

Legislative Council Panel on Welfare Services

Development of Social Enterprises

Purpose

This paper briefs members on the Administration's efforts in promoting the development of social enterprises (SEs).

The Government's objectives

2. The Government's objectives in promoting the development of SEs are to enable the socially disadvantaged to be self-reliant through employment, and to meet the needs of different community groups with entrepreneurial thinking and innovative approaches, with a view to cultivating a caring culture as well as promoting social cohesion and mutual help.

Ongoing Efforts to Promote the Development of SEs

Social Enterprise Advisory Committee

3. The Social Enterprise Advisory Committee (SEAC) was set up in January 2010 to advise the Government on the formulation of policies and strategies for supporting the sustainable development of SEs and on programmes or activities that promote the development of SEs in Hong Kong. Members of the SEAC include SE practitioners and members from the business and academic sectors, as well as representatives of relevant government bureaux, representing a well mix of stakeholders who are keen in developing SEs in Hong Kong.

Enhance public understanding

4. To enhance public understanding of SEs, the government launched a dedicated website in 2008 to provide information about SE development, such as an SE Directory, possible funding sources for SEs, etc. In 2007 and 2010, we published booklets to promote success stories of SEs in Hong Kong. We have been supporting the annual SE Summit which has become one of the major platforms bringing together inspiration and ideas for social entrepreneurship.

5. We have organised promotional activities at the district level and arranged press interviews with SEs to publicize their success stories and social

objectives achieved. We have also arranged for SEs to showcase their products and services at appropriate occasions, such as the Hong Kong Brands and Products Expo and Hong Kong Food Carnival.

Promote cross-sector collaboration

6. The Home Affairs Department (HAD) launched the Social Enterprise Partnership Programme in 2008 which provides a platform to enhance and facilitate partnership among different sectors of the community through a matching forum and the SE Mentorship Scheme. Thus far, about 30 new SE projects involving cross-sector collaboration have been launched through the matching forum. Over 20 mentor/mentee partnerships among SE operators and business corporations/ professionals have been formed through the SE Mentorship Scheme.

Strengthen support for SEs

7. The “Enhancing Self-Reliance Through District Partnership Programme” (the ESR Programme) launched by HAD in 2006 provides seed grants for eligible non-profit-making organisations to establish SEs. Since its implementation, the ESR Programme has approved a total grant of about \$110 million to some 110 new SE projects, creating some 1 800 job opportunities. Apart from the ESR Programme, SEs may also apply for financial assistance from funding schemes operated by other Government departments, e.g. the “Community Investment & Inclusion Fund” and the “Enhancing Employment of People with Disabilities through Small Enterprise Project” of the Labour and Welfare Bureau and Social Welfare Department respectively.

8. Since 2008, we have introduced a pilot scheme to give eligible SEs priority in bidding for Government service contracts (the scheme). Under the second phase of the scheme, 52 government service contracts from 22 government departments valued at \$20 million with some 400 job opportunities were made available for priority bidding by SEs.

Nurture social entrepreneurs

9. Since 2007, we have sponsored a business plan writing competition. Through a series of seminars and workshops, the competition aims to encourage tertiary students to develop an interest in and knowledge about SEs, as well as nurture in them social entrepreneurship. About 2 400 students have participated in the competition.

New Measures for Promoting the Sustainable Growth of SEs

10. In the 2010-11 Policy Address, the Chief Executive announced four new initiatives, viz the SE Training Programme, SE Fair, SE Award Scheme and “Be a Friend to SE” Campaign, for promoting the sustainable growth and development of SEs. We are in the course of developing the implementation details of the four new initiatives in consultation with the SEAC. Separately, HAD reviewed the ESR Programme in consultation with the relevant stakeholders in 2010 and started to implement a series of improvement measures starting from 2011. Details of the abovementioned new measures are set out in the ensuing paragraphs.

SE Training Programme

11. We will launch in 2011 a series of structured training programme to nurture more social entrepreneurs. Courses of two different levels, namely the management and practical levels will be offered. To ensure effective use of resources, the course will be specifically designed taking into account the characteristics of SEs and seeking to avoid competition with existing business courses. Preliminary proposals for the two levels of courses are set out below.

12. The major objective of the training course at the management level is to better equip existing or potential social entrepreneurs. Entrepreneurs with relevant experiences in SE businesses or individuals who plan to start SE businesses are eligible for joining the course. The course will cover important concepts on SEs and business skills at the managerial level, such as appreciation of social mission and values, what social impact is and how to achieve it, identification of social business opportunities, effective use of social capital and strategic partnership etc. The course will last for around 30 teaching hours, and the course fee is fully refundable subject to satisfactory completion of the course.

13. The major objective of the training course at the practical level is to better equip those SE practitioners who are in charge of the daily operation of an SE. SE managers or middle-rank front-line staff who oversee the operation of an SE are eligible for joining the course. The course will cover basic concepts on SEs and practical skills on business operation, including appreciation of social missions and values, cashflow management, procurement and staff management etc. The course will last for around 12 teaching hours, and the course fee is fully refundable subject to satisfactory completion of the course.

SE Fair

14. We will organise an SE Fair in 2011 to provide a platform for SEs of different trades to promote their products and services, as well as to promote the concept of “conscience consumption” among the general public. The major objectives of the SE Fair are to promote SEs to the general public, to enable

participating SEs to attain sales volume during the event and to facilitate trade networking amongst SEs, corporates, chambers of commerce, academic associations and professional bodies. We intend to collaborate with other SE stakeholders to organise side programmes which target at students, such as writing competition and lining up interviews with SEs by student-reporters, with a view to promoting the concept of SEs and conscience consumption among youngsters.

SE Award Scheme

15. We will launch an SE Award Scheme in 2011 to give recognition to successful SEs which operate and create social impact in Hong Kong. The areas of outstanding performance to be honoured may include achievement of social mission, creation of social impact, quality customer services, innovation, good marketing strategy and impressive sales volume.

“Be a Friend to SE” Campaign

16. For SEs to diversify in trade and to operate with corporate management practices, it is necessary for them to have the continual support of various sectors of the community, in particular, the private enterprises. We will launch a “Be a Friend to SE” Campaign in 2011 to give recognition to private enterprises which have provided actual support to SEs in Hong Kong. The form of support could be broadly divided into three types, viz provision of financial support to SEs; outsourcing/engaging/partnership with SEs in the private enterprise’s business; and provision of consultancy service to SEs, in particular in respect of business functions on sale, marketing, quality management, financial review and corporate governance.

17. Seminars or sharing sessions on cross-sector collaboration among SEs and private enterprises could also be arranged to allow more networking opportunities.

Improvement measures for the ESR Programme

18. In the 2011-12 Budget, the Financial Secretary announced that \$150 million has been earmarked for the continued implementation of the ESR Programme from 2011-12 to 2015-16. To encourage and facilitate the establishment of more SEs under the ESR Programme, HAD has implemented a series of new measures starting from 2011. HAD made a presentation on the improvement measures at the LegCo Panel on Welfare Services on 14 February 2011. Details have been provided to the Paper vide LC Paper No. CB(2) 972/10-11(04)

Advice Sought

19. Members are invited to note the Administration's efforts in promoting the development of SEs.

Home Affairs Bureau
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