

For discussion on  
7 July 2009

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**Panel on Welfare Services**  
**Subcommittee on Poverty Alleviation**

**Purpose**

This paper updates Members on the Administration's work in promoting the development of social enterprises (SEs).

**Background**

2. In the 2008-09 Policy Address, the Chief Executive stated that the Administration would continue to enhance public understanding of SEs and provide seed money under the Enhancing Self-Reliance Through District Partnership Programme (the ESR Programme) to support the start-up of new SEs.

**Progress**

3. A brief account of the progress of the Administration's effort in promoting SE development is set out in paragraphs 4 to 9 below.

Enhance public understanding

4. The Home Affairs Bureau (HAB) and the Home Affairs Department (HAD) have continued with publicity and promotional efforts to enhance public understanding of SEs and encourage members of the public to use the products and services provided by SEs. These include organizing promotional activities at the district level such as market fairs as well as promoting SEs at district events like job fairs, forums, seminars and carnivals. We will also publish a new SE booklet, arrange for press interviews with SEs and publicize their success stories, especially the social objectives achieved and the business models adopted. In addition, we will arrange for SEs to showcase their products/services at appropriate occasions for promotion, demonstration or sales purposes and help disseminate information on their sale and incentive offerings. We will continue to update the SE website (<http://www.social-enterprises.gov.hk>) to provide information about

support services available to SEs, SE-related publications and reference materials as well as record of past events and activities of SEs. The SE website serves as a platform for SEs or persons interested in establishing or patronizing SEs to gain access to relevant information.

#### Strengthen support for SE

5. We will continue to implement the ESR Programme to provide seed grants for eligible organizations to run SEs during their initial operations. Since the launch of the ESR Programme in June 2006, a total grant of about \$88 million has been approved to about 90 new SE projects in the first five phases of applications, creating some 1 500 jobs for the socially disadvantaged. Some of these SE projects are being/will be carried out in less well-off districts such as Kwun Tong, Sham Shui Po, Tuen Mun, Yuen Long, Tin Shui Wai and Tung Chung. At present, about \$62 million remains available for application. We are currently processing applications received under phase 6 of the ESR Programme.

6. As regards the pilot scheme introduced in 2008 under which 38 government cleansing services contracts were reserved for priority bidding by SEs, 16 contracts were awarded to SEs. The remaining 22 contracts were awarded to non-SEs either due to nil response from SEs or excessively high prices quoted by SEs. In the light of the positive feedback from participating SEs and departments, as well as to sustain our effort in promoting SE development in particular amidst the current economic situation, we have continued the scheme in 2009/2010. Out of the 38 cleansing services contracts, 33 will continue to be included in the scheme. In addition, we have identified 13 additional cleansing services contracts and 7 gardening services contracts for priority bidding by SEs in 2009/2010. The 20 additional contracts, totaling some \$3 million, will provide additional job opportunities for SEs. We will continue to monitor the operation and review the effectiveness of the scheme and other support measures for SE development.

#### Promote cross-sector collaboration

7. We will continue with the Social Enterprises Partnership Programme (the Programme) to promote the development of SEs. This Programme provides a platform to enhance and facilitate partnership among different sectors of the community through a matching forum and the mentorship scheme. Through the matching forum, interested organizations can team up with non-governmental organisations (NGOs) to establish SEs or to partner with SEs. The partnership can be in the

form of outsourcing certain operations (e.g. cleansing services) to the SEs; providing concessionary rental of their premises/vacant land for use by the SEs; and allowing SEs access to their clients, etc. The mentorship scheme provides a channel to link up entrepreneurs/professionals with SEs so that the former could offer voluntary professional and business advisory services to the latter. Thus far, some twenty new SE projects have been launched through the matching forum and over ten mentor/mentee partnerships have been formed.

8. Funded by Hongkong Bank Foundation and Social Welfare Department's Partnership Fund for the Disadvantaged, HKCSS-HSBC Social Enterprise Business Centre (SEBC) commenced service in November 2008. SEBC provides various support services to SEs, such as advisory and consultation services, organization of business seminars and workshops, provision of an online marketing and sales platform for SE products and service, office and venue rental services, etc.

#### Nurture Social Entrepreneurs

9. We commissioned the Centre for Entrepreneurship of the Chinese University of Hong Kong (the Centre) to organize business plan writing competitions in 2007 and 2008, which attracted the participation of over 840 students from 12 local post-secondary institutions. The competitions aim to strengthen students' understanding of SEs and encourage them to employ entrepreneurial approaches to solve real world problems. To sustain our effort in promoting social entrepreneurship in the younger generation, we have commissioned the Centre to organize a similar business plan writing competition this year. To catch a wider net of potential social entrepreneurs and to increase the chance of implementing their business proposals, the competition will be open to people who have graduated from local post-secondary institutions within the past three years.

#### **Advice sought**

10. Members are invited to note the Administration's progress of work in promoting the development of SEs in Hong Kong.

Home Affairs Bureau  
Home Affairs Department  
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