



Wilhelminenstraße 91/IIf
1160 Vienna Austria
Tel: +43 1 3197949-0 Fax -15
office@trialog.or.at
Skype: trialog.office
www.trialog.or.at

This project is funded
by the European Union 
with funding from
Austrian
Development Cooperation 

READER for the Expert Seminar and the Nicaragua Conference

The Future of Civil Society Development Organisations

**compiled by Judit Almasi and Eugenia Vathakou
TRIALOG Advisory Group members**

Vienna, November 2009

Updated in September 2010



This document has been produced with the financial assistance of the European Union. The contents of this document are the sole responsibility of TRIALOG and can under no circumstances be regarded as reflecting the position of the European Union.

Contents

1	Role of CSOs in Development	4
1.1	“Are we on the right track?” Key findings of the Prague conference 2008	5
1.2	A Wave of Change: How Irish NGOs Will Sink Or Swim	7
1.3	Conference on CSO Development Effectiveness Prague	10
1.4	The Future of European Development NGOs and the Role of Development Education	12
1.4.1	Role of European Development NGOs in the next 10 years.	12
1.4.2	Past, present ... future?	13
1.4.3	On the principle of subsidiarity: the political role of NGOs	15
1.4.4	A perspective from the New Member States	16
1.5	The Trauma of Civil Society in the Middle-East and Africa	18
2	Legitimacy of CSOs	19
2.1	Building Civil Society Legitimacy and Accountability with Domain Accountability Systems	20
2.2	“Who monitors the monitors?”	22
2.3	Legitimacy and representation of CSOs	22
2.4	By What Authority? The Legitimacy and Accountability of Non-governmental Organisations	23
3	Code of Conduct of CSOs	25
3.1	Developing a Code of Conduct for NGOs	26
3.2	Study on Recent Public and Self-Regulatory Initiatives Improving Transparency and Accountability of Non-Profit Organisations (NPOs) in the European Union	28
3.3	CONCORD’s Objectives, Principles and Priorities	33
3.4	Concord’s Strategic Objectives 2009-2015	35
4	CSOs and donor relations	37
4.1	Palermo process: a structural dialogue	37
4.2	NGOs in the Aid Community: Do Funding Source or Economic Conditioning Matter to Decisions of Country or Activity Involvement?	39
4.3	Civil Society Voices for Better Aid, Civil society statement in Accra warns urgency for action on aid	40
4.4	Better Aid - A civil society position paper for the 2008 Accra High Level Forum on Aid Effectiveness	41

4.5	Is NGO Aid Not So Different After All? Comparing the Allocation of Swiss Aid by Private and Official Donors	42
4.6	CONCORD Discussion paper, The future of EC funding of Civil Society in Development	43
4.7	“The Commission and NGOs: Building a stronger partnership”	45
4.8	Video Dialogue with CSOs in Argentina on World Bank-CSO Engagement	45
4.9	Reforming government funding of development NGOs. A comparative analysis of eight European donors	48
5	CSOs in a Time of Crisis	53
5.1	Transforming the World in Crisis - Prague NGO Declaration	53
5.2	European Cross Networking Meeting	56
5.3	European Parliament discusses developing country crisis impacts and responses	57
5.4	Spotlight on Policy Coherence	58
5.5	ESCR-Net Statement on the Financial Crisis and Global Economic Recession: Towards a Human Rights Response	61
5.6	The Millennium Development Goals: A Costly Diversion From The Road To Sustainable Development Critical Perspectives	64
5.7	Shifting Paradigms of Thought and Power: Problems and the Possibilities	67
5.8	Impact of the Global Economic Crises on Civil Society Organizations . .	68
6	Materials on the Role of Latin American Social Movements and CSOs in Development Cooperation	73
6.1	The Autonomy of the Caribbean Coast: A Perspective on Development from the Coastal Civil Society	73
6.2	New Focus on Civil Society	74
6.3	The Indigenous Movement and the Fight for Hegemony: The Ecuadorian Case	74
6.4	Autonomies and Indigenous Movement in Mexico: Debates and Challenges	75
6.5	Evolution and Development of Indigenous Communities: A Dilemma between Myth and Incomprehension	76
6.6	Latin American Indigenous Movements and the Construction of the Christian Political Order	76
6.7	Negotiation and Citizens’ Diplomacy as Tools for Peaceful Conflict Resolution	77
6.8	Proposal for the Analysis of the Indigenous Movement as a Social Movement	77
6.9	The Chiaroscuros* of the Indigenous Situation in the Paradoxical Democracy of Today’s Latin America	78

1 Role of CSOs in Development

Subtopics:

- Resource crisis - need for modified answers from CSOs
- Aid Effectiveness
- From direct intervention to policy and advocacy work
- Human Rights Based Approach - possible answer
- Policy coherence work
- How to "educate" the public about the changing role of CSOs- Development Education

1.1 “Are we on the right track?” Paradigm Review by CSOs as Development Actors -Key findings of the Prague conference 2008

This is a short summary of the conference findings. Each bullet point represents an individual outcome and individual discourse. Note that some points do not refer only to one of the categories – there are overlaps between changes, challenges and responses. A full evaluation and wrap-up of ideas to prepare the follow up conference in 2010 will be done by the organisation committee.

PARADIGM CHANGES

- Material wealth and power dominate and MDGs are not sufficient anymore as they focus on quantity instead of quality and accept that half of the poor stay poor.
- Free market and (in)security paradigms (demography planning) are growing.
- Change in geopolitics: old powers are losing influence, new powers (BRIC) are gaining influence but the political imbalance in terms of the power of countries continue to matter.
- Poor public awareness for the necessity of global fairness and limits of growth
- Multilateralism is weakening but bilateralism and regionalism are growing.

KEY CHALLENGES

- Consumerism and dependence in situation of resource crises (food and oil) and climate change (limits to growth).
- History affects the structure of civil society and its actions (South, East, West, globalnational-local).
- What role for development aid: effectiveness and volumes?
- Local empowerment, role of the state. What appropriate, democratic and effective forms of governance?
- Shift from work in the South to policy and advocacy in the North?
- How can development be reached with limited growth?
- How much are we locked in our language or terminology of others?
- NGO self-reflection and accountability are needed.

RESPONSES / PRACTICAL STEPS

- Shared wealth and power is to be encouraged.
- More focus on lobbying and advocacy, development awareness raising, focus on media to demonstrate crucial links between the economical and political European decisions and their impact on developing countries.
- Human rights based approach.
- Policy coherence for development.
- New partnerships are needed in the South and East, and across the sectors and actors.
- Renewed focus on nation State while continued support for creative forms of global governance.
- Make international trusts accountable for their actions.
- Support critical thinking, redefine and rephrase key ideas in new vocabulary.
- Critical self-reflection of own values, approaches, policies and practise.

INITIAL EVALUATION IDEAS FOR FOLLOW-UP

(in preparation of the 2010 conference)

- Life in a resource-limited world versus the need to build viable local economies. European governments and citizens should question their own dependencies on the current dominant economic model: tackle climate justice; integrate limits of growth.
- Find new development objectives beyond the MDGs from CSO side and overcome MDGs; lobby for rights based approach.
- Civil Society Organisations own accountability: deeper reflections, more concrete, practical steps.
- Change of geopolitics: breaking the taboo of differentiated treatments between developing countries. How to react to the impact of new emerging powers on developing countries?
- Catalogue the variety and concrete examples of existing local development alternatives: make a link to policy (eg. carbon neutral cities, Local Exchange Trading Schemes/LETS systems, participatory budgeting etc.).
- Practical steps and first experience of direct South-East cooperation.

- More involvement of post-Soviet states (beyond the New Neighbourhood Policy).
- Promote diversity in and between NGOs and engage in coalition across sectors, actors and borders.
- Engage in more and new awareness raising for global fairness; promote well-being; strengthen global education

1.2 A Wave of Change: How Irish NGOs Will Sink Or Swim

A Discussion Paper on the Future roles and relevance of Ireland's Development NGOs, March 2008

Excerpts

The reasons why donors are supporting NGOs have changed, and may reduce NGOs to roles that are useful to donors.

Increasing levels of NGO funding from donor governments risks dependency, at the same time that the standardized policy towards poverty reduction threatens cooptation: Donors that work within the 'new aid architecture' see two potential roles for NGOs: subcontracted service providers, or providers of the service of 'accountability'. In the latter role they are either external monitors, or work to stimulate demand among poor people for effective services. The two different roles of watchdog and contractor are rarely compatible in practice. Claims that local CSOs can hold their government to account and create a 'demand side' to ensure efficient service delivery look tenuous. The contradiction is particularly acute in contexts of widespread corruption and a lack of 'political space' for civil society.

Although many NGOs work in 'partnership' with organisations in the global South, very few have clearly defined what that means.

Greater awareness in developing countries of the activities of international NGOs has been facilitated by new forms of connectedness through new social movements, the media and the internet. NGOs often present a different image to their beneficiaries and partners in developing countries than that presented to the public or to donors through reporting mechanisms. Frustrations on the ground with the methods and impact of NGO interventions have at times led partners, clients and beneficiaries to question the value of International NGOs and to become cynical about partnership and participation. Partnership and participation have long been championed by international NGOs as the

tools of a rights based approach to development. However, NGOs have been attacked for having unequal partnerships in practice, with little input from below on organizational decision-making and limited transparency downwards. At times, participation has been seen as another administrative ‘hoop’ for Southern NGOs to jump through in order to secure NGO funding, rather than a way of promoting democratic and equal decision-making. In that context, Southern NGOs wonder if their views have the same impact on their European ‘partners’ as those of donor governments.

Significant challenges still face NGOs attempting to respond to the concept of partnership and participation. Some Northern NGOs continue to be operational on the ground, and even where they work through ‘partners’, there is little real evidence that Northern NGOs are handing over local-level activities to Southern groups. Participatory approaches are often used as a tool to involve communities in NGO-driven agendas: few NGOs have developed structures that respond to grassroots demands. Although NGOs talk constantly of ‘partnership’, control over funds and decision-making remains highly-unequal, and methods of partnering remain illdefined

The public wants NGOs to engage in practical activities, and NGOs have been unable to communicate the complexities of their actual remits.

”Development” has proved too abstract a concept to communicate to supporters, being both dull and complex. Some commentators and development workers blame NGO communications strategies for this, since NGOs often fail to engage the public beyond an emotional outpouring of concern when starvation hits the headlines.

One reason for this failure is a lack of consistency in the message. NGOs often appear to need a new fashion to help them raise more money. There is a divide between the advertising images of NGOs and the activities they actually pursue. The need to raise funds often leads to a distortion of an NGO’s actions because, just as businesses, NGOs rely on “what sells” in order to stay in business. The images the ads portray replace serious discussions of the constraints and issues facing the NGO. In addition, annual reports as a main means of communication with many stakeholders often do not reflect what an NGO does in practice.

In contrast to the innovative social movements, NGOs have begun to look inflexible and lacking in creativity and sincerity.

Many of the new social movements have been quicker to make full use of the new opportunities the internet provides for sharing and learning than development NGOs. Information technology enables less hierarchical modes of organisation and communication - advantages already well-exploited by the business community from which NGOs have already borrowed corporate theory and tools.

There are new and unprecedented opportunities for civic action, but NGOs are often seen by activists as compromised and technocratic. Research shows that many activists perceive NGOs as elitist, snobbish and with a vested interest in maintaining the status quo. NGOs are also considered to abuse the right of participation, rushing to fill spaces that open up, rather than facilitating the voices of those who are not usually heard. Additionally, they are perceived to be too keen to sacrifice process values in order to meet competitively set goals. The researchers even ask whether there are “perhaps issues around the race and class profile of NGO employees and their supporters?” that have contributed to NGOs losing touch with the groundswell of radical activism which is mobilising large numbers of people around the same causes as they espouse. For their part NGOs are not sure how to harness this outburst of energy for social change and perhaps risk being shown up or left behind.

Changes in technology may mean that International NGOs will lose their position as traditional ‘development middlemen’.

In addition to the challenges related to the ‘civil society’ nature of Development NGOs, there is another, possibly more fundamental, challenge to the role of Irish and International NGOs: technology may mean that the service provision role of NGOs will be taken over by new, more flexible actors. In any sector, changes in the regulatory and technological environment can lead to fundamental changes in the roles and make-up of the central actors. Examples in the private sector of how changes in technology can render entire industries irrelevant abound, including the virtual disappearance of record shops and travel agencies due to the advent of digital alternatives.

In the Development sector, advances in international travel and communications may well lead to the eventual disappearance of International Development NGOs as service providers. Web-based lending schemes, mobile credit facilities and other forms of direct access to services are increasingly rapidly and are starting to undermine the relevance of services provided by NGOs. If NGOs see themselves primarily as service providers, they may be overtaken by more innovative and flexible technology-based alternatives.

Weak internal governance and accountability provides ammunition to NGO critics.

In reality, though, most Irish Development NGOs are moving away from service provision to capacity building and advocacy roles. But this move in itself has provoked its own backlash. Many commentators, particularly in US think tanks, question the legitimacy of NGOs, pointing out that no-one elected these self proclaimed agencies of democracy to speak on behalf of others. Some see NGOs as having “become too big for their boots”. In addition, critics question the record of NGO governance: “are the champions of the oppressed in danger of mirroring some of the sins of the oppressor?”.

1.3 Conference on CSO Development Effectiveness Prague, 23 - 24 June 2009 - Prague Conference Proclamation

Conference participants concur that the added value of the CSOs in development cooperation is, among others, based on four particular aspects:

1. Access and commitment to use grassroots knowledge of local conditions, contexts and motivations
2. Sensibility to human rights, understanding and empathy
3. Genuine partnership based on common vision and interests
4. Diversity of actors in terms of legal status, size, experiences or roles

In order to harness the added value of CSOs for increased development impact, conference participants commit to discuss and explore within the Open Forum how CSOs relate to the following principles:

In the field of Grassroots Knowledge:

- Democratic ownership (all key stakeholders must be involved already in the preparation of development strategies, programs and projects)
- Full participation and inclusiveness (development cannot be imposed, full participation of target groups and local partners is essential)
- Building on existing and emerging processes (catalyst of development processes and structures already alive in grassroots organisations and communities)
- Recognition and understanding of all contexts as unique and consideration for linkages and consequences (interventions cannot succeed as standalone projects, disregarding the external environment)
- Facilitating consensus on development priorities (with the aim to enhance the relevance of development programs, projects and advocacy actions)
- Willingness to take initiative and risk (to respond to emerging needs)

In the field of Human Rights, Understanding and Empathy:

- Focus on all human rights and human dignity (social, economic, cultural, civil and political rights are at the core of development)

- Frank communication and careful listening to partners and other actors (true discussions and sensitivity to intercultural relations must replace oneway monologues and empty proclamations)
- Communicating own experiences and lessons learned (practical experience must be communicated both within the team and among partners, universal theorems cannot be relied on)
- Mutual understanding and respect (not only understanding the conditions and opinions of the target groups, but also sharing experience and positions of the partners)
- Promoting gender equality and advocating to address the causes of vulnerability (not only advocating for the vulnerable and excluded but supporting their own efforts to claim their rights and creating environment where their voices are responded to)
- Challenging systems and structures that promote or condone inequality and discrimination in any form (and at any level - global, national or local)
- Solidarity among civil society activists and organizations (including support to human rights defenders)

In the field of Genuine Partnership:

- Mutual transparency and predictability (reliability and trust is a precondition for real partnership)
- Division of roles and joint/mutual responsibility and accountability (beside accountability towards donors, responsibility towards target groups - citizens must be strengthened)
- Facilitation and mediation of cross-sectoral cooperation (many actors share the same or similar objectives that cannot be reached but jointly)
- Sustainability (both development projects and development partnerships must be based on the principle of sustainability and not on conditionalities from one side, mutual capacity development and nurturing the partnership is a key assumption)
- Making explicit our own basic assumptions while respecting those of others (consciousness of how the differences influence our approach to development)
- Emphasis on good governance principles and on systemic changes (building a democratic environment is a means for active engagement of citizens)

In the field of Diversity of Actors:

- Respect for the diversity of CSOs (diversity in terms of missions and actions rather than diversity in terms of legal status)
- Mutual support between small and big, new and old, developed and developing CSOs (factors related to size, history, location or financial turnover must not be used to discriminate against certain CSOs)
- Mutual cooperation and sharing of best practices (even new or small CSOs can have significant experience from specific regions or with a specific topic)
- Combination and complementarity of different roles (CSOs act as donors, service providers, managers of projects and programs, advocates of the poor, watch dogs, facilitators of new ways of cooperation and supporters of changes)
- Readiness to propose and discuss new development cooperation frameworks (issues of predictability, transparency as well as flexibility, accountability for results and impacts and not for activities only, respect to human rights and focus on inclusiveness must be projected into a new development cooperation architecture)

1.4 The Future of European Development NGOs and the Role of Development Education

A thematic dossier by DEEEP, 2005

What Should The Role Of European Development Ngos In The Next 10 Years Be?

1.4.1 Role of European Development NGOs in the next 10 years. A vision for the future.

Deepali Sood, Plan EU Liaison office, Member of FDR

Excerpts

[...]

A current challenge is that of enhanced control by the donors who no longer accept that NGOs (European or otherwise) are automatically 'good' actors. At the EU level the recent speech by the Vice President of the Commission, Commissioner Kallas, comparing the legendary figure Robin Hood to NGOs in terms of non-transparency in dispersion of funds, is a case in point of such direct attacks on NGOs. As already mentioned elsewhere

in this paper, NGOs today not only face the questions of legitimacy, accountability and transparency, in addition they are constantly being asked to prove their added value and impact on the beneficiaries they claim to assist and support. A crackdown and even tighter control are to be expected by the world donors, including the EU. In the coming years the European NGOs will face these challenges head on and address these concerns in a convincing and efficient manner, starting with self-reflection and self-criticism and moving on to changes in their own governance structures, empowering the recipients of aid in a genuine manner, so that the decision-making shifts from NGOs to the programme level. They will answer their critics by being **democratic, accountable and transparent**, not only in terms of expenditure and financial accountability, but also in terms of quality of interventions and the **impact and results** of their programmes.

1.4.2 Past, present ... future?

Marie Leclerc, French platform, Member of DEF

Excerpts

Among the radical changes that our world has witnessed in the past 10 years, there is admittedly a great deal of violence, but there are also several positive trends to highlight:

- the growing involvement of the NGOs in the international debates and summits,
- the birth of the ‘altermondialiste’ movement and the dynamic of the Social Forums,
- the strengthening of work in networks (in France, we are seeing the development of the national and regional collectives, inter-associative campaigns, and platforms, notably in the field of DE and advocacy),
- the democratisation (albeit relative) of the internet as a tool, enabling the proliferation of contacts between people at the international level.

[...]

The European NGDOs need to participate actively in the reinforcement of the civil societies in the South and the North alike, in order to encourage the emergence of players who can bring about social transformation at all levels. For any development process involves these players and their ability to take their place among the political and economic powers, and to mobilise in particular by asserting their rights.

This development of their capacities is essential, and notably capacities in terms of expertise. For the world will not change either on its own, or through the implementation of recommendations drafted by ‘experts’ cut off from the grass roots (whether they work in national governments, international institutions and/or NGOs). The ISAs, for their part, base their proposals on a citizenship-based expertise, which combines competence,

through their understanding of the contexts and the social struggles, and innovation, through their new local practices. The NGOs need to impose their vision and their competences on that ground.

[...]

Let us outline here a few issues for the future:

- *Developing the DE programmes vis-à-vis the citizens of Europe* (notably in the new Member States). It is a question of raising citizens' awareness of the questions of bad development, and highlighting the idea that greater North/South solidarity is necessary (and that one of the things it involves is financial support, in other words an increase in the European and national budgets to that end).
- *Driving forward the practices of DE*. We note that the DE programmes are increasingly tending to go beyond simply raising intellectual awareness of the problems facing the world, and are putting forward forms of actions to effect concrete changes to our societies. One thing that this entails is a link between DE programmes and advocacy. The point is that these two avenues are complementary: a public whose awareness has been raised more skilfully will be more amenable to the message and the desire for transformation. More precisely, it will be essential to address some themes in the near future: sustainable human development; access to economic, social and cultural rights; the fight against the mechanisms of exclusion; a critical analysis of information; migrations and the inter-cultural approach; the MDGs; fair and ethical trade, etc.
- *Developing 'multi-player' projects in the North*. It is urgent to touch more citizens more coherently, getting the messages to converge better. To do this, the priority needs to be to increase collaborations with the other sectors in civil society in the North, and more specifically, the NGOs committed to the defence of human rights, the environment and popular education. Attention likewise needs to be paid to working with the media, school and university circles, the cultural players and the professional milieu in general.
- *Working with the marginalised populations in the North*. While behaviour patterns need to change in the North, DE cannot just touch the middle classes. The question of the link between DE and popular education, in North and South alike, is essential.
- *Integrating DE and co-operation programmes in the South*. These activities are usually separated in the NGOs' organisational charts, which doubtless leads to a loss of mutual knowledge and collaborations. Yet these activities are pursuing the same objective of social transformation, seeking to contribute to the fight against poverty and exclusion. So they should not be seen as conflicting, rather they should be seen on a complementary or even integrated basis. In the years ahead, it would be relevant to 'globalise' the DE actions, in other words to encourage the work in the North and the South on DE programmes carried out together. They might lead to concerted advocacy processes. This calls for a common capacity between

players in the North and in the South to analyse contexts, and define ‘key’ subjects on which to act jointly at the international and regional or local levels.

The world will change thanks to the mobilisation of all parts of civil society in the North and the South. But one global question nevertheless faces us all: what interests should be defended jointly? ‘**Acting together**’ is an objective, but it is also a method of progressing towards some answers. Perceiving the future in terms of shared responsibilities, developing the ‘multi-player’ work, and encouraging North/South partnerships across all areas, are strategic choices for the European NGOs to reaffirm in the years ahead.

1.4.3 On the principle of subsidiarity: the political role of NGOs

Luisa Morgantini, Chair of the Committee on Development – European Parliament

[...]

NGOs have a very important contribution to offer: in the implementation of robust projects capable of poverty alleviation; in offering fundamental services and promoting social inclusion. In emergency situations, it is NGOs who have the most rapid and effective capacity to intervene. At a political level, many NGOs make an important contribution to policy-making in the field of co-operation thanks to their wealth of relevant experience. The presence of NGOs in the world is therefore fundamental in terms of speaking out and providing information on the living conditions of millions of people who would otherwise be ignored by traditional information channels. In particular, NGOs have a fundamental role to play in denouncing human rights violations.

[...]

The big step ahead that NGOs will have to make over the next few years is that of giving a bigger political edge to their own activities through an ever-greater affirmation of a policy of international solidarity. Activity should move towards pressure on donor countries to promote development policies that are consistent with a genuine idea of international solidarity. This is an important element to push, in order to ensure that the commercial, monetary and financial policies of the European Union are coherent with development policies. At the same time, NGOs representing civil society have to exercise control over institutions to ensure that promises are kept and that international solidarity is achieved in all policy areas.

If the political role of NGOs is to be reaffirmed, they must go back to having a social base, to being rooted and present in society, and being capable of communicating and disseminating an alternative idea of development to the dominant neo-liberal one. A stronger presence amongst the population and closer contact with civil society is indispensable for raising the profile of development issues and having significant weight in political discussion. Thus, wide sectors of society will be able to exert pressure and

control to ensure that international solidarity becomes an integral part of EU policies and characterises their internal coherence.

NGOs must take part in the existing discussion on global issues with both mainstream and alternative bodies. At both local and international levels they must be involved in the analysis of international relations, policies and actions of international solidarity. They must assume an active role in policy-making, lobbying activity, advocacy and development education in order to proactively further a new model of global development.

1.4.4 A perspective from the New Member States

Klára v. Kriegsheim Kadlecová and Martin Náprstek, Czech Development Centre of the Institute of International Relations – Czech Republic

What role will NGDOs have in development policies to eradicate poverty and promote social inclusion?

Development policy constitutes the third essential element (alongside trade and politics) of the EU's external activities. The non-governmental sector plays an important role in the area of development co-operation, and its influence is continuously growing. Development NGOs (NGDOs) often have the ability to reach the most disadvantaged and needy and to provide a voice for those not sufficiently heard through the other channels. NGDOs have the expertise and, in many cases, direct experience from the field to make a meaningful input into the development policy debate within the EU and its Member States.

Consequently – in the next 10 years we are expecting a significant increase in their involvement in development co-operation (at the national, bilateral and EU/international levels). As a key instrument to achieve this goal we would like to stress the importance of co-operation among different actors – not only between various NGDOs and their umbrella organisations, but also between non-State actors and business, State authorities, international bodies, etc. Rewarding and fruitful co-operation could significantly contribute to the main joint effort of our work: poverty alleviation and sustainable and stable development, as outlined by the Millennium Development Goals.

Should NGDOs in Europe focus more on DE, advocacy and lobbying rather than implementing projects in the South? Why?

The three areas mentioned: development education (and raising development awareness as such), advocacy and lobbying, and implementation are closely linked together. The Czech NGDOs are very capable, and their results from the field are very good, but we cannot concentrate on one particular issue and overlook the others.

Especially in the New Member States of the EU, we are still facing a lot of problems associated with a lack of capacities, resources and an unsatisfactory level of development awareness (both from the wider public and the decision-makers). From our point of view, there must be a suitable national and EU-25 strategy for all aspects of development co-operation: we should support our NGDOs in the field, as implementation of development projects is clearly one of the key instruments of the know-how sharing and knowledge exchange between the donor and recipient countries. At the same time, we should stress the importance of development education, advocacy and lobbying, because these areas are crucial for raising awareness and gaining support from the general public.

How can NGOS gain support from European citizens in the struggle for the eradication of poverty and the promotion of social inclusion?

As public support for development issues is closely connected with the development awareness of the European citizens, it is quite important – in our opinion – to draw a distinction between the ‘old’ and ‘new’ EU Member States. Development awareness and education activities have a much longer tradition in the EU-15 and have built – over the years – a sufficient level of public understanding and support for development topics, reaching, in most cases, the desirable situation of accepting development co-operation as a standard part of national foreign policy and international image.

In the ten new Member States (even though they are very different one from another considering their respective development policy structures), the situation in terms of development awareness and public support is quite different. An insufficient level of interest in all strata of their societies is prevalent, including among the national media and decision-makers. To change this fact, more support and co-operation from the EU and EU-15 side is needed, as the best practices of sharing and peer co-operation among the States are crucial. On the other hand, NGDOs are fairly well-developed in the NMS already: there are nine national NGDO platforms in the EU-10. Their staffing and technical capacities are growing, as well as their public networks. In most of the new Member States, the NGDOs can build on a strong tradition in the humanitarian field which is very well known to the public and – with the support of the other key parts of the development constituencies (especially the State authorities, interest groups, media, private sector, academia etc) – create positive public involvement in development co-operation as well.

1.5 The Trauma of Civil Society in the Middle-East and Africa

Ibrahim Saleh, August 2009, Interenational Journal for Not-for-Profit Law

In this context, NGO leaders and activists have expressed four main criticisms. The first is that MENA governments only half-heartedly endorse freedom of expression and the press while ignoring other basic human needs. . The second is that MENA governments take a superficial approach to freedom and democracy, which results in the marginalization of the interests of the majority to preserve the ruling minority's interests. The third problem is the governments' overemphasis on major regional issues such as the invasion of Iraq, Islamophobia, and the "resentment and tyranny" motivated by hatred for the Arab-Israeli Conflict. And the fourth problem deals with the simplistic official analysis of the multifaceted complexities that produce a perception of fear of the Green Danger, or the establishment of a radical Islamist state in Egypt and other MENA nations (Saleh, 2006).

[...]

The worrying point here comes from the erosion of civil liberties in the MENA and the increasing gap between publics and governments. An additional alarming point is the nature of change, as it might come through the turbulence of a revolution that could be bloody and confusing-bloody because so much is at stake for the regional actors, be they government officials, radical Islamists, or progressive activists, and confusing because nobody is quite sure who the actors are and what interests they represent.

In a region where many people are still suspicious of change and resist innovation, including basic rights like political participation, the risks of living in a lie are magnified. This is not to say that agents of change don't exist: there are many progressive civil movements, like *Kefaya* (Enough) in Egypt, that are fighting against governments' corruption. But the extreme and radical voices are also becoming louder and louder. At the same time, the marginalized discontented public is a world unto itself, largely detached from other sectors in society and loath to engage with them (Saleh, 2009).

2 Legitimacy of CSOs

Sub-topics:

- “[...] *Legal Legitimacy*: Legitimacy can grow from compliance with legal and regulatory requirements, such as meeting state registration requirements or delivering goods and services that meet professional standards.
- *Political Legitimacy*: Some civil society actors claim issue legitimacy on political grounds, such as democratic representativeness, participation, transparency, and accountability to their constituents affected by the issue. Democratic legitimacy depends on decision processes that allow those represented to understand decisions and consequences, participate in decisions, influence results, and hold organization leaders accountable.
- *Moral Legitimacy*: CSOs can ground their claims to legitimacy by action on behalf of widely held moral values and norms. Bringing food to the victims of a famine or campaigning to stop mutilation of children by land mines are activities grounded in widely held values. Such moral legitimacy is often important to CSOs, whose missions spring from value and visions of a better world.
- *Technical or Performance Legitimacy*: A fourth basis for legitimacy is expertise, knowledge, information, or competence relevant to the issues in question. When a coalition of international relief and development agencies lobbies the UN on actions to cope with complex emergencies, their claims are grounded in years of experience with providing relief and development support in similar circumstances. When an alliance of senior environmental scientists takes positions on climate change, they rely on scientific expertise as a basis for legitimacy.
- *Institutional legitimacy* is a long-term attribute of a CSO, typically gained over years of activity with and observation by many stakeholders. Issue legitimacy refers to credibility on a particular issue. General institutional legitimacy is not a guarantee that a CSO will be seen to have legitimacy on a particular issue: A grassroots CSO known for representing the interests of its members will not necessarily have legitimacy on the best way to deliver rural health care. But issue and institutional legitimacy do interact: Stakeholders may well give institutionally

legitimate CSOs the benefit of the doubt on particular issues, and credibility on the issues over time builds institutional legitimacy....”¹

- *Legitimacy, Transparency, Accountability (LTA)*
- *Systems / structures to enhance LTA*

2.1 Building Civil Society Legitimacy and Accountability with Domain Accountability Systems

L. David Brown, Hauser Center for Nonprofit Organizations, Harvard University

http://www.civicus.org/new/media/pasca_cs_accountability.pdf

“[...] Accountability” refers to the extent to which an actor can be held to its promises to perform some activity or service. Accountability might be owed to oneself, as in acting consistently with strongly held values or principles. More commonly accountability involves answering for responsibilities to others, and so refers to a relationship in which some actors hold others accountable. A CSO that provides health and education services, for example, could be accountable to funders and clients for the quality of services it delivers, and an indigenous people’s federation might be accountable to members for its effectiveness as a representative of their interests. Accountability typically requires some agreement on general goals, standards for performance, ways to assess that performance, mechanisms for communicating assessments to stakeholders, and sanctions by which stakeholders can create performance consequences.

“Legitimacy” refers to perceptions by key stakeholders that the organization’s activities and roles are justifiable and appropriate in terms of the values, norms, laws and expectations that prevail in its context. Institutional legitimacy can be framed in terms of prevailing value and normative expectations, or in terms of legal and regulatory requirements, or in terms of widely held expectations for good practice. The health and education CSO may develop legitimacy on the basis of years service that meet regulatory standards and local norms. The indigenous peoples’ federation may be recognized as the legitimate representative of politically marginalized group, because it has elected leaders and it operates by locally-accepted decision-making processes.

CSO legitimacy can be enhanced or undermined by its accountability to key stakeholders. Accountability systems that allow those stakeholders to assess and sanction CSO performance can also reassure the wider community that its activities are congruent with its mission. Service CSOs may claim legitimacy grounded in accountability to standards of service quality established by regulatory agencies and evaluated by clients.

¹ A chapter from the UNRISD commissioned paper, “The Evolving Politics of Global Civil Society Legitimacy”, by Aruna Rao and Kumi Naidoo 2004. *Contested Organizations and Contested Terms: Civil Society Accountability, Legitimacy and Transparency*

Capacity-building CSOs might argue for legitimacy based on demonstrated increases in client capacities. Advocacy CSOs might claim legitimacy from expertise on the issue, or articulating widely-held public values, or as representing affected group. Legitimacy is framed with reference the values, norms, laws and expectations of larger publics and contextual forces, while accountability is focused on specific duties owed to particular stakeholders.

Standards for accountability and legitimacy may come from different sources. Sometimes standards are set by general agreement on explicit social policies, laws, values and norms. This might be called the societal ideal view of accountability. In the U.S., for example, legislation requires that registered nonprofit organizations must provide a minimum level of financial information, but neither legislation nor widely-accepted norms define for CSOs the kind of primary stakeholder accountability enjoyed by owners of businesses or voters of democratic governments.

[...] This paper suggests that domain accountability systems can be designed to enhance CSO legitimacy and accountability as well as their capacity for learning and performance in both sector and problem domains. Building domain accountability systems requires identifying domain goals and stakeholders, negotiating performance standards and expectations, building domain organizations, assessing and communicating performance, and enabling performance consequences. Civil society actors can take the lead in this process, but donor, government, and business support will be critical in what is inevitably a multi-sectoral process of negotiating the societal roles of civil society in relation to other participants in governance and societal problem-solving. Latin American philanthropies are uniquely positioned to foster strengthening of their own legitimacy and accountability systems as well as the legitimacy and accountability systems of civil society sector and problem domains in the region.

Accountability and legitimacy are key concepts in an age where existing institutions are under intense pressure to adapt to globalization, technological change, and demographic shifts as well as the local manifestations of cross-sectoral “crises of governance. Philanthropies and other civil society organizations can be major actors in the processes of social and institutional innovation required to respond to these issues. Enhancing their accountability and legitimacy, in their own eyes as well as those of others, is critical to defining their roles in the social learning processes needed to cope with the world’s emerging challenges [...].”

2.2 “Who monitors the monitors?”

Peter Phiri, 25.09.09

<http://www.globalpolicy.org/component/content/article/176-general/31436.html>

“[...] On the whole, this does not negate the responsibility of civil society organisations for self control in order to answer to the increasing demands regarding legitimacy and accountability from their stakeholders. And obviously the efforts of DENIVA with its QUAM is a very good example worth mentioning. CSOs must be beyond reproach in the pursuit of their goals and therefore must subscribe to the best practices of good governance. It is from this awareness that there is an urgent need within the CSO sector for reform; for institutions not only to be perceived as having Legitimacy Transparency Accountability systems in place, but that they genuinely utilise these mechanisms in their pursuit of goals and objectives for credible programmes. In this regard, constant innovation is the key for the sector to register success.

For this reason, there is a global trend for civil society actors to move toward peer review, complaints procedures, and even independent third party assessments of compliance with clear standards. Examples include the Indian Organisational Self-Analysis for NGOs (OSANGO) which enables NGOs to assess their performance in comparison with others; the Australian Association of NGOs which has developed a complaints and redress system. The Philippine Council for NGO Certification has pioneered a partnership with the government to develop a peer review process to certify NGOs for whom the government will permit tax-deductible contributions. Child sponsorship NGOs in the United States have developed a code that enables independent third-party certification of compliance. These innovative practices have been described as “second generation” accountability approaches that are providing alternative methods from voluntary self-reported compliance standards (the “first generation” approaches), which have limited compliance and oversight structures.

CIVICUS aims to assist CSOs in this process through its Legitimacy, Transparency and Accountability programme under a three year project entitled Improving Legitimacy, Transparency and Accountability in Civil Society [...]

2.3 Legitimacy and representation of CSOs

Nilda Bullain, European Center for Not-for-profit Law (ECNL), Istanbul, November 17-19, 2005

<http://www.icnl.org/programs/location/.../CSORepresentation.ppt>

- How do NGOs represent their constituencies?
- What entitles NGOs to say they “represent” their constituencies?

- Congruency means:
 - Representation as function, not process
 - Representing / serving of real needs of constituencies
 - Actual vs. assumed representation
- Six Congruency Arguments:
 - Representation – Service – Mediation – Proximity – Membership – Identity

2.4 By What Authority? The Legitimacy and Accountability of Non-governmental Organisations

Hugo Slim (2002)

“ [...] A Basic Framework

Several people in the NGO world have produced simple accountability frameworks. For most NGOs, only a small part of this accountability is legally required but increasingly the bulk of it is more professionally, commercially, politically and morally demanded. Although the predominant metaphor of accountability is financial, the actual demands of NGO accountability today are much wider than a financial procedure that ensures that figures tally. Accountability is much more about reporting on relationships, intent, objectives, method and impact. As such, it deals in information which is quantitative and qualitative, hard and soft, empirical and speculative. It records facts and makes judgements. Also, current orthodoxy in accountability is as keen to ‘embrace failure’ and so learn from it, as it would be to celebrate success and repeat it. The simple frameworks to date might be summarised as having four main dimensions to them.

Accountability for What?

An accountability process should start by identifying the rights involved in any NGO programme, the relevant rights-holders and duty-bearers related to that right and the content of the duty in the situation. From this rights-duties analysis, an NGO can then identify its own specific duty and set out to account for it, while making clear the responsibilities of others. It can then account for what it does by being able to tell as true a story as possible about the piece of work that it did in a given situation. This story will involve an angle on all the different people involved, their experience of the work, the relationships that emerged, the quality and standards expected, the money that was spent, the things that it was spent on. From these perspectives, it should then

be able to report on the overall impact that this combination of people, relationships, money, things and time had on the rights concerned.

Accountability to Whom?

In any piece of work, an NGO will need to account to different groups of people as stakeholders. These will be the targeted rights-holders, the various duty-bearers and those secondary and tertiary stakeholders beyond the primary stakeholders who operate as interested or critical observers.

Accountability How?

Different stakeholders will require accounting to in different ways. Some people will require figures alone. Others will require figures and impact. Some will be literate, others will not. Some will want to know a lot of detail. Others will want to know the main points. So accountability will require diverse media. Accountability processes must also involve key stakeholders through representative meetings, research, representative assemblies or voting systems. But virtues common to all NGO accountability mechanisms must be veracity and transparency. What an NGO is saying about itself, or what it reports others as saying about it, must be reasonably true, easily available and accessible to all.

Accountability to Improve

NGO accountability mechanisms must show clearly how the agency is responding to what it has learnt and what its stakeholders are telling it. The mechanisms chosen must demand and show responsiveness by informing people about, and involving people in, new action taken [...]"

3 Code of Conduct of CSOs

Codes of Conduct are an important tool for enhancing accountability of NGOs. NGO accountability can include issues such as organisational management, project implementation, financial management, participation and information disclosure.

On the European level NGDOs have occasionally made attempts to sharpen their profile in contrast to other groupings active in the field of development cooperation. Presently there are multitudes of NGDOs whose genuineness can be doubted. The Commission pleases to summon all organisations which are not right away to be recognised as governmental or para-statal bodies under the title "Non State Actors". Not to differentiate for instance between private consultancies, foundations of political parties and genuine NGDOs (or better CSOs) is more and more detrimental for the whole benevolent and non-profit sector (in literature sometimes called "Third Sector") in Europe and even more so in the global South. There are many instances of strong mistrust against NGDOs on the donor as well as on the recipient end because their identity is blurred or even camouflaged. In recent years there was a lot of talk about the effectiveness and efficiency of NGDOs/CSOs whereas the internal structures of organisations, for instance the degree to which they follow democratic principles in their internal procedures, whether they are independent in decision making and faithful to their respective constituencies, was somewhat systematically sidestepped. This may have happened because more close analysis might have uncovered some painful insights. Particularly in academic circles but also in the European Parliament the democratic legitimization of NGDs/CSOs is often quite seriously questioned.

Chapter 3 is a pointer to the fact, that sharpening CSO identity seems indispensable to rebuild public trust and strengthen our negotiating power vis à vis the European Commission. It needs to be crystal clear where we differ from other actors

3.1 Developing a Code of Conduct for NGOs

“U4 Expert Answer” Transparency International

Part 1: Benefits and Challenges of Introducing a Code of Conduct for NGOs

The Objectives of a Code of Conduct

Some initiatives have been undertaken in recent years by the non profit sector to address accountability issues at a national level. In its simplest definition, accountability refers to “the obligation to report on one’s activities to a set of legitimate authorities” (<http://www.casin.ch/web/pdf/ngoaccountability.pdf>). This definition raises the key issue of what are the legitimate authorities and whom NGOs should be accountable to. The literature identifies four major stakeholders, with the growing trend of extending the need of accountability to all those affected by the organisation’s activities:

- Internal stakeholders (staff, board, supporters, subsidiaries, local partners)
- Donors
- Beneficiaries and those that NGOs activities affect (private sector, government, international organisations, etc)
- Civil society at large.

The different nature of the various stakeholders involved makes the issue of NGO accountability very complex and challenges NGOs to clarify and balance their responsibilities vis-à-vis their different stakeholders. According to a 2006 UN dossier on NGO accountability, the legitimate authorities NGOs should be primarily accountable to include those they affect who have less power. (http://www.gdrc.org/ngo/acc.../NGO_Accountability.pdf).

Transparency, accountability and legitimacy are closely intertwined notions. The legitimacy of the NGOs is tied to its accountability to its constituency - and the public at large -, the transparency of its processes, its adherence to its mission and its effectiveness in fulfilling its mandate.

Various tools have been developed to promote NGO accountability. These include establishing regulating instruments such as certification or rating systems, self assessments, independent evaluations, financial and social audits, disclosure of statements and reports and participation processes. (<http://www.sciencedirect.com/science/article/B6VC6-4893VK5-3/2/9f1ab2af309d153106b11df891d1ac9cAbstract>)

Voluntary codes of conducts are but one way for NGOs to address accountability issues. They are usually developed by national or sectoral NGO coalitions and consist of a public

commitment to “*principles or standards of performance to which an organisation or a group of organisations voluntary sign up and against which they are willing to be judged.*” (<http://www.casin.ch/web/pdf/ngoaccountability.pdf>).

The overall goal of developing a code of conduct is to provide an appropriate framework to address these issues, setting standards of performance with regard to:

- The effectiveness of NGOs in the quantity, quality and responsiveness of their activities;
- The independence, transparency and reliability of their institutional structures.
- The adherence to their mission as well as to a set of core values, guiding principles, and policies.

More specifically, codes of conduct contribute to answer these concerns by setting an organisation’s vision, values and guiding principles, establishing an accountability framework that clarifies roles, responsibilities and decision making processes, defining acceptable professional behaviours, and providing benchmarks for evaluation and reporting.

Benefits of developing a Code of Conduct for NGOs

There are many expected benefits of developing codes of conduct for NGOs. The general drive behind this type of initiatives is to promote the sector’s integrity and legitimacy by setting high common accountability standards and sometimes also clear reporting requirements. They represent a powerful statement of intent directed at both internal and external stakeholders that unethical behaviour will not be tolerated. Such approaches not only have the potential to improve the transparency of individual organizations. The greatest weakness of most codes of conduct is that they often do not include reporting requirements, but to contribute to enhance the legitimacy and accountability of the non profit sector as a whole. More specifically, the establishment of and adherence to a code of conduct sends both external and internal audiences a signal of credibility, legitimacy, trustworthiness, and professionalism:

Legitimacy Isolated instances of single NGO misconduct in financial governance are likely to undermine the reputation of the entire sector and challenge its legitimacy and accountability. The adoption of an ethical code can contribute to increasing the trustworthiness and credibility of an organisation, and enhancing the confidence and commitment of its stakeholders to the legitimacy of its operations. NGOs speaking from a strong value base are more likely to attract supporters and fend off political attacks.

Transparency and clarity of internal processes Codes of conduct can also contribute to clarify internal processes and introduce greater transparency in the organisation’s

management and way of operating, addressing criticisms of opaque and undemocratic decision making processes.

Accountability and representation By setting up an explicit set of values, principles, standards of performance and internal processes, codes of conducts provide a framework against which organisations can be held accountable.

Professional standards and performances By promoting high standards of practice and rigorous standards of performance, a code of conduct can also contribute to raise the organisation's professional standards and increase its performance and effectiveness.

Internal cohesion Codes of conduct can enhance the sense of community and belonging between an organisation's staff, members and stakeholders that commit to a set of core values and share a common mission.

Potential financial benefits Donors typically ask accountability related questions before channelling aid through NGOs, investigating their independence, effectiveness and accountability. Addressing accountability issues in a code of conduct may not only contribute to attract more funds but ensure better use of resources. McKinsey & Company, a management consultancy, says that the US non profit sector alone could free up at least \$100 billion in additional value by changing its notions of stewardship and its operating practices. (http://www.unglobalcompact.org/docs/news_events/.../ex_summary.pdf).

3.2 Study on Recent Public and Self-Regulatory Initiatives Improving Transparency and Accountability of Non-Profit Organisations (NPOs) in the European Union

Nilda Bullain and Katerina Hadzi-Miceva, European Centre for Not for Profit Law

Overall Analysis Of Trends In Regulation And Self-Regulation Of NPOs In The Eu

This section summarizes the key trends identified based on the charts and cases as well as challenges faced. The most common trends noted among the initiatives can be categorized as: (1) promotion of accountability and transparency; (2) developing

comprehensive frameworks for NPOs; (3) creation of national registries or making existing registration data more easily accessible for the public; (4) introducing a PBO status and/or strengthening accountability requirements for PBOs; (5) tightening regulation of fundraising and financial management; (6) improving NPO governance and accountability through self-regulation; (7) strengthening supervision and investigation powers; (8) increasing transparency in public funding of NPOs. The section further outlines that the practice of consultation and inter-sectoral cooperation is developing slowly and needs to be enhanced; it also points to the increasing role assumed by the for-profit sector in promoting NPO accountability. Finally, it also summarizes the trend to address issues affecting NPOs at a European level.

[...]

Trend to address issues affecting NPOs at a European level

A number of public and selfregulation initiatives were identified that aim to address issues relating to NPOs across borders in Europe. While not numerous, these initiatives are significant in their potential impact as they will directly affect the regulatory environment of NPOs in member states and can be expected to increase accountability and transparency of the NPO sectors. The most prominent initiatives include:

- Council of Europe **Recommendations on the Legal Status of NPOs in Europe**, which serves as a prominent source of regulatory good practice and provides useful guidance especially to countries where a coherent legislative framework for NPOs has not yet been established or is undergoing major reform. The Recommendations were adopted to recognise the importance of NPOs in modern society and to elaborate minimum standards for their operation. The Recommendations will have a direct effect on accountability regulation, as member states are required to follow its guidance such as: *“NPOs which have been granted any form of public support can be required each year to submit reports on their accounts and an overview of their activities to a designated supervising body.”*
- The European Foundation Centre’s initiative to introduce the **European Foundation Statute**. Currently, a feasibility study is being conducted to determine the need and relevance of the introduction of this new European legal form. EFC has also developed a model law on foundations and several documents that provide guidance to member states in legislative reforms concerning foundations.
- A similar initiative to introduce a **Statute of a European Association** exists since 1984 when the European Parliament passed a resolution on this matter. Several NGOs, including CEDAG actively worked on this initiative. However, in 2006 it was withdrawn from the legislative process and not much progress has been made since.

- A series of cases have been brought to the ECJ that aim to **diminish barriers to crossborder giving** in the EU. According to the ECJ, several EU countries could be in conflict with the EC Treaty for discriminating against foreign-based foundations and cross-border donations. Two most notable cases are the ‘Stauffer’ case (concerning the issue of tax treatment of resident and non resident PBOs) and the ‘Persche’ case (concerning the refusal of tax deductibility for an in-kind donation by a German donor to a Portuguese public-benefit organisation). In the Stauffer case, ECJ ruled that although requirements for tax exemption for PBOs are designed at the national level, if a foreign-based PBO fulfils the criteria of public benefit at the national level, it cannot be excluded from tax breaks just because it has a seat in a different country. Further, in Netherlands as of 1 January 2008 a charitable organisation resident in the EU, the Netherlands overseas territories Netherlands Antilles and Aruba, or another qualified country will have the same tax privileges as a similar Dutch-based institution. Denmark, Poland, Slovenia and Finland have also amended legislation to allow tax benefits to PBOs based in other EU Member States.
- Guidestar is considering developing a **European database on NPOs** (as part of a more international undertaking) as a prelude to the introduction of national Guidestar systems across Europe. Beyond being a useful service for donors regardless of national borders, this approach is also thought to induce interest on part of the country level stakeholders to engage in developing a more in-depth inventory of their NPO sectors.

[...]

Irish Development NPOs Code Of Corporate Governance

In 2008 Dóchas, the Association of Irish Non-Governmental Development Organisations and the Corporate Governance Association of Ireland (CGAI), issued a Code of Corporate Governance for Irish Development NPOs, members of Dóchas. The code sets forth standards of best practice that are intended to strengthen the impact of development organisations and enhance stakeholder confidence in them. The involvement of an expert body in this project, the borrowing of the “comply or explain” rule from corporate governance, wide stakeholder consultation, and stated intentions to monitor implementation suggest that the Dóchas effort represents a new level of professionalism in promulgating standards of NPO governance.

Context

The Dóchas code is the result of widespread attention to corporate governance issues as well as the growing role and size of the Irish development sector. In recent years, the Irish development sector has expanded quickly with the establishment of many smaller

organisations along with large international NPOs. Reflecting the importance of this trend, in 2006 the Irish government issued a White Paper on Irish Aid affirming its commitment to increase the Irish official development assistance budget to one of the highest levels in the OECD. In the same year, the government also presented plans to introduce new charity legislation, stimulating widespread discussion in the voluntary sector about self-regulation and the imposition of standards and codes of conduct. Taken together, these events exposed the probability of increased public scrutiny of the work of the Irish development sector and the need for NPOs working in this area to demonstrate high levels of quality management, oversight, and governance.

Recognizing that Irish development NPOs had relatively weak accountability standards, Dóchas CGAI, a new professional association promoting good governance in the private, public and non-profit sectors decided to develop a set of good governance guidelines. The Dóchas-CGAI project drew on the welldeveloped corporate governance culture in Ireland - in particular, obligations to explain non-compliance with the code that have been a hallmark of UK governance practices.

Analysis

The Code of Corporate Governance sets out accountability and transparency standards which are promoted by EC COM (2005) 620 and its Annex 3, as well as FATF SR VIII Interpretative Notes and Best Practices. Of particular importance is the focus on the principles of functioning of organizational boards, which satisfies the need to vest responsibility of legal compliance with the highest governing body of the organisations. Dóchas is a prominent umbrella organisation providing a forum for consultation, cooperation, and unified communication among Irish development NPOs. It is also an Irish platform of the EU wide CONCORD structure. The initiative to develop a governance code was a strategic objective driven by the Dóchas board of directors and led by a working group composed of Dóchas representatives and experts in corporate governance from CGAI. The process of formulating the code was a lengthy one, with extensive research and consultation with member organisations. Other relevant actors, such as government departments and NPOs working in other sub-sectors, were briefed to ensure that no significant opposition from them arose. Dóchas credits this **broad consultation process, which emphasised voluntary acceptance of the code over imposition from above, with the code's initial positive reception.**

Reflecting a familiarity with common best practices, the code itself is largely similar to others already in existence, such as those issued by Boards Count, NCVO, the Governance Hub, the Combined Code of Corporate Governance, and the Central and Eastern European Working Group for Nonprofit Governance.

Terrorist financing was not a consideration in the development of the code; however, application of the code's principles, particularly those related to board responsibility,

transparency, and integrity, should make it difficult for organisations to engage in terrorism financing without board awareness and/or involvement.

The Code aims to help enhance the effectiveness of Development NGOs by clarifying what **effective corporate governance** looks like and how Boards can govern effectively; reassuring an organisation's stakeholders about the way organisations are governed; and maintaining and enhancing public confidence in Irish Development NGOs and in the development aid sector generally. The code sets out principles based on legal and regulatory requirements and commonly recognized standards. It sets out a number of core principles, and presents a series of supporting principles which further explain them. The Core principles refer to the work of the Board and are:

- (1) **LEADERSHIP:** Every organisation should be led and controlled by an effective Board of directors which collectively ensures delivery of its objects, sets its strategic direction and upholds its values.
- (2) **ACCOUNTABILITY:** The directors as a Board should collectively be responsible and accountable for ensuring and monitoring that the organisation is performing well, is solvent, and complies with all its obligations.
- (3) **RESPONSIBILITIES:** The Board should have clear responsibilities and functions, and should compose and organise itself to discharge them effectively.
- (4) **REVIEW AND RENEWAL:** The Board should periodically review its own and the organisation's effectiveness, and take any necessary steps to ensure that both continue to work well.
- (5) **DELEGATION:** The Board should set out the functions of subcommittees, officers, the chief executive, other staff and agents in clear delegated authorities, and should monitor their performance.
- (6) **INTEGRITY:** The Board and individual directors should act according to high ethical standards, and ensure that conflicts of interest are properly dealt with.
- (7) The Board should be open, responsive and accountable to its users, beneficiaries, members, partners and others with an interest in its work.

Importantly, the Code sets out a list of guidelines to support implementation of the core principles and the supporting principles. The Code recognizes three principles of implementation: that the guidelines are optional and organizations should interpret them in a manner that is appropriate to their organisation's size and stage of development. That larger development NGOs are encouraged to adopt as many of these practices as is feasible while smaller organisations may consider progressively adopting them as they grow. Finally, the Code is viewed as a live document, and its guidelines will be regularly reviewed in the light of experience of Dóchas members and to ensure they are consistent with evolving standards of corporate governance internationally. Important feature of the Code is that NPOs that voluntarily subscribe to the code are expected to make a statement in their annual reports and other relevant published material. In

the statement, the organization must either confirm that it complies with the code's principles or provide an explanation of noncompliance.

This “**comply or explain**” approach, a well-established mechanism in the corporate governance arena, enables organisations to interpret the code flexibly to suit their particular circumstances while offering stakeholders and others concrete information by which to evaluate the organisation's performance.

Dóchas decided that it would be bound by the Code with immediate effect, and that the 39 Dóchas member organisations would work towards compliance with the Code over the next two years. Since its introduction in early 2008 the Code has been popular with Dóchas members and a significant number of non-members. Users find it practical, understandable, accessible, and flexible. Because Dóchas is a high-profile signatory, the Code has been well publicised and has attracted significant media interest.

Dóchas expects there will be considerable peer pressure on NPOs to adhere to the code. It has even suggested to Irish Aid, the government assistance programme, that it consider making adherence to the code a criterion for accessing Irish Aid funding.

The Dóchas experience illustrates the widespread popularity of a broad consultative process in developing accountability standards. However, whereas many organisations adopting such an approach end up with overly simplified or watered down standards, Dóchas added unusual “bite” to the product by including professional advisors in its development and imposing a “comply or explain” mechanism in its implementation. While it is too early to predict the code's ultimate impact, the prominence of Dóchas in the Irish NPO sector and the potential linking of the code to governmental funding suggest that it may be taken more seriously than most other codes, despite its voluntary nature.

3.3 CONCORD's Objectives, Principles and Priorities

General priorities

The following priorities have been identified for the next few years. They were set according to their relevance, principles of good governance and efficiency in order to achieve concrete results that favour developing countries:

Active monitoring of Member States to ensure that they respect their commitment to spend 0.7 % of GNP on Development Aid.

- To reformulate the role of Northern development NGOs towards their Southern partners in order to reinforce the capabilities of Southern partners and meet their needs.

- To establish a serious partnership with the European Institutions based on mutual respect and understanding leading to detailed exchanges on different development co-operation issues.
- To elaborate a mechanism to improve the legitimacy and representation of development NGOs.
- To monitor European responsibility toward the South in the face of the enlargement process and the reform of European governance.

What CONCORD expects from the European Union?

CONCORD recommendations for the European Union:

1. The European Union (EU) should respect real democratic ownership of the development process, and allow partner countries to be in the driving seat by:
 - Untying all EU aid to all countries;
 - Phasing out economic policy conditionality.
2. The EU should radically improve its accountability, particularly to developing countries and their citizens by:
 - making monitoring and evaluation of aid truly independent;
 - establishing a complaints mechanism open to aid recipients;
 - supporting in-country mechanisms for holding donors to account.
3. The EU should commit to good practice standards of openness and transparency of their aid budgets and activities.
4. The EU should agree new, more ambitious targets to make multi-year, predictable and guaranteed aid commitments based on clear and transparent criteria.
5. The EU should reform its technical assistance to respond to national priorities and build genuine capacity in partner countries.

Principles

The work of the Confederation is guided by the following principles:

- Full participation of all types of NGDOs so that proposals from the Confederation are representative and accurate.
- Sharing of knowledge and capacities in order to improve the work of the Members.

- Good governance and transparency.
- The Secretariat is at the service of the Members and bases its work on Members' experience in the Southern countries.
- The Working Groups are the main dynamic behind the Confederation's structure

3.4 Concord's Strategic Objectives 2009-2015

CONCORD Vision

CONCORD vision is of a world in which poverty and inequality have been ended; in which decisions are based on social justice, gender equality and upon our responsibility to future generations; where every person has the right to live in dignity, on an equal basis, free from poverty and sustainably.

CONCORD Mission

CONCORD members work together to ensure that:

- The EU and member states are fully committed to comprehensive policies and practice that promote sustainable economic, social and human development, aim to address the causes of poverty, and are based on human rights, gender equality, justice and democracy;
- The rights and responsibilities of citizens and organised civil society, to influence those representing them in governments and EU institutions, are promoted and respected.

CONCORD Aims

- To influence the EU's policies and practices so that the Union and its member states enhance social justice, equality and human rights throughout the world.
- To promote the rights and responsibilities of citizens, development NGOs and, where relevant to CONCORD's influencing agenda, civil society as a whole to act in solidarity with those living in poverty and to influence their representatives in governments and EU institutions.

CONCORD Approaches

1. Human rights and gender equality will underpin all the advocacy work.
2. The strengthening of CONCORD political engagement with the institutions.
3. Developing strategic alliances with southern, European and global coalitions.
4. Supporting the organisational development of CONCORD's members.
5. Ensuring CONCORD collective decision making combines efficiency with confederation ownership, and supports active participation of all members in CONCORD activities.
6. Basing CONCORD work on members' energies, supported by a secretariat; balance CONCORD income sources to ensure its independence and sustainability, and manage finances prudently.

4 CSOs and donor relations

Sub-topics:

- Donors perceptions of CSOs function: channel for aid delivery, vehicles to be used to achieve key Foreign Policy objectives, strategic tool / instrument, subcontractors, partners, beneficiaries of aid
- CSOs perception of Donors: partners, political partners
- CSOs perception of CSOs: development actors in their own right, beneficiaries, sub-contractors
- Main points of the discussion on the CSO-Donors relations: Donors often question the quality of services provided by CSOs, the impact and sustainability of CSOs' interventions; CSOs argue that their effectiveness is influenced by budgetary and financial procedures applied by the donors; the environment within which CSOs operate is also determined by the donors and developing country governments - the funding source influences / frames (?) the priorities and the work of CSOs - need for effective and inclusive consultation process between CSOs and donors for a coherent development policy – need for transparency and accountability on both sides

4.1 Palermo process: a structural dialogue

EuropeAid has been managing since 2002 a dialogue process between the EC, civil society organisations (CSO), members of the European Parliament and representatives of Member States. The main objective of this process is to create an informal forum in which actors could debate about procedural and political issues on civil society involvement in EC development aid implementation.

For more info visit the website:

http://ec.europa.eu/europeaid/who/partners/civil-society/palermo-process_en.htm

“Evaluation of EC aid delivery through Civil society organisations” (Dec 2008)

http://ec.europa.eu/europeaid/how/evaluation/.../presentations/2008/1259_pres_en.pdf
[...]

EC policy framework

- Regional, sectoral and thematic policy documents reaffirm principle of participation

BUT:

- No clear vision on added value of different CSO categories of CSOs

[...]

With regards to CSO roles

- Consistency at general level

BUT in practice:

- Participation of CSOs often limited to implementation, mainly service delivery
- Potential to engage with CSOs in advocacy/dialogue partner not fully exploited
- Innovative CSO capacity support programmes (ACP)
- Limited effectiveness of current political dialogue to protect space for CSO participation

[...]

Major doubts on systemic impact and sustainability

- short duration of projects
- discontinuity in support
- limited linkages with programmes and processes
- inadequate procedures
- risk aversion
- CSO sustainability

[...]

4.2 NGOs in the Aid Community: Do Funding Source or Economic Conditioning Matter to Decisions of Country or Activity Involvement?

By Suzanne McCoskey, Published February 23rd, 2009, Journal of Humanitarian Assistance, pp.16-17

“ [...] V. Conclusions

Based on the results of this study, US-based NGOs receiving government aid seem to be basing their decisions on variables found to be significant to other forms of aid. Lower per capita income, for example, draws in more NGOs. There is evidence that policy or economic environment matters as well. Countries less open to trade draw in more of both government funded and non-funded NGOs. For NGOs not receiving government funding, interestingly, need matters less and policy matters more. Growth in government consumption is rewarded by non-funded NGOs. The regional dummy variable results are also compelling: in the fullest model the NGOs receiving funding are regional-neutral while there is a negative bias against Sub-Saharan African country involvement for those NGOs not receiving government funding. Also while funded NGOs are neutral to population, non-funded NGOs respond to countries with higher populations.

The region and population results taken together suggest an interesting interpretation. Non government funded NGOs may be more vulnerable to promoting certain “popular” regions or large countries in order to fund raise from individuals. Those NGOs receiving government funding may not be under the same constraints. In working with USAID professionals, they may be more able to fund programs in smaller countries and those countries more “neglected” or “ignored,” a critique often discussed in the context of the lack of necessary foreign aid funding to Sub-Saharan Africa. Thus, while government funding may bias the activity choice of NGOs, it may also enable them to operate in a wider range of in-country environments.

In terms of activity content, although the propensity to engage in many activities is neutral whether or not the NGO receives official monies, those NGOs that do receive government funds have a higher probability of engaging in food-related, HIV/AIDS related and business development activities. To the contrary those not receiving official funding are more likely to be engaging in policy research and analysis. This last result could be investigated further through the lens of the critique put forward by Edwards and Hulme (1998) on the legitimacy and compromise of those NGOs receiving government funding.

There are some drawbacks and potential biases to the data used in this study. All data for NGOs is taken from InterAction and therefore the sample only represents members of the organization. To the extent that this group may be self-selected (representing, for example, larger NGOs who might benefit more from membership), results may not be fully applicable to all US-based NGOs. Further, members of InterAction may be more likely than NGOs overall to receive US government funding. In addition, the data does not allow linkage between country activity and country funding. Therefore a country may have more NGOs active within its borders but overall less financial resources from the NGO community than another country. This necessitates an imperfect comparison with previous results from the literature.

Despite these shortcomings, it is hoped that this paper provides a first step in incorporating the NGO community in the overall foreign aid literature. A finding that there are some differences in the behavior of NGOs based on government funding (country characteristic and activity) means importantly that NGOs can have incentives to get involved with the US policy process. NGOs, for example, active over time in areas like agriculture and HIV/AIDS on behalf of the US government may have strong incentives to keep these funding streams. This kind of incentive was demonstrated by the NGO involvement in the US policy debate about the future of food aid. To the extent that NGOs provide contributors with the ability to express preferences outside of the standard US policy process, these differences in behavior could be of great concern. More empirical evidence on the impact of government funding on NGO behavior, however, is necessary to define more clearly the actual costs and benefits to all stakeholders.”

4.3 Civil Society Voices for Better Aid, Civil society statement in Accra warns urgency for action on aid

1st September 2008

“[...] As development actors we are committed to making all aid activities more effective in addressing poverty and inequality. We recognise the need for continual improvement in our performance and our own responsibility for this. [...]

However, our effectiveness is also shaped by the environment in which we work, which is often determined by donors and developing country governments. Appropriate financing, democratic and effective states and enabling environments, including legal frameworks based on human rights, are crucial to our work being more effective with the most marginalised communities[...] p.2

[...] The effectiveness of aid should be assessed under a universal, more democratic and representative platform than the OECD/DAC, such as within the Development Cooperation Forum at the United Nations. p.3

4.4 Better Aid - A civil society position paper for the 2008 Accra High Level Forum on Aid Effectiveness

[The full position paper includes the 16 recommendations which are cited below and their justification]

[...]

Recommendations:

1. Recognise the centrality of poverty reduction, gender equality, human rights, social justice and environment.
2. End all donor-imposed policy conditionality.
3. Donors and Southern governments must adhere to the highest standards of openness and transparency.
4. Donors should support reforms to make procurement systems more accountable, not more liberalised.
5. The AAA must recognize CSOs as development actors in their own right and acknowledge the conditions that enable them to play effective roles in development.
6. Create an effective and relevant independent monitoring and evaluation system for the Paris Declaration and its impact on development outcomes.
7. Introduce mutually agreed, transparent and binding contracts to govern aid relationships.
8. Create new multi-stakeholder mechanisms for holding governments and donors to account.
9. Establish an equitable multilateral governance system for ODA in which to negotiate future agreements on the reform of aid.
10. Donors must be held to account for commitments they have already made under the PD.
11. Commit to giving aid for poverty eradication and the promotion of human rights.
12. Untie all aid.
13. Reform technical assistance to respond to national priorities and build capacity.
14. Improve aid allocation to respond to needs.
15. Set new targets to improve multi-year predictability of aid.
16. Ensure meaningful participation by CSOs in the Accra HLF.

4.5 Is NGO Aid Not So Different After All? Comparing the Allocation of Swiss Aid by Private and Official Donors

Peter Nunnenkamp, Janina Weingarth and Johannes Weisser, Kiel Working Papers, No. 1405, March, 2008

[...]

Taken together, our findings caution against the view that aid would be better targeted to the needy and deserving if only NGOs had more resources at their disposal and a bigger say on the allocation of aid. The Swiss example rather suggests that the incentives of NGOs to swim against the tide are weaker than widely believed, even when deciding on the allocation of their own resources. Rather than trying to excel by distinguishing themselves from other donors, NGOs may prefer following official aid strategies and allocation rules to get easier access to public funds. Official backdonors in turn are likely to push their own agenda when using NGOs as a form of ODA delivery, and may even consider NGOs to be “subcontractors who can be hired at will” (Monteiro 2007).

More research is required to shed further light on these issues. Most obviously, it is clearly warranted to perform similar case studies for other donor countries, especially quantitatively more important donors such as the United States, France or Germany. Regrettably, the data situation renders this extremely difficult, not least because NGOs often are fairly reluctant to open their books on aid allocation beyond presenting regional aggregates in annual activity reports. Second, it would be desirable to augment the specification of the aid allocation equation in several ways. Most interestingly, the funding structure of (individual) NGOs could be entered as an independent variable, if available for a sufficiently large number of NGOs. Interacting this variable with standard determinants of aid allocation could then reveal whether financially autonomous NGOs provide better targeted aid than their counterparts relying on state financing.

4.6 CONCORD Discussion paper, The future of EC funding of Civil Society in Development

Funding for Development and Relief Working Group, April 2005

[...] Section 6: Questions

6.1 Political position of CSOs

[...] One key follow up question is that as we take on more and more government funding, it is inevitable that we become more compromised in our approach, and more like a donor. Should we not focus back on raising our own funds, or does being a contractor increase our development advocacy potential? Follow up questions:

- Could we refocus work on adapting the approaches and policies of donors and their contractors, rather than contracting ourselves?
- Can we be seen as partners when implementing, given the EC's preferred contracting approach? Or is it better for us to focus our EC funded work on Development Awareness in the EU, networking and coordination and raise other funds for our implementing and capacity building work?

6.2 Scope and purpose of the budget line

How should the specific objectives and strategies of EC aid budget be defined in the absence of specific regulations for detailed budget lines?

How could we organise a systematic and efficient CSO input into EC aid strategies and programming?

In the area of Development Awareness, how do we avoid an approach that supports Public Relations for EU development work? Should the European dimension of DA be strengthened or revised or abandoned? Where do we see the boundaries of our Development Awareness work?

Where would the added value be of a CS budget line as a complementary tool to national indicative programmes?

What is the value of a CSO line in comparison to other thematic and geographic programmes? Particularly given that the role of EU NGOs as implementers funded by the EC is likely to be restricted to the geographic and other thematic budget lines.

What should the objectives be? These need to be specific enough to justify its existence. What kind of activities to be supported to attain our objectives of working with the EU?

Of the two main issues the EC sees as the role of CSOs, Civil Society building work or development awareness, what should the budget line fund? If it funds Development Awareness what do we ask them to fund? Specific development education? Public Relations for EU development work? Or a broader embedding of DA in EU society at the public, EC policy and Member State levels? And where is the role for DA in the “south” here? Does the EC fund this? Should they?

6.3 Access to the budget line

What does an actor-oriented aid instrument mean when the eligible actors are so varied?

What will be the criteria to select those actors that really bring added value to EC aid and to civil society participation?

Wouldn't it be a useful and powerful input from NGOs to establish such a list of criteria based on NGO principles and way of working?

Do we support opening up the budget line to DC CSOs? How will this work in practice, given the regulations?

What role and place for North-South partnership in a CS budget line?

What would broader access to CS actors mean in terms of multi-actor projects – is it not an opportunity to get out of the unique classical model of N-S partnership?

Finally, there is the issue of the contractual or otherwise involvement of local government. Should CSOs be requested to link with local government in the areas of operation, and provide an explanation where this is not possible – as part of a move towards increasing sustainability? Or is it only our role to work with other civil society actors.

Likewise, should capacity building for local government authorities or institutions be included, given that we otherwise run the risk of helping to create demand for services, without supporting the provision of supply? Should signatories be required to collaborate with other actors in the geographic or thematic areas covered, or just the named partners?

6.4 Management issues

How should the Call For Proposals system be organised to make a broad civil society aid instrument workable and effective and to achieve its objectives? Is it feasible at all through a CFP system?

What kind of contractual relations between CSOs and the EC would best reflect a multi-actors approach with a central role for CSOs of DC? What would really support

the objectives of civil society participation? What are the respective roles of EU and DC CSOs and CSOs as signatories of the contract? How could these roles evolve in future?

4.7 “The Commission and NGOs: Building a stronger partnership”

Response of the Platform of European Social NGOs, April 2000, p.4

“[...] Executive Summary

- The Platform welcomes the Commission’s open consultation on the issue of civil dialogue.
- An article guaranteeing a legal basis for the civil dialogue should be included in the next Treaty of the European Community.
- The Commission must propose a Council Regulation governing civil dialogue.
- There is a need to segregate the policy dialogue from the financial aspects of the relationship between the Commission and European NGOs.
- Civil dialogue should be transparent, as should the decision-making process itself.
- Core funding of European-level NGO networks is crucial to the promotion of the civil dialogue.
- Longer-term planning and more efficient European NGO functioning can only be achieved if a system of multi-annual funding is introduced.
- Budgetary and financial procedures should be reformed in order to improve efficiency and effectiveness and to avoid the problems caused by delayed payments.”

4.8 Video Dialogue with CSOs in Argentina on World Bank-CSO Engagement

Summary Report,25.02.04

<http://web.worldbank.org/.....220476 theSitePK:228717,00.html>

- It is correct to think about new ways to increase civil society participation and engagement in World Bank policies, but the issue can not be resolved if superficial measures are adopted. To be meaningful, civil society participation should begin in the project’s preparation stage.

- CSO should be systematically engaged in the dissemination of all the proposals contained in this paper. Dissemination activities should be carried out in a double direction: i) within the WB; and ii) to civil society at large.
- CSO should receive feedback and a final response to the proposals raised during this meeting.
- World Bank-civil society relations can be characterized as suffering from an expectations-gap: Bank's main policies and instruments do not reflect discourse. For example, many consultations with civil society have been organized by the Bank during the last few years (eg. CAS consultations), but these exercises are not-bidding ones. As a result, CSO hold the shared perception that they are utilized as channels to collect valuable information, situation that severely affects Bank's credibility. The proposal is to carry out bidding consultations.
- If the World Bank renewed interest in civil society participation means stronger partnerships with CSO in the design and implementation of projects, the role of the Government in these partnerships should be clarified.
- The document correctly defines civil society as a bigger phenomenon than NGOs. This coincides with the current accepted definition in Argentina, elaborated as a result of big efforts to build partnerships among different social actors to define and address development priorities.
- It is controversial to support the idea that CSO have had strong impact in development. There is a prime necessity for this to occur, but so far this has not been the case. The world is under a process of rethinking the traditional social-institutional divisions. The three-dimensional division of private sector, State and civil society has caused several difficulties to pursue concerted social efforts. These divisions are currently outdated. The Bank should help to design social structures that can contribute to pursue shared public goals. Civil society has the will to these changes but its resources are scarce. Private actors have the resources but not always the will. The State is called to play a key role but no significant developments seem to be occurring in this direction. The Bank can play a key role in facilitating the dialogue among all social actors to achieve the necessary convergence.
- The challenge to incorporate NGOs to the active fight against poverty begun in the 70's. The Inter-American Foundation played a key role in this process. The switch in Bank's mission towards poverty reduction and fighting occurred in the 90's. Thus, the Bank should provide clearer paths to deeper civil society engagement in its activities. CSO's engagement in Bank's instruments should be specified in bidding documents (e.g. Loan agreements).
- It is remarkable to learn that the Bank is rethinking CSO's engagement and that it is leading the international community to incorporate many new topics on the development agenda. But a wider agenda requires clearer strategies and more precise instruments and legal provisions.

- Traditional political actors' legitimacy is today questioned in the majority of developing countries. Consequently, it seems to be a positive step to include CSO as new partners. But CSO's decreased legitimacy should not be overlooked. In fact, we are under a crisis of representation that includes all sectors of socio-political activity.
- Increased transparency is a crucial requisite to better governance. In many ways, CSO can contribute to increase public oversight. But feeble transparency is also a problem of CSO themselves that should be addressed is legitimacy is to be increased.
- Training of CSOs to perform the new role as global development partners should be stressed. The State's and the Bank's training deliverables to CSO should be coordinated to maximize resources and achieve lasting results.
- Bank's engagement with trade unions should be revised since in developing countries there are key issues that could only be addressed with their meaningful engagement.
- Bank's policies towards students and young professionals should be clarified and stressed because in developing countries youth is a key partner for the execution of enduring development projects.
- In this draft document, the Bank seems to be mainly concerned with lowering the risks of engaging with CSO. To do so, the Bank should carefully select who to engage with. CSO have grown in number but not necessarily in capacity and commitment. The very main quality an organization should have to be selected as partner is to be transparent. The Bank should not only increase its own transparency but demand CSO to do so.
- If the Bank's renewed commitment to build partners with CSO is to produce lasting outcomes, efforts should be done to: i) include detailed provisions for CSO's participation within Country Assistance Strategies; and ii) train Task Managers on provisions and tools to foster this participation.
- Civil society needs constant feedback on the proposals made to the Bank and the Government. Timing of responses should be revised to meet local agendas and situational realities.
- Bank's strategy and discourse has incorporated in the last years many concepts whose concrete policy implications have never been clear to civil society, such as empowerment, PRS, etc. This contributes to the already referred expectations-gap.
- There is a considerable lack of knowledge among CSO of WB's mission and policies. The Bank's communication strategy is feeble and should be revised. This can considerably contribute to transparency.

4.9 Reforming government funding of development NGOs. A comparative analysis of eight European donors

Leen Nijs, Robrecht Renard; University of Antwerp, Institute of Development Policy and Management

This paper consists of a comparative study of public financing of NGO development cooperation in selected European countries. The study encompasses the Nordic+ group (Denmark, Finland, Norway, Sweden the Netherlands, the United Kingdom and Ireland) and Switzerland. Its main objective is to find out whether and how in the countries studied the modalities and objectives of the subsidization of Northern NGOs have been adapted to the rationale and requirements of the new aid approach as embodied in the 2005 DAC Paris Declaration. We describe the evolutions in the volumes, the procedures and modalities of funding to Northern NGOs, We argue that remarkable changes have been made in co-financing of development NGOs and give an analysis of the underlying rationale of these reforms. The annex to this paper contains the full version of the country studies. [...]

Figure 1: Support to NGOs as % of ODA

Source: DAC International Development Statistics Database, CRS Online

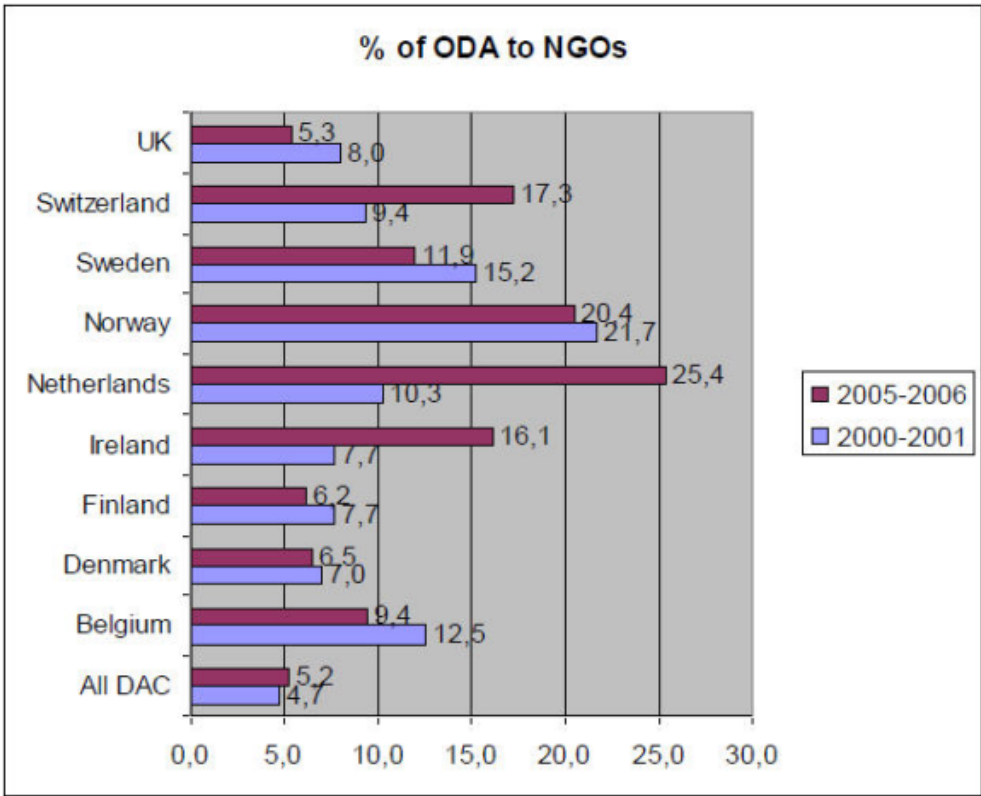


Figure 1 summarizes statistical information from the DAC regarding NGO-funding. In 2005-2006 the eight countries studied on average channeled almost 14% of their ODA to NGOs. This is higher than the 9% for Belgium and much higher than the average of 5% for all DAC members taken together. Abstracting from the different degrees of underreporting of humanitarian funding to and through NGOs and of direct support to Southern NGOs, Belgian NGOs get a lesser share of total ODA than their colleagues in the European countries studied get. However, this average is not necessarily very meaningful because of the large variation it hides: in three of the countries (Denmark, Finland, and the UK) the percentage is actually lower than in Belgium.

Taking a historical view, and comparing the data of 2005-2006 with those of 2000-2001, at the beginning of the new aid approach, we observe an increasing share of ODA to NGOs in the countries studied, from 11% to 14%. By contrast, the share in Belgium has decreased in the same period, from 13% to 9%. We do not think too much can be read in this however, as the changes between the two periods sometimes seem very unlikely, e.g. for Switzerland (from 9% in the earlier period to 17% in the more recent period). We suspect that there is a problem with the way the data have been entered into the DAC system, either because of unclear rules, or because of erratic shifts in the zeal with which data pertaining to NGOs have been culled from different lines of activity.

The direct funding of Southern NGOs may well be gaining momentum. We cannot conclude this from DAC data, as there is no separate reporting on direct financing of Southern NGOs, nor do donors state it categorically. But we infer it from what we read in many documents. The Netherlands have stated the intention to increase direct funding of Southern NGOs. Several Scandinavian donors are also increasingly making use of decentralised financing systems in favour of Southern NGOs (Scanteam 2007). And the same is taking place in the UK. It is interesting to note that in direct funding of Southern NGOs, bilateral donors are experimenting with financial pooling with other donors, and that support often takes the form of core funding. This shift to the South in co-financing mirrors the general trend in decentralisation from headquarters to embassies and delegations, and is made possible by the growing capacity of Southern NGOs. Significantly, it is also in tune with the emphasis in the new aid approach on downward accountability and the need to strengthen local civil society. Note that when bilateral donors engage in direct support of Southern NGOs, rather than do this indirectly through co-financing of Northern NGOs, they implicitly enter in competition with Northern NGOs. In the longer run funding to Northern NGOs may well come under pressure if direct funding to local NGOs gains prominence (a fear expressed by many Northern NGOs). On the other hand, bilateral donor agencies also acknowledge the unique contribution of Northern NGOs in informing the public and creating broad support for international solidarity and public aid. None of the studied donors have expressed the intent to decrease funding to Northern NGOs. In fact, some of them (e.g. Denmark, UK, Finland, Norway) intend to increase funding to NGOs or have already done so.

[...]

3. CENTRAL FEATURES OF THE NEW APPROACH TO NGO FUNDING

Table 2: Evolutions in bilateral thinking about NGO funding

Before 2000	After 2000
Relation Government-NGOs	
<p>Historically grown "privileged" and cosy relationship between a select group of NGOs and the bilateral aid agency</p> <p>A latent consensus on aid strategies. Many of the contributions of NGOs, such as pro-poor orientation and participation, have been mainstreamed</p> <p>NGO funding disconnected from bilateral aid policy</p> <p>Specificity and different roles direct vs. indirect actors entails strict division of roles</p> <p>Dependency of NGOs on official funding not regarded as problematic</p>	<p>Allocations of funding through an open and competitive system (sometimes labelled "marketisation") based on transparent criteria</p> <p>Thinking on a „new aid paradigm" mainly located within bilateral (like-minded countries) and multilateral agencies (World Bank) leads to questions on service delivery substitution by NGOs . Many NGOs alienated from this evolution, and feel threatened by it.</p> <p>Formulation, after consultation with NGOs, of a strategy/policy that emphasises intensive and/or extensive complementarity¹⁷ between bilateral and NGO aid</p> <p>Recognition of different roles, but emphasis on synergy between NGOs and bilateral aid</p> <p>Public funding dependency of NGOs regarded as unwise. Focus on popular support and fundraising by NGOs</p>
Modalities	
<p>Project approach is strengthened through approval of detailed activity descriptions (input)</p> <p>Annual approval of proposals and funding</p> <p>Strong focus on ex-ante approval and output-reporting</p> <p>Detailed reporting using donor formats</p> <p>Exclusive administrative oversight by the government</p> <p>Emphasis on right of initiative</p> <p>Administration of NGO funding mainly focused on financial control</p> <p>Generous funding regarded as an NGO entitlement</p> <p>Support to Southern civil society mainly through Northern actors</p> <p>Large autonomy in the choice of activities</p> <p>Aid strategy based on projects and programmes</p>	<p>Programmatic approach is encouraged through broader agreements related to strategies and output/objectives</p> <p>Long-term funding agreements (3-6 years)</p> <p>Results-based management, stronger focus on M&E. NGOs must be able to demonstrate impact and contribution to official aid objectives.</p> <p>Flexible reporting and less bureaucratic control to make flexible support to Southern NGOs possible</p> <p>Some outsourcing to umbrella organizations or external/private companies</p> <p>More earmarking through special funds, and stricter conditions in co-financing without impinging on the right of initiative</p> <p>Focus on strategic policy management at macro level, importance of policy dialogue with NGOs</p> <p>Funding must fit into official civil society strategy</p> <p>More direct funding of Southern NGOs by bilateral donor</p> <p>Focus on lobbying and advocacy and mainstreaming of official aid cross-cutting issues. Service delivery interventions must respect Paris Declaration principles</p> <p>Paris Declaration and shift to sector and budget support is reflected in requirements related to more strategic approach of NGOs.</p>

[...]

In conclusion, Northern NGO right of initiative is still a major feature of co-funding but has become less absolute. Conditions and steering from aid agencies have increased, especially but not only in service delivery and stand-alone projects. These new conditions however do not instrumentalise NGOs. Rather, they encourage NGOs to act as good donors in their own right, and provide them the necessary latitude to do so. Donors are increasingly entering into framework agreements with NGOs, which offer long-term, flexible, results-based funding to organisations with sufficient organisational capacity. We could therefore state that in many respects, NGOs have lost the autonomy to do as they please, while on the other hand, they receive the opportunity to use funding in a less rigid way, and therefore are able to better fulfill their unique and distinct roles. A lot of donors have launched flexible funding schemes which give NGOs the opportunity to engage in longer term, core funding of local NGOs. The goal of these funding schemes is also to lessen the administrative burden engendered by project funding and transform the bilateral donor - Northern NGO relationship into a more policy-based partnership. At the same time, most donors have created special budget lines for organisations that are of a smaller size and for whom project funding is more suitable. This type of funding is generally more restricted.

[...]

5. CONCLUSION: UNRESOLVED ISSUES

As we indicated before, bilateral donors have been driving the reform in NGO funding. This is in contrast with for instance the transition from project to programme funding from the 1970s onwards, when both the bilateral donors and Northern NGOs were keen to promote such reform. Northern NGOs seem to have largely accepted the reforms, but that does not mean that there are no areas of dispute. In fact, there are several areas where NGOs and bilateral donors remain on opposite sides of the fence. One such area is the financing of Southern NGOs. Bilateral donors who espouse the new aid approach, as to variable extents is the case for all the countries studied, increasingly engage in direct funding of Southern NGOs and other actors of local civil society. Such financing is handled by the embassies/delegations in the field, and increasingly donors try to pool resources in this respect, as described above. But Northern NGOs sometimes contest this direct funding, arguing that public donors are poorly placed to provide such support, for political as much as for managerial reasons. They feel that they are in a much better position to do this, and that bilateral donors should not try to get involved directly in such support.

Another area of tension is who gets access to Northern lines of funding. It is quite natural that NGOs from the donor country concerned are the major beneficiaries, but it is being questioned if this should be to the exclusion of NGOs from other Northern countries, truly international NGOs (such as Action Aid, which has its HQ in South Africa) or

Southern NGOs. Northern NGOs obviously are more comfortable if they do not have to share with NGOs from other countries, but in several countries donors are putting this form of aid tying into question. (E.g. in the Netherlands, where non-Dutch organisations can now compete for co-funding on the same budget line as Dutch organisations.)

The increasing focus on measurable results and impact is understandable, but if not handled carefully, might put unreasonable demands on NGOs that in the end will discourage them from undertaking some of the social and political tasks bilateral donors wish to support. Here again some tension exists. The problem is that it is much more difficult to measure empowerment of a local NGO than it is to measure bags of rice. Such social and political effects cannot be measured through the direct outputs and short-term tangible results of NGO projects and programs (Thomas 2008). The pressure to report results may end up in encouraging NGOs to undertake risk-evasive strategies (e.g. working in better governed states, or places where there is already an organisational network present, less targeting of the poorest segments of the population) and focus more on service delivery (where tangible results are easier to achieve) (Bebbington 2005, Fowler 2000). This may undermine the innovative role that donors expect Northern NGOs to play. Koch (2008b) recommends that aid agencies provide NGOs with the incentives to work in risky environments, i.a. by making less strict demands on short-term impact in these kind of settings. Importantly, upward accountability relationships between Northern NGOs and their back donors are mirrored in the partnership relation between Northern NGOs and their partners in the South. Increasing bureaucratisation and emphasis on reporting of quantifiable results in donor-imposed formats have the potential of distorting this partner relationship (Bebbington 2005, Wallace et al. 2007).

Have the reforms that we have described in this report reached their final conclusion, or are still in the middle of a process that has to go through more stages? We do not know the answer to this question, but it seems to us that we have not yet seen the end of the reform. Northern NGOs are formidable lobbies, and have a huge following among parliaments and public opinion. One senses, throughout the evaluations and studies, that quite some experts and aid officials would want to go further along the road already travelled, and that the end is not yet in sight. The Netherlands, Denmark and Norway will in any case emit new civil society policies or guidelines soon.

5 CSOs in a Time of Crisis

Crisis as an opportunity to change what does not work:

- financial oversight
- better market regulation
- more focus on sustainability: energy consumption, climate change work
- re-create economic policies based on human rights
- policy coherence for development in the EU
- revisiting MDGs – how to make them work for the Global South

5.1 Transforming the World in Crisis - Prague NGO Declaration

1 April 2009

[...] Working people, the poor and vulnerable have no responsibility for the various crises, but suffer most from their impacts. Apart from speedy action to revert the crises, the world needs a reform of global policies, transformation towards social justice and ecological sustainability as well as space for alternative economic and political systems based on political economic, social and cultural human rights. [...] While some enjoyed increased political and economic freedom, the market fundamentalism and the dominance of finance over the real economy lead to unjust inequality and prevented people from exercising democratic control over the basics of their lives: land, water, forests, food, energy sources and money. The drive for economic growth often ignored the environmental costs such as climate change, water scarcity, soil erosion, and loss of species. Financial markets without rules made the crucial price of oil extremely volatile, speculated on food and land, built up enormous debts, collective risks and global imbalances. Unfair (re)distribution of resources deepened poverty, spread hunger and polarized societies. Without effective public control, vulnerability and inequality have been on the rise. On top of discarding vital common interests the current economic model proved damagingly unstable. Economic policies in some countries have prevented the worst impacts of global policies while some governments have made things even worse. There is much that needs

to be done, including by civil society, to improve sustainability, equality, resilience and democratic accountability on the national level. The core problems of various crises today, however, are clearly of a global nature and call for immediate international steps towards systemic change. Such global transformation will be a complex and costly endeavour; it cannot happen overnight. Progressive peoples struggles have fought hard and long to bring the world to a time where a change of paradigm and reform of institutions appears very near. Business as usual cannot be the answer. The time is right for bold reforms.

The global economy must be transformed while stimulated. We call on global leaders and the economic and finance ministers to:

- reassert effective market regulation in favour of the poor, planet and public interests, including control of the risk, establishment of an international currency regime, improved transparency and governance of all markets;
- put economies (economic production, growth, trade and finance) at the service of social, environmental and other vital interests of women, men, boys and girls, in particular to start greening our economies and to increase local economic resilience;
- break the dominance of finance over the real economy and eliminating the current potential of the financial sector and particular financial firms to blackmail governments;
- ensure that the resolution of the financial and economic crisis does not sidetrack attention from crucial climate negotiations. We need a new ambitious and equitable climate treaty agreed in Copenhagen, including deep emission cuts and new and additional funding for climate adaptation and mitigation in developing countries. Rich countries must reduce their energy consumption. All countries need to increase energy efficiency and invest in renewable resources;
- rethink external finance for development in particular, to help stimulate domestic financing, resource mobilization and strong local and regional economies in poor countries to become the key source of sustainable development, end aid dependency and prevent future macro-economic shocks. The Millennium Development Goals must be achieved and ODA (Official Development Assistance) commitments must be respected;
- fairly share resource consumption on global level, to revert the flow of resources from South to North (including to stop illicit capital flight), from labour to capital and from public to private pockets, to start balancing per capita ecological footprint and reduce CO2 emissions, as well as land, water and natural resource use on the global scale;
- ensure tax justice, including environmental taxes and through rebalancing capital, corporate and personal income taxes through progressive taxation, i.e. every individual and every company has to pay taxes according to its economic strength;

- establish international taxation, in particular on currency transactions and CO2 emissions. The revenues of international taxes have to be used to finance global public goods, such as environment and sustainable development;
- make all international and regional financial institutions more transparent, representative and accountable. The International Monetary Fund (IMF), the World Bank and the World Trade Organisation (WTO) must be put under the auspices of a reformed UN and transformed substantially. They need a change in paradigm. This includes ensuring that economic policy is geared towards the greater benefit of the women and men, girls and boys, enhancing disclosure of information, substantially increasing the representation and influence of poorer and smaller developing countries, not just big emerging markets, and strengthening democratic multilateral cooperation; monitoring of IFI financing must be immediately and significantly increased and improved in the light of their past failures and the pressure to fast-track new funds;
- support developing countries in realising national development goals and stop pressurising developing countries to open their economies for Transnational Corporations through instruments such as the GATS (General Agreement on Trade in Services) agreement on Financial Services, European Partnership Agreements, Free Trade Agreements and Bilateral Investment Treaties, which have to be replaced by sustainable development policies;
- ensure that any rescue packages promote equitable green economy. To the European Union we say in addition: The EU needs a re-orientation of its economic paradigm. The Lisbon strategy is too much inspired by the neo-liberal old thinking, which now has failed. The further process of integration has to be centred around the concept of a Social Europe. Social development and environmental sustainability have to be harmonised to the highest standards and made legally binding, including in associated institutions such as the EIB and EBRD. We need a strict regulation of the entire finance industry, a European regulation and supervision. The mandate of the ECB has to be enlarged towards sustainable growth and employment. All practices of tax dumping and regulatory arbitrage have to be stopped.

5.2 European Cross Networking Meeting

10 and 11 January 2009, Paris

Final Report

Results of Working Group 3

Developing a set of alternatives and strategies to address the recession

The aim of this working group was to start developing a set of overriding themes and key principles that expose a first perspective of alternatives to address the social, ecological, democratic etc. impacts of the crises and that can potentially bring together the maximum number of movements and struggles in Europe.

7 main headings had been worked out in a first step:

Primary Goal: well-being of people in the planet

1. **Challenge Growth paradigm** (redefine of the concept of wealth away from capitalist profit/surplus; Redistribute / redefine work as socially meaningful, productive, decent, satisfactory, cooperation/cooperative principles instead of competition; challenge overconsumption, Ecological conversion of production towards social production, basic human needs)
2. **Reclaim power** (Reclaim democratic control institutions in the nation states and globally, e.g. EU... , economic sovereignty reclaim power from WB, IMF, WTO; World Bank; reclaim the commons– natural resources, public services, knowledge, challenge commodification, public control of internet - Commonwealth of heritage, not commodification of Intellectual property rights, reclaim public control, Establish principle of subsidiarity, democratic empowerment of all people, including the most marginalized, redefining and transforming power and power relations ...)
3. **Reassert the “Public”** (importance of public services and public space, Public services in the service of people, restricting private, Control and limit the scope of markets, expanding public, social principles-public benefits, Public control of investment, credit on social principles (the banks are ours!), social protection/Social Europe, global public finances, Reassert public control of media/internet; global taxation; mobilise new resources, ecological debt)
4. **Justice and Redistribution** at national and international levels (Reassert the principle of equality, equity, challenge inequality, rebalancing power relations between capital and labour, workers participation in shop-floor decisions, hous-

ing/property/water/ public services – reclaiming, reassertion on principle of taxation - national and international - as redistribution mechanism)

5. **Human Rights, Social Rights** (Workers' rights, peasants' rights, women's rights, migrants' rights, asserting rights based agenda)
6. **Environmental Sustainability** (Sustainable use of natural resources, climate change)
7. **Food Sovereignty** (food as a right/not a commodity, Farmers' control over natural resources, land, seeds, water; Land as a common good; ending expulsion of small farmers; end agroindustrial, export-oriented agriculture/ challenging globalization of food production in favour of the relocalisation of food production)

5.3 European Parliament discusses developing country crisis impacts and responses

08 September 2009 (<http://www.eurodad.org/whatsnew/articles.aspx?id=3815>)

On 3 September the European Parliament Development Committee discussed the effects of the economic crisis on developing countries. Oxford University professor Ngaire Woods presented a report that the Parliament had commissioned on this topic. This analysed the main impacts of the crisis on developing countries and assessed the counter-measures put in place by the G20, European Union and International financial institutions in response. Development Committee chair French MEP Eva Joly said the study would be used for amendments to a forthcoming parliamentary report on the impacts of the crisis on developing countries.

Professor Woods pointed out **the serious risk for many developing countries to fall into a lost development decade**. To avoid this additional resources must be made available, be **delivered with more flexibility and rapidity**. Furthermore appropriate **regulatory measures must be undertaken** in order to prevent an ever deeper crisis. Some of the key concerns raised by her study are the following:

- Millenium Development Goals out of reach for most developing countries: **the gains achieved in the last few years by many developing countries are being rapidly lost with the crisis**. Some 40% of developing countries are highly exposed to serious poverty level increases and an additional 90 million people will fall under the poverty line as a result of the crisis.
- **New resources for Low Income Countries are lacking**. IMF resources have been significantly increased but only 1.6% of the new money is being directed to Africa. **The bulk of new IMF lending - 82% - is going to European countries**. Other proposals for additional funds such as the World Bank call to

G20 countries to devote 0.7% of their stimulus packages to finance poor countries needs have been ignored.

- Only short term stop gap measures: the EU's response mainly brings forward existing funding, which will lead to funding shortages in future years. **The European Commission's proposed €8.8 billion for development aid, budget support and agriculture financing are just frontloaded finance.** The only new EU spending is the small €100 million EU-Africa infrastructure trust fund.
- Insufficient IFI governance reform: **Developing countries are insufficiently involved in finding solutions to the global crisis;** they would get more involved only if there is a substantial reform of the international financial institutions to favour a more balanced representation of developing countries.

The European Union has a key role to play in these areas and action is needed from the new European Parliament to push for substantial reforms. As well as pressing for additional resources the EU also needs to **ensure that comprehensive regulatory measures are implemented to ensure a sustainable and development friendly financial system.** This should be a key pillar of the EU policy coherence for development. The Development Committee should therefore have a say in the discussions in the Economic and Monetary Affairs Committee, which deals with financial sector regulation and supervision.

5.4 Spotlight on Policy Coherence

CONCORD, October 2009

Excerpts

The gap between intentions and reality

Since the introduction of PCD as a key concept in 2005, both the EC and EU member states have made important commitments to improving the coherence of national and EU policies. However, despite the increasing awareness of the potentially harmful external impact of European policies on people in developing countries, all too often those policies are inconsistent with the EU's broader and longer-term economic, social and political interests in the world. Doing no harm at home might be in conflict with development prospects abroad. Doing some good at home will not be enough to prevent the – perhaps unintended – counterproductive effects of domestic policies on development efforts in developing countries. The EU export subsidies for beef, pork and dairy products in the 1990s and in 2009 are a case in point. With its right hand the EU supported livestock

holders and breeders in the Sahel, while with its left hand it was undermining their position by supporting European farmers and creating unfair competition.

Recently, the EU has adopted policies such as the trade strategy, entitled “Global Europe, Competing in the World”,ⁱ which does not even mention the needs of developing countries or their right to their own development. New initiatives, such as the introduction of the Blue Card, risk increasing the brain drain of highly skilled workers from developing countries, while permissive corporate accounting regulations facilitate tax evasion from developing countries. These are examples of short-sighted EU policies that are having a damaging impact on development policies and projects on the ground. Why is it that, despite increased awareness of the importance of policy coherence for development – and the resulting commitments, political statements, mechanisms and checks – EU policies continue to undermine the economic, social and human development of developing countries? Perhaps the answer lies in the fact that when the EU and member states have addressed policy coherence for development, they have confined it to the narrow, abstract reality of European policy-making. The irony here is that, originally, European integration was based on the primary importance of ensuring economic and social coherence and prosperity across its own continent.

There are many reasons for the lack of progress on policy coherence on the ground. In the first place, development objectives have been subordinated to other, competing, political interests. Both national and EU administrations struggle with the PCD Policy Framework, and they have not yet agreed on robust accountability mechanisms on PCD. This report looks at the very different experiences within member states faced with the challenge of implementing PCD.

Secondly, the wrong priorities are set. European interests clearly prevail over developing countries’ needs and the development objectives of the EU.

Thirdly, the EU approach to the concept and implementation of PCD has been purely two-pronged or unilateral. Efforts to improve PCD have been made by looking at development policy objectives in one single policy area at a time. The inter-linkages between development and trade policies, for instance, have been treated in isolation from the inter-linkages between development and migration. In reality the different policy areas are intricately linked, and the real picture is infinitely more complex. Yet at the same time, inter-linkages are often quite obvious, like the interconnected impacts of climate change and migration phenomena and health policies, for instance. These reasons, among others, have led to a situation where the wellintentioned PCD work and progress made by the EU since 2005 is built on an incomplete premise. The actual reality in developing countries, not European policies or interests, should be the basis for assessing whether the EU’s policies are coherent with its development commitments. Europe, as “Global Europe”, should live up to its responsibility in the world by applying its founding principle of solidarity, together with social and economic cohesion in its policies, beyond its own borders, thereby promoting a fair sharing of benefits and burdens in order to achieve sustainable development both at home and abroad.

Forward and recommendations

Policy Coherence for Development is an important tool that, if implemented effectively, could have a markedly beneficial impact on sustainable development, respect for human rights and poverty reduction. Here we identify some of the changes needed in order to improve the coherence between EU policies.

- PCD should entail the active coordination and moulding of policymaking processes with the aim of identifying and prioritizing synergies between EU policies that are likely to have a positive impact on sustainable development and human rights.
- Pro-poor and sustainable development policies should prevail over short-term, narrow or elite European interests; they should be the basis for EU policy. Policy-making processes should be transparent and accountable. A policy-making process that is more participatory from the early stages onwards could prevent decision-making at the highest EU level – the Commission, the Council, and the European Parliament – from being held hostage to vested interests, while policy outcomes would depend less on fickle, volatile political will and interests.
- In order to achieve policy coherence in line with the rights of people living in developing countries, broad-based consultations and democratic debates should be an integral part of policymaking processes.
- PCD need to include binding commitments on anticipation and the ramifications of any lack of coherence that may occur. A complaints mechanism should be introduced in order to improve accountability and coherence.
- PCD should become more evidence-based and should include independent ex-ante and ex-post research on the impact of EU policy on poverty reduction in developing countries. Sustainability impact assessments should be conducted by independent bodies from the EU and from the country or region concerned. They should be fully transparent and should include the views of different groups affected and their representative bodies.
- Major challenges to PCD are the multiple linkages between different policy areas, which should be made explicit in order to give a better understanding of the complexities of policy solutions.
- New working tools should be developed and a budget allocated for their implementation. These tools could include benchmarks for assessing whether another priority is overriding a development objective, a screening exercise following the experience of the establishment of the IPCC, new guidelines for conducting a sustainability impact assessment that not only takes into account the impact of the proposed policy initiative, but also shows the inter-linkages with other thematic policy areas.
- All levels of operation in the European Commission and Member States, from headquarters and ministries to EC Delegations, embassies and national aid agencies,

should be responsible for ensuring PCD and properly trained to do so. In particular, the PCD sections in the EC's Country Strategy Papers should be strengthened and better used.

- PCD should be open to suggestions for dealing with new issues that do not properly fit into the 12 PCD priority areas covered in the second EC report on PCD, such as raw materials; by limiting the scope of PCD to five priority issues, the EC's "new" approach, as set out in its Communication on PCDⁱⁱⁱ accompanying the second EU Report on PCD, takes the exact opposite direction.
- The European Commission and the EU Member States should work together to raise awareness, strengthen their staff and organisational capacity and use more effective and ambitious PCD mechanisms.

5.5 ESCR-Net Statement on the Financial Crisis and Global Economic Recession: Towards a Human Rights Response

[...]

7. We thus call for a response to the **financial crisis and economic recession that places human rights norms at the center, in particular those legally binding human rights obligations** enshrined in the Universal Declaration of Human Rights and core international human rights treaties. This is not only necessary as a matter of justice, but will make the reforms of the financial and economic system more sustainable and resilient to future crises.
8. A human rights policy response does not presuppose a certain type of economic system, nor preordain detailed trade or financial measures in all contexts. Yet, human rights do provide a clear and universally recognized framework founded in international law for guidance in the design and implementation of economic policies and programs to address this unprecedented economic crisis. Human rights not only pose limits to oppression and authoritarianism. They also impose positive obligations on States to uphold human rights, especially economic, social and cultural rights. States have the duty to respect, protect and fulfill all human rights (civil, cultural, economic, political and social) at all times, especially in times of crisis.
9. **Governments must discharge their duty to ensure minimum essential levels of enjoyment of social and economic rights as a matter of priority, and must also ensure that no deliberately retrogressive measures are taken**, by for example cutting essential rights-realizing programs. Unless introduced after very careful consideration of all possible alternatives, existing programs which

protect infant and maternal health, provide food assistance for people in hunger, combat preventable diseases and malnutrition, or ensure access to primary education, for example, must in no way be jeopardized by the crisis. Even in the face of public revenue limitations, States must marshal the maximum available resources to ensure that full implementation of economic and social rights is progressively realized in the near and longer-term. States have a specific and continuing obligation to move as expeditiously and effectively as possible towards their full implementation.

10. In addition, the human rights principle of non-discrimination requires that **States ensure that all measures adopted in response to the crisis avoid disproportionate effects, and that deliberate, targeted measures are put into place to secure substantive equality of access to basic services across countries and population groups.** Disadvantaged members of society must be protected as a matter of priority, even in times of severe resource constraints.
11. Primary human rights obligations of States rest within their jurisdictions. Yet, in the spirit of the UN Charter and applicable international law, **States are required to contribute to international cooperation in the full realization of human rights.** When acting within inter-governmental fora at the center of this economic crisis, such as the United Nations, the World Bank, the IMF, and or other *ad hoc* meetings of the G-20, States must guarantee that their policies are consistent and conducive to the realization of human rights. **Those States who have enjoyed a more powerful position in decision-making on global economic policies have had greater responsibilities in causing, through their actions and omissions, this global meltdown.** This means that they, in turn, carry greater responsibility in the mitigation of the consequences, and in steps needed to assure a just and sustainable way forward.
12. **States are obliged to respect the enjoyment of human rights outside their borders, and recuperate their regulatory power to protect against human rights abuses involving third parties, be they business, banks or other non-state actors.** Governments must also ensure that human rights standards take primacy over other trade, investment or finance commitments.
13. Lastly, the design and implementation of all **economic policies and programs must observe the basic human rights principles of social participation, transparency, access to information, judicial protection and accountability.** Participation necessitates that the economic policy-making process is meaningfully rendered open to contest and debate by those affected. Public access to information which affects peoples' lives in any way must not be restricted, and positive steps must be taken to ensure transparency. **Additionally, States must ensure that individuals whose rights have been affected enjoy accessible and effective remedies to seek redress.** Those responsible for harms, including private actors, must be brought to justice, and future activities affecting human rights prevented.

[...]

THE CRISIS IN THE GLOBAL SOUTH

26. **Developing countries that for a long time were forced to rely on export-led growth and free market policies are now suffering the most due to the shock in external demand brought by the crisis.** Developing countries should be allowed special flexibility so they can fully take into account their human rights obligations as they develop trade policies suitable to deal with the crisis and forestall export-related vulnerabilities in the future. The export profile and strategy chosen by a country—as well as its development plan more broadly—should be carefully guided by human rights concerns. In particular, States in this context should ensure the immediate fulfillment of minimum levels of economic and social rights, in a manner which secures prioritized protection of disadvantaged groups, the non-adoption of retrogressive measures, and the full implementation of these rights in the near and longer-term in accordance with maximum available resources.
27. We note with concern that **debt levels are set to rise in developing countries as a consequence of the crisis.** Some deficit spending may well be required to expedite recovery and to allow governments to stabilize spending to ensure minimum essential levels of well-being. Yet, history shows that a large debt overhang will impede the fiscal capacity of governments to meet their human rights obligations. Debt cancellation should be considered as a way to increase the fiscal space for governments to undertake spending without further borrowing. In addition, part of the current increases in debt are due to the proliferation of rapid lines of credit by various multilateral finance institutions including the World Bank and the IMF to purportedly help developing countries cope with the crisis. The vast amounts of credit being rapidly disbursed through the IMF, for example, enjoy little or no transparency, with the real risk that the basic norms of public participation, non-discrimination, and public accountability over these funds will be bypassed. Another part of the increase in debt levels results from countries having to refinance debt in stressed private capital markets where funds have become scarce, as developing countries try in vain to compete with industrialized countries in order to fix their troubled banking sectors and implement stimulus plans.
28. The consequences of such indebtedness and their impacts on human rights for the future cannot be ignored. Human rights principles are critical in guiding the assessment of borrowing that needs to be undertaken, the demands that should be met through grants rather than loans, and the accountability and transparency principles that will ensure new lending is engaged in a responsible way, with appropriate social control, so as to prevent the generation of more illegitimate debts future generations will be forced to pay.

29. **Some forecast that the budgetary cuts provoked by the crisis, and the shift of funds to fiscal stimulus packages in governments in the global North, will lead donor countries to cut back on their development aid.** With the enjoyment of human rights, in particular the social rights of so many people at stake due to the financial crisis, donor governments must not regress on their obligations to international assistance. **The economic crisis must not be a justification to cut development aid in any way,** and those most responsible for the crisis have certain responsibilities to increasing its unconditioned financial commitments, **strengthening the ability of developing country governments to discharge their obligations to avoid regressive measures in the fulfillment of economic and social rights.**

5.6 The Millennium Development Goals: A Costly Diversion From The Road To Sustainable Development Critical Perspectives

Contributing authors: Johan Galtung, Branislav Gosovic, Ashok Khosla, Ann Zammit, September 2008

The MDGs: Missing Goals and Mistaken Policies. What Is To Be Done?

Broadly speaking, to develop a dynamic and sustainable economy that provides decent livelihoods and security for all requires an expansion of economic activity that generates higher productivity work in order to provide decent incomes and provides finance for a system of universal social protection and insurances. It also requires proper stewardship of natural resources and the environment.

At the international level changes are required in current global institutional arrangements including more inclusive global governance so as to achieve the full involvement of low and middle-income countries in a manner that ensures that their needs and concerns are taken as seriously as those of rich countries. The increasing interconnections between economies worldwide and patterns of trade and finance call for greater global co-operation in relation to economic, financial, environmental, resource, and security matters.

At the national level, on the basis of the principle that development involves broader human development goals beyond simply the economic, many developing countries need to adopt a more holistic approach to development. The concept of macroeconomic stability needs to accommodate counter-cyclical policies to avert recessions and their negative economic and social consequences. Policies to achieve economic stability must be complemented by economic policies to expand productive activity.

Integrating social goals into economic policy:

To guarantee the necessary linkage between economic and social development, social objectives must be factored into economic policies. One of the most crucial economic and social objectives concerns the need to generate productive, decently remunerated work for the whole labour force. To achieve these aims requires new or more forceful policies and measures at different levels.

Active industrial policy

In order to generate decent, economically and environmentally sustainable livelihoods for the whole labour force, production and trade policy needs to be recast in a manner that nurtures higher levels of productivity by creating dynamic efficiencies rather than relying on static efficiencies and absolute advantage (Milberg, 2004).

The process of shifting to higher-value niches of production has become an important component of development-oriented policy in recent years on the basis of its potential for improving the distribution of gains between countries and different segments of the population (Nadvi, 2004). Developing the capacity to identify and develop areas of higher value-added production is central to an active “industrial policy” and should aim to foster domestic entrepreneurship and ownership (including micro and small and medium enterprises) as well as FDI.

Diversifying and upgrading the production structure to improve products and raise productivity generally implies an altered composition labour skills to match generally more technology-intensive nature of production. Industrial policy therefore needs to identify and promote the appropriate skills and training programmes. These need to be particularly responsive to gender equity objectives to avoid the continuing exclusion of women from the better paid more technology-intensive jobs.

Whatever the sector, upgrading is a multifaceted challenge that, in addition to micro-level policies and actions, also requires coordinated and mutually supportive meso- and macro-level policies as well as new institutions.

Agrarian development and decent work

In several developing countries, integration into global value chains has generated new higher-value added production activities both in the manufacturing and farming sector. Large farms engaged in labour-intensive production of horticultural goods for export have been prospering under globalization, albeit at the bottom of the global value chain. In Africa, mainly non-permanent female workers comprise the largest category of workers at this bottom end of the global value chain and a mass of research evidence indicates that the terms and conditions of their work are far from decent (Zammit, 2008).

Small farms, however, are the home and source of livelihoods for the majority of the rural poor in much of Africa and some other parts of the developing world, particularly for women. Small farmers struggle to survive and are threatened by a dramatic increase in rural poverty, and disruption to local food systems. Women smallholders are generally excluded from supplying horticultural food chains, owing to their limited volume of output and inability to comply with technical product and process standards imposed by retailers at the top of the chain. Development of the rural sector has tended to be neglected under current development strategies and policies in much of Africa, such that it is increasingly difficult to earn a decent livelihood on the basis of farming. As a result there has been a rural exodus, particularly of men, to urban areas, including overseas, in search of work.

Giving higher priority to development of the small- farming sector focused on the domestic market could generate a more dynamic, diversified rural sector that provided decent livelihoods for women and men. This requires a wide range of measures, including the introduction of new mixed-farming techniques appropriate to small-scale farming, widespread extension services, cooperative institutions, effective marketing organizations, improved risk management policies, affordable credit, the improvement of local infrastructure relating to water supplies, sanitation, and roads; improved provision of health and basic education. Education and training for related off-farm jobs in the locality is also essential to the development of a thriving small-scale agrarian sector. Investment in national and/or regional agricultural research is also necessary as is learning from experience in other regions.

Social protection and social policy

Active social policies, together with policies to establish decent wages and incomes for all, can provide the foundations for faster non-inflationary economic growth with distributive justice and decent livelihoods. Without a social compact, it is difficult to achieve decent wages and minimum, especially in a highly globalized world. Other approaches are also needed to improve the living standards and prospects of those who are on the margins of the labour market. Moreover, millions of the poor have little or no financial reserves to tide them through periods when work is scarce or non/existent, including during periods of economic downturn.

In recent years there has been widespread advocacy of micro-credit schemes in developing countries but these are more suited to the needs of micro and small enterprises that have prospects of being able to repay their loans. For the millions living on the margins of existence different approaches are required that provide employment and income support to sustain daily livelihoods. One approach, exemplified by India's National Rural Employment Programme, provides employment on rural public works in the low season for landless labourers and marginal farmers. In the process, rural incomes are

supplemented and improved infrastructure contributes to raising the productivity of the rural community.

Another approach that has demonstrated considerable success involves direct cash transfers to those most in need. The Bolsa Familia scheme in Brazil makes direct cash transfers to supplement the incomes of low-income mothers on condition that children are kept in school and attend health clinics. Family welfare has increased, childrens' capabilities developed and additional cash has helped boost the local economy. The Oportunidades programme in Mexico pays direct cash transfers to poor families to enable them to purchase food and fuel that they could otherwise not afford. This approach has cost advantages over government handouts and price subsidies for food and fuel. While direct cash transfer schemes also require effective administration, new technology facilitates their implementation. Mobile banks, the establishment of rural banks, and the use of smart cards and cash cards render such schemes both feasible and economical. South Africa's experience of mobile distribution of non-contributory pensions to the illiterate elderly has been a proven success. The main obstacle is likely to be political as the non-poor also benefit from price subsidies and stand to lose from their abolition.

Social insurance schemes for health and pensions are essential social development objectives and, together with the expansion of health and education services, they contribute on both the demand and the supply side to the health of the economy and, in the case of health schemes, to promoting the health of the workforce.

5.7 Shifting Paradigms of Thought and Power: Problems and the Possibilities

Alejandro Bendaña, Centro de Estudios Internacionales Managua, Nicaragua

Conclusions

If the unacceptable status quo is to be effectively challenged, as opposed to reinforced, if violent conflict and poverty stemming from mal or non development are to be eradicated (and not simply managed), then social scientists must join activists in exposing and delegitimizing existing paradigms of power held by North policy makers. The linkages between trade, debt and militarism must be recognized. Opposition will not be effective if academic thought continues to grow inward upon itself, while policy-makers resort to fundamentalist free market discourses. This means encouraging intersectorial dialogue but in a way that privileges recognition of what should be the common denominator: the unacceptability of a world without justice.

The challenge is to forge democratic instruments for the redistribution of wealth, but also for its production. Ideas are flourishing and a common underpinning is the realization

that people must be in common and that States must be democratised by way of the democratisation of the broader relationships among society, institutions and the market. A multitude of experiments are under way, albeit sometimes isolated from each other. One specific academic task is to disseminate these practices. But given the present disjointed scheme of affairs, the when may overtake the how, action may precede journal-submission ready thought.

For the time being (Bush's time) policy-makers and activists will be more foes than friends, while academics may have to choose what side they are on, because the Empire is rapidly dissolving middle grounds. But with the exception of professional development lobbyists, no need to shed tears over the terms of the divorce. The marriage was only as sustainable as the development theory itself. Alternatives will continue to be born, perhaps more soundly without the participation of so many midwives with their own agendas. The process is underway in the form of the growing global anti-corporate movement which in itself is a necessary precondition for generating the vehicles for political action that finally leads to the renovation theory and perhaps policy. It is important, in this context, to support and mobilize around the World Social Forum which is where the multitude of dissenting imaginations may just give way not only to alternative relationships but an alternative political institutions geared to new people-oriented, rights-based development processes.

5.8 Impact of the Global Economic Crises on Civil Society Organizations

Study by Eva-Maria Hanfstaengl, New York, 10 February 2010

The food, environmental and economic crises have challenged civil society organizations (CSOs) and the communities they serve. A broad-based survey, financially supported by the United Nations Secretariat, was undertaken in 2009 that measured the impact of the crises on the operating capacity of CSOs around the world and their expectations as they look ahead. This study examines the current situation of CSOs as indicated by responses from 640 civil society organizations worldwide. It also asks what strategies they are undertaking to cope with a drop of revenues and how to strengthen social-service delivery capacities of CSOs during crisis periods.

[...]

4. 4. Consequences and CSO strategies to cope with the drop of revenues

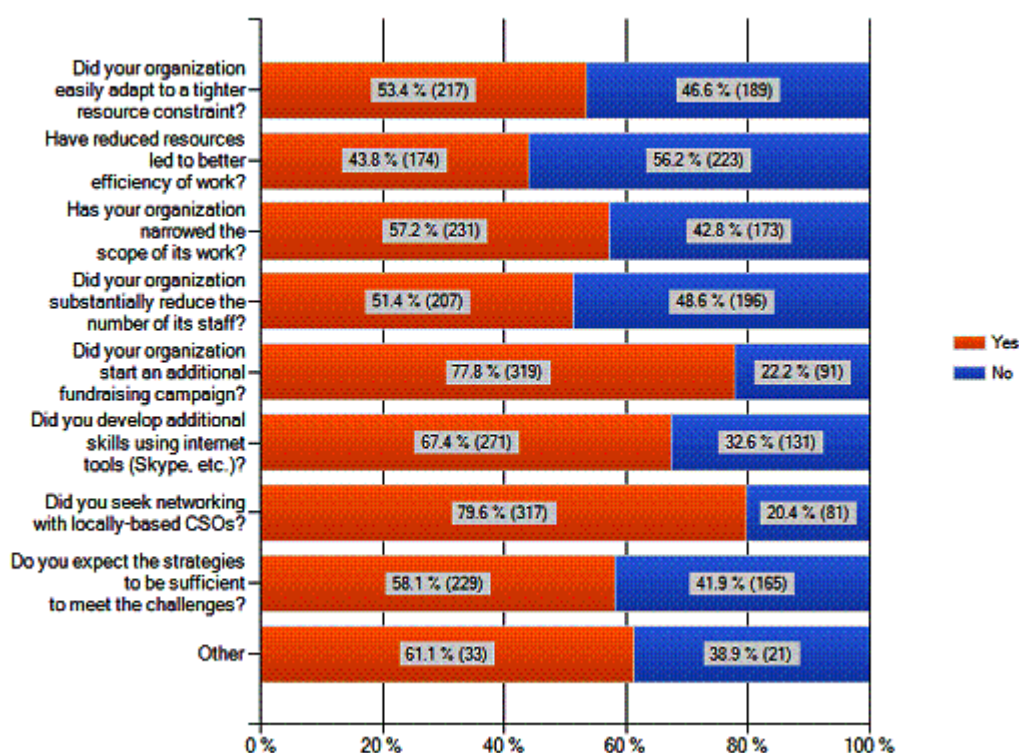
(436 responses)

CSOs have had to take stock of what the global crises might mean for their work. There is no clear picture yet as to what the overall impact will be or indication how the current downturn in the real economy will impact CSOs. The bigger CSOs see a flattening, but not sharply decreasing amount of revenue, because they usually have diverse sources of revenue from committed funders. CSOs that rely on trust funds, which are typically smaller organizations, find it much more difficult as they usually have fewer options for diversifying their funding base. They report cuts in administration cost, staff and programmes.

On the whole, CSOs see themselves as now facing several major challenges as they seek to cope with the current situation. 266 CSOs submitted additional information responding to **question 19** in this regard. One described the imperative to continue "providing basic social services to the least fortunate populations". Another specified "fundraising and how to continue efficient work with limited resources" as its main challenges. Others reported challenges that range from "establishing development projects that incite the population to protect biodiversity and work towards sustainable development (renewable energy for household electricity, community management of natural resources, creation of autonomous model villages)" to "covering basic needs". In other cases, the crisis causes programmatic shifts. For example, one CSO wrote, "We have struggled with the food crisis, [as] our production in agriculture was reduced, we then oriented our work towards cattle raising."

Altogether 199 CSOs (in addressing **question 18**) gave additional details on their revenue cutbacks or explained how their organizations determined priorities in the face of the crisis-related challenges. Some CSOs reported that their activities are stagnant since 2006 (selected pre-crisis base year) and that they had no strategy for prioritizing. The majority however stated they had a decline in resources. Over 90 CSOs reported even a 30-60% decrease of revenues since 2006, 10 CSOs saw a budget decline of more than 70%. Many CSOs reported they determine priorities through on-the-ground surveys and diagnostic studies. They estimate needs of target groups/populations/regions and match them with financial means available. They try to give priority to maintaining internal stability and a well functioning organization. They tend to make use of synergies with similar organizations and use of revenue-generating activities for self-financing. The chart below gives some evidence for various reactions of CSOs to the unforeseen limitations of their budgets. In what follows, this is supplemented with illustrations drawn from written individual responses to the cluster of questions 17, 18 and 19.

CSOs' strategies to cope with the drop of revenues since 2006



Of the 406 CSOs that responded to this question, 53% reported that their organization adapted quite easily so far to the tighter resource constraint. One CSO wrote: "Due to our consistent team effort, we could meet the short fall without losing the quality of our services." Another one explained: "Part of our activities such as our farm producing layers [chickens] for community egg projects is financially self reliant."

Religious organizations informed that "our staff does not receive a salary." Another CSO said: "Much of our advocacy work is performed on a pro bono basis by relevant financial and legal professionals. Without this support we would have to cut most of our advocacy programmes. We also outsource much of our research and communications work, which allows a large degree of operational flexibility. This is crucial since we function within extremely tight budget constraints."

However, 47% of CSOs indicated that they struggle with the consequences of their budget cuts. Several CSOs reported that they have "implemented an organization-wide 10 percent salary cut, aimed at avoiding more substantial reduction in the number of staff. It has indeed enhanced utilization of video- and telephone conferences to reduce travel expenses." Another CSO commented in response to the choices offered as answers to question 17: "Some of these questions [do] not present a realistic picture with only a yes or no answer. For instance, while the reduction of staff somewhat could respond to the decrease in institutional budget, it however, puts a lot of strain on the current staff

being burden[ed] with extra tasks. That reflects an option that is not actually efficient. But [it] was necessary. As well, it was not so much that we developed or improved our skills in these areas [internet, networking] but rather we had to increase this method or process of working as a result of the financial crisis.”

44% of CSOs see this time of limited resources also as a chance to achieve better efficiency of work in their organizations. Some CSOs reported having adopted ”new effective resource management strategies”. However the majority (56%) of the responding CSOs said that their budget constraints did not lead to any further efficiency.

57% of the responding CSOs indicated that they are narrowing the scope of their work. For example, one respondent CSOs halved its environmental protection activities ”in order to retain defense and promotion of human rights activities, especially human rights and fundamental freedoms of indigenous peoples in the Pacific region.” Another CSO reported ”giving more priority to people with disabilities from the most marginalized communities and the ones with less access to community programmes.” A third CSO regretted: ”We have closed two educational centres for children in peripheral zones, as well as nutrition centres. We are reducing our aid to children who have left nursery school and entered elementary school, giving priority to early education. We provide support for accommodation in day care and nursery school to avoid abandonment, because this is best way to promote the future education of the child.” One CSO said: ”There are fewer students that we are able to support, which means [we pose] more requirements for accepting them in programmes.” Another one reported: ”We were hoping to work in 20 countries in the region and had to narrow it to 10 countries.” A further CSO said: ”We are not able to develop a partnership for local development in environmental issues and ecotourism to the extent we had hoped because funding is harder to obtain.” Finally, a grass-root CSO stated: ”Our organization has had to suspend its strategies against hunger.” And yet other CSOs seem to feel it is dangerous to narrow activities. For example, one respondent wrote, ”We have to cover not only the high legal assistance costs, but also expenses in [related] areas ..., namely ... support for women in danger, whom we accompany in court.” One may understand in such a context when CSOs simply say, ”We must redouble our efforts.”

However, additional CSO comments reflected on serious constraints to further narrowing down their work; for example, ”We were [a] fledgling [organization] and so answering this question is difficult, we still are only 2 full time and 4 part time staff working with 1,655 children on a weekly basis in 70 different villages around our municipal area. The work load has increased but we have not been able to increase staff. This I believe is due to the nascent nature of the organization more than just the global financial crisis; however, the crisis hasn’t made it any easier for us to be established. We could not further adapt because we were running at optimal efficiency prior to the crisis.”

42% of the CSOs managed through reductions of administrative cost and did not have to curtail their programmes. In some cases, the changes nevertheless negatively impacted the CSO, as in the case of one respondent who stopped renting an office and ceased

producing its bimonthly newsletter, while also working more intensively with the Internet. However, the majority (51%) of the CSOs had to substantially reduce the number of staff. In many cases, the steps taken do not seem sustainable, either in terms of the extra burden of work on remaining staff or their ability to continue working indefinitely at reduced wages. For example, one respondent said it now employs one coordinator to do the work formerly done by three. Another reported it would "rely on students to replace our teachers." Several CSOs reported seeking to increase reliance on volunteers.

78% of the CSOs started additional fundraising campaigns, exploring the remaining or new opportunities in their countries or within their constituencies. Only 22% of the CSOs did not. However, the realization that "too much reliance on individual donors from a foundation has been a challenge" means that more and more CSOs look for new sources of funds, which may have been tapped already by others. As a result, competition between NGOs for funding is rising. CSOs also see the need to "reform the system of sporadic aid by which the civil society is held hostage by certain influential entities driven by a politics that neglects millions of people".

In this context, one CSO took loans for the creation of new or expanded revenue-generating activities. A CSO wrote: "[We are] short of closing down the organization; we have to intensify our income generation activities to ensure that salaries are paid, programme targets are met and communities we work with are supported." Many organizations reported they were studying ways to develop new fundraising activities. This can be an important source of funds, but not one quickly realized, especially in the current economic climate. Another CSO that undertakes research projects regretted that it is "now forced to rely solely on calls for tender from international institutions and thus their priorities and agendas."

To stretch resources, 80% of the organizations have developed better collaborative networks with other CSOs, especially those locally based. Some CSOs thus called for "better collaboration among state actors, NGOs, and the community." However, 20% of respondents said that they did not need to change their traditional way of working.

58% of the CSOs expect the strategies taken by their organization so far to cope with their budget constraints to be sufficient to meet the projected future challenges. However 41% report that their organizations have serious unsolved problems due to the crises. A number of CSOs could not have emphasized more the social imperative to continue operations at whatever cost. One wrote, for example, "It is extremely difficult to conduct outreach programs on access to justice for all people when the target population is living in abhorrent conditions and a continually polluted environment, which exposes them to disease. We continue our work because if we did not, violence would propagate itself and plunge the country into extreme underdevelopment." Another CSO wrote, "We must redouble our efforts, especially for our country, which is experiencing serious problems of desertification and drought, with three quarters of its territory being desert land."

6 Materials on the Role of Latin American Social Movements and CSOs in Development Cooperation

6.1 The Autonomy of the Caribbean Coast: A Perspective on Development from the Coastal Civil Society

Miriam Hooker

In this paper, Miriam Hooker links the “Autonomous Vision” of the Caribbean Coast with a development perspective which emphasizes the added value of civil society. In her view, autonomy represents the legal recognition of all rights belonging to the indigenous people, African descendents and other ethnic communities of the Caribbean Coast of Nicaragua and is a fundamental and necessary aspect of the development process in the area, encompassing a number of different aspects: economic, social, cultural and environmental.

Although the past 16 years were a challenge due to the systematic rights violations provoked by the central government policies towards the people of the Caribbean Coast, civil society achieved a number of successes towards the legal institutionalisation of the autonomous status (examples are the laws on health, education or property for the autonomous regions). The paper further outlines the enabling and hindering factors for the continuation of the process of solidification of autonomy, concluding that better coordination between the government and civil society will result in the achievement of the “Autonomous Vision” and a climate of tolerance and respect.

For a full text of the article please see (in Spanish only):

<http://www.trialog.or.at/images/doku/costaribenicaraguense2010.pdf>

6.2 New Focus on Civil Society

Cesar Cansino and Sergio Ortiz Leroux

By looking at different (mostly political) factors that brought civil society forward during the past few years, the authors examine some of the dilemmas of civil society from two different perspectives: the liberal (developed by authors such as Victor Perez Diaz and Ernest Gellner) and the social liberal (developed by authors such as John Keane and David Held).

While Victor Perez Diaz states that neoliberal models offer more freedom to civil society (contradicted by the authors through several examples), Geller states that civil society is indeed preconditioned by a decentralized model of power, and freedom is fundamental and more important than equality, but not at any price. On the other hand, the postmarxist analysis of John Keane and David Held outlines the danger of neoconservatism taking advantage of the failures of the welfare state and suggests a return to basic objectives of equality and freedom which, in themselves, can stimulate a reform process that better defines the frontiers between the state and civil society and expands the role and autonomy of the latter.

The authors advocate for a more complex analysis, where civil society is deemed an independent not dependent variable and bring forward a number of arguments from the works of Jeffrey Alexander, Cohen and Arato, Seligman and Maestre which describe with different tones and nuances modern civil society as a precondition of democracy and a trigger to re-think politics in a world where political elites tend to monopolise.

For a full text of the article please see (in Spanish only):

http://www.trialog.or.at/images/doku/nuevos_enfoques_sccivil.pdf

6.3 The Indigenous Movement and the Fight for Hegemony: The Ecuadorian Case

Francisco Hidalgo Flor

The author argues in this article that an ideological confrontation is being moved inside popular movements. In the context of increasing social unrest against the neoliberal model, and of the crisis of traditional political parties (including socialist parties and workers movements) the indigenous movements are being pushed towards political primacy.

The period between 1990 and 2003 highlights both the power and limitations of the indigenous movement on the political scene. On the positive side, Hidalgo Flor argues that the indigenous movement had an impact on Ecuadorian society, especially the leftist organisations, provoking a genuine cultural reform between 1990 and 2003. Examples of

such an impact are the new bodies created to serve indigenous demands (CODENPE or PRODEPINE) or the incorporation of indigenous rights into the Ecuadorian constitution. However, the downside consists of the lack of a political project of this movement. With this in mind, the 2003 brief access to power, through the 7 month participation in the government was the “first political defeat of the contemporary indigenous movement.” This, Hidalgo Flor argues, is because the switch from the particular to the universal, from the cultural to the political, diluted the indigenous discourse, weakening its critical value and although at some point they had reached some limited victories, they did not reach a new stage in the social struggle, in the integral autonomy, which needs a much more mature debate and alternatives to the hegemonic project in place.

For a full text of the article please see (in Spanish only):

http://www.trialog.or.at/images/doku/movimientos_indigenas_ecuador2010.pdf

6.4 Autonomies and Indigenous Movement in Mexico: Debates and Challenges

Alicia Castellanos Guerrero and Gilberto Lopez y Rivas

The beginning of the struggle for constitutional rights of the indigenous people of Latin America generated an intense ideological, political and military confrontation which highlights the conflictive relationship between the ethnicities and the national state. Castellanos Guerrero and Lopez y Rivas present the Zapatistas uprising as one of the first real attempts to establish a truly independent organisation with its own political field and note that autonomy appears as a concept with today’s connotations only in the late 1980s and early 1990s. Furthermore, the authors present the difficulties faced during the San Andres negotiations and the many limitations of this project, which nevertheless achieved recognition later of the pluricultural nature of the Mexican nation and also the right to self determination, and as such to autonomy as part of the Mexican State. The authors continue with parallels to other regions seeking autonomy such as the Balkans, Spain, Canada and Israel-Palestine, concluding that the indigenous autonomy can represent a central part of the process of transition towards democracy of Mexican society.

For a full text of the article please see (in Spanish only):

http://www.trialog.or.at/images/doku/autonomia_y_movimiento_indigena_mexico.pdf

6.5 Evolution and Development of Indigenous Communities: A Dilemma between Myth and Incomprehension

Walter Chamochumbi

In this article the author promises to go beyond rhetoric and academia in order to look into the situation of the indigenous populations of Latin America, and the way these have been excluded from modernisation and development processes, in spite of the fact that they represent a large percentage of the population. After defining the indigenous communities as “human groupings which generally or particularly originate in one place, or make up tribal or migratory groups which display distinctive trademarks of spatial or territorial settlements,” and specifying the complex and changing paradigm of their evolution, Chamochumbi proposes three main elements whose interaction influenced the development of the indigenous communities of Latin America: the territorial adaptation, the social resilience and the endogenous development. Having looked at all three, Chamochumbi discovers the diversity of the indigenous movements, to some extent the paradoxical notion of one “indigenous movement” and concludes that one of the future challenges to be faced by indigenous leaders is to bring together the incredible diversity of perspectives into a unified vision of indigenous development.

For a full text of the article please see (in Spanish only):

http://www.trialog.or.at/images/doku/evolucion_y_desarrollo2010.pdf

6.6 Latin American Indigenous Movements and the Construction of the Christian Political Order

Angel Maria Casas Gragea

The author tackles the dilemma that has followed Christians throughout history in their efforts to install a Christian political order. Casas Gragea approaches this from the current Latin American perspective, including the influences of the indigenous movements.

For a full text of the article please see (in Spanish only):

http://www.trialog.or.at/images/doku/movimiento_pi_y_ordenpoliticocristiano.pdf

6.7 Negotiation and Citizens' Diplomacy as Tools for Peaceful Conflict Resolution

Rafael Reygadas Robles Gil

This article highlights the key strategies of the indigenous people of the Chiapas and the Zapatista National Liberation Army (EZLN), arguing that the civil and social actors that currently exist and are engaged in the struggle against the authoritarian and non inclusive government is still too divided and displays different interests. Furthermore Reygadas Robles Gil states that development cooperation is as fragmented and very localized as the interventions of the federal government, that solidarity movements are discovering their own limitations and that what is needed is state reform, and a set of new definitions of the state and society, which could be articulated better than before through the introduction of real citizens' diplomacy.

For a full text of the article please see (in Spanish only):

http://www.trialog.or.at/images/doku/sociedad_civil_experiencia_mexico.pdf

6.8 Proposal for the Analysis of the Indigenous Movement as a Social Movement

Marisa Revilla Blanco

Indigenous social movements appeared on the Latin American political scene in the last two decades of the twentieth century and are here to stay. The sociological analysis of the mobilisations which took place in Ecuador, Mexico, Bolivia and some other countries have usually emphasised the role of political structures in their emergence and consolidation. Nevertheless, the authors consider that such an analysis leaves unexplained the process of identity construction from tribal identities to an indigenous identity. The article defines a research proposal including identity construction and relationship dynamics between the political configuration of power and other actors, such as religious congregations, trade unions, and international organisations.

For a full text of the article please see (in Spanish only):

http://www.trialog.or.at/images/doku/analisis_movimiento_indigena_movimientosocial.pdf

6.9 The Chiaroscuro* of the Indigenous Situation in the Paradoxical Democracy of Today's Latin America

Gilda Waldman

The authors argue that in spite of the flowering of democracies and positive economic and political perspective in the 1990s on almost the entire Latin American continent, the indigenous groups did not achieve real and adequate participation in political processes. This phenomenon, a real “democracy deficit” has its roots in numerous problems (among others excessive bureaucratisation, yet a low state efficiency, corruption and clientelism and low participation and recognition of minorities) and it has also led to the emergence of indigenous movements which, in a positive international climate question the very essence of the nation state as the governing formula in the Latin American countries. Democracy is seen as the only viable option, yet an option which so far across the continent (Chile, Venezuela, Argentina, Paraguay, Guatemala) has disappointed by proving ineffective. In this context, the author concludes by proposing three ways ahead: the need for indigenous communities to be rebuilt as political communities, the real creation of spaces for participation and the redefinition of development models with the purpose of overcoming inequalities.

For a full text of the article please see (in Spanish only):

http://www.trialog.or.at/images/doku/nuevos_retos_movimiento_indigena.pdf

* Chiaroscuro in art (particularly painting) is a technique characterised by strong contrasts between light and dark.