

THINKING STRATEGICALLY ABOUT CIVIL SOCIETY ASSISTANCE IN CHINA



Helping the poorest of the poor in China through projects which are informed by the needs of the local communities they serve

An interview with Wolf Kantelhardt, Finance and Evaluation Officer, Misereor



CHINA
DEVELOPMENT
BRIEF



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Highlights from the interview

Misereor initially engaged mainland China through partner organisations in Hong Kong, Macau and Taiwan. These partners were culturally similar to the mainland Chinese recipients and thus were not as noticeable when visiting project sites or carrying out trainings. Direct partnerships were established in 1995.

Misereor's key goal is to help the poorest of the poor. In China there are still more poor people than in the whole of South America. This is also the reason why there is no internal discussions about pulling out of China. For Misereor it does not matter what kind of political system a partner country has or what kind of diplomatic relations exist.

Since Misereor cares about the poorest of the poor it believes that what is good for them is the right project. This means that a project supported by Misereor can also be implemented by a state partner. The state is also capable of embracing participation. Misereor's mission is to provide examples to the state in order to influence its decision making process rather than promoting a political civil society.

As Misereor can not sign project contracts with private persons only organisation can apply for project funding. One selection criteria is how experienced the applicant is in their line of work. Another important aspect is that the project initiative should come from the target group itself, and not from someone who is only close to a target group.

Some traditional partners of Misereor such as the China Foundation for Poverty Alleviation (CFPA) have underwent a major transformation. CFPA used to be an organisation with a very strong government background who often implemented projects through the governments poverty alleviation offices. Now they have become a strong supporter of local NGOs.

Misereor likes to support ambitious projects which tackle deep-seated problems, e.g. in the field of old age poverty in rural areas. One problem is that prices in China have risen considerably. Misereor's funding limit of 25.000 Euros was enough to support a two-year project in the past. But nowadays this is hardly enough for a one year long project.

In China it is very difficult to have partner organisations which work on an equal footing. Often one of the partner organisations which is able to deal with project funding in a very accountable way takes the lead. This partner would receive a big project and then would be in charge of providing small projects or trainings to grassroots NGOs.

This interview was conducted by Dr Andreas Fulda in Beijing, China on 23 July 2014.



Interview transcript | Wolf Kantelhardt

Andreas Fulda (AF): Misereor has been active for more than 50 years. When did you also start engaging mainland China?

Wolf Kantelhardt (WK): Our engagement started in the late 1980s. Back then we did not have any direct partnerships in mainland China. We partnered with organisations in Hong Kong, Macau and Taiwan. We started establishing direct partnerships in 1995.

AF: What explains Misereor's engagement with mainland China through Hong Kong, Macau and Taiwan?

WK: In the 1980s there did not exist sufficient knowledge about China's civil society for Misereor Headquarters in Aachen to identify good partners in mainland China. Instead, Misereor chose to work through partners which were culturally similar to the mainland Chinese recipients, such as Caritas Hong Kong. Our colleagues in Hong Kong also had the advantage that they would not be as noticeable when visiting project sites or carrying out trainings.

AF: Misereor has been very active in Africa and South America. What was Misereor's motivation to also engage with mainland China?

WK: Misereor's key goal is to help the poorest of the poor. This includes all countries, and of course also China. In China there are more poor people - even today - than in the whole of South America. This is also the reason why we do not have any internal discussions about pulling out of China. It does not matter what kind of political system a partner country has or what kind of diplomatic relations exist. Such questions are fairly irrelevant to us.

AF: China has changed quite a lot in the past twenty years. To what extent have the projects of Misereor changed?

WF: In the beginning we supported projects which were implemented by Caritas Hong Kong or Caritas Macau. These were church-based partner organisations. They partnered with other church-based organisations in mainland China. Local church partners in mainland China mostly applied for funding for kindergarten, rural clinics, or retirement homes. We would no longer fund such projects. This has something to do with the changed partnership models. Since Misereor directly engaged with mainland China we also started partnering with secular organisations, e.g. NGOs, research institutes at universities, even state organisations or GONGOs. The partnership spectrum has expanded greatly in recent years. Also we are active in more sectors than before. Traditional church-led project proposals usually asked for building costs of kindgartens or retirement homes and did not even include management costs. The focus was very much on hardware. For a while we constantly received water project proposals. It seemed that many Chinese dioceses were convinced that we were keen to support water-related projects. So many of the local partners applied for such projects, even if they knew that this had very little to do with their real needs.

In China there are more poor people than in the whole of South America

It is a slightly paradoxical situation, which can be explained by our strong partner orientations. If you ask farmers in northern China what they need they usually say that they need a well. So in this sense there is nothing wrong to start with a water project. The problem we often encountered was that many projects stopped at the level of providing a water well, the water group disbanded and water fees were also never asked for. This meant that no real development took place but instead there was one more well. These days we see that dioceses which have been working with us for a long time have undergone a major transformation. They are no longer donor-driven but develop project proposals which are informed by the needs of the local communities they serve. Let me provide you with an example from Wenzhou. We had a catholic social centre which had applied for an HIV/Aids project. They knew that western people consider this a serious problem. But their priest established contacts with a centre for disease control and found out that many more people die of rabies rather than HIV/Aids. This led him to change his project proposal and to apply for funding for a rabies awareness raising project. We decided to fund this project which we later considered quite successful. Once you know the partners better and they understand why some projects are being supported or rejected, and they no longer consider project applications as a kind of lottery then you witness a big qualitative development in terms of the project proposals.

Project proposals have to be informed by the needs of the local communities they serve

AF: What are your key criteria for the selection of civil society initiatives in China? How do you set priorities?

WK: When we are being asked this question by potential partners we usually reply that there are only two criteria: you have to be an organisation, since we can not sign project contracts with private persons. This is the first criteria. The second criteria is that we require some previous experience of our prospective partners. If someone was to start anew, without any kind of previous experience, we would not consider his or her project proposal. We have never done this. Apart from these two criteria we are very flexible. Another important aspect is that the project initiative should come from the target group itself, and not from someone who is close to a target group. We had an interesting case with the China Foundation for Poverty Alleviation (CFPA), a very good and long-term partner of ours which we have been working with for twenty years. They applied here in China with the Asia department of Misereor for a project they were planning to carry out at the horn of Africa. They are also very active in Africa. In response our Africa department made the case that Misereor was unable to support this initiative. If a project was to be implemented in Africa an African partner needed to apply for funding, not a Chinese organisation. This is the same here in China. We also would not support the project proposal of someone who identifies problems in China but can not guarantee the local ownership of such project initiatives. Of course we are also aware of the problem that when we are saying that we want to work with the poorest of the poor and at the same time we ask for structured budgets and English-language project proposals with logical frameworks and impact monitoring there is a huge tension. This is also why we need intermediary organisations such as NGOs which can bridge the gap between our headquarters in Aachen, Germany and the poorest of the poor in China. What matters most is that the initial idea has to come from the local population.

The experience of a partner organisations is an important selection criteria for project proposals supported by Misereor

AF: Let us talk about some of your partners, and in particular about the organisational form of your partners. You mentioned the China Foundation for Poverty Alleviation (CFPA). CFPA has a strong government-background.

WK: This is true only to an extent. The CFPA used to have a very strong government background. A lot of old revolutionaries went there to contribute their share. But by now, I consider CFPA to be one of the strongest supporters of China's civil society. Among China's foundations they seem to enjoy some license, which can be explained by their political backing. After the Yushu earthquake the provincial government of Qinghai asked that all donations should be transferred to government accounts so that the government could coordinate the reconstruction effort. CFPA was the only foundation which refused to do this, but implemented its own projects. CFPA also initiated a study to find out how much of the money that was donated for the Wenchuan earthquake made its way into government-held accounts. My impression is that CFPA has undergone a major transformation. They used to be an organisation which was raising funds for the government's poverty alleviation bureaus so that they could implement projects. Now they have become a strong supporter of local NGOs. They implement a number of fascinating projects in the fields of rural social work, e.g. elderly care in rural China or rural cooperatives. Just like we do they are checking very carefully that in the project implementation team there is at least one person who is from the project location and who can ensure the sustainability of the project once it comes to an end. The project which I find best is being funded by Intel. They tendered the project and did not choose the project themselves but instead invited representatives from fairly experienced NGOs such as Hefer International and OXFAM to do the project selection. Of course they also have their own representative in the selection committee, but they did not make up the majority. In the long run they want an NGO consulting agency to work with the partners at the local level. CFPA thus is not directly involved in the project implementation. So in comparison to the past they do some fantastic work. Think of their previous work, such as the aixin baoguo, the backpacks for children. They are perfectly aware that such a project is hardly help for self-help. But on the other hand this is what people donate money for. This highlights the problem to find out what people really want.

Misereor's partner organisation CFPA has undergone a major transformation

AF: There are indeed GONGOs which have become more grassroots-oriented. According to your experience how much of your funding support is geared towards Government-organised non-governmental organisations (GONGOs) in comparison to grassroots NGOs?

WK: What about universities? If you include universities and GONGOs one third of our funding goes to such partners. These are our big projects, not in the sense of the number of projects but in terms of the funding value. Another one third of our funding is being provided to church organisations and the remaining one third is geared towards the grassroots. When I talk about grassroots level this includes a great number of very small projects.

Misereor's funding priorities in China

AF: Do you provide seed funding for Chinese civil society organisations (CSOs) or do you mostly cover activity costs for projects and programmes? If you provide both, what is the funding ratio?

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WK: There is no fixed rate for NGO overheads. We do not limit management costs in relation to project costs. On the other hand we also do not have a fixed rate for overheads. This means that overheads can exceed 10%. When I speak of overheads this also includes training costs of co-workers, capacity building, English-language courses etc. When the overhead costs exceed 10% they need to be justified in detail. What a prospective partner can not do is to simply state overhead costs of 15% without providing a justification. It can be more but it needs to be explained. We handle this differently from other foundations. This becomes an issue when a partner is seeking co-funding. This makes it very difficult for a partner. In the case of Misereor they need to produce a receipt for everything they claim. Another funder may stipulate that they can take 10% of the overall project sum and this sum is yours. This can also lead to misunderstandings. Partners have sometimes assumed that if they reduce the overhead costs, e.g. by paying their staff less that they can use the savings to buy an office for their organisation. This is something they can not do with our project funding. Only incurred costs with receipts will be reimbursed. Whatever has not been spent has to be returned to Aachen. This led to great disappointment among some partners who had not been told about this clearly enough prior to the beginning of the project.

Not all Chinese partners were aware that underspent project funds need to be returned

AF: What is the source of Misereor's funding? Do you primarily work as a client of the German Federal Ministry for Economic Cooperation and Development or do you also raise funds through church donations?

WK: There are three sources. The most important source is the German government. The German Federal Ministry for Economic Cooperation and Development provides more than 70% of the funding sources. This is the money can only used for relatively well established partners. With these partners we can be rest assured that they will be able to implement three year projects and provide us with bi-annual audit reports. In some years we can draw on church resources. Such funding is provided by the catholic church in Germany. Such sources are not available every year and it mostly depends on their budgetary politics. The remaining sources of fundings are raised by Misereor itself through donations. They are provided from private people. They donate mostly before Christmas or Easter in the context of fundraising campaigns. We like this source of funding best since it allows us to support very creative and innovative initiatives on an experimental level.

Sources of funding

AF: Can you provide some examples of a very experimental initiative?

WK: Sometimes we have people who want to engage in advocacy. HIV/Aids infected people often can not obtain services at hospitals in China and have to go to special clinics provided by the CDC. The latter are specialised for people with HIV/Aids but do not have the technical appliances for surgeries on the heart or liver. These clinics are only there for infectious diseases. This means that health services for HIV/Aids infected people in China are effectively restricted. We had someone approaching us who said that he had been doing similar work for haemophiliacs. This person managed to get a number of medication included in state-approved lists so that insurances would pay such costs for haemophiliacs. He proposed to do similar work

Pros and cons of
experimental projects

for HIV/Aids effected people in some counties in Henan province. It is possible that he will be successful since he employs a very cooperative approach. But it is also entirely possible that he will not succeed at all. After all it is Henan province and it could be that he will not even be able to enter the communities. In such a scenario nothing would be accomplished during the two years. If we would support such a project with government sources we would need to explain in our reports on impacts that we did not achieve anything. That would not be a good result for Misereor. But on the one hand we do not consider a project that did not achieve its goals as a failure, since people at least tried and tried to explore new pathways to solve problems. We really like such more ambitious projects and support them wholeheartedly. One problem we see is that prices in China have risen considerably. Our funding limit is 25.000 Euros, which means that this was enough to support a two-year project in the past. But nowadays this is hardly enough for a one year long project. Our project partners have to rent an office space, hire a finance person and a part-time accountant and then most of the funding is already used up. This is a problem which all donor organisation have to face that prices have gone up. Only our catholic sisters are capable of running a three year project with this amount of money. They hardly use any money for their house visiting project, and they don't take any salary for it.

AF: Let us continue to talk about innovative partnership models. Do you prefer a particular type of partnership model over another, e.g. a single entry partnership model of a maximum of two organisations over a multi-entry partnership model of two or more partners?

WK: We only support one partner as an implementing agency. There is no space for two implementing agencies. For government-funded projects, the grantees have to provide a contribution of 25%, which they either provide themselves or through third party funds. In a sense this is a multi-stakeholder project since it involves another funder. Also, this makes it very difficult to account for costings. When another funder gets involved they usually sign project contracts with a different kind of budget. Or they sign the project contract one month in advance or six months later than us. It is then very difficult for the partner to produce one audit report for such a co-funded project. If third party funds are provided by government sources this means that such funding is bound by the calendar year. This is also why we do not support project networks. But of course we have some partners who manage their own network.

AF: Does this mean that the partnership model is mostly shaped by budgetary constraints or do you also have other pragmatic reasons to opt for a single-entry model?

WK: I think in China it is very difficult to have partner organisations which work on an equal footing. We have tried once to let three dioceses jointly manage a training fund for sisters. This did not work out at all. The key question was who would be leading the project. To my understanding this is also the case among projects run by NGOs. In pragmatic terms you would need to decide to let one of the partner organisations take on the lead and justify this by pointing out that you have been working with this organisation for quite a while. You could further point out that this partner has been able to deal with project funding in a very accountable way.

Why Misereor has
opted for a single-
entry model of
cooperation

This partner would receive a big project and then would be in charge of providing small projects to grassroots NGOs or provide trainings for grassroots NGOs with local trainers. This could make sense when you need a trainer who is more accustomed to the local circumstances in comparison to someone from Beijing. So while we like such cascading projects we do not support network projects as such. But let me think. We once had a project with Friends of Nature. It was about environmental awareness raising for children in primary schools. They started by training volunteers in Beijing which they subsequently sent to all parts of China to engage with schools. Their approach was quite unique since they would not simply go into the classrooms but would take the children out into nature. Over time they realised that the whole project budget was consumed by the travel costs of the volunteers.

This led to the realisation that it is better to select small local environmental NGOs to do this work. They are better positioned to do this kind of work, since they can visit the schools every week or arrange for school trips. Environmental education in the very arid Gansu also needs to be conducted differently from the coastal regions of Zhejiang. This is a network of sorts but for us the partner remains Friends of Nature.

Trickle-down effect of capacity building projects

Friends of Nature played the role of a big brother in relation to the smaller organisations. I never heard that smaller organisations would complain about such a partnership model, for example that they felt that they were being dominated by the implementing organisation. I guess the absence of such complaints can be explained by the willingness among our local partners to learn. Whenever they have a chance to learn something they do. Whenever a trainer from Beijing visits them they are very grateful. Also in the case of one of our partners in Gansu which is providing capacity building for organisations in Ningxia, Qinghai and Gansu I have never experienced during any of the trainings that smaller partners were unhappy about this arrangement. It is actually quite the opposite. We often hear that our smaller partners ask us to provide funding through a bigger organisation, so that they can communicate everything in Chinese with this bigger partner. The latter then communicates with Misereor in English. This also means that the money is no longer coming from abroad and is being disbursed in RMB. All of this helps to reduce the sensitivity of funding. I do not see a lot of complaints among grassroots organisations.

AF: Does Misereor have an organisational view of Chinese civil society? If yes, how would you describe it? If not, who is framing the discourse about China's civil society in your organisation and how?

WK: We now have a new department at our headquarters in Aachen, which deals with global issues. I think that this is where they will have a more theoretical debate about issues such as this. They have subject specialists which are attending international conferences. I am not quite sure though how much this affects our partners in China. This is something we can not do for linguistic reasons. I also think that our partners are also not that interested in such debates. I have often participated in trainings which describe the three circles representing state, business and ourselves in the civil society sector. This exercise is useful since it shows that we have a right to exist. I have never experienced that someone would challenge this conceptualisation and provide a different point of view.

AF: Not just from a theoretical point of view, it would be possible to define civil society in very political terms. With such an understanding you could include democracy, human rights, constitutionalism to be also included in such a political definition of civil society. What you are describing is a very broad sociological definition which is very inclusive and which from my point of view makes a lot of sense in the Chinese context. This is why I am asking about your specific understanding of civil society in China. Do you feel you have a more political view of civil society or are you more motivated by a humanistic orientation?

State partners can also be effective in pro-poor projects by using participatory methods

WK: We care about the poorest of the poor. What is good for them is the right project. This means that a project can also be implemented by a state partner. At the moment this is not the case but we do not exclude this possibility. I remember we had government people working a project in Sichuan which involved the Yi minority group. They were very much engaged with the target group and tried to use participatory methods in their work. Farmers were actively involved in their planning process. The state is also capable of embracing participation. This is our mission to influence the state rather than promoting a political civil society.

AF: In a way you are emphasising participation...

WK: ... in order to make a project successful. I would say that without such participation a project is likely to fail. It is a means to an end. It is about involving all relevant stakeholders. In the case of the Yi minority for example this also includes shamans. The government official I was thinking about also involved the shamans. I think that people in the West have a slight misconception of the situation in China, thinking that cadres want people to suffer. That is not the case.

AF: I also picked up from the other interviews that the inclusion of people is very important, not only for instrumental but also other reasons.

WK: Let's say we had a proposal for a community-based project which provides services to twenty mentally disabled people. Misereor would consider such an initiative as useful but would not support it since services for twenty people is too small a number given the sheer size of China. This means that a project needs to have a component which will lead to higher societal acceptance for people with mental disability, for example by providing more information about people with mental disabilities. If we make this one of the project goals we also need to be able to monitor the outcomes and impacts of project activities. This means that we need indicators for monitoring the project's ability to influence society or for the project's effectiveness of spreading knowledge about people with mental disability. It is very difficult to come up with good indicators for such outcomes and impacts. I think that each project should have a component such as this. You could call it human rights although we would not necessarily label it this way here in China. But I really wonder whether respecting the dignity of human beings is very political. Should this not be considered a very natural thing to do?

Respecting the dignity of human people

AF: You talked about how people are being involved in projects. What are your expectations for the next 5-10 years in the way project initiatives will be implemented or in the way civil society actors will be included?

WK: More and more donor organisations are phasing out their work in China. Arguably this leads to a greater dependence of NGOs on Chinese government funding. This is a negative view of this development trend. At the same time you can also see this as a positive development since state institutions seem to increasingly realise that NGOs can do certain things better than government agencies, for example managing a second hand supermarket. This means that there is a greater willingness to support NGOs. I think that this is the key change that is taking place. More and more NGOs rely more on Chinese government funding and less and less on foreign funding. This could lead to an increased emphasis on services rather than rights. Whether or not this is a bad thing for people in target groups is hard to say. In a sense you need both services and rights. This is why I think it is too early for western donors to retreat from China. But you can also hardly complain about Chinese NGOs turning to the state. Just imagine a community-based service NGO which is offered a 120 square meter office space from the state-backed China Disabled Persons' Federation in a high rise building at the outskirts of a big city - for free. What are they supposed to do? Shall they accept this offer or not? If you reflect on the rising rents in the inner cities it could be very difficult for them to find an equivalent space which allows the organisation to make disabled people more visible in society. The parents of these disabled children who have to pay monthly fees for having their children looked after would not appreciate the constantly rising fees. They would probably accept the offer and try to influence the China Disabled Persons' Federation to realise that it is better to work in small groups of disabled people. I am not the person to judge such decisions, since I am not the one who has to pay the salaries of the co-workers. I think that this is one of the major changes that Chinese civil society will have to deal with. In western parts of China many NGOs had to close down, in particular those who had taken American funding in the past. I do not think that they will remain shut indefinitely. They will reemerge with Chinese funding. On balance it appears to me that these organisations hardly worked in very political ways in the past. Let us take a rotary water project. This was just a water project. For the Chinese government to fund such an initiative will not make a huge difference. But of course there will be small differences.

Pros and cons of Chinese CSOs turning to the state for funding opportunities

AF: What kind of change would Misereor like to see on the individual, organisational, societal and/or policy level?

WK: In the case of China one change that one could hope for is that the economic system will become more people-centred. Just have a look at Beijing, even on a clear day. It is not a very nice city. In addition things have become very expensive. People work so hard for their money. Then you realise, this is the country that everyone seems to look for in terms of double-digit economic growth, and despite all this people do not enjoy much improved living standards. I think that more and more people are expressing their discontent with this. People feel less secure, they need spend enormous amounts of money in hospitals in case of sicknesses, they feel that there is very little social protection. In a way the money exists for a better rural pension system, for a comprehensive rural health insurance system. If changes could be

Need for a more people-centred economic system

be brought about in these areas we could consider the development aid successful. In such a case no more foreign funding would be necessary. In that case the Chinese people would do this for Chinese people. But the current situation is unsustainable. Take air pollution in northern parts of China as an example. Or look at the wealth gap which clearly does not benefit anyone. For neither of the two problems there are quick fixes. This is not unlike in some parts of the west where we also struggle to deal with the widening wealth gap. This is the great vision so to speak. It would be desirable if we could make some progress in these areas. These are topics for our partner Centre for International Business Ethics, but they are university-based. Their work is fairly removed from target groups though. Of course it also all depends on the people involved. Sometimes you have people who motivate their students to care for migrant workers. But then you have project initiatives which are centre exclusively around the question which kind of CSR indicators are best. These activities often remain at the theoretical level and implementation is not even discussed. In a way more should be done or better ways need to be found.

Gap between desirable system-level changes and the limited contribution projects can make

AF: In a way there is a huge discrepancy between the vision and the reality of projects and programmes. From a humanistic perspective this is not a big problem. At times it is not quite logical how the project's contribution on the individual and organisational level leads to outcomes and impacts on the societal level.

WK: This is always very difficult to measure. We have provided support to a small elderly home in Hubei. Arguably this is only one elderly home. But then there can be possible synergies, for example if the project links up with the Women's Federation. If they consider the project successful and see that all beds are occupied and that fees are being paid - not much, just 500 RMB per month - and that the project receives visitors from the provincial or national level Women's Federation, in such a case the project is quite successful. This is what happens quite frequently.

Ways of scaling up successful pilot initiatives

Sometimes it also helps for our partners to show to that foreign donors have helped drill a well, which puts pressure on the government to also become more active. This can lead to reactions by the government to build roads between the village with the well and the next bigger motorway. That has happened before. Of course the ultimate goal of restructuring China's economic system still remains fairly distant.

I do not think that this can be achieved by western people asking China to change its economic system. This desire needs to come from within China and be articulated by Chinese people themselves. If a service project gives voice to these people this is a very legitimate role for us to play. But it is not our role as a Germans to tell the Chinese which economic system fits best in the Chinese case.

AF: What conclusions do you draw when you realise that the anticipated change has not been achieved by the civil society initiative supported by your organisation? Do you accept failed projects or projects that could not achieve their objectives?

WK: The problem here is a different one. Sometimes the partners themselves realise that the groups they help come into being with project funding immediately disband after the end of the project cycle. When they realise this they start making changes to the project without giving us a heads up. One of the problems is that we are then informed after the fact. It very seldom happens that we have to tell a partner that the given project is not achieving its stated goals. The project partners are the first to realise this. And if a project partner was trying to disguise this fact they could think of ways to blindside us. Most of the time our partners are very committed to the project goals. The only problem we see is that once they have signed project agreements they are a bit too flexible in adjusting the projects to new circumstances, to make sure that the project has as great an impact as possible. We very seldom see that people implement projects according to the originally devised plan although they have already realised that the project no longer makes any sense. Our problem is a different one. We may have someone who is a coal worker himself and Misereor has been providing funding for his work. The project was discussed one and a half years ago and the funding was approved six months ago. This person may state that the past agreements are no longer binding since new opportunities have emerged, for example the possibility to work with a labor union. In such a scenario it can happen that such a partner works on something entirely different to what was previously agreed. From his point of view this may be the best to achieve progress for his fellow sick coal workers. Such a project we would not consider as failed. But of course this would make the financial management of such a project quite complicated.

Sometimes project partners tend to be too flexible in adjusting project goals without informing Misereor

AF: What do you consider realistic outreach goals for civil society initiatives funded by your organisation? Sometimes project goals may be too ambitious or not ambitious enough. How do you have a conversation with your partners which makes sure that you are neither overburdening them nor demanding too little from them.

WK: The biggest challenge for our partners is to come up with the 25% matching fund. This is very difficult, in particular for migrant organisations or NGOs working on HIV/Aids. Very few people would donate to such causes. It is a different situation altogether if we are talking about scholarships for talented rural children. But this is not something Misereor is supporting any more, since this is something that rich Chinese are happy to donate for. At best we support the administrative costs for such initiatives. We would never cover the school fees. Asking for 25% matching fund is something where we run the danger of overburdening our partners. In terms of the outcomes or impacts it is important to note that the goals were set by the partner organisation itself. Here we only point out when they are too ambitious, e.g. when a partner wants to provide a great number of small grants to other organisations or a certain number of trainings per year without considering the scope of such a heavy work load. We remind them of some of the practicalities. For example if they suggest a particular trainer who is very busy we may point out that they may not be able to get hold of him or her. My feeling is that a lot of Chinese people do not really like our understanding of outcomes or impacts. In a way what we are asking them to do is to commit to an outcome or impact which they can not bring about by themselves alone. While it is easy to organise a vocational training and to enable thirty people. But whether or not these people will find jobs is an entirely

Matching funds are a big challenge for Chinese civil society organisations

Donors at times try to pre-determine outcomes

Monitoring and evaluation is another challenging task for many of Misereor's grantees

different matter. This depends on the situation on the market. These are goals our partners are very reluctant to commit to, but such goals are very high on the priority list of our government funders such as the German Federal Ministry for Economic Cooperation and Development. They really care about indicators on the outcome and impact level. In such a situation we would not ask our partners to commit to a goal which states that 99% of the trainees will find a job and get a higher salary as a consequence of the training. A mere 50% would suffice as well. But arguably this is a very theoretical debate. I am not quite sure that what is being stated in a project proposal in terms of monitoring and evaluation is necessarily being implemented according to plan. Let me give you another example. In one of our projects there was a component with a fundraising training. In this case we had an indicator that at least 50% of the participating organisations would receive government funding within a year. That was probably too ambitious. It is also very difficult to monitor. For example you would need to see whether organisations have received government funding previously. Here I am not sure whether or not we are overburdening partners with reporting requirements. After all they are already doing what they are supposed to be doing. They do their job well since they are experienced and locally connected. I am not sure about the wisdom of forcing partners to do all this monitoring and evaluation. They may consider this a waste of time and resources. They would need to follow-up with a lot of people in order to learn about the outcomes of their project activities. Arguably a partner could use their time in a more useful way. Of course we also have partners who themselves have very clear ideas about desirable outcomes and impacts. One partner for example suggested that all Chinese should have the right to chose their own doctors. In practice this would mean that someone from Guizhou can come to Beijing to see a doctor and later claim the expenses with their rural health insurance. To this applicant we said that while this is a worthy goal we also see too many problems in implementing a project with such a goal. Generally we have an open discussion with our partners. Sometimes partners can be quite persistent. We may object to parts of the project application. But if we realise that they are keeping coming back to us with a certain core idea this gives us second thoughts. After all they are Chinese who know their own country better than we do. So then we reconsider such project proposals. So we appreciate the commitment and persistence of our partners. All they need to do is to convince us of their ideas.

AF: What are your requirements in terms of project and programme documentation? On the one hand this is something that is a must for partner organisations in order to be transparent and accountable to their funders. On the other hand this is also a possibility for grantees to reflect on their practices. Project and programme documentation is not just a bureaucratic act.

WK: We seldom see reflections in partner's reports. Reports are mostly limited to the description of project initiatives. This is a shame. I noticed that many of our projects are in reality much better than they come across on paper. When you visit project sites and you realise that in a village there has been a major transformation, for example a year ago people would be very shy but a year on they are very happy to interact with you. They may have already started additional initiatives by themselves, e.g. by sending a delegation to the Department of Religious Affairs to apply for funding in order to rebuild their mosque. This is something we would never be able fund, but of

to fund, but of course we are happy to see such developments. The interesting thing is that such developments are seldom mentioned in official reports. They only mention that a water project has been implemented and that each household now has access to running water. They don't make the next step to describe what happened after they stopped having to fetch water for themselves. What did they do with the time savings and how have they tried to improve their village in other aspects? Our project partners are often surprised that to hear that we are interested in these outcomes as well. We do not have requirements for project reporting. If someone provides pictures in a report we are already quite happy. Of course we also point out to our grantees that good reporting can help secure follow-up funding. Also we sometimes ask them why they are doing their work the way they do. What are people thinking about your work? In the case of a priest this may be obvious, but in the case of someone with a good university degree it is not that obvious why they chose to work in a village. Since we do not always obtain good reports we actually visit project sites very regularly. This allows us to quickly gain an impression of the overall project situation. For example when I visit a migrant organisation in Zhejiang and every five minutes my project partner has to take a phone call of a migrant asking for help or every twenty minutes someone enters the room with a bandaged hand. This to me is of more value than someone who writes in his annual report that he provided 200.000 telephone advices and then when you visit the project site and you sit in his office the telephone never rings. Of course it could be that you visited the partner organisation at the wrong time, for example just after the Chinese New Year. But it is also possible that this partner does not really enjoy strong ties with the target group. It is also quite instructive to see how project partners interact with their target groups. Do they sit down with them and people come over or do they sit down and know the names of the various people. Do they speak the local dialect? These are things to look out for. Such people do not only visit the village when I am coming to visit but these are people who are there every week. Maybe the project partner even lives in the village. Misereor is supporting about 60 to 65 projects right now. If you include the travel time it is impossible to visit each project every year. In some cases we can only do so every two years. If we support a one-year project it can happen that we will never be able to visit the project. Of course that is not an ideal situation.

Good reporting can help secure follow-up funding

AF: In a way the project visits are of crucial importance to learn about the projects.

WK: Of course we also hear from other NGO activists what they are doing. We also meet them when they come to Beijing. This way we can see how participatory they are. Often they come in pairs of two. I observed that often only one person speaks. This allows me to see that this organisation has not really internalised the spirit of participation. In human encounters you can learn much more than by simply reading reports. Telephone conversations are even less useful for this kind of work.

Face to face encounters with project partners are often more important than written reports

AF: I noticed a lot of Anglo-Saxon donor organisations introduce concepts such as benchmarking or impact monitoring.

WK: Misereor has deliberately chosen not to publish an official project proposal document. We think that by asking such questions we would be too prescriptive. We had someone working for an HIV/Aids project and they did not include any women.

Why standardized
project proposals may
be counterproductive

When we realised this and asked about the lack of female participation the partner said that he was not aware that we were requiring female participation. The problem is that next year you can be rest assured that there will be a token female representative in the project. This woman would be involved not because our partner considered her an asset but because he realised that the foreigners are asking about this. What is problematic about this kind of approach is that we will never find out how much this woman has to say in the given project. In a way this is the case with many project requirements. If you are defining too many things a priori through schematic project proposals this may speed up the application process but we think that this also reduces the authentic nature of the project. We usually recommend people to first write a very brief project proposal in Chinese. This proposal does not need to be long, maybe one or two pages and should include a short budget. This will provide us with a rough idea what the person is planning to do. This allows to see which of our budget lines could be used. This way the applicant can write what he or she considers important, rather than just filling in a project proposal document. In a way it is the same with project reporting. For us gender is a cross-cutting issue. If we were to insist that gender to be mainstreamed in every project then our partners may do a lot and tell us a lot. But I am not sure whether would this really improve the project. ■