

Sample Service Contract **(for Reference Only)**

Cleaner Production Partnership Programme Demonstration Projects

Service Contract between the Applicant & Environmental Technology Service Provider for the Demonstration Projects

This Service Contract is made between XXX Ltd. (Business Registration No. xxxxxxxxx) (“the Company”) and YYY Ltd. (Business Registration No. xxxxxxxxx) (“the Environmental Technology (ET) Service Provider”) whose particulars are set out in Part I of the attached Schedule.

It is agreed that the Company shall commission the ET Service Provider to provide services to the Company in accordance with the following terms and conditions:-

Services

1. The services to be provided by the ET Service Provider to the Company are as set out in Part II of the attached Schedule (“the Services”). The service is to implement the Demonstration Projects the details of which are listed out in the project proposal (Proposal Ref: XXXXXX dated YYMMDD) attached to this Service Contract.

Time/Term of Service

2. The time frame within which the Services shall be completed or as the case may be the term of the engagement of the ET Service Provider by the Company shall be as set out in Part III of the attached Schedule.

Service Charges

3. The charges payable by the Company to the ET Service Provider for the Services and the term of payment shall be as set out in Part IV of the attached Schedule.

Contractor not to represent the Company

4. The ET Service Provider shall not without the prior written consent of the Company incur any expenses or any other kind of liability for and on behalf of the Company. The ET Service Provider shall have no authority whatsoever to represent the Company or to hold itself out as an authorized agent or otherwise as having the authority to act on behalf of the Company.

Confidentiality

5. Each of the parties shall at all times keep confidential (and to procure that its respective employees and agents shall keep confidential) any confidential information which it may acquire in relation to the other party, its clients, business or affairs and shall not use or disclose such information except with the consent of the other party or in accordance with the order of a court of competent jurisdiction provided that the obligations of each of the parties contained in this clause shall cease to apply to any information coming into the public domain otherwise than by breach by any such party of its obligations contained in this clause and that nothing herein shall prevent any party from disclosing any such information to the extent required in or in connection with legal proceedings arising out of this Service Contract.

Termination

6. Without prejudice to any other remedy the Company may have against the ET Service Provider, the Company shall have the right to terminate this Service Contract immediately if the ET Service Provider:-

- (i) is wound up or is petitioned to be wound up, commits an act of bankruptcy or compound or arrange with its creditors or have a receiving order made against it or being a limited company enters into compulsory or voluntary liquidation (except for the purposes of amalgamation or restructure only);
- (ii) refuses or prevents the furnishing of the Services under this Service Contract to the Company;
- (iii) violates any of the terms and conditions contained herein,

whereupon, the Company shall not be required to pay any unpaid balance of the service charges as prescribed in Part IV of the attached Schedule to the ET Service Provider. The ET Service Provider shall forthwith make a full refund of all sums received from the Company.

No Employment

7. The parties hereby acknowledge that this is not an employment contract and in respect of the provision of the Services, the ET Service Provider is an independent contractor only and not the servant or employee of the Company.

Entire Service Contract

8. This Service Contract including the Schedule attached hereto constitutes the entire Service Contract between the parties in relation to its subject matter and supersedes all prior agreements, representations and understandings whether oral or written with respect to such subject matter.

Time of the Essence

9. Time shall be of the essence in this Service Contract.

Governing Law

10. This Service Contract shall be governed by and construed in accordance with the laws of the Hong Kong Special Administrative Region.

Schedule

Part I – The ET Service Provider

Name: **XXX Ltd.**

Business Registration Number:

Address:

Part II – Services

The service is to implement the Demonstration Projects the details of which are listed out in the project proposal (Proposal Ref: XXXXXX dated YYMMDD) attached to this Service Contract

(Note: Annex 1 lists out the basic requirements of the project proposal including scope of work and methodology to implement the Demonstration Projects.)

Part III – Time/Term of Service

Commencement date: The Demonstration Projects shall commence within xx weeks upon signing this Agreement

Completion date: xx months from the date of signing this Agreement

Part IV – Service Charges

Service Charges: HK\$xxx

Payment Term: To be negotiated between the Company and the ET Service Provider

Signed by the duly authorized representative of
the COMPANY with COMPANY CHOP

Signed by the duly authorized representative
of the ET SERVICE PROVIDER with
COMPANY CHOP

Name:

Title:

Date:

Name:

Title:

Date:

Annex 1: Basic Requirements on the Detailed Project Proposal of the Demonstration Projects

(1) Name and Location of Factory to Conduct the Demonstration Projects

Name of factory: XXX

Address of factory: XXX

Business of factory:XXX

(2) Scope of Demonstration Projects

The ET Service Provider must list out in this section the scope of work of the Demonstration Projects which must include the following key areas of work:-

- (a) Identification of the cleaner production (CP) technology or practices for an industrial process or peripheral facilities (e.g. air-conditioning, lighting, heating and hot water supply, compressed air supply, etc.) of the Company's factory mentioned in (1) above to be demonstrated under the project.
- (b) Design, supply and installation of equipment and/or modification of production process using the identified CP technology or practices for demonstration of the effectiveness of the technology or practices.
- (c) Commissioning of the equipment and/or modification of production process under demonstration for real life application.
- (d) Evaluation of the effectiveness of the CP technology or practices with respect to improvement in energy efficiency and/or reduction in air pollutant emissions or effluent discharges.
- (e) Training of the factory personnel on the operation of the system.
- (f) Evaluation of the actual cost involved and potential financial return of the CP technology or practices.
- (g) Preparation of a report containing all the findings of the Demonstration Projects.
- (h) Provision of xx-year defect liability period for the equipment installed in the project.

(3) Implementation Plan of Demonstration Projects

The implementation plan varies widely depending on which CP technology or practices are demonstrated. However, the following should be listed out in this section:-

- (a) Why select the CP technology or practices? What is the advantage of such technology or practices against other competing ones.
- (b) What is the expected effectiveness of the CP technology or practices in terms of energy efficiency and/or reducing air pollutant emissions or effluent discharges.

- (c) How the ET Service Provider will implement the CP technology or practices in order to achieve energy efficiency of and/or reduce air pollutant emissions or effluent discharges from the industrial process or the peripheral facilities¹ of the Company's factory.
- (d) The technical specifications of all major pieces of equipment of the CP technology or practices should be provided for the Company's reference. If any of these pieces of equipment are proprietary equipment, this should be indicated upfront such that the Company can authorize single vendor supply to purchase these pieces of equipment. Otherwise, the ET Service Provider has to follow the procurement guidelines as stipulated in the "Cleaner Production Partnership Programme: Guide to Application for Funding Support".
- (e) Any support from the Company needed to implement the CP technology or practices, e.g. production schedule, engineering support, etc., should be indicated clearly.
- (f) The ET Service Provider should also mention the detailed plan to commission the CP technology or practices in order to achieve the expected benefit.
- (g) The ET Service Provider should provide a detailed methodology on how to verify the cost-effectiveness of the CP technology or practices.
- (h) The ET Service Provider should also provide full training to the Company's technical staff to properly operate and maintain the CP technology or practices in order to sustain the effectiveness in terms of energy efficiency and/or reduction in air pollutant emissions or effluent discharges.

(4) Reporting

The ET Service Provider will consolidate all the findings of the project into a report and submit it to the Company. The report should be submitted to the Company within xx months from the date of signing this Agreement.

¹ Peripheral facilities of a factory include air-conditioning system, lighting, heating and hot water supply, compressed air supply, etc.