

# Philanthropy in HK

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## Philanthropy defined

- Private/voluntary initiatives/actions
- Public goods
- Giving

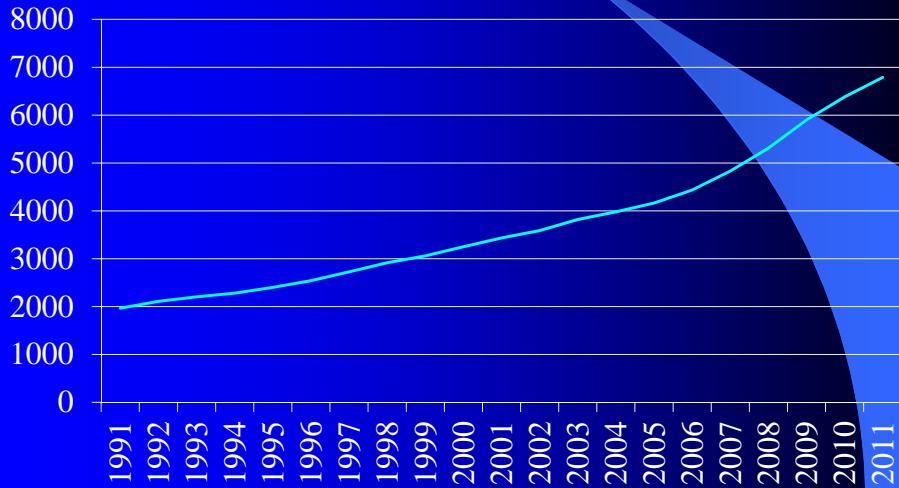
## Philanthropy in HK (History)

- Probably existed when human civilization first appeared in HK 5000 years ago
- Tung Wah Group of Hospitals 1870
- Po Leung Kuk 1882
- .....
- Community Chest 1968

## HK comparing to US/Canada

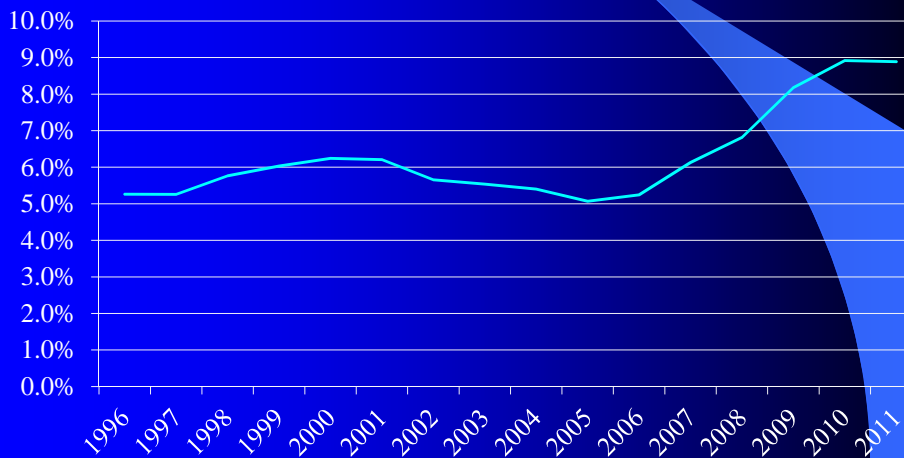
- US: about 1.8% of GDP (1999)
- Canada: about 0.5% of GDP (1998)
- HK: about 0.2% of GDP (1998)  
(Golin/Harris Forrest, 2001)
- (in HK about 60% of those with earnings do not have to pay tax, but they donate)
- (not all who donate, claim tax exemption)
- (many donations cannot claim tax, e.g. flag selling)

## Number of Charitable Organizations in HK (Tax exemption)



## Growth Rate of Charitable Organization

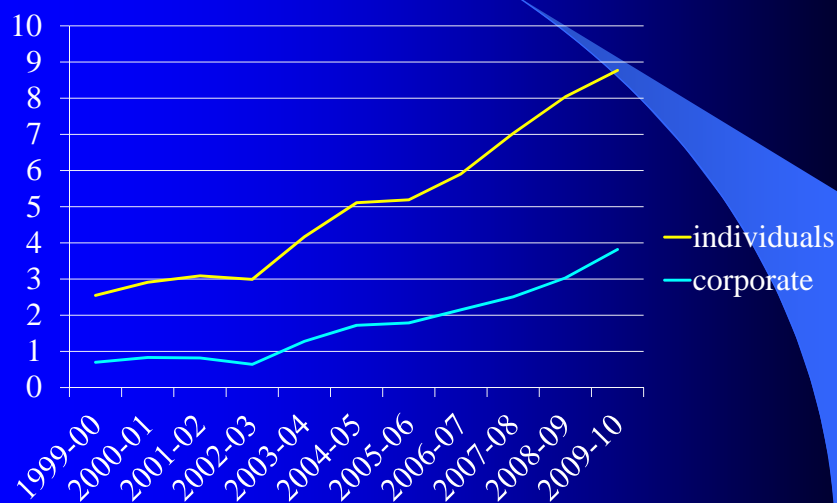
Growth rate 5-year moving average



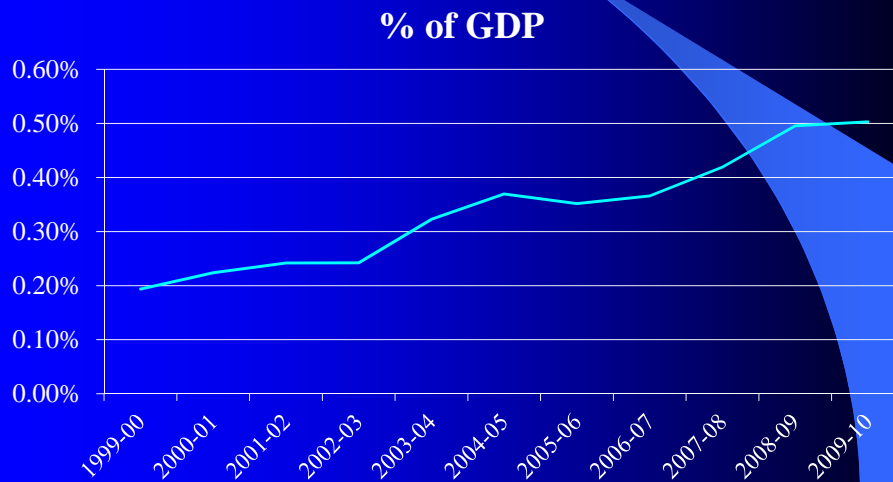
## Landscape of Giving

- 86% of adult have giving experience to charities.
- Median HK\$800 a year, average HK\$2,986 a year.
- 11% of donors do have planned giving.
- 59% give on streets, 35% gives thro banks
- Cause : relief related causes (35%), children (20%), elders (16%), disabled (11%), health and medical (10%), poverty alleviation (6%), education (3%)

## Individual versus Corporate Donation (\$B)



## donation (tax exemption) as % of GDP in past 10 years



## Factors affecting philanthropy in HK in the past decade

- Increasing number of charities
- Increasing fund raising activities
- The promotion and development of CSR

## Challenges in future

- Growing demand on accountability and transparency
- Demonstration of Social Impact
- Wise giving
- Due diligence