

General Guidelines for Project Management of the Science and Technology Development Fund of the Macao Special Administrative Region

(July 2024)

Applicable to funding applications submitted after the *Financial Aid Grant Regulation* as approved in the Dispatch of the Secretary for Economy and Finance No. 54/2024 came into force (after June 11, 2024)

Chapter 1: General Provisions

Article 1

This management guideline is formulated to regulate and enhance the management of projects under the Macao Science and Technology Development Fund (hereinafter referred to as "FDCT").

Article 2

This guideline applies to all projects funded through FDCT's funding schemes, except for those under the research platform funding schemes.

Article 3

FDCT aims to align with the technological development policies of the Macao Special Administrative Region, providing funding for various projects that contribute to enhancing Macao's scientific research capacity, innovation ability, and competitiveness.

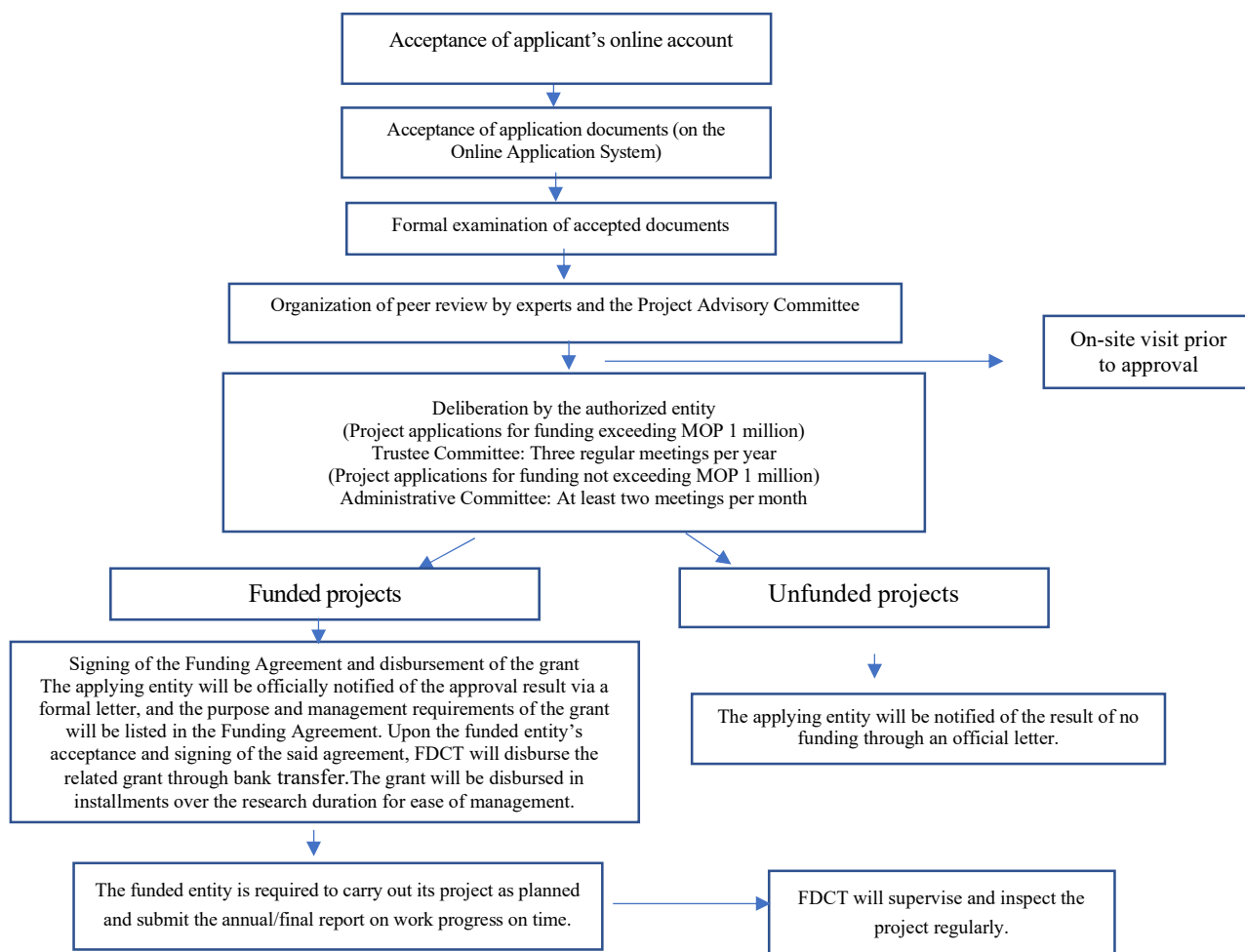
Article 4

FDCT will fulfill the following responsibilities in project management:

1. Formulate and publish funding schemes and related guidelines;
2. Accept project applications;
3. Organize project advisory committees and experts to review projects;
4. Conduct preliminary analysis and deliberation of projects;
5. Approve projects within its authority;
6. Manage and supervise the implementation of funded projects.

Article 5

The process for project funding applications, follow-up, and approval is as follows:



Chapter 2: Guidelines for Funding Applications

Article 6

The FDCT, in line with the policy direction of the Macao SAR Government, formulates and publishes funding schemes and related guidelines for funding that meets the purpose and scope of the FDCT.

Article 7

The FDCT primarily accepts the following types of funding applications:

1. Projects that contribute to the dissemination and deepening of scientific and technological knowledge;
2. Projects that help enterprises improve productivity and enhance competitiveness;
3. Research and development, promotion, and innovation projects that assist in industrial development;
4. Scientific research projects that promote the transformation of research and development results;
5. Projects that promote international scientific and technological cooperation;
6. Projects that drive priority technology transfers for social and economic development;
7. Patent applications.

Article 8

Eligible entities for funding:

1. Public higher education institutions or public medical institutions of the Macao SAR;
2. Private higher education institutions established under the laws of the Macao SAR;
3. Other private entities established in the Macao SAR, except those referred to in (2);
4. Public sectors or entities outside the Macao SAR or private entities established under the laws of the relevant jurisdiction;
5. Natural persons.

The scope of eligible entities for each funding scheme is specified in the respective funding plan.

Article 9

Types of project applications:

In reference to the classification of the Organisation for Economic Co-operation and Development (OECD), the types of project applications are as follows:

1. Basic research: Projects carried out to acquire new knowledge on fundamental principles and observable phenomena;
2. Applied research: Projects with specific research goals and innovative aspects, aimed at applying findings from basic research;
3. Experimental development: Projects focused on practical application to develop new products, materials, devices, processes, systems, and services, including industry-academia collaboration, corporate research and development, and clinical research.

Article 10

Project application periods: Specified in each funding scheme.

Article 11

Funding method and duration: Applicants must specify the requested funding method and total amount. The funding duration for each project generally does not exceed the period set by the respective funding plan.

Article 12

General provisions for funding applications:

1. Eligible expenses include the following expenditures incurred for the execution of the project:

- (1) Personnel expenses;
- (2) Expenses for acquiring the necessary new machinery and equipment;
- (3) Expenses for consumable materials, reagents, and equipment maintenance;
- (4) Direct costs for patent applications;
- (5) Other derivative expenses.

2. The derivative expenses referred to in item (5) do not include the following:

- (1) Expenses for establishing the beneficiary entity;
- (2) Personnel expenses not covered by item (1) above;
- (3) Expenses for electricity, water, telephone charges, and other similar utilities;
- (4) Entertainment expenses;
- (5) Audit fees;
- (6) Expenses for acquiring vehicles, except for experimental purposes;
- (7) Expenses for construction, acquisition, and installment repayments of real estate;
- (8) Installment repayments for new machinery and equipment not covered by item (2).

Article 13

Documents required for funding applications (application dossier):

For each independent application, the applicant must register for an account in the FDCT's online application system, fill in the appropriate application form, and submit the required basic documents, including:

1. Identification information and relevant supporting documents of the applicant;
 - (1) For educational institutions, the entity's identification information, supporting documents, and the identity proof of the entity's responsible person must be provided.
 - (2) For associations, a registration certificate issued by the Identification Services Bureau within the last year, a list of the board members, the latest articles of association published in the Official Gazette, and the identity proof of the entity's responsible person must be submitted.
 - (3) For companies, a business registration certificate issued within the last three months and the identity proof of the entity's responsible person must be provided.
 - (4) For individual applicants, a valid Macao Resident Identity Card is required.
2. A certificate issued by the competent authority within the last three months confirming that the applicant does not owe any tax or social security contributions to the Macao SAR;
3. Information on other projects funded by public funds and any other pending applications submitted for funding purposes;
4. Identification information, curriculum vitae of the main project leaders and team members, and details on the time allocated for project execution;
5. A detailed project proposal, including a project budget. The project budget should consist of two parts: the amount requested from FDCT and the amount of the enterprise's matching funds. Both amounts must comply with the eligible expenditure requirements specified in Article 5;

6. Detailed information regarding the project should include:

- (1) Project title;
- (2) Main academic discipline;
- (3) Objectives;
- (4) Duration;
- (5) Project plan and timeline;
- (6) Funding request and total amount;
- (7) Budget and explanation of the budget;
- (8) Financing plan, detailing other sources of funding in addition to the requested amount;
- (9) Expected progress indicators, including publications, papers, reports, training, models, software, pilot facilities, prototypes, and patents;

7. A statement of responsibility regarding the project: the applicant must take responsibility for the authenticity of the submitted documents and declare that they are the original creator of the project;

8. Additionally, FDCT may require other attachments specified in the guidelines for each application scheme, with particular attention to the following funded projects:

(1) Jointly funded projects: The Macao lead applicant must negotiate with the Mainland partner regarding research content, plans, and responsibilities, and submit a cooperation agreement or memorandum of understanding before the application deadline;

(2) Enterprise Innovation and R&D Funding Projects: A copy of the most recent annual M1 Supplementary Income Tax Return is required.

(3) Enterprise-Industry-University Research Matching Funding Projects: The project applied for must have been successfully matched through the FDCT's "Industry-University-Research Online Matching Platform." A copy of the most recent year's M1 Supplementary Income Tax Return and the cooperation agreement signed with the partner must also be submitted.

(4) Key R&D Funding Scheme Projects: A cooperation agreement or memorandum of understanding signed with the partner, as required by the guidelines (if applicable).

*All documents mentioned above must be submitted electronically via the online funding application system.

Article 14: Submission of Application

The applicant must write the application in one of the official languages of the Macao SAR or in English.

The application documents must be completed and submitted through the online funding application system, and the submission method is as follows:

1. Entities with an electronic signature must submit the application documents via FDCT's online application system.
2. Entities without an electronic signature, in addition to submitting the documents via the online system, must also download, sign, and stamp the application documents, and submit them to FDCT by the deadline.

Article 15: Preliminary Analysis

Within 14 working days from the project application deadline, FDCT will conduct a preliminary analysis of the application dossier to verify:

1. Whether the required documents specified in the funding scheme have been submitted;
2. Whether the applicant meets the funding eligibility conditions; and
3. Whether the application complies with the relevant project limit requirements.

Article 16: Number of Project Applications

The number of projects an individual can undertake must comply with the requirements set out in Appendix 1, "Regulations on the Number of Ongoing Projects a Project Leader Can Undertake."
2. There are no limits on the number of applications for project members, but personnel (including but not limited to researchers, graduate students, etc.) involved in the project can only receive personnel funding from one FDCT-funded project at the same time.

Article 17: Project Leadership and Members

Each project is limited to one project leader. If project members are not from the same entity as the project leader, these members and their institutions should be considered external consultants or cooperating research institutions. They must submit identification and resumes or cooperation agreements for review.

Article 18: Personal Data Processing

All personal data provided to FDCT is used solely for the purpose of funding approval and follow-up. Data subjects may request access to and correction of their personal data in writing. FDCT and other relevant public entities may, when necessary, process and verify personal data in accordance with the provisions of Law No. 8/2005, "Personal Data Protection Law."

Article 19: Institutional Submission

Applicants submitting on behalf of an institution must do so through their respective entity. They are responsible for the authenticity of the submitted materials.

Article 20: Incomplete Application Dossiers

If the application dossier, as referred to in Article 12, is incomplete, FDCT will require the applicant to provide the missing information within 15 days. If the applicant fails to meet the funding conditions or does not submit the required documents within the specified period, or if the supplementary documents still do not comply with the requirements, the application will be rejected and archived, unless a valid reason is accepted by the Administrative Committee.

Article 21: False Declarations

Applicants must not make false declarations, provide false information, or use illegal means to obtain funding.

Article 22: Withdrawal of Application

If an applicant wishes to withdraw their application, they must immediately notify FDCT in writing, and the application will be considered terminated.

Article 23: Applications Not Entering the Review Process

Applications that fail the formal review process will not enter the review phase. Once approved by the competent entity, FDCT will notify the applicant in writing with the reasons for the rejection:

- (1) The applicant does not meet the requirements of the funding scheme, application eligibility, or conditions.
- (2) The applicant is on the FDCT's list of mandatory levies or overdue returns.
- (3) The applicant is a debtor to the Macao SAR Treasury.
- (4) The number of active projects undertaken by the project leader exceeds the FDCT's maximum allowable limit.
- (5) The project leader is prohibited from submitting new funding applications.
- (6) The same project is submitted for multiple funding applications or has already received FDCT funding.
- (7) The supporting input does not meet the requirements.
- (8) The application dossier does not meet the required standards.
- (9) Failure to correct or submit relevant application materials after notification or submitting them after the deadline.

(10) Violations of existing laws and regulations, or failure to ensure the safety and legal rights of participants.

Article 24

This chapter lists the general provisions for funding applications. Additional provisions should be referred to in the respective funding scheme regulations.

Chapter 3: Project Approval Process and Criteria

Article 25

For project applications that pass the formal review, evaluations are conducted based on the application content, funding amount, and relevant review requirements.

1. The general evaluation criteria are as follows:
 - (a) Method of execution and expected outcomes;
 - (b) The applicant's and the project team's execution capability, including the results of previously funded projects;
 - (c) Feasibility and work plan;
 - (d) Reasonableness of the budget;
 - (e) For basic research projects, scientific value and innovation;
 - (f) For applied research, practicality and application prospects;
 - (g) For experimental development, real-world application scenarios, technical advancement, and social or economic benefits;
 - (h) Any other review criteria deemed necessary by the FDCT.
2. When applying the review criteria, special consideration is given to the following:
 - (1) Results from previously funded projects in which the applicant or their team has participated;
 - (2) Whether the project's goals overlap with other publicly funded projects in which the team is involved;
 - (3) Budget limitations and other sources of funding obtained by the applicant;
 - (4) Whether similar research or results exist in other countries or regions outside the Macao SAR.

Article 26: External Peer Review

To enhance review accuracy for projects with higher application amounts or complexity, the FDCT Administrative Committee may invite external peer reviewers in the following cases:

1. If the project application exceeds MOP 1 million, three external peer reviewers will be appointed;
2. For projects with an average annual application amount exceeding MOP 1 million, five external peer reviewers will be appointed;
3. In exceptional cases, the FDCT Administrative Committee will determine the arrangements for external peer review.

Article 27: Project Advisory Committee Review

The FDCT Administrative Committee will convene a Project Advisory Committee for project evaluation. Multiple advisory committees of a consultative nature may be formed. The members, five to seven experts, are selected from the list of project advisors approved by the FDCT based on the technical field and professional nature of the projects under review.

(1) Members of the Project Advisory Committee shall prepare opinion reports and, if necessary, provide scores for each application individually, in accordance with the review criteria set forth in the previous article and any specific funding guidelines, while fully considering the opinions of external experts, if any.

(2) For more complex projects, the Administrative Committee may invite experts deemed helpful to the work of the Project Advisory Committee to attend meetings and provide their opinions.

(3) The Administrative Committee may request the project leader to attend review meetings to provide clarification regarding the project application.

(4) Project Advisory Committee members responsible for providing opinions must submit the required opinion reports to the FDCT within 15 days after the meeting concludes.

Article 28

The FDCT Administrative Committee will deliberate on the project applications, taking into account the policy direction of the Macao SAR Government, the regulations of the funding scheme, expert opinions, and any external expert review, along with any scores provided.

1. For project applications requesting amounts not exceeding MOP 1 million, the Administrative Committee will make the approval decision after fully considering the opinions and any scores from the Project Advisory Committee, as well as the external expert reviews, if applicable.

2. For project applications exceeding MOP 1 million, the dossier, along with the opinions from the Project Advisory Committee and any scores or external expert reviews, will be submitted to the Board of Trustees for approval. The authority to approve the funding will be as follows:

(1) For project applications exceeding MOP 1 million but less than MOP 30 million, approval will be granted by the supervisory entity;

(2) For project applications exceeding MOP 30 million, approval will be granted by the Chief Executive.

Article 29

The authorized entity responsible for approving the related expenditures, after considering the analysis of the application dossier and the review opinions, will make a decision, which will specify the approved funding amount, the purpose of the funding, and the funding period. The funding agreement, including these details and any conditions, will be prepared based on the expert review opinions and the final funding amount, and applicants will be notified in writing.

Article 30

All project reviews must comply with the relevant rules regarding recusal and confidentiality.

**Chapter 4: Funding Schemes, Maximum Total Funding Amount,
and Eligible Expenditure**

Article 31 - Available Funding Schemes, Maximum Funding Amount, and Eligible Expenditure Categories.

Type of Funded Project	Funding Ceiling for Each Project (MOP)	Categories of Eligible Expenditures
Funding Scheme for Scientific Research and Innovation (Type A)	\$3,000,000.00	Allowance for local researchers, fees for external expert advisors, expenditures on new machinery and equipment, costs of consumables, reagents and equipment maintenance, collaboration/cooperation expenses, and other expenses generated from project implementation (e.g. expenses for conference attendance, research trips, and publication/documentation)
Funding Scheme for Scientific Research and Innovation (Type B)	\$3,000,000.00	
Funding Scheme for Scientific Research and Innovation (Type C)	\$5,000,000.00	
Funding Scheme for Enterprise Innovation and R&D (Type A)	\$1,000,000.00	
Funding Scheme for Enterprise Innovation and R&D (Type B)	\$3,000,000.00	
Funding Scheme for Enterprise Innovation and R&D (Type C)	\$5,000,000.00	
Funding Scheme for Innovation and Technology Promotion	\$500,000.00	
Funding Scheme for Industry-University-Research Partnership for Enterprises	\$250,000.00 (If the technology provider is a local university, the funding ceiling is \$500,000.00.)	
Funding Scheme for Key R&D Projects	The funding ceiling for each project is stipulated in the Application Guideline and shall not exceed \$20,000,000.	

Joint Funding Scheme for FDCT-MOST Projects	\$2,500,000.00	Allowance for Macao researchers, expenditures on new machinery and equipment, costs of consumables, reagents and equipment maintenance, other expenses generated from project implementation (e.g. expenses for conference attendance of Macao researchers and commuting to and from the co-applicants, and living allowance for personnel of the Chinese Mainland co-applicants in Macao [excluding transportation expenses commuting to and from Macao], and expenses for publication/documentation)
Joint Funding Scheme for NSFC-FDCT Projects	\$2,500,000.00	
Joint Funding Scheme for FDCT-GDST Projects	\$1,300,000.00	
Joint Funding Scheme for FDCT-FCT Projects	\$1,000,000.00	Allowance for Macao researchers, expenditures on new machinery and equipment, costs of consumables, reagents and equipment maintenance, other expenses generated from project implementation (e.g. expenses for conference attendance of Macao researchers, their research trips, and publication/documentation)
Funding Scheme for Scientific Researchers in R&D	\$720,000.00	Allowance for scientific researchers in R&D

Article 32 The funding ceilings and scope of eligible expenditures (the funding ceilings and scope of funding for the *Funding Scheme for Scientific Researchers in R&D* are defined within that scheme):

Category of Eligible Expenditures	Applicable Scope	Expenditure Item	Max. No.	Funding Ceiling (MOP)	Funding Scope
Allowance for local researchers/Allowance for Macao researchers ^{#1}	Applicable to non-commercial entities	Undergraduate	The funded full-time researchers should in principle be no more than 5.	7,500.00/person/month	---
		Postgraduate		10,000.00/person/month	---
		Doctoral student		12,500.00/person/month	---
		Postdoctoral researcher		25,000.00/person/month	---
		Research assistant		20,000.00/person/month	---
		Resident doctor		9,000.00/person/month	---
		Assistant professor/research assistant professor/attending doctor		10,000.00/person/month	---
		Associate professor/deputy director consultant		11,000.00/person/month	---
		Full professor/director consultant		13,000.00/person/month	---
		Chair professor		15,000.00/person/month	---
Allowance for local researchers/Allowance for Macao researchers ^{#2}	Applicable To enterprises	Allowance for local researchers/technicians (Master's or Bachelor's degree)		20,000.00/person/month	
		Allowance for local researchers/technicians (Doctoral degree)		30,000.00/person/month	
Fees for external expert advisors	Applicable to non-jointly funded projects	Fees for external expert advisors	Two persons on average per year	30,000.00/person/year	Fees for external expert advisors
Expenditures on new machinery and equipment	Applicable to all projects	Expenditures on new machinery and equipment	---	Depending on the project-related discipline	New machinery and equipment that must be purchased for R&D purpose

Costs of consumables, reagents and equipment maintenance	Applicable to all projects	Costs of consumables, reagents and equipment maintenance	---	Depending on the project-related discipline	Costs of consumables, reagents, and tests necessary for R&D purpose
Other expenses generated from project implementation	Applicable to non-jointly funded projects	Expenses for conference attendance (Conferences - Chinese Mainland, Hong Kong, and Taiwan)	Two persons on average per year	8,000.00/person/time	Including expenses for conference registration, transportation, food, and accommodation (hotel: Standard room; air ticket: Economy seat; meal allowance: Capped at MOP 300/person/day, excluding hospitality costs)
		Expenses for conference attendance (International conferences - Asia)		16,000.00/person/time	
		Expenses for conference attendance (International conferences - Europe/Americas/Africa/Oceania)		20,000.00/person/time	
		Expenses for research trips (Research trips - Chinese Mainland, Hong Kong, and Taiwan)	Two persons on average per year	6,000.00/person/time	Including expenses for transportation, food, and accommodation for local researchers at the destination (hotel: Standard room; air ticket: Economy seat; meal allowance: Capped at MOP 300/person/day, excluding hospitality costs)
		Expenses for research trips (International trips - Asia)		12,000.00/person/time	
		Expenses for research trips (International trips - Europe/Americas/Africa/Oceania)		15,000.00/person/time	
Other expenses generated from project implementation	Applicable to all funded projects	Expenses for conference attendance of Macao researchers (Conferences - Chinese Mainland, Hong Kong, and Taiwan)	Two persons on average per year	8,000.00/person/time	Including expenses for conference registration, transportation, food, and accommodation (hotel: Standard room; air ticket: Economy seat; meal allowance: Capped at MOP 300/person/day, excluding hospitality costs)
		Expenses for conference attendance of Macao researchers (International conferences - Asia)		16,000.00/person/time	
		Expenses for conference attendance of Macao researchers (International conferences - Europe/Americas/Africa/Oceania)		20,000.00/person/time	
Other expenses generated from project implementation	Applicable to all jointly funded projects, except for FDCT-FCT projects	Transportation expenses of Macao researchers commuting to and from the co-applicants (Inside Guangdong Province)	Six persons on average per year	2,000.00/person/time	Only including costs of round-trip and transportation at the destination; air ticket (if any): Economy seat. Accommodation costs thereof shall be borne by the co-applicant.
		Transportation expenses of Macao researchers commuting to and from the co-applicants (Outside Guangdong Province)		4,500.00/person/time	
		Living allowance for personnel of the Chinese Mainland co-applicants in Macao (excluding expenses for commuting to and from Macao)	Six persons on average per year	1,500.00/person/time (eight days at most)	Only including expenses for food, accommodation, and transportation in Macao, reimbursed in the form of allowance, excluding expenses for commuting to and from Macao
Other expenses generated from project implementation	Applicable to FDCT-FCT projects	Expenses for research trips of Macao researchers	Two persons on average per year	6,000.00/per/time	Including expenses for transportation, food, and accommodation

		(Research trips - Chinese Mainland)			for Macao researchers at the destination (hotel: Standard room; air ticket: Economy seat; meal allowance: Capped at MOP 300/person/day, excluding hospitality costs)
		Expenses for research trips of Macao researchers (International trips - Asia)		12,000.00/person/time	
		Expenses for research trips of Macao researchers (International trips - Europe/Americas/Africa/Oceania)		15,000.00/person/time	
Other expenses generated from project implementation	Applicable to all projects	Expenses for publication/documentation	---	10,000.00/piece	---
Other expenses generated from project implementation	Applicable to all non-jointly funded projects	Review fees for project conclusion	---	10,000.00/person (three persons at most)	Invite third-party peer experts to conduct the project conclusion review

Note^{#1}: It refers to those who can legally work or study in Macao

Note^{#2}: It refers to those who can legally work in Macao

Chapter V - Objection to the Approval Decision

Article 33

If the recipient has any objection to the funding approval decision, they may, within 15 days from the day following the receipt of the notice from the Science and Technology Development Fund, submit an objection statement in accordance with Article 149 of the *Administrative Procedure Code*, or file a judicial appeal to the Administrative Court within 30 days in accordance with Article 25 of the *Code of Administrative Litigation*. However, disagreements with the academic judgment of the evaluation experts cannot be used as grounds for submitting an objection.

Article 34

The recipient may not request an increase in the funding amount.

Chapter VI - Allocation of Funds for Funded Projects

Article 35

If the recipient agrees with the funding results and the terms of the funding, they must sign and return the relevant project funding agreement to the Science and Technology Development Fund within 15 days of receiving the notification letter and consent form. Failure to sign the agreement within the prescribed period will be considered as a waiver of the funding.

Article 36

The funds for the project will be disbursed once the recipient submits the signed agreement (unless otherwise specified in the approval decision). The funds are mainly disbursed in installments via bank transfer to the designated bank account of the funded entity. The funds will be disbursed according to the periods and conditions set out below (for enterprise projects, the funds are disbursed according to the plan requirements):

- First installment: disbursed after the recipient submits the signed agreement and before the start of the project;
 - Second/Third installment: disbursed after the recipient submits annual/final reports and upon approval.
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Chapter VII - Follow-up and Implementation of Funded Projects

Article 37

1. The results of the funding will be published quarterly through the Public Assets Supervision and Planning Office of the Macao Special Administrative Region, announcing the project title, project leader, recipient, and funding amount.

2. The funding and follow-up status will be updated monthly on the Public Assets Supervision and Planning Office's "Autonomous Fund Data Integration System" to monitor the statistics of the Fund's funding work.

Article 38

The recipient and the project leader must manage and implement the research project in accordance with the expenditure and terms specified in the signed funding agreement.

Article 39 - Reporting Requirements

The recipient and the project leader must carry out the project as per the submitted plan. If any of the following changes occur in the approved project, the recipient must report it using the "Research Project Change Request Form" from the Fund and obtain approval from the Science and Technology Development Fund (FDCT) before proceeding.

1. During the project implementation, the recipient may not change the project leader without prior approval. If any of the following situations arise, the recipient may promptly submit a request to the FDCT to change the project leader or terminate the project, subject to FDCT's approval. The FDCT may also directly decide to terminate project funding under the following circumstances: (1) The project leader is no longer part of the recipient's personnel; (2) The project leader is unable to continue the research work; (3) The project leader has engaged in plagiarism or fraud in scientific research.

2. The recipient and the project leader must ensure the stable operation of the project team. Changes in project personnel must adhere to the following requirements:

(1) The members of the funded project cannot be arbitrarily increased or decreased. In case of changes, the project leader must report them to the FDCT, and any new research members must submit identification and a curriculum vitae.

3. Project Extension

(1) Project extensions can only be applied for independently after submitting the final annual report.

(2) Only one extension can be applied for, with a maximum extension period of 12 months.

(3) Once an extension is approved by the Fund, the recipient must submit the final report by the deadline specified in the Fund's reply letter.

(4) Each project's funding period shall not exceed five years, but if the project cannot be completed within five years due to force majeure, an extension of up to one year may be granted by the Administrative Committee upon request.

4. Equipment Purchase

(1) For projects lasting two years or more, if the equipment purchase expenses have not been fully reimbursed in the final annual report and without reasonable justification, the funding for those equipment expenses will be reduced.

5. Adjustment of Funding

6. Project Termination

Article 40 - On-site Inspections and Supervision

(1) The Science and Technology Development Fund (FDCT) will conduct on-site inspections of funded projects before the submission of (if applicable) annual/final reports, to monitor whether the approved funding has been used for the purposes specified in the approval decision, including but not limited to equipment, consumables, and staffing. The FDCT will also verify whether the project is being implemented according to the plan.

(2) In exercising its supervisory powers, the FDCT has the right to request necessary information and assistance from the recipient, including cooperation in on-site inspections and audits.

Article 41 - Annual/Final Evaluation Requirements

(1) The format of the annual report and final report can be downloaded from the FDCT website.

(2) The project leader must organize the research work according to the project plan, keep a record of the implementation of the funded project, and use these records to complete the annual progress report or final report. This allows the Fund to conduct interim (if any) and final evaluations. Staff expenditure must clearly specify personnel identity and working period, with Macao being the base of the research. A copy of the local student card or local legal work permit must be submitted.

(3) If the recipient submits the annual report (if applicable) and the final report on time, the annual funding will be released upon approval of the reports. If the recipient fails to submit the reports on time, the corresponding annual budget will be canceled, and the recipient must return the funds already disbursed. If the funds are not returned, the FDCT may take legal action and pursue claims through the Macao SAR courts, which may affect future funding applications.

(4) The reports mentioned above must consist of two parts: the actual activities carried out and their effectiveness, and the financial performance.

(5) For the activities and effectiveness part, the recipient must detail the work performed and the results achieved during the specified period according to the approved plan and schedule.

(6) For the financial performance part, the recipient must detail the use of the funds, including all income and expenditures, and retain the original vouchers related to the funding for at least five years.

(7) Related Transactions: When conducting procurement activities for the project, the principle of legality, fairness, and efficient resource use must be followed, avoiding conflicts of interest in related transactions. If a related transaction is deemed reasonable, such as having a clear market price advantage or being irreplaceable, at least one non-related supplier must be asked for a quotation for comparison, and the justification for selecting the related party must be provided for the FDCT's final evaluation and review. Individuals with potential conflicts of interest must not participate in the procurement process.

(8) "Agreed Procedures Report" According to the guidelines from the Public Assets Supervision and Planning Office of the Macao SAR, project leaders of higher education institution projects/entities or individuals responsible for non-higher education institution projects must submit the "Agreed Procedures Report" through the declaration system within 90 days after the completion of all funded projects, provided that the cumulative approved funding in the same funding scheme exceeds MOP 1,000,000 in that year. The guidelines and templates for the agreed procedures can be found in Attachments 2 and 3 of this guideline.

(9) Proof of Legal Work for Non-Resident Researchers

Non-local residents conducting project research in Macao must provide proof of legal work in Macao unless they are exempted by Article 4 of the Regulation on the Prohibition of Illegal Work (Administrative Regulation No. 17/2004), which allows for professional, advisory, and academic services, provided the stay does not exceed 45 days within any consecutive or non-consecutive six-month period.

(10) Funding for Researchers with Student Status

If a researcher also holds a student status, their funding will be subject to the scholarship limits set by the Fund.

(11) Funding for Personnel

Personnel employed under the project (including researchers, graduate students, etc.) may only receive funding from one FDCT-supported research project at a time for personnel expenses.

(12) Final Report Submission

Within 90 days from the end of the project funding period, the recipient must submit the project's final report along with a financial report on the use of the funds for review by the FDCT. If research results have been achieved, a results summary and attachments must also be submitted. The project leader is responsible for the accuracy of the final report materials.

(13) Disclosure of Results

All project results (including the transfer or transformation of products or intellectual property, external cooperation, establishment of business entities, increase in project value, talent development, and publication of papers) must clearly disclose that the project was funded by the Macao Science and Technology Development Fund and include the corresponding file number. Additionally, equipment purchased with the funds (if any) must be reported to the FDCT.

Article 42 - Supporting Documents for Final Reports

When submitting the final project summary report, the recipient must attach supporting documents for the project's execution, which include but are not limited to:

1. Detailed expenditure statements;
2. A list of research outcomes, including published or accepted papers with notifications, other outcome lists, and photocopies of necessary supporting documents;
3. A statistical table of the research conducted;
4. A summary of transferable scientific and technological results;
5. If the project was completed in collaboration, the latest cooperation agreement must be submitted;
6. Supporting documents for expenditures (each expense receipt must correspond to the serial number in the expenditure statement).
 - (1) For local research staff allowance claims, a receipt signed by the individual and proof of payment, along with valid identification documents (such as a Macao Resident ID card or work permit) and a resume, must be provided.
 - (2) For external expert consultancy fees, a signed receipt from the individual, proof of payment, and valid identification documents (such as a valid local ID card or passport) and a resume must be provided.
 - (3) For conference attendance or travel expenses, a copy of the invitation letter or travel invitation and the conference materials must be submitted.

Article 43 - Application for Report Submission Extension

If due to force majeure or reasons confirmed by the Administrative Committee as not attributable to the recipient, the report cannot be submitted on time, the recipient must notify the FDCT within seven working days from the occurrence of the relevant event.

Article 44 - Review of Annual/Final Materials

The FDCT will review the submitted annual/final materials and, if the requirements are met, approve the completion and notify the recipient in writing. If any of the following situations arise, the FDCT will request revisions or resubmissions:

1. Incomplete submitted materials;
2. Incomplete or non-compliant financial reports or receipts;
3. Other conditions that do not meet FDCT requirements.

Article 45 - Evaluation of Projects with Non-Compliant Final Reports

For projects where the final report is evaluated as non-compliant (i.e., the output at the final review achieves less than 50% of the expected results compared to the original application), the FDCT will issue a written warning to the project leader, prohibiting them from submitting new project applications for one year from the date of the final decision by the FDCT.

Article 46 - Annual Publication of Approved Project Results

The FDCT will publish the outcome data of approved projects annually.

Chapter VIII - Obligations of the Recipient

Article 47

The recipient must fulfill the following obligations:

- (1) Provide truthful information and make accurate declarations;
 - (2) If there are any changes in the approved funding, the recipient must apply in advance to the FDCT, except in cases where the funding scheme, approval decision, or consent form states otherwise;
 - (3) Ensure that the funds are used for the purposes specified in the approval decision;
 - (4) Carefully and reasonably plan and execute the funded project, operation, or specific expenses;
 - (5) Submit reports on time;
 - (6) Return any funds not used for the designated purposes on time;
 - (7) Properly record and account for expenditures related to the funded project, with a specific account established for recording such expenditures;
 - (8) Accept and cooperate with the FDCT's monitoring of the use of the funds, including the inspection of related expenditures and financial conditions;
 - (9) Return the funds as specified in Chapter XI;
 - (10) Comply with the legal provisions on the protection of intellectual property rights;
 - (11) Ensure that the content of the project application and the project implementation process do not violate any legal provisions or infringe upon the rights of others;
 - (12) Comply with the terms of the funding scheme and the agreement signed with the FDCT;
 - (13) Agree that the FDCT has the right to document the project throughout its duration in the form of written records, photographs, and other formats, and the FDCT retains the perpetual and royalty-free right to use all related outputs;
 - (14) Agree that the FDCT may publish basic project information, project summaries, and publicly available results on its website and in public documents;
 - (15) In any promotional activities, press releases, or publicity materials related to the project, clearly state that the project was "Supported by the Macao Special Administrative Region Science and Technology Development Fund" or that the "Supporting Entity is the Macao Special Administrative Region Science and Technology Development Fund," and report this to the FDCT;
 - (16) Expenses funded by the FDCT cannot be funded by any other public funding schemes.
-

Chapter IX - Consequences of Breaching Obligations

Article 48

Except in cases of force majeure or when confirmed by the Administrative Committee as not attributable to the recipient, if the recipient breaches any of the obligations mentioned in Article 47, the Administrative Committee may make one or more of the following decisions based on the nature and severity of the breach:

- (1) Reject the funding;
 - (2) Suspend or limit the amount of funds yet to be disbursed;
 - (3) Cancel all or part of the granted funding and require the recipient to return the corresponding funds;
 - (4) Include the recipient or the project leader in the list of violators and set a restriction period for future funding applications, not exceeding two years.
-

Chapter X - Applicable Situations for Penalties

Article 49

The consequences mentioned in Article 48 are particularly applicable in the following situations:

- (1) The consequences referred to in paragraph 1 of the previous article apply to recipients who are in

violation of Article 47, paragraph 6 or paragraph 9, at the time of applying for funding.

(2) The consequences referred to in paragraph 2 of the previous article apply to recipients in violation of Article 47, paragraphs 2, 4, 5, 7, 8, or 12, and are considered to have committed minor negligence according to the FDCT.

(3) The consequences referred to in paragraphs 3 and 4 of the previous article apply to the following situations:

(1) The recipient breaches Article 47, paragraphs 1, 3, 9, 10, 11, or 16;

(2) The recipient breaches the obligation in Article 47, paragraph 4, causing serious risk or damage to the participants or the public interest, particularly public safety or social order;

(3) The recipient breaches Article 47, paragraphs 2, 4, 5, 7, 8, or 12, and the FDCT determines that the circumstances are severe.

(4) If the project's final report is deemed non-compliant according to the *General Guidelines for Project Management* of the FDCT, the FDCT has the right to impose the penalties mentioned in paragraph 4 of the previous article on the project leader.

Article 50

When the FDCT imposes the aforementioned penalties, it must provide reasons. In the case of partial cancellation of funding, the FDCT must specify the amount to be returned.

Chapter XI - Return, Repayment, and Forced Collection of Funds

Article 51

If the Administrative Committee of the FDCT confirms that the approved amount of eligible expenditures is less than the disbursed funding, the recipient must return the difference within the period specified by the FDCT.

Article 52

If the approved funding is not implemented within the period specified in the approval decision or consent form, the recipient must explain the reasons for the delay and return the disbursed funds within the period specified by the FDCT.

Article 53

Upon receiving a justified request from the recipient, the FDCT Administrative Committee may exceptionally approve that the recipient does not need to return the funds used for reasonable expenditures incurred before the project was terminated.

Article 54

If the funding is partially or fully canceled, or if the funding is terminated, the recipient must return the disbursed funds within the period specified in the notice.

Article 55

If the recipient fails to return the funds within the specified period without providing a reasonable explanation, the Financial Services Bureau will initiate forced collection in accordance with the provisions of the tax enforcement procedure, using the certificate issued by the Administrative Committee as the basis for enforcement.

Chapter XII - Appeals

Article 56

Applicants may appeal relevant decisions in accordance with the provisions of the *Administrative Procedure Code*.

Chapter XIII - Other Considerations

Article 57

All application materials are for the purpose of the funding scheme only. Applicants must ensure the accuracy of the submitted documents and information. Once submitted, they will not be returned.

Article 58

For matters not covered by this scheme, the *Public Financial Support System of the Macao Special Administrative Region*, the *Statutes of the Science and Technology Development Fund*, the *Regulation on Financial Support of the Science and Technology Development Fund*, the guidelines for *Inspection of Funded Activities or Projects* from the Public Assets Supervision and Planning Office, the *General Guidelines for Project Management* of the FDCT, the *Agreed Procedures Guidelines for Research Projects*, and the *Funding Agreement* signed after approval shall apply.

Article 59

The contents of this scheme can be obtained in person at the FDCT service counter or downloaded from the website at <https://www.fdct.gov.mo/>.

Article 60

If the content of the application involves unlawful infringement of others' rights, the applicant will bear full responsibility. The FDCT also reserves the right to pursue legal action.

Article 61

Making false statements will not only result in disqualification from applying but also entail other legal consequences.

Article 62

The FDCT reserves the right to amend and interpret the above content.

Contact Information

Telephone: 2878 8777

Email (Project Funding Service Division): saf@fdct.gov.mo

Office Address: 11/F, K, Macao Plaza, 43-53A Avenida do Infante D. Henrique, Macau

Attachments

1. Regulations on the number of FDCT projects a project leader can undertake
2. Agreed Procedures Guidelines for Research Projects
3. Sample of the Agreed Procedures Report

Regulations on the Number of FDCT Projects a Project Leader Can Undertake

1. A Project Leader (PI) may be responsible for up to 3 ongoing projects. The limits for each type of project are as follows:

Category	Limit
• Scientific Research and Innovation R&D Grants, Technology Innovation Enhancement Grants	A total of 3 projects
• Enterprise Innovation R&D Grants, Enterprise-Industry-University-Research Collaboration Grants	A total of 3 projects
• Each type of Joint Funding	1 project per type
• Key R&D Project Grants*	1 project

*Only the person responsible for the topic is counted.

2. There is no limit for Patent Grant Projects and Talent-related Grants.

3. New project applications are counted as ongoing projects.

4. If the Project Leader (PI) has reached the project limit, they may submit a new project application 90 days before the completion of one of the ongoing projects. If the final report is submitted late, the FDCT will not approve new applications from the Project Leader (PI) until the report is submitted.

5. If the final report is submitted late, the FDCT will not accept new project applications from the Project Leader (PI).

Attachment 2:

Science and Technology Development Fund Agreed Procedures Guidelines for Research Projects (Applicable to projects approved from 2023 onward)

In accordance with the requirements of the *Guidelines for Inspection of Funded Activities or Projects* (Document No. 001/GPSAP/AF/2023) issued by the Public Assets Supervision and Planning Office of the Macao SAR (hereinafter referred to as the "Inspection Guidelines"), the Science and Technology Development Fund (hereinafter referred to as "FDCT") has formulated the *Agreed Procedures Guidelines for Research Projects*. These guidelines aim to ensure that public financial support is reasonably used for relevant activities or projects, and that the equipment and facilities related to the funding are properly utilized, managed, and preserved. This document helps funded parties understand the financial management standards and strengthens the FDCT's oversight and verification of financial expenditures for funded research projects.

Project leaders from higher education institutions, entities, or individuals in non-higher education projects must hire a certified accountant, accounting firm, or an accountant authorized to provide tax and accounting services to submit an *Agreed Procedures Report* for funded projects in the same funding scheme when the total approved amount equals or exceeds MOP 1,000,000 in a given year. This report must be submitted through the FDCT's reporting system within 90 days after the project completion.

I. Requirements for Income and Expenditure Documentation

In accordance with the *Inspection Guidelines*, the funded party must organize and retain the following documents:

1. **Income Documentation:** (1) **Public sector or entity funding income:** Relevant income documents, such as official documents issued by public entities (including the name of the funder, recipient's name, project name, issue date, and amount), bank transfer notifications, or deposit receipts.
(2) **Private sector or individual funding income:** Relevant income documents, such as receipts from the private entity or individual (including the name of the funder, recipient's name, project name, issue date, and amount), receipts, bank transfer notifications, or deposit slips. If these income documents cannot be provided, a signed receipt or document with the funder's contact information (e.g., address, phone number, or email address) can be used as proof.
(3) **Other income (e.g., sales, service income, registration fees):** Relevant documents, such as invoices, receipts, or stubs (including names of both parties, product or service name, issue date, receipt number, and amount), bank transfer notifications, or deposit slips.
2. **Expenditure Documentation:** (1) **Expenditures to companies or institutions:** Relevant expenditure documents, such as invoices or receipts issued by the company or institution, including the names of both parties, product or service name, issue date, receipt number, amount, and the seller's contact information (e.g., address, phone number, or email address). For property leases, the invoice or receipt must also include the property's address.
(2) **Expenditures to local researchers or external consultants:** Relevant documents must specify the researcher's name, identification number, work period, monthly or hourly salary, project number, project name, and proof of payment (e.g., receipt or bank transfer confirmation), with the financial department's signature and the name and position of the signatory.
(3) **Expenditures to other individuals:** Relevant documents, such as receipts issued by individuals (including names of both parties, product or service name, issue date, receipt number, amount, and the seller's contact information), or the M/7 tax receipt (including the names of both

parties, service description, tax ID, issue date, receipt number, and the business description listed in the tax regulation annex).

3. Other Provisions Regarding Original Receipts:

- (1) Invoices, receipts, and other vouchers must be issued in sequential order, and cancelled receipts must also be retained;
- (2) When the income or expenditure amount on the original voucher involves a discount, the actual payment amount must be indicated;
- (3) If the transaction involves foreign currencies, the recipient of the subsidy must indicate the currency involved and the exchange rate;
- (4) If the original voucher is missing or the information is incomplete, the recipient must provide a written explanation. This must be signed and dated by the responsible person or the authorized financial officer;
- (5) Any modification of the information on the original voucher must be made by the product or service provider, and it must be stamped for confirmation at the place of modification;
- (6) In cases where transactions involve related-party transactions that lead to conflicts of interest, i.e., the supplier of products or services has any of the following relationships:
 - a. The recipient (individual) is a shareholder or a member of the administrative body of the supplier;
 - b. The spouse, direct blood relatives, relatives by marriage, or collateral blood relatives within the second degree, or any person living under the same economic conditions as the recipient (individual) or a project member, is a supplier, a shareholder of the supplier, or a member of the administrative body of the supplier;
 - c. A project member or a shareholder/member of the administrative body of the recipient entity (legal entity), or any of their spouses, direct blood relatives, relatives by marriage, or collateral blood relatives within the second degree, or any person living under the same economic conditions as the recipient, is a supplier, a shareholder of the supplier, or a member of the administrative body of the supplier;
 - d. The recipient entity (legal entity) is a shareholder of the supplier.

The recipient must note such related-party transactions on the receipt or voucher, provide the contact details of the related party involved, and obtain quotations from at least one non-related supplier for comparison. An explanation of the reasonableness of the winning related-party transaction must also be provided.

II. External Inspection Elements

1. Acceptance of External Inspection and Execution of Agreed Procedures

In addition to preparing a final report according to the *Inspection Guidelines*, the funded party must hire a certified accountant, accounting firm, or an accountant authorized to provide tax and accounting services to perform the agreed procedures and issue a report. The funded party must submit this report through the FDCT's reporting system within 90 days after the project's completion.

2. Signing of a Business Engagement Agreement

The funded party must sign a business engagement agreement with the certified accountant, accounting firm, or an authorized accountant. This agreement should include the following elements:

- (1) The purpose of commissioning the agreed procedures;

- (2) Financial information to be covered by the agreed procedures, such as income, expenditure, and balance;
- (3) The nature, timing, and scope of the agreed procedures to be performed;
- (4) Elements of the agreed procedures, such as inquiry, analysis, observation, inspection, confirmation, recalculation, comparison, and other verification methods;
- (5) A sample report.

(6) **Distribution and Use Restrictions of the Report**, specifying the authorized users of the report, including the funded party, the FDCT, and its supervisory or regulatory entities.

If the certified accountant, accounting firm, or an accountant authorized to provide tax and accounting services has the professional competence and reasonable judgment standards, the funded party may follow the *Inspection Guidelines* and applicable agreed procedures rules to establish, in the business engagement agreement, additional agreed procedures for other financial and non-financial information.

3. Inspection Plan for Agreed Procedures

The funded party should request the certified accountant, accounting firm, or authorized accountant to conduct inspections based on the following conditions:

(1) **Inspection of Original Income and Expenditure Documents:**

- **A. Income Documents:** Review all income related to the project.
- **B. Expenditure Documents:**
 - **a. Personnel Expenditures:** Verify all expenditures related to personnel and confirm signatures and seals.
 - **b. Non-personnel Expenditures:** Verify if sample amounts and descriptions match the supporting documents, such as invoices, purchase contracts, or other documents. The criteria and quantity for selecting samples from the non-personnel expenditure items are as follows:
 - **b1.** Check all individual expenditure items that exceed or equal MOP 50,000.
 - **b2.** For remaining expenditure items below MOP 50,000, sample selection must cover at least 20% of the total amount of the expenditure items.
 - **b3.** If, after completing procedures b1 and b2, the total amount of the sampled expenditures reaches 50% of the total amount of non-personnel expenditure items, further sampling is unnecessary.
 - **b4.** If, after completing procedures b1 and b2, the total amount of the sampled expenditures does not reach 50% of the total amount of non-personnel expenditure items, continue sampling expenditure items below MOP 50,000 until the total sampled amount reaches 50%.

(2) **Issuance of Confirmation Letters:** For single transactions amounting to MOP 1,000,000 or more, send confirmation letters.

(3) **On-site Inspections:** In addition to the above sampling and issuance of confirmation letters, on-site inspections must be conducted for expenditures on construction or equipment procurement where the transaction amount exceeds MOP 1,000,000.

4. Documents to Be Provided by the Funded Party

The funded party must provide the certified accountant, accounting firm, or authorized accountant with the following documents:

- (1) The funding regulations, funding scheme, and other guidelines established by the FDCT.
- (2) The notification of project approval, application documents, and any changes, if applicable.
- (3) A completed final report provided by the FDCT, and a copy of the summary report prepared according to the *Inspection Guidelines* from the Public Assets Supervision and Planning Office.

- (4) All income and expenditure vouchers.
 - (5) A fixed asset list (if applicable).
-

5. Requirements for Executing Agreed Procedures

The funded party must request the certified accountant, accounting firm, or authorized accountant to reference the FDCT's funding regulations, funding scheme, and related guidelines when executing the agreed procedures. Additionally, the funded party must ensure that the accountant follows the applicable agreed procedures guidelines, accounting standards, professional ethics codes, other accounting industry practice standards, and related guidelines.

6. Sample Report for Agreed Procedures

The funded party must ensure that the certified accountant, accounting firm, or accountant authorized to provide accounting and tax services prepares the report in accordance with the "Sample Report for Agreed Procedures" (see attachment) and may adjust the content as needed.

The agreed procedures report should include the following content:

- (1) **Title;**
- (2) **Recipient;**
- (3) A description of the financial information related to the agreed procedures;
- (4) A statement that the agreed procedures were determined in consultation with the specified entity;
- (5) A statement that the agreed procedures were performed in accordance with relevant standards and the requirements outlined in the business engagement agreement;
- (6) A disclosure if the certified accountant or the accountant authorized to provide accounting and tax services lacks independence;
- (7) The purpose of performing the agreed procedures;
- (8) A list of the specific procedures executed;
- (9) A description of the results of the agreed procedures, including details of any errors or exceptions found;
- (10) A statement that the agreed procedures do not constitute an audit or review, and that the accountant or authorized accountant does not provide an assurance conclusion;
- (11) A statement that if procedures other than the agreed procedures had been performed, or if an audit or review had been conducted, the accountant or authorized accountant might have reached different conclusions;
- (12) A statement that the report is intended for use by the specified entity only;
- (13) A statement that the report only relates to the specific financial data subjected to the agreed procedures and does not extend to the financial statements as a whole (if applicable);
- (14) The signature of the certified accountant or the accountant authorized to provide accounting and tax services;
- (15) The name of the certified accountant or the accountant authorized to provide accounting and tax services;
- (16) The name of the accounting firm or company providing accounting and tax services (if applicable);
- (17) The date of the report;
- (18) The location where the report was issued.

Attachment 3

Sample Agreed Procedures Report

To: (Name of Funded Party),

We/I have been commissioned by (Name of Funded Party) to perform the agreed-upon procedures for the submission of the summary report for the year _____ related to (Name of Funded Activity or Project) of (Name of Funded Party). These procedures were agreed upon with the board/management of (Name of Funded Party) and are in compliance with the *Regulation on Financial Support of the Science and Technology Development Fund*, the relevant program regulations and application guidelines (if applicable), and the terms of the funding agreement. The preparation of the *Execution Report* and *Income and Expenditure Report* according to the requirements of the *Regulation on Financial Support of the Science and Technology Development Fund*, relevant program regulations, application guidelines (if applicable), the funding agreement, and the *Guidelines for Inspection of Funded Activities or Projects* issued by the Public Assets Supervision and Planning Office of the Macao SAR is the responsibility of the board/management of (Name of Funded Party). Our/My responsibility is to perform the agreed-upon procedures in accordance with the engagement agreement, the *Guidelines for Inspection of Funded Activities or Projects*, and the (relevant agreed-upon procedures guidelines, accounting standards, professional ethics standards, and other accounting industry practice standards) and report the results of these procedures.

I. Procedures Performed:

1. Verification of the actual income for each item listed in the Income and Expenditure Report:

1.1. Verify all income received from the funding entity. Compare the related income documents (e.g., documents issued by (Name of Funding Party) that include (Name of Funding Party/Funded Party, name of the funded activity or project, issue date, and amount), bank transfer notifications, deposit receipts, etc.) with the content and amounts reported in the Income and Expenditure Report.

1.2. Randomly select other sources of income (including but not limited to income from private entities/organizations or individuals, sales and service income, membership fees, registration fees). Compare the related income documents (e.g., receipt documents that include the name of the funded party or individual, name of the funded activity/project, issue date, and amount, invoices, receipts, stubs, bank transfer notifications, deposit receipts, etc.) with the content and amounts reported in the Income and Expenditure Report.

2. Verification of the actual expenditures for each item listed in the Income and Expenditure Report:

2.1. Verify that the total personnel expenditure in the Income and Expenditure Report matches and confirm the signatures and seals.

2.2. For non-personnel expenditure, verify that the sample amounts and descriptions match the supporting documents, such as invoices, purchase contracts, or other documents. The criteria and sample size for selecting non-personnel expenditure items in the details list are as follows:

2.2.1. Check all individual expenditure items that exceed or equal MOP 50,000.

2.2.2. For remaining expenditure items below MOP 50,000, sample selection must cover at least 20% of the total amount of those expenditure items.

2.2.3. If, after completing procedures 2.2.1 and 2.2.2, the total amount of sampled non-personnel expenditure items reaches 50% of the total amount of those expenditure items, further sampling is unnecessary.

2.2.4. If, after completing procedures 2.2.1 and 2.2.2, the total amount of the sampled non-personnel expenditure items does not reach 50% of the total amount of non-personnel expenditure items, continue sampling expenditure items below MOP 50,000 until the total sampled amount reaches 50%.

The total number of samples drawn was _____ (number), without prejudice to the following provisions. Verify whether the expenditure vouchers (including the names of both parties, product or service name, issue date, voucher number, and amount) match the content and amounts in the *Income and Expenditure Report*.

2.3. Verify whether the expenditure vouchers are related to the "Eligible Expenditures" listed in the *Funding Agreement* and any approved project amendment documents (if applicable).

2.4. For the following expenditures (if applicable), check the relevant documents, including:

2.4.1. Personnel allowances and external consultant fees: Verify the identification documents of the recipients, whether the vouchers clearly list the names of the researchers, identification numbers, working periods, monthly/hourly wages, project number, project name, and proof of receipt or bank transfer confirmation. Check for the signature and stamp of the financial department, along with the name and position of the certifying individual.

2.4.2. Collaboration/Cooperation fees: Verify whether the receipt was issued by the counterpart entity and signed and stamped.

2.4.3. Conference attendance and research travel expenses: Check whether a travel report was provided and verify if the related expenditures occurred within the travel period.

2.5. For single transactions amounting to MOP 1,000,000 or more, confirmation letters were sent for _____ (number) transactions. Additionally, for expenditures involving construction or equipment procurement with transaction amounts of MOP 1,000,000 or more, on-site inspections were conducted for _____ (number) transactions. Verify whether the expenditure vouchers match the content and amounts in the *Income and Expenditure Report*.

2.6. During the sampling process, verify all *M/7 tax format vouchers* issued by individuals (including the names of the customer and issuer, service name, issuer's tax ID number, issue date, voucher number, business type listed in the tax regulation annex, and amount). Check whether the expenditure vouchers match the content and amounts in the *Income and Expenditure Report*.

2.7. During the sampling process, verify all other receipts issued by individuals (in addition to including the names of both parties, product or service name, issue date, voucher number, and amount, the issuer's contact information must also be provided). Check whether the expenditure vouchers match the content and amounts in the *Income and Expenditure Report*.

2.8. Among the samples checked, it was found that _____ (number) of the original vouchers (including invoices or receipts) were not originals or could not be presented. After verifying that the responsible party of (Name of Funded Party) or their authorized financial manager signed and dated the document, along with an explanation of why the original documents were not provided, it was confirmed that there were no irregularities.

2.9. Among the samples checked, it was found that _____ (number) of the original vouchers were modified by the product or service provider. Verification was conducted to ensure that the modified sections were stamped by the product or service provider.

2.10. Among the samples checked, it was found that _____ (number) of the transactions involved suspicious and unreported related-party transactions. The funded party was requested to provide valid original vouchers (including at least one quotation from a non-related supplier). It was found

that _____ (number) of the suspicious related-party transactions could not provide valid documentation. After verifying that the responsible party of (Name of Funded Party) or their authorized financial manager signed and dated the document, along with an explanation of why the documents could not be provided, it was confirmed that there were no irregularities.

2.11. Verified the original vouchers of _____ (number) reported related-party transactions (including at least one quotation from a non-related supplier). It was found that _____ (number) of the related-party transactions could not provide valid documentation. After verifying that the responsible party of (Name of Funded Party) or their authorized financial manager signed and dated the document, along with an explanation of why the documents could not be provided, it was confirmed that there were no irregularities.

II. Results of the Procedures Performed:

- 1.
- 2.

Since the procedures above do not constitute an assurance engagement in accordance with (name of applicable audit and review standards), we/I do not express any assurance opinion on the report.

This report is solely for the purpose specified in the engagement agreement and should not be used for any other purpose. We/I do not assume any responsibility or obligation to any other parties for the content of this report. This report relates only to the report specified above and does not extend to the overall financial statements of the funded party.

Name of Certified Accountant or Accountant Authorized to Provide Accounting and Tax Services

Name of Accounting Firm or Company Providing Accounting and Tax Services (if applicable)

Date: