

Asian Development Bank
and
the People's Republic of China:
Working Together with Non-Government Organizations

What does ADB mean by “cooperation with Non-Government Organization (NGOs)”?

ADB seeks cooperation with NGOs that is proactively, responsively, and productively mainstreamed within its operations. ADB-NGO Cooperation can be summed up in these activities:

- Increasing the involvement of NGOs and civil society in ADB's activities;
- Tapping NGOs as a resource for expertise, experience, and innovative approaches to development;
- Strengthening NGOs' institutional capacity to act as agents of development; and
- Fostering stronger working relationships among NGOs, civil society, governments, and, in some cases, the private sector.

Why does ADB work with NGOs?

ADB's 1999 Poverty Reduction Strategy clearly articulates that poverty reduction is ADB's overarching goal. As these objectives are at the center of the agendas and activities of NGOs involved in development, ADB recognizes that NGO activity is directly relevant to ADB's operations. ADB also recognizes that NGOs are significant actors in development processes at both the advocacy and operations levels. Globally, civil society is demanding a greater voice and role in decision-making and in governance issues that affect people, with NGOs representing different segments of civil society. In this context, NGOs form an important ADB stakeholder group.

ADB recognizes the important role of NGOs in development and poverty reduction. ADB aims to integrate the experience, knowledge and expertise of NGOs into its operations. The involvement of NGOs contributes to making projects more effective in meeting the priorities and needs of the intended beneficiaries. ADB believes that close cooperation with NGOs and local communities strengthens the effectiveness, sustainability and quality of our development services.

How does ADB work with NGOs?

ADB pursues an expanded program of cooperation with NGOs in its member countries with a view to strengthening the effectiveness, sustainability, and quality of the development services ADB provides. The objective of ADB's cooperation with NGOs is, where appropriate, to integrate NGO experience, knowledge, and expertise into ADB operations, such that the development efforts ADB supports will more effectively address the issues and priorities reflected in ADB's development agenda.

Mechanism for cooperation with NGOs vary according to the type of NGO, the issue or interest in question, the specific kind of cooperation being considered, and the specific circumstances in each case.

ADB's cooperation with NGOs has increased steadily over the years, and today NGOs help to implement more than half of our projects. ADB also involves NGOs in policy and strategy development and the formulation of assistance plans for developing member countries. In countries where local NGOs carry out their activities within a supportive legal framework, they can effectively complement the efforts of government institutions, international NGOs and the donor community to assist the poor. NGOs' ability to contribute to development depends in part on the national laws and regulations in place.

How can NGOs contribute to ADB activities?

NGOs can take part in ADB as:

- Experts. NGOs can contribute skills and experience to plan, implement and evaluate projects;
- Sources of Project Models. NGO projects can serve as models for similar programs that will have a wider scope;
- Agents of Advocacy and Participation. NGOs can represent marginalized groups and communities; and
- Sources of Alternative Viewpoints. NGOs can provide alternative perspectives on development issues.

How does ADB support NGOs?

As a general rule, ADB works with the governments in its Developing Member Countries to provide support for the activities of NGOs. Proposals for ADB's consideration typically pass through the relevant government. In some instances, NGOs can also collaborate with ADB as consultants.

In February 2001, ADB established an NGO Center to serve as the main contact point at ADB for relations with civil society. The Center seeks to integrate NGO knowledge and experience into ADB operations, engage NGOs in a continuing dialogue, and improve ADB's institutional capacity to interact proactively with NGOs. It also coordinates a cooperation network of staff responsible for NGO issues in ADB's operational departments, Representative Offices, and Resident Missions, including the ADB Resident Mission in Beijing. ADB's NGO Center aims to integrate NGO knowledge and experience into ADB operations, engage NGOs in a continuing dialogue and improve ADB's institutional capacity to interact proactively with NGOs. At the same time, the NGO Center plays a role as a facilitator and clearing house on NGO issues within ADB.

With the establishment of the NGO Center, ADB updated and improved our database on NGOs. The purpose is to better understand and communicate with NGOs with whom we have had contact, and to refer NGOs to our programs and projects staff when there may be a convergence in objectives, skills, needs and/or locations for programs and projects being considered by ADB.

How has ADB cooperated with NGOs in the PRC?

ADB has had limited cooperation with NGOs in the past in the PRC. ADB made a conscious decision to learn more about NGOs in PRC after our PRC Resident Mission opened in June 2000. Prior to that, we had cooperated with Ford Foundation in Beijing on some research. In addition, many of our project missions consulted with the All-China Women's Federation and its local offices. An October 2001 International Conference on NGO Poverty Reduction Policy have been our most significant NGO activities in PRC to date.

NGOs are emerging as important contributors to poverty reduction in PRC. Under a rural poverty technical assistance (TA) grant (see Table 1 below), ADB recruited a local NGO in Guizhou to monitor and evaluate the poverty reduction impacts of a rural infrastructure pilot project during the course of a year. The pilot is still ongoing. The NGO makes monthly visits to the project site and works with the villagers to develop livelihood plans to take advantage of the new roads, power supply, water supply, and irrigation facilities provided under the pilot. The NGO is also working with local rural survey teams to evaluate the impact of the infrastructure on the economy of the village and on the lives of the villagers.

Under the same rural poverty TA grant, ADB exposed PRC poverty reduction officials to non-government and private sector interventions for poverty reduction in the Philippines. This played a part in the decision of the State Council Leading Group on Poverty Alleviation and Development (LGOP) to include, as a core element of its 2001 poverty strategy, a role for NGOs in delivering poverty reduction services and activities. When the China Foundation for Poverty Alleviation (CFPA) requested assistance in organizing a high-level NGO poverty policy conference to analyze past PRC NGO experience in poverty reduction, and possible future directions, ADB thought this would be an excellent opportunity to show our support for exploring enhanced cooperation with NGOs and other donors. CFPA, ADB, Ford Foundation, International Fund for Agricultural Development, Mercy Corps, UNDP, and World Bank were all co-sponsors of the conference.

The conference brought together about 300 representatives of local and international NGOs, bilateral and multilateral donors, universities, and government institutions. Participants discussed NGO experiences with poverty reduction in the PRC over the past two decades, the challenges confronting NGOs, and NGOs' internal management and capacity building. NGOs from Asia; Europe; North America; Oceania; 26 provinces, municipalities and autonomous regions in the PRC; Hong Kong, China; and Taipei, China, representing 150 institutions, participated in the meeting.

Renowned scholars in the field of poverty reduction, conducted in-depth research in the areas of NGO poverty reduction, poverty reduction efforts of governmental departments (in addition to LGOP), and poverty reduction models. In addition, 44 papers from over 5,000 submitted on the basis of academic innovation were compiled into a ten-volume *Poverty-Relief Research of Chinese Society Series*. The Mercy Corps, one of the co-sponsors of the conference completed a translation and training on *Humanitarianism Charter and Disaster-Relief Standards*. During the conference, groups conducted one-day discussions on the following topics: the role of NGOs and the challenge of poverty, internal administration and capacity-building of NGOs, internal evaluation system and

management of NGOs, poverty reduction models and practices of NGOs, international comparison of NGO poverty-relief, NGO international cooperation and communication, and external environment of NGOs.

ADB's PRC Resident Mission in Beijing holds periodic meetings on issues of mutual concern such as poverty reduction, environment, and development strategies. ADB, local NGOs, and international NGOs have shared ideas at these meetings and discussed possible ways to cooperate. The idea of ADB funding the NGO conference resulted from such a meeting in which CFPA participated. We also invite NGOs to participate in ADB workshops and seminars. For example, we held a workshop on Voices of the Poor with LGOP (see Table 1 below). Several local NGOs participated and provided valuable insights. We also conduct a community outreach program where ADB meets with its neighbors in Beijing to discuss topical issues such as problems laid-off workers face and aspirations of high school and university students under PRC's reformed economy.

The Resident Mission has a university outreach program where students from universities of any of ADB's member countries can learn about ADB by serving as interns or research assistants. Since 2001, ten students from universities in five countries have joined the intern program in the Resident Mission. One of them studied NGOs Role in Development and Their Legal Framework in the PRC in 2002. The study discussed why PRC needs NGOs, their legal framework, and suggestions for international support.

In 2003, ADB approved a project called NGO Partnerships for Poverty Reduction to enhance development of long-term strategic partnerships with NGOs and governments to achieve poverty reduction in the Asia and Pacific region. The specific purpose is to provide grant funding to a limited number of NGOs in the developing member countries to undertake innovative poverty reduction or other activities in key ADB sectors as identified through approved country strategy and program documents. PRC was allocated \$50,000 as a pilot fund. A Steering Committee consisted of ten local NGOs and one international NGO guided fund implementation. Among more than 30 proposals submitted by local NGOs, three were finally selected by the Steering Committee: (i) a primary school and clinic improvement program submitted by Sanjiangyuan Ecosystem Protection Association in Qinghai Province; (ii) a drinking water development program submitted by Tongjiang Rural Household Self-support Service in Sichuan Province and (iii) a clean energy (bio-gas) development pilot program submitted by Hanzhong Municipal Women's Union in Shaanxi Province.

What plans does ADB have for future cooperation with NGOs?

ADB will continue and expand the activities mentioned above. In addition, we will develop a technical assistance on NGO Partnerships for Poverty Reduction where local NGOs with strong potential as poverty reduction project implementers could receive assistance in capacity building. The exact nature of the activities will be determined later. In addition, ADB is interested in exploring ways to co-finance activities with international and local NGOs and in helping NGOs identify opportunities to provide services as experts under TA.

What does ADB see as the key issues to be addressed in PRC's NGO sector?

Sustainable social and economic development requires the Government to partner with civil society. In the 1990s, the Government took a number of steps to increase public participation (e.g., requiring public hearing for price/utility tariff increases, requiring disclosure and consultation for resettlement plans, and releasing increasing amounts of information to the public). In the National People's Congress concluded in March 2004, Premier Wen Jiabao called for "increasing public participation in decision-making." There was an increase in the number of NGOs operating in such areas as the environment, poverty reduction, education, gender, health, rural development, and social services.

However, there are still factors limiting the work of NGOs, such as incomplete legal framework for NGOs, difficulties in registering international NGOs, a lack of funding, inadequate training and problems in recruiting and retaining qualified staff.

One of the key issues is creating a sound environment for NGO operations. This includes creating an enabling legal environment in which NGOs can carry out their work. Such an environment would allow NGOs devoted to economic development and poverty reduction to operate in a flexible manner independent of tight Government control. It would also permit them to cooperate freely with international NGOs to learn best practices in management and finance issues.

According to the existing laws and regulations, the Ministry of Civil Affairs and their departments at all levels are responsible for registration of NGOs. In addition, an NGO needs a "supervising unit" before it applies to registration. However, in practice, it is extremely difficult for a grassroots NGO to find such "supervising unit".

The legal framework emphasizes the non-competition principle, i.e. one NGO in one field at each level (e.g. only one environmental protection foundation for each province). Social organizations are not allowed to operate beyond their administrative level or open other branches.

Furthermore, there are no laws and regulations regarding international NGOs registration in China.

ADB helped draft the law allowing for the establishment of charitable trusts in the PRC. This is a good example of concrete steps being taken to nurture an environment supportive of NGOs. This assistance has borne fruit and the new Trust Law took effect on 1 June 2001. Trusts emerged from the requirements of commerce and property management in common law countries. A trust provides an arrangement by which a person (individual or legal) can let another person manage her/his/its property for the benefit of designated persons. As well as meeting a range of common needs in commerce, trusts provide a legal basis for entrepreneurs and others to set up charitable foundations. Indeed Chapter V of the PRC's new Trust Law defines the purpose of trusts for charity and public interests as including poverty relief, emergency relief, assistance to the disabled, development of education, science and technology, culture and sports, development of medical and health welfare, and protection of the environment. As in common law market economies, it can be expected that the Trust Law will provide the private sector with a vehicle for mobilizing resources and directing them at social development, including poverty reduction.

ADB also helped draft the Regulations on Foundation Management, which will take effect as of 1 June 2004. The Regulations permit the overseas foundations to open their representative offices but do not allow them to solicit or receive donations in the PRC. This work will help to strengthen the legal/regulatory framework for NGOs, the Government should adopt an NGO Law.

In summary, the following steps may be needed to strengthen NGOs' capacity to participate in social and economic development.

- Increase the capacity of NGOs to participate in policy making and law and regulation drafting through training and the provision of additional resources;
- To clarify the legal status of NGOs, government should consider promulgating a Law on NGOs;
- Government should consider the policy of permitting NGOs to set up branch organizations in different administrative regions. Government should also consider permitting several NGOs to operate in the same field to improve efficiency through competition;
- NGOs should be encouraged to follow 'good corporate governance' practices suitable for NGOs; and
- Overseas NGOs should continue to be welcomed in the PRC to provide assistance to the country's economic and social development and to partner with local NGOs.

What is the link between cooperation with NGOs and poverty reduction (ADB's overarching goal)?

In 1999, ADB established poverty reduction as our overarching goal, and since then we have been adapting our policies and operations to support this goal. The three pillars of our Poverty Reduction Strategy are:

- pro-poor sustainable economic growth;
- social development, including human development and improvement in the status of women; and
- good governance

ADB recognizes the key role that NGOs play in the development process, and that they bring specialized knowledge, technical expertise, research capacities, local contacts and community support to this process. NGOs are often at the front line in delivering development programs, projects and services to people who need them most.

ADB works with the governments of its developing member countries and other partners, including NGOs, to reduce poverty and promote sustainable development. ADB recognizes the key role that NGOs play in the development process, and cooperates with them to strengthen the positive impact, sustainability and quality of its services. In countries where local NGOs operate within a supportive legal framework, they can effectively complement the efforts of state institutions, international NGOs and the donor community to assist the poor.

Tsinghua University estimates that between 20 percent to 35 percent of PRC's poverty reduction work between 1995 and 2000 involved or was carried out by NGOs. Nevertheless, NGOs cite several factors limiting their effectiveness. These include a lack of funding, inadequate training, an incomplete legal framework for NGOs, difficulties in registering international NGOs, and problems in recruiting and retaining qualified staff. To address these and other concerns, they advocate better information sharing to identify potential partnerships, direct funding from the Government and international agencies, and adoption of laws that give local NGOs clear legal standing to raise funds, cooperate with foreign organizations, and carry out their activities. They also call for giving a greater voice to the poor, more research on the requirements of the poor in different regions, and greater support from international NGOs and donors in skills transfer and development of human resources.

The poor are in the best position to identify their needs and to monitor the effectiveness of programs that are designed to help them. The effectiveness of poverty reduction programs can be increased through participatory approaches involving the poor themselves and non-government entities. The Tenth Five Year Plan and the Ten Year Poverty Reduction Plan endorse steps to increase participation by encouraging NGOs and community involvement in rural development. There are also legal requirements for public consultation in preparing resettlement plans and adjusting some tariffs. Efforts should continue to be pursued to give a greater voice to the poor to influence decisions that affect their lives.

Can ADB fund local NGOs directly?

As in its other developing member countries, ADB's public sector assistance to the PRC is through loans and technical assistance agreed to with the government. In the PRC such assistance is programmed through discussions with the Ministry of Finance and the State Development Planning Commission. A government institution is always assigned the role of executing agency for the assistance. Any ADB assistance to an NGO would have to flow from a government agency to the NGO. Although through the NGO Partnerships for Poverty Reduction grant fund, ADB is providing limited grants to NGOs in the PRC, we expect the bulk of our future support to NGOs to be organized through the governments of our developing member countries.

Does ADB support the Government's NGO policy under the Poverty Strategy?

In a significant policy development, the Government has recognized a key role for NGOs in its 10-Year Poverty Reduction Strategy, approved in 2001. ADB is supporting the Government in realizing this strategy, and has approved a TA project to analyze poverty issues, including the role of NGOs in poverty reduction (see Table 1 below). The Poverty Reduction Strategy recognizes NGO involvement in poverty reduction as a key element. This could require training for local officials who may or may not have worked with NGOs in the past. ADB encourages consultations with NGOs during the project design phase to learn from grassroots experience, and supports consideration of a role for NGOs in implementing project activities.

The Government recognizes that NGOs can play an important role in the country's development by bringing specialized knowledge, technical expertise, research capacities, local contacts and community support to the process. NGOs in the PRC are implementing programs to increase agricultural productivity, expand economic and

social opportunities for women, provide health care, build schools and training centers, protect the environment and increase access by the poor to financial resources through microcredit. ADB believes that with an increased involvement of NGOs and other civil society groups, we will be able to improve the quality of our assistance. ADB supports the Government's efforts to strengthen its partnership with NGOs and to create the conditions in which NGOs can maximize their contribution to poverty alleviation

Has ADB published any documents on NGO operations in PRC?

The NGO conference produced a great deal of cutting edge research on NGOs in PRC available from the China Foundation for Poverty Alleviation. Summaries of some of the research ADB helped support and disseminate are available at (http://www.adb.org/Documents/Events/2001/Intl_Conference_NGO_Poverty_Reduction/default.asp).

Policy Dialogue on NGO Poverty Reduction Policies

ADB has engaged with NGOs on poverty reduction policy through the following TAs:

Table 1: NGO-Related Technical Assistance of ADB

TA No.	TA Description	Amount (US\$)	Approval Date	Key Objectives
3150-PRC	Study on Ways to Support Rural Poverty Reduction Projects	985,000	31-Dec-98	To (i) examine the possibility of supporting poverty reduction projects with market interest rate-based loans; (ii) recommend the procedures and mechanisms for identifying and implementing such projects; (iii) recommend an appropriate fund management system to ensure loan repayment and reduce foreign exchange risk; and (iv) share such knowledge with poverty experts and authorities in the PRC through appropriate seminars and/or workshops.
3279-PRC	Development of Economic Laws	1,400,000	19-Oct-99	To provide support in the preparation of the trust law (including charitable foundations) among other laws.
3369-PRC	Rural Electricity Supply Study	700,000	26-Dec-99	To recommend a package of rural electricity supply reforms, including their impact on poverty reduction.
3377-PRC	Urban Poverty Study	410,000	27-Dec-99	To assist the Government in developing an analytical framework for addressing increasing relative urban poverty including development of an urban poverty line.
3610-PRC	Poverty Planning Methodology	150,000	21-Dec-00	To develop a methodology for county poverty reduction planning and develop guidelines on how to make such poverty plans.
3673-PRC	Pro-poor Heating Tariff Reforms	850,000	19-Jun-01	To support reforms in the urban heating sector and promote sustainable heating supply in the PRC by (i) formulating pro-poor national heating tariff guidelines; and (ii) establishing an effective heating tariff collection mechanism.
3900-PRC	Socioeconomic Assessment of Road Projects	250,000	12-Aug-02	The primary objectives of the TA are to (i) develop analytical tools to assist in predicting the direct and indirect effects of roads, (ii) identify the effective linkages between the expressway investment and the flow of benefits to the poor, and (iii) strengthen a baseline

TA No.	TA Description	Amount (US\$)	Approval Date	Key Objectives
				socioeconomic assessment framework to effectively monitor these linkages.
4158-PRC	Participatory Poverty Reduction Planning for Small Minorities	840,000	12-Aug-03	To apply the multidimensional and participatory poverty planning methodology developed under TA 3610-PRC (and other best international practices in participatory planning) to the PRC's 22 smallest minority groups and develop a plan (including minority-specific policies) to reduce their poverty and to protect their cultures that is realistic and achievable, given Government budget commitments and constraints. The main output, the final report, will be the consolidated plan with policy recommendations.
5894-REG	Facilitating Capacity Building and Participatory Activities II	400,000	28-Dec-99	To reflect the voice of the poor in the PRC through participatory poverty analysis activities conducted both in rural and urban areas and profile the actual concerns of the poor from their own point of view.
5917-REG	Building a Poverty Database	600,000	25-May-00	To build a poverty database system in ADB based, initially, on available data collected from ADB's poverty assessment activities, and from the borrowing countries and other international agencies.
5947-REG	Assessing the Impact of Transport and Energy Infrastructure on Poverty Reduction	800,000	25-Oct-00	To (i) determine how different kinds of transport and energy investments have contributed to poverty reduction; (ii) establish benchmarks; and (iii) identify success stories and lessons learned.
6109-REG	NGO Partnerships for Poverty Reduction	500,000	27-May-03	To provide funding to a limited number of NGOs in the developing member countries to undertake innovative poverty reduction or other activities in key ADB sectors as identified through approved country strategy and program (CSP) documents.

What are ADB's plans for future cooperation with NGOs?

Future loans will continue be designed to have direct or indirect linkages to poverty reduction. The following loans will likely have significant linkages and as such have prospects for NGO involvement:

No.	Proposed Loan	Expected Approval Year
1	Guangxi Roads Development II	2004
2	Yunnan Dali-Lijiang Railway	2004
3	Hunan Roads Development II	2004
4	Gansu Road Development	2005
5	Sichuan Roads Development III & IV (Ya'an-Lugu)	2005
6	Rural Electrification Development Project	2005
7	Dryland Farming in Northern Region	2006
8	Sichuan Road Development V (Dazhou-Wanyuan)	2006
9	Taiyuan-Zhongwei Railway	2006

In addition, ADB will continue to provide TAs related to poverty reduction where there would be good prospects for NGO involvement. The following provides some examples of the proposed studies:

No.	Proposed TA	Expected Approval Year
1	Poverty Impact of Area Wide Road Networks	2004
2	Empowerment of the Poor on the Road Development in Shaanxi Province	2004
3	Heating Supply for Urban Poor in Liaoning Province	2004
4	Poverty Reduction in Coal Mine Areas	2004
5	Developing Poverty Impact Indicators and Assessment Methodology for ADB	2004
6	Farmer Income and Sustainable Development	2004
7	Rural Road Development Strategy	2004
8	Rural Development in Mountainous Areas in Southern Ningxia	2004
9	PRC Urban Poverty Strategy Study	2004
10	Provincial Poverty Reduction and Development Strategy Study (Western Region)	2004
11	Impact of Closure Coal Mines in Poverty Areas and Options for Job Creation	2004
12	NGO Partnerships for Poverty Reduction	2005
13	Alternative Energy Supply for Rural Poor in Remote Areas	2005
14	Rural Pension System Reform	2005
15	Distance Education	2005
16	Rural Transport Services Study	2005
17	Gansu Road Project (Poverty Reduction)	2005
18	Rural Water Management Study	2006
19	Rural Health Sector	2006
20	Rural Water Supply and Sanitation	2006
21	Social Security Reform IV	2006

Summary of NGO Activities in PRC

Non-Government Organizations

The 1990s has witnessed the explosive growth of social organizations (*shehui tuanti*). During the 1980s the number of NGOs exceeded 220,000 in total.¹ As a result of re-registration in the 1990s, the number of social organizations of all types that have registered with Civil Affairs Departments of local governments at and above county level fell 136,000 by October 2000. NGOs in the PRC include a range of organizations such as the Yunnan Reproductive Health Association, *Rural Women Knowing All* (a group organized around a publication that also organizes training for rural women), and the Center for Biodiversity and Indigenous Knowledge. Foundations have set up the NPO Network (the Network of Foundations and Non-Profit Organizations), which raises funds for member foundations, provides training and organizes and publicizes research projects.²

A survey of the activities of NGOs in Beijing carried out in 2000 indicates that most of them carry out research (see Table 1) The same survey indicates that a majority provide services, carry out publicity, training, and exchanges and that 38.5% provide policy recommendations to government. According to the survey, 68.7% of the PRC's NGOs operate in a single city, district, or county. More than 90% of NGOs in the survey reported that they had a constitutional document of some kind. Members of the surveyed NGOs came from among upper middle school graduates (31.7%), and graduates of junior colleges (27.4%) and universities (29.8%). The surveyed NGOs reported that half of their budget came from government subsidies (50%) and about 21% from 'member fees'. Only about 5.6% came from business activities and less than 2% came from overseas donations. Surveyed NGOs spent about 34% of their budgets on personnel costs, and 45.5% on 'activity fees' such as producing newsletters, doing publicity, providing advisory services, and so forth. About half reported that they produced an annual financial report that was internally audited. Only 14.7% had their accounts audited externally. Contact with overseas NGOs is quite limited -- more than 70% of NGOs in the 2000 survey reported that they had no contact with any overseas NGO.³

Table 1: Areas Of Activity of NGOs in Beijing, 2000

Activity	Percentage
Culture, arts	8.7
Sports, health, recreation	11.5
Club	1.0
Private school	1.0
Professional, adult education	13.5
Investigation, research	63.7
Hospital, recovery center	1.9

¹ Wang, Ming, and Hu, Wenan, *Historical Study of Chinese Civil Societies*, Social Sciences Publishing House, 2001.

² For another resource that lists NGOs active in the PRC see *250 Chinese NGOs: Civil Society in the Making A Special Report form China Development Brief* August 2001.

³ Based on the results of a survey of NGOs in Beijing published in Wang Ming, *China's NGO Research 2001* (UNCDR Research Report No. 43) Beijing: Tsinghua University NGO Research Center, June 2001

Activity	Percentage
Home for the aged	5.8
Psychological consultation	3.9
Social services	22.1
Poverty alleviation, prevention of flood, and other disasters	18.3
Environmental protection, animal protection	16.3
Community development	9.6
Employment and re-employment	3.9
Policy consultation	20.2
Law consultation and service	11.5
Foundation	9.6
Voluntary association	8.7
International exchange	22.1
International aid	4.8
Professional association, guild, academy	50.0
Other	10.5

Source: Based on the results of a survey of NGOs in Beijing published in Wang Ming, *China's NGO Research 2001* (UNCDR Research Report No. 43) Beijing: Tsinghua University NGO Research Center, June 2001, p. 210.

The Regulatory Framework

The regulatory framework for NGOs dates from 1989 when the 'Regulations on the Registration and Administration of Social Organizations' was adopted. The government promulgated 'Management Measures on Foundations' and the 'Interim Procedures for Foreign Chambers of Commerce' in August 1988 and June 1989 respectively. In 1998, authorities issued the 'Interim Procedures on the Registration and Administration of Private Non-profit Organizations' and revised the regulations on social organizations. A year later the 'Law on Donations for Public Welfare' was issued. Further reforms of the legal and regulatory system are expected as the PRC refines the management process.

According to the 1998 Regulations social organizations (*shehui tuanti*) (what we are calling NGOs in this document) refer to 'non-profit civil organizations' (*feiyinglixing minjian zuzhi*) consisting of citizens who have joined voluntarily and which engage in the activities laid down in their charters. Included are various types of trade unions, associations, chambers of commerce, foundations, promotional societies, study societies and research societies, as well as friendship associations, many of which are funded by government or managed by government officials, in a top-down fashion. There are also other organizations that lack official connections but which people with an interest in social welfare issues have established on their own. They may be called 'bottom-up' NGOs.

Apart from these social organizations, there is another type of civil organization which may be called 'publicly-run, non-entrepreneurial units' (*minban feiqiye danwei*) which mainly include social service organizations such as schools, hospitals, welfare institutions (old homes, pensioners' apartments), community service centers, professional training centers, research institutes, culture centers and sports facilities. These organizations have mushroomed, mostly in the 1990s, as the result of the development of the market-economy. There are no accurate statistics on the number of

such civil organizations that have registered with various government agencies, but they are estimated to number over 700,000.⁴ According to the laws and regulations promulgated by the State Council in 1998, “publicly-run, non-entrepreneurial units” are defined as civil organizations engaging in non-profit social services that have been established with non-State assets by enterprises, government organizations, other social forces and individual citizens. Publicly-run, non-entrepreneurial units also come under the category of NGO in a legal sense.

Aside from the two types of NGO’s mentioned above, there are also many unregistered civil organizations (*minjian zuzhi*) that engage in social welfare activities de facto, as well as civil organizations that have registered as businesses and enterprises but actually are devoted to non-profit activities. Usually these two types of organizations are fairly small in size, and claim only limited influence. But as they expand and become more influential, they tend to want to gain formal, legal status. Conditions permitting, they will invariably seek ways to transform into social organizations (*shehui tuanti*) or publicly-run, non-entrepreneurial units (*minban feiqiye danwei*).

Current regulations impose some restrictions on the operation of NGOs. According to the regulations, civil affairs departments are responsible for registering NGOs and maintain records on their founding, change in status, or winding up. They also conduct annual inspections of NGOs and take disciplinary action against any organizations found to be violating the law. NGOs must find a government sponsor to supervise their activities. The laws and regulations also require that the range of activities of an NGO not exceed the scope of its administration jurisdiction, and that no NGO of an identical or similar nature or scope of operation should be allowed to exist in the same administrative region. Besides, NGOs are in principle now allowed to set up branch organizations in lower administrative regions. Such rules make it difficult for NGO’s to unite, and make them geographically separated and isolated. These regulations also prevent competition and comparison among NGOs, and thus artificially establish and maintain the monopoly of some civil organizations.

Under such circumstances, NGOs, in spite of their various forms and substantial numbers, are not likely to become NGOs of large size, especially national organizations with wide influence, and strong capacities of organization and coordination, unless they are set up by the government and depend on government administrative networks for their operation. Examples of government established NGOs include the Chinese Society of Family Planning and the China Society of Youth Volunteers, both of which have huge networks of branch agencies. Although they are NGO’s according to the law in the PRC, their administrative systems remain governmental, and their beneficiaries appropriately view them as arms of the government.

Relations to Government, Sponsors and Beneficiaries

NGOs in the PRC may be divided into two types: top-down NGOs and bottom-up NGOs. The former refer to NGOs set up with governmental support and that receive various kinds of direct or indirect special funding, support, and management and control from the government. While they enjoy special help from the government in many respects including in their daily operations and administration, they are also subject to

⁴ See Wang Ming, *China’s NGO Research 2001* (UNCDR Research Report No. 43) Beijing: Tsinghua University NGO Research Center, June 2001

government control. Their main resources including funding, human resources and information are acquired through government channels. Their officials are appointed via the government system and government provides their compensation and benefits. These sorts of organizations dominate the NGOs in the PRC. In the Beijing survey of NGOs reported above, almost half of the NGOs reported that their leading personnel came from government agencies. Another 28% came from service units/institutions and only 8% from 'people's organizations'.

Bottom-up NGOs are voluntarily built by people with an interest in social welfare issues who set them up independently. They usually are not eligible for preferential treatment by government, but are also subject to less government control. They maintain close ties to ordinary citizens through their grassroots organizations, and their main resources such as funding, information and volunteers come from "bottom-up" channels, partly from ordinary people and partly from funding organizations including international NGOs.

NGOs entered into the field of public policy first through concern to limit the country's population growth. The PRC's large and growing population had restricted economic development in the country. In tackling the population problem, the Government realized that its capacity to tackle the issue was limited. The government urged concerned citizens to operate outside government and to solicit funds from international sources. In such a context many NGOs in the field of population were born, developed and started operations.

The increasingly grave environment and natural resource conservation problems are restricting economic development. In the search for solutions, the PRC has relied more on civil forces and public participation. At the same time, some environmentally-conscious people have organized and devoted themselves to preserving and protecting natural resources and curbing environmental pollution. Thus, many new groups of environmental NGOs have appeared in the PRC. NGOs have also tackled other problems such as poverty reduction, children dropping out of school, welfare for physically challenged people, the elderly, women, health, social aid and community development, and so forth.

Most funding for NGOs in the PRC comes from various business ventures, membership fees, donations and grants from overseas sponsors, as well as public donations. Many NGOs are beginning to attach importance to establishing relations with overseas sponsors. To attract funding, NGOs have sought to improve their public image by publishing annual financial reports, and organizing seminars, presentations, exhibitions, and so forth. Some NGOs not only conduct cooperation with sponsors on a project basis, and develop effective systems for establishing and developing projects to the standards set by sponsors, but they are also starting to emphasize their own organizational capacity building, with a view to the long-term, sustained development of their organizations.

NGOs that are active in the areas of poverty-relief, environmental protection, legal aid and community development have usually built up channels for exchange and communication with their beneficiaries. Many NGOs have adopted the "one-to-one" aid and exchange models, which increase transparency and accountability. NGOs have emphasized participatory styles of poverty-relief in rural communities, and have achieved encouraging results through mobilizing the spontaneity of farmers in independent, voluntary participation.

Organization

Most top-down NGOs enjoy appropriate “administrative level” treatment in accordance with the administrative rank of their supervising government agency, including governmental status, salaries and compensation, welfare (free or cheap) housing and other standard treatment, professional and technical titles, social security, and in foreign-related jurisdictions, the right to issue overseas-visit permits. In fiscal administration, current social organizations and publicly-run, non-entrepreneurial units both resemble government organizations.

Bottom up NGOs tend seldom to resemble government agencies organizationally and enjoy neither governmental status nor preferential treatment, and thus tend to be more participative. However, they suffer from other problems, such as weak financial management that imposes other constraints on their development. Many NGO’s are starting to emphasize training and capacity building, enhancing exchanges of information through holding or participating in various kinds of training courses, and attempting to improve the quality of their leaders and administrators so as to build up their management capacities.

As overseas NGOs enter the PRC they have brought not only funding and projects but more importantly management models unique to NGOs. Many overseas NGOs now cooperate with local counterparts and localization of their operations is apparent. Generally speaking, civil affairs departments on different levels of governments have taken an active and open attitude toward the activities of overseas NGOs in the PRC. Despite the lack of laws and regulations covering their operations, overseas NGOs engaged in development appear to enjoy relatively relaxed treatment by the authorities. In October 2001 the Government announced that foreign NGOs would be encouraged to operate in the PRC and to participate in critical social welfare areas such as poverty reduction.⁵

In October 2001 the first ever International Conference on NGO Poverty Reduction Policy, hosted by the China Foundation for Poverty Alleviation, was convened in Beijing. It brought together more than 200 representatives of local and international NGOs, bilateral and multilateral donors, universities and government institutions. The Conference concluded that from 20% to 35% of the substantive work in the PRC’s poverty reduction between 1995 and 2000 can be attributed to NGOs. Factors limiting the work of NGOs are several, however, and include a lack of funding, inadequate training, an incomplete legal framework for NGOs, difficulties in registering international NGOs, and problems in recruiting and retaining qualified staff.

The Government’s effort to mobilize NGOs to address social concerns has been assisted by the passage of the 2001 Trust Law that specifically recognizes trusts for public interests or charitable trusts. These include trusts for poverty relief, emergency relief, assistance to the disabled, development of education, science and technology, culture, arts and sports, development of medical and health welfare, and protection of the environment. The new law lays down a legal framework for charitable trusts that should help to mobilize resources for social development and compliment the work of NGOs working in these areas.

⁵ State Council, *The White Paper on Rural China’s Poverty Reduction*, October 2001.

A review of the development of NGOs in the PRC indicates that steps need to be taken to strengthen their capacity to participate in social and economic development.

- Increase the capacity of NGOs to participate in policy making and law and regulation drafting through training and the provision of additional resources;
- To clarify the legal status of NGOs, government should consider promulgating a Law on NGOs;
- Government should consider the policy of permitting NGOs to set up branch organizations in different administrative regions. Government should also consider permitting several NGOs to operate in the same field to improve efficiency through competition;
- NGOs should be encouraged to follow 'good corporate governance' practices suitable for NGOs; and
- Overseas NGOs should continue to be welcomed in the PRC to provide assistance to the country's economic and social development and to partner with local NGOs.

In summary, NGOs in the PRC have their own characteristics some of which are also undergoing change. As the product of a transitional period, they have appeared in large numbers in many public policy areas. With the further development of the economy but limitations on what the State can do, NGOs have the potential to play a greater role in economic and social development.

NGO-Supported Activities

Domestic NGOs operating in the PRC derive their legality through registration with the Ministry of Civil Affairs (MCA). Qinghua University estimates that around 126,000 NGOs are active in poverty reduction. Added to this there are around 120 major international NGOs (INGOs) in the PRC also promoting social development. International NGOs currently operate in a legal vacuum as there is no procedure for registering them. Appropriate regulations are being developed, however.

Most domestic NGOs have some degree of linkage with the Government. Notwithstanding this linkage, they operate in a distinct structural environment and in their poverty reduction work have certain advantages, and also disadvantages, when compared to the Government. An indicative set of these advantages and disadvantages is shown in Table 2. Key advantages are the greater accuracy NGOs have in targeting their assistance to the poor, and their greater freedom to respond in diverse and innovative ways to fast-changing needs.

Table 2: Comparative Advantages and Disadvantages of NGOs and the Government in Poverty Reduction

	Indicators	Government	NGO
Means of (i) Resource mobilization and (ii) Supervision		(i) Compulsory taxation (ii) Self-regulation	(i) Voluntary donations (ii) Market competition
Comparative advantages	Scale Efficiency Sensitivity Innovative capacity	Large-scale mobilization of resources through compulsory taxation Large-scale influence.	Mobilize resources that the government does not access High targeting accuracy. When supervising use of government resources, facilitates an upgrade in efficiency through competition. Responsive to diversified and fast-changing needs. Strong drive for innovation.
Comparative disadvantages	Scale Efficiency Sensitivity Innovative capacity	Low transfer rate to poverty reduction effort Low targeting accuracy Neglects needs of small groups. Unresponsive to new needs. Inadequate drive for innovation.	Insufficient resources. Narrow focus. Top-down direction (GONGOs). Amateur institutions in early stages of professional development. Limited capacity for replication

Source: Kang Xiaoguang. 2001. *Research on NGO Poverty Reduction Behavior*.

The Government's policy environment towards NGOs, the social environment in which NGOs operate, their corporate governance structures, and their behavior in approaching poverty reduction, have all impacted how NGOs working on poverty reduction have evolved in the PRC. The result is not a homogeneous type of NGO. Recent multi-variable analysis conducted by Kang Xiaogang suggests that PRC NGOs fall into three types (see Table 3). While not stated explicitly in Table 3, there is an implied evolutionary progression from Type 1 through to Type 3, which currently is largely the preserve of international NGOs.

Table 3: Correlation between Environmental, Structural and Behavioral Variables of 20 NGOs

	Government dimension	Social dimension	NGO dimension	NGO behavior in poverty reduction	Samples
Type 1	Restricted association; limited preferential treatment in taxation; status and operations effectively within current legal framework.	Large gap between the supply of and demand for NGO services; limited resources and operational scope.	Lack of independence; ambiguous visions.	Responsive to Government calls. Resources primarily come from Government. Combination of administrative control and mobilization. Top-down intervention to improve human welfare. Pursuing broad, unchanging objectives. Cooperation with Government authorities.	Amity Foundation Guangcai Cause Association Linju Poverty Reduction and Economic Development Association of Shandong Province Mizhi Science and Technology Association of Shaanxi Province China Association for NGO Cooperation China Youth Volunteers' Association China Occupational Education Association China Youth Development Foundation China Foundation for Poverty Alleviation
Type 2	Restricted association; limited preferential treatment in taxation; status and operations not adequately provided for in current legal framework..	Large gap between the supply of and demand for NGO services; limited resources and operational scope.	Top down direction. Poor management. Organizational vision being shaped.	Attain self-development. Resources primarily come from overseas. Mobilization. Top-down intervention to improve human welfare. Comprehensive objectives. Cooperation with local governments and international NGOs.	Yixian County Poverty Reduction and Economic Cooperative of Hebei Province Rural Women Knowing All Magazine Beijing Xingxingyu Education Institute for Children and Autism Yilong Rural Development Association of Sichuan Province Yunnan Healthy Birthing Association
Type 3	Freedom of association; preferential treatment in taxation; legal options to cover status and operations.	Balanced supply and demand. Adequate resources. Considerable operational freedom.	Effective board. Good management. Mature visions.	Poverty reduction and inclusive approach. Resources mainly from overseas. Mobilization. Participatory. Integrated objectives. Cooperation with government and local NGOs.	Ford Foundation Heifer International Development Organization of Rural Sichuan Oxfam Hong Kong, Yunnan Office Save the Children Plan International

Source: Kang Xiaoguang. 2001. *Research on Chinese NGO Poverty Reduction Behavior*

The **All-China Women's Federation (ACWF)** is an example of a Type 1 NGO. and might be more aptly described as a Government Organized Non-Government Organization (GONGO). Of all NGOs engaged in poverty reduction, the ACWF is the largest. The ACWF works with government departments at all levels to assist poor women. Its own organizational structure reaches from the national level down to villages

throughout the country. Poverty reduction activities of ACWF have two distinct features: promoting income generation and social services provision. These are often conceptually combined in programs. Delivering family planning and female literacy training is an example of this. Family planning education combined with microcredit is another example. The major ACWF activities directly targeted at poor women include:

- Training poor women to master new applied agricultural technologies and reproductive techniques;
- Using the Women's Poverty Alleviation Action Program (jinguo fupin xingdong) to fight poverty. The ACWF achieved its target of reducing by number of poor rural women by one million poor during the five year period 1996 to 2000 inclusive;
- Promoting mutual assistance of women among regions and within regions by means of two main strategies. The first is by helping poor women to increase incomes and reduce poverty through "Hand in Hand Action" (shou la shou). ACWF mobilizes richer and/or better-educated women to help poor women by providing technical and financial support. The second strategy is to encourage and organize women in the east to assist poor women in the west;
- Organizing poor women in small groups to launch microfinance-based income generation activities. In 1989, the ACWF in Luliang prefecture, Shanxi, started to use rotational lending as a way to help poor women out of poverty; and
- Implementing the "Spring Bud Plan" (chunlei jihua) which helps girl drop-outs return to school. This plan is managed by the Children's Fund of ACWF. The ACWF raises donations for this Fund from overseas and domestic sources.

The ACWF has made a commendable contribution to rural poverty reduction. In its poverty reduction work it has learned much about the wide variety of rural poverty patterns and of rural community responses to poverty reduction interventions. This wealth of experience and their sensitivity to the constituency they represent (women throughout the PRC) gives ACWF insights into how poverty reduction policies and their implementation can be improved. There is a case for suggesting that the ACWF should extend its role to include policy advocacy and policy dialogue with the mainstream poverty reduction agencies (PADO, SDPC and MOF).

The Youth and Juvenile Development Foundation (YJDF), and the All-China Communist Youth League (ACCYL) are also examples of Type 1 NGOs. These two NGOs launched Project Hope in 1989 and have managed its implementation. The project focuses on improving education conditions and helping school-aged drop-outs return to school. YJDF mobilizes donations from both urban and rural residents or helps donors make direct contacts with recipients. The funds are used to construct "Hope" primary school buildings. Each school is usually named after the principal donor. Project Hope also pays the tuition for poor students.

The China Family Planning Association (CFamPA), China Population Welfare Foundation (CPWF), and China Population Daily (CPD) jointly operate Project Happiness. This project commenced in 1995 with a mission to raise funds to help poor mothers escape poverty by improving their access to resources, eliminating their illiteracy and improving their health. The project raises donations from domestic and international sources. It uses a revolving fund technique to assist poor mothers start income-generation activities, combined with a requirement for strict family planning. Each poor mother is provided with a loan of Y2,000 to Y3,000 with a term of one or two

years and an interest rate of 3-5% depending on local conditions and the capability of the borrowers.

The China Foundation for Poverty Alleviation (CFPA)⁶ can also be categorized as a Type 1 NGO. While under the leadership of LGOP, CFPA is considered a non-profit institution with the goal of promoting economic, cultural, educational, and public health projects for the poor. It receives donations and contributions from individuals, enterprises, and organizations both within PRC and abroad.

The CFPA has also helped poor families in drought-stricken areas of northwestern PRC through the construction of small scale water storage facilities; new timber and brick homes; renovated houses for poor peasant households; and construction of a separate livestock pens, toilets, environment-friendly kitchens (with a window), and piped drinking water. The information released by CFPA on its achievements reflects a general tendency in the reports issued by domestic NGOs. That tendency is to focus on infrastructure built or the cost of inputs and to imply that all poor people who have access to that infrastructure or cash will be lifted out of poverty. Domestic NGOs recognize the difference between an output (e.g., schools built) and an outcome (e.g., rural people lifted out of poverty on a sustainable basis), but are still in the process of placing more emphasis on evaluating impact.

China National Charities (CNC) is an NGO that arranges funding for the Candlelight Project. This project helps poor rural schoolteachers by providing them with special subsidies and extra training. The project also selects underdeveloped areas in which to launch pilot projects that explore ways of improving living conditions and job skills of teachers, and of developing a support network to help rural schools and their teachers. The organization also sponsors corrective surgery for orphans and funds disaster relief and social welfare programs for older people.

The **China Association for NGO Cooperation (CANGO)**, a Type 1 NGO, was formerly the NGO Division of the China International Center for Economic and Technical Exchange, which is part of MOFTEC. CANGO is a network of domestic NGOs set up to address poverty reduction, environmental protection and social development in poor, remote, and minority areas. It focuses its efforts on integrated community development, primary education for mountain children, training for the rural poor women to improve literacy and working skills, microfinance for poor farmers, and sustainable agricultural development for projects in poor areas related to handcrafts, forestry, stock breeding, fruit development, and agroprocessing.

The **Song Qingling Foundation** carries the name of a maverick woman in modern PRC history. Song Qingling, having received a quality education in Shanghai and the United States, was driven throughout her adult life by a mission to help educate poor girls and women. The foundation named in her honor is part of her legacy and it supports education for poor female children. Its activities include school construction, stipends, mobile libraries and teacher training.

This is an abbreviated coverage of NGOs active in poverty reduction. The fact is that the number of domestic NGOs is growing. Their focus is mostly on poverty, rural development, women's issues, health, education, and the environment. The

⁶ Formerly known as the Foundation for Underdeveloped Regions in China (FURC).

Government's recent White Paper on "The Development-Oriented Poverty Reduction Program for Rural China (2001) has recognized NGOs as one of the important means of reducing poverty in the future. The White Paper goes further by acknowledging the need to create conditions for NGOs to take part in, or implement, Government development projects in poor areas.

Research Institutes

A number of research institutes have played key roles in analysing rural poverty - its root causes, basic conditions of the poor, the behavior of various types of poor communities when interacting with Government and NGO-sponsored activities to reduce poverty and the effectiveness of poverty reduction programs, The research institutes also draw conclusions on improved approaches to poverty reduction. Some of these institutes have had access to the resources necessary to run pilot poverty reduction projects and have been able to use positive field results to influence government policy. These research institutes still receive much of their funding from Government, but are now allowed to be entrepreneurial. They are officially regarded as "social" organizations (*shihui danwei*) and so it is appropriate to include them as NGOs working to reduce poverty.

The following research institutes are the leaders in undertaking poverty-related studies and/or field experimentation:

- (i) The publisher of the *Poverty and Development* newsletter, the China Poverty Research Association, focuses on rural poverty policy studies, microcredit, child nutrition, and training for poverty research methodologies;
- (ii) The Center for Integrated Agricultural Development at the China Agricultural University is a leader on participatory rural appraisal;
- (iii) The Poverty Research Center of the Institute of Agricultural Economics at the Chinese Academy of Agricultural Science undertakes research on poverty standards, policy formulation, rural credit, and agricultural techniques for poor farmers;
- (iv) A leading research institute for micro-credit is the Center for the Study of Poverty of the Chinese Academy of Social Sciences. This center receives Grameen Bank funding for practical experimentation in micro-credit schemes in areas of high rural poverty. The center is also interested in poverty fund flows and program effectiveness;
- (v) A good example of a leading provincial research center is the Yunnan Province Academy of Social Sciences whose Institute of Agricultural Economics has been a progressive force in the study of sustainable forestry management and micro-credit for the poor; and
- (vi) Another example of a provincial research group is the Center for Biodiversity and Indigenous Knowledge based in Kunming which includes in its mandate the continuing sustainable livelihoods of poor national minorities.

International NGOs

There are around 120 major international NGOs operating in the PRC. The official and legal arrangements through which they operate vary because as of 2003, the PRC does not have a standard means of registering international NGOs. Regulations are, however, being developed. Formal status is important as it confers the ability to operate bank accounts, rent office space, provide long-term foreign staff with residence permits and

hire local national staff. Fortunately, the legal vacuum has not deterred the inflow of international NGO assistance. A number of international NGOs have chosen to remain offshore and work through domestic legal units (*danwei*). Others have gained legal status onshore through special sponsorship arrangements with State organizations like the Chinese Academy of Social Sciences and the State Foreign Experts Bureau. Still others have registered as "enterprises" with the State Administration of Industry and Commerce. Some have been given county-specific legality by friendly local administrations. All international NGOs will welcome the day when regulations covering their legality and operations are in place.

International NGOs fit into Type 3 of Table 3. The coverage of these international NGOs in this text is selective and exemplary. As with domestic NGOs, lack of inclusion of individual international NGOs in this section in no way implies that their valuable and efficient contributions to poverty reduction in the PRC should not be applauded.

The **Ford Foundation** was one of the first international NGOs to be given legal status in the PRC. It provides research grants for examining rural poverty, capacity building using participatory methods, sustainable resource management, and upland development. The Ford Foundation's poverty-related activities are participatory and community based with particular focus on women, minorities, and natural resource management. Its research interests include micro-credit, reproductive health, and migrant population. The Ford Foundation's Rural Poverty and Resources Program explores ways in which poor and disadvantaged farmers can make their voices heard, articulating their preferences, concerns and priorities for their own future.

There are several other international NGOs that concentrate on education, environment, and economic development issues with linkage to poverty reduction. The **Asia Foundation** supports the development of leaders, institutions and policies needed for: (i) effective governance and legal systems; (ii) actively engaged and responsible civil society; and (iii) successful economic reform and sustainable development. The **Worldwide Fund for Nature (WWF)** has programs for environmental education in poor areas. It focuses on formal education, community education, and developing educational resources. **WWF** has been active in the PRC pursuing its global environmental conservation priorities of targeting forests, fresh water, threatened species, climate change, toxic chemicals, and oceans and coast. While well known for its efforts to safeguard the panda and the Tibetan antelope, its PRC programs cover many other areas. The **Phelex Foundation** promotes basic education for the financially, socially and physically disadvantaged, especially in poverty stricken areas. The Sustainable Tuition Aid Program focuses on establishing self-sustainable funding sources through school operated work-study programs, educational partnerships, communal participation, and volunteerism. The **Zigen Fund** promotes educational, social and economic development in the impoverished areas. It provides financial assistance to teachers and girls in primary and secondary schools, reconstruction and maintenance of school facilities, and stocking of libraries. Other international NGOs interested in different aspects of poverty reduction include Action Aid, Care International, Caring for Children Foundation, Committee on Scholarly Communication with China, Chinabrief, Development International Desjardins, Fundacion Jose Ortega y Gasset, Kadoorie Charitable Foundation, Medicin Sans Frontiers, Mercy Corps International, Oxfam/Hong Kong, Plan International, Red Cross, Save the Children, the Asia Foundation, Voluntary Service Overseas, Winrock Foundation, and World Vision.