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PRESS RELEASE

**“Hong Kong provides international NGOs a gateway to Asia.
Preserving Hong Kong’s advantages for a vibrant civil society is a win-win.”**

**HKU Centre for Civil Society and Governance Unveils
a New Study on International and Cross-boundary NGOs in Hong Kong**

The University of Hong Kong reveals today (3 March 2016) in a new study that Hong Kong serves as a gateway for international non-governmental organizations (INGOs) to Asia and Mainland China; meanwhile if Hong Kong’s advantages in freedoms and soft infrastructure are to be maintained, Hong Kong will strengthen its global city status in the presence of a vibrant international sector of civil society. The ***Report on the Capacity of Civil Society Organizations 2014-15: International & Cross-boundary Non-governmental Organizations in Hong Kong*** was released by the **Department of Politics and Public Administration and the Centre for Civil Society and Governance, The University of Hong Kong (HKU)**.

“We studied 215 INGOs through a written survey and intensive online search for relevant official and organizational data for dual purposes,” explained Professor Eliza Lee, Head of the Department of Politics and Public Administration and also Director of the HKU Centre for Civil Society and Governance, “First, we intend to build over years a knowledge database of civil society organizations in Hong Kong which was basically non-existent until our Centre started this research series in 2009. Second, we conduct an assessment of the capacity of the civil society organizations under study.”

The ***Report on Civil Society in Hong Kong*** series was pioneered to locate and construct a knowledge database of civil society organizations of various sectors in Hong Kong according to a set of internationally adopted definition and classification developed by the John Hopkins Comparative Non-Profit Sector Project. The HKU Centre for Civil

Society and Governance has already published the reports on civil society organizations in social service and conservation sectors, and is studying the arts and culture as well as sports and recreation sectors. In the latest published report on the international sector, the capacity assessment is added to cover the aspects of operation and governance, human resources, financial, information technology, programme and planning, marketing, as well as networking and advocacy of the INGOs.

“Hong Kong has seen quite a significant growth in the number of INGOs since 1997, thanks to the favourable conditions in our global city: being Asia’s travel and information hub, freedoms of association, predictable and well-functioning regulatory framework, and the generosity of local citizens towards charity work,” Professor Lee said.

Of the 215 INGOs that have offices in Hong Kong, 150 were established since 1997. Among these 150 INGOs, 92 are more focused on transnational and 58 are on cross-boundary activities.

The Report found that a typical INGO based in Hong Kong is a formal organization established (most likely under the Companies Ordinance) with a governing board and has a primary mission of delivery service outside Hong Kong. An average INGO runs a small office of 6 to 7 full-time staff and has an annual income of below HK\$1 million. It has in place a set of public accountability mechanisms and mechanisms for obtaining feedback from stakeholders, evaluating their performance and maintaining their service quality.

“Over 88 percent of INGOs enjoy tax-exempt status as charitable organizations under section 88 of the Inland Revenue Ordinance. This is one evidence of how Hong Kong provides a legal and regulatory framework that facilitates INGOs to build their funding capacity through offering some level of transparency and public accountability, and hence confidence to donors,” Professor Lee said.

Consistent with the international trend, there is a wide “rich-poor” gap among the INGOs in Hong Kong. Less than 5.5 percent of the rich INGOs enjoyed over 80 percent of the whole sector’s financial income in year 2013.

A typical INGO in Hong Kong is likely well-connected to the business sector for donation or volunteer recruitment, but has limited networking with peer groups. Nor would it have much interaction with the Hong Kong government. No complaint of governmental intervention from INGOs was reported in the survey. Meanwhile, most INGOs surveyed did not report an interest in local advocacy or monitoring the local government.

Commenting on the Report on INGOs, Mr. Alejandro Reyes, Visiting Associate Professor in the same department and veteran consultant to major international organizations, said, “From my experience, I can say that Hong Kong has and will continue to develop niches and advantages over its neighbours in East Asia that attract major international non-profit organizations and foundations to set up their regional headquarters or offices in the SAR.” “Hong Kong's key attractions include its talent pool of educated people with international and regional experience, outstanding infrastructure and easy links to all parts of Asia, and its business community, which includes many generous people able and willing more and more to champion causes or initiatives they care about that are not purely local,” Mr. Reyes explained.

At a seminar last November organized by the HKU Centre for Civil Society and Governance to share the report findings, the attending INGO practitioners echoed to the positive roles that Hong Kong has been serving for the international sector. On the other hand, they raised concerns about the challenges for Hong Kong to maintain the edges. In particular, the INGO practitioners are worried about increased self-censorship in exercising freedoms, future implementation of Basic Law Article 23 and whether Mainland China's tightening grip on the civil society will have any impact on the Hong Kong policy environment.

“Hong Kong must preserve our advantages under *One County, Two Systems*, in particular our traditions of freedoms and fairly transparent yet light regulatory environment, so that the civil society may continue to develop their international activities. It is a win-win for Hong Kong,” suggested Professor Lee, “INGOs based in Hong Kong foster global citizenship in our city through their public education and provide ample employment or volunteer opportunities for our young generation to reach out to Asia and the world to serve the humanity.”

About the Centre for Civil Society and Governance: The Centre for Civil Society and Governance was established in December 2002 with a mission to advance knowledge of the nature, constituents, and roles of civil society and to foster its healthy development. The Centre has published numerous research reports on the various aspects of Hong Kong's civil society, including *the Opinion Survey on Civic Education and National Identity (2004)*, *the Hong Kong Civil Society Index Research (2005-6)*, *A Study on Civic Engagement in Public Policy Making (2006-7)*, *Annual Report on the Civil Society in Hong Kong 2009 - The Social Service Sector in Hong Kong (2009)*, *Annual Report on the Civil Society in Hong Kong 2010 - The Natural and Built Environment Conservation Sector (2011)*, and *Study on the Racial Encounters and Discrimination Experienced by South Asians (2012)*. The current report on INGOs is funded the Public Policy Research Funding administered by the Research Grants Council of Hong Kong and the Department of Politics and Public Administration, The University of Hong Kong.

Enclosure:

English and Chinese Executive Summary of ***At the Gateway to Asia: International and Cross-boundary Non-governmental Organizations in Hong Kong. Report on the Capacity of Civil Society Organizations 2014-15***

Please view the full report at: <http://www.ccsghku.hk>

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