

Major Updates for the Guide to “Enhancing Employment of People with Disabilities through Small Enterprise” Project (the Guide)

The Chief Executive announced in the 2024 Policy Address that, to encourage and support persons with disabilities (PWDs) to engage in employment, the Government will promote the establishment of more social enterprises engaging PWDs. For this purpose, the Social Welfare Department (SWD) has reviewed the “Enhancing Employment of People with Disabilities through Small Enterprise” (3E) Project and the following new enhancement measures will be launched –

- (i) Relaxation of Eligibility Criteria (*Para. 2.3.1 in the Guide*)
 - Eligible organisations now include social enterprises / non-profit organisations¹ without tax-exempted status under Section 88 of the Inland Revenue Ordinance (Cap. 112).
- (ii) Refinement of the Requirement of Tenancy Agreement or Letter of Intent and Extension of Business Commencement Date
(*Para. 2.6.2, 4.4.2 in the Guide and Para. 2 in Annex 3*)
 - To allow more flexibility, the applicant is required to only indicate the district(s) they intend to set up their business when submitting an application and tenancy agreement or letter of intent can be provided after the application is approved.
 - Applicant organisations will be given a maximum of 12 months to commence their business after approval.
- (iii) Extended Funding Support Period (*Para. 2.4.7 and 5.5.4 in the Guide*)
 - To provide sustained support to the funded businesses and to encourage the businesses to engage more PWDs, the funding support period to cover half of the salary expenses of disabled employees (including full-time and part-time) will be extended for one year i.e. the maximum period of funding support will cover the 4th to 6th year of operation.

Other Updates

- (i) SWD would encourage more cross-sector collaboration between eligible applicants and non-governmental organisations / business sector.
- (ii) The requirements for application for retention and use of unspent operating grant (*para. 5.16*) has been updated.

¹ Additional requirements / documents may need to be fulfilled and provided.

Below please find the paragraphs which have been updated –

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| 2.3.1 1 in Annex 1 | 2 – 3 25 | Relaxation of eligibility criteria for applicants |
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| 2.6.2 4.4.2 | 6 13 | Extension of business commencement date |
| 3.3.2.1 | 8 | Enhance the participation from Advisory Committee on Enhancing Employment of People with Disabilities in vetting the applications |
| 3.3.3.2 5.5.5 | 8 – 9 16 – 17 | Conditions for withholding payment of grants |
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| 5.13.2 | 20 | Suspension or termination of funding support |
| 5.16 | 21 – 23 | Return of using unspent operating grant |
| 2 (d) in Annex 1 | 25 | Minimum threshold of salary expenses of disabled employees |
| 2 in Annex 3 | 30 | Refinement of the requirement of tenancy agreement or letter of intent |