

CHINA’S ENVIRONMENTAL NGO GOING GLOBAL: A Journey of Challenges

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ABSTRACT

While Chinese environmental NGOs have made progress in internationalization, they also face various challenges. China’s increasingly important role in global production, consumption, trade, and investment underscores the importance of its NGOs in global environmental governance and sustainable development. Moreover, there is a growing demand from both domestic and international stakeholders for Chinese NGOs to engage in global dialogue and foster collaborative efforts.

As a China-based non-governmental and non-profit environmental organization focusing on environmental and developmental issues, the Global Environmental Institute (GEI) has prioritized promoting harmonious development of investment, trade, and environment since its inception. Since 2007, GEI has conducted research, implemented demonstration projects, advocated for the Chinese government to formulate policies on overseas investment, enhanced environmental governance capacity in host countries, and provided recommendations for the environmental and social work of Chinese investment enterprises abroad. However, the journey has been marked by challenges including a lack of supportive policy framework, limited funding channels, and a shortage of institutional capacity and professionals.

In response, this article proposes suggestions such as reformulating an overall strategy, planning, and incentive policy, encouraging multiple sources of funding, and developing an international environmental volunteer action plan. By addressing these challenges and promoting cooperation, Chinese environmental NGOs can play an even greater role in global environmental governance and contribute to global sustainable development.

I. CONTEXT

China's role in global environmental governance is increasingly significant considering its position as the world's second largest economy and its vast population. China's environmental performance has direct implications for global environmental governance. Domestically and internationally, there is a growing demand for Chinese environmental non-governmental organizations (NGOs) to participate in global dialogues and foster collaborative efforts. Given China's pivotal role in global production, consumption, trade, and investment, the integration of these NGOs in addressing key environmental challenges is crucial. The international community seeks participation, perspectives, and voices from Chinese environmental NGOs on critical issues such as sustainable investment, green supply chains, carbon reduction, and biodiversity conservation. Additionally, host countries who are the recipients of Chinese overseas investment are seeking constructive interactions with Chinese NGOs to understand policies and enhance local environmental and social governance. Initiatives like the green "Belt and Road" and South-South cooperation programs further highlight the essential bridging role that NGOs can play overseas. The transnational nature of environmental, climate, and sustainable development challenges propels the internationalization of Chinese environmental NGOs, facilitating the realization of global environmental governance systems and sustainable development strategies.

II. THE GLOBAL PRESENCE OF CHINESE ENVIRONMENTAL NGOS

In China, the presence of NGOs with a global outreach is comparatively limited. As a developing nation, China saw a late start and gradual progress in the NGO sector, which only began to flourish following the country's entry into the World Trade Organization, with a primary focus on domestic issues. Only a handful of semi-official organizations engage in cultural exchanges and promote international discourse, yet their direct involvement in on-site projects is minimal. Research into global engagement of Chinese NGOs, particularly those dedicated to environmental protection, is scarce. A 2018 survey conducted by GEI revealed that out of 30 NGOs surveyed, 14 were prepared to undertake international initiatives, focusing on environmental conservation, wildlife protection, and rural community development. Among these, eight have

been involved in global environmental conferences, and three have conducted projects overseas, including the GEI.¹

The following sections outline GEI's journey of going global, including the challenges encountered domestically and abroad and suggest strategies for improving policies, diversifying funding sources, and bolstering organizational capacity, leveraging nearly two decades of GEI's experience as one of the first Chinese environmental NGOs to be operated abroad.

III. THE JOURNEY OF GEI'S GOING GLOBAL

The Global Environmental Institute (GEI), established in 2004, is dedicated to promoting development that is economically, environmentally, and socially sustainable around the globe. Since 2005, GEI has been one of the first Chinese environmental organizations in expanding its efforts abroad, spanning Southeast Asia, Central Africa, and South America. GEI's work involves overseas investment trade and environment, energy and climate change, biodiversity conservation and community development, and marine conservation. GEI has made a significant impact through various activities. These include producing research reports, promoting policy recommendations, establishing international exchange platforms, facilitating multi-stakeholder dialogues, and cooperating with local governments and NGOs. Key areas of focus include overseas investment trade environmental norms, China-US track-II dialogue on climate, South-South climate cooperation, low-carbon transition, biodiversity and community agreement protection, and the national park system.

In its Overseas Investment, Trade and Environment Program, GEI promotes the implementation of policy recommendations through the drafting of reports and case analyses. For instance, GEI has played a pivotal role in shaping the environmental governance of Chinese overseas enterprises and facilitated the issuance of policy documents such as "*The Guidelines on Sustainable Overseas Forest Management for Chinese Enterprises*" and the "*Environmental Protection Guidelines for Overseas Economic Cooperation*."² Additionally, GEI establishes international platforms for exchange and capacity building in host countries, such as the China-Africa Forest Governance Learning Platform and the China-Africa Biodiversity Citizen Protection Alliance, to enhance communication and cooperation among stakeholders and reduce conflicts arising from information asymmetry. GEI has driven the signing of the Memorandum of Understanding on the China-Myanmar Forestry Cooperation, the China-Cambodia Forestry Cooperation Agreement

1. GLOBAL ENVIRONMENTAL INSTITUTE, CHINESE NGOS "GOING GLOBAL": CURRENT SITUATION, CHALLENGES AND POLICY RECOMMENDATIONS 5 (2016).

2. GLOBAL ENVIRONMENTAL INSTITUTE, UNDERSTANDING CHINA'S OVERSEAS INVESTMENTS GOVERNANCE AND ANALYSIS OF ENVIRONMENTAL & SOCIAL POLICES (2015); see also *infra* Box 1.

concerning the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), and the cooperation agreement on traceability of China-Brazil agricultural commodities supply chains. These agreements have promoted concrete cooperation in forest resource protection and sustainable management between China and these countries.

In the Energy and Climate Program, GEI supports the “Belt and Road” countries in achieving energy transformation and their Nationally Determined Contributions (NDC) goals through training and capacity building on low-carbon policy development tools, reducing reliance on coal power and promoting the development of renewable energy. GEI has facilitated the implementation and assessment of the China South-South Climate Cooperation Projects overseas. In its Biodiversity Conservation and Community Development Program, GEI has introduced community concession agreement mechanisms to Myanmar, establishing community-level protected areas and developing Eco-economies to encourage community participation in environmental protection and sustainable livelihood activities. In its Marine Protection Program, GEI promotes the China-ASEAN Mangrove Conservation Cooperation and the China-Myanmar Sustainable Fisheries Bilateral Cooperation, advancing regional mangrove conservation and sustainable fisheries development through research and practice.

IV. REFLECTIONS ON GEI’S ROLE AND IMPACT

When GEI was first established, it primarily introduced international best practices on environmental conservation policies and tools from abroad. For instance, it adopted the Conservation Concession Agreement tool from Peru and the low-carbon quantitative policy planning tool from the United States. These were then adapted to the Chinese context through localized practice. After years of demonstration and implementation, these proven policies and tools were then “exported” to other developing countries through GEI’s project cooperation overseas. Through this approach, GEI has carved out an international path of “bringing in” and “going out.”

A. *Pioneering in providing concepts and practical tools of environmental protection for the recipient (developing) country:*

GEI conducts capacity-building activities for government and non-governmental organizations in host countries to help them better understand key environmental standards and policies from China and internationally. As an NGO, GEI operates with flexibility, ensuring effective project implementation and aligning closely with grassroots needs. For example, GEI’s projects in Laos, Myanmar, and Sri Lanka have provided valuable practical experience to these recipient countries.

B. *Bridging environmental issues between China and other countries:*

GEI plays a pivotal role in connecting diverse environmental concerns across domestic and international spheres. It fosters trust and cooperation among local governments, NGOs, and communities. By facilitating dialogues among Chinese governmental agencies, businesses, and NGOs and international partners, GEI effectively bridges gaps and aids in the resolution of environmental conflicts.

C. *C. Ambassador of Chinese civil diplomacy (minjian waijiao):*

GEI establishes platforms and networks to promote dialogue and exchange between China and the “Belt and Road” countries on specific environmental issues, sharing China’s perspectives in outward investment, trade and the environment, energy and climate change, as well as community engagement in biodiversity conservation, contributing China’s experience and wisdom in global sustainable development to the international environmental discourse.

Box 1:

GEI’s Role in Shaping China’s Overseas Investment Environmental Policies

“The Guidelines on Sustainable Overseas Forest Management for Chinese Enterprises” (2007–2008)

In 2006, GEI identified the negative impacts of “illegal” logging by Chinese timber companies abroad on China’s trade relations and international reputation. To address this, GEI collaborated with the State Forestry Administration (SFA) and the Chinese Academy of Sciences to introduce a management system for Chinese forestry companies operating overseas. GEI conducted independent research in Myanmar and Cambodia, coordinated delegations from SFA and the Ministry of Commerce for on-site investigation, and held informal discussions with local authorities.

Based on these activities, GEI drafted the “*The Guidelines on Sustainable Overseas Forest Management for Chinese Enterprises*” and organized an expert seminar in 2007. The guidelines were then submitted as a policy recommendation to the SFA, leading to its official joint release with the Ministry of Commerce in August 2007. By February 2008, the SFA approved a pilot program for the Guidelines, issued notifications to relevant enterprises through provincial forestry departments, and GEI provided technical training to selected companies. The guidelines were formally published by the China Forestry Publishing House in June 2008.

“Guidelines for Environmental Protection in Overseas Economic Cooperation” (2007–2013)

Starting in 2007, GEI, alongside the Chinese Academy for Environmental Planning and the University of International Business and Economics, initiated an integrated approach to address environmental risks through the “Policy Package for Environmental Behavior of Chinese

Overseas Enterprises.” This effort included the development of research and guidelines aimed at integrating environmental considerations into China’s foreign investment and aid programs. By 2008, the Ministry of Environmental Protection sought feedback from the Ministry of Commerce on interim results of research and guidelines, laying a foundation for collaboration between two ministries. From 2009 to 2012, GEI continued to facilitate seminars and stakeholder workshops and provide case studies by conducting field visits to companies overseas. Two books were published, *Environmental Protection Policies on in China’s Outward Investment* in 2010, as the first of its kind, and *Going Global—Environmental Social Challenges of China’s Foreign Investment, Trade, and Aid* in 2012. The latter provided a comprehensive overview of the environmental and social implications of China’s global footprint. In 2013, the “Guidelines for Environmental Protection in Overseas Economic Cooperation” were officially released by the Ministry of Commerce and the Ministry of Environmental Protection. This pivotal document, which was the culmination of a five-year effort, set out to steer and standardize the environmental conduct of Chinese firms investing abroad.

Updated Environmental Protection Guidelines for Overseas Economic Cooperation and Engineering Construction, (2019–2022)

In June 2019, GEI embarked on a five-year project of “Sustainable Development of China’s Overseas Infrastructure Investments,” which aimed to enhance dialogue with stakeholders, assist Chinese enterprises in identifying and mitigating environmental risks abroad, and advocate for the adoption of robust standards and ESG practices. A cornerstone of this project was the goal of implementation, evaluation, and subsequent update of the original 2013 guidelines. In a collaborative effort, the GEI joined forces with the Policy Research Center for Environment and Economy (PRCEE) to gather insights through corporate surveys, expert consultations, and the solicitation of opinions from various government entities and international organizations. The revised draft of the guidelines, along with accompanying reports and policy recommendations, was presented to the Ministry of Ecology and Environment, receiving reviews and endorsements from high-level officials. The updated guidelines were jointly issued by the Ministry of Ecology and Environment and the Ministry of Commerce in 2022, marking a new chapter in China’s commitment to environmentally responsible and climate friendly investment.

V. MAIN CHALLENGES

The challenges faced by Chinese civil environmental NGOs intending to go global and participate in international affairs mainly include the following: a lack of domestic policy support, limited financing channels, and a shortage of institutional capacity and professionals.

A. *Lack of supportive policy frameworks:*

There is a lack of overall strategic planning, and incentive policies to support Chinese environmental NGOs in expanding their operations internationally. China's "White Paper on International Development Cooperation in the New Era," released in 2021, briefly mentions encouraging cooperation with NGOs. However, an inevitable reality is the inconsistency between the desire of Chinese NGOs to expand their international roles and official guidance. Currently, Chinese environmental non-governmental organizations going global are "self-initiated" efforts without clear policy support.

Although the Ministry of Commerce has methods for recognizing enterprises participating in foreign aid projects, there are no similar regulations for NGOs. The establishment of the China International Development Cooperation Agency in 2018 did not establish an NGO partner mechanism similar to those in OECD-DAC countries' aid systems. Chinese NGOs involved in and participating in overseas affairs are hindered at the implementation level by various policies, including the lack of relevant regulatory framework and tax policies that are being adapted to support the needs of NGOs.

B. *Limited financing channels:*

Financing landscape has always been a long-term challenge faced by Chinese environmental NGOs going global, with limited channels available for securing necessary funds. Philanthropic donations from enterprises and individuals within China are still in their early stage of development and has paid less attention on Chinese environmental NGOs operating internationally. Moreover, China's foreign aid strategy, which is predominantly focused on infrastructure and material assistance, often lacks the necessary channels for NGOs to apply for funds.

C. *Shortage of Institutional capacity and professionals:*

Weak institutional capacity and lack of professionals pose further challenges to Chinese NGOs. Despite initial steps toward "going global" by participating in related international initiatives and conference, they lack the manpower and expertise to implement overseas projects effectively. For example, Chinese foreign aid often faces criticism for its lack of sensitivity to local communities. This reflects common practices in implementing infrastructure projects (such as bridges, roads, and stadiums) through Chinese companies and contractors, which lack awareness of how to effectively communicate with communities during the process. Although theoretically Chinese NGOs can fill this gap, their role is still limited due to inadequate professional and language skills and/or lack of overseas experience.

The differences in social systems and cultures between China and other countries also pose significant challenges. Methods effective in

China often do not translate well abroad, leading to misunderstandings and non-cooperation.

VI. RECOMMENDATIONS:

Based on the challenges encountered in the past, this paper recommends that government departments, research institutions, civil organizations, enterprises, foundations, and other relevant parties jointly make efforts in three aspects: (1) Formulating the overall strategy, planning, and incentive policy; (2) Encouraging multiple sources of funding; and (3) Developing international environmental and volunteer action plans.

1. *Formulate the overall strategy, planning, and incentive policy.* First, develop an overarching strategy for Chinese environmental NGOs to “go global,” with long-term planning for policies, funding, and professional, focusing on demonstration projects in key regions (key biodiversity hotspots and environmentally fragile zones), and key thematic themes (biodiversity conservation, climate change, and sustainable development). Second, create systematic incentive policies for environmental NGOs going global, providing preferential support in areas such as taxation, foreign exchange, and participation in foreign aid projects.

2. *Encourage multiple sources of funding.* First, support a group of outstanding environmental NGOs to leverage official development assistance and government procurement funds for ecological and environmental protection diplomacy and on-the-ground actions overseas, focusing on resource mobilization, capacity building, and technical expertise. Second, government authorities should formulate and improve relevant policies or establish special matching funds to encourage domestic public and private foundations, as well as corporate and other private funds, to support environmental NGOs in international exchanges and on-the-ground project implementation.

3. *Develop international environmental volunteer action plan.* This plan can leverage existing international volunteer platforms such as the “China Youth Volunteer Overseas Service Program,” to broaden volunteer involvement in environmental issues. The young Chinese volunteers can be dispatched overseas for environmental services in other countries, fostering a cadre of skilled youths with international perspectives and professional capabilities for environmental NGOs and global environmental initiatives across various sectors.