

NGOs IN CHINA: THE ROLE OF INTERNATIONAL ORGANIZATIONS AND SOUTH-SOUTH COOPERATION

Melissa G. Curley

The article examines the emergence of the nonprofit sector in China in light of ongoing economic reforms. Coupled with the pressure of declining government revenues and the dismantling of former public insurance and social service systems, China's policy makers are looking to the so-called "third sector" to help fill the gaps. The article reviews the impact of recent funding and collaborative activities between two international organizations and Chinese nongovernmental organizations (NGOs), and South-South cooperation programs between China and the Philippines, on the development of the nonprofit sector. The article argues that through such programs, opportunities, albeit narrow, are emerging for Chinese NGOs to influence the government's thinking on the nonprofit sector. Such influence is most likely to occur in areas that coincide with Chinese government concerns, such as environmental degradation and poverty alleviation. The article argues that some Chinese NGOs are finding ways to benefit from these programs to facilitate their own development and maximize the interests of their members. The conclusion discusses future opportunities and challenges for Chinese NGOs in the wake of China's accession to the World Trade Organization.

Key words: Chinese nongovernmental organizations, nonprofit sector, international organizations, World Bank, Asian Development Bank

Introduction¹

The activities of nongovernmental organizations in Asia have increased substantially over the last decade.² Increasingly, governments in both developing countries and donor countries are channeling more aid money through NGO programs. Alongside the increase in the number of NGOs, there is also a well-documented increase in the size and density of interactions between NGOs and international organizations (IOs).³ The rise of “partnership” arrangements has, in particular, signaled a move toward involving grassroots stakeholders in many aspects of poverty alleviation projects, although as Fowler has argued, two decades of experience have shown that many NGOs have failed to forge equitable or sustainable partnerships.⁴ The rise of partnership can be attributed in part to the recognition that community participation in projects is crucial for project sustainability because it facilitates, in theory, a greater sense of ownership in the development process. The importance of participation and empowerment in the design, implementation, and evaluation of development projects has increased the World Bank, United Nations, and Asian Development Bank’s (ADB) involvement with the NGO sector.

As economic reforms accelerate in China, the government is withdrawing from the role it previously played as the provider of the “iron rice bowl” through the work unit-based welfare system. The Chinese government has assigned a greater role to social organizations to help provide a range of social welfare services, and to Chinese NGOs⁵ to play a greater role in harnessing “social forces” to assist them. Coupled with the pressure of declining government revenues and the dismantling of the former public insurance and social service systems, China’s policy makers are looking to the so-called “third sector” to help undertake these tasks.⁶ With greater economic freedom and increased wealth, more individuals are taking an active role in social welfare organizations and in the broader voluntary sectors—which also means that Chinese NGOs play a role in mobilizing volunteers. While strict controls exist over the formal activities of social groups, there is growing evidence to show a steady growth in the number and nature of both formal and informal groups and networks involved in a broad range of development and social welfare

activities.⁷ In summary, it is possible to argue that “a tangible non-government community is quietly but confidently asserting itself in contemporary China.”⁸

This article reviews the emerging nonprofit sector in China. It focuses on two IOs—the World Bank and ADB—and their recent funding and collaborations with Chinese NGOs to help facilitate the development of the nonprofit sector. It also reviews the role of South-South cooperation programs in the development of capacity building and work practices of Chinese NGOs. I argue that opportunities, albeit narrow, are emerging for Chinese NGOs to influence the Chinese government’s thinking about the nonprofit sector, particularly with respect to issues that coincide with government concerns, such as environmental degradation and poverty alleviation. The research illustrates that some Chinese NGOs are finding ways to benefit from their institutional arrangements with the state, funding arrangements with international NGOs (INGOs), and South-South cooperation. These channels offer ways to forward their experiences and opinions, and to maximize the interests of their members or target group. Chinese NGOs also benefit from exposure to new working practices and methodologies of INGOs for designing and implementing development projects directly with beneficiaries.

Development of the Nonprofit Sector in China

A recent two-year research project on the nature of the Chinese nonprofit sector, carried out by the NGO Research Centre at Qinghua (Tsinghua) University, provides a useful guide to the plethora of formal and informal organizations that come under the umbrella term “NGO.” According to Wang Ming, author of the study, five general categories of NGOs exist: social organizations, foundations, private “nonprofit organizations,” various informal organizations, and social welfare organizations.⁹ Social organizations are mostly based on membership, and around 70 percent of these NGOs are scholarly organizations. Trade unions are similar to the first category, in that they are membership-based, but are usually found in the economic field. Foundations are different in that they are generally membership-based. Chinese foundations differ markedly from foreign foundations in that

they are not a source of funding support, but rather usually secure their funding from enterprises, the Chinese government, or in some cases from international sources. Some foundations in China have been permitted to raise funds, although the laws for this are not yet clear. The fourth type of NGO, private “nonprofit organizations,” are not membership based and are usually institutions of social welfare, including schools and hospitals.

The Qinghua research suggests there are approximately 700,000 of these types of NGOs in China. In addition, various informal organizations exist that are not registered with the government. They usually conduct activities and provide services for which people pay. Community-based “grassroots organizations” are another such informal organization based on membership, but these usually relate to community-based activities such as village organizations that organize weekly religious or welfare activities. Finally, social welfare NGOs are primarily involved in provision of social welfare services and poverty alleviation projects, such as the Amity Foundation.

Apart from the above categorization, it is also important to point out that many Chinese NGOs are former government departments or agencies, devolved from the government bureaucracy in the process of moving from “big government, small society” (*da zhengfu, xiao shehui*) to “big society, small government” philosophy (*da shehui, xiao zhengfu*). For accuracy, many refer to these as GONGOs (government-organized NGOs) to highlight their close connections with the government. Two such examples would be some research and extension units of the Ministry of Agriculture, and the China Association for NGO Cooperation (CANGO), which is discussed below in the section on South-South cooperation.¹⁰ Apart from GONGOs, “mass organizations” such as the All-China Women’s Federation and the All-China Youth Federation, and “national organizations” such as the China Foundation for Poverty Alleviation, are also an important part of the Chinese NGO landscape. Many of the above organizations have a varied relationship with the government apparatus, ranging from very close to (arguably) autonomous.

Scholarship exists on various aspects of the direction, management, and control of overseas development assistance (ODA) in China, the role of INGOs, the emergence of an indigenous NGO sector,¹¹ and the relationship of these developments to the

evolution of civil society in China.¹² Zweig’s work in particular focuses on the process by which aid programs were established in China, through what he calls the “process of enmeshment” from the early 1980s onward.¹³ China created “counterpart agencies” (CPAs) that served as “channels of global transactions” whose major function was to monitor and control foreign donors. Zweig’s analysis of this evolution includes the World Bank, UN agencies, bilateral donors, and some INGOs. His work has questioned how key funding allocation decisions were made in the donor-state relationship, focusing particularly on the degree and nature of bureaucratic control among Chinese agencies and provincial administrators that vie for access to ODA, and the level of “internationalization” that resulted from two decades of ODA. Drawing from his work, Kent makes the point that in the 1990s,

*The new global agenda of sustainable development, environmental protection, poverty alleviation and good governance, together with the weakening of the constraints regulating contacts between local governments and foreign NGOs, led to a restructuring of China’s ODA system and an undermining of the monopoly of the CPAs in ways that facilitate the impact of the new agenda.*¹⁴

Other recent analysis of INGO activity in China has also studied developing civil society through donor funding agendas¹⁵ and the development of rule of law and legal aid.¹⁶ However, less scholarship has focused on recent funding and partnership, and South-South activities, between IOs, INGOs, and Chinese NGOs.

Context and Mechanisms for International and Chinese NGOs in China

The environment for China’s nongovernmental organizations is changing rapidly and must be understood within the broader context of economic and social reform. The Chinese Communist Party is faced with the challenge of continuing the process of economic reform that entails reforming state-owned enterprises (SOEs), downsizing the government bureaucracy, and reducing services and functions previously provided by the

state. This policy approach, however, creates a gap in the provision of traditional social welfare services that party leaders recognize as a potential condition for social instability and unrest. At the Fifteenth Party Congress in October 1997, former President Jiang Zemin and Premier Zhu Rongji recognized the need to expand "social intermediary organizations."¹⁷ Commentators have since viewed this development as serving two interrelated government objectives: "mobilizing social forces [*shehui lilian*] to fill service gaps and/or substitute for government in certain areas of social service provisions," and "streamlining government bureaucracies."¹⁸ Consequently, the State Council issued two new sets of regulations for the nonprofit sector in September 1998: the "Regulations for the Registration and Management of Social Organizations" (*shehui tuanti*), and "People-Run Non-Enterprise Institutions" (*minban fei qiye danwei*). These governed membership organizations and nonprofit sector service providers, respectively.

While closely following the previous regulations passed in 1989 after Tiananmen Square, these new regulations require Chinese NGOs to find a government sponsor that is ultimately responsible for their activities and direction. Some human rights groups and commentators were very critical of the new regulations. They argued that the government sponsorship requirement not only would make it increasingly difficult for Chinese NGOs to officially register, due to the increased burden of time, resources, and responsibility that came with sponsorship. The requirement would also provide little or no benefit to the already financially pressured government agency. The much-publicized crackdown on the *Falun Gong* organization indicated that groups that developed the power to organize and structured constituency were not to be tolerated within the new regulatory framework.¹⁹ Nevertheless, as with many other laws and regulations in China, interpretation and implementation of policies relating to Chinese NGOs differ greatly from province to province and depend on local context, personal relationships, and institutional connections. With the nonprofit sector awaiting new regulations for INGOs in China, and with the rapidly changing domestic environment, the Chinese nonprofit sector remains in considerable flux.²⁰

There is an increasing interest among scholars and commen-

tators alike on what effect the expansion of social organizations in China will have on opportunities for free association and an emergent civil society. Saich has recently cautioned that an exclusive focus on "state-dominated" theories, "society-informed" concepts of social corporatization, or ideas of purely "state-led" civil society runs the risk of obscuring the complex dynamics of change in China. Importantly, this includes the extent to which groups that are considered "coopted" by the state have been able to negotiate space through various strategies that both influence the policy process and advance the cause of their members or target groups.²¹

In relation to the nonprofit sector, Saich further notes that while the state does exert extensive formal control over social organizations and foundations, the approaches mentioned above fail to take account of three main factors. These are the increasing difficulty for authorities to enforce regulations uniformly across China, in a system that itself is rife with contradictions; the fact that so-called "subordinate" or "coopted" organizations often benefit from their institutional arrangements with the state; and the strategies that many social organizations have derived to negotiate relationships with the state that maximize members/target group interests or deflect or avoid state intervention.²² These factors are very important in understanding the context of the nonprofit sector in China.²³

INGO Activities in China

China has no specific regulations relating to the activities of INGOs. Its Ministry of Civil Affairs (MOCA) is in the process of drafting new regulations that will in theory clarify the ambiguity surrounding INGO registration and activities. Judging from the mood at a UN Development Program (UNDP)-sponsored conference on *International NGO Cooperation in China*, however, many in the INGO community are uncertain about the direction and intention of the Chinese legislators who crafted new INGO regulations. Speeches given by MOCA representatives give a good indication of the role intended for INGOs to play in the reform process. Chen Guanguo, Deputy Director General of NGO Management Bureau under MOCA, noted that while INGOs were influential associations that played an important role in development, certain

"objective conditions" meant that there were constraints on the further development of INGOs.²⁴ Concurrent with the thinking on indigenous social intermediary organizations, he noted that INGOs do have a role to play as a link between the community and the government, assisting in the formulation of policy to implement China's emerging market system. This intermediary role can help to secure order in domestic markets while improving social equity through bolstering charitable causes and initiatives. It also mandates an exchange of ideas, capital, technology, and experience. Chen cautioned, however, that the NGO sector (including both Chinese NGOs and INGOs) are currently constrained by four main problems: the lack of a comprehensive legal environment; the over-dependence of some CNGOs on the Chinese government; their appropriate geographical distribution; and illegal activities in the nonprofit sector that "violate Chinese law."²⁵

It is clear from Chen's comments that new regulations may well tighten the regulatory, planning, monitoring, and administrative procedures of INGOs and their partnership activities in order to direct INGO resources and activities into certain national priority areas. Poorer western provinces targeted in the "Go West" policy are illustrative. Implementing the "small government, big society" philosophy will require a further shift of government department work and responsibilities to Chinese NGOs and INGOs. As one commentator argues, "there is evidence that, far from being hostile to non-government, nonprofit activity, the Chinese government is extremely interested in the potential of such activity, at least from the viewpoint of relieving budgetary pressures."²⁶ Most likely the regulations will then center around INGOs and the legal framework and rule of law, administrative procedures, planning system to ensure the rational distribution of INGOs, and the concept of self-supervision for the nonprofit sector to monitor itself. This model will probably follow the principle that, under the direction of the government, the INGO sector (as with Chinese NGOs) can play an important role in social progress, or the "government-led civil society" approach outlined above by Saich.

As with the regulations for Chinese NGOs, INGOs that wish to work in China, or indeed fund projects, must find at least one government sponsor. This is usually with a national or provincial

department of the Ministry of Foreign Trade and Economic Cooperation, through which many overseas technical assistance and cooperation projects are negotiated. Other relevant government agencies include the Women's Federation, Ministry of Agriculture, and Poverty Alleviation Bureau.²⁷ Due to the lack of formal requirements, INGO presence in China may vary from formal partnerships with an agreed memorandum of understanding, to INGOs registered as an enterprise with the Bureau of Industry and Commerce (which gives the right to a Chinese bank account and legal seal). Consultancies and program management from overseas, where the project coordinator may spend long periods of time in country liaising with project stakeholders, are also becoming more common.

Collaboration Between International Organizations and Chinese NGOs

Some international relations analysts have noted that IOs have played a major role in the evolution of the NGO sector in certain countries. This has been mainly through providing financial, moral, and institutional support that contributes to their overall institutional strength. Uvin notes that support for attendance at international conferences often gives NGOs a "domestic visibility and moral stature that lends credibility and protection to their domestic work." Such gatherings also serve as "a focal point for NGO networking and identity creation, which strengthens them as domestic and international players."²⁸ It is certainly arguable that the 1995 UN conference in Beijing on women connected many women's organizations within China with INGOs and other outside groups, thus increasing their awareness of each other. How are IOs impacting on the evolution of the Chinese nonprofit sector? What trends can we see for future cooperation?

Although limited, major multilateral development institutions are increasing their level of interaction and involvement with the nonprofit sector. This is also the case with some bilateral donor countries that channel ODA through Chinese NGOs. Chinese NGO activities are often funded by a variety of interconnected partnership arrangements, in which they may implement their

own development projects with local partners or be selected to implement government projects funded by bilateral aid.²⁹ The following subsection is restricted, however, to a review of recent activities of the World Bank and the Asian Development Bank.

The World Bank

From 1999 onward, the World Bank mission in China has been working to establish further contact and partnerships with Chinese NGOs to support their development and institutional capacity. Such support has been facilitated through several programs: a Strengthening of the Enabling Environment for China's NGO Development (a project in conjunction with MOCA), a Small Grants Program (which provides assistance in capacity building of Chinese NGOs), and in Operational Collaboration.³⁰ The first program, "strengthening of an enabling environment for CNGO," aims to assist MOCA "in building up its institutional capacity and improving the external environment in which NGOs operate, thus enhancing NGO participation in social and economic development in China." To achieve this, the project centers on the exchange of ideas with relevant international professionals to assess current needs and to help identify the required policy measures to meet them. It also advocates increased access for Chinese NGOs to government information and encourages cross-sharing of material. It focuses on training, assessment of training needs, and pilot projects that seek to develop key competencies for professional operation and management of Chinese NGOs.

Improving the overall policy environment for Chinese NGOs and encouraging more interaction between them and the government are the main goals in the Beijing mission's activities with Chinese NGOs. In the first area, the demand and need for capacity building is clear. Some attempts have already begun in the development community to fill this gap, including training programs at Qinghua University's NGO Resource Center, and practical skills training provided by the Chinese Association of NGO Cooperation (CANGO) for its own members. According to the Beijing mission, great demand exists for further programs in training and capacity building for staffers in Chinese NGOs. They are currently looking at ways of addressing this with the MOCA to hire local consultants to develop training programs.

In the process the Bank will encourage the MOCA supervisory committee to consider the views of Chinese NGOs.

To this end, the Bank is trying to encourage more interaction between the government and CNGOs through network meetings with the MOCA. In 2000, the World Bank organized three such meetings between MOCA and CNGOs, facilitated by the acting director general from the Department of NGO Administration. According to Bank staff, the meetings were used by the government to collect information on CNGO experiences, while the Chinese NGO participants found it "extremely useful" to have the opportunity to speak directly to MOCA officials.³¹ The meetings showed that following the *Falun Gong* crackdown, the government does not necessarily think badly of NGOs (a common perception), and also that Chinese NGOs remain careful to keep a good relationship with the government. As part of this program, the Beijing mission organized a study tour to the Philippines for Chinese NGO representatives, who then gave a presentation on funding and self-regulation to a MOCA-Chinese NGO network meeting upon their return. This type of "South-South" exchange brings Chinese NGOs into contact with different working practices and ideas, and is one avenue for them to influence government understanding of relationships between policy and practice.

From 1999, collaboration and network activities with Chinese NGOs have shown that capacity building is the most important input for the development of the nonprofit sector in the immediate future. In particular, acquiring better knowledge about participatory development practices and how INGOs manage financial resources are identified as crucial. In the future, the Beijing mission intends to continue its collaboration with Chinese NGOs through the International Development Facility. Future policy aims are to influence MOCA policy toward the Chinese nonprofit-sector, continue to provide small-scale support to Chinese NGOs, and continue consultations with both INGOs and Chinese NGOs.³²

Both the Small Grants and Capacity Building Programs have sought to promote debate, dialogue, exchange, and training opportunities for Chinese NGOs. In 1999 and 2000, the Beijing World Bank office made eleven small grants to such groups to support seminars and workshops. One such grant (\$10,400) funded the Women's Federation in Xishiangbanna Dai Nationality

Autonomous Prefecture in Yunnan Province to hold a series of workshops on HIV/AIDS prevention and control. Infection rates in the region had risen rapidly among girls and women, and these seminars aimed to provide training and information to women leaders who would then disseminate the information to the wider community.

Capacity building has been supported through grants to organizations in order to improve their professional management skills and technical knowledge. In 2001, the Bank, with funding from the Ford Foundation, granted the China NPO Net \$30,000 for a two-year NGO training program. It partially funded a national conference on participatory irrigation management, bringing together operators and managers of irrigation systems and managers of Water User Groups run by farmers, to manage local irrigation systems.³³ In line with its recent endorsement of participatory development practices, the World Bank is funding local-level government agencies to support small income generating activities (within the Shanxi Poverty Reduction Project), and is supporting pilot projects in self-financing irrigation systems that involve increased "civil society participation." Such "operation collaboration" with government agencies and local communities may have many benefits, including transferal of a greater degree of participation and ownership of local infrastructure to communities.

It is clear even from World Bank rhetoric that this project, while supporting increased participation and collaboration with local people, also serves the purpose of shifting the role and responsibility of irrigation management and financing away from the government to the people, a wider trend that in some instances disturbs many in the international NGO sector. Some argue in this regard that there needs to be further discussion and debate about what both government agencies and civil society groups are *capable* of doing. This will require that the new regulatory framework for INGOs strike a balance between regulating and stifling.³⁴

Direct World Bank collaboration with Chinese NGOs and INGOs in the near future will be limited. Two factors are at play. Government departments and agencies will probably continue to be the preferred main partner because they possess the institutional and human resource capacity effectively to implement

development programs. Further program implementation with INGOs will also be limited until new regulations on foreign NGOs are finalized. In the meantime, face-to-face networking and the informal facilitation role of the World Bank's Beijing mission represent a small but important avenue for two purposes. First, it increases the opportunities for discussion and information exchange between Chinese NGOs and MOCA. Second, formal and informal programs enable Chinese NGOs to get closer to international experiences by bringing them together with INGOs using the Global Learning Network facility in the Beijing office, and by informally introducing INGOs to partners in China.³⁵ These experiences appear to be useful mechanisms for the development of the Chinese nonprofit sector.

The Asian Development Bank

The extent of the ADB's cooperation with Chinese NGOs and INGOs in China is less advanced than the World Bank's. This is largely due to the fact that the ADB's main financial mechanisms, loans and technical assistance, are not appropriate to the activities of the nonprofit sector. However, since the government's 1998 review of the nonprofit sector's role in society, and the establishment of an ADB Resident Mission in Beijing in 2000, opportunities for cooperation with Chinese NGOs and INGOs have increased. The nature of China's sectoral policy toward borrowing for social development programs from the ADB is also relevant. The ADB first established a policy on cooperation with NGOs in 1987 in recognition of their importance as development actors. The ADB sought to "integrate NGO experience, knowledge, and expertise into ADB operations so that development interventions . . . will more effectively support the issues, priorities, and needs of the people."³⁶

China joined the ADB in 1986 and since then has become the Bank's biggest borrower, with loans totaling \$9.6 billion, \$166 million in technical assistance grants, and \$2.8 billion in co-financing from other bilateral and private sources.³⁷ The ADB opened its first Resident Mission in Beijing in June 2000, signaling an expansion of its relationship with the Chinese government. As mentioned above, the ADB's previous focus on infrastructural development and macroeconomic growth was replaced

by a "pro-poor growth" strategy and a fundamental shift in its definition of poverty. The prior definition that focused on income levels to define the poor, and which prescribed economic growth as the main objective of poverty alleviation programs, has given way to a greater focus on poverty alleviation.³⁸

Whether this rhetorical shift will translate to tangible policy changes remains to be seen. Certainly there are many critics of the ADB's policies in the region; but what does this recent policy shift in the ADB, and the increased dialogue between ADB and Chinese government, indicate for further collaboration with Chinese NPOs and INGOs in China? The policy shift in the ADB means that, while sectoral loans will still be made to support transport, energy, water supply, finance and industry, and agriculture, at least 40 percent of the loans must be deemed to "have a direct bearing on poverty."³⁹ Bruce Murray, ADB Representative in Beijing, suggests this will be achieved by locating future projects in western China rather than in coastal areas, providing connecting roads to link outlying districts to major expressways, and underwriting energy sector projects such as rural electrification that make them more "pro-poor."

The ADB's new emphasis on NGO cooperation stems from two factors: the mutual agreement in consultations with the Chinese government on the appropriate role of Chinese NGOs (and possibly INGOs) in the social sector in China; and the ADB's institutional reevaluation of its dealings with NGOs in Asia. First, in May the ADB participated in a forum convened by Vice-Premier Wen Jiabao on future poverty reduction policies. This was followed in June by the official opening of a resident mission in Beijing, and consultations between the ADB and the PRC's Leading Group on Poverty in Manila in the latter part of 2000. The consensus reached between the two parties on poverty alleviation policies was reflected in the "Poverty Partnership Agreement" that defined future ADB activities concerning poverty alleviation in China. Besides laying out mutually acceptable definitions and targets to guide policies, the agreement defined the role of government, civil society, and the ADB in development activities.

Second, as part of its institutional reevaluation, the ADB president formed a high-level task force in May 2000 to undertake a comprehensive review of the Bank's current institutional

arrangement for cooperation with NGOs.⁴⁰ The document was completed in November 2000 and forwarded for ADB Board approval in 2001. It is clear that the ADB considers increased cooperation with NGOs as inevitable in China for two reasons. The ADB's shift in focus reflects trends in the wider development industry—that is, the need to pay more attention to "pro-poor" policies, sustainable economic growth, social development, and good governance. Moreover, the ADB considers that NGO activities will influence and affect "virtually every aspect of ADB's operations, to an extent not experienced in the past and that will increase even more in the future."⁴¹

From its own experience, as well as from analysis undertaken by the World Bank and other institutions, the ADB has concluded that NGOs often represent an efficient, transparent, and seemingly legitimate conduit for development implementing funding. Thus the increased expenditure on NGO cooperation and consultation "frequently can be compensated for, or recovered, through the avoidance of project implementation problems and delays."⁴² In this context, faced with a regional and global movement of diffuse civil society organizations critical of economic rationalism, the ADB has identified a need to increase its institutional capacity for collaboration with the NGO sector in Asia. The establishment in February 2001 of an NGO Center within the Regional and Sustainable Development Department in its Manila headquarters to coordinate cooperation with the NGO sector is designed to play this role.

The ADB is "generally supportive" of CNGOs in China, but is limited in its capacity to assist Chinese NGOs. The ADB's two main financial mechanisms, loans and technical assistance, are difficult for INGOs/Chinese NGOs to qualify for, and largely do not reach the nonprofit sector. The annual technical assistance budget for China is \$20 million, of which over half goes toward infrastructure feasibility studies, and \$5-6 million toward policy studies.⁴³ ADB action is also limited, as it cannot channel money directly to Chinese NGOs. Consequently, their activities to date include consultations, conferences, and information sharing. According to ADB staff in Beijing, it is unlikely that Chinese NGOs will become implementing partners in the foreseeable future.⁴⁴ Movement in this area will depend mostly on conditions of partnership defined by MOCA. Another factor will be

the ongoing development of NGOs' institutional capacity to effectively implement and manage projects.

Nevertheless, a series of high-level consultations between Chinese officials and the ADB in 2000 began to define the direction of future cooperation with the Chinese NPS. Initial results of these consultations indicate that there will be greater focus in ADB policy on cooperation with Chinese NGOs and INGOs, through technical assistance funds devoted to research studies, capacity building, and collaborative projects. As part of this program, the ADB is working with the Chinese Academy of Social Sciences (CASS) on capacity building for a social assessment project that aims to increase the CASS's ability to undertake social project impact studies.

Cooperation with the nonprofit sector also looks likely to increase through two new funding initiatives that were scheduled to commence in 2001. The ADB is considering the establishment of a technical assistance program worth \$300,000 to identify, support, and strengthen Chinese NGOs that are working on poverty reduction. Chinese NGOs and INGOs will also be eligible to apply for grants from a new Japan Fund for Poverty Alleviation, established in May 2000 with capital of \$90 million, of which around \$1 million has been allocated to the China program. Projects must be directly related to poverty alleviation and geographically located in areas that the Bank currently works.⁴⁵ This fund will also support participatory poverty assessments in selected rural and urban areas and a policy workshop that intends to bring together communities, government officials, local CNGOs, the private sector, and other donors.⁴⁶ In addition, the ADB has taken initial steps to establish a relationship with CANGO, possibly through cooperation on capacity building programs with MOCA. Such cooperation will probably reflect a focus on developing NGO management, training, and administration programs.

Like the World Bank, the ADB also intends to facilitate opportunities for Chinese NGOs to network and exchange information, between each other and with international groups. To this end, ADB co-sponsored a conference in October 2001 on the role of NGOs in poverty reduction in China, the first of its kind. Other sponsors were the China Foundation for Poverty Alleviation, the Ford Foundation, Mercy Corps, and the UNDP. The new NGO center in Manila, through its coordination and infor-

mation facilitation role, may also have a future role to play in strengthening connections between Chinese NGOs and the ADB's Beijing operations.

South-South Cooperation and Capacity Building

Funding from IOs has not been the only source of funding for development of South-South cooperation involving Chinese NGOs. Indeed, INGOs have been active in supporting this. The Philippines-China Development Resource Center (PDRC) based in Manila, and the Chinese NGO Rural Women Knowing All, based in Beijing, which help migrant women from rural areas adjust to life in urban centers, are two such examples. There is evidence in their experiences that South-South dialogue is impacting on working procedures and changing perceptions of working relationships with government departments and sponsors.

The PDRC was set up in the Philippines in 1990 to promote "mutual understanding and cooperation between the Philippines and China through people-to-people linkages."⁴⁷ With funding from the German organization EZE,⁴⁸ PDRC embarked on a long-term development exchange program with its major Chinese partner, the Amity Foundation. Amity staffer Teresa Cariño notes that in the early 1990s many Philippine NGO staffers were eager to see "socialism with Chinese characteristics" and considered China, if not a model of socialism, "at least a model for development with greater emphasis on justice and equity."⁴⁹ Over the next ten years PDRC and Amity exchanged more than twenty-four delegations including Amity staff, their local partners, Chinese local officials, and project staff. From the Philippines, participants were drawn from NGOs working with children, women, farmers, indigenous groups, and environmental education. Much of this South-South exchange has been in the form of study tours, training courses, and seminars on a variety of development issues.

Aileen Baviera, founding member of PDRC, notes that in its initial phases the program sought to bridge the gap between mutual misperceptions of each country. In the first six years, the program "provided continuous exposure to the socio-economic situation in each country and how problems of poverty and social

inequality are addressed through various initiatives by NGOs and government."⁵⁰ This approach then shifted to a higher level of exchange that included relevant government agencies, the private sector, and the academy, to provide a more comprehensive look at specific development issues. Sector-specific visits thus expanded to different experiences in managing agricultural systems, coastal resource management, traditional medicines, small and medium enterprises (SMEs), social welfare, renewable energy, and NGO and project management. The partnership was extended in the mid-1990s to include the CANGO—widely regarded as a GONGO—that devolved from the China International Center for Economic and Technical Exchange (CICETE) in 1991.⁵¹ CANGO functions as an intermediary NGO that coordinates cooperation between international agencies and Chinese NGOs that work in poverty alleviation, environmental degradation, and social welfare with the poor, often in rural, remote, and ethnic minority areas. Cariño believes that the development exchange programs between various Filipino NGO staffs, Amity, and CANGO “probably contributed to a complex process of ‘development formulation’ in the shaping of ideas, approaches, assumptions, and methodologies regarding development in the minds of delegates and participants.”⁵²

Cooperation has recently extended to partnership in capacity building. Following training in China, a group of Filipino doctors have started an acupuncture and traditional Chinese medicine clinic in the Philippines. PDRC supports training for Filipino rural health workers, with assistance from the Nanjing University of Traditional Medicine, to participate in community health programs in rural areas, or in rural government clinics. In November 2000, PDRC ran a pilot course on basic NGO and program management, designed for middle-level Chinese NGO managers. The program may be extended to other NGO managers in China, along with production of a bilingual training manual to help replicate the course for small NGOs in isolated areas of China.

According to Cariño, Filipino delegates were most often impressed at the Chinese adaptation of traditional technology to cope with scarcity and limited resources. Chinese delegates were generally shocked from their perspective at the underdevelopment of agriculture in the Philippines. However, two points are worth highlighting in more detail from this extensive exchange

program between these two countries, whose NGO/development sectors appeared, on the surface, to be poles apart: the proliferation of NGOs in the Philippines and their extensive role in society; and the NGO-Government Partnership model in China. Chinese delegates often expressed surprise at the extensive role that NGOs played in the Philippines, in terms of civil society, but also in the capacity to develop “software” skills—for example, skills in participatory rural appraisal, NGO management, and beneficiary liaison work. The strong participation of women and youth in NGO leadership and the general passion and commitment of development workers also impressed Chinese delegates. They were also interested to note how Filipino NGOs helped develop social responsibility among the public, and how individuals could assume more responsibility in social, political, and economic aspects of development work.

On the Philippine side, study tours to China illustrated the advantages of cooperation with the state, not seen on such a scale in the Philippines. For Filipino delegates, Amity experiences with NGO-government partnership in rural China illustrated the advantages of mobilizing villagers to participate in projects on a large scale. This type of partnership model in successful cases resulted in many villagers benefiting from the project, with minimal financial input. Many Filipino NGOs had often struggled to organize communities to undertake even small-scale projects that in some cases resulted in little impact. Chinese delegations, on the other hand, have been impressed with the professionalism of Filipino NGO staff and their programs, and their abilities in project management and beneficiary relations. In generalizing these years of development exchange, a broad distinction emerged from delegates’ responses: Development work in China was characterized as results-focused, and Filipino NGOs appeared more process-oriented.⁵³

INGO funding to Chinese NGOs for South-South exchanges and capacity building can also be instrumental in facilitating transition in management styles and introducing new methods of working with beneficiaries and government partners. It is clear that as space for NGO work expands in China, the experience of how to shape project agendas independently of the state, often using participatory development approaches, and how to raise funds, will be extremely useful. It is clear from CANGO’s

study tours to the Philippines that Chinese NPOs' exposure to different social systems for NGO work has been enlightening.

In the Philippines, many NGOs are very active. For some delegates they learn that the social system is quite different [from China's], but that NGOs can play a big role and that they can work independently. The question for Chinese participants is, how can they work independently with the government? These NGOs in the Philippines are not only surviving but also surviving well and providing services. Chinese participants had never thought of this before. Some of them have now set up NGOs and joined CANGO.⁵⁴

In commenting on a recent CANGO visit to the Philippines, CANGO official Guo Li believes there is more common ground than differences for people from both countries to share in development work. Noting that ordinary people seek peace through food and habitat security, he sees CANGO learning from different policy approaches in the Philippines. While hard to quantify, we cannot dismiss the policy impact these South-South exchange programs may have on Chinese policy toward the nonprofit sector, considering CANGO's connections and interactions with the NGO Management Bureau under MOCA.

Rural Women Knowing All

Similar issues arise from the experiences of the Beijing-based NPO, Rural Women Knowing All (RWKA), which has received assistance for South-South exchange programs and capacity building from the Ford Foundation and Asia Foundation. These experiences and support have been instrumental in exposing staff members to new ideas and methods. They have also provided training and opportunities for capacity building to strengthen RWKA's capacity to become a more sustainable and professional organization and to expand and manage programs that work directly with beneficiaries' development concerns.

RWKA was established by Ms. Xie Lihua in 1993 after working for eight years with the government agency, China Women's News. Her main reason for establishing the organization was due to the standing of rural women and the lack of access to material appropriate to their needs. She felt at the time that most people working on women's issues were focused on urban women and

not rural women. Noting the greater gender disparities in the rural areas, she believed more work had to be done to change their situation. In 1993 there were forty-four magazines for city women, but none for rural women. RWKA started through a loan of Y60,000 from China Women's News, with the publication of a magazine for rural women the main activity. Since 1993, the organization has expanded magazine operations to establish a Migrant Club in Beijing that offers training in literacy and *putonghua* (common speech), information on rights and laws, health information, and a social support network for rural migrant women in Beijing. Following a strategic review conducted in 2000 and 2001, the organization will separate its different operations (magazine and micro-finance/training programs) and embark on expanded poverty alleviation and training programs with women in rural areas.

Xie Lihua's decision to do so developed alongside RWKA's expansion over the years, when she felt it was also possible for her to establish programs to meet the needs of poor people.⁵⁵ Such expansion was limited, however, with the decision-making power centered solely on her. With funding from the Ford Foundation, RWKA undertook a strategic review with assistance from Oxfam Hong Kong staff, to adjust the structure, principles, and goals of the organization. Key aims of the strategic review have been to shift burden and power for different programs to other staff in order that RWKA can move forward and not be limited by Xie's own abilities. Funding from the Ford Foundation made it possible for her to travel abroad to meet with other similar NGOs and network with women's organizations. These trips included visits to an NGO in Thailand that focuses on the media and women, a trip to Senegal to prepare for the World Women's Conference in Beijing in 1995, and a trip to Mexico to visit a Christian NGO, Media and Development.

In discussing collaboration with INGOs, Xie says that the experience of working with INGOs and foundations has been the most important influence in changing the working practices of RWKA.

Chinese people face big pressures from economic development. Firstly, we need to modernize people's principles. As organizers, we must ourselves change our working ways, under the guidance of the laws, and bring new programs into operation that can bring new information and capacity to rural women.⁵⁶

Through working with INGOs she has learned that RWKA activities can depend on beneficiaries and their needs, and as such it is possible to tailor programs to address these. She says it also changed her conception of working practices, away from large-scale “political movements” favored in the past that often did little to help poor rural women, to working at the grassroots in a step-by-step approach to provide concrete help.⁵⁷ Xie is now considering how to set up a training system to deliver new ideas to women organizational leaders. She believes this will be “hard and difficult,” because the conception of change is itself difficult. Another challenge will be to change the ideas of the Women’s Federation, which is the RWKA’s primary partner at the county level.

Conclusion: Challenges and Opportunities for Chinese NGOs

I will now summarize impacts and trends of recent cooperation between IOs and Chinese NGOs, and comment on the value of developing capacity through South-South cooperation and international exchange. I conclude with a comment on future challenges and opportunities for Chinese NGOs.

For the moment, it appears clear that the major IOs working in China prefer to work directly with government agencies and government-organized NGOs because they believe, with justification, that such relationships are currently the most effective ways to influence government policy. This is also because government agencies currently possess the requisite institutional and human resource capacity to implement development programs. From the Chinese government’s perspective, working directly with IOs enables them to maintain a high degree of financial and bureaucratic control over project management and implementation, and provides useful training and exposure for government officials. Recent evidence shows that the World Bank and the ADB are becoming more interested in facilitating and coordinating networking and exchange activities for Chinese NGOs, as a means to share common experiences, expose them to new ideas, and bring them together with relevant government officials. This has been possible because of the Chinese government’s change in policy

toward the role of social organizations in the reform process.

In the short term, it appears that more direct collaboration with, and funding to, Chinese NGOs will be minimal. However, in the meantime, the face-to-face networking and information facilitation role outlined above will provide an avenue for increasing the opportunities for discussion and information exchange between Chinese NGOs and MOCA, and providing formal and informal programs that bring Chinese NGOs in closer contact with international NGO practices and experiences. In the future, it appears that collaboration between IOs and Chinese NGOs will also test the government’s attitude toward allowing domestic organizations to deal directly with foreign institutions. On the down side, as long as IOs’ collaboration with Chinese NGOs continues through the government structure, the development of grassroots organization will be hampered. Yet evidence suggests that alternative funding mechanisms can be found to suit both sides in the interim.⁵⁸ The other major significance is that through liaising directly with IOs—such as via the World Bank’s and ADB’s small grant projects and other consultation exercises—Chinese NGOs gain experience working directly with the agency and not the government apparatus, often for the first time. Wang Ming notes that this is a very good learning experience for Chinese NGOs that also exposes them to opportunities to learn about funding and gain information on the international NGO environment in general.⁵⁹

INGOs funding for Chinese NGOs for South-South exchanges and capacity building has also been instrumental in facilitating transitions in management and introducing new ways of working directly with poor beneficiaries. The extensive exchange program between PDRC in Philippines and Amity/CANGO in China illustrates the potential of development exchange to shape ideas, approaches, assumptions, and methodologies concerning “development” practice. It has also provided training and opportunities for capacity building to implement practical development solutions (for example, the application of traditional Chinese medicine to rural health in the Philippines). South-South cooperation can assist in the long-term strengthening of capacity of Chinese NGOs to become more sustainable and professional, so they can expand design and manage programs directly related to the needs of their beneficiaries—something that Xie Lihua from RWKA found to be

a major shift from the past practice of implementing government defined programs. In successful cases, it will increase their institutional capacity to become implementing partners for INGOs and other international organizations, and open space for beneficiaries to communicate their development needs.

International exchange and South-South cooperation, however, should be understood within the context of the current needs of China's nonprofit sector. As one development consultant in Beijing notes, support for such exchanges should not be funded to the detriment of capacity building when urgent needs in domestic capacity clearly exist.⁶⁰ This points to the fact that currently the areas of need lie in human resources, NGO training and management, and capacity building in general. Carefully directed funding to these areas will in the long run increase the capacity of Chinese NGOs to participate in regional cooperation and exchanges. The most useful activities for cooperation and exchange identified in the research are: organizing talks and visits to program officers and NGOs in other countries that have similar programs, inviting training experts in participatory development and capacity building to train NGO staff in China, and translating NGO administration and management material into Chinese.⁶¹

China's entry into the WTO presents a number of challenges to the Chinese economy and the nonprofit sector. Chinese economist Gao Shangquan has argued that WTO membership presents four main challenges for China's economy: to the competitiveness of some Chinese industries and companies, to the administrative system, to the industrial structure, and to the government's ability to control the macroeconomic environment.⁶² The ongoing economic reform process and the social change that will inevitably follow will impact on social stability and welfare, and probably will result in varying degrees of domestic unrest. Within this context, the Chinese government will look to the emerging NGO sector to help harness "social forces" to provide social safety nets in the absence of work-unit based welfare to mitigate such pressures.

WTO entry may also result in a rise in corporate philanthropy from Chinese and foreign firms, and in the number of INGOs in China seeking to cooperate and "partner" with Chinese NGOs. As a result, one commentator notes that Chinese NGOs

will need to increase their transparency and credibility, improve their management, and "actively explore a new legal framework with the Ministry of Civil Affairs."⁶³ At the same time, the government's tolerance for Chinese NGO activities and advocacy (and INGO funding and activities) in sensitive areas that relate to key aspects of sovereignty—including human rights, labor conditions, and minorities—will be much lower than in areas that broadly conform with the direction of government policy, the environment being the best example.

I want to return briefly to Saich's point that while the Chinese state does exert extensive formal control over social organizations and foundations, an exclusive focus on "state-dominated" theory, "society-informed" concepts of social corporatization, or ideas of purely "state-led" civil society runs the risk of obscuring the complex dynamics of change in China. Avenues, albeit narrow, are emerging for Chinese NGOs to influence the Chinese government's thinking on the nonprofit sector. This is mostly the case in areas that coincide with government concerns, such as environmental degradation and poverty alleviation. However, through networking opportunities, and funding for small grants, South-South exchanges, and capacity building facilitated by IOs and INGOs, domestic capacity will increase, albeit not uniformly or smoothly. Exposure to new working practices and methodologies for designing and implementing development projects directly with beneficiaries is also insightful.

In short, the article shows that some Chinese NGOs are finding ways to benefit from their institutional arrangements with the state, funding arrangements with INGOs, and South-South cooperation, as ways to promote their experiences and opinions, and maximize the interests of their members or target group. A future challenge for stakeholders in the nonprofit sector in China—Chinese NGOs, IOs, INGOs, corporate bodies, and the Chinese government—will be the ability to develop what Fowler describes as "authentic" partnerships—that is, partnerships based on mutually enabling, interdependent interactions with shared intentions.⁶⁴ Such partnerships will become increasingly important mechanisms through which Chinese NGOs will negotiate their role in the state-market-society relationship and seek to achieve sustainability in the future.

NOTES

1. Versions of this paper were presented at various meetings of the University of Hong Kong/United Nations University (UNU) Seminars on Non-Traditional Security in Northeast Asia—the Inter and Intra-Institutional Dimension—as part of the Ford Foundation-funded *Project on Non-Traditional Security in Asia*. I would like to thank the UNU and the Ford Foundation for providing funding for the research, participants for their comments, and Mary Boyd and Mike Dowdle for comments on the written paper. The opinions expressed in this paper, however, are the sole responsibility of the author.
2. Throughout the paper I distinguish between international NGOs (INGOs) and Chinese NGOs to avoid confusion.
3. Peter Uvin, "From Local Organizations to Global Governance: The Role of NGOs in International Relations," in Kendall Stiles ed., *Global Institutions and Local Empowerment* (London: Macmillan, 2000), pp. 9-29.
4. Alan F. Fowler, "Authentic NGDO Partnerships in the New Policy Agenda for International Aid: Dead End or Light Ahead?" *Development and Change*, vol. 29, No. 1 (January, 1998), pp. 137-59.
5. By Chinese NGOs I refer to a range of formal and informal Chinese organizations. Although the term "nonprofit organization" (NPO) is also used in China, the term "NGOs" is also in common usage. I use the latter term in this article.
6. Tony Saich, "Negotiating the State: The Development of Social Organizations in China," *China Quarterly*, No. 161 (March, 2000), pp. 124-41; Charities Aid Foundation, *An Introduction to the Non-profit Sector in China* (West Malling, Kent: Charities Aid Foundation, 2000); Sarah Cook, "After the Iron Rice Bowl: Extending the Safety Net in China," IDS Discussion Paper 377 (Sussex: Institute of Development Studies, 2000).
7. See *China Development Brief*, vol. 5, No. 2 (Autumn, 2002); *China Development Brief, 250 Chinese NGOs: Civil Society in the Making* (Hong Kong: China Development Brief, 2001).
8. Nick Young, "Civil Society: A Million Flowers Bloom, One is Weeded Out," *chinabrief*, vol. 2, No. 4 (December, 1999-March, 2000), pp. 11-12. (Note that in Summer 2001, *chinabrief* changed its name to *China Development Brief*, but continued its established volume and issue number sequence.)
9. Interview with Professor Wang Ming, Director of the NGO Research Centre, Qinghua University, Beijing, May 17, 2001.
10. Aileen San-Pablo Baviera and Liezl T. Formilleza, "NGO Cooperation Between the Philippines and China: Lessons and Insights for Asian Civil Society," in Melissa G. Curley and Hong Liu, eds., *China and Southeast Asia: Changing Socio-cultural Interactions* (Hong Kong: Centre of Asian Studies, 2002), forthcoming.
11. A good review is Nick Young, "Searching for Civil Society," in *China Development Brief, 250 Chinese NGOs*, pp. 9-19.
12. Timothy Brook and B. Michael Frolic eds., *Civil Society in China* (Armonk, N.Y.: M.E. Sharpe, 1997).
13. David Zweig, "The Open Door and Foreign Donors: Can China Keep Control?" paper presented at the 52nd Annual Meeting of the Association for Asian Studies, San Diego, July, 2000.
14. Ann Kent, "China's International Socialization: The Role of International Organizations," *Global Governance*, vol. 8, No. 3 (July-September, 2002), p. 354.
15. Jude Howell, "Making Civil Society From the Outside—Challenges for Donors," *European Journal of Development Research*, vol. 12, No. 1 (June, 2000), pp. 3-22; On the topic of civil society in China see: Jude Howell and Jenny Pearce, "Civil Society and Market Transition: The Case of China," in *Civil Society and Development: A Critical Exploration* (Boulder, Colo.: Lynne Rienner, 2001); Nick Young, "Ballot Boxes Advance While NGOs Retreat," *China Development Brief*, vol. 4, No. 1 (Summer, 2001), pp. 17-19; Sylvia Chan, "Village Self-Government and Civil Society," *China Review 1998* (Hong Kong: Chinese University Press, 1998), pp. 235-58. Zweig also addresses the development of civil society in relation to management training centers; see David Zweig, "Foreign Aid, Domestic Institutions and Entrepreneurship: Fashioning Management Training Centers in China," *Pacific Affairs*, vol. 73, No. 2 (Summer, 2000), pp. 209-31.
16. See Mike W. Dowdle, "Preserving Indigenous Paradigms in an Age of Globalisation: Pragmatic Strategies for the Development of Clinical Legal Aid in China," *Fordham Journal of International Law*, vol. 24, No. 1 (November, 2001), pp. 1-46; Mike W. Dowdle, "Rule of Law and Civil Society: Implications of a Pragmatic Development," paper presented at the Woodrow Wilson International Centre Scholar Seminar on "Developing Civil Society in China: From the Rule by Law Toward the Rule of Law," February 9, 2000. For an update on the process of legal reform in China, see Nick Young, "Inventing New Traditions," *China Development Brief*, vol. 4, No. 3 (Winter, 2001/2002), pp. 7-12. For an overview of the internationally funded law and legal rights projects, see "Law and Rights Project Digest," *China Development Brief*, vol. 4, No. 3 (Winter, 2001/2002), pp. 13-24.
17. Saich, "Negotiating the State," p. 128. For example, Sarah Cook notes that, "From the government's perspective, the main contribution of such organizations is their capacity to raise resources—for example through charitable activities, donations, and from the international development community—and to use these funds to provide services which complement or fill gaps in the formal system." Sarah Cook, "After the Iron Rice Bowl," p. 23.
18. Young, "Civil Society," p. 11.
19. *Ibid.* Nick Young argues in this regard that the *Falun Gong* case makes it

- "abundantly clear that official interest in nonprofit activity centres on the service delivery potential of the "third sector," not on its "associational virtues."
20. According to a World Bank staffer in Beijing, INGO regulations had been issued to the Legal Office Committee for review in May 2001. However, a time frame for their eventual release is unclear.
 21. Saich, "Negotiating the State," pp. 124-25.
 22. *Ibid.*, p. 125.
 23. For an excellent introduction to the nonprofit sector in China see, Charities Aid Foundation (CAF), *An Introduction to the Non-profit Sector in China*. It provides a detailed guide to regulations and operation environment for Chinese NPOs, interspersed with examples of Chinese NGOs and their current activities, geographical and sector focus, and funding requirements and relationships. China Development Brief has also published a report on Chinese NGOs with an introduction that focuses on the development of civil society; see China Development Brief, *250 Chinese NGOs*.
 24. Speech given by Chen Guangguo, Deputy Director General of the NGO Management Bureau under the Ministry of Civil Affairs, to the Third International Symposium on NGO Cooperation, October 16-18, 2000, Beijing.
 25. *Ibid.*
 26. Young, "A Million Flowers Bloom," p. 13.
 27. CAF, *An Introduction to the Non-profit Sector in China*, p. 38.
 28. Uvin, "From Local Organizations to Global Governance," p. 20.
 29. The Amity Foundation, for example, is an independent service organization of the Chinese Protestant Church, established in 1985. It implements a wide range of social welfare, education, health, and rural development projects in rural China, mostly in partnership with provincial departments and agencies, and now has an operational budget of \$5 million a year. The Chinese government has recognized the capacity of Amity to implement projects, realizing its utility in the efficient disbursement of ODA.
 30. World Bank, *The World Bank and Chinese NGOs* (New York: World Bank, 2001), online at www.worldbank.org.cn/English/Partnership/NGOOverview.shtml.
 31. Interview with World Bank official, Beijing mission, May 15, 2001.
 32. *Ibid.*
 33. *Ibid.*
 34. Comment made by Andrew Watson, Ford Foundation Representative, in Beijing, at the Third Seminar of International NGO Cooperation, Beijing, October 16-18, 2000.
 35. Bank staff, for example, informally introduced PACT International to the Chinese Nonprofit Organization Network. They are investigating the possibility of collaborative projects. In 2002, China Development Brief reported that the two organizations held an exploratory "organizational capacity assessment" (OCA) exercise with six Chinese NGOs. Chinese facilitators were trained in the OCA exercise, which was then modified for China in consultation with a Chinese expert group. The facilitators worked with representatives from the NGOs to "make individualized, participatory assessments of their current situation." See *China Development Brief*, vol. 5. No. 1 (Spring, 2002), p. 4.
 36. Asian Development Bank, Report of the Task Force on Institutional Arrangements for Cooperation with Nongovernmental Organizations (ADB: Manila, 2000), online at www.adb.org/Documents/Policies.
 37. Asian Development Bank, "ADB To Open Resident Mission in People's Republic of China," News Release, February 24, 2001, online at www.adb.org.
 38. Poverty is now defined by the ADB as "a deprivation of essential assets and opportunities to which every human is entitled. Everyone should have access to basic education and primary health services. Poor households have the right to sustain themselves by their labor and be reasonably rewarded, as well as having some protection from external shocks. Beyond income and basic services, individuals and societies are also poor—and tend to remain so—if they are not empowered to participate in making the decisions that shape their lives." Peter H. Sullivan (ADB vice-president), "The Asian Development Bank and Poverty Reduction in China," speech given to the Conference on Poverty Alleviation in China, May 16, 2000, online at www.adb.org/Documents/Speeches/2000.
 39. David Sobel, "ADB Seeks Partnerships to Sharpen Poverty Focus," *Chinabrief*, vol. 3, No. 2 (Summer, 2000), p. 29.
 40. ADB, "Report of the Task Force," p. 1.
 41. *Ibid.*
 42. *Ibid.*
 43. Interview with Chief Economist, ADB Beijing Mission, May 14, 2001.
 44. *Ibid.*
 45. *Ibid.*
 46. Communication with Mr. David Sobel, ADB Country Officer for the PRC.
 47. Aileen San Pablo-Baviera and Liezl S. Formilleza, "NGO Cooperation Between the Philippines and China: Lessons and Insights Related to Civil Society in Asia," *Currents: Newsletter of the Philippines Development Resource Centre (PDRC)*, vol. 12, No. 1 (January-June, 2001), p. 20.
 48. *Evangelische Zentralstelle Fur Entwicklungshilfe (EZE)*.
 49. Teresa Cariño, "Ten Years of NGO Cooperation," *Currents: Newsletter of the PDRC*, vol. 12, No. 1 (January-June, 2001), pp. 1-3. See also Cariño, "Introduction," in *South to South: 10 years of Philippines-China NGO Cooperation for Development* (Manila: PDRC, 2000), pp. 7-13.
 50. Baviera and Formilleza, "NGO Cooperation," p. 20.
 51. For further information on CANGO, its history and activities, see *China Development Brief*, *250 Chinese NGOs*, p. 32.

52. Cariño, "Ten Years of NGO Cooperation," p. 2.
53. *Ibid.*, p. 3.
54. Interview with Guo Li, then Executive Director of CANGO, Beijing, May 14, 2001.
55. Interview with Xie Lihua, May 22, 2001, Beijing.
56. *Ibid.*
57. *Ibid.*
58. In an interview, Professor Wang Ming noted that when the ADB initially offered to establish a fund for Chinese NGOs, the government preferred to distribute the money to designated organizations. The ADB then established a new funding mechanism in the Small Grants Program that allowed Chinese NGOs to apply for small grants, thus allowing the ADB to choose beneficiary NGOs.
59. Interview with Wang Ming.
60. Interview with Dorit Lehrack, Development Consultant, Beijing, May 14, 2001.
61. Interview with Wang Ming.
62. Ann Kent, "China's International Socialization," p. 356.
63. "Developing the Non-profit Sector," *China Development Brief*, vol. 4, No. 3 (Winter, 2001/2002), p. 5.
64. Fowler, "Authentic NGDO Partnerships," p. 144.