

New Day Asia, Hong Kong

While an HR professional in her native South Africa, Liza Green gained her first experience of giving circles, recalling 'we all gave money every month which was distributed in the townships to charities that worked with young people; it was very small but I always thought that it was an amazing concept.' After relocating to Hong Kong in 2002, she met her partner-to-be, Chris, an American working with Citibank, who is now HSBC's head of Export Finance for Asia Pacific. Liza and Chris started a family in Hong Kong and she readily acknowledges that as a couple they have done well professionally: 'We've been very lucky and we have a good life, but we knew of a dark undercurrent of poverty in Asia, and wanted to respond by giving intelligently.' The couple were particularly troubled by the sex trafficking industry that blights so many of Asia's poorest countries. Liza spent time researching the issue and the idea of a giving circle, which became New Day Asia, crystallised over a period of time in which the couple set up a working proposal that they presented at an informal dinner with eight friends in March 2007. With the help of one of the members, a lawyer, the initiative was incorporated as a private company with tax-exempt status in Hong Kong. In preparation Liza had already contacted the local office of the Asia Foundation, asking them to recommend a project the circle could support with a US\$10,000 donation. Membership grew organically, through dinner parties, word of mouth and the occasional article in the island's financial press.

Members pledge a minimum monthly contribution of HK\$500 (US\$65) each, although many members exceed this amount. The relatively low entry fee for members, however, keeps the circle accessible to any salaried professional in Hong Kong, and the regular pledges help manage cash flow and forward grant commitments. In five years the group has grown to 86 members accounting for 59 active monthly contributions. New Day members are generally expatriate professionals but many are Hong Kong permanent residents who will remain in the territory long term. In 2013 the members

raised US\$56,256, which was donated to projects in Cambodia, India, China and Nepal. The total of pooled funds since inception to Aug. 31, 2013, was US\$425,040, supplemented by US\$137,657 in co-funding from corporate businesses. These partners included law firms Linklaters and Norton Rose.

New Day Asia has also managed to increase its giving impact through generous co-funding from corporates. 'Two Hong Kong legal firms, with ties to circle members, give or have given generous annual donations,' says Liza, 'their donations have almost doubled our membership contributions for a given project, and we provide for them a philanthropy service that they don't have in-house.' New Day Asia provides such corporate donors with project site visits for their staff in addition to progress reports. In addition, individual members and non-members make one-off donations raised through birthday parties and percentage contributions of their income from small businesses.

Twice each year, members gather to decide what new projects to support, although Chris and Liza remain the legally responsible decision makers on the disbursement of pooled funds. Liza explains, 'If we fund anything new then a member must take that project on as a champion. Ideally we want to support no more than three or four projects because that's what we can comfortably manage as volunteers. But if a member feels very strongly about something and comes to us saying, "Look this is what I've done, I'm ready to lead the project, do the reporting and go there once a year" then we'll strongly consider that.' New Day Asia relies entirely on its members volunteering their time for its day-to-day running. Deciding not to pay for any professional administration or project management support clearly places limitations on what the giving circle can achieve, but Liza is adamant that leveraging the time and enthusiasm of the circle's members is a key value of the initiative. 'The volunteers who are giving their time find it very fulfilling,' says Liza, adding, 'it's easier for people who are not working in full-time jobs, so they have the time to do it. For me it's the most fulfilling thing I've done apart from having children; I don't think you can get this kind of satisfaction in a job.' Liza is confident that the model works 'because we have no costs, we don't have to make a

certain amount of money and we don't have to worry about covering anything. Of course we're limited in what we can do but we're not bound by any financial targets that have to be met or costs that have to be covered.'

The project management burden rests largely on Liza, but recently she has been joined by two other members who actively contribute to running the circle's day-to-day operations. A recent site visit to Cambodia took place without either Liza or Chris being directly involved, an encouraging sign that the group can be sustained without reliance on one or two individuals. Liza is pragmatic about the extent of involvement individual members can have in the supported projects with the hectic lives of Hong Kong's professionals, even though such personal engagement was a core aspiration when New Day Asia launched. 'We have always emphasised member involvement; for example, we've had help with our website, one of our members made project visit videos that went online, we have volunteers arranging site visits and now we have two members overseeing a specific project each. So they found the project, came back to the group, completed the necessary in due diligence, and we are now funding it. We have a member in charge of accounting, and a legal person doing all our company reporting'.

Apart from the four members who actively manage administration and projects, 23 of New Day Asia's 86 members have made non-financial contributions in project management, fundraising, site visits, media development or legal advice. Liza is reluctant for New Day Asia to hire any professional staff, but sees a core value in keeping costs as low as possible and meeting the organisation's administrative and project management needs through group member volunteerism.

Liza recalls one of the group's earliest donations, which remains a continued relationship. LOVEQTRA Sengchemdrukmo Girl's Home is a registered non-profit organisation in China, remotely situated on the Tibetan plateau. The home offers protection to young girls rescued from domestic slavery and abuse. One of New Day Asia's members had a personal connection with the home's founder and recommended the home as a potential project to the group. After an evaluation, New Day Asia offered an initial grant of HK\$98,000 (US\$12,600)

for refurbishment work at the home, with follow-up grants being given for other capital expenditure in subsequent years. Recently, one member collected a large quantity of winter clothing from her children's school to be donated to the school, and more recently, New Day Asia has financed a truck for the home. As Liza notes, 'It's an ongoing relationship, where we've been helping a very small non-profit with little access to funding, but the relationship remains strong and we are a critical component of their fundraising requirement — it's very fulfilling on both sides.' Recently, Liza and Chris, along with their children, met with several girls who have graduated from LOVEQTRA in Shenzhen where they are studying.

New Day Asia is a small fund with relatively modest resources, but leverages skills and money through its members and carefully chosen co-funding partnerships. Funding for the Tibetan girl's home was matched by a grant from Silvercrest Foundation, the philanthropic arm of a Hong Kong-based family office. 'Silvercrest Foundation was just launching,' says Liza, 'and were looking for some projects.' Liza views their projects as highly relational, and while non-profits are liable to account for the grants, there is a flexibility that comes from being a small and un-bureaucratic grant maker. 'There is often an expectation of extensive reporting from funders, but once you begin to work with these grassroots NGOs and visit them, you understand the challenges they face from a manpower perspective. The sensitivity of the LOVEQTRA project and the very real communications challenges of its location were factors we had to consider. Because of our longstanding relationship with the home, we could help Silvercrest understand the reporting context.' Says a pragmatic Liza, 'we expect a high level of reporting but when you go there and meet the people and see what they do, you become a lot more patient.'

In 2008, ADM Capital Foundation, a Hong Kong-based venture philanthropy fund, seed funded the launch of Kalki Welfare Society in Pondicherry, India — a child protection initiative for street living children in the city. Liza explains that with ADMCF taking a lead on the drop-in centre, 'it was a perfect match for us to fund a night shelter for the girls who were sleeping on the floor of the centre

because they couldn't go home.' Additional financial support came through the Hong Kong offices of Linklaters, a multinational law firm. In 2010, New Day Asia organised a visit for nine of the law firm's staff together with five members. 'We spent a day and a half repainting the night shelter, and took time to see how our grant was used. We did a lot of activities and games with the girls there. It was a very rewarding experience for the team from Linklaters and New Day,' says Liza who acknowledges that painting is not a core transferrable skill of corporate lawyers, but the point was to help them connect very tangibly with the work they had funded.

Liza believes active membership contributes to the philanthropic journeys of individual members: 'Involvement gives organic growth for individuals'. Shannon Rogers became a member of New Day Asia in 2011 and is today one of its most active members as the circle's volunteer project manager. While living in Hong Kong, Shannon and her husband were looking for ways to support organisations that addressed sex trafficking in Asia, and was keen to find an alternative to just writing cheques to big NGOs. A meeting with Liza left her in no doubt that by joining the giving circle, she could 'learn about the issues and contribute to grassroots initiatives.' Over time Shannon joined Liza in the day-to-day running of the giving circle — managing grantee relationships, communicating with the membership, organising site visits to Cambodia, Nepal and India, and helping launch a new project in Hong Kong. She believes 'the beauty of the New Day model is that you are welcomed and encouraged use skills and efforts on behalf of New Day Asia and its partner projects'. Shannon admits that the positive experience of being an active member of the giving circle has aided her personal philanthropy journey:

'Prior to joining New Day we would make a few donations a year to organisations, but contact was restricted to a "thank you" in the form of a tax reporting receipt. Now I spend time with non-profits, reviewing their programmes, listening to their strengths and challenges, going through their financial reports, and learning about the other initiatives in the same field — I can no longer give 'blindly'. I now feel I need to do much more research and engage more with the

organisations I consider supporting. I will never give again without looking through the financial statements! I am also much more interested in grassroots NGOs — it has been very exciting to be part of their work.'

Shannon clearly recalls that Liza never positioned New Day Asia as 'doing fundraising or charity events', but as 'a group of people pooling their money to have a greater impact, and a level of engagement [in issues and with non-profits] that would not be possible on their own'.

Liza wants New Day Asia to remain focused on abused women and girls even though they do support a very valuable project that has a broader mandate. She feels the model works well and would like to see it replicated in other Asian cities: 'I'd like to see a New Day Singapore, a New Day Jakarta, and so on; different cells run by people who wanted to do that and working independently from us in Hong Kong, but perhaps using our ideas and guidelines. We've created this structure; we just want people to use it.'

Six years of running Hong Kong's first and only giving circle has been a steep learning curve for Liza and Chris. They view the coming years as a period to consolidate and deepen rather than expand and experiment. With the number of members actively involved in managing day-to-day operations increased to four, and with 23 members volunteering time ad hoc for project management, site visits and media development, the organisation is less dependent on the founders. But Liza and Chris are concerned that the volunteer nature of the circle can easily lead to it becoming overstretched. New Day Asia plans to work with a smaller number of non-profit organisations and to deepen the engagement with them, making fewer but larger grants, and providing more non-financial advice where possible. Chris is convinced that engaging with a non-profit beyond cheque writing brings 'a fresh pair of eyes' and a seasoned business perspective to planning. He recalls conversations with one of the non-profits they fund, who was describing a very ambitious expansion plan: 'We don't pretend to understand their business, but we did feel able to express caution about the best way to execute an aggressive scaling up.' Clearly, New Day Asia is evolving into a more classical venture philanthropy model, and has the quality of relationship with its

portfolio of non-profits to offer advice on strategy and execution.

Action Pour Les Enfants (APLE), one of the organisations supported by New Day Asia, is a non-profit dedicated to combating child sexual abuse and exploitation in Cambodia. Seila Samleang, APLE's executive director, describes how working with New Day Asia differs from other donors:

'We found our initial approach to NDA for funding to be straightforward compared to most other donors. When we contacted Liza Green because of an urgent need for extra funding, she visited us and assessed our project objectives and funding requirements. Our proposal was approved after we submitted a concept note and budget. I was struck that, after their agreement to fund us, the relationship continued. Liza and other NDA members kept in touch to see if we faced any difficulties or to suggest better ways to implement the project. They were also very quick to approve necessary changes to activities or budget. When I visited NDA members in Hong Kong to describe our work in anti-child exploitation, I took away several useful points about improving our services, especially legal aid for victims. The relationship with NDA members, especially those from the legal profession, was quickly established. Some of the lawyers offered to help with legal advice and assistance in prosecuting child offenders from Hong Kong. One member accompanied me to meetings that NDA set up with law firms Linklaters and Norton Rose and helped me raise more funds for my organisation. When NDA members visited our offices in Phnom Penh this year, it was an opportunity to communicate face-to-face about the project's successes and challenges. They asked questions and provided insightful inputs to help me better execute our operations. This kind of visit is more effective than just reading through reports.'