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The China Foundation Rankings (referred to below as the Rankings) is an advocacy exercise launched in 2013 by five grassroots NGOs: the Love Together Public Welfare Innovation Organization (One Kilogram More), the Chinese Organization for Rare Disorders (CORD), Leling, the Social Resources Institute (SRI) and the New Citizen Program. Its purpose is to evaluate foundations/funders from the perspective of grassroots NGOs, and to independently release a ranking. The aim is to promote the positive growth of the Chinese charity sector and the effectiveness of grant making activities.

With the participation of 103 NGOs, the first Rankings evaluated 148 foundations and funders. 10 domestic and foreign organizations were honored with the 2013 Kumquat Award. This was the first effort to officially and rigorously place the relationship between foundations and NGOs in the public eye, and it attracted much attention and reflection. The Rankings were also awarded the Philanthropic Action Award in the Responsible China 2013 Philanthropic Grand Ceremony.

In 2015, the second Rankings were released. There were several changes: firstly, the scope of evaluation was enlarged in order to increase diversity. We randomly selected over 600 NGOs from the Basic Database of Chinese Grassroots NGOs and CDB's NGO Directory, sent them questionnaires and received 195 valid ones back. Secondly, 13 partners joined the 5 original founders and conducted crowd sourcing to raise awareness and funds for the Rankings. Thirdly, we set the theme *Fund to promote NGOs' organizational development* in order to stimulate more support from foundations for NGO development.

The investigation was started on June 1st 2015 and completed 80 days later on August 20th. We sent email invitations asking 600 randomly selected NGOs to evaluate their funders over the last two years. Their evaluations were based on seven parameters: **equal cooperation ,organizational development, resource channeling, flexibility, proper attention to projects, capacity building and sector promotion**. Meanwhile, the number of projects funded and the amount of funding provided by the foundations to grassroots NGOs were also investigated for the first time.

Over the investigation period 155 foundations were evaluated, out of which 93 were Chinese and 62 were from overseas. 23 foundations received evaluations from over 5 NGOs. The ranking lists are based on the scores of these 23 foundations. The top 10 foundations in the overall ranking list were honored with the 2015 Kumquat Award from the organizers.

Foundations and NGOs are both indispensable forces in the development of public welfare. Collaboration between the two sides is critical to the healthy development of the public welfare sector. Effective collaboration depends on more foundations placing NGO support into their organizational strategies. Because of the resources that foundations possess and the superior status they hold, as well as the relatively weak survival ability of NGOs, the power relationship between the two is often unequal. However, in order for social change to take place, the two sides need to work together. Going through a third-party evaluation as a way to explore communication and cooperation is especially important. In the past, it was foundations that evaluated NGOs, but NGOs have had few opportunities to evaluate foundations. We hope this evaluation event will serve to promote a dialogue between foundations and NGOs, and promote mutual understanding and collaboration between them so as to stimulate the development of the entire NGO sector.

Organizations Awarded

Beijing Western Sunshine Rural Development Foundation (北京西部阳光农村发展基金会)

Global Greengrants Fund (全球绿色资助基金)

Ford Foundation (福特基金会)

Xinping Foundation (心平公益基金会)

Zhejiang Dunhe Foundation (浙江敦和慈善基金会)

Narada Foundation (南都公益基金会)

HuaQiao Foundation (华侨基金会)

Oxfam Hong Kong (香港乐施会)

SEE Foundation (北京市企业家环保基金会)

Chen Yet-Sen Foundation (陈一心家族基金会)

2015 Overall Ranking List

Ranking	Chinese Foundations	Score	Feedback Amount*
1	Beijing Western Sunshine Rural Development Foundation	9.21	10
2	Xinping Foundation	8.68	8
3	Dunhe Foundation	8.58	13
4	Narada Foundation	8.24	23
5	SEE Foundation	8.10	11
6	Guangdong Harmony Foundation	7.97	10
7	Tencent Foundation	7.90	9
8	Zhenro Foundation	7.86	10
9	China Foundation for Poverty Alleviation	7.65	23
10	Alibaba Group Foundation	7.55	10
11	One Foundation	7.52	45
12	Shanghai United Foundation	7.44	17
13	China Charities Aid Foundation for Children	7.44	15
14	Yue Foundation	6.94	9
15	China Youth Development Foundation	6.92	6
16	Sichuan Youth Development Foundation	5.92	5
17	China Social Assistance Foundation	5.54	7

Ranking	Overseas Foundations	Score	Feedback Amount*
1	Global Greengrants Fund	8.99	5
2	Ford Foundation	8.80	6
3	HuaQiao Foundation	8.21	6
4	Oxfam	8.13	21
5	Chen Yet-Sen Foundation	8.08	5
6	Li KaShing Foundation	8.05	12

*For comparability, we only evaluate foundations with more than 5 feedbacks

About the Evaluation

The investigation focuses on the cooperation between foundations* and NGOs** and looks at foundations or funders that have provided financial support to Chinese NGOs over the past two years.

Financial support includes capital, goods, service purchases and other types of cooperation. In this report, the term is used with the same meaning as funding, and it is based on signed funding or contracts of cooperation finalized from January 1st 2013 to the time of the questionnaire survey.

Due to the different legal backgrounds, the definitions of domestic foundations and overseas foundations are different. Domestic foundations are defined as both public fundraising foundations and non-public fundraising foundations that are registered with the civil affairs department and initiated by individuals, enterprises, entrepreneurs or other groups. Unlike the case for overseas foundations, we have excluded charity organizations, charity projects, special funds or commercial corporations. In particular, a small number of funders within the Red Cross system and the China Charity Federation system are excluded due to this definition.

Overseas organizations in this investigation refer to overseas (including Hong Kong, Macau, Taiwan) charity organizations, foundations, inter-governmental organizations, and governmental agencies that are not individuals or businesses. This investigation is not an evaluation of the foundations themselves. Thus, factors such as the scale, field of work, history and development of the foundations are not considered.

**Because of the legal differences, "foundations" refers to both domestic foundations and overseas funders in this report if not otherwise specified.*

***"NGOs" refers to grassroots NGOs excluding foundations(基金会之外的民间公益组织), and is used with the same meaning as grassroots NGOs in this report.*

Evaluation Criteria

The Rankings mainly employ subjective evaluation, inviting grassroots NGOs to grade foundations that have provided them with financial support on a scale from 1 to 10 points. The evaluation contains seven aspects that NGOs usually pay special attention to: equal cooperation, organizational development, resource channeling, flexibility, proper attention to projects, capacity building and sector promotion.. The NGOs are also asked to give a score for the overall performance of the foundations. The report has investigated for the first time the number of foundations that offer financial support for NGOs and the amount of grants given.

The seven parameters used in this report are:

- ❖ Whether the Foundations respect the grassroots NGOs before, during, and after the period of cooperation.
- ❖ Whether the funding covers administrative costs and organizational development costs:
- Whether the project funding covers a reasonable salary for the people who carry out the project

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- Whether the project funding covers the costs of administrative, financial and media personnel
 - Whether the project funding covers basic operating costs including rent, electricity, water and facilities
 - Whether part of the project funding is dedicated to organizational development
 - ❖ Whether the foundations introduce external resources for grassroots NGOs
 - ❖ Whether the foundations are flexible towards the content and implementation of the projects
 - ❖ Whether the foundations pay a proper amount of attention to the projects, with neither too much interference nor total ignorance
 - ❖ Whether the foundations play an important role in building up the NGOs' organizational capacity
 - ❖ Whether the foundations lead/promote their specialized sector

Compared to the 2013 Rankings, there are three changes: 1) we substituted *administrative support* (行政支持) with *organizational development* (组织发展), and developed four sub-parameters, employing these detailed standards to evaluate and promote the foundations' support for the NGOs' organizational development; 2) we added a new parameter, *building NGOs' organizational capacity*. Taking into account the weak organizational capacity of NGOs, we hope foundations will emphasize the need to improve their NGO partners' capacity and therefore enhance the effectiveness and sustainability of their financial support; 3) we added a new parameter, *lead/promote their specialized sector*, to encourage foundations to broaden their vision and assume a leading role.

The final score for the 155 foundations represents the average of their scores for the seven parameters and their overall score.

So as to ensure comparability, we only rank and list foundations who received more than five feedbacks.

Notes

This investigation lasted 80 days, from June 1st to August 20th 2015. To ensure the diversity and representativeness of the samples, we extracted the data of 1005 NGOs from the Basic Database of Chinese Grassroots NGOs* and CDB's NGO Directory, and randomly selected 636 NGOs to which we sent invitations to fill in our online questionnaire.

In order to solicit more help and ensure the smooth progress of the investigation, we also invited 13 renowned platform organizations in different regions and sectors as partners to collect the questionnaires.

Up to August 20th, we received 195 valid questionnaires out of the 636 questionnaires we sent out. 155 foundations were evaluated, of which 93 were Chinese foundations and 62 were international foundations.

According to the statistics, 23 foundations received over 5 evaluations, out of which 17 were Chinese and 6 were international. In the 2013 Rankings, 22 foundations received over 5

evaluations, out of which 14 were Chinese and 8 were international. Based on the scores received by the 23 foundations, we constructed the 2015 overall ranking list and the specialized ranking lists, hoping that foundations can maintain a good cooperation with NGOs in these seven specialized areas.

*The Basic Database of Chinese Grassroots NGOs (中国民间公益组织基础数据库) was founded by the Narada Foundation, NGO 2.0, and the School of Philanthropy of Sun Yet-Sen University. Up to the time of the investigation, it contained 3620 NGOs, of which 833 NGOs were verified and complete. CDB's NGO Directory includes 251 NGOs that have been established for over two years, and are active and well recognized.

The Kumquat Award

The Kumquat Award is the highest honor connected with the Rankings. It represents grassroots NGOs' high recognition of foundations. Kumquats are small and bright yellow, and they taste sweet yet bitter, characteristics which suit the features of Chinese NGOs. In 2013, the Top five domestic and foreign organizations in the Rankings were given the Kumquat Award, while this year the top 10 founders and funders in the Rankings were given the Award..

We also produced an overall list of rankings for all the foundations that have made grants to five or more NGOs, in order to appreciate their efforts to support grassroots NGOs. Receiving five or more feedbacks from the 195 NGOs indicates a much larger amount of NGO partners than the number of feedbacks. We very much appreciate their earnest work and call for more support for Chinese NGOs.

Impartiality and Confidentiality

The 2015 Rankings is impartial and objective. Its operations, sample selection, evaluation parameters, and funding are not affected by the organizers, foundations or grassroots NGOs. We invited 13 partners to join the original five founders in the operation this year. The decision-making process and investigation were open, participatory, and transparent. Concerning the sample selection, the Basic Database of Chinese Grassroots NGOs and CDB's NGO Directory covered most of the active grassroots NGOs with complete recordings. The 1005 NGOs were randomly selected and we specified that questionnaires were not to be forwarded in order to maximize objectiveness and diversity.

Moreover, our funding was obtained entirely via crowd-sourcing conducted by our five founders and 13 partners, and not from any foundations or other outside organizations

Confidentiality was strictly applied throughout the investigation and ranking process. The names of the participating NGOs were not revealed without their consent, especially to the foundations. The results were held exclusively by a data-analyzing agency and were not disclosed to the organizers or foundations. Strict confidentiality ensures true opinions.

Limitations

First of all, there are limitations regarding the size, structure and representativeness of the samples from the Basic Database of Chinese Grassroots NGOs and CDB's NGO Directory. These cannot ideally represent the relationship between foundations and NGOs. Secondly, some foundations may have maintained a good relationship with the NGOs. Yet, due to their fields of work, missions, and funding strategies, they only support a small amount of grassroots NGOs, and thus

didn't receive enough feedback to appear on the list. It is also not fair to rank foundations receiving a different number of feedbacks indiscriminately. Receiving positive feedbacks from 15 NGOs is much more difficult than from five NGOs. How to give weight to the frequency and the amount of funding provided when making the ranking list is something we would like to consider for future investigations.

We would like to emphasize again that the Rankings only looks at the relationship between foundations and NGOs, and not at the quality of the foundations themselves. We look forward to conducting more evaluations with a variety of purposes and criteria so as to promote all aspects of the work of foundations.

Overall Specialized Rankings

Respecting Grassroots NGOs

(Domestic)Xinping Foundation 9.38

(Overseas)Global Greengrants Fund 9.50

Supporting Grassroots NGOs' Organizational Development

(Domestic)Zhejiang Dunhe Foundation 8.28

(Overseas)Ford Foundation 8.37

Introducing External Resources for Grassroots NGOs

(Domestic)Beijing Western Sunshine Rural Development Foundation 9.50

(Overseas)Global Greengrants Fund 9.50

Flexible Management of Projects

(Domestic)Beijing Western Sunshine Rural Development Foundation 9.20

(Overseas)Global Greengrants Fund 8.83

Maintaining Proper Attention to Projects

(Domestic)Beijing Western Sunshine Rural Development Foundation 9.50

(Overseas)Global Greengrants Fund 9.33

Enhancing Grassroots NGOs' Capacity

(Domestic)Beijing Western Sunshine Rural Development Foundation 8.78

(Overseas)Global Greengrants Fund 9.00

Leading/Promoting Its Specialized Sector

(Domestic)Xinping Foundation 9.57

(Overseas)Global Greengrants Fund 9.00

Specialized Ranking 1 Respecting Grassroots NGOs

Xinping Foundation 9.38

Beijing Western Sunshine Rural Development Foundation 9.20

Zhejiang Dunhe Foundation 9.08

Zhenro Foundation 9.00

Tencent Foundation 8.91

Guangdong Harmony Foundation 8.80

China Foundation for Poverty Alleviation 8.61

SEE Foundation 8.55

Narada Foundation 8.43

One Foundation 8.33

Domestic Average 8.33*

Alibaba Group Foundation 8.30

Shanghai United Foundation 8.29

China Charities Aid Foundation for Children 8.27

China Youth Development Foundation 8.17

Yue Foundation 7.50

Sichuan Youth Development Foundation 7.20

China Social Assistance Foundation 6.43

Global Greengrants Fund 9.50

Chen Yet-Sen Foundation 9.43

Ford Foundation 9.33

HuaQiao Foundation 9.17

Overseas Average 9.04

Li KaShing Foundation 9.00

Oxfam 8.64

*Average here refer to the average of all domestic foundations regarding this parameter, similarly hereinafter

Specialized Ranking 2 Supporting Grassroots NGOs' Organizational Development

Dunhe Foundation 8.28
Beijing Western Sunshine Rural Development Foundation 7.98
Narada Foundation 7.46
SEE Foundation 7.20
Zhenro Foundation 7.10
Yue Foundation 6.98
Alibaba Group Foundation 6.56
Xinping Foundation 6.45
China Foundation for Poverty Alleviation 6.08
Tencent Foundation 6.02
Shanghai United Foundation 5.94
China Charities Aid Foundation for Children 5.44

Domestic Average 5.30

One Foundation 4.90
China Youth Development Foundation 4.87
Guangdong Harmony Foundation 4.70
Sichuan Youth Development Foundation 4.64
China Social Assistance Foundation 4.00

Ford Foundation 8.37
Global Greengrants Fund 7.70
Oxfam 7.50

Overseas Average 6.42

Li KaShing Foundation 6.22
Chen Yet-Sen Foundation 6.20
HuaQiao Foundation 5.90

Specialized Ranking 3 Introducing External Resources for Grassroots NGOs

Beijing Western Sunshine Rural Development Foundation 9.50

Xinping Foundation 8.13

Dunhe Foundation 7.88

Alibaba Group Foundation 7.80

Narada Foundation 7.71

Tencent Foundation 7.27

SEE Foundation 7.18

Guangdong Harmony Foundation 6.70

China Youth Development Foundation 6.33

Guangdong Harmony Foundation 6.25

China Foundation for Poverty Alleviation 6.22

Domestic Average 6.00

Shanghai United Foundation 5.65

China Charities Aid Foundation for Children 5.60

Zhenro Foundation 5.50

One Foundation 5.42

China Social Assistance Foundation 4.29

Sichuan Youth Development Foundation 4.00

Global Greengrants Fund 9.50

Ford Foundation 7.67

HuaQiao Foundation 7.17

Chen Yet-Sen Foundation 6.86

Oxfam 6.23

Overseas Average 6.08

Li KaShing Foundation 6.00

Specialized Ranking 4 Flexible Management of Projects

Beijing Western Sunshine Rural Development Foundation 9.20

Dunhe Foundation 9.08

Tencent Foundation 8.55

Xinping Foundation 8.38

SEE Foundation 8.18

China Foundation for Poverty Alleviation 8.00

Narada Foundation 7.95

Zhenro Foundation 7.90

Alibaba Group Foundation 7.80

Guangdong Harmony Foundation 7.70

China Charities Aid Foundation for Children 7.53

Domestic Average 7.25

Shanghai United Foundation 7.24

Guangdong Harmony Foundation 7.13

One Foundation 6.78

China Social Assistance Foundation 6.71

China Youth Development Foundation 6.67

Sichuan Youth Development Foundation 5.80

Global Greengrants Fund 8.83

Li KaShing Foundation 8.54

Ford Foundation 8.50

HuaQiao Foundation 8.17

Overseas Average 7.77

Chen Yet-Sen Foundation 7.43

Oxfam 7.32

Specialized Ranking 5 Maintaining Proper Attention to Projects

Beijing Western Sunshine Rural Development Foundation 9.50

Xinping Foundation 9.13

Guangdong Harmony Foundation 8.60

China Foundation for Poverty Alleviation 8.39

Narada Foundation 8.38

Dunhe Foundation 8.29

SEE Foundation 8.18

Zhenro Foundation 8.00

Alibaba Group Foundation 7.80

One Foundation 7.69

Tencent Foundation 7.64

Domestic Average 7.55

Shanghai United Foundation 7.53

China Charities Aid Foundation for Children 7.33

China Youth Development Foundation 7.17

Sichuan Youth Development Foundation 6.60

Yue Foundation 6.13

China Social Assistance Foundation 4.57

Global Greengrants Fund 9.33

Li KaShing Foundation 9.00

Chen Yet-Sen Foundation 8.71

HuaQiao Foundation 8.67

Ford Foundation 8.17

Overseas Average 7.90

Oxfam 7.73

Specialized Ranking 6 Enhancing Grassroots NGOs' Capacity

Beijing Western Sunshine Rural Development Foundation 8.78

Dunhe Foundation 8.17

Narada Foundation 8.05

One Foundation 8.00

SEE Foundation 7.82

Guangdong Harmony Foundation 7.70

China Foundation for Poverty Alleviation 7.57

Zhenro Foundation 7.50

Xinping Foundation 7.43

Alibaba Group Foundation 7.40

China Charities Aid Foundation for Children 7.40

Yue Foundation 7.25

Domestic Average 7.00

Shanghai United Foundation 6.76

Tencent Foundation 6.73

China Youth Development Foundation 6.50

Sichuan Youth Development Foundation 6.20

China Social Assistance Foundation 5.71

Global Greengrants Fund 9.00

Ford Foundation 8.50

Li KaShing Foundation 8.46

Oxfam 8.27

Chen Yet-Sen Foundation 8.14

HuaQiao Foundation 7.83

Overseas Average 7.66

Specialized Ranking 7 Leading/Promoting Its Specialized Sector

Xinping Foundation 9.57

Beijing Western Sunshine Rural Development Foundation 9.00

SEE Foundation 8.36

Dunhe Foundation 8.33

One Foundation 8.18

Narada Foundation 8.10

China Foundation for Poverty Alleviation 7.78

Guangdong Harmony Foundation 7.70

Zhenro Foundation 7.60

Yue Foundation 7.50

China Charities Aid Foundation for Children 7.47

Domestic Average 7.33

Shanghai United Foundation 7.18

China Youth Development Foundation 7.00

Tencent Foundation 6.91

Alibaba Group Foundation 6.90

Sichuan Youth Development Foundation 6.40

China Social Assistance Foundation 4.86

Global Greengrants Fund 9.00

Ford Foundation 8.50

HuaQiao Foundation 8.50

Chen Yet-Sen Foundation 8.43

Li KaShing Foundation 8.38

Oxfam 7.68

Overseas Average 7.53

Key Findings

Finding 1

Half of the Grassroots NGOs received less than 100,000 RMB annually.

Over the two years in question, the 195 NGOs have received funding from 93 Chinese foundations, of which 51 are public fundraising foundations and 42 are non-public fundraising foundations (one of which is still in the process of registration).

During the investigation, for the first time, we collected data on the number of projects funded and the amount of funding received from the foundations. Over the two years, the 195 NGOs conducted 792 projects funded by foundations and received 127 million RMB* in total from foundations. On average, each NGO received 325,000 RMB and each project received 170,000 RMB.

Out of the 195 NGOs, 98 NGOs were funded only by domestic foundations, 64 received both domestic and overseas funding, and 33 were funded only by overseas foundations. The 98 NGOs funded solely by domestic foundations carried out 339 funded projects and were granted 42,790,000 RMB with 220,000 RMB for each NGO and 130,000 RMB for each project every year on average. Meanwhile, the 33 NGOs funded solely by overseas foundations received financial support for 66 projects and 11,230,000 RMB with 170,000 RMB for each NGO annually and 170,000 RMB for each project. According to the data, NGOs with only overseas funding received more grants for each project, while NGOs with only domestic funding received more grants per organization.

The 64 NGOs with both Chinese and overseas support received funding for 357 projects and 73,040,000 RMB during the two years in question. Each of them received 570,000 RMB, which is 1.75 times the average for all NGOs of 325,000 RMB, and over 200,000 RMB for each project. According to our analysis, these organizations have existed on average for 8.6 years and most of them are based in Beijing, Guangdong, and Sichuan. It is obvious that they are very active and influential.

20% of the NGOs received more than 70% of the 127 million RMB granted to all the NGOs. 39 NGOs received over 1 million RMB respectively and 93 million RMB in total during the last two years, in other words 20% of the NGOs acquired 73% of the total funding. Out of the 195 NGOs, the median for annual grants received is 100,000 RMB, which indicates that 50% of the NGOs received less than 100,000 RMB. At the same time, the lowest grant for a project was 50,786 RMB and the median was 20,000 RMB, meaning that half of the NGO projects got less than 20,000 RMB.

* Over the last two years, the total sum of funding from foundations was 126,918,424 RMB, and 63,459,212 RMB annually

Finding 2

The number of grant-making foundations has increased and they are becoming a stable source of funding. Yet they are not sufficient.

Over the last two years, the 195 NGOs received funds from 155 foundations, of which 93 were Chinese foundations. Generally, there was an obvious growth in the amount of funding received, while the total sum remains limited.

The number of domestic grant-making foundations has increased dramatically. The number of domestic foundations grew by 46%, from 50 to 90. According to the China Foundation Center, on October 28th 2015 there were 4679 foundations in China and 2% of them have funded or are funding participating NGOs, achieving a 0.5% rise from our last investigation.

Foundations are becoming a stable source of funding. 31 out of the 50 foundations participating in the first investigation also appear in the Rankings this year. Hence, 31 foundations continuously supported NGOs, forming a stable source of funding. Over the last two years, these 31 foundations gave grants 248 times in total, 8 times per foundation on average, 4.4 times the average of 3.6 for all the foundations. Hence, these 31 foundations not only supported NGOs continuously but also more frequently and actively.

The rocketing of domestic foundations is substantial and presents a desirable trend. 26 foundations received feedback from over 3 NGOs this time, nearly twice as much as the 18 foundations who did so in the 2013 Rankings. 62 out of the 93 foundations are new, constituting 67% of the total and achieving a 124% increase. Apart from the foundations in the ranking lists, there are also plenty of growing foundations.

Nevertheless, the number of grant-making foundations is far from sufficient. First of all, they only make up 2% of all the foundations. Secondly, the amount of funding and its frequency is low. 93 foundations gave support to 162 NGOs for 338 times, less than 2 NGOs and 3.6 times per foundation.

At the same time, most of the funding came from a small number of foundations. Namely, 28% of the foundations provided 77% of all the funding. 26 foundations supported 3 or more NGOs and 260 projects.

Finding 3

Funding from overseas grant-making organizations experienced a sharp drop of about 40%, from 98 to 62. Yet, it remains significant.

The decrease is particularly noticeable given that the total number of participating foundations increased from 103 to 195 and the number of domestic foundations increased by 50%.

The deduction is also reflected by the frequency of funding and the amount of new overseas foundations. In the 2015 Rankings, the number of overseas foundations fell from 8 to 6, total frequency from 78 times to 55 times, and average amount of NGOs funded per foundation from 10 to 9. There are 25 new overseas funders, covering 40% of the total amount. Compared to the 70% rise of domestic foundations and the 80% surge of foundations with a governmental background, the increase in new overseas funders is much slower.

Due to the drafting of the Overseas NGO Management Law, there is widespread concern in the NGO sector that the funding and operation of overseas NGOs in China will be massively impacted. According to the investigation, a drastic decline in overseas funding struck earlier than expected.

This demands a fast growth of Chinese foundations in assuming the key role of supporting grassroots NGOs.

Despite the decline, overseas funding remains significant regarding both the number of foundations and the frequency of the funding. 62 of the participating foundations are overseas, while 97 of 195 NGOs receive foreign grants. Moreover, overseas funders play a crucial role in certain fields. Out of the 33 NGOs that receive only foreign funding, six focus on health and AIDS, which constitutes the largest share. Other fields in descending order are disability, environmental/animal protection, gender/gender minorities, and ethnic minority/religion/culture/art related fields. When overseas funding is pulled out of China and there is no domestic replacement, these NGOs will face severe survival challenges.

All the same, the overseas funders demonstrate an overwhelming advantage in their grant-making performances. This is reflected in the individual parameters and in the overall score, especially for those in the ranking lists. Domestic foundations can still learn a lot from overseas funders.

Finding 4

Domestic foundations performed worse than overseas funders, especially in supporting organizational development.

In the 2013 investigation, domestic foundations, including the top ranking ones, scored lower in all parameters. The investigation this year still witnessed lower scores for domestic foundations.

There are 17 foundations in the ranking lists, scoring 7.61 (0.13 higher than in the last Rankings) while the 93 Chinese foundations scored 7.27, the same as the previous time. Hence, there is no significant improvement.

	Equal Cooperation	Organization Development	Resource Channeling	Flexibility	Proper Attention	Capacity Building	Sector Promotion	Total Score
Average of overseas organizations	9.04	6.24	6.08	7.77	7.90	7.66	7.53	7.90
Average of domestic organizations	8.33	5.30	6.00	7.25	7.55	7.00	7.33	7.27
Difference between all organizations	0.71	0.94	0.08	0.52	0.35	0.66	0.20	0.63
Average of overseas organizations in the ranking lists	9.18	6.98	7.24	8.13	8.60	8.37	8.42	8.38
Average of domestic organizations in the ranking lists	8.38	6.15	6.55	7.68	7.70	7.35	7.58	7.61
Difference between all organizations in the ranking lists	0.80	0.83	0.69	0.45	0.90	1.02	0.84	0.77

Among the seven parameters, domestic foundations have the worst performance in supporting organizational development, scoring an average of 5.3, 0.94 lower than overseas organizations and nearly 2 points lower than the average score for all domestic organizations. The organizations in

the ranking list scored 6.15, the lowest out of all the seven parameters and 1.46 lower than the total score, which affected the overall performance of domestic foundations.

This conclusion echoes the results of our investigation. With regard to the kinds of support NGOs most urgently need, long term funding (74%), organizational development(71%) and HR cost funding (71%) reflect NGOs' requirements for their development. This is similar to the findings of the "voice of funding" survey we initiated last year. We received 181 questionnaires for that survey, demonstrating that the top three areas in which NGOs would like to be supported are non-restrictive funding (45%), project funding (30%) and long term project funding (26%). Foundations also recognize this need, and non-restrictive funding (41%) ranked first out of the areas in which foundations thought that NGOs needed more support.

Finding 5

Foundations with a governmental background constituted over 40% of all the foundations. 80% of them were new. The China Youth Development Foundation system had an outstanding performance.

Foundations with a governmental background* that support NGOs cover more than 40% of the total, illustrating a degree of stability. In the 2015 Rankings, 43 (or 46%) of the 93 domestic foundations had a governmental background. In our first Rankings, 44% of the 50 domestic foundations had a governmental background, 10 of which also appear in the second Rankings. Foundations with a governmental background fund grassroots NGO consistently and have maintained a stable percentage.

The number and development of foundations with a governmental background shows an upward trend. Out of the 43 foundations with a governmental background, 33 (80%) foundations appear for the first time. In the first rankings, two foundations with a governmental background made the ranking lists, standing for 14% of all foundations in the list. But in the 2015 Rankings there were four such foundations, standing for 24%.

Foundations that receive more than three feedbacks are viewed as the main supporting force for grassroots NGOs. More foundations with a governmental background received three or more feedbacks. In the first Rankings, only 4 (or 24%) of the foundations with a governmental background received over 3 feedbacks. This year the figure rose to 9 foundations (33%). Among them, the 12 organizations in the China Youth Development Foundation system were the most outstanding, making up 13% of all the 93 foundations. The 12 organizations are made up of the China Youth Development Foundation at different administrative levels and regions, reflecting its pioneering position in supporting grassroots NGO within the governmental charity system. Apart from CYDF, the China Foundation for Poverty Alleviation system and the Warm Project (温暖工程) system each have 3 organizations with over 3 feedbacks.

The Red Cross and the China Charity Federation are growing forces for supporting grassroots NGOs. Due to our definition of foundations, we excluded these two. But there are 3 organizations from each of these two groups that support grassroots NGOs. CCF (Chengdu) and CCF (headquarters) received 4 and 3 feedbacks respectively.

**Governmental background is defined based on the foundations' founders, nature, source of capital and managing department.*

Appendix: Geographic Layout and Specialized fields of 195 NGOs and Their Services

Beijing	28
Guangdong	28
Sichuan	23
Shaanxi	11
Zhejiang	8
Gansu	8
Shandong	8
Shanghai	8
Yunnan	7
Hunan	6
Anhui	5
Guangxi	5
Jiangxi	5
Tianjin	5
Chongqing	5
Henan	4
Jilin	4
Jiangsu	4
Fujian	3
Liaoning	3
Nei Mongol	3
Xinjiang	3
Hianna	2
Heilongjiang	2
Ningxia	2
Guizhou	1
Hebei	1
Qinghai	1
Shanxi	1
Tibet	1
Education	40
Volunteer Service	31
Environmental Protection	25
Children and Young People	20
Rural Development	14

Disability Aid	12
Disaster Relief	8
NGO Support	7
Labor Rights	7
Women Rights	6
Health Care	6
AIDS	5
Urban Community Development	5
LGBT	3
Culture and Arts	3
Senior Citizens	1
Information and Network	1
Others	1

Launching Organizations of the Rankings

Love Together Public Welfare Innovation Organization (One Kilogram More) (爱聚公益创新机构-多背一公斤)

Chinese Organization for Rare Disorders (CORD) (罕见病发展中心)

Leling (乐龄合作社)

Social Resources Institute (SRI) (社会资源研究所)

New Citizen Program (新公民计划)

Partners of the 2015 Rankings

21st Century Education Research Institute (21世纪教育研究院)

Guangxi Tongxin Family Social Work Center (广西同心源社会工作服务中心)

GICS (广东恭明社会组织发展中心)

He Yi Institute (合一绿学院)

Huaxia Commonweal Service Center (华夏公益服务中心)

Green Qilu (济南市绿行齐鲁环保公益服务中心)

Nanchang Yixin Yiyi Public Welfare Service Center (南昌益心益意公益服务中心)

Shandong Public Welfare Alliance (山东公益联盟)

Be Better (上海百特教育咨询中心)

Sichuan Shangming Social Development Research Center (四川尚明公益发展研究中心)

Yunnan Xieli Nonprofit Support Center (云南协力公益支持中心)

China Development Brief (中国发展简报)

Nature University (自然大学)