

List of Eligible and Ineligible Expenditure Items for Direct Grant

I. List of Eligible Expenditure Items

1. Bidding for the event

- i. Publications – the cost of producing any document required, such as the bid document and the relating presentation materials
- ii. Promotion – the cost of producing promotional materials such as posters, leaflets and badges

2. Staging of the event

Costs that can be met by direct grant recommended by Major Sports Events Committee (MSEC) must be items required by and/or stipulated in the international sports federation (IF)'s rules and regulations or essential for the event concerned. They may include:

- i. Accommodation – lodging for individuals such as competitors; coaches and team officials; umpires and referees; governing body officials; and international body officials during the event
- ii. Promotion/marketing events – including costs of media events, PR support and promotion materials
- iii. Facility and equipment hire
- iv. Staffing¹
- v. Publications
- vi. Medals and memorabilia
- vii. Insurance
- viii. Catering

¹ It is only for instructor fee, official fee and transport subsidy for athletes on local training.

II. List of Ineligible Expenditure Items

Costs that cannot be met by the direct grant include:

1. Appearance money (except the requirements set by the respective IF)
2. Prize money (except the requirements set by the respective IF)
3. Unreasonable or excessive costs – costs deemed to be unreasonable or excessive for the purchase of goods or services relating to the event
4. Consultancy fees – consultancy fees that are deemed to be ineligible, specifically those relating to providing advice on fund-raising and sponsorship (applicants are advised to check with the Secretariat before committing to consultancy services)
5. Inducement – any inducements intended to improve the chance of a bid
6. Non-obligatory costs – event cost not required under the international sports federation's rules and regulations for event concerned, e.g. travel and accommodation cost for overseas participants
7. For the employment of temporary or additional staff for the event, the expense should be met by matching fund.

Note: All the direct grant should be used for the approved items and within the approved ceiling amount. Under no circumstances should the Direct Grant be utilised to underwrite deficits arising from an event.

III. Direct Grant for Marketing

1. The items may include costs of organising media events, TV coverage, engagement of PR agent's support, costs for production of advertisements, banners etc., pre-event publicity that helps to achieve promotion, marketing and PR objectives. As such, expenses on venue decoration should not be regarded as publicity and marketing expenses.
2. All publicity materials should have appropriate acknowledgement of support by the MSEC as well as the appearance of the logos of the Committee, "M" Mark and BrandHK at prominent location of a design. Layout of the publicity materials should seek prior approval from the MSEC Secretariat before production. The Secretariat shall reserve the right to withhold reimbursement of the expenses if no proper acknowledgement has been made for the MSEC and/or "M" Mark.

IV. Venue Hiring Grant for Venue Subsidy

1. For an “M” Mark event which is not receiving Leisure and Cultural Services Department (LCSD) notional venue subvention (due to unavailability of venue or any other reasons), an applicant may apply direct grant to cover 100% of the venue hiring expenditure, subject to a ceiling of \$1 million per event.
2. The hiring expenditure of the venue is calculated based on the published standard hiring rate of a non-LCSD venue, and limited to the venue that the “M” Mark event takes place. As such, additional facilities set up cost, or renting of furniture or equipment that involve engagement of third-party contractors, etc. are not eligible for direct grant for venue subsidy.

(Revised 1 April 2023)