

**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
<b>(a) Business facilitation and support</b>	
To consider providing a funding source in support of start-ups of SE for disadvantaged groups other than the disabled.	<ul style="list-style-type: none"> <li>\$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 “<b>Enhancing Self-Reliance Through District Partnership Programme</b>” 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.</li> </ul>
To empower and motivate social entrepreneurs, including training, facilitating business-mentoring network and sharing of international best practices, etc.	<ul style="list-style-type: none"> <li>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. <b>Existing support to SMEs</b> would be extended to SEs, including -             <ol style="list-style-type: none"> <li>The SME Mentorship Programme;</li> <li>The “Meet-the-Advisors” Business Advisory Service; and</li> <li>Business information and other activities for SMEs.</li> </ol> </li> <li>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.</li> <li>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.</li> </ul>

**(b) Create an enabling environment**

<p>To consider administrative/policy barriers which hinder the development of SE at the district level and in specific sectors.</p>	<ul style="list-style-type: none"> <li>• 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 <b>relaxed to 50%</b>. This relaxation should enable SEs to widen their range of business activities and allow more unemployed persons and PWDs to benefit.</li> <li>• We shall keep in view the interface between SE development and existing training and employment assistance programmes.</li> <li>• 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.</li> </ul>
<p>To promote the concept of SE among those responsible for public procurement at both the central and district level.</p>	<ul style="list-style-type: none"> <li>• The Hospital Authority (HA) has agreed to <b>increase the weighting of employment</b> 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.</li> <li>• 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.</li> <li>• We would keep in view how our procurement policies can facilitate SE development.</li> </ul>

**(c) Establish the value and gain public acceptance**

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