



OPEN LETTER TO FUNDERS

Spirit of Collaboration

URGENT APPEAL TO SUPPORT THE NON-PROFIT SECTOR

April 22, 2020

Dear Funders,

We are an informal group of 174 nonprofits in Hong Kong, all non-subsidised (not subsidised by the government) and exempt from paying tax under section 88 of the Inland Revenue Ordinance. We write to you on behalf of the social sector, with an urgent request for help.

The outbreak of Covid-19 has had a material impact on Hong Kong, especially on vulnerable and marginalised groups in our community. Many of us took part in a survey in February 2020, which found that, among the 102 nonprofits polled, we support more than 1 million service users each year. The social welfare services sector provides critical programs to these groups, but is facing unprecedented challenges when it comes to funding.

Our survey revealed that all 102 nonprofits have experienced a reduction in funding; 63% of the charities have experienced a reduction in funding of at least 30%, with 18% experiencing a reduction of at least 70%. As a result of this reduction in funding, all 102 nonprofits have had to reduce their services. 77% of the nonprofits are now not able to provide services to 30% of their service users, and 48% of the charities are now supporting 70% less service users. This means that approximately 350,000 beneficiaries are unable to access critical services.

Some of the reasons for the reduction of funding have come from having to call off fundraising activities indefinitely, particularly events-based activities. Also, grant writing is made more difficult than ever before as we attend to urgent matters stemming from the situation - both in the professional and personal domain. Moreover, a looming economic crisis raises concerns about donations and cash flow from individuals and corporates in the coming months.

Our concerns have been shared widely in the media: with the current state of affairs in Hong Kong, the number of marginalised individuals is on the increase. If the nonprofits that serve as a lifeline for these individuals reduce their services or are forced to close, these individuals will lose that crucial support. We are grateful to the HKSAR Government for the inclusive Covid-19 relief package announced on 8 April 2020; this will provide much-needed support over the next six months.

Despite this, the nonprofit sector still faces financial challenges and without urgent and concerted action by charitable foundations and the private sector, we know that some nonprofits are facing imminent closure. This is why we, as nonprofit leaders on the frontline, have come together to call for an immediate and strategic response. We know that you understand the gravity of the situation and are looking for the best ways to help. In the spirit of collaboration, we propose the following measures you can take to maximise your impact:



1. Be open-minded and trust us

As each nonprofit has a unique vision and mission, our current challenges and needs are different. There can be no one-size-fits-all response, so we ask you to be flexible and open-minded as we all continue to adapt and evolve during ongoing uncertainty. Now, more than ever, we ask for your trust. We will do our best to keep you updated, but if we don't respond immediately, please be assured that it is because we are putting extra effort to meet the service delivery needs of our beneficiaries. As well as supporting your existing nonprofit partners, be open to helping new nonprofit partners who are facing unprecedented challenges, including considering offering them emergency funding.

2. Be flexible with existing commitments

Loosen restrictions or consider converting your support to unrestricted funding:

We have been working hard to adapt to the fast evolving situation: for some of us, that has meant postponing planned activities to focus on the new and changing needs of our beneficiaries. For others, it has meant innovating and experimenting with how we run activities and/or creating contingency timelines. Restricted and project-related funding mean that we are financially hamstrung by planned activities, timelines, deliverables and budget restrictions. We ask you to consider converting restricted funding to unrestricted funding; this will give us maximum flexibility to respond to the crisis and still remain agile. Ask your nonprofit partners how funds can best be allocated - whether they be for operating costs or for application towards building a reasonable level of reserves to increase future resilience and sustainability. If you had planned to distribute funding later in the year or after project completion, consider bringing the distribution forward to ease nonprofits' cash flow.

Relax reporting requirements and extend deadlines:

Many of us have funding agreements that specify certain deadlines for deliverables, reporting and the spending of funds. Given the postponement or cancellation of activities, and the additional needs of our beneficiaries, these once feasible deadlines may now prove to be a challenge. Please reduce what you ask of nonprofits, consider cancelling or relaxing reporting requirements, and be flexible with funding deadlines so that we can adapt or complete projects. Also keep in mind that, whilst we may not achieve all original deliverables, your support enables us to respond to the urgent and unforeseen needs of communities and teams during this crisis and beyond.

3. Offer assurance by renewing your commitment

If you have provided a grant (thank you!), whether one-off or multi-year, and the funding has recently expired or is soon to finish, we urge you to extend your partnerships by another year. We appreciate that this is not business as usual and will require everyone to expand their comfort zones, whether that be relaxing funding term limits, committing unrestricted funding or thinking of, and accepting, creative solutions. But during such an uncertain time and in the face of such an unprecedented situation, your actions will provide huge reassurance, and will promote stability and sustainability, for nonprofits and our beneficiaries.



We understand that you, too, may be facing challenges; if you cannot make a new commitment, at the very least, we ask you not to withdraw existing commitments at this delicate time. We ask that, for funding renewals, you minimise application requirements to free up nonprofits' resources to focus on the job at hand rather than on paperwork. In addition to funding, lend your voice to advocate for partners' causes and further support for nonprofits during this crisis. We need champions like you to speak up for the sector.

Our request for strengthened partnership echoes calls by nonprofits and the philanthropic community amplified from around the world, and we have already seen leading foundations pledging their support (see references). Now, we invite you to pledge your support for Hong Kong.

The double impact of the socio-political unrest and the outbreak of Covid-19, has sent shockwaves through our nonprofit sector and beneficiaries. Yet, we remain resolute in our commitment to help Hong Kong's most marginalised communities. We hope this letter serves as inspiration whilst you develop your response, and we welcome the opportunity to discuss these suggestions. Most importantly, we look forward to working through this crisis, together, and rebuilding Hong Kong for the better.

尊敬的資助者:

我們是一群174間未有享用政府補貼，並且根據《稅務條例》第88條獲豁免繳稅的香港非政府資助機構所組成的非正式聯盟。我們謹代表整個社福界，致函給您，望能得到緊急援助。

新冠肺炎爆發，對整個香港造成重大影響，特別是社區中的弱勢及邊緣化群體。我們許多機構都在2020年2月參加一項問卷調查。結果發現，受訪的102個慈善團體每年合共為超過一百萬名受惠者提供支援。社福界一直積極為這些群體提供重要服務，然而，我們現時卻因資金短缺，面臨著前所未有的挑戰。

根據調查顯示，受訪的102個慈善機構一致認為，他們現時的營運資金都日減月減。當中63%慈善機構面對削減至少三成經費；其中18%慈善機構更銳減至少七成資金。由於資金短缺，所有慈善機構都不得不削減其服務。現時，有77%慈善機構表示，無法向近三成服務使用者提供支援，而48%慈善機構更中斷近七成服務。這意味著本港約350,000名受惠者無法享用重要服務。

減少資金的其中一些原因來自機構必須無限期取消籌款活動，尤其是以項目為本的活動。此外，由於我們需要處理因疫情引起的緊急事宜，無論是在專業領域抑或個人領域上，摘寫撥款申請都比以往更加困難。此外，迫在眉睫的經濟危機亦挑起各社福機構對未來數月，來自個人及企業的捐款和現金流動之憂慮。

我們的憂慮已廣泛在媒體上流傳。據香港目前狀況顯示，邊緣化人士的數目有上升趨勢。若一直協助他們的非政府資助機構削減服務，甚至被迫關閉，這些人將失去尤如「救生圈」般重要的社福援助。得知香港特區政府在2020年4月8日提出的保就業計劃能為有迫切需要的非政府資助機構提供六個月的資助，我們是非常歡迎的。

雖然如此，社福界仍面對財政挑戰。據我們了解，部分非政府資助機構若未能獲得慈善基金會和私人機構的緊急支援，將面臨即時倒閉。故此，作為前線非牟利機構的領袖，我們需要齊心協力呼籲社會各界立即採取各項資金援助措施。我們相信您已了解現時情況的迫切和嚴重性，並正在尋找最有效的紓緩方法。本著攜手合作精神，我們希望您能採取以下措施，為社福界帶來最大程度的正面幫助：



1. 以開明的態度相信我們

由於每個非牟利機構都有其獨特的願景和使命，所以我們當前面對的挑戰和需求各有不同。世界上並不可能有一個萬全的解決方案，因此我們懇求您能以靈活和開放的態度與我們合作。即使面對持久不明朗的情況下，我們仍會繼續竭盡所能適應和蛻變。現在，我們比以往任何時候都更渴求得到您的信任。我們會盡力為您提供最新資訊；但是如若果我們未能做到即時回應，請不要擔心，此因我們正忙於付出更多汗水，拼盡全力地滿足受惠者的需求。在此，我們懇求您在支持現有的非牟利機構合作夥伴之時，不忘向其他現正面臨前所未有挑戰的新夥伴施以援手，包括考慮為他們注入緊急資金。

2. 靈活履行現有承諾

放寬限制或考慮將您的支持轉換為非指定用途資金：

各機構一直努力適應瞬息萬變的形勢。對某些機構而言，這意味著需要延辦已計劃好的活動，以專注應付受惠人士的各種新需求。對於其他機構來說，則代表他們需要接受林林總總的革新和考驗，當中包括如何推動活動及/或建立應急時間表。當機構面對與項目相關的資金受限時，這意味著他們在財務上受到已納入計劃的活動、時間表、成果和預算限制的阻礙。我們懇請您考慮將指定用途的資金轉換為非指定用途，使機構能最大程度地靈活運用資金，迅速應對危機。我們建議您不妨向非牟利機構合作夥伴詢問分配資金的最佳策略——不論他們是用作營運成本，還是用於建立合理水平的儲備基金，這均有效提高其未來服務項目的彈性和可持續性。

放寬報告要求並延長截止日期：

我們許多機構早前都跟資助者達成協議，仔細列明遞交成果目標、匯報和資金支出的截止日期。鑑於現時不少活動被迫推遲或取消，以及部分服務受惠者正索取額外援助，這些早期可行的期限現在已成了我們的一大挑戰。我們建議資助者能降低對非牟利機構的要求，包括考慮取消或放寬報告條件，並彈性更改資助項目的完結日期，以便我們更容易適應或完成有關項目。此外，我們還懇請您明白，儘管社福機構未能按所有原定計劃，取得相關成果，但您的慷慨支持卻可帶領我們在這危急關頭，以及日後應對社區和團隊不可預見之緊急需求。

3. 承諾延長資助項目 提供更有力的支援保證

如果您已向非津助非政府機構提供一次性或數年的資助(我們在此先表示感激不盡)，而有關資助項目將於近期約滿或即將到期，我們懇請您能延長合作關係至最少一年。基於現時情況與往常甚為不同，我們真誠希望您能助我們彈性處理項目及服務。不論是放寬資金期限、提供非指定用途資金，抑或考慮並接納創新的解決方案，均對我們有所幫助。在這充滿未知數的時期，各大機構迫於面對如此空前嚴峻的情勢，您的行動將為我們及受惠者提供巨大保證，並促進我們的穩定和可持續性發展。

我們理解您亦可能正面對各大挑戰。如果您現時未能作出新的承諾，我們希望您至少不要在這個艱難時刻，撤回現有承諾。我們懇請您在延續資助合作項目時，盡量降低申請要求，讓非牟利機構能將資源投放於手頭上的項目和服務，而非文書工作上。除了注入資金外，您還可以在這場危機中表達個人意見，倡導合作夥伴進一步支持非牟利機構。我們需要像您這樣的同行者為社福界別發聲。

我們一向促請加強與商企之間的夥伴合作關係，這與時下非牟利組織和慈善團體的呼籲互相呼應。有關倡議已在全球得到廣泛傳播，我們已經看到某些基金會先鋒承諾提供支持。現在，我們誠邀您一同承諾守護香港。



社會政治動盪和新冠肺炎爆發的雙重影響，對社福界及相關服務受惠者構成衝擊。可是，我們仍堅守初心，致力幫助處於香港最邊緣化的社區。我們希望這封信能在您作出回應時起啟發作用，也期望我們有機會與您討論這些建議。最重要的是，我們期待與您一同昂首跨過是次危機，共同重整香港。

SIGNED BY 簽署

1st Step Association 自強協會	Empower Asia Services Limited
Action Care International Limited	End Child Sexual Abuse Foundation
Agent of Change Foundation 加油香港基金	Enlighten Hong Kong Limited 香港啟迪會
AIDS Concern	Enrich HK
AnAn International Education Foundation Hong Kong (Charity) Ltd.	Eye Fund
Angels for Children Limited	Fair Employment Foundation
Animals Asia Foundation	Families of SMA Charitable Trust
Arts with the Disabled Association Hong Kong	Family Value Foundation of Hong Kong 維護家庭基金
Asia Pacific Mission for Migrants	Feeding Hong Kong
Asian Charity Services	Food Angel
Association Concerning Sexual Violence Against Women	Foodlink Foundation Ltd
Association of World Citizens Hong Kong China	Friends of the Earth (HK) 香港地球之友
BEYOND Bollywood Limited	Gateway Services Asia Ltd.
BLOOM Hong Kong	Green Sense 環保觸覺
Boötes - Cultural Cooperatives	Greeners Action
Branches of Hope	Habitat for Humanity Hong Kong
Bring Me a Book Hong Kong 書伴我行（香港）	HandsOn Hong Kong
CarbonCare InnoLab	Hebe Haven Sailability Trust
CareER Association Ltd.	Heifer Hong Kong
Centre for Restoration of Human Relationships	HER Fund
Chain of Charity Movement	HeroesToo Foundation Limited
Charles K. Kao Foundation for Alzheimer's Disease	HK Saving Cat and Dog Association Limited (HKSCDA)
Chatteris Educational Foundation	Hong Kong AIDS Foundation 香港愛滋病基金會
ChickenSoup Foundation	Hong Kong Alliance for Rare Diseases
Children Chiropractic Foundation	Hong Kong Alzheimer's Disease Association 香港認知障礙症協會
Children's Medical Foundation	Hong Kong Association for AD/HD
Christian Action	Hong Kong Breast Cancer Foundation
CNEC Kei Shek Social Service Centre	Hong Kong Children's Discovery Museum
CODA Hong Kong	Hong Kong Christian Counseling Service
Community Business Limited	Hong Kong Committee on Children's Rights 香港兒童權利委員會
Community Drug Advisory Council	Hong Kong Dog Rescue (HKDR)
Compassion Revival Ltd.	Hong Kong Guide Dogs Association
CROSSROADS FOUNDATION LTD	Hong Kong Network for the Promotion of Inclusive Society
Design Trust an initiative of the Hong Kong Ambassadors of Design	Hong Kong New Immigrant Service Association
Dialogue in the Dark (HK) Foundation Limited	Hong Kong Paws Foundation
Direction Association for the Handicapped	Hong Kong Prostate Foundation
Doctor BB	Hong Kong Seeing Eye Dog Services Limited
Early Psychosis Foundation	Hong Kong Stoma Association 香港造口人協會
Eco Association Ltd 環保生態協會	Hong Kong Unison Limited
Employees' Safety, Training & Rehabilitation Services Limited	Hong Kong Women Workers' Association



Hong Kong Workers' Health Centre
Hope Worldwide
ImpactHK Limited
Inner City Ministries
InspiringHK Sports Foundation
Institute of Integrated Rural Development, Hong Kong
International Domestic Workers Federation (IDWF)
International Tin Lang Ministry Ltd.
JA Asia Pacific Limited
Junior Achievement Hong Kong
Justice Centre Hong Kong
KELY SUPPORT GROUP
Kids4Kids Limited
Labour Education and Service Network Ltd.
Life Workshop 生命工場
Lifelong Animal Protection Charity
Love 21 Foundation Limited
Make-A-Wish Hong Kong 願望成真基金
Mental Health Foundation
MFMW Limited (Mission for Migrant Workers)
Mind Hong Kong
Mission To New Arrivals Limited 新福事工協會
Neighbourhood & Worker's Education Centre
New Territories Association Retraining Centre
OCD & Anxiety Support Hong Kong
Outward Bound Hong Kong
PathFinders Limited
People Service Centre 民社服務中心
PILnet Hong Kong
Plan International Hong Kong
Playright Children's Play Association
Pneumoconiosis Mutual Aid Association 肺積塵互助會
Premiere Performances of Hong Kong Limited
Produce Green Foundation
Project Concern Hong Kong 香港醫藥援助會
Rainbow Project Company Limited
Redress
Resolve Foundation
RUN Hong Kong
RunOurCity Foundation Limited
Soap Cycling Limited
Sow Charity Foundation
Splash Foundation
Summerbridge Hong Kong
SUNSHINE ACTION
Sustainable Ecological Ethical Development Foundation
Teach For Hong Kong
Teen's Key - Young Women Development Network Limited
The Amber Foundation Limited

The Bethune House Migrant Women's Refuge
The Center for Research and Development Hong Kong
The Child Development Centre
The Comfort Care Concern Group
The Conservancy Association
The Elephant Foundation
The Fred Hollows Foundation
The Green Earth
The Hong Kong Anti-Cancer Society
The Hong Kong Bird Watching Society
The Hong Kong Joint Council of Parents of the Mentally Handicapped
The Hub Children and Youth Centre Limited
The Mekong Club
The New Voice Club of Hong Kong
The Samaritans
The Sovereign Art Foundation
The Zubin Foundation
Time Auction
Tin Shui Women Association Ltd
TREATS
United Social Services Centre
Viva Network (Hong Kong) Limited
VolTra
Well Family Charity Foundation Limited
Women in Finance Asia Limited
Women Service Association 婦女服務聯會
World Green Organisation
Wu Oi Christian Centre 基督教互愛中心
YWAM Tuen Mun
中華傳道會基石社會服務中心
勵智協進會
基恩之家 Blessed Ministry Community Church
基督教九龍五旬節會粉嶺堂家庭服務部
堅毅忍者。障殘人士國際互助協會
大埔浸信會社會服務處
天水圍社區發展網絡
恩光社會服務中心
方舟協會
沙田婦女會
籽識慈善基金有限公司
藝造人才
露宿者行動委員會
香港婦聯
香港肌健協會有限公司
香港長者協會

CONTACT US:

ngotaskforce852@gmail.com



REFERENCES

- Alex Daniels, "9 Leading Nonprofit Groups Urge Foundations to Dig Into Endowments to Support Charities", The Chronicle of Philanthropy, 2 April 2020, available at: <https://www.philanthropy.com/article/9-Leading-Nonprofit-Groups/248408>
- Antony Bugg-Levin, "6 Steps for Grant Makers to Take Now to Ensure Nonprofits Recover from Coronavirus Spread", The Chronicle of Philanthropy, 9 March 2020, available at: <https://www.philanthropy.com/article/Coronavirus-6-Steps-for-Grant/248202>
- CIVICUS, "Open letter: Donors and supporters must act to ensure civil society resilience against COVID-19 pandemic", 19 March 2020, available at: <https://www.civicus.org/index.php/media-resources/media-releases/open-letters/4346-open-letter-donors-and-supporters-must-act-to-ensure-civil-society-resilience-against-covid-19-pandemic>
- Community Foundations of Canada, "A COVID-19 Statement from CFC, PFC, EFC, and The Circle on Supporting Grantees", 26 March 2020, available at: <https://www.communityfoundations.ca/news/a-covid-19-statement-from-cfc-pfc-efc-and-the-circle-on-supporting-grantees/>
- Council on Foundations, "A Call to Action: Philanthropy's Commitment During COVID-19", March 2020, available at: <https://www.cof.org/news/call-action-philanthropys-commitment-during-covid-19>
- Ford Foundation, "A Message of Support for Our Grantees", 16 March 2020, available at: <https://www.fordfoundation.org/ideas/equals-change-blog/posts/a-message-of-support-for-our-grantees/>
- Global Fund for Women, "COVID-19: Statement of Solidarity and Call for Funder Flexibility", March 2020, available at: <https://www.globalfundforwomen.org/covid-19-call-for-solidarity-funder-flexibility/>
- Knowlton, Claire, "Why Grantmakers Need to Break Their Restriction Habit—Permanently", Nonprofit Quarterly, 17 April 2020, available at: <https://nonprofitquarterly.org/why-grantmakers-need-to-break-their-restriction-habit-permanently/>
- Laura Pierce, "An Open Letter to Funders Regarding Coronavirus Response", Washington Nonprofits, 13 March 2020, available at: <https://washingtonnonprofits.org/open-letter-to-funders/>
- London Funders, "Funder Statement on Covid-19", March 2020, available at: <https://londonfunders.org.uk/about/covid-19>
- McCambridge, Ruth, "Time for Philanthropy to Double Down in Response to COVID-19", 18 March 2020, available at: <https://nonprofitquarterly.org/time-for-philanthropy-to-double-down-in-response-to-covid-19/>
- M.J. Prest, "Foundations Invite Proposals for Rapid-Response Grants (Coronavirus Roundup)", The Chronicle of Philanthropy, 6 April 2020, available at: <https://www.philanthropy.com/article/Foundations-Invite-Proposals/248432>
- Victoria Vrana, "Funders: Now Is the Time for True Grantee Partnership", Bill & Melinda Gates Foundation, March 2020, available at: <https://blog.candid.org/post/funders-now-is-the-time-for-true-grantee-partnership>