

(Translation)

**Motion on
“Proactively developing social enterprises”
moved by Hon Frederick FUNG Kin-kee
at the Legislative Council meeting commencing on
Wednesday, 14 July 2010**

Motion as amended by Hon WONG Sing-chi and Dr Hon PAN Pey-chyou

That, in order to narrow social inequality, this Council urges the Government to proactively develop social enterprises, review the various existing support measures, and conduct in-depth consultation with the public and the industry, and at the same time make reference to the relevant overseas experience, so as to map out a development blueprint for social enterprises in the future, formulate support measures on all fronts and offer policy incentives, and provide appropriate arrangements and support in areas such as laws and regulations, financing, management and operation, manpower training, public education and promotion, market opportunity exploration, and procurement of services and products provided by social enterprises, with a view to offering social enterprises extensive and sustainable room for development; in developing social enterprises, the Government may:

- (a) set up a ‘social enterprise seed fund’ with an injection of \$500 million, which is to be merged with the funds of the Enhancing Self-Reliance Through District Partnership Programme; and
- (b) allocate \$1 billion to set up a ‘social enterprise development loan fund’ and, based on a principle of emphasizing both commercial operations and social objectives, grant loans to organizations which intend to set up social enterprises;
- (c) comprehensively review the role of the Government in the development of social enterprises, so as to formulate targeted support measures;
- (d) set up an inter-departmental working group to remove the barriers for social enterprises, so as to provide them with more comprehensive support;
- (e) clearly define the meaning of social enterprises, establish criteria for them and introduce a licensing system to facilitate regulation;
- (f) provide social enterprises with more resources, including increasing non-repayable subsidies instead of offering only loan support;
- (g) explore parcelling out government tender contracts to facilitate bidding by social enterprises;
- (h) optimize the use of vacant government premises to create a better operating environment for social enterprises; and
- (i) enhance manpower training for social enterprises to boost community economic activities and job opportunities.