



For Immediate Release
Tung Wah Group of Hospitals
Citi (NYSE symbol: C)
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**Successful poverty-alleviation program of Citi and Tung Wah Group of Hospitals
extended to more districts**

Feasibility study of microfinance scheme in the pipeline

Despite the sign of recovery of Hong Kong's economy after the financial crisis in 2008, poverty remains the major concern of the society. In the past 10 years, prosperity is found in many households while the number of low income families continues to increase. As a result, the income gap of the population is widening.

Hope Development Accounts Program (HDA) is co-organized by the Tung Wah Group of Hospitals (TWGHs) and Citi. With an asset-building approach, the program helps participants accumulate personal assets, social assets and financial assets through monthly saving scheme funded by Citi, the Partnership Fund and other charity funds for the Disadvantaged. A mentor support network and training on personal, financial and occupational skills are also provided to encourage participants to become self-sustainable and improve the quality of life in long run.

HDA was launched in 2008 in Tin Shui Wai, one of Hong Kong's most disadvantaged areas, and an asset-building approach applied to 20 low-income families. Two more needy districts have now joined the scheme – Lei Tung and Tuen Mun. As a result 80 families will benefit from HDA. Plans are also afoot to incorporate a microfinance scheme into the program.

Shengman Zhang, Citi Country Officer for Hong Kong, said, "Citi supports the economic empowerment of those who are in need in the communities where we work. Through this HDA program, we aim to help those disadvantaged individuals take control of their finances by improving their financial behavior and learning how to acquire and preserve their assets."

Mr. Zhang continued, "These assets are defined as everything owned by a person that can be converted into probable future economic benefit. From experience we know building assets can change the way people think about and plan for the future, which will give them hope about their future."

Mr. Billy Leung, Chairman of TWGHs, said, "The successful implementation of the HDA project is ascribed to the cooperation of the government, business sector and public sector. As the first social service organization having introduced the asset-based poverty alleviation concept, we hope that the SAR Government would extend the asset-building poverty alleviation measures to the whole territory to improve the living quality of more low-income families." Mr. Leung further explained that the traditional poverty alleviation approaches were "problem" and "need" oriented, but these approaches fail to provide long-lasting solutions.



Through HDA, charity accounts are set up through Citi that allow participants, including housewives and youths, to deposit monthly savings of between HK\$200 and HK\$500, which are then matched at a ratio of 1:1 by Citi, over a period of two years. The aim is to help participants build financial assets to follow through on long-term plans with the support of training on personal financial and occupational skills to build personal assets. These moves are designed to enhance household stability and prosperity, and help participants feel positive about the future of themselves and their family, and encourage them to become self-sustainable. An important component of the program is the support network provided by mentors, with more than 70 Citi employees volunteering.

Participants in the HDA program are mainly housewives aged between 30-35 with some being single mothers with children. These women have attained only secondary or primary-level education. The majority is from the mainland, having been in Hong Kong for five to 10 years; the remaining are all locals to Hong Kong.

An evaluation study on the group of participants in Tin Shui Wai has shown positive results with nearly 100% of participants indicating that they had developed a stable saving habit as a result of the program. In addition, the employment rate of the participants has increased by 50%.

In February 2010, HDA participants took part in the Chinese New Year Bazaar project. They set up a micro-enterprise selling handmade Chinese crafts at the Lunar New Year Fair in Victoria Park, and made a small profit. In the months prior to the fair, Citi employees provided a series of training sessions covering business strategy, budgeting, purchasing, customer relationship management and marketing. Consequently, the same participants also set up a stall at West Kowloon to sell their craftworks to further test their skills.

“Taking the HDA program to the next level, we see the potential need of the microfinance services in Hong Kong for the disadvantaged group,” said Zhang. “However, there are no organizations in Hong Kong offer these services. As a result, the Citi Foundation is now funding research into the feasibility of setting up a microfinance program here. With the help of the steering committee of the feasibility study, including TWGHs and the Hong Kong Polytechnic University, Citi’s goal is to help develop a viable microfinance model for disadvantaged groups in Hong Kong.”

The proposal, which will build on the success of the HDA program, includes research to review existing microfinance models on poverty alleviation; funding five HDA participants to trial run their own small businesses; and finally putting forth a viable microfinance model for disadvantaged groups in Hong Kong.

Photo Caption



HDA participants presented the handmade souvenirs to officiating guests including Mr. Shengman Zhang, Citi Country Officer for Hong Kong (Left 1); Mr. Paul Tang, JP, Permanent Secretary for Labour & Welfare, Labour and Welfare Bureau (Right 3) and Mr. Billy Leung, Chairman of Tung Wah Group of Hospitals (Right 2).



Mr. Shengman Zhang, Citi Country Officer for Hong Kong (Left 1); Mr. Paul Tang, JP, Permanent Secretary for Labour & Welfare, Labour and Welfare Bureau (Middle) and Mr. Billy Leung, Chairman of Tung Wah Group of Hospitals (Right 1) officiated the ceremony.



About Citi

Citi, the leading global financial services company, has approximately 200 million customer accounts and does business in more than 140 countries. Through Citicorp and Citi Holdings, Citi provides consumers, corporations, governments and institutions with a broad range of financial products and services, including consumer banking and credit, corporate and investment banking, securities brokerage, and wealth management. Additional information may be found at www.citigroup.com or www.citi.com.

Citi Foundation

The Citi Foundation is committed to the economic empowerment of individuals and families, particularly those in need, in the communities where we work so that they can improve their standard of living. Globally, the Citi Foundation targets its strategic giving to priority focus areas: Microfinance and Microenterprise, Small and Growing Businesses, College and Careers, and Financial Capability and Asset Building. The Citi Foundation works with its partners in Microfinance and Microenterprise and Small and Growing Businesses to support environmental programs and innovations. Additional information can be found at www.citifoundation.com.

About TWGHs

Established in 1870, Tung Wah Group of Hospitals has been all along upholding its mission "To heal the sick and to relieve the distressed; to care for the elderly and to rehabilitate the disabled; to promote education and to nurture youngsters; and to raise the infants and to guide the children." Nowadays, Tung Wah has become the largest charitable organization in Hong Kong. For over a hundred years, Tung Wah's medical and health, education and community services have developed rapidly to fulfill the needs of the society and to provide high quality services at low rates. Today, Tung Wah operates 223 services centres, including 5 hospitals, 19 Chinese and Western medicine treatment and health management centres; 50 schools and 148 community services centres, to provide a spectrum of social welfare services catering to the needs of families, children and youth, the elderly and the disabled. In addition, Tung Wah Museum aims to facilitate the protection of cultural heritage work by promoting the history of the group and restoration and preservation of institutional archives.