

Scanning the Horizon – Annual Meeting 2019

11 - 13 June 2019, Youth Square, Hong Kong

“Strengthening future international civil society organisation’s (ICSOs) adaptive and collaborative capacity on the rise of China”

Outcome

28 June 2019

From 11-13 June 2019, the International Civil Society Centre brought together a group of 25 global strategists and national country representatives, directors and programme managers, from 13 ICSOs, with nine expert ‘China watchers’ from diverse academic and philanthropic backgrounds. The key theme for the 2019 Annual Meeting was how to strengthen the future anticipatory and adaptive capacity of ICSOs to better recognise, analyse and respond effectively to China’s impacts and influence as a major global player. The meeting, which took place in Hong Kong, provided participants with the opportunity to exchange with a diverse group of peers and subject matter experts with domestic, regional and global insights in relation to this topic.

The three days looked at the landscape of future trends, opportunities and challenges for international civil society and China, and the strategic imperatives to understand and engage better with global China issues, both as individual organisations and as a sector. The meeting explored organisational strategy, processes and practices and preparing for partnerships with Chinese actors, as well as three thematic drivers: (i) the Belt and Road Initiative (BRI), (ii) Chinese participation in global governance forums, and (iii) the (future) impact of transformative technologies where there is significant Chinese innovation and investment capacity.

Global China is increasingly featuring in both the strategic and partnership processes of many ICSOs. In general, the BRI was the thematic driver most well understood and already being considered strategically by ICSOs, with Chinese global governance aims/ambitions perceived differently and with greater unpredictability by service delivery-oriented and rights-based ICSOs, and a more limited sector understanding on aspects of technology and innovation. More detailed summaries follow below for each theme/driver.

Agreed follow-up actions/next steps

After the meeting, the Centre is planning to further develop and document the pooled insights from our discussions, as a wider orientation guide to help senior sector leaders better understand and engage with the implications of China’s increasing global influence for their work. The document will include both strategic pointers and practical recommendations for ICSOs, on organisational strategy, processes, partnerships and programming, and sector knowledge and communications. These will be developed from July to September 2019, involving further interviews with some key ICSOs and other expert ‘China watchers’ unable to attend the meeting, and rounds of validation with a subset of key stakeholders from the meeting/sector. They will be formally launched and disseminated from October 2019.

Another agreed action from the event was to set up an email group for interested ICSO and China watchers to continue sharing communications, resources and knowledge on global China, for a six-month trial period after the meeting. This will be moderated by two of the ICSOs at the event. If you are interested in joining this group, please email vtongue@icscentre.org in the first instance.



High-level summaries of the findings/insights so far

For each theme/driver, the key summary findings from an advance mapping exercise, involving five of the ICSOs present at the meeting, were presented as background to the more specific ICSO and China watcher contributions. These are shared below, along with insights from discussions and presentations from the meeting sessions.

1. ORGANISATIONAL STRATEGY, PROCESSES AND PRACTICES

The key findings from the advanced mapping exercise were summarised as follows:

- China is increasingly recognised as a unique country in terms of its global ambitions and impact.
- Most of the ICSOs are broadening their China country strategies to account for China's global role, and describe themselves as being in an “exploratory” stage in engaging with China abroad. There is a growing consideration of China's prominence in cross-cutting issue areas, such as disaster management, business and human rights, and climate change mitigation.
- All the ICSOs acknowledged the need to find some form of “constructive”, “collaborative” or “propositional” approach, while several ones also highlighted the difficulties of combining justified criticism of Chinese policies with constructive engagement.
- Internally, the China or Hong Kong office or team usually takes the lead on China strategy issues, with a role as a knowledge hub, highlighting new developments, and co-ordinating exchanges with other strategy teams, regional hubs and/or representative offices.

Common challenges include:

- ICSO strategies have to deal with a high degree of uncertainty over China's future trajectory, regarding both its future geo-economic impact and the general evolution of political attitudes towards Western countries and actors.
- Establishing first contact with Chinese actors abroad remains a major obstacle.
- Finding funding for strategic thinking on global China issues

Strategists highlighted that when they had done internal exploration with their country equivalents, there had often been more happening in relation to China than they had been aware. More centralised or regionalised efforts to support other country offices in engaging and understanding global China issues have successfully started with existing entry points to add value to the current initiatives on which they are already working e.g. providing additional technical capacity.

Key emerging lessons/elements of successful internal knowledge management models for global China are being:

- 1) **Adaptive** – staying responsive to complex and unpredictable change from outside and within, and understanding what does and does not work,
- 2) **Networked** – combining expertise and knowledge across country and thematic/technical teams, and coming together *ad hoc* for different timeframes according to the need of individual initiatives (from a few weeks to years) and specific function,
- 3) **Horizon scanning**, to deliver both broad and shallow analysis and deep and narrow action, structured learning and understanding of how change is happening at a system level – based on data and evidence, and explicitly testing assumptions, planning iteratively, and adjusting action, theory and design.

Broader organisational efforts which some ICSOs have already been making to develop more adaptive internal ways of working, and building staff political and power analysis skills, will also stand them in good stead in the context of global China. The importance of backing up one's cause and arguments with solid data and evidence of technical expertise was consistently highlighted as critical when engaging with Chinese stakeholders. An emerging theme was the



lack of skills or knowledge on global China issues in colleagues located in other country offices or programmes, but also the underutilisation of the capacity which did sit in the China country office or programme (where this exists). However, there can also be internal tension within organisations between more pragmatic approaches and strategies used by the China team/office domestically, and perhaps more principled and critical outspoken positions taken by other countries or teams within their same organisational federation or ‘family’ structure. This can create complex internal tensions which need careful balancing – can both be effectively or openly achieved under the same ‘brand’, can one be achieved without jeopardising the other? Or do we need to improve cross-sectoral coordination among different ICSSOs to divide up the tasks of principled advocacy and pragmatic engagement?

Other ICSSOs made a compelling case that global China should be seen as an important cross-cutting horizontal theme across all organisational strategies, as the BRI is clearly already impacting many of the countries and communities in which they are working. One ICSSO noted that 50% of the countries in which they have a presence are included in the BRI, and there were also Belt and Road projects located in or near a similar percentage of project sites. This sheer scale of impact/influence and the need to understand and mitigate related risks, and identify potential opportunities for engagement, means that a proactive approach is vital, and that global China/the BRI should be an integral part of the political and economic landscape analysis of each country where an ICSSO operates. With the potential escalation of the US-China ‘trade war’, Chinese interests and investment in other countries is likely to further increase, presenting an even greater strategic imperative for ICSSOs to engage proactively in improving their understanding of these issues. ICSSOs will need to regularly update their context analyses on China’s foreign relations, and revisit the implications of this on the assumptions underlying the ICSSO’s current approaches.

2. PREPARING FOR PARTNERSHIPS WITH CHINESE ACTORS

The key findings from the advanced mapping exercise and presentations were that:

- Academia and ‘civil society’ (mostly referring to government-organised non-governmental organisations (GONGOs) and umbrella organisations) are the most accessible dialogue partners in China for direct engagement China on global issues,
- More and more Chinese CSOs are looking for “going out” opportunities, although they still lack experience and organisational capacity to have a lasting positive impact overseas, and to date have primarily limited involvement in humanitarian aid for natural disasters (relief only), and replicating what they have been good at doing domestically, such as building schools. They are ‘without’ four major capacities – stable sources of funding, long-term projects, local staff, and space to operate/legal clarity about their possibilities for operations abroad.
- More meaningful changes to China’s legal framework will be needed to support Chinese CSOs’ internationalisation. Despite the official rhetoric encouraging “NGOs” to “go abroad” under BRI framework, there is still no adequate national policy framework to support their global engagement and capital transfer as well as tax regulations continue to pose major obstacles,
- Most ICSSOs are in an exploratory phase regarding partnerships with Chinese organisations, but pilot projects and initiatives have been launched with various types of actors, including: disseminating operational standards and good practices, capacity-building and international networking for Chinese CSOs, strategic partnerships with GONGOs and foundations, mediation between companies and local NGOs, university training programmes, practical attachments and regional peer exchanges, and hosting joint international events with umbrella organisations,



- Partnerships with Chinese philanthropic foundations are desirable yet difficult to establish. There is a perception among ICSCO participants that Chinese philanthropists operate “in a different world” from Western civil society organisations.
- Online fundraising through Chinese social media platforms – although currently not permitted for foreign NGOs in mainland China – is a rapidly accelerating trend and important opportunity which needs to be taken into account, if only as a possibility for Chinese partner CSOs who can be assisted in raising funds for (joint) projects online.

In summary, there is a great variety of pathways for engagement, ranging from informal grassroots support to open multi-stakeholder engagement, and the approach will be entirely contingent upon the ICSCO’s identity, strategy and previous contacts. However, some ICSCOs could be well placed to support Chinese CSOs with some of the challenges the latter face, which include legal and policy challenges, public awareness challenges, financial challenges, transnational operational and management challenges, and professional talent challenges.

Interesting insights from two ICSCOs which have explicitly reoriented their domestic activities to focus more on contributing to China’s constructive global engagement and building the capacity of Chinese CSOs abroad, included:

- the need to understand the perceived added value and risks also being taken by the Chinese CSO from partnering with an ICSCO, and
- stressing the importance of not, and not even expecting or trying to, publicly claim any kind of policy change or influence by the ICSCO, as this could jeopardise the partnership for the Chinese CSO. These emerging partnerships will require different ways of conceptualising, ‘expecting’, tracking and claiming impact compared to ICSCOs’ traditional ways of doing this.

3. THE BELT AND ROAD INITIATIVE (BRI) AND CHINA’S GLOBAL PRESENCE

The key findings from the advanced mapping exercise showed consensus on:

- BRI as a new label for Chinese foreign policy strategy, which is impossible to ignore and ‘here to stay’,
- The Chinese government is in a continuous learning process, one example of which is the relatively recent public support for Chinese CSOs “going out” and having an active role in the BRI’s “people-to-people” pillar,
- The perceived need for “greater stakeholder engagement” to improve both the BRI’s image and its added value for developing countries, and
- The growing Chinese presence has implications for Western donor engagement.

Uncertainties and disagreements included:

- Potentially differing local perceptions of Chinese presence,
- Whether there is potential for civil society to play a meaningful role in official summit formats such as the High-Level Belt and Road Forum, and
- Chinese companies’ openness to dialogue with civil society.

Common themes were that Chinese stakeholders – government or companies – are historically not familiar with ICSCOs (outside of China) and are also in a ‘learning phase’ when it comes to engaging with and understanding our role and value in other parts of the world. Experts who have engaged extensively with Chinese businesses also highlighted that they see their presence in other countries as being at the invitation of national or local governments, and compliant with the national laws of those countries. They do not have a significant experience or history of engaging with local communities domestically within China in terms of the impacts or influences of their activities and practices, so this is a learning curve for them as they ‘go global’ as well. There is an important role here for ICSCOs in terms of engaging with third parties with the skills to interloquite



between the different parties, e.g. Chinese researchers. There is also high-level political will to make BRI projects successful, which provides opportunities for potential engagement in terms of local perception and reputation, and smart definitions of ‘win-win’ and success which could align with rules and law-based frameworks. However, engagement efforts should continue to include national/local governments and local communities in BRI target countries.

ICSO’s direct engagement with the BRI so far include:

- Support and capacity-building for Chinese NGOs to engage in overseas activities,
- Participation in high-level forums such as the World Philanthropy Forum and Forum on China-Africa Cooperation (FOCAC), etc.,
- In-country engagement with Chinese diplomats, state-owned enterprise investors, etc., and
- Efforts to externalise successful existing partnerships in mainland China.

Suggestions from the ICSO contributors about strategic considerations for the sector include:

- Highlighting the potential positive contribution of ICSOs to the Chinese policy-making agenda, and build up their niche and reputation by developing and publishing evidence-based research, and potentially in conjunction with key think tanks in both China and the host countries,
- Facilitating dialogue and improving communication between Chinese and host country CSOs, governments and companies/investors, where ICSOs have the expertise, reputation and position to do this,
- Efforts to strengthen BRI projects from rules and law-based frameworks, recognising that the Chinese government and companies are also learning from ICSOs’ ‘community engagement’ approaches, and engaging where there is space to do so with corporate social responsibility forums and dialogues with Chinese corporations implementing B&R projects.

Exploratory discussions also included around better scoping out the collective potential for engagement with the evolving Chinese International Development Cooperation Agency (CIDCA) and the Chinese-initiated Asian Infrastructure Investment Bank (AIIB).

4. CHINESE PARTICIPATION IN GLOBAL GOVERNANCE FORUMS

More broadly, Chinese participation in global governance and economic fora was the driver where different perceptions between service delivery-oriented and rights-based ICSOs was most apparent. Analysis shows that China's engagement as a conditional supporter of the ‘post-war international order’ remains a complex work in progress, and there are different potential and unpredictable outcomes as we look to the future, from continued qualified support to more assertive challenges. As an international civil society sector, we need to become better both at engaging the Chinese government through these global governance processes, and also fulfilling a responsibility to support Chinese civil society’s engagement in them.

5. PREPARING FOR TRANSFORMATIVE TECHNOLOGIES WITH SIGNIFICANT CHINESE INNOVATION AND INVESTMENT CAPACITY

This emerged as the thematic driver (of the three explored) where the ICSOs in general have the most limited understanding of Chinese ambitions, aims, and investment/innovation capacity. Expert China watchers did stress that it can be difficult to track exact investments and actors, and there are also divergent opinions, strategies and tensions within China (e.g. between the central and lower-level governments, and companies), but there still appears to be significant ‘blind spots’ and lack of proactive knowledge-seeking in the sector as a whole on this issue. Most ICSOs are ‘observers’ of some aspects of some transformative technologies, whether this is from an potential ‘opportunity’ (e.g. satellite systems to strengthen conservation monitoring and



programming) or ‘threat’ (e.g. surveillance, social recognition and cybersecurity/censorship technologies) application/implication perspective. The ICSCO mapping interviews generally highlighted more questions and broad possible applications rather than concrete answers, identified more ‘opportunity’ than ‘threat’ potential, and only a few mentioned specific projects, initiatives, campaigns, partnerships or conversations with key Chinese actors/innovators in this area. Some Chinese local governments, notably Shenzhen municipality, have already set up foundations with the specific task of exploring possibilities of externalising Chinese technological innovations for non-commercial, public benefit uses in developing countries, likely as part of a Chinese soft power initiative.

Significant open questions remain regarding:

- Whether global development problems can be solved with Chinese technology, such as rural education, energy provision, hunger, recycling/waste management, how Chinese innovations can be used for public benefit in developing countries, and the role of ICSCOs in this process,
- Whether the ‘Made in China 2025’ central strategy for industrial upgrading in key technological areas, such as artificial intelligence and renewable energy, is a major ‘blind spot’ for ICSCOs, or overblown expectations. Either way, there is currently limited awareness and existing capacity within most ICSCOs to carry out this critical analysis for themselves,
- Whether potential export capacity and potential implications of some of the technologies at the more ‘threat’ end of the spectrum are as well understood by some of the more service-oriented ICSCOs as the rights-based ones, in terms of scale and application.
- China’s degree of adherence to international standards/norms for technology development. It has followed ISO norms in traditional sectors, but is developing its own standards for its own market in new sectors, like big data regulation. ICSCOs should continue efforts to influence international ethical frameworks, norms and standards for the development of new technologies, such as artificial intelligence, genome editing, and facial recognition, and engaging their Chinese teams/knowledge hubs within these broader conversations.