

COMMUNITY SUPPORT

CRUNCH TIME

RELIEF FOR HONG KONG

Hong Kong has been deeply affected by the prolonged plight since June 2019. Widespread disruption to transportation and daily life has resulted in a severe blow to many small businesses in specific sectors. Many business operators have seen their revenues tumble.

The Li Ka Shing Foundation (LKSF) was there to lend a helping hand. In early October 2019, it announced the launch of a HK\$1 billion (around US\$127.8 million) fund to help small and medium businesses (SMEs) in Hong Kong. Later dubbed the “HK\$1 Billion Crunch Time Instant Relief Fund”, it provided relief to those businesses experiencing a cash flow crunch across a range of the hardest-hit sectors: food and beverage (F&B), retail, travel, and hawkers (street sellers).

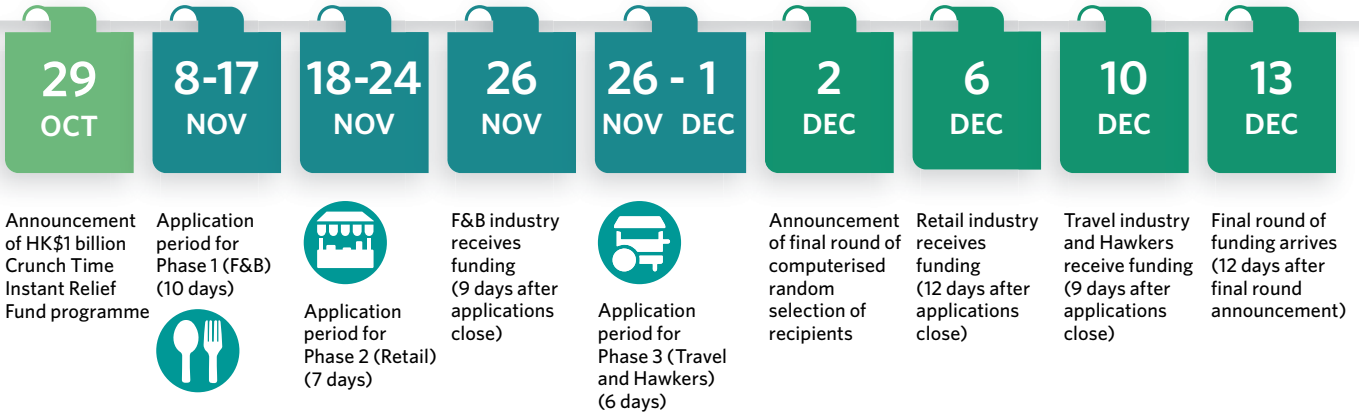
RESTAURANT RELIEF

The LKSF team swung into action to create a quick and easy platform for Hong Kong businesses to be able to apply for and receive funds. They selected key sectors to support, starting with the F&B sector. Those working in that area have seen unemployment levels rise to their highest levels in eight years as sales dropped, and many outlets were forced to close.

The Foundation worked with industry associations to ensure that the dedicated application website and processes would be easily understood by small businesses. For truly traditional operators who don't use computers, the F&B industry associations committed to helping them complete the online applications. Each eligible applicant received funding support of HK\$60,000 less than two weeks after the close of the application period.



TIMELINE



Famous folk got behind the Fund by appearing in explanatory videos. A celebrity weatherman, football coach and sand artist all supported the effort.

From top to bottom: Mr Leung Wing-mo, former Assistant Director of the Hong Kong Observatory and celebrity weatherman; Ms Chan Yuen Ting, championship professional football coach; and a sand painting by Ms Tse Wai-chi, a famous artist.

RETAIL THERAPY

Phase 2 saw support flow to the hardest-hit retail industry sectors, in particular 1) clothing, footwear and allied products; 2) electrical goods and other consumer durable goods; 3) books, newspapers, stationery and gifts; 4) Chinese herbs and drugs; and 5) medicine and cosmetics. Retailers received either HK\$30,000 or HK\$60,000 in support, depending on their contribution to a provident fund for their employees – a show of commitment to employee welfare.

HAWKERS AND TRAVEL

Some of Hong Kong’s smallest businesses are hawker stalls, often one or two person, family-supported operations in busy public areas. Like bigger restaurants, they have had to close on many days and have suffered from reduced patronage.

The travel industry has likewise been hit, with year-on-year visitor numbers dropping 44% in October and a devastating 56% in November – a disaster for travel agents and those who work for them, often on commission.

These two sectors were supported in Phase 3. There are over 5,400 licensed hawkers in Hong Kong that were eligible. Small travel agents (with less than 50 employees) could also receive cash grants. To their immense – and material – relief, licensed hawkers and small travel agents received the full grant just nine days after the application period closed.

FINAL FOUR

Phase 4 used a computerised random process to award grants to those that had previously applied but had not received funds. At this difficult time, many more had applied than could be accommodated, but this additional help provided another ray of light for many small businesses across the city.

RAPID RELIEF THROUGH TOP TECH

A programme that took months to design, more months to process, weeks to vet applicants and then finally deliver support would have arrived too late for beleaguered SMEs. The Foundation needed sound philosophies and solid technology to move quickly.

A principle of “trust more, stress less” was followed to make applications simple and free from excessive delay. Partners followed this axiom to deliver swift results. And those partners were legion. Major multinationals and local companies, including HSBC, PricewaterhouseCoopers, Woo Kwan Lee & Lo, Google Cloud, ESDlife, WeLab and Hongkong Post all brought their expertise – and their hearts – to support this project.

Artificial intelligence (AI) and cloud technology in particular were used to create a global showcase for demonstrating how smart city technology can dramatically cut processing time. Google Cloud Professional Services integrated Cloud Vision AI into the ESDlife-built application

DEVICES USED FOR APPLICATION



61%
MOBILE



38%
DESKTOP
COMPUTER



1%
TABLET

FUNDING SUPPORT AT A GLANCE



HK\$1.009
billion
TOTAL GRANTS



28,000+
GRANTS
AWARDED



43,000+
APPLICATIONS



66%
OF APPLICANTS
FUNDED

site in just three days. Tony Ma, CEO of ESDlife says, "Since the announcement made on 29 October, the entire application platform was created within 14 days." The ESDlife team worked relentlessly to design and construct the website to make it as user-friendly as possible.

Over 60% of applications were made on mobile devices. Applicants only had to upload their business registration, a relevant licence, and a recent photo showing their shopfront. The application

website was designed with great detail and thought, and the new platform embraced technology to serve the community in a considerate manner. Importantly, the "trust more" dimension respected the honesty of hard-working Hong Kong entrepreneurs caught in tough times not of their making.

Smart application of technology was a vital element. The Google Cloud Vision AI used optical character recognition (OCR) to process the images to fill in forms. Lucy Werner, Head of Google Cloud Hong Kong, explains the impact of using this technology, "It takes just five seconds for Google Cloud Vision AI to process the text in each image. Each application can be submitted within eight minutes and the Foundation was able to process over 43,000 applications within the first three weeks."

Businesses used to dealing with bureaucracy were thrilled. LKSF have received overwhelmingly positive feedback from applicants and trade associations - and the beneficiaries

themselves. More than 18,000 heartwarming messages were received by the Foundation from the owners and managers of supported businesses.

Over 28,000 businesses in Hong Kong were helped by this unique effort to support those buffeted by events beyond their control. The total amount awarded through grants was HK\$1.009 billion. 'Technology, Humanness and Trust' were the key elements in delivering this philanthropic programme quickly and efficiently. LKSF and their partners placed their trust in the people of Hong Kong, the applicants, and respected their integrity, honesty and genuine need, and delivered assistance and support where it was really needed.

The LKSF has chosen to support the SMEs of Hong Kong in their time of need while hoping that that need will pass and Hong Kong will return to its usual energetic, peaceful and prosperous state of affairs. □

LKSF principle: Trust more, stress less

Special thanks to

