

**Subcommittee to Study the Subject of Combating Poverty :
Development of Social Enterprises**

Background

In response to the Subcommittee's interest in this subject, this paper sets out relevant information relating to the development of social enterprises in Hong Kong.

Background Situation

2. Social enterprises (SE) have been developed in a number of overseas countries to achieve social objectives through commercial operations. In Hong Kong, we have a relatively longer history of SEs for disabled persons as an option to provide them with job and training opportunities. In 2001-02, the Social Welfare Department launched a scheme - Enhancing Employment of People with Disabilities through Small Enterprise - to help enhance the employability of disabled persons. In the same year, the Health, Welfare and Food Bureau launched the Community Investment and Inclusion Fund to support cross-sectoral collaboration to develop social capital. These schemes provide grants to non-governmental organizations (NGOs) to carry out projects which contribute, among other things, to the development of SEs.

3. Between 2005 and mid-2007, the former Commission on Poverty (CoP) supported the direction to further encourage the development of SE as an innovative approach to promote self-reliance and to provide community employment opportunities for the unemployed to integrate into the job market. A series of initiatives have been launched and remain in operation despite the dissolution of CoP (see extracts of CoP's Report at **Annex A**).

4. In the Government's 2006 Policy Agenda, one of the new initiatives under the guiding principle of "Caring and Just Society" is that the Government will : "Encourage work, including promoting social enterprise development in collaboration with academia, small and medium enterprises, and business sector on training, mentorship and business support". The 2006

Policy Agenda also sets out Government's ongoing initiatives of encouraging further development of SEs, together with relevant stakeholders, to help enhance the employability of the able-bodied unemployed.

5. In 2006-07, the Financial Secretary earmarked a sum of \$150 million over the following five years to provide grants for NGOs to run SE projects for the socially disadvantaged. The Government subsequently established the Enhancing Self-Reliance Through District Partnership Programme (the Programme), administered by the Home Affairs Department (HAD), for this purpose. Since its launch in 2006, the Programme has provided grants of some \$38 million to over 40 new social enterprise projects in various areas (a summary of the approved projects is at **Annex B**). It is now processing another 53 applications.

Key Challenges

6. There has been a growing awareness of SEs and recognition of its potential role in the community but it remains a relatively new concept to most members of the public. While most SEs help create employment opportunities for the socially disadvantaged and promote their self-reliance, we need to consider how their role could be optimized and sustained to help address some of the social problems (e.g. employability of the disadvantaged groups) in our community.

7. As SEs pursue their social objectives through commercial operations, they are often required to explore new business ideas, identify market niche in some under-developed market sectors or venture into markets with low profit margins which may have been overlooked by the profit-driven enterprises. At the same time, some small and medium enterprises (SMEs) are also concerned that the SEs may pose unfair competition if the latter's operations are promoted or supported by Government.

The Further Development of Social Enterprises

8. As Government's effort to promote the development of SEs, Home Affairs Bureau (HAB)/HAD organized a forum on SE on 1 June 2007. NGOs actively involved in work relating to SEs were invited to share experiences and views. Members of the related Government committees were also invited to attend the forum. The SE forum in June paves the way

for the organization of a summit on SE later. The objective of the future summit is to provide a platform for the Government, business sector and NGOs to explore the way forward for the further development of SEs in Hong Kong. Through the summit, we hope to examine the various aspects of the development of SEs, particularly the following facets :

(a) Fostering Partnership

- Fostering partnership between the community, academia, the business sector and the Government is crucial to the development of SEs. There are more than 200 SEs in Hong Kong, mostly operated by NGOs. We believe that there is much scope for partnership opportunities amongst the aforementioned sectors.
- Private sector support/participation is an area which could be further fostered to help the sustainability of SEs. Such support/participation may include advisory and mentorship services, and assistance in entrepreneurial training for SE operators to enhance their competitive edge.
- We also need to explore the scope for multi-stakeholder partnership involving the public, private, voluntary and community sectors in fostering the development of SEs in Hong Kong.

(b) Providing continuum of support

- Apart from private sector support, the Government has a role to play in the further development of SEs. The Government will look into appropriate measures for creating an enabling environment for SEs, e.g. fostering business facilitation and support measures, and promoting the SE concept to enhance public understanding and acceptance.
- The above measures involve institutional support, and the cooperation of the private sector and the community in building sustainable partnership.

(c) *Providing start up support*

- Start-up support is also important to help SEs to get off ground. In this respect, HAD will continue to administer the Enhancing Self-Reliance Through District Partnership Programme which provides funding supports for appropriate projects that promote sustainable poverty alleviation efforts at the district level with a view to help enhancing participants' self-reliance.
- Since the launch of the Programme in June 2006, over 40 new SEs projects have been approved for implementation in various business areas, including household services, fitting-out works, retailing, beauty care/massage, catering, recycling, guided-tours and elderly services. This shows that there is no lack of interest and commitment by NGOs to run SE projects to help the disadvantaged groups.
- The Programme also promotes partnership of NGOs and district organizations in running SE projects that would exploit the sometimes untapped business opportunities in the districts.

Next Step

9. Following the re-organization of Government in July 2007, HAB has taken up the SE portfolio with the support from HAD. HAB and HAD are now mapping out possible way forward for the SE development in Hong Kong. Views of the Subcommittee on this matter are welcome.

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Annex A**APPENDIX (iv):***(Paragraph 3.17 of the Report)***PROMOTING SOCIAL ENTERPRISE DEVELOPMENT IN HONG KONG**

Overall objective: To further encourage the development of social enterprises (SEs) as an innovative approach to promote self-reliance and to provide community employment opportunities for the unemployed to integrate into the job market.

AIM	ACTION
<p>(a) Business facilitation and support</p> <p>To consider providing a funding source in support of start-ups of SE for disadvantaged groups other than the disabled.</p>	<ul style="list-style-type: none"> • \$150 million has been allocated to the Home Affairs Department from 2006/07 for five years to support sustainable poverty prevention and alleviation efforts at the district level, including the “Enhancing Self-Reliance Through District Partnership Programme” which provides start-up funding for sustainable SE initiatives. As at February 2007, the Programme has provided funding to 41 SE projects, and is expected to create about 750 jobs.
<p>To empower and motivate social entrepreneurs, including training, facilitating business-mentoring network and sharing of international best practices, etc.</p>	<ul style="list-style-type: none"> • Brainstorming session with members of the Small and Medium Enterprises (SME) Committee and CoP members was held on 24 November 2005. A SE/SME seminar was held on 11 February 2006. Existing support to SMEs would be extended to SEs, including - <ul style="list-style-type: none"> (a) The SME Mentorship Programme; (b) The “Meet-the-Advisors” Business Advisory Service; and (c) Business information and other activities for SMEs. • We have organised the first training course on social entrepreneurship in collaboration with the Hong Kong Council of Social Service and a number of tertiary institutions to cater for the training needs of middle to senior management mid-careers from NGOs or private sector who are interested to operate SE. The programme will be launched in the first half of 2007. • A Hong Kong Social Enterprise Challenge has been launched in the first half of 2007 to encourage students from tertiary institutions in Hong Kong to partner with SEs or NGOs in drawing up viable SE business plans, and to educate them on the needs of the community and the potential benefits of SEs.

(b) Create an enabling environment

To consider administrative/policy barriers which hinder the development of SE at the district level and in specific sectors.	<ul style="list-style-type: none"> • The requirement of the Enhancing Employment of People with Disabilities through Small Enterprise Project ("Seed Money" Project) to employ more than 60% of persons with disabilities (PWDs) has been relaxed to 50%. This relaxation should enable SEs to widen their range of business activities and allow more unemployed persons and PWDs to benefit. • We shall keep in view the interface between SE development and existing training and employment assistance programmes. • We shall keep in view our regulatory framework and consider how it can be improved to support SE/cooperative development, including the need to have a more modern legal vehicle to promote SE development in Hong Kong.
To promote the concept of SE among those responsible for public procurement at both the central and district level.	<ul style="list-style-type: none"> • The Hospital Authority (HA) has agreed to increase the weighting of employment of PWDs in awarding contracts from 5% to 10% of the total score. The Administration would continue to see if there could be further increases of this weighting in future in HA as well as other public bodies. • We shall continue to promote the products and services of SEs to those responsible for public procurement at both the central and district level, and we encourage the same among NGOs and the private sector. • We would keep in view how our procurement policies can facilitate SE development.

(c) Establish the value and gain public acceptance

To conduct research on SE development.	<ul style="list-style-type: none"> • Central Policy Unit (CPU) has commissioned a research on SE development in Hong Kong and one on overseas experience to enhance understanding on the subject.
To organise forums to further the understanding on SE, and to involve the business sector and the wider community in considering the potential of using SE to assist the able-bodied unemployed.	<ul style="list-style-type: none"> • Jointly organised a Conference on SE with CPU on 6 April 2006 for policy makers, business, academia and others interested in SE development (http://www.seconference.gov.hk/). • A TV series on SE development in Hong Kong and overseas was produced. • A number of seminars and sharing sessions have also been held for relevant policy makers, advisory body members, academia, NGOs etc.

伙伴倡自強社區協作計劃 --- 第一期獲委員支持的41個申請

Annex B

申請機構	計劃名稱	計劃業務	目標對象	計劃推行地點
工業福音團契有限公司	陽光康體旅遊專門店	1)推拿足按門市及流動上門服務 2)戶外特色導賞團	低學歷待業人士	深水埗/油尖旺
仁愛堂有限公司	綠色社會企業計劃	經營商店，銷售有機健康食品及用品	新來港婦女/單親婦女/單親男家長/低收入人士/待業人	屯門
仁愛堂有限公司	仁愛堂保健服務計劃 (已自行退出)	開辦保健服務中心，提供足部按摩服務及銷售環保產品	失業人士	屯門/元朗
仁濟醫院社會服務部	動力新體驗	1)漫畫小說咖啡茶座 2)漫畫及小說租售/借閱 3)青年藝術展覽場地	區內青少年	元朗/天水圍
元朗大會堂 賽馬會 元朗青少年服務中心	7-11有你份	7-11特許專營店舖	不同族裔青年	元朗
元朗區婦女會	半邊天茶餐廳	經營茶餐廳，提供一般膳食，圍村盆菜，特色小食圍村茶果、煎堆	失業人士/青年人/ 新移民	元朗
屯門區婦女會	天恩纖體美容水療坊	開設美容學校	低學歷及低收入婦女	屯門
民協社會服務中心有限公司	三行企業發展計劃	承辦三行工程	失業三行工人	深水埗
旺角街坊會有限公司	「家居好幫手」社區協作計劃	家居清潔及相關服務	新來港人士/單親家庭/低收入家庭/綜援人士/待業人士	油尖旺
東華三院	大角咀麥太	1)主題糖水店 2)輔以銷售「麥兜」產品 3)提供網上零售及送貨	失業單親中年婦女/低學歷 雙失青年	油尖旺
東華三院	長者福蔭大使培訓計劃	殯儀工作，如紮作、壽衣、靈堂設計	待業婦女	九龍城/ 深水埗

申請機構	計劃名稱	計劃業務	目標對象	計劃推行地點
東華三院社會服務科	「好當家」'家居服務	護老收費陪診，兒童照顧，家務助理服務	低收入婦女及青少年	沙田
香港中華基督教青年會	魔術及創意技藝公司	魔術及創意技藝表演、製作、銷售相關產品、租用魔術道具	青少年	東區/全港各區
香港心理衛生會	復康用品直銷業務	1)復康用品直銷服務 2)開辦網上商店及及雙月刊	雙失青年/單親婦女	全港各區
香港社區協會組織有限公司	曙光維修互助計劃	提供家居維修、搬運、冷氣機清洗服務	露宿者/釋囚/少數族裔/新移民/綜援人士	深水埗/九龍城/觀塘/油尖旺/荃灣
香港青年藝術協會有限公司	Decorative Art Factory (已自行退出)	為私人企業及社區組織提供藝術作品創作	失業/失學青年	全港各區
香港耆康老人福利會	「專業護送耆康通」	安排為住院長者提供收費陪診	低學歷及待業人士	南區
香港基督教女青年會 - 大澳社區工作辦事處	大澳文化生態綜合資源中心	設立中心，提供導賞旅遊，生態文化展覽等	居於大澳的婦女、中年人士、退休人士、中五離校生	離島
香港基督教青年會	躍動就業在東涌	與區內一所酒店合作，為中年失業人士/婦女提供就業機會	離校待業青年/中年失業人士及婦女	東涌
香港婦女發展聯會 廖湯慧靄綜合服務中心	薄餅快遞顯關懷	Pizza Box特許專營薄餅，意粉外賣速遞	長期失業人士	北區
香港單親協會	「理安心」支援服務	為清貧長者及醫院傷病患者提供家居清潔及個人護理服務	待業之單親家長、婦女、綜援人士	深水埗/油尖旺/九龍城/黃大仙

申請機構	計劃名稱	計劃業務	目標對象	計劃推行地點
香港聖公會麥理浩夫人中心	南亞當自強-就業及營商發展計劃	1)零售工藝產品 2)英語導師	南亞裔人士	葵青/荃灣
香港聖公會福利協會	Café Fusion	設立咖啡店	精神康復人士/失業人士/低收入、單親、殘疾人士家庭成員	屯門
香港職工盟教育基金有限公司	健康服務大使伴同行計劃	保健推拿，健康煮食及染髮技術服務	新來港婦女/中年失業、就業不足人士	油尖旺
香港職業發展服務處有限公司	「好幫手」一站服務	長者陪診、家居維修及保養、專業清潔服務	新來港婦女/單親家長/低學歷低技術中年人士	黃大仙/九龍城/觀塘/沙田
香港離島婦女聯會	東涌當自強-社會企業融合計劃(I)	航空膳食蔬果加工及飯/湯速遞	失業人士/綜援人士/本地或亞裔待業青年	東涌及離島
基督教香港信義會社會服務部	關懷舍社會企業	1)生產及銷售「信義牌」長者及弱能人士產品 2)輔以陪診，醫院病人之湯水服務	低技術，低學歷人士/中年失業人士/低收入家庭	屯門/元朗
基督教香港信義會社會服務部	嘉湖閣餐廳(天水圍)	營辦餐飲服務	低學歷及缺乏工作經驗之青少年/具餐飲服務經驗的天水圍居民	天水圍
基督教家庭服務中心	鯉「賞」空間	成立「鯉魚門文化工作室」，展示鯉魚門歷史及文化特色，售賣紀念品，提供導賞服務	失業人士/低收入/新來港人士	觀塘
基督教勵行會	Community Sales Outlet	設立二手店舖	低收入人士/綜援人士/新來港人士/少數族裔	觀塘
婦女服務聯會有限公司	脫困特工隊	開設店舖售賣涼茶、本土特產食品、健康食品	貧窮人士、婦女	葵青

申請機構	計劃名稱	計劃業務	目標對象	計劃推行地點
救世軍	屯門家品店	家庭用品二手買賣店	綜援家庭婦女/新來港人士/ 單親人士/雙失青年	屯門
循理會屯門青少年 綜合服務中心	「婦女當自強」-寶田 良景創業天地	餐飲及零售服務	低學歷低技術的無業婦女	屯門
循道衛理中心	青年本色	電腦平面及網頁設計	青年人	西貢/觀塘
紫荊社有限公司	彩虹創意共同體	美髮美容服務	青年/中年失業人士	元朗
黃大仙上邨及鳳凰 新村老人服務中心	家傢有出路-傢具回收	回修舊傢具及電器，修復重售	中年失業人士	黃大仙/觀塘
新界社團聯會社會 服務基金有限公司	大埔海濱休閒生態水 陸墟	生態旅遊，創業攤位，文化表演	漁民/婦女/青少年/其他弱勢 社群	大埔
聖雅各福群會	綠色生機店	銷售健康及有機食品、種植及售賣有機菇類植物、有機 食品加工	中年失業人士/低收入人士/ 貧窮長者/基層婦女/失業青 少年/貧窮長者	灣仔
樂群社會服務處	樂群健康速遞	健康飲食及保健用品零售店	低學歷低技術中年人士	東區
樂群社會服務處	「家居易」一站式物 業支援服務計劃	「家居易」物業銷售/租賃後支援服務，包括驗樓、裝 修、清潔、搬運、家務助理等	三行師傅/新來港人士/低學 歷低技術中年人士	黃大仙/觀塘
鄰舍輔導會	「健怡工房」-流動推 拿服務計劃	中醫保健診症，藥物及推拿服務	低學歷低技術中年人士/失 業青少年	全港各區

1. 觀塘廣蔭老人院
2. 家亮香港有限公司
3. 香港清潔商會
4. 機電工程協會(香港)
5. BOBBY 冷氣水喉潔具工程公司
6. 志蓮護理安老院
7. 蘋果日報慈善基金
8. 漢洋機械有限公司
9. 得利龍百貨有限公司

1. 提供陪診員的實習場地
2. 捐贈清潔劑、以優惠價提供清潔劑及提供義務導師教授清潔消毒技巧
3. 提供專業清潔訓練
4. 提供電工訓練
5. 提供營運意見及技術支援等
6. 提供陪診員的實習場地
7. 提供資助給予貧窮人士或家庭，使他獲得所需的家居服務
8. 提供專業清潔訓練
9. 提供營運意見