

China Philanthropy News

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China Philanthropy News is produced by Grantmaker Without Borders (Gw/oB) as a service to grantmakers and donors interested in philanthropic engagement with China. For more information on Grantmakers Without Borders, visit www.gwob.net. To suggest a posting or to subscribe or unsubscribe to China Philanthropy News, send an email to jizhi@gwob.net.

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NEWS

1) China Investigates Non-Profit Groups

The Chinese government has started aggressively investigating nonprofit groups that receive money from Western sources out of fears that such organizations could mobilize the Chinese public against the government's environmental and human-rights policies, *The Boston Globe* reports. Some people connected to China's nonprofit world say the government worries that the West is using Chinese nonprofit organizations to push democracy, and the newspaper reported that activists claim thousands of Chinese groups that receive money from foreign donors have been investigated or audited by the government in the past year.

By Jehangir S. Pocha, Full-text article available at

http://www.boston.com/news/world/articles/2006/06/15/foreign_funded_nonprofit_s_under_investigation_in_china/

2) Scientists Say AIDS Brings Huge Economic Losses to China

At a conference of the Chinese Academy of Sciences (CAS) in Beijing, Zeng Yi, chief scientist with the STD (sexually-transmitted diseases) and AIDS Prevention Center under the Ministry of Health, said the losses of human resources caused by AIDS in China are estimated to reach 285.57 billion yuan from 2006 to 2010. According to the estimation of economist Li Jingwen, another CAS member, the disease will also cause a loss of 16.45 billion yuan to the productivity and GDP in the agricultural sector. To cope with the serious situation, the scientist urged a stepping up of research on an AIDS vaccine and pushing forward clinical testing of the vaccine in the coming five years. Reported by Xinhua, Full text article available at http://news.xinhuanet.com/english/2006-06/07/content_4658322.htm

3) Chinese Universities Receive Software Grants of \$1.1 billion

American-based UGS is providing US\$1.1 billion in software grants to 87 universities in China. UGS, a global provider of product lifecycle management (PLM) software, says this is the largest set of grants announced at one time in corporate history. These in-kind grants will provide PLM software to seven leading Chinese universities as well as 80 other junior colleges and enable students and faculty to design, engineer and validate projects using the software. Over the past 10 years, UGS has made in-kind grants of its software to approximately 450 academic institutions in China with an in-kind commercial value totaling US\$4.4 billion. Reported by China CRS network. Full text article available at <http://www.chinacsr.com/2006/06/16/chinese-universities-receive->

[software-gift-of-us11-billion/](#)

4) China Advocates Policies to Promote Affordable Healthcare

China issued eight guidelines on Jun 1, to further regulate drug prices and to crack down on malfeasance as part of a national campaign to promote more affordable medical services for the people. The guidelines stipulated a profit cap of 15 percent for non-profitable medical service providers such as public hospitals on the drugs they buy from distributors. In addition, pharmaceutical makers will be required to display the suggested retail prices on drug packages based on reasonable profit margins. Analysts say that the guidelines will help squeeze out unreasonable costs in the distribution process but that the key to improving affordable healthcare is to fill the loopholes in the medical system and expand medical insurance. Reported by Xinhua, full text article available at http://news.xinhuanet.com/english/2006-06/01/content_4631757.htm

5) First Charitable Drugstore Opens in Hangzhou

Daily Health Drugstore, a national retail pharmacy chain, has opened its first special charity drugstore in Hangzhou. This store provides poor consumers 50 types of medicine at zero profit. The affordable medicines are mainly offered to the elderly, poor, handicapped and unemployed who can buy the medicine with documents testifying that they fall into the corresponding low-income categories. The drugstore chain plans to invest RMB300,000 to subsidize the selling of these zero-profit medicines as a way of easing the poor patients' burdens. Reported by China CSR network, full report available at <http://www.chinacsr.com/2006/06/15/first-charitable-drugstore-opens-in-hangzhou/>

RESOURCES

6) Policy Brief: China and climate change: the role of the energy sector

Climate change is affecting China and China is affecting climate change. Key to the relationship is the nation's booming economy and energy sector. China says no to curbing emissions, yes to clean energy and energy efficiency. Pan Jiahua, executive director of the sustainable development research center of the Chinese Academy of Social Sciences, describes what the country is doing to face the

challenge of climate change. Full-text paper available at <http://www.scidev.net/dossiers/index.cfm?fuseaction=policybrief&dossier=4&policy=64>

7) Study: Impacts of the HIV/AIDS epidemic in China on children

West, A.; Hui, Z. Save the Children Fund (SCF), 2005

Caused by unsafe practices in the sale of blood, HIV/AIDS has affected a large number of children in central China. This child-led research explores the severe HIV/AIDS epidemic in China, which is leaving many children orphaned and infected, by looking at how the affected children view their situation and what their hopes are for the future. Full text article available at

http://www.savethechildren.org.uk/scuk_cache/scuk/cache/cmsattach/3292_strange-illness.pdf

AT GW/OB

8) Gw/oB and the Clarence Foundation launch China Giving Circle Program in Chicago and San Francisco

In follow up to the one-day learning events held recently in Chicago, New York and San Francisco, Grantmakers Without Borders and The Clarence Foundation are partnering to catalyze new giving circles focused on philanthropic support to China, beginning in September 2006. A giving circle, which might best be described as the philanthropic equivalent of a book club, is a group of up to 15 donors who pool their time, talent and resources to learn and make international grants together.

The purpose of the giving circles is to build upon the momentum of the conferences organized by Gw/oB and to provide a path from learning and inspiration to active engagement and philanthropic support. The giving circle members will be part of a community of caring people who share an interest in the future of China and want to see that it develop in a sustainable way.

Participants will engage in an in-depth, hands-on process of learning, led by Gw/oB and Clarence staff and assisted by a range of expert guest speakers. Members will pool their funds together and consider a portfolio of grassroots

organizations based in China that are addressing issues of the environment, HIV/AIDS, education, or other interests of the group. The giving circle will be a personally engaging process in which participants receive mutual support for their grant making while combining resources to make the greatest impact. For more information on how you can get involved, please contact Marc Manashil at (510) 384 – 7188 or marc@theclarencelfoundation.org.

9) CHINA GRANT-MAKER PROFILE: Trace Foundation

GW/OB staff recently interviewed Paola Vanzo at Trace Foundation and asked her to share Trace's grant-making experience in China. The following is a transcript of the conversation.

Q: What does Trace Foundation fund?

A: Trace Foundation is a private foundation dedicated to preserving the cultural continuity and sustainable development of Tibetan communities in China. Ms. Andrea Soros Colombel, founder and president of Trace Foundation, used to teach English in the northwest of China and developed a strong affection for the Tibetan culture and community. Upon her return to the U.S., she established the foundation. In 1995, Trace made its first emergency relief grants to the Tibetan communities affected by a disastrous snowstorm on the Qinghai-tibetan Plateau. Over the years, grants made by Trace have expanded both in size and number, with programs covering four main areas: education, rural development, primary health care and culture. These programs try to integrate culture with development goals and aim to address both the immediate needs and long term needs of Tibetan communities in the Tibet Autonomous Region, Qinghai, Gansu, Sichuan and Yunnan Provinces.

Q: What kind of principles does Trace Foundation follow in its grantmaking?

A: Trace Foundation is guided by several principles in their grantmaking, with emphasis on local participation and long-term benefit of the projects. It provides general support grants as well as project-specific grants to trusted organizations in Tibetan areas. In addition to invited proposals, Trace also designs and implements its own projects according to its core principles.

Q. What is the size of grants made by Trace Foundation?

A. The size of the grants depends on the local needs. Most grants are project-specific programs, which could range from 1000 USD to 150,000 USD, depending on the nature of the project. Trace also provides multi-year grants. Usually, a Trace project starts with a small grant. If the project is deemed successful and a model for operation is found, similar projects would be replicated in other locations.

Q. How are the Trace projects designed?

A. All Trace projects adopt a participatory approach in design and implementation. From the very beginning, the project involves multiple stakeholders, including local government, community leaders, parents, teachers etc. All stakeholders contribute ideas to the project. Trace staff would then conduct surveys, feasibility studies, as well as site visits to assess the project and discuss details of the projects with concerned parties. Trace staff listens to everybody and tries to gather ideas from all concerned parties before a project is implemented. Besides projects designed by Trace, the foundation also funds external projects proposed by local organizations and/or individuals.

Q. How are the Trace projects managed? Does Trace have field offices in China?

A. Trace has three field offices in China with a number of satellite offices at county level. The offices, staffed by local people, ensure that all Trace projects are closely monitored by Trace staff, who are readily available for immediate discussion with local partners. For external grants initiated by grant seekers, Trace staff would travel to the site before making a recommendation on the grant proposal and check various aspects of the project, including the capacity of grant seeker, objective of the grant and the beneficiary of project. The capacity of implementation is particularly emphasized. Following the site visit, the Trace staff would then forward recommendations to the executive office in New York, where decisions of grants are made on an annual basis. Such external grants are usually managed by a local partner, but Trace staff are always involved in the assessment, monitoring and evaluation process. A contract between the grantee and the foundation delineates the responsibilities of each party involved in the project. A reporting system is also in place, which requires the grantee to file an annual narrative and financial report to the foundation.

Q. What is your relationship to the Chinese government in your grantmaking?

A. Trace has very good working relationship with the Chinese government, both at regional and local level. All Trace projects involve and actively seek input from the local authorities, thus giving the local officials a chance to see what Trace does and offer its contribution. Trace projects are in line with the local policies and regulations and are for the benefit of the local population. Trace Foundation has signed a Memorandum of Understanding with the regional and local government in each area where it operates. The MOU is approved by the government and allows Trace to operate in the agreed areas.

Q. What kind of resources do you use to facilitate your work in China?

A. Trace Foundation attaches great importance to local people and local knowledge. Trace's local staff is a very important resource in all Trace projects. In addition, Trace also maintains good relationship with other NGOs and constantly exchanges ideas and experience of each other's work. The experience of Trace also shows that it is crucial to understand the guideline and policies of the government. Thus, Trace staff members spend a lot of time doing research on relevant government policies and analyzing them in the local context.

Q. What kind of advice would you give to first-time grant-makers to China?

A. Find the individuals or institutions that know the people and culture in your project area. Always talk to other organizations that have worked in the same area or field. Conduct extensive research to understand the local situation. Do not duplicate the efforts done by other organization (either local or INGOs). Last but not least, language is crucial to understanding the culture. Speaking the local language can be a great advantage.

For more information on the Trace Foundation, visit <http://trace.org>.

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ABOUT GRANTMAKERS WITHOUT BORDERS

Grantmakers Without Borders is a philanthropic network dedicated to increasing funding for international social justice and environmental sustainability. Our members, presently numbering

more than 400 individuals, include trustees and staff of private and public foundations, individual donors, and other allies in philanthropy. Grantmakers Without Borders taps into this wealth of resources to encourage globally minded grantmaking and provide learning opportunities for global donors. For those new to the field, we provide peer-to-peer guidance on international grantmaking. For current international funders, we offer a space for continued learning and community. In all our efforts, Grantmakers Without Borders is committed to the ideals of justice, equity, peace, democracy, and respect for the environment. We value and respect the wisdom and experience of local communities in all their diversity, and we are dedicated to amplifying the voice of the global South in international philanthropy. Founded in 2000, Grantmakers Without Borders is a project of the Tides Center.

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