style="list-style-type: none">(i) the local gerontechnology ecosystem and, if your proposed Services are theme-based, the specific theme(s) covered by your proposed Services as well;(ii) the development of the local gerontechnology ecosystem in coming years and, if your proposed Services are theme-based, the development of the specific theme(s) covered by your proposed Services in coming years as well;(iii) the gaps and opportunities of the gerontechnology ecosystem and, if your proposed Services are theme-based, those of the specific theme(s) covered by your proposed Services as well; and(iv) the roles of Intermediary in fostering the development of the local gerontechnology ecosystem.
(b)	Objectives, impact and outcomes of the proposed Services <ul style="list-style-type: none">(i) Please state the objectives of the proposed Services and describe how the proposed Services will address the gaps and opportunities of the gerontechnology ecosystem and facilitate the development of the gerontechnology ecosystem in Hong Kong.(ii) Please set out:<ul style="list-style-type: none">- the target outcomes and expected impacts of the proposed Services;- the critical success factors which are essential for achieving the target outcomes and expected impacts of the proposed Services; and- the potential risks of the proposed Services and proposed risk management/mitigation measures.
2. Capability	
(a)	Capability of Proponent* <i>* Including all the parties involved if the proponent takes the form of an alliance/consortium comprising two or more parties</i> <ul style="list-style-type: none">(i) Please provide information to demonstrate your capability, experience and track records in relation to gerontechnology and, if your proposed Services are theme-based, the specific theme(s) covered by your proposed Services as well.(ii) Please set out the support and resources that you would commit for delivering the proposed Services.(iii) Please provide information to demonstrate your capability, experience and track records in:

	<ul style="list-style-type: none"> - engaging and enlisting the support and participation of existing and new stakeholders of the supply and demand sides of the gerontechnology ecosystem in delivering the proposed Services; and - establishing networks and platforms and organising activities and events to link up the key stakeholders.
(b)	<p>Capability of project team</p> <p>(i) Please set out the proposed structure, composition and line of command of the project team as well as the roles, responsibilities and degree of involvement of the project team leader and members individually in delivering the proposed Services.</p> <p>(ii) Please provide information to demonstrate the capability, experience, track records, credentials and qualification of the project team leader and members in relation to gerontechnology and, if your proposed Services are theme-based, the specific theme(s) covered by your proposed Services as well.</p>
3. Service Design	
(a)	<p>Overall service and business model</p> <p>(i) Please set out the proposed design, approach and plan of the overall service and business model for developing and operating the following four elements of the Platform</p> <ul style="list-style-type: none"> - Knowledge Hub; - Network and capacity building; - Consultancy, localisation and testing support; and - Impact assessment. <p>(ii) Please explain how the proposed design, approach and plan of the overall service and business model will enable the Platform to:</p> <ul style="list-style-type: none"> - achieve the objectives, target outcomes and expected impacts of the proposed Services; - meet the changing needs of the elderly, caregivers, care staff and institutions, and if applicable, PwDs and rehabilitation service units, etc. and the evolution of gerontechnology ecosystem; and - operate in a financially sustainable manner.
(b)	<p>Design of the four elements</p> <p>Please set out the detailed design, strategy and plan for developing and operating each of the four elements of the Platform as set out in (a) (i) above having regard to the requirements of the Services set out in paragraph 4.8 of the Invitation Brief.</p>
4. Implementation/Execution	
(a)	<p>Collaboration strategy, work plan and corporate governance</p> <p>(i) Please set out the collaboration strategy and plan for achieving cross-sector partnership, collaboration and engagement with existing and new stakeholders of the gerontechnology ecosystem as well as complementarity to and linking up of existing and future set-ups, initiatives and efforts of those stakeholders in</p>

	<p>delivering the proposed Services.</p> <p>(ii) Please provide the work plan for the entire engagement period covering all the major tasks, activities and milestones, resource allocation and prioritisation, the expected outcomes and deliverables at different stages of the engagement period, etc.</p> <p>(iii) Please set out the marketing strategy and plan to promote the Platform.</p> <p>(iv) Please set out the potential risks in the execution of your plan set out in (i) to (iii) above and the proposed risk management/mitigating measures.</p> <p>(v) Please set out your corporate governance plan with reference to the guidelines set out in Appendix 3 to demonstrate that your organisation will act in the best interest of the Trustee and use and handle the funds properly if you are engaged as the Intermediary to design, develop and operate the Platform.</p>
(b)	<p>Performance management</p> <p>Please set out the performance management mechanism to monitor, measure and evaluate the performance of the Intermediary against the KPIs proposed by the Proponent.</p>

Corporate Governance Guidelines

There is no “one-size-fits-all” corporate governance plan that can generally apply to each and every proponent. Since the size and nature of the proponent as well as its services and desired mode of operation vary, individual proponent is required to propose its own corporate governance plan for vetting and endorsement by the Trustee of the SIE Fund (“Trustee”).

2. The proposed corporate governance plan should meet the following principles:
 - (a) Focusing on the organisation’s purpose as the intermediary to design, develop and operate a gerontechnology platform for the Trustee and on outcomes for meeting the objectives of the SIE Fund;
 - (b) Performing effectively with clearly defined functions and roles;
 - (c) Promoting values for furthering the objective of the SIE Fund to facilitate the development of the gerontechnology ecosystem in Hong Kong and demonstrating the values of good governance through behaviour;
 - (d) Taking informed and transparent decisions, and managing risk;
 - (e) Developing the capacity and capability of the board to be effective; and
 - (f) Engaging stakeholders and making accountability real.

3. For the purpose of this invitation exercise, the Corporate Governance Plan should include brief descriptions of both general and specific requirements (if applicable), as described below.

General corporate governance requirements

4. Some general principles and best practices are applicable to each and every proponent. Suggested components for the general corporate governance requirements together with some broad examples under each of components are set out below for reference by individual proponent. The examples are provided for illustration purpose only. A proponent may need to elaborate these examples to develop its Corporate Governance Plans as appropriate.

	Component (Note)	Example
1	Board Structure and Composition	<ul style="list-style-type: none"> • Clear roles of board and executives • Desirable ratio of different types of directors
2	Board Operation and Effectiveness	<ul style="list-style-type: none"> • Effective use of committees • Proper declaration of interest
3	Strategy, Planning and Monitoring	<ul style="list-style-type: none"> • Clear objectives and plan • Effective budgeting and monitoring

	Component (Note)	Example
4	Transparency and Disclosure	<ul style="list-style-type: none"> • High degree of transparency • Regular and proper reporting
5	Social Expectations	<ul style="list-style-type: none"> • Contributing to social interest • Accountable to the public, government, etc.
6	Risk Management and Compliance	<ul style="list-style-type: none"> • Effective risk management • Independent internal control and audit
7	Compliance with Laws and Regulations	<ul style="list-style-type: none"> • Complying with relevant ordinances and codes

Note:

Categorisation of governance components is mainly based on the **Guide to Corporate Governance for Subvented Organisations** issued by the Efficiency Office (May 2010) with modifications to meet the requirements of the SIE Fund. Individual proponent should develop its own corporate governance plan by making reference to the appropriate guidelines/codes.

Some suggested guides are listed below for reference. The list is by no means exhaustive. A proponent may make reference to other appropriate guide(s) in developing their general corporate governance measures:

For subvented organisations, public bodies or non-business entities:

- (i) **Guide to Corporate Governance for Subvented Organisations**, by the Efficiency Office (May 2010)
https://www.effo.gov.hk/en/reference/publications/guide_to_cg_for_so_2015.pdf
- (ii) **Corporate Governance for Public Bodies – A Basic Framework**, by the Hong Kong Institute of Certified Public Accountants (2004)
http://appl.hkicpa.org.hk/publications/corporategovernanceguides/eframework_guide.pdf

For business organisations (registered under Companies Ordinance), partnerships and individuals:

- (iii) **Corporate Governance Code** (Appendix 14 to the Rules Governing the Listing of Securities on HKSE), by the Hong Kong Stock Exchange (2012)
http://www.hkex.com.hk/eng/rulesreg/listrules/mbrules/documents/appendix_14.pdf
- (iv) **Guidelines on Corporate Governance for SMEs in Hong Kong** (2nd Edition), by the Hong Kong Institute of Directors (2009)
http://www.hkiod.com/document/corporateguide/sme_guidelines_eng.pdf
- (v) **SME Corporate Governance Toolkit**, by the Hong Kong Institute of Directors (2009)
http://www.hkiod.com/document/smetoolkit/smetoolkit_eng.pdf

For general reference:

(vi) **The Organisation for Economic Co-operation and Development (OECD) Principles of Corporate Governance**, by OECD (2004)

<http://www.oecd.org/corporate/ca/corporategovernanceprinciples/31557724.pdf>

(vii) The series of “**Best Practice Checklists on Governance and Internal Control**” issued by the Independent Commission Against Corruption (ICAC) for different types of organisations, such as listed companies, SMEs, social enterprises, public organisations, NGOs, etc. Copies of these publications are available at ICAC’s website

http://www.icac.org.hk/en/corruption_prevention_department/pt/index.html

Specific corporate governance requirements

5. Based on a risk assessment approach, specific governance requirements are determined by assessing the possible risks of the proponent under various dimensions including, without limitation, project type, profit management, remuneration basis, and mode of financing. Some examples of the specific requirements are set out below for reference by individual proponent in developing its Corporate Governance Plans.

	Item	Example
A	Profit Management	
1	Organisation registered under Section 88 of the Inland Revenue Ordinance	<ul style="list-style-type: none"> • Clear re-investment strategy (to align with the objective as far as possible)
2	Organisation not registered under Section 88 of the Inland Revenue Ordinance	<ul style="list-style-type: none"> • Proper policy and mechanism of remunerations for board/committee members and senior executives
B	Remuneration Basis	
1	Payment of a fixed, all-inclusive lump sum service fee by instalments	<ul style="list-style-type: none"> • Setting of specific, attainable, relevant and time-bound key performance indicators, milestones and other performance requirements at different stages of the engagement period

Template for Fee Proposal

Please provide the information as required below with reference to paragraphs 6.10 & 6.11 and **Appendix 5** of the Invitation Brief.

- A. Please state the **fixed, all-inclusive lump sum service fee*** (in Hong Kong Dollars) to be charged for the proposed Services covering the entire engagement period.

	Fixed, all-inclusive lump sum service fee* (HK\$)
Tier 0 (baseline)	

** Should be no less than HK\$1*

- B. If the proposed number of tiers for the tiered and incentive-based payment structure as set out in Part II(a)(B) of the Business Plan Proposal is 2 (i.e. involving Tiers 0 & 1) or 3 (i.e. involving Tiers 0, 1 & 2), please set out the proposed level(s) of additional service fee(s) required to cover the additional resources for delivering the better/ideal levels of performance above baseline. The proposal level(s) of additional service fee(s) should be **expressed as a percentage of the fixed, all-inclusive lump sum service fee** set out in Part A above and link to the corresponding KPIs proposed in Part II(a)(C) of the Business Plan Proposal:

Proposed Tier above Baseline	Additional Service Fee (as a percentage of the fixed, all-inclusive lump sum service fee)
Tier 1	%
Tier 2	%

- C. Please provide **high-level breakdown** of the key cost components of the service fee set out in Part A above (and Part B as appropriate) including, for example, staff cost, accommodation cost, fees for engaging implementation partners and hiring sub-contractors, if any, fees for appointing an external body to conduct annual performance assessment and prepare financial reports (including audited annual/financial reports), incidentals, insurance, etc.

Please sign and stamp your chop below

(Name of Authorised Signatory)
(Date)

Illustration of the Tiered and Incentive-based Payment Structure of Service Fee

An illustration of a three-tiered payment structure is set out below.

Tier	Level of Payment	Payment Conditions (Note 1)	Remarks
Basic (Tier 0)	\$X	Outputs/outcomes fully meeting KPIs at Tier 0 level (Note 2)	<ul style="list-style-type: none"> • Tier 0 level of KPIs represents the baseline which the Proponent is confident to achieve in delivering the proposed Services. • \$X represents the fixed, all-inclusive lump sum service fee to provide the Services and achieve the baseline performance (i.e. “baseline fee”).
Overshoot (Tier 1)	$\$X*(1+A\%)$	Outputs/outcomes further meeting KPIs at Tier 1 level	<ul style="list-style-type: none"> • Tier 1 level of KPIs represents a better level of performance than baseline. • A% represents the level of additional service fee required to cover the additional resources for delivering the better performance level above baseline.
Outperform (Tier 2)	$\$X*(1+B\%)$	Outputs/outcomes further meeting KPIs at Tier 2 level	<ul style="list-style-type: none"> • Tier 2 level of KPIs represents an ideal level of performance. • B% represents the level of additional service fee required to cover the additional resources for delivering the ideal performance level above baseline.

Notes: (1) The Trustee will negotiate with the Proponent to finalise a set of KPIs and the corresponding payment conditions to be adopted for appointment as and when the Proponent is selected under the assessment process.

(2) In the event that KPIs at the level of Tier 0 is not fully met, the Trustee is entitled to withhold, defer or reduce the payment of the whole or any portion of the service fee to the appointed Intermediary.

Detailed Assessment Criteria

Assessment Criteria	Maximum Score
1. Vision, Objectives and Impact	10
<p>(a) Understanding of the gerontechnology ecosystem and roles of Intermediary</p> <p>(i) Insights on the development of the local gerontechnology ecosystem and if applicable, specific area(s) covered in the theme-based proposal, including:</p> <ul style="list-style-type: none"> • roles, responsibilities, interaction and collaboration of major stakeholders • the needs of and demand for gerontechnology in the elderly service market • key drivers for the establishment of a Platform in Hong Kong <p>(ii) Foresights on local development of gerontechnology in coming years</p> <p>(iii) Comprehensiveness and reasonableness in identifying the gaps and opportunities of the gerontechnology ecosystem and if applicable, specific area(s) covered in the theme-based proposal</p> <p>(iv) Insights on the roles of the Intermediary in fostering the development of the local gerontechnology ecosystem</p>	5
<p>(b) Objectives, impact and outcomes of the proposed Services</p> <p>(i) Coverage, feasibility and effectiveness of the proposed Services in facilitating the development of the gerontechnology ecosystem in Hong Kong</p> <p>(ii) Significance of the target outcomes/expected impacts of the proposed Services in addressing the gaps and opportunities in gerontechnology ecosystem</p> <p>(iii) Insights on identifying the critical success factors which are essential for achieving the target outcomes/expected impacts</p> <p>(iv) Insights on the assessment of potential risks of the proposed Services and effectiveness of the proposed risk management/mitigation measures</p>	5
2. Capability	20
<p>(a) Capability of Proponent</p> <p>(i) Relevance of the capability, experience and track record of the Proponent organisation(s) in relation to gerontechnology and, if applicable, specific area(s) covered in the theme-based proposal</p> <p>(ii) Value, effectiveness and practicality of the proposed support and resources committed from the Proponent organisation(s) to the proposed Services</p>	10

Assessment Criteria	Maximum Score
(iii) Capability, experience and track record of the Proponent organisation(s) in: <ul style="list-style-type: none"> • engaging and enlisting the support and participation of existing and new stakeholders on the supply and demand sides of the gerontechnology ecosystem in delivering the proposed Services • establishing networks/platforms and organising activities/ events to link up the key stakeholders 	
(b) Capability of project team <ol style="list-style-type: none"> (i) Relevance of the capability, experience, track record, credential and qualification of team leader and individual team members in relation to gerontechnology (ii) Reasonableness of the mix of different skills and expertise of team members and, if applicable, specific area(s) covered in the theme-based proposal (iii) Effectiveness and reasonableness of the proposed team structure, line of commands, degrees of involvement, distribution of roles and responsibilities of team members 	10
3. Service Design	35
(a) Overall service and business model <ol style="list-style-type: none"> (i) Innovativeness, comprehensiveness, reasonableness and effectiveness of the design, approach and plan of the overall service and business model for developing and operating the four elements of the Platform in an integrated manner, enabling the Platform to achieve its overall objective and target outcomes/expected impacts, operating the Platform in a financially sustainable manner (ii) Flexibility and versatility of the proposed Platform to meet the changing needs of the elderly caregivers, care staff and institutions, and if applicable, PwDs, rehabilitation service units, etc. and the evolution of the gerontechnology ecosystem 	15
(b) Design of the four elements <ol style="list-style-type: none"> (i) Knowledge Hub <ul style="list-style-type: none"> • Innovativeness, comprehensiveness, reasonableness and robustness of the strategy and plan for establishing and maintaining a Knowledge Hub, including, without limitation: <ul style="list-style-type: none"> - initial design, accessibility and user-friendliness of the Knowledge Hub - coverage, variety and relevance of the proposed Resources to be covered by the Knowledge Hub - scope of the target beneficiaries of the Knowledge Hub - means/process to keep the Knowledge Hub the most up-to-date 	5

Assessment Criteria	Maximum Score
<ul style="list-style-type: none"> - versatility and sustainability of the Knowledge Hub • Feasibility and effectiveness of the strategy and plan for disseminating the latest information of the proposed Resources with suitable analysis to the relevant recipients and facilitating their access to the Resources 	
(ii) Network and capacity building <ul style="list-style-type: none"> • Innovativeness, coverage, diversity, feasibility and effectiveness of the strategy and plan for network and capacity building for the purpose of knowledge sharing, idea exchange, collaboration, co-creation, capacity building, linking up of existing and future set-ups, initiatives and efforts of existing and new stakeholders of the gerontechnology ecosystem, etc. • Variety and reasonableness of the resources, networks, skills and expertise involved 	5
(iii) Consultancy, localisation and testing support <ul style="list-style-type: none"> • Innovativeness, coverage, scale, feasibility, effectiveness and robustness of the strategy, plan and operational mechanism for providing consultancy, localisation and testing support for the relevant stakeholders • Variety and reasonableness of the resources, networks, skills and expertise involved 	5
(iv) Impact assessment <ul style="list-style-type: none"> • Innovativeness, comprehensiveness, reasonableness and effectiveness of the initial design of the baseline study to be conducted on the fragmentation of the gerontechnology ecosystem • Reasonableness, timeliness and effectiveness of the proposed mechanism to measure and evaluate the performance and effectiveness of the Platform against its objective, the agreed KPIs and target outcomes/expected impacts 	5
4. Implementation/Execution	15
(a) Collaboration strategy, work plan and corporate governance <ul style="list-style-type: none"> (i) Comprehensiveness, reasonableness and effectiveness of the collaboration strategy and plan for achieving cross-sector partnership, collaboration and engagement with existing and new stakeholders of the gerontechnology ecosystem as well as complementarity to and linking up of existing and future set-ups initiative and efforts of those stakeholders in delivering the proposed Services (ii) Reasonableness, timeliness and effectiveness of the work plan and marketing plan covering the entire engagement period, including, for example: <ul style="list-style-type: none"> • major tasks, activities and milestones • specific themes in different phases, if applicable 	10

Assessment Criteria	Maximum Score
<ul style="list-style-type: none"> • resource allocation/prioritisation • potential risks in execution of the work plan and marketing plan and mitigation measures proposed • expected deliverables and outcomes within the engagement period (iii) Compliance and effectiveness of the corporate governance plan with reference to the standard requirements provided by SIE Fund	
(b) Performance management <ul style="list-style-type: none"> (i) Reasonableness, timeliness and effectiveness of the proposed performance management mechanism and KPIs to monitor, measure and evaluate the performance of the Intermediary. The KPIs proposed should be SMART (Specific, Measureable, Attainable, Relevant, and Time-bound) and outcome-based as far as practicable 	5
5. Cost Effectiveness	20
(a) Comprehensiveness and robustness of the overall cost structure (b) Reasonableness of individual expenditure items	

Control Measures

(To be specified as terms and conditions in the legally binding agreement to be signed between the Trustee of the SIE Fund and appointed intermediary covering the intermediary engagement)

(a) General Control Measures

The Trustee of the SIE Fund (“Trustee”) will impose the following measures on the intermediary appointed to design, develop and operate the gerontechnology platform:

- (i) Clear annual budget
- (ii) Separate bank account
- (iii) Separate set of books and records
- (iv) Regular submission of audited accounts
- (v) Open and fair procurement procedures
- (vi) Keep proper record of equipment procured for the project
- (vii) Regular reporting of project progress (especially on social impact)

(b) Specific Control Measures

Based on a similar risk assessment approach adopted for corporate governance, the specific control measures are determined by assessing the possible risks of intermediary under various dimensions including, without limitation, profit management, remuneration basis, etc. Some examples of the specific requirements are listed below for reference:

	Item	Examples of Specific Control Measure
A	Profit Management	
1	Organisation registered under Section 88 of the Inland Revenue Ordinance	<ul style="list-style-type: none"> • N/A
2	Organisation not registered under Section 88 of the Inland Revenue Ordinance	<ul style="list-style-type: none"> • Possible contract conditions for refund to the Trustee if an intermediary sells the business concerned within a certain period of time (as determined by the Trustee on a case-by-case basis) after it last receives financial assistance from the Trustee
B	Remuneration Basis	
1	Fixed, all-inclusive lump sum service fee	<ul style="list-style-type: none"> • Disbursement of the service fee by instalments (i.e. remunerations would be released upon the intermediary’s achievement of certain milestones and meeting of certain performance requirements)

