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COLLABORATION BETWEEN OFFICIAL DEVELOPMENT CO-OPERATION AGENCIES AND NON-GOVERNMENTAL ORGANISATIONS

ORGANISATION FOR ECONOMIC CO-OPERATION
AND DEVELOPMENT

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COLLABORATION BETWEEN OFFICIAL DEVELOPMENT CO-OPERATION AGENCIES AND NON-GOVERNMENTAL ORGANISATIONS

A joint meeting of the Development Assistance Committee (DAC) of OECD and the International Council of Voluntary Agencies (ICVA), with the participation of the OECD Development Centre, provided an opportunity for a review of the modalities and issues of collaboration between official development co-operation agencies and non-governmental organisations both for projects in the developing countries and for development education activities in Member countries. The factual information which was collected as background to the meeting, up-dated and amended as necessary, is contained in this attached document.

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(1) Although not a Member of the DAC, Ireland participated in the DAC/ICVA meeting because of its considerable experience of collaboration with NGOs in developmental work.

Note: All data on expenditures are expressed in U.S. dollars except when otherwise specified in the text. Exchange rates used for the various countries and years are annual average exchange rates as presented in the "International Financial Statistics" of the IMF.

Collaboration between Governments and Voluntary Agencies for Development and Development Education

INTRODUCTION

In most DAC countries there is a long-standing tradition of involvement of private non-profit sector groups in relief and development activities in the Third World and of collaboration with governments in these efforts. In recent years, several DAC Members have institutionalised or expanded their collaboration with the voluntary agencies for development purposes, largely as a consequence of the concern with basic human needs and absolute poverty, and in recognition of the value of voluntary agencies' work. Broadened support for aid and awareness of development problems in public opinion in the donor country itself are also sought by governments in their collaboration with NGOs. The private voluntary agencies, for their part, have welcomed the opportunity to broaden their activities with the help of subsidies from the public sector. Voluntary agencies in a number of DAC countries have been receiving increasing funding from the official aid agencies, while the flow of private grants from the voluntary agencies' own resources has tended to level off, largely as a result of recent economic difficulties(1).

In February 1979 a joint meeting between the DAC and the International Council of Voluntary Agencies (ICVA) examined the advantages and practical problems of collaboration between governments and voluntary agencies. The criteria, practices and problems of collaboration had been reviewed only once before on a similarly broad basis of discussions between representatives of both types of agencies: that was in 1975 under FAO auspices(2). The Development Centre of the OECD participated in the DAC/ICVA meeting and presented, in particular, a paper for discussion of the main issues involved in development education. Part One of the present document examines the potential advantages of collaboration and discussed some of the administrative and procedural difficulties met in co-financing. It also brings together the main points which were raised at the DAC/ICVA meeting on issues of common interest. Part Two presents in revised and updated form the information on the volume and modalities of co-financing which was collected for individual DAC Members and Ireland in preparation for the meeting.

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(1) Both the words "non-governmental" and "voluntary" are commonly used to designate private non-profit agencies engaged in development. Strictly speaking, the latter term should apply only to agencies which depend on voluntary donations, whereas non-governmental organisations include educational institutions, student welfare organisations, foundations, business organisations and trade unions. In the United States, the standard broader term is "private and voluntary organisations".

(2) Report by the Chairman of the Technical Consultation on Government NGO Development Assistance Programme, organised by the Freedom from Hunger Campaign/Action for Development of the FAO, Rome, Italy, 15th-17th September, 1975, published by the Office of the Co-ordinator, FFHC/AD, FAO, Rome, Italy.

PART ONE

I. The Co-financing of Development Projects

A. Background

The volume of grants by non-governmental agencies (NGOs) out of their own resources was about $1.5 billion in 1977, or about 0.03 per cent of DAC countries' combined GNP, equivalent to about one-tenth of the official development assistance effort. Governments' contributions for co-financing with NGOs have been estimated at some $735 million in 1977, including food aid and freight. In 1978, private grants are estimated to have risen to $1.6 billion (to approach, according to preliminary estimates, almost $2 billion in 1979), and government contributions were about $600 million. Thus, the private effort for development from DAC countries combined represents about twice the volume of official subsidies to the voluntary agencies. Annex tables provid this data by individual donor country for a few recent years. In absolute terms, the largest sources of private grants in the 1970s were the United States, Germany and Canada. As a share of GNP in 1978 private grants were highest in Norway and Sweden, followed by Australia, Canada, Germany, the Netherlands, New Zealand, Switzerland and the United States. Government contributions for co-financing were highest in the United States, followed at a distance by the Netherlands, Germany and Canada.

One of the chief characteristics of non-governmental agencies is their extreme diversity. Individual agencies range from the single-purpose group (e.g., to fight a specific disease) to larger organisations providing relief and development aid in a variety of countries and sectors (e.g. Catholic Relief Services, Lutheran World Federation, Oxfam). NGO inputs into particular projects range all the way from a few hundred to several million dollars. Some attempts at classification have been made, and the number of non-governmental development agencies active in the OECD countries in the mid-1970s, is estimated to have ranged from 900 to 3,000 depending on the definition used(1). The narrower definition includes only agencies whose main purpose is to meet human needs, together with the national and international "umbrella" organisations that group some of these mainly or exclusively developmental agencies. The broader definition includes, as well, agencies whose main purpose lies elsewhere but which also conduct development activities (for example religious missions, which are the most numerous NGOs, educational institutions, trade unions etc.).

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(1) Jurgen Lissner, The Politics of Altruism, A study of the Political Behaviour of Voluntary Development Agencies, Lutheran World Federation, Department of Studies, Geneva, 1977. An updated computerised directory of voluntary agencies from DAC Members involved in development aid and development education has been prepared by the Development Centre of OECD to be published in 1981.

The most common and important form of collaboration between official agencies and NGOs is the co-financing of development projects whereby, under criteria which vary among the various donor countries, governments contribute to the costs incurred by NGOs in activities undertaken in developing countries. All DAC and some other OECD countries such as Ireland have adopted such procedures. Co-financing is usually on a fifty-fifty basis, but some Members (for example, Canada, the Commission of the European Communities, the United Kingdom) have established a higher official share for priority activities or projects conducted in particularly difficult conditions, and others, e.g. Denmark, have no fixed ratios. Another form of collaboration is for governments to contract with NGOs to serve as executing agents for official aid activities. Thus, for example, sizeable amounts of United States food aid are channelled through private voluntary organisations, in particular CARE and Catholic Relief Services. Similarly in some DAC countries official funds for emergency aid are entrusted to NGOs (for example in Sweden to the Red Cross Society), either regularly or on a case-by-case basis. Sometimes NGOs pool resources with official international organisations, an example being the tripartite arrangement among the Government of Tanzania, the Lutheran World Federation and the UNHCR for the settlement of some 60,000 refugees in rural villages in Tanzania. Collaboration can also entail a one-way financial flow from an NGO to an official agency, as exemplified by the fund-raising activities of national UNICEF committees. Finally, most but not all DAC countries also contribute official funds to the co-financing of NGOs' development education activities in the donor country itself.

B. Areas and Advantages of Collaboration

One of the reasons for governments' interest in supporting NGO development projects is the long experience which many NGOs have with sectors and approaches which are relevant to basic human needs and helping the poorest people. As far as sectors are concerned, the fragmentary data available on NGO activities suggest that education, both formal and informal, and health care are the two major sectors, followed by agricultural, rural development and community development projects. The data also suggest that longer-term development activities of all kinds currently represent a far greater share of NGO projects than relief. Food aid, accounting for perhaps some 20 per cent of the combined total, is somewhere between development and relief, being used mainly for nutrition and food-for-work programmes. The contribution of NGOs in specific sectors of activity in some developing countries and regions is quite substantial. Information collected by the Christian Medical Commission and Misereor indicates for example that in the period 1969-73 church institutions provided about 20 per cent of total hospital and maternity beds in Africa. Even today in several African countries the bulk of what health care is available to the rural populations is provided by external and indigenous, mainly church-related, NGOs.

Income-raising activities (mainly in agriculture) account for a relatively small share of NGOs' development projects, although probably on the increase in recent years. Despite the ingenuity and experience of many NGOs with income-raising activities, these

are in many cases most difficult to carry through in deprived environments. In any event, DAC Members' governments appreciate the fact that, whatever the sector, they can be reasonably sure that projects which they co-finance together with NGOs will effectively reach the poor in the countries concerned. Also, they welcome the approaches used by NGOs which are often based on community participation and the nurturing of local capacity. It was noted at the DAC-ICVA meeting that the roles of official development co-operation and NGOs are complementary, with NGOs having a key role in meeting basic human needs and fostering respect for essential human rights. With respect to religious NGOs, churches and parishes represent a valuable network especially for rural, small, low-cost and participatory projects, notwithstanding the occasionally authoritarian features of this type of organisation.

The high cost-effectiveness of NGO projects compared to official projects is often quoted as another reason for their attractiveness as collaborators. Participants in the DAC/ICVA meeting were of the opinion that there is little significant evidence on this subject, partly because of measurement difficulties(1). Nevertheless, on grounds of commonsense it would seem reasonable to assume that when an external donor agency provides inputs into activities designed by local institutions (which is the case for a number of NGOs, for example the churches), the costs normally associated with project identification, appraisal etc., should be reduced. An example will illustrate this point. The Royal Commonwealth Society for the Blind organises and finances temporary "eye camps" in South Asia where treatment is effected at 10 pence per person, operations to restore sight at £2(2). These costs are possible because the agency relies to a great extent on local infrastructure and local medical personnel, and organises its mass screening by supporting some local costs in the form of fees, transportation etc. as well as sending specialists to effect operations over a short period of time.

Governments also appreciate the special expertise which some NGOs have developed over the years in some specific fields of activity, e.g. the Red Cross Societies in emergency aid. Also, there exist some sensitive areas, such as family planning, humanitarian support for liberation movements, emergency aid in time of open conflicts etc., where governments (including those of developing countries) may prefer a private rather than an official channel. In this respect, participants at the DAC/ICVA meeting commented on the "advocacy" role of NGOs, especially with respect to human rights. Historic examples abound, e.g. the philanthropic support which some British groups offered in the seventeenth and eighteenth centuries to missionaries and schools

(1) See the Development Impact of Private Voluntary Organisations: Kenya and Niger, final report, Development Alternatives Inc. for the Office of Private and Voluntary Co-operation, US/AID 1979.

(2) See A. White, E. De Kadt, N. Andersson, Health Aid: A Comparative study of Three Donor Countries, University of Sussex, IDS Communication 125, January 1979.

for Indians and slaves in North America. Equivalent examples today include, in addition to continuing work to denounce and eradicate slavery(1), the funding of students from ~~radically~~ racially oppressed groups for training abroad and the growing concern for the sexual mutilations inflicted on young girls in many parts of Africa and the Middle East.

NGOs' potential for innovation is among the reasons for which governments appreciate collaboration with them. For example, NGO projects in health have provided much of the experience on which the "primary health care" concept is based(2). Likewise, most of the experience in community participation and non-formal education is based on the work of NGO projects. Several NGOs are among the most important contributors to the development of "appropriate technology": among them, the Intermediate Technology Group in London, the Tool Foundation of the Netherlands and VITA in the United States.

The socially innovatory role of the private voluntary agencies is another aspect of their work which has been recognised by the official sector. For example, New Zealand's Advisory Committee on External Aid and Development reported to the government in 1976 that NGOs had been particularly valuable for "controversial" or "frontier" projects, particularly those involving local participation in social change. The Inter-American Foundation was created in 1970 at the initiative of the US Congress as an "experimental" institution, to channel support to grass-roots groups in Latin America and the Caribbean.

The availability of NGO expertise, administrative capacity and local experience are among further reasons why governments may prefer to co-finance some development projects with NGOs rather than carry them out directly. Many agencies have been working in a given sector and area over a long time and their methods and concerns are of kinds which are now regarded as important in a basic human needs context: fostering self-reliance and community organisation, raising local capacity, accepting or nurturing local leadership. It is the combination of these factors that makes an NGO a potentially valuable partner. This is true, for example, of institutions whose experience goes back many decades, such as the churches and co-operative movements.

Finally, a growing area of interest in some DAC countries is a wish to strengthen voluntary groups in the Third World itself. Most DAC Members restrict their co-financing to their own national NGOs, althouth they may at times allocate funds to international NGOs, as these represent a channel for support to private groups in Third World countries. The most sizeable

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(1) See, for example, James Challis and David Ellman, Child Workers Today, sponsored by the Anti-Slavery Society, London, 1979.

(2) See Health by the People, K. W. Newell ed., WHO, Geneva, 1975, particularly the case studies on the Chimaltenango project in Guatemala, the Jamkhed project in India, and the Solo project in Indonesia, which illustrate NGO initiatives in primary health care.

example is the International Planned Parenthood Federation, which itself assists national family planning association in the majority of the developing countries. In recent years, the Netherlands and Sweden in particular have placed greater emphasis on co-financing projects with their trade union and co-operative movements in order to foster similar movements in the Third World. Canada's CIDA has created a small new division for collaboration with international NGOs, in order to channel resources through such international federations to their constituent groups in the developing countries and strengthen their leadership and management capacity. Norway has recently amended its regulations for co-financing in order to be able to co-finance projects directly with Third World NGOs.

Similarly, the US Congress has amended the Foreign Assistance Act to authorise the support of foreign non-profit agencies abroad where United States NGOs do not operate. In 1979, 42 non-United States and international agencies were registered and most of them received AID support. This new trend corresponds to similar historic developments which have been taking place on the side of the NGOs, for example national churches have emerged with a new relationship to the former "mother" churches; technical expertise for projects is now increasingly provided by nationals of developing countries themselves (the ratio of expatriates to local personnel for the Lutheran World Federation, for example, is 1 to 80); also a number of NGOs prefer to support, often jointly, local projects initiated and carried out by host-country nationals, for example rural development projects in India, rather than design their own.

Governments are interested in the possible replication, at times on a larger scale, of successful projects and approaches experimented with by NGOs. Replicability of NGO projects, however, like their cost-effectiveness, is a subject on which hard evidence is lacking. This is a point of special interest to governments wishing to transfer the experience to their own projects, on a larger scale. Some studies reach negative conclusions. For example, the study on the development impact of voluntary agencies in Kenya and Niger, which appears to be the first comparative evaluation carried out at the field level and specifically concerned with NGOs, includes in the hypotheses which it proposes for further study the following: "Reproducing numerous carbon copies of a successful small PVO project is not a realistic option, nor a defensible use of scarce human and material resources. Equally important, it will not produce comparable impact in most of the new settings where it is attempted"(1). Another author concludes, specifically in the health sector: "The disadvantage of NGOs is that their programmes are usually on a small scale, although there are exceptions. The main problems arise in translating successful voluntary agency projects into national programmes, (...) their success hinges on factors which cannot be replicated. These include charismatic and dedicated individuals in project leadership and often highly motivated individuals within the programme

(1) The Development Impact of Private Voluntary Organisations: Kenya and Niger, cit.

generally; they include freedom from government bureaucracy (...). Unless the NGO concerned is linked with a strong national organisation in the recipient countries, or is co-operating closely with government agencies from the start, aid through voluntary agencies will be limited to small pockets, although it is likely to be effective in reaching the grassroots of the local populations. But changes in national health systems and development of infrastructures which will lead to longer-term benefits for the population at large, are unlikely"(1). A needed qualification is that NGOs have a role in testing and experimenting, and that they are often faced with structural or socio-cultural problems which go beyond their immediate solving capacity. In many settings, their activities can do no more than show the way, identify the constraints etc. and that may in many cases be of value by itself, although the scale of operations may be inadequate to sustain nationwide change. Change in the directions tested by non-governmental agencies may not always correspond to the wishes of the host country administration, for example, the fostering of co-operative movements. On the other hand, there is now a greater awareness among NGOs of the need to integrate resources, where this is possible, to help low-income countries achieve their goals. In particular, NGOs involved in health care view their role as having to work with governments, rather than separately, in making the fullest possible contribution to the goal of health care for all(2).

C. Practical issues and problems in collaboration

Rules and criteria for co-financing affect the nature of the relationship between the public and voluntary sectors and the effectiveness of results. The best example is provided by the proportion of public funding of administrative costs of NGOs. A large number of NGOs owe their existence to voluntary donations, and governments value the genuine autonomy which NGOs enjoy as a result. When they receive government finance for specific projects, however, NGOs often have to expand their professional and administrative capacity, hire personnel and pay for increased indirect overhead costs in addition to the overheads which can be directly attributed to a given project. Procedures vary a great deal among DAC countries as to the share of administrative costs at headquarters which the official aid agency can co-finance. They range all the way from complete exclusion, for example from French co-financing, to various shares for co-financing of headquarters and project administrative costs: for example the Netherlands accept that up to 4 per cent and Switzerland up to 8 per cent of the contributions will be used for headquarters, while allowing for great flexibility in the developing countries themselves in order to strengthen local structures. Some DAC Members grant contributions on a lump sum basis on which NGOs do not have to report: e.g. Sweden 4 per cent of project costs, Italy 25 per cent of project costs (for both administrative and running costs), Belgium between 5 and 10 per cent. The United Kingdom provides up to 10 per cent of project costs for administrative expenditures at headquarters. Governments

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(1) Susan Cole-King, Primary Health Care and the Role of Foreign Aid, University of Sussex, IDS Communication 123, January 1979.

(2) See i.a. R. Nita Barrow, "The Post-Alma Ata Role of NGOs"

among participating NGOs. There also exist international "umbrella" organisations: ICVA itself is an international council grouping a number of both religiously-inspired and secular voluntary agencies, many of which are themselves international federations of agencies(1). There exist international organisations of a single type of agency (e.g. the World Young Christian Women's Association), or grouping a number of agencies of the same denomination (e.g., CIDSE, an international group of Catholic developmental agencies from several European and American countries). NGOs from various countries have established Euro-Accord/ACTION for rural projects in the Sahel and other African countries. An Emergency Information office is being jointly supported by Catholic Relief Services, the World Council of Churches, Oxfam, the League of Red Cross Societies and Lutheran World Services. There is a move now to assist the establishment of national councils of voluntary agencies in individual developing countries. To quote one example, the Norwegian Refugee Council granted $10,000 in 1979 to the Sudanese Council of Voluntary Agencies to cover about one-third of its needs during its first year of operation.

Possibly the most fruitful level for consultation and co-ordination among external voluntary agencies is the individual recipient country, so as to provide the best possible match of resources to needs. Two opposite examples will illustrate this point. One official agency was asked for costly medical equipment for a hospital run by a religious order. The agency representative who visited the area discovered that the same equipment had already been made available, under co-financing, to a hospital of another religious order only 12 kms away, to which patients could well be referred. On contrast, some years ago voluntary agencies, including all religious denominations, effectively joined forces in Malawi to help the government implement a national immunization programme for small children.

II. The Co-financing of Development Education

Education for development was only briefly discussed at the DAC/ICVA meeting of February 1979. It was subsequently identified by the voluntary agencies which took part in the meeting as one of the priority subjects which they wish to see further discussed by representatives of official and private agencies. In contrast with the funding of development projects, development education is a matter which involves other official departments in addition to the aid agency, and in particular ministries of education and other authorities responsible for education, depending on the educational system of the DAC country concerned. Meaningful discussions should therefore involve the various interested parties. Internationally, a pioneering role has been played by the Freedom from Hunger Campaign/Action for Development bureau in FAO.

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(1) ICVA was established in Geneva in 1962 as an international forum for voluntary agency relief and development activities. Membership was 62 agencies in 1979. Working groups meet regularly on refugees and migration, integrated human development and voluntary agency co-operation and funding. An information bulletin, ICVA News, is published regularly.

Co-operation between NGOs and government organisations in informing public opinion is developing in various ways and, according to the individual DAC countries concerned, in varying degrees. Such co-operation is increasingly necessary today because of growing economic interdependence. The aim now is not only to popularise aid but to impart information about the diverse economic, social, cultural and political situations of developing countries and to educate public opinion to a better understanding of international economic mechanisms (trade, investment, etc.). Efforts to educate public opinion today should cover the whole range of issues involved in the debate on the possibility of a new economic order(1). Public opinion is little aware of the reality of interdependence; at most it receives a one-sided and negative picture of it from the consequence of the rise in oil prices and competition from some Third World manufactured products. A common feature of the varied sociological components of industrialised societies is the desire to preserve, in conditions of safety and stability, the advantages they have created and acquired. This generates defensive reactions and attitudes of protectionism and withdrawal, particularly in situations of economic difficulty. Reactions of this kind are an obstacle to the introduction of policies aimed at solving some of the present difficulties in a context of accepted interdependence. Governments are therefore increasingly aware of the need for an evolution of public opinion so that it can see the problems, understand them and be ready to respond. NGOs by their very nature seem in a position to make an effective contribution to this education effort, by reaching their own audiences and constituents.

As a consequence, a majority of DAC Members now provide some support to the information and development education activities of various non-governmental bodies, although the amounts involved and the share in total government funds for development education vary widely. In the Netherlands, allocations to the National Committee for Information on Development Co-operation, composed entirely of non-governmental institutions and agencies, are more than twice the budget of the Ministry of Foreign Affairs' own development information department. The funds are used almost exclusively for projects run by NGOs according to their own criteria, the Committee vetting proposals only from a technical point of view. In Sweden, which has the most intense development education activities of any DAC Member, two-thirds of the official funds for these activities are allocated to NGOs. In these and some other countries increasing importance is given to trade unions because workers' attitudes are crucial to adjustment policies aimed at offering an outlet to Third World products. In some other countries, such as Switzerland and the United States,

(1) Two interesting examples of NGOs specifically set up for that purpose, and which have received some financial support from various DAC Members, are the International Coalition for Development Action, itself grouping several development NGOs, and the International Foundation for Development Alternatives, which encourages a dialogue between statesmen, researchers and social leaders committed to new approaches to development and international co-operation.

for legislative or cultural reasons, official support for private activities of development education would currently be unthinkable as they would be perceived by public opinion as attempts by the public sector to exert influence unduly.

Perhaps the three main difficulties encountered by NGOs in their activities concerning education for development are:

(i) the very considerable range and number of such organisations may cause efforts to be too widely dispersed and activities to be inefficient;

(ii) the diversity and dispersion of efforts leads, on the one hand, to chronic financial weakness and on the other, to a shortage of information with which to work on public opinion;

(iii) lastly, the multiplicity of NGOs makes it difficult in several DAC countries for them to form a representative entity and therefore to co-operate with the public authorities.

The DAC/ICVA meeting singled out several areas where governments could strengthen the development education function of NGOs. In the first place, governments could adopt a very flexible approach trying to co-operate with the different NGOs, on the basis of their own concerns or even their own programmes of work, and favouring the setting up of representative structures suited to a frank and continuing dialogue where these do not yet exist. Concrete possibilities of co-operation between NGOs and governments include:

(a) access to the body of information on the problems of development which governments and international organisations have at their disposal. The setting up of "data banks" would provide NGOs with basic information they could then interpret and adapt for the different audiences they seek to reach(1);

(b) regular access to the mass-media, in countries where radio and television are State-controlled;

(c) the possibility for NGOs to contribute to the introduction and implementation of development education programmes in the national education structures and in continuing training, as is already the case in the Nordic countries and on an experimental basis with the national UNICEF committees in France and Italy;

(d) an increase in the financial resources devoted to these activities, as on average these are quite modest in most DAC countries so far.

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(1) An example of a voluntary agency performing this work, through research and publications, is the Overseas Development Council (ODC) in Washington, which feeds the information to opinion leaders in Congress, the administration, churches, the press, interest groups, etc.

Even more than in the case of development projects, public financing of development education activities raises the problem of the freedom of NGOs to choose what messages to transmit and by what means. This implies, first, that NGOs cannot cease collecting their own funds and, secondly, that public bodies must accept NGOs, activities in regard to education for development as being likely to provide them with "critical support" and not just "unconditional support".

III. CONCLUSION

There are good reasons for believing that collaboration between official agencies and NGOs will continue to expand. The factors that have stimulated collaboration in recent years in particular, on the governmental side, the relative emphasis on poverty-oriented programmes and the possibility of benefitting from the strong public support enjoyed by the voluntary agencies are likely to continue to be relevant. On the side of the NGOs, the attraction of being able to offset the impact of slower economic growth on their own fund-raising activities is also likely to have a continued effect. The growing practical experience of collaboration will also tend to build up momentum for further development.

Experience argues for the official agencies to provide adequate and assured support and to lighten the procedure and reporting burden to the maximum extent, including by wider use of the block grant method. For their part, NGOs should perhaps see whether some apparently burdensome parts of official procedure, especially those related to appraisal and evaluation, could not in fact be of benefit to them. They might also consider introducing a greater degree of collaboration and co-ordination among themselves, especially in the recipient countries, to increase th effectiveness of their response to the needs, and in the area of development education, particularly for campaigns aimed at sensitizing and informing wide strata of the industrialised societies on development problems.

PART TWO

AUSTRALIA

Background

Australian voluntary aid organisations have been active for many years in support of communities in developing countries. Government co-financing with NGOs has been in existence since 1965/66.

Volume

Trends in recent years were as follows ($m):

	1976	1977	1978
Private grants	37.2	35.9	38.3
Government contributions	0.9	1.3	1.8

Purposes and procedures for co-financing

The Australian government recognises that non-government organisations are well-suited to undertake valuable development programmes which are not suited for government or would involve high administrative costs for the government. In recent discussions with the Australian Council for Overseas Aid (ACFOA), a co-ordinating body for many NGOs, the Minister for Foreign Affairs indicated that 1 per cent of ODA distributed through NGOs would be a useful target for the Australian aid programme to work towards. In 1978, that would have implied more than doubling the official contributions for co-financing with NGOs.

The Australian government has recently set up an NGO section within the Australian Development Assistance Bureau. A special provision of $600,000 was announced for three years, 1976-77 to 1978-79, to support NGO programmes in the South Pacific. In addition, the government contributes towards the administrative costs ($0.14 m in 1977, $0.20 m in 1978) of ACFOA.

Recommendations on the payment of grants for co-financing purposes are made by an Assessment Committee of six persons, three of whom (including the Chairman) are named by the government while three are named by ACFOA. Some of the funds are allocated in the form of a general grant to selected organisations designated by NGOs themselves, the bulk as subsidies to specific projects on a 50-50 basis. In 1978, for example, $1.4 million were disbursed to 149 projects of 32 NGOs, while block grants were paid to the eight major NGOs participating in the scheme, whose official name is the Project Subsidy Scheme.

A guideline for co-financing is that by government directive one-eighth of official funds must be spent for activities in the South Pacific.

Geographic Areas

Subsidies to specific projects amounted to $0.7 million in 1976, for 114 projects in Asia, 12 in the South Pacific and five in Africa.

Development Education

The Australian Development Assistance Bureau has not to date undertaken an extensive public information programme. An internal Task Force has been established to examine the information needs of various groups in the Australian community and overseas, and devise appropriate ways to expand and improve the current information programme.

Much of the work of educating and informing the Australian community on development co-operation issues is currently undertaken by the active aid lobby among the voluntary aid organisations in Australia. ACFOA receives an annual Government grant, part of which is used for development education purposes.

AUSTRIA

Background

The Austrian government channels practically all of its technical co-operation grants either through NGOs or in the form of subsidies to specialised institutions, such as the Vienna Institute for Development Studies.

Volume

Trends in recent years were as follows ($m):

	1976	1977	1978
Private grants	11.0	10.8	14.6
Government contributions	11.4	25.9	33.7

Purposes, Criteria and Procedures for Co-financing

The purposes of co-financing are identical for the government and NGOs: social and economic development with an increased emphasis on rural areas, for example in such sectors as health.

Major agencies

The Austrian Foundation for Research on Development Co-operation (Österreichische Forschungsstiftung für Entwicklungshilfe, OFSE) has published a directory of Austrian NGOs active in co-operation for development (Dr. Herman Krobath, "Österreichische Partner der Entwicklungsländer, Die Nichtstaatlichen Organisationen, Handbuch der Österreichischen Entwicklungshilfe", Band 1, OFSE, Wien 1975, 168 p.). The directory covers over 40 NGOs and institutes, supplying data on the financial resources (including governmental subsidies) and development expenditures of 35 of them. The following information on selected organisations gives a picture of some of the activities.

The three organisations with the largest overseas expenditures are Catholic groups which are mainly or exclusively financed by private resources, church collections, etc. These are:

(a) the Co-ordination Bureau for the Promotion of International Development of the Conference of Austrian Bishops (overseas aid in 1974, $3.5 m). Founded in 1963, this agency co-ordinates a number of Catholic groups, helps them elaborate common positions, assures contacts within Austria and abroad, and checks on project requests;

(b) the Central Office of Pontifical Missions in Austria (overseas aid in 1975, $1.5 m), entirely funded from private donations. It gives spiritual and material support to missionary activities in the Third World, grants subsidies to dioceses overseas, publishes magazines and also supports development projects which overseas dioceses would not be in a position to finance;

(c) the Austrian Caritas (overseas aid, $1.4 m in 1975), which is a member of the Co-ordination Bureau listed above as well as of Caritas Internationalis. This central agency co-ordinates the nine diocesan Caritas bureaux in Austria, each of which is placed under the responsibility of a bishop.

Of the four institutions which receive the largest official subsidies, three are NGOs, and one is a specialised institute which deals with development information and education rather than projects in the field:

(a) the Council of Austrian Youth for Development Co-operation (income, official subsidy and development expenditures each amounting to $0.6 m) was founded in 1965 by a number of organisations including Catholic and Protestant groups, and a trade-union youth movement. It has supported and continues to support projects in many countries of Africa, Asia, Latin America, by sending technical co-operation personnel and supplying equipment and financial support. Up to 1974, it had sent 120 persons overseas, for an average of two years each, mainly for health centres and health education activities and the staffing of a small hospital, reforestation and crop production projects, technical assistance to construction projects, and co-operatives;

(b) the Austrian Volunteer Service (official subsidies $0.5 m in 1974, development expenditures $0.7 m), founded in 1968, member of the Co-ordination Bureau of the Conference of Bishops, has 120-140 volunteers in the field at any given moment, each for an average of three years;

(c) the Vienna Institute for Development Issues, financed by the government ($0.2 m in 1974), organises international conferences, and conducts research on development problems;

(d) the Austrian National Freedom from Hunger Committee (income in 1974 $0.23 m, including $0.18 m state subsidies, development expenditures of $0.2 m), founded in 1960, is active in rural development projects. In 1973, for example, it helped rural training in Yemen, a home economics project in Mexico, it financed a rice-mill in Sierra Leone, and the training of Indian and Maltese development technicians.

Development Education

Information and development education activities are conducted by the officially-supported Vienna Institute for Development and by the Austrian Council for International Co-operation, addressing public opinion at large, as well as specialised groups such as teachers, youth movements, development groups, etc. through seminars, and producing educational and audiovisual materials.

BELGIUM

Background

Belgium has long had a tradition of granting subsidies to NGOs for the purpose of carrying out co-operation projects in the developing countries. It was only in 1976, however, that a co-financing system was set up which takes account of: (i) the role played by NGOs in support of the poorest sections of the populations of developing countries; (ii) the Government's determination to promote the activities of NGOs in Belgium in order to increase the awareness of the population and persuade it of the need for greater world integration; (iii) the experience of other countries which have had co-financing systems.

Volume

Available estimates of private grants by the Belgian authorities may somewhat underrate the efforts by the voluntary private sector. According to the available data, trends in recent years were as follows ($m):

	1976	1977	1978
Private grants	22	27	(32)
Government contributions	10	21	26

Purposes, criteria and procedures for co-financing

The main purpose of the co-financing programme is to contribute to projects which are intended directly to improve the lot of the poorest population groups. Priorities are listed on the following page.

NGOs must be non-profit organisations, and the bulk of their administrative staff must be of Belgian nationality.

In order to be subsidised, a project must be located in a developing country and have a social or economic development goal; be clearly defined and feasible; be accurately presented with regard to costs, scope and duration; be directed by capable and experienced people; offer sufficient guarantees that the enterprise which is the subject of the project will be able to meet its own needs within a reasonable period of time; give details concerning the take-over of the project by an indigenous organisation.

The official subsidy can reach a maximum of 75 per cent of the total Belgian official and private contributions.

The administrative costs of a project may not exceed 5 per cent of the overall cost.

Any necessary preliminary studies may be taken into account in respect of the overall cost of the project.

Equipment and capital goods purchased with the subsidy must, as far as possible, be of Belgian origin and, in this case, be ordered as a result of competitive tendering.

Subsidies are granted by the Minister of Foreign Affairs and Development Co-operation. In considering projects, the official Belgian development co-operation agency, AGCD, obtains as many opinions as possible and, in particular, that of the Belgian Embassy in the country where the project is to be carried out.

The AGCD checks the execution of the project and its accounts, either by means of Belgian diplomatic missions, its own civil servants, or experts whom it itself appoints.

Sectors

Priority is given to projects in the agricultural, health care, and family planning sectors, and to rural development projects which will create jobs and generate incomes. Priority can also be given to co-financing of education, particularly technical and occupational training and literacy programmes.

Other remarks

In June 1977, the Conseil Consultatif de la Coopération au Développement(1) put forward a number of suggestions concerning conditions for the implementation of co-financing(2). The Advisory Board began by noting the need for a "Fonds de la Coopération", to be established by legislation, which would remove the constraint of annual budgets, make procedures shorter and more flexible, and allow for the receipt of any repayments.

The most important recommendations by the Council concern the following points: (a) the share of NGOs' financing should be reduced to less than the current 25 per cent of a project's total cost; (b) projects financed by international NGOs or NGOs from countries other than Belgium should be specially recommended for co-financing; (c) there should be no discrimination as far as staff costs are concerned, particularly as regards volunteers and missionaries: the ceiling of B.Frs.600,000 (about $16,700) per unit/year is insufficient to cover normal staff costs; (d) evaluation missions should qualify for co-financing; (e) the standard rate of official funding of administrative costs should be raised uniformly to 10 per cent.

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(1) The Advisory Board for Development Cooperation, first established in 1962, and composed of representatives of NGOs, economic and social interests, and experts in development matters, advises the government on matters of co-operation policy.

(2) "Avis relatif au co-financement" (opinion concerning co-financing) edited by the AGCD Information Service in the form of a pamphlet which also contains the other [illegible] relating to co-financing (Royal Orders, Directives from the Minister).

Projects

One hundred and seventy-five projects were co-financed in 1978, with official contributions amounting to about $16.7 million. The distribution of the number of projects by region over the three recent years was as follows:

	1976	1977	1978
Africa	69	65	100
Asia	18	26	33
Latin America	50	60	42

In 1979, major individual recipients were in order of importance Vietnam, Burundi, Zaïre, Senegal and Rwanda. The distribution by sector of official contributions for co-financing of projects was: education and social development 49 per cent, health 29 per cent, rural development 13 per cent, infrastructure 7 per cent, and industrial development 2 per cent.

Examples of co-financed projects include the following:

- Argentina, NGO "Co-opération et Progrès", organisation of a co-operative for wool products in a small high-unemployment town (Lobos)

  Duration: 1977
  Total Cost: $26,115 (official contribution: $20,000)

- Bangladesh, NGO "Les amis du Père Damien", construction of the Yalchatra Hospital and Leprosy Control

  Duration: 1977
  Total Cost: $62,000 (official contribution: $29,000)

- Chad, NGO Caritas Catholica
  Digging of wells in the very poor area of Maryo Kebbi Pala

  Duration: 1977-78
  Total Cost: $67,000 (official contribution: $22,000)

- Zaïre, NGO "CDI Bwamanda"
  Integrated development of the Bwamanda village and area

  Duration: 1976-1982
  Total Cost for 1976: $710,000 (official contribution: $532,000)

Volunteers

Provisions for official support to volunteers have been in existence since 1964. This support amounted to $3.6 million in 1978, when 838 Belgian volunteers served overseas, all of them in the framework of NGO activities. A large number serve in secondary education in missionary schools, about 100 in the health sector, with others in rural development, co-operatives, industry, fisheries, animal husbandry, etc.

Other areas of collaboration

Collaboration with NGOs also relates to subsidies for missionary-sponsored work in developing countries and for housing facilities for nationals of developing countries studying in Belgium.

Development Education

Official funds for granting subsidies to NGOs for their public information activities amounted to $0.6 million in 1976 and $0.8 million in 1977. Priority in such co-financing is given to information relating to the international division of labour.

CANADA(1)

Background

Canadian NGOs have been involved in international co-operation since the beginning of this century. In the last few decades, this co-operation has moved from primarily missionary and relief activities to various kinds of development assistance. A co-financing programme has been in existence for over 10 years.

Volume

Trends in recent years were as follows (US $m)

	1976	1977	1978
Private grants	106	103	87
Government contributions	34	33	53

The government contributions shown above refer to CIDA's disbursements on a calendar year basis to match efforts by Canadian NGOs. In addition, CIDA also contributes to projects presented by international NGOs ($1.5m in 1976, $7.5m in each of the fiscal years 1978 and 1979).

Private grants consist for about half in cash, the remainder being contributions in kind, goods and services.

Grants have also been made by provincial governments to match funds raised by NGOs in their provinces. Four provincial governments contributed $6.7m in 1976 for this purpose.

Purposes, criteria and procedures for co-financing

There are two divisions in CIDA dealing with NGO activities: (1) the NGO Division, in charge of Canadian voluntary organisations, which has been in existence for over ten years; (2) a smaller, recently established (1975) division which deals with international (rather than Canadian) voluntary agencies. These programmes are run almost entirely by people who have themselves worked with NGOs and who thus have a first-hand understanding of the problems involved.

The Canadian NGO programme has three main objectives. First, to enable CIDA to tap, for development purposes, the wide range of expertise, experience and services which reside in the non-governmental sector; second, to offer a more flexible and innovative means of providing development assistance than is normally possible on a government-to-government basis; and, third, to encourage Canadians to participate in international development and thus help create a "constituency of support" for international development in Canada.

(1) Except when otherwise stated, figures are expressed in Canadian dollars.

The objective of the new programme for co-financing of projects with international NGOs is to encourage self-reliance and strengthen managerial and organisational capabilities of Third World groups and individuals.

As a rule, CIDA finances projects on a 50-50 basis, but in some cases more. The international division also matches other donors' funds, on a 50 per cent basis, whether national, (e.g. Swedish and Dutch funds), or international.

Canadian NGO projects which receive priority for co-financing include those which:

- contribute significantly to development, e.g. by creating jobs, developing human resources;
- foster self-reliance by encouraging local management, local financing and local initiative;
- contribute to social justice by assisting low-income and under-privileged groups;
- cultivate leadership potential, especially among youth and in the professions.

Sector priorities have been assigned to:

- integrated rural development;
- agricultural development and food production;
- irrigation and drinking water;
- vocational training, literacy, leadership training, training of unemployed rural youth;
- small-scale cottage industries;
- preventive and community health;
- nutrition education;
- family planning;
- low-cost housing;
- programmes for development of women.

Emphasis in co-financing of projects with international NGOs has been placed, especially over the last year or so, on training, both for the international NGOs and their national affiliates in Third World countries. Another important component of this international work relates to refugees.

Procedures for project approval include a general review of requests by project officers of the NGO Division of CIDA. A project may be referred to other divisions of CIDA for technical advice if needed. Occasional field visits are made by officers of the NGO Division and/or members of the Canadian mission, especially in instances of large-scale or complex projects. Clearance must be given by the Canadian mission in the host country to ensure that the project is not likely to offend local sensitivities and that the indigenous agency responsible for the project's implementation is in good standing in the country.

Administrative costs of the sponsoring agency should not exceed 10 per cent of the project costs.

CIDA tries to ensure an equitable distribution of its funds by country, agency and sector.

Support is normally for one year at a time, but it is possible for CIDA to indicate tentative support for longer periods, subject to satisfactory progress reports and the approval of funds by Parliament.

Some "block funding", that is, financing within a broader, more flexible context than normally required for specific project financing, is granted by CIDA, corresponding in recent years to some 10 per cent of its outlays for co-financing.

NGO projects also represent at times a means of reducing the pipeline of undisbursed aid funds, as has happened, for example, in 1977/78 with the transfer within CIDA of some $10m to NGO activities.

The project nature of most government finance for NGOs is said to have had an influence on NGOs' activities and organisation. There is reportedly now a government desire to move towards a long-term multi-year multi-sector programme approach and this again could have an impact on NGO operations and outlook.

Evaluation appears to be a problem. On the other hand, there is hesitation in CIDA to introduce rigid bureaucratic requirements which might hamper activities and overload NGOs for the sake of producing evaluation reports.

Geographic areas

Annex table 2 shows NGO Division disbursements by region in 1977-78.

Individual developing countries where CIDA contributions for NGO projects exceeded $1m in 1977-78 were: India, Papua-New Guinea, Bangladesh, Nigeria, Haiti and Upper-Volta.

Sectors

Annex table 3 shows NGO Division disbursements by sector in 1977-78. Education (22 per cent), community development (15 per cent) and health and population (13 per cent) were the major sector areas. CIDA is now considering ways to raise the small share (0.5 per cent) of low-cost housing projects.

Other remarks

Started in 1974 by the Canadian Council for International Co-operation, a Project Clearing House has been established in Ottawa, which publishes a "Directory of Canadian NGOs Engaged in International Development", to encourage a co-operative approach among Canadian NGOs and make it easier for foreign agencies to locate funding sources of projects. The 1978 edition of the Directory includes 137 Canadian NGOs engaged in development assistance abroad, as against 91 in 1974.

CIDA's NGO Division publishes an annual report. The latest edition, "Program Summary 1977/78", is the source of much of the statistical information used in this chapter.

Further information which can be gathered from the report relates to: (a) a significant drop in the number of individual voluntary agencies presenting project requests to CIDA. For example, all Catholic projects are now coming to CIDA through the Canadian Catholic Organisation for Development and Peace; (b) increasing fund-raising difficulties faced by many groups.

In 1977/78, eight Canadian NGOs each received over $1m from CIDA for co-financing purposes, out of a total of 166 NGOs assisted. These major agencies were: the Canadian Catholic Organisation for Development and Peace, the Canadian Executive Service Overseas (CESO), the Canadian Lutheran World Relief, the Canadian UNICEF Committee, the Canadian University Service Overseas (CUSO), CARE Canada, Jeunesse Monde Canada/Canada World Youth, and the Mennonite Central Committee.

Distinctive activities of the Canadian NGO scene include those of CESO, CUSO and the Overseas Book Centre. CESO provides Canadian administrative and technical specialists to serve as unpaid volunteers for no longer than 6 months in the developing countries at the invitation of governments or private organisations. In 1977-78, it had 250 Canadians abroad. CUSO enables qualified Canadians to serve overseas in education, health, agriculture and other sectors: they totalled about 700 in 1977-78. The Overseas Book Centre makes shipments of educational materials to many developing countries. In 1977-78, it sent material worth $2.2m.

Recent examples of projects co-financed by the International NGO Division include the training of field officers for an international women's association, training in community development for boy scout associations, training of small businessmen (in Kenya, to be repeated in other countries) in accounting and inventory through an international foundation for training, assistance for the establishment of regional units of YMCAs.

Development Education

Co-financing of development education activities with Canadian NGOs, which was established in 1971, is gradually increasing in volume and is managed by the Public Participation Programme of CIDA's NGO Division. One hundred and forty-four co-financed projects were financed in 1977-78, with $1.74 million disbursed by CIDA (compared with $0.8 million expenditure by CIDA, excluding salaries, on its own information activities) and US$3.8 million cash contributions from NGOs. A majority of these projects (98) received less than $10,000 CIDA contributions, but two received over $100,000. Half the disbursements were for national programmes, half for specific regional programmes.

Since 1976, development education projects have been initiated also through mass-membership organisations - such as trade unions, co-operative unions, consumers associations, farmers unions and teachers and parent-teacher federations - with financial contributions from CIDA on a matching basis.

Some information is available on procedures and modalities of co-financing with NGOs for public information and development education purposes. Preference is given to projects with clearly-defined objectives and a specified time-frame, normally of one year. Funding is not provided for continuing programmes of a long-term nature. Projects should achieve results either through the generation of practical support for overseas development work or the provision of local services considered by CIDA to be of value to the process of international development co-operation. Requests for funds to support the creation of new development groups must present a detailed plan showing how that group will become independent of CIDA support within a maximum period of two years, with firm commitments made by the alternative funding sources. Preference is given to projects that are operated by volunteer staff, and the maximum CIDA contribution towards salaried project staff is $5,000 per person per year. Preference is given to projects promoting direct action, thus research proposals are acceptable only when such research is essential for an education/action programme, and workshops only if they will lead to a clearly defined follow-up project. The production of printed or audiovisual materials can be considered only as part of a larger education/action programme and if they do not duplicate existing materials. CIDA must be provided with a copy of any material so funded.

Limited funding is available for travel to Canada by qualified individuals from developing countries but not for Canadians travelling overseas.

CIDA cannot consider projects that present a politically partisan viewpoint, or proposals of a public relations nature that promote individual organisations.

I. Comparisons by year

	1974-75	1975-76	1976-77	1977-78
CIDA/NGO Budget	$26,000,000	$ 31,862,910	$ 38,147,967	$ 49,916,000
CIDA/NGO Disbursals	26,000,000	31,862,910	38,147,967	42,590,540
Canadian NGO Contributions	N/A	N/A	43,000,000	45,877,844
Total Value of Projects	74,282,554	101,349,726	126,978,125	136,559,732
Number of NGOs Assisted	176	221	253	166
Number of Countries Assisted	89	87	98	104
Number of Projects Approved	654	790	965	1,168

Source: Program Summary, NGO Division, 1977-1978 (CIDA)

II. NGO DIVISION DISBURSEMENTS BY REGION 1977-78

Region	Number of Projects	Total Cost (Estimate)	CIDA Contribution	Percentage Share
Asia	292	40,241,491	12,577,027	29.6%
Anglophone Africa	182	24,319,624	7,599,880	17.8%
Francophone Africa	162	23,976,676	7,492,716	17.6%
Latin America	292	26,599,442	8,312,324	19.5%
Caribbean	48	5,955,795	1,861,185	4.4%
Regional	48	9,599,786	2,907,601	6.8%
Canada (Public Participation Program)	144	5,866,918	1,839,807	4.3%
TOTAL	1.168	136,559,732	42,590,540	100.0%

Source: Program Summary, NGO Division, 1977-78 (CIDA)

DENMARK

Background

Co-operation with NGOs in the field of development assistance is of long standing in the case of Denmark and comprises not only joint financing of aid projects but also the administration of the volunteer programme (under the responsibility of the Danish Association for International Co-operation), and collaboration in the public information sector (five-sixths of DANIDA's information budget for 1977-78 was channelled to NGOs). Co-ordination with voluntary agencies is to a great extent ensured through two bodies established to advise the Minister for Foreign Affairs on aid matters, the Board for International Development Co-operation and the Council for International Development Co-operation, which both count representatives of several such agencies among their members.

Volume

Trends in recent years were as follows ($ m):

	1976	1977	1978
Private grants	5.6	6.6	8.1
Government contributions	(2.8)	(2.0)	(...)

Purposes and procedures for co-financing

DANIDA has no single unit for its contacts and co-operation with NGOs. Various aspects of these contacts are handled by the divisions and sections concerned; thus the Information Unit deals with collaboration in the field of public information, a section within the Administrative and Budgetary Division is responsible for the contacts with the Danish Association for International Co-operation for the volunteer programme, etc.

In its joint financing with NGOs of development activities DANIDA gives priority to the same sectors as in its direct ODA efforts (rural development, education, health, etc.). The geographical distribution is also similar to that of official Danish grant aid.

Following a policy decision in early 1978, collaboration with NGOs has been strengthened, and the Danish authorities now have the possibility to finance projects in the main recipient countries even if they exceed the indicative planning figures established for official Danish assistance to these countries. If a project is judged to have sufficient developmental effects, the subsidy given by DANIDA usually covers the totality of the project costs incurred in the developing country, but not overhead costs.

Geographical areas

In recent years major recipients of assistance from Danish voluntary agencies have been India, Bangladesh, Ethiopia, Lebanon, Nigeria, Somalia and Tanzania.

Other remarks

The most important voluntary agencies in Denmark are "Danchurchaid", the Danish Red Cross, the Danish Missionary Council and the Danish Refugee Council.

Development education(*)

Guidelines regulating the Danish authorities' co-operation with NGOs in the field of development education were originally laid down by the DANIDA Board in 1973, with some later amendments in 1977.

The budget for public information and development education in 1978 was $0.95 million. About 75 per cent of the total is assigned to NGOs, institutions and individuals, the largest user being the Danish Association for International Co-operation.

As part of its collaboration with NGOs, DANIDA finances the salaries of five special consultants in development information work, attached to the Labour Organisation, the Youth Council of Denmark, the Danish UN Association, the Women's Committee for Development Co-operation and an umbrella organisation for various religious societies.

The Danish Association for International Co-operation, in addition to its responsibility for the Danish volunteer programme has a wide range of development education activities. These comprise consultancy services for other NGOs, meeting and lecture services, bibliographies, exhibitions, periodicals and educational publications.

(*) See also the note on the Joint Nordic Development Education Group after the chapter on Sweden.

FINLAND

Background

Finnish Government co-operation with NGOs in the field of development assistance comprises the co-financing of projects in developing countries, the financial support of scholarship and training programmes sponsored by such organisations, and information programmes about development aid activities and development problems generally. In its 1974 "Policy Programme" containing a set of general guidelines for Finland's development co-operation, the Cabinet stressed the need for strengthening collaboration with the NGOs, and to that effect separate appropriations for the support of NGO development aid projects and information activities ($136,000 and $54,000 respectively) were included for the first time in the 1975 aid budget.

Volume

The estimates of private grants from Finland to developing countries are based on the information available on transfers made by voluntary agencies regularly involved in aid activities and on funds raised for specific purposes (some of the major agencies being the Foreign Aid of the Church of Finland, the Finnish Red Cross and the National Committee for UNICEF). No systematic survey of all NGOs active in the development aid field has been undertaken. Thus, the estimates tend to understate the actual amount of private grants extended, and volume increases may to some extent be due to improved statistical coverage.

Trends in recent years were as follows ($ m):

	1976	1977	1978
Private grants	4.5	4.9	6.2
Government contributions	0.1	0.3	0.6

The bulk of co-financing is for development activities of the Finnish missionary societies.

Purposes and administration

Activities supported include both projects implemented in developing countries and scholarships and training programmes. No special unit has been established for collaboration with NGOs in the Department for International Development Co-operation.

Geographic areas and sectors

By 1976, financial support had been given to 35 NGO projects in 15 countries, most of them in Africa.

The projects have been mainly in the fields of education and health, a few being related to agricultural development, small-scale industry and research.

Development education(*)

A small programme to support development-related activities of NGOs has been sponsored by the government since 1975 in conjunction with the programme supporting NGO project activities. In 1977, $45,000 was disbursed for NGO information activities under this scheme. Budgetary allocations for 1979 were $50,000.

Development education and information appropriations

	$'000			
	1975	1976	1977	1978
Through NGOs	54	60	50	50
TOTAL	109	130	150	155

The government-appointed Development Co-operation Committee in its report published in 1978, places great emphasis on support to NGO activities within the framework of "selective increases" in resources for development education and recommends that funds appropriated for this purpose should be allowed to grow at least at the same rate as the aid budget as a whole.

A natural division of labour between the Information Unit of the Department for International Development Co-operation and NGOs appears to have been established: the former is responsible for information about aid policy considerations and actual aid efforts, whereas the latter mainly deal with development education activities with a view to influencing public opinion through improved knowledge about the general situation in LDCs etc. NGOs most active in this field have been youth organisations, trade unions, political organisations, religious groups and the Finnish UN Association.

(*) See also the note on the Joint Nordic Development Education Group after the chapter on Sweden.

FRANCE

Background

Financial support has been given for some years by the French Government to NGOs, notably missionary societies, for development work but it is only recently (1977) that France has institutionalised relationships by establishing a Bureau for Liaison with NGOs (BLONG) at the Ministry of Co-operation for activities in the 20-odd African countries with which the Ministry deals. The creation of this unit is expected to bring about closer consultation among NGOs working for development, many of which are now included in three major umbrella organisations: (1) the Centre de Recherches et Information sur le Développement (CRID) which groups 18 NGOs including IRFED, IRAM, Collège Coopératif, CIMADE, Frères des Hommes, Terre des Hommes, Groupes Locaux Tiers Monde etc., (2) the Comité Français contre la Faim which groups some of the Catholic organisations; (3) the Commission Nationale pour la Jeunesse et le Développement which sensitises young people in France and sponsors activities for youth in Africa.

Volume

Estimates of private grants for development are poor and are believed to underrepresent real flows possibly by as much as one half. According to the data available, which, for government contributions, refer exclusively to expenditures of the Ministry of Co-operation, trends in recent years were as follows ($ m):

	1976	1977	1978
Private grants	15.1	16.3	19.9
Government contributions	(...)	4.5	5.1

In 1977, over three-quarters of the Ministry of Co-operation's allocation was for missionary-sponsored projects, the remainder for other NGOs. In 1978, about four-fifths was for missionary-sponsored activities.

Purposes, criteria and procedures for co-financing

NGOs present their project requests at the beginning of the year.

It is policy to require approval of the projects also from the official French missions of aid and co-operation in the host countries.

Geographic areas

The BLONG is in contact with organisations working in the African countries which receive assistance from the Ministère de la Coopération.

Sectors

Three main groups of activities can be distinguished: (a) social work in France; the training of volunteers and the reintegration of returning volunteers, education work with migrant workers; (b) development activities in the field: rural development; education and vocational training, health; (c) development education in France.

To these activities, the Ministry contributes through funds for construction, equipment, personnel including the supply of "volontaires du service national", funds for training of local personnel and orientation of French personnel prior to departure, as well as funds for "micro-projects" ($0.31m in 1977, $0.17m in 1978, for the Amitiés Catholiques Francophones, an agency which represents African Bishops in France). The Ministry also contributes some funds for increasing public awareness of development problems.

Some 75 per cent of field projects sponsored by missionary organisations are in formal education, with other projects in health, vocational training and rural development. Official funds for co-financing in 1977 included $1.2m for the construction of schools, dispensaries and rural centres and $0.9m for teaching materials for schools run by missionary societies.

Major field activities of non-missionary NGOs are: (a) rural development ("animation rurale" centres, small industries in rural areas, co-operatives, promotion of handicrafts); (b) informal education and training, much of it related to rural development; (c) health education and training of village health workers (training of attendants of village pharmacies, traditional midwives, male nurses, etc.).

Examples

Perhaps the two most striking features of French non-governmental activities in Africa south of the Sahara relate, on the one hand, to the role of missionary health work in the rural areas, and, on the other, to the capacity for innovation, as well as continuity in methods and purposes demonstrated by some of the non-denominational NGOs, which are especially concerned with building up a capacity for endogenous rural development. The share of the private non-profit sector (almost exclusively religious) in health facilities available to the French-speaking African countries is not known precisely for

recent years, but in the late 1960s it varied from about 6-10 per cent in the Congo-Brazzaville and Bénin to perhaps 32 per cent in Cameroon(1). With their hospitals, leprosy units and particularly with their dispensaries, NGOs provide health care and health education to populations which would otherwise be unserved.

French NGOs such as the "Maisons familiales rurales", IRAM, IRFED, and CIDR, have been at work in rural development since the early 1960s in a number of African countries. To quote one example, the "Maisons familiales" have set up village centres in Cameroon, the Central African Republic, Chad, Congo-Brazzaville, Gabon, Senegal and Togo. These centres aim to help young adults from 17 to 25, favouring initiative and creativity in their real technical and economic "milieu" in associative and democratic form. The centres are run by associations of village families, both to avoid disrupting village life and to ensure that costs will be compatible with local resources. The aim is to avoid the promotion of single individuals, and rather encourage group promotion for the rural society. These rural-oriented French NGOs, also work to improve the role of women: for example, IRAM has done in-depth work in support of "animation féminine" in Niger. Other NGOs combine nutrition programmes with rural development, for example "Frères des Hommes" in Upper Volta.

Among other interesting examples of current co-financed projects one may quote:

- an "atelier de compostage" being tried out in Senegal by CIDR, to produce vegetal fertilizers from peanut shells, hopefully to be replicated at village level;

- a health component entrusted to the women's section of IRAM within a broader development project in Southern Mali financed by FAC. The IRAM component deals with training of traditional midwives ("matrones") to help them evolve into village leaders for matters of hygiene;

- a handicrafts project run in co-operative form in Guinea-Bissau by CEPAZE, an NGO founded in 1975 to assist handicrafts development, local entrepreneurship and small industries;

- the rural water schemes of "Mali Aqua Viva", run in a Southern Mali area by Father Verspieren, using simple pumps operated by hand or foot, as well as a few solar pumps;

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(1) "Le financement du système sanitaire dans 14 Etats africains et malgache, 1970-1974", IEDES, Université de Paris 1.

- a project of CIMADE in the deprived area of Thomond in Haiti: retraining of "matrones", training of primary health care workers, appropriate technology for small water projects.

The largest Catholic relief organisation, "Secours Catholique", a member of Caritas Internationalis, working both in France and overseas, has been able to devote $4.6m in 1977 to its international activities mainly for developing countries. Major items of expenditures in 1977 were micro-projects ($1.48m) and activities for the Sahel ($1.14m).

Other remarks

A directory of French NGOs active in development in African countries has been commissioned by the Ministry of Co-operation. A brochure listing NGOs and other institutions, with their addresses and an indication of the kind of activity they perform is regularly published and updated by the Ministry ("Que faire pour le Tiers Monde"?).

Development education

One of the aims of French NGOs is the sensitisation of public opinion through training and information activities, discussions, lectures with Catholic, Protestant, rural groups etc. The Minister of Co-operation has stated recently that he attaches the greatest importance to NGOs mainly because of their impact and therefore of the role they can play in informing French public opinion(1). However, a regular system of co-financing has not been established as far as public information is concerned.

A provisional working group composed of four representatives elected by NGOs was established in 1977 to maintain permanent liaison with the Ministry in relation to a possible TV programme. It seems that the tasks of this group might broaden to include other aspects of sensitisation of public opinion in collaboration with the press service of the Ministry.

The information and press service of the Ministry of Co-operation already services to some extent the network represented by NGOs, for example by organising exhibitions each year in about 30 French towns.

In the area of sensitisation of public opinion, one may quote AFDI ("Agriculteurs français et Développement international"), Frères des Hommes, Terre des Hommes-France, the "Groupements locaux Tiers Monde", the "Fédération nationale des coopératives de consommateurs" which is also helping reactivate co-operatives and train personnel in African countries,

(1) "Actuel Développement, No. 26, October 1978.

and the CCFD-CIMADE, respectively Catholic and Protestant but working jointly in this area. There is a growing interest among French NGOs for joining forces to inform and educate public opinion as witnessed by a seminar held in October 1979 in Paris on industrialisation in the Third World and structural adjustments in the advanced societies to which three NGOs contributed financially together with the Ministry.

An experimental programme of development education as part of the social science classes at the late primary and early secondary levels has been carried out in eight French schools under the sponsorship of UNICEF, the national UNICEF Committee, UNESCO and the National Institute of Pedagogical Research. The programme has been authorised by the Inspector General of Education as a step towards the eventual introduction of development studies for 11 and 12 year-olds throughout the nation. The experience so far was discussed at a seminar in 1980.

Official contributions for co-financing by the Ministry of Co-operation, 1977-1978

	Missionary societies		Other NGOs		Total	
	1977	1978	1977	1978	1977	1978
Rural development	0.16	0.15	0.25	0.16	0.41	0.31
Health and Social	0.55	0.73	0.17	0.10	0.72	0.83
Education and training(1)	0.83	1.47	0.24	0.61	1.07	2.08
Volunteers, other personnel, training grants	0.89	0.90	-	-	0.89	0.90
Micro-projects(2)	0.31	0.17	-	-	0.31	0.17
Training of personnel before departure, and information of public opinion	-	-	0.20	0.12	0.20	0.12
Teaching equipment	0.85	0.72	-	-	0.85	0.72
Total	3.59	4.14	0.86	0.99	4.45	5.13

N.B. Conversion rates used $1 = Frs.4.91 for 1977, Frs.4.51 for 1978.

(1) Including training of trainers ($0.16m in 1978 under "Other NGOs"), and cultural activities ($0.21m in 1978 under "Other NGOs").

(2) "Amitiés Catholiques Francophones" shown here under missionary orders.

GERMANY

Background

Contributions by German private voluntary agencies are the second largest among DAC countries, after the United States. They are also large in relation to GNP: 0.05 per cent in 1977, as compared with a DAC average of 0.03 per cent in that year. There is a wide array of different private voluntary agencies engaged in developmental tasks ranging from the two main Christian Churches, which account for over 80 per cent of total contributions, to secular specialised institutions, such as the "German Leprosy Organisation" and the Red Cross. They carry out development aid projects either with public funds supplemented by their own contributions or entirely on the basis of their own resources (donations, offerings, membership fees, etc.). These include amounts collected by the tax system through a supplement to the individual income taxes of registered church members (8 per cent of tax bill). The amount is then returned to the appropriate churches for their own use, including development aid. In addition, the churches raise funds from voluntary contributions of their members; for example, in 1978, the churches contributed $66 million for development activities from their regular budgets and two of their fund-raising bodies, "Misereor" and "Bread for the World", raised donations for another $68 million. Germany has a long tradition of co-financing with private voluntary agencies and total official subsidies of $60 million in 1978 were the third largest in the DAC, after the United States and the Netherlands.

Volume

Contributions by private voluntary agencies out of their own resources almost doubled between 1970 ($78.0m) and 1975, and continued to rise as from 1977 (see table below). Official contributions have tended in recent years to correspond to about one-fifth of private funds, but the share rose markedly in 1978 to almost one-half. Official contributions for co-financing with NGOs currently account for about 6 per cent of total German ODA. This amount includes not only the co-financing of development projects but also includes funds for volunteers, etc.

Grants by Voluntary Agencies: Own Contributions and Government Support

(US$ million)

	1975	1976	1977	1978
Own contributions	205.1	204.6	225.0	284.0
Government subsidies	46.7	43.7	49.1	60.2
- Budgetary commitment authorisations(1)	50.8	28.6	45.9	...

(1) Only Church Institutions.

In 1977, of the 154 institutions whose contributions were recorded, the 109 Church organisations alone provided $189 million out of their own resources, of which the three major Church charities "Evangelical Church in Germany" and "Bread for the World" (Protestant) and "Misereor" (Catholic) raised $96 million. The secular specialised institutions contributed $37 million or about 16 per cent of the total. Out of the $49 million provided in official subsidies in 1977, 95 per cent went to Church institutions.

Purposes and procedures for co-financing

As far as Church institutions are concerned, the Ministry of Economic Co-operation channels the official subsidies through the church-sponsored "Centre for Development Aid" (Catholic) and the "Protestant Centre for Development Aid", both of which were established in 1962 as liaison offices between the Ministry and the Churches. The role of these centres consists in screening project proposals brought to their attention by individual church bodies and transmitting them to the Ministry of Economic Co-operation, which may approve or reject them, after clearance with the Foreign Office.

Co-operation with private voluntary bodies is regulated by guidelines for the allocation of financial support. Accordingly, the Ministry may finance up to 75 per cent of the project cost, but projects of a primarily missionary nature are excluded. Each project is submitted to the section in the Ministry responsible for co-operation with that particular institution and to the regional and sectoral desks concerned. Projects are usually carried out by recipient-based counterpart organisations. After completion, a detailed account is submitted for each project indicating how public funds have been utilised. These accounts are scrutinised by the administration and the Federal Auditing Court.

Geographic areas

Data are available for Church projects subsidised by the official sector. Almost half of this assistance in the period 1970-77 was concentrated on Asia, with major emphasis on India, followed by the Republic of Korea and Indonesia. African countries accounted for close to one-third of total assistance (mainly Tanzania, Zaire and Kenya) and Latin America for almost one-fifth (mainly Brazil, Chile and Argentina). As compared with the period 1962-69, there has been a sharp increase in the proportion of assistance provided to Asian countries.

Geographic Distribution of Church-Sponsored Projects Subsidised by the Official Sector

(% of total commitments)

	Cumulative 1962 - 1969	Cumulative 1970 - 1977
Europe	1.8	0.5
Africa	36.8	29.7
America	28.3	18.2
Asia	27.0	43.1
Oceania	0.8	0.5
Regional	5.4	9.0
TOTAL	100.0	100.0

Sectors

Social development and community development have traditionally represented the main concern of German NGOs, including the following areas: youth and adult education, vocational training, social work, health services, urban and rural self-help movements, farmers' organisations, trade unions, co-operatives. In recent years, the churches have become increasingly involved in agriculture and rural development.

Private voluntary agencies are especially well-suited to make contributions towards satisfying basic human needs because of the pronounced poverty orientation of their projects. In addition, their partners in the developing countries, as a rule, are also non-governmental organisations and are familiar with local conditions, particularly those of the underprivileged strata, and are prepared to collaborate extensively with these groups in the planning and implementation of assistance measures. The majority of German non-governmental organisations do not carry out measures of their own but complement the work of their local partners by assisting them with finance and personnel.

Sectoral Distribution of Church-Sponsored Projects Subsidised by the Official Sector

(% of total commitments)

	Cumulative 1962 - 1969	Cumulative 1970 - 1977
Agriculture	4.3	12.6
Education	53.2	36.5
Health	27.2	22.6
Social Infrastructure	6.5	11.6
Public utilities, industry and trade	5.3	5.7
Others	3.5	12.2
TOTAL	100.0	100.0

While this note deals mainly with church-sponsored activities, there are two other categories of partner in German collaboration with NGOs:

(a) the political foundations, which correspond to the major political parties and have been active in the development field with government assistance. There are four such foundations (Friedrich Ebert, Konrad Adenauer, Friedrich Naumann and Hanns Seidel). They co-operate in some 54 developing countries with trade unions, political parties, co-operative societies and other political and social groups. Co-financing in their case may cover administrative costs for between 10 and 12 per cent of project costs;

(b) a number of "private sponsors" (totalling 16 in 1977) that is, non-denominational NGOs including religiously-inspired and other secular organisations such as the Red Cross, EIRENE, ORT, Terre des Hommes, freedom from hunger associations, associations for medical aid, etc.

In addition, there are organisations of volunteers (DED, Deutsche Entwicklungsdienst, with 757 volunteers in 1978 at a cost to the government of $25 million), a foundation, DSE, Deutsche Stiftung für Internationale Entwicklung, and specialised organisations whose services the government uses for its development co-operation work (CDG, Carl-Duisberg-Gesellschaft, DVV, Deutsche Volkshochschule-Verband).

The table below shows the distribution of co-financing funds to groups of German NGOs in 1962-1977 and 1979.

Official Contributions for German Non-government Sponsors

(in million DM)

	1962 - 1977 (Cumulative)	1979 Appropriations(1)
Churches	1,142	129
Political foundations	733	135
Other private sponsors	136	46
	2,011	310

(1) Subject to parliamentary approval.

Development Education

Expenditures for information and development education by the Federal Ministry for Economic Co-operation amounted to $1.9 million in 1976 and $2.2 million in 1977. This work is done in collaboration with NGOs but no precise data on the volume of funds or the forms of collaboration were available at the time of writing.

The most important target groups include the people employed in sectors which are particularly affected by the repercussions of changes in the world economy on the German economic structure. Efforts are made to encourage the support of young people for development policy (through the educational system both in schools and outside schools) before the sort of prejudice can set in which is often found in adults.

Since 1977, the churches have been implementing a programme of "dialogue" with the trade unions, employers, farmers' associations and political parties. A major event was the Development Policy Congress of the Churches held in Bonn in January 1979.

IRELAND

Background

Subsidies to voluntary agencies for development work have been provided by the Irish Government for a long time. In 1977, these relationships were institutionalised with the establishment of a co-financing programme as part of the bilateral aid programme of the Department of Foreign Affairs.

Volume

The only data available refer to official funds for co-financing purposes. These rose rapidly from a nominal $0.1m in 1977 to $1.1m in 1978. Allocations for 1979 rose again to $1.8m, corresponding to 25 per cent of the bilateral aid programme.

Purposes, criteria and procedures for co-financing

The purpose of the programme is to support activities of direct economic or social benefit to developing countries. Priority is given to projects which provide assistance to the poorest developing countries and the poorest sections of the communities of these and other developing countries.

Up to 75 per cent of the cost of a project - or where applicable, up to 75 per cent of the cost of that part of a project which is not funded by another funding agency - may be financed.

The requesting NGO should provide evidence that its proposals enjoy the support of the government authorities of the recipient country, and that it has the administrative and technical capacity to implement the projects submitted.

The objectives of each project must be clearly spelled out and provision made for the presentation to the Department of end-of-project reports. Applications should also describe the modalities which will be employed, in the compilation of end-of-project reports, for measuring the effectiveness of projects against the objectives set out. Intentions as regards the longer-term development of a project (i.e. after the end of the involvement of the Irish NGO) should be specified, where this is relevant.

Sectors

In 1977 and 1978, projects in the rural development sector were predominant, and emphasis was on development rather than humanitarian assistance. Most projects are directly related to agricultural production, small-scale irrigation, agricultural training and education, with several projects involving roads and the purchase of trucks, and health, mainly mobile health clinics.

Geographic areas

In 1978, projects were financed mainly in Tanzania, India, Bangladesh, Sierra Leone, Zambia and Kenya, with some projects also in a few other countries of Africa, Latin America and Asia.

Examples

The following examples are drawn from projects approved in 1978:

	£
Assistance for production and distribution of high yielding rice seed, Kordu Parish, Sierra Leone (GORTA)	2,250
Assistance for "Campesino Action" and Riobamba Diocese to develop mass Adult Education Programmes and communal re-forestation programmes (TROCAIRE)	10,000
Assistance for the purchase of four catamarans and two landrovers for a communications network consisting of roads, bridges and ferries at Mymensingh, Bangladesh (CONCERN)	8,250
Assistance for providing staff houses for members of mobile health team, Kenya (DIOCESE OF NAKURA)	12,000

Other remarks

In 1976, there were 5,848 Irish missionaries working in over 60 developing countries. 3,400, or 58 per cent of them, were engaged in full-time development work in education, health, social welfare, communications, community development, industry, and construction as well as in emergency relief.

There is an umbrella organisation for Irish voluntary agencies ("CONGOOD").

ITALY

There are virtually no data available to the Secretariat on co-financing procedures and the volume of related public funds. Private grants reported to the DAC amounted to $3 million in 1975, nil in 1976, $1 million in 1977, and $0.3 million in 1978.

Legislation on technical co-operation, including the most recent law of 18th January, 1979, does not refer to co-financing of development projects but to the support of volunteers through contributions to their sponsoring agencies and various measures for social security, re-employment upon return etc. It is understood that, in addition to funding of volunteers, the Ministry of Foreign Affairs may contribute towards the costs of development projects. To qualify for official contributions, NGOs must be individually approved of by decree.

Two groups of NGOs at least may be distinguished on the Italian scene:

(a) NGOs which operate in the Third World through the service of volunteers and/or projects, for example, a Missionary Medical Centre in Padova, the association "Mani Tese" in Milan, "Sviluppo e Pace" in Turin, "Asip" in Rome;

(b) NGOs conducting studies, research and information work on development problems (these are funded by various political movements, for example IPALMO, IAI, AGENZIA TERZO MONDO, FONDAZIONE PIO MANZU).

There are two co-ordinating federations of the operational agencies: one Catholic, FOCSIV (Federation of Christian agencies of international voluntary service), and one secular, COSV (Coordinazione Organismi di Servizio Volontario).

The agencies co-ordinated by FOCSIV had 467 volunteers (226 men and 241 women) overseas on 31st December, 1977. Their distribution by region and sector of activity was as follows:

	Africa	L. America	Asia	Oceania	Europe	Total
Health	140	32	13	1	2	188
Social	45	57				102
Technical	31	31	2	2		66
Education	26	37				63
Agriculture	18	9				27
Building	8	5				13
Administration	8					8
Total	276	171	15	3	2	467

Development education

The one initiative of official and NGO collaboration in Italy for which information was available at the time of writing, relates to a project for the introduction of development education in primary and secondary schools sponsored by the national UNICEF Committee and the Ministry of Education. The project started with two schools in Rome in 1976. By May 1977, at the Second National School UNICEF meeting, participants from 350 schools representing the 92 Italian provinces decided to create regional study groups to extend the programme to all 35,000 primary and secondary schools in Italy. Regional and inter-regional meetings have since been organised in collaboration with the Ministry of Education which has officially recognised the programme. By 1980, the national UNICEF Committee was in contact with 5,000 schools in the country and had produced teaching materials for the experimental programme.

JAPAN

Volume

Trends in recent years were as follows ($ m):

	1976	1977	1978
Private grants	16.2	18.3	18.9
Government contributions	11.7	14.5	24.2

Purposes, criteria and procedures for co-financing

The Government of Japan gives subsidies to voluntary agencies providing developing countries with technical assistance, such as training, dispatch of experts, contributions for the supply of equipment or grant assistance to developing countries. It also sometimes channels emergency relief through the Japanese Red Cross Society.

The 1967 ICVA-OECD Directory listed 14 Japanese non-governmental agencies. There were about 90 such organisations in 1978, including the Japanese Organisation for International Co-operation in Family Planning, the OISCA Industrial Development Body, the Japan Shipbuilding Industry Foundation, the Association for Overseas Technical Scholarships, and the Engineering Consulting Firms Association of Japan. One of these agencies, the Japan Shipbuilding Industry Foundation, has contributed a total of more than $12m to the WHO since 1975 for various activities of health care and research.

Development education

There is no information concerning official sector contributions to expenditures of private agencies for development education purposes. The Ministry of Foreign Affairs has created an Association for Promotion of International Co-operation (APIC) which renders general information services, conducts research, organises lectures on economic co-operation and publishes "The APIC Monthly" (initiated 1978) as well as a bi-monthly magazine "Special Information on International Co-operation" (initiated 1975).

The Institute of Developing Economies conducts and publishes research on economic affairs in developing countries. In 1978, the Institute initiated public information activities including the publication of the monthly "Asian Economy", lecture meetings and seminars.

NETHERLANDS

Background

Both co-financing and the structure for consultation between NGOs and government - whereby a central organisation represents federations of the major denominational and non-denominational groups - have a long tradition in the Netherlands, going back to 1965.

Volume

Trends in recent years were as follows ($ m):

	1976	1977	1978
Private grants	30.4	42.7	55.5
Government contributions	47.6	54.2	60.6

Official contributions for joint financing with voluntary agencies correspond to almost 5 per cent of Dutch official development assistance, and the government intends to raise its share to 5.5 per cent. If scientific and educational projects run by foundations of other than voluntary groups are included (for example, the Stichting der Nederlandse Universiteiten nen Hoescholen voor Internationale Samenwerking, better known as NUFFIC: an inter-university foundation), the current share rises to some 10 per cent.

Purposes and procedures for co-financing

Arrangements for co-financing were changed in 1975, after a conference in 1974 between NGOs and the Minister for Development Co-operation. These changes were both institutional and procedural. Up to 1975, the central organisation of NGOs for co-financing projects (set up and maintained by the government), comprised three umbrella organisations: CEBEMO(1) for Catholic, ICCO(2) for Protestant, and NOVIB(3) for secular groups. Official funds were shared on a 40:40:20 per cent basis among these three groupings. The scrutiny of project requests was carried out by this central organisation, before forwarding them to the government for co-financing. Requirements were that the applicant NGO had to make a contribution of at least 25 per cent to the capital cost of the project (this could include land value). Running costs were excluded from official funding which has tended to give projects a bricks-and-mortar bias. An element of training had to be included in all projects.

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(1) Centrale voor Bemiddeling bij Medefinanciering van Ontwikkelingsprogrammas.

(2) Internationale Coördinatie Commissie Ontwickkelingshulp.

(3) Nederlandse Organisatie voor Internationale Bijstand.

Institutionally, the 1975 reform enlarged the composition of the central NGO organisation, which now also includes the trade unions, and other voluntary groups. Proportions for the sharing of official funds among the various groups have also changed. Other rules have been relaxed: running costs can be met (for a limited time and for decreasing amounts), the 25 per cent contribution can be partly or entirely waived, training is no longer an absolute condition and local expertise can be financed. The government has recently accepted, on a trial basis to last three years, to experiment with "programme" financing in its collaboration with NGOs. Programme financing involves financial or other aid offered to NGOs for the implementation of a set of development activities, without it being known beforehand how the aid funds will eventually be spent. This approach enables organisations to implement a number of micro-projects without being required to define them individually. Projects now tend to be financed for a longer period of time (about four years).

Emphasis in the reform has been laid on increasing the possibility for NGOs to work with the poorest population groups, including slum-dwellers. Priority is to be given to:

(a) autochthonous groups and local communities' initiatives;

(b) development of local leadership and self-reliance;

(c) projects at the grass-roots level which require little capital investment;

(d) as far as possible, the strengthening of already existing local activities aimed at social justice and self-reliance (new initiatives of this kind are to be promoted where they do not exist).

The joint financing of programmes with the trade union movement mainly concerns leadership training, and institutional support for new Third World trade-union organisations with limited funds.

The central NGO organisation, known as BEPOS, is a consultative body for the government. Its full present name is Private Sector and Government Advisory Body on Development Co-operation (previously, Consultative Organisation for the Joint Financing Programme). The task of evaluating and selecting projects for recommendation to the Minister of Development Co-operation for financial support has been delegated to each of the mediating organisations represented on BEPOS.

Assistance for activities in university and primary education in developing countries have traditionally been separate, with NUFFIC acting as the co-ordinating as well as mediating organisation for this purpose. Dutch assistance for primary education used to be quite limited but as it was given

special attention in a recommendation by the National Advisory Council for Development Co-operation, this situation is expected to change. A new co-ordinating body for development co-operation in education has been set up. The intention is to strengthen the contribution of Dutch NGOs already active in this field.

Types of activities

An enclosed table annexed to this chapter provides a picture of the distribution by type of activity, of cumulative expenditures for co-financed projects in three recent years.

Development education

Since 1970, there has been in existence a National Committee for Information on Development Co-operation (NCO), composed of representatives of 40 institutions and NGOs, which makes recommendations to the Minister for Development Co-operation on the implementation of information and education programmes and projects in the Netherlands. Allocations to the NCO amounted to $2.8 million in 1976, compared with $1.2 million to the Ministry's own Development Co-operation Information Department in the same year.

The institutions and NGOs which have a seat on NCO include agencies which:

- carry out educational or information work on development, such as the Association for the UN, and development NGOs;

- may do such work as part of a broader task: schools, universities, adult education;

- have a large audience, such as trade unions, women's leagues.

Since a reform of the NCO in 1974, the Committee has given priority to the task of developing a systematic policy for this work, with reference to the principles, aims, performance and progress of:

- the process of development in the Third World;

- international development co-operation

in relation to the development processes and development policy in the Dutch society itself.

Activities consist almost exclusively of financial support, as well as assistance in design and appraisal, to development education projects of agencies other than the NCO. The latter has few projects of its own and these mainly consist of research and evaluation.

The agency has responsibility for the execution of projects, maintaining its own ideology, message, public and aims. The Committee has responsibility for methodological soundness, for co-ordination and avoiding overlap. Projects which are critical, provocative and oppositional are acceptable to the NCO and the Minister, on condition the level of technical sophistication of the project is adequate.

Conflicts between the NCO and the Minister are possible but rare: two or three every year, on 150 project decisions a year. Conflicts are public, being discussed in the parliament and the press.

The method is generally for each project to address specific groups of population, segments of public opinion, rarely to address public opinion as a whole. Criteria for acceptance of projects are mainly methodological and didactic, for example, an exact idea of what a target group is.

Most of the project costs relate to salaries of the people doing the educational work.

The main purpose of the programme is not to obtain public support for government policy but to increase public awareness of world problems.

The main items discussed in the NCO and in projects financed by it do not include aid, for which there is strong public support, but:

- restructuring of industry and employment (what employment should be reallocated to the Third World? For whose benefit? How are the consequences and costs to be apportioned in the Netherlands?)

- consumption (is the use of scarce resources in the Netherlands cannibalistic? Could cuts be operated and how could redistribution be effected?)

Table 1

Netherlands Development Budget and Support for NGOs
(US$1 = Dfl.2.79 (1973), Dfl.2.52 (1975), Dfl.2.50 (1977)

	1973 (used) Dfl(mill)	1975 (used) Dfl(mill)	1977 (allotted) Dfl(mill)
Co-financing:			
(a) funds for NGO projects	39	58	
(b) experts for NGO projects	2	5	124
(c) food aid for NGO projects	5	8	
(d) labour union projects	-	-	5
(e) volunteers	22	21	25
Sub-total	68	92	154
Scientific and educational projects:			
(a) direct research projects	5	10	19
(b) direct fellowships	19	23	37
(c) direct university projects	6	5	8
(d) infrastructure/institutes	n.a.	69	83
Sub-total	30	106	147
Totals:			
Co-financing	68	92	154
Scientific projects	30	106	147
	98	198	301
Netherlands development budget	1,135	1,820	3,061

Source: Egbert DE VRIES, Role of Dutch Non-Governmental Organisations in International Development Co-operation, UNITAR, 1978.

NEW ZEALAND

Background

New Zealand's voluntary agencies are particularly active in supporting projects in developing countries. Net grants by such agencies have for many years formed the bulk of New Zealand's private flows.

Volume

Trends in recent years were as follows ($ m):

	1976	1977	1978
Private grants	5.5	5.6	5.9
Government contributions	0.2	0.3	0.3

Purposes, criteria and procedures for co-financing

In 1974 the government introduced a Voluntary Agency Support Scheme under which official aid money is provided towards the costs of approved projects run by NGOs in developing countries. The original level of subsidy was one-to-two (i.e. the government contributed a third of the cost), but recently it was announced that it would be on a one-to-one basis. Official funds under this scheme amounted to $55,000 in 1977/78.

A central feature of the scheme is a project selection committee comprising five members, four of whom represent voluntary agencies. The committee meets every two months to consider applications for official support, which are then submitted for consideration to the Ministry of Foreign Affairs. The type of projects most likely to be approved are those which:

- contribute significantly to development, e.g. by creating jobs and developing human resources;
- foster self-reliance by encouraging local management, local financing and local initiative;
- make the maximum use of local human and financial resources;
- contribute to social justice by assisting those in low-income and underprivileged groups and without access to other sources of funds;
- help to narrow the gap between the rich and the poor in the developing countries;

- cultivate leadership potential, especially among youth and in the professions;

- develop local initiative and innovations.

As a rule, development projects are given priority over those with relief or welfare objectives. Recurrent administrative costs involved in a project do not normally qualify for a subsidy.

To be eligible for financial assistance an organisation must be non-governmental and non-profit-making. It has to be efficiently managed and should have a New Zealand identity (New Zealand branches of international organisations such as Rotary, Jaycees, Save the Children Fund, Red Cross and the YMCA are not excluded however).

The first report (1976) of the Advisory Committee on External Aid and Development established by the government in 1975 to advise on its external aid dealt among other subjects with voluntary agencies and with the rationale for supporting their activities. The Committee noted the value of voluntary contributions in terms of financial resources, experienced personnel and public awareness of development issues. It also thought that almost all NGOs' activities have some commitment to removing basic causes of poverty and that they had a good record in activities where official programmes have little impact. The Committee recognised the value of "controversial" or "frontier" projects, particularly those involving local participation in social change. For all these reasons the Committee recommended that voluntary agencies be given an increasing and openly recognised role in the aid programme.

Geographic areas

More than 70 per cent of projects in 1977 were in the South Pacific. The remaining projects were mostly in South East Asia.

Sectors

In recent years, the education sector has received the most assistance, followed by agriculture, health and public works.

Other forms of support to NGOs

In addition to supporting the Voluntary Agency support Scheme, New Zealand also makes annual grants towards the running costs of CORSO, the New Zealand umbrella organisation for all NGOs, and to Volunteer Service Abroad (by providing for 75 per cent of its budget), as well as responding ad hoc to private agencies' appeals.

NORWAY

Background

In addition to substantial collaboration with NGOs in the field of public information, since 1965 the Norwegian official aid agency, NORAD, has also carried out an important co-operation programme with such organisations for the co-financing of aid activities in LDCs. The modalities of this co-operation, which were already characterised by a high degree of flexibility, were further improved through a reform decided by the NORAD Board in 1977, making it possible, inter alia, to provide direct support to Third World NGOs. The new guidelines are described in some of the paragraphs below.

Volume

Trends in recent years were as follows ($ m):

	1976	1977	1978
Private grants	19.1	23.5	25.9
Government contributions	6.5	6.2	7.6

Official funds disbursed to the Norwegian NGOs accounted for 6 per cent of total ODA in 1976 and 4 per cent in 1977.

Purposes and procedures for co-financing

The guidelines for financial support of NGO activities in developing countries, adopted by the NORAD Board in 1977, comprise directives for five different types of costs that can be covered through government funds:

(i) Investment costs are usually covered as to 80 per cent of the total; the remainder is to be met by the NGO in question. Financial support can be extended to private organisations established in Norway, as well as to private multilateral organisations which do not have any established links with Norway in the form of branches etc., for development projects in the major recipients of Norwegian ODA (the so-called main partner countries)(1), and to private organisations in those countries.

(ii) Support for running costs can be extended to Norwegian NGOs either corresponding to 80 per cent of total running costs including costs for Norwegian, third-country and locally employed personnel or a fixed amount per post in projects where the employment of Norwegian or third-country experts is necessary (in 1977 the support amounted to $8,250 per post). Contributions to administrative costs can be made, up to an equivalent of 1 per cent of running costs.

(1) These are Botswana, Kenya, Mozambique, Tanzania, Zambia, Bangladesh, India, Pakistan and Sri Lanka.

(iii) Costs for pre-investment and feasibility studies and evaluation can be supported up to 100 per cent.

(iv) Costs incurred for the training of Norwegian and third-country personnel employed by a Norwegian organisation can be covered up to 80 per cent for short training courses; personnel can also be given the possibility to participate in expert courses arranged by NORAD.

(v) Costs in connection with the training of locally employed personnel can be covered up to 100 per cent; the training should preferably take place in the recipient country or in another LDC.

Prerequisites for all support of NGO activities are that the responsibility for these activities should be transferred as soon as possible to organisations or institutions in the host countries and that the activities are fully accepted by the authorities of these countries.

A division within NORAD is responsible for co-operation with NGOs (in addition, it also deals with consultancy services etc.).

Geographic areas

No recent information available.

Sectors

At least in earlier years, there was a pronounced concentration of government support on such sectors as primary and secondary education, vocational training, public health, including preventive medicine, and agriculture.

Examples

Among major contributions in 1977 were:

- $1.0 million to the Save the Children Federation for Homa Hills Agricultural Training Centre in Kenya;

- $0.4 million to the Youth Association of the Norwegian Order of Good Templars for Coy-Nor Fishery Project in Sri Lanka;

- $0.3 million to the Norwegian Missionary Society for Tobontsoa Agricultural School, Malagasy.

Development education(*)

In the present period of rapidly growing aid appropriations, the Norwegian authorities consider the mobilisation of public opinion in favour of development assistance to be of great

(*) See also the note on the Joint Nordic Development Education Group after the note on Sweden.

importance, and in this context the government authorities have had increasing recourse to the existing infrastructure of NGOs in Norway.

In carrying out its information work, NORAD co-operates with the UN Association of Norway, other organisations, popular movements and political parties. Special long-term agreements have been signed with the Norwegian Church Council, the Workers' Education Association (covering educational work in the Trade Unions), the National Committee for International Youth Co-operation, and the National Council of Norwegian Women. These organisations have undertaken, with financial support from NORAD, to integrate information on development co-operation and development problems in their regular education programmes. Similar arrangements have been made with the educational associations of Norwegian political parties. In addition, NORAD is annually giving support to some 40 organisations for specific information projects. Contributions to NGOs for development education amounted to close to $0.9 m in 1977.

Disbursements under the Development Education and Information Programme

($1,000)

	1974	1975	1976	1977
Through NGOs etc.(1)	330	395	391	874
NORAD's own activities	372	435	550	645
TOTAL	702	830	941	1,519
- p.m.: Total as share of ODA programme (per cent)	0.5	0.5	0.4	0.5

(1) Includes also financial support for special actions in connection with UN conferences etc.

Especially close collaboration has been established with the Norwegian UN Association, in particular in the area of primary and secondary school education and general course activities. The national War on Hunger Campaign has been an important channel for transmitting knowledge about food production and the nutritional situation in the world.

In the law on secondary education, it is stated that among the objectives of this education are "promoting the principles of intrinsic human equality and equal status, freedom of thought and tolerance, the appreciation of ecologic values and a shared sense of responsibility in international relations". This global perspective will be applied within history, the

social sciences, geography, Norwegian language, religion and the natural sciences. The same global perspective is also underlined in the new Master Plan for primary education. With a view to assisting in the fulfilment of these objectives, NORAD provides information and educational materials to schools, and also conduct courses in development co-operation and problems related to development for teachers and teacher students. In these courses advice is also given on the pedagogical presentation of these topics for the various grade levels.

SWEDEN

Background

Official Swedish support for NGOs' development projects goes back to 1962. Given the role of associations in people's lives in Sweden (a great majority of the Swedes are members of several associations such as trade unions, consumer co-operatives, study circles, churches) it is not surprising that they also have an important role on the SIDA Board of Directors. Under the chairmanship of the Director-General of SIDA, the board has 11 members, including, in 1977, four members of Parliament, each representing a different political party, and representatives of two trade union federations, one co-operative union and one youth movement.

Volume

Trends in recent years were as follows ($ m):

	1976	1977	1978
Private grants	43.4	43.5	44.3
Government contributions	13.3	19.6	27.9

In addition, the Swedish Government contributes funds to NGOs for disaster relief, primarily to the Red Cross. In fiscal year 1977/78, for example, these official grants amounted to $6 million.

Purposes, criteria and procedures for co-financing

Aid through NGOs is considered a valuable supplement to official aid. The NGOs are in a special position to promote the general goals of development co-operation by contributing to the growth of NGOs in developing countries, by supporting neglected groups and by testing innovations and initiating experiments. Further, the development work of the NGOs contributes to an increased interest, knowledge and involvement in regard to the poorer countries within Swedish society.

SIDA's contributions to Swedish NGOs are governed by the Government's general policy for development assistance to countries receiving official aid from Sweden.

SIDA grants can be given to Swedish non-profit NGOs:

- for well-defined development work in Third World countries, provided SIDA has adequate possibilities to follow how its grants are used;

- for development work in all sectors receiving Swedish official aid;
- for preparatory studies and multi-year projects;
- for volunteers;
- for projects and personnel that are accepted by the pertinent authorities in the country.

As a rule, SIDA requires that the government of the host country accept the project.

Exceptionally, the Board of Directors may authorise the co-financing of projects run by international (rather than Swedish) NGOs and by host country NGOs.

NGOs have to supply at least 20 per cent of the project costs.

About 50 per cent of official funds are allocated to church-related projects, 25 per cent to humanitarian organisations and a rapidly increasing share to co-operatives and trade unions, reflecting the high priority given by SIDA to training activities for the establishment of similar institutions in developing countries.

Requests for grants may be submitted twice a year, prior to 1st March and 1st September deadlines. Decisions are made public within four months of the application deadline.

Geographic areas

More than one hundred Swedish NGOs are active in some kind of aid to more than one hundred developing countries. Most of the private funds are raised by the churches and by humanitarian groups.

Most of the Swedish co-financed projects are in Africa: Ethiopia, Tanzania and Zaire, and projects for Africans in Zimbabwe and South Africa. Other major recipients in 1976 were India, Bangladesh, Vietnam, and victims of political persecution in Chile.

Sectors

In 1975/76, SIDA disbursements for co-financed projects were 51 per cent in education ($4.6m), 32 per cent in health ($2.8m), 6 per cent in agriculture ($0.6m), and 11 per cent for other activities. Grants to the International Planned Parenthood Federation were $6m per year in recent years.

Examples

Examples of projects include:

1973-78 Bangladesh, 90 rural primary schools, Swedish Free Church Aid ($0.3m) and SIDA ($1.2m): construction, technical guidance and training;

1973-78 Peru, health services for Indians in jungle areas, Amazonian Hospital Foundation of Sweden ($0.9m), SIDA ($1.4m);

1974-77 West Bank: desalination of desert land and training of Palestinian refugees in agriculture and small industry, Swedish Save the Children Fund ($0.4m), SIDA ($0.9m) and funds from other nations;

1976-81 Cape Verde, food distribution, nutrition education, establishment of mother-and-child care and family planning, Swedish Save the Children Fund ($0.5m) and SIDA ($2.2m).

Other remarks

The Swedish programme has been recently described in a paper written by Ernst Michanek, Director of SIDA, for the UNITAR project on the potential of NGOs in international development co-operation ("Role of Swedish Non-Governmental Organisations in International Co-operation for Development" SIDA, 1977).

Development education

For the fiscal year 1978/79 SIDA's budget for information on developing countries and development problems, including international development co-operation, amounted to $3.7 million as compared with $3.5 million in 1977/78. As in previous years about two-thirds of the funds are used by NGOs. Adult education organisations and trade unions receive the main part of these funds, in the form of unspecified information grants: they are free to formulate their own information programmes and projects which they feel will appeal to their members. The only condition is a general one, that the money be used to increase members' awareness of the situation of developing countries and of Sweden's role in international co-operation. Other NGOs may apply for grants for specified projects.

One of the aims of these information activities is to create wider support for substantial assistance from Sweden to the developing countries, in a context of rapidly growing aid appropriations, of widespread support for this assistance, and of a wish of the government to extend the interest of the population to the end for long-term continuity of assistance and other measures to improve the situation of developing countries.

Both NGOs and SIDA, within the framework of its own information activities, are devoting increasing attention to matters related to the discussion on a New Economic World Order, including the possible effects of such a new order on Sweden herself. An essential part of SIDA's own work is in the education sector, helping implement a new school curriculum introduced in 1972.

Joint Nordic Development Education Group

The four Nordic countries co-operate in the production of many materials and resources for development education and the Joint Nordic Development Education Group, composed of several NGOs, produces "Alternative", a teacher's guide to development education.

SWITZERLAND

Background

Switzerland is one of the four or five DAC countries which have highest private grants for development aid as a share of personal income, of the order of 0.05 to 0.06 per cent of GNP each year. For comparison, official ODA was 0.19 per cent of GNP in 1976 and 1977, 0.20 per cent in 1978.

Volume

Trends in recent years were as follows ($ m):

	1976	1977	1978
Private grants	34.4	34.4	48.6
Government contributions	(7.4)	(7.9)	18.1

Purposes and procedures for co-financing

Official co-financing is administered by the Directorate for Co-operation and Humanitarian Assistance in the Federal Political Department. Co-financing can cover up to two-thirds of project costs. (Sometimes the government funds the project entirely, but in those cases the NGO acts only as an executing agent.)

To qualify for co-financing, projects must correspond to the overall criteria established for official aid. These have been outlined in a 1976 Federal law which refers, in general terms, to the support which the Federal Council can extend to the activities of private institutions with the same aims. These are specified as improving the living conditions of the poorest countries, regions and population groups in particular through: rural development; improved nutrition; the promotion of handicrafts and small local industries; employment creation; ecological and demographic balance.

Recent trends are: (1) to consider strengthened co-operation with NGOs as one of several means to overcome administrative capacity problems of the official aid programme and allow for an increase in resource transfer; (2) to experiment with the financing of the programmes (rather than specific projects) of some NGOs. This approach, which was due to be implemented in 1979, would increase the resources available to NGOs while relieving the official aid programme of some of its administrative overload.

Geographic distribution

Swiss NGOs operate in all developing regions. In 1977, their expenditures were as follows:

Africa	41%	Europe	5%
Asia	35%	Oceania	1%
America	18%		

Sectors

In 1977, expenditures were 84 per cent for technical co-operation and 16 per cent for humanitarian aid. The $28.5m of technical co-operation were for education and training (26 per cent), health (16 per cent), social development (13 per cent), agriculture (8 per cent), infrastructure and community development (7 per cent).

Major projects

In education and training, major projects are in Israel ($1m in 1977), Tanzania and Brazil ($0.3m each), Republic of Korea and Bangladesh ($0.2m). Major projects in the health sector are in India ($0.6m), Cameroon ($0.4m), Nigeria ($0.3m) and Gabon ($0.2m). Aid for social development has major projects in India ($0.7m), Chile ($0.5m) and Guatemala ($0.4m).

Other remarks

There are about 100 NGOs active in the development area in Switzerland, of which some 8-10 have substantial administrative capacity. The largest among them is "Helvetas", the Swiss Association for Technical Assistance founded in 1955, and financed partly by official, partly by voluntary resources, with a staff of currently about 100 experts.

Examples of projects under co-financing include:

- long-term institution-building and educational work in the health sector conducted by the Swiss Red Cross Society, such as the development and rationalisation of public sector drug distribution in the Comoro Islands; vaccination, health education, auxiliary personnel training and research for integrating local traditional remedies among an Indian group in Bolivia;

- a medical centre in Musongati, Burundi, built by the Swiss Government and run by "Terre des Hommes", which aims at receiving 10,000 children per year and covering a population of about 70,000; powdered milk and cheese from the Swiss Government contribute to the nutrition programmes of this agency for day-care centres for children from among the poorest groups in India, Lebanon, Israel (where they cater for children from both poor Arab and Jewish families) and other countries;

- rural development projects of "Swissaid", based on local initiatives of the populations concerned and supported for 55 per cent of total costs as from 1979 in the form of "programme" rather than "project" aid by the Swiss Government.

Development education

There was no information available on any co-financing activity for development education in Switzerland at the time of writing. Although the Technical Co-operation Service has an information service, there is a certain reticence in Switzerland towards the idea that the federal authorities might spend large sums to convince public opinion. The Technical Co-operation Service, among its other information activities, organises every year a large conference including some 500 people from all the Swiss associations and groups involved in development work to discuss each time one of the major themes of co-operation with the Third World.

UNITED KINGDOM

Background

The United Kingdom's Overseas Development Administration (ODA) collaborates with NGOs in a variety of activities, by providing funds for development projects overseas, for the volunteer programme, for emergency relief and rehabilitation after disasters, for training of refugees etc. A Joint Funding Scheme was introduced in 1975 to assist voluntary agencies to extend their development work among the poorest groups in the rural areas and in urban slums of developing countries.

Volume

Trends in recent years have been as follows ($ m):

	1976	1977	1978
Private voluntary grants	47.0	50.0	57.7
Government contributions	4.6	6.3	9.3

Of the amounts provided by the government, the Joint Funding Scheme accounted for $50,000 in 1975/76, $0.8 million in 1976/77, $1.4 million in 1977/78 and $2.9 million in 1978/79.

Criteria and procedures

The joint funding scheme works in co-operation with British voluntary agencies registered with the Charity Commissioners and deriving the major part of their income in the United Kingdom.

Funds are available for developmental projects, that is, projects must be concerned with the long-term improvement of the life of the community rather than the relief of immediate needs. To be eligible, projects should represent a new initiative and show evidence of local community participation; preference is given to innovative projects which can be repeated elsewhere.

ODA funds are normally provided on a 50-50 basis for projects costing in total between $6,000 and $200,000 (the percentage of official support can be higher in special circumstances, for example in aid of population projects). Support is available for a maximum of four years. The ODA can provide up to 10 per cent of its contribution to a project towards the management and administrative costs incurred in the United Kingdom by the voluntary agency in carrying out the project. Administrative costs are not reimbursed in cases where the Ministry provides more than 75 per cent of the cost of a project.

Agencies are expected to account for their expenditure of government funds and to make six-monthly reports and a final report at the termination of the project.

Applications for co-financing are handled by the ODA's Bilateral Aid and Rural Development Department. Guidelines are available on the criteria and procedures of the joint funding scheme and on the information required in an application.

Block funding

Block funding arrangements providing for a modification of procedures came into force in 1978 for agencies which have a continuing programme of jointly funded projects with the ODA. ODA agrees the amount of the grant with the agency for three financial years, rolling it forward for a further year annually so that the agency always knows what support is available for the current and for two following years (these provisions are subject to Parliamentary approval).

The money under block funding is issued quarterly either in advance on the basis of estimated needs or in arrears against expenditure. The agency's quarterly claim has to be accompanied by (i) a list of new projects to which it has allocated ODA funds together with a project description and a budget for each, and (ii) a list of on-going projects on which expenditure has been incurred during the past quarter. Projects costing up to $80,000 in total over a period of up to two years can be selected for joint funding by the agency without prior reference to ODA so long as the projects meet the criteria laid down in the guide to the joint funding scheme. There is no lower limit for project value. ODA reserves the right to disallow a project.

This system does not apply to: projects costing more than $80,000; those to which the agency wishes to allocate more than 50 per cent of ODA funds; and those which are situated in countries whose governments require special procedures to be followed. In all these cases applications have to be submitted in the usual way.

Financial arrangements

Funds are provided in two ways: as grant in aid, that is, grants approved by Parliament prior to issue; and accountable grants. (i) The grant in aid is made to individual agencies and is used in conjunction with the block funding system and, because the grant has received prior Parliamentary approval, the agency satisfies the ODA's accounting requirements by a simple certified statement, by showing the ODA's grant as a separate item of revenue in the agency's annual audited accounts, and by making its books available to Government auditors if required. (ii) Accountable grants are usually given for single projects and the money has to be accounted for either by original vouchers or by an audit. The ODA can refund the cost of auditing project accounts in a developing country should this prove necessary as a discharge of the government contribution.

Nearly three-quarters of the money provided under the joint funding scheme is given as a grant in aid in conjunction with the block funding system.

Areas and sectors

Most projects tend to be in Commonwealth countries - India, Bangladesh, Kenya, Tanzania. The ODA gives priority to co-financing projects concerned with increasing agricultural production, improving farming and mechanical skills, co-operatives, non-formal education, community health, family planning, community development. In 1978 about half the co-financed projects were in the fields of community health and non-formal education, though there has been an increase in agricultural and integrated development projects and other income-raising activities.

A recent sector study (Susan Cole King, "Health Sector Aid from Voluntary Agencies in the British Case Study", IDS Discussion Paper, 1976) found the amounts involved were substantial: 36 agencies were identified as providing some $15 million (£6.5 million) in health aid in 1973-74. About half of the total was for primary health care, and one-fourth for special problems, notably leprosy. From the point of view of primary health care, OXFAM was identified as an interesting model, both in that it has field representatives whose experience in and sensitisation to rural development are an asset in project selection and in that its accounting system permits it to keep track of the share of its aid benefiting that basic échelon of health care.

Some examples of joint funding

Over two-thirds of the 200 applications approved in 1978 were for ODA grants of $10,000 or less. This was entirely due to the number of small projects submitted under the block funding arrangements. The following are examples of projects supported in 1978-79:

Community Health Education Project, Champei, Orissa, India: A clinic with four sub-centres covering 16 villages, with emphasis on preventive health work (ODA contribution: $11,000 over two years through Oxfam);

Mother and Child Health Programmes at Dhankuta in the Eastern Development region, Banglung in the Western Development region and Surkhet in the Far Western region of Nepal (ODA contribution: $642,000 over 2-4 years through Save the Children Fund);

Training of Nomadic Community Health Workers, Kordofan Province Sudan: Six-monthly training courses in basic health care arranged by the European Agency ACORD and organised in close collaboration with the Sudan Government's primary health care programme (ODA contribution: $32,376 through Oxfam);

Community Health Programme among migrant workers in Feira de Santana, North East Brazil (ODA contribution: $24,000 over two years through Christian Aid);

Construction costs of five pre-primary schools, Rodrigues, Mauritius (ODA contribution: $3,600 through the Catholic Fund for Overseas Development);

Programme to introduce modern bee-keeping methods in Morogoro Diocese, Tanzania (ODA contribution: $24,270 through Christian Aid);

Appropriate Technology Project, North East Brazil: Development of brick-making machines and also hand-operated well drill pump, windmill and trickle-feed irrigation system (ODA contribution: $80,076 through Oxfam);

Revolving Loan Fund for Community Development Projects, Chiapas, Mexico, including costs of a team working with community groups (ODA contribution: $31,452 through Oxfam);

A community self-help project to provide electricity to a remote village in the Andes, Peru (ODA contribution: $5,542 through the Catholic Fund for Overseas Development).

Other areas of collaboration with NGOs

In addition the ODA co-operates with NGOs in a number of other fields - for example:

(a) British Volunteer Programme

The BVP consists of four independent societies which recruit graduate and qualified volunteers for service in developing countries. There are about 1,040 volunteers overseas at present (917 under the aegis of VSO). About half all volunteers are engaged in teaching; over four-fifths are serving in developing countries of the Commonwealth, and just over half are in Africa. The ODA meets 90 per cent of the budgets of BVP societies and this covers recruiting, training and despatching volunteers overseas. The ODA's contribution to the BVP was about $4,800,000 in 1978-79.

(b) Emergencies and refugees

During 1978 the ODA's Disaster Unit provided relief aid to the value of about $6,680,000 in respect of 35 disasters in developing countries, of which nearly $4 million was channelled through NGOs. To help meet the administrative costs of co-ordinating these joint relief operations the ODA made a grant of

some $50,000 to the Disaster Emergency Committee Secretariat. In addition to Disaster Unit expenditure the ODA contributed $1 million through voluntary agencies for rehabilitation aid in South East India and $11,500,000 for relief programmes and assistance and training for refugees. The ODA also supports the Secretariat of the Standing Conference on Refugees.

(c) Appropriate technology

$830,000 was spent on appropriate technology in 1978-79, about 90 per cent going to the Intermediate Technology Development Group (ITDG) for the Intermediate Technology Information Service (ITIS) (to provide a technical information service on intermediate technology hardware and to help the testing of new technologies in the small industrial sector) and for ITDG's own core support. ITIS is currently working, for example, on the development of a wool-spinning device for use by small producers in India and on the training of metal workers in the use of second-hand machine tools in small rural industries in Ghana.

(d) Trade unions

The ODA is providing a grant to the Trade Union Congress to support the training of overseas trade unionists. The present commitment is for three years from 1977/78. Originally fixed at $150,000 a year, it has now been raised to $360,000. In the 18 months to December 1978, 45 trade unionists mainly from developing Commonwealth countries have attended courses, usually of three months' duration, in industrial relations.

Development education

Substantial increases in the co-financing of development education activities in the United Kingdom were planned in 1977-1978 but in 1979 the government decided to progressively reduce its official funding for such activities.

Developments in 1977 and 1978 had included the establishment of a Development Education Fund for non-governmental agencies and the preparation of a report on a possibly strategy for development education in the United Kingdom, by a working party of the Advisory Committee on Development Education, composed of independent experts. The Working Party had consulted organisations and individuals, and arranged for a conference of 70 people to discuss its draft report. ODA officials had visited the Netherlands and Sweden to study their long-established development education schemes. The outcome was a report, presented in November 1977 and accepted by the then Minister for Overseas Development in July 1978, outlining a five-year programme of activities. The Report's recommendations covered school broadcasting and the formal education system; a travel scheme for teachers; increased support for the Development Journalists' Group; activities to be conducted with development groups, trade

unions, industry and commerce, religious organisations, politicians and the media; overseas travel for the media; news services; and the training of field workers. Expenditures by the Development Education Fund, which had started in January 1977 at an initial level of $0.3m per year, expanded to $1m in 1978-79 and were expected to reach $5.6m by 1982/83. The purpose of the Fund is both to increase public understanding of development issues and to help provide factual information on problems of social and economic development. Criteria gave priority to projects which are clearly defined, have a strong measure of voluntary support and involve people.

The rationale for reducing activities and limiting expenditures to existing projects was explained in October 1979 by the Overseas Development Minister, in a debate in Parliament, as part of the general restraint measures. Under the circumstances, it was preferable to make the savings available for direct assistance to the developing countries, while hoping that non-governmental organisations would continue their self-financed development education efforts.

UNITED STATES

Background

Several features characterise the United States scene, among them the very substantive size of both PVOs ("private and voluntary organisations", the term normally used in the United States to designate non-governmental organisations) and governmental contributions to PVOs for both relief and development work: the long tradition of missionary and humanitarian private American assistance overseas; the existence of large private foundations of long standing, with a distinguished record in scientific and developmental research and institution-building in the Third World; finally, over the last eight or nine years, the existence of a government institution, the Inter-American Foundation, whose purpose is to channel United States grants to local PVOs and other groups in Latin America.

Volume

Net private grants rose to the $1 billion mark by 1979, from an average of $815 million per year in 1973-75. Trends in recent years were as follows ($ m):

	1976	1977	1978
$m	789	840	924

These data are exclusive of governmental funds and are compiled by the United States Department of Commerce for all United States PVOs outflows for overseas aid.

Official contributions amounted to $353.6m in FY 1975, $415 in FY 1976, and an average of about $485m annually over the following two fiscal years.

The composition of private grants was: donated commodities and equipment to a value of $74.7m in 1975 and $61.3m in 1976; and dollar contributions for the remainder ($522.4m and $505.4m).

The composition of official contributions over the last four fiscal years was as follows:

	$ million			
	Fy 1975	Fy 1976	Fy 1977	Fy 1978
(a) United States Government support				
(i) Overseas freight	65.5	65.1	83.5	96.3
(ii) Grants	102.0	74.3	129.4	149.1
(iii) PL-480 Title II food donations	183.9	184.3	264.2	234.5
(iv) Excess property	2.2	1.3	7.3	7.0
Total	353.6	325.0	484.4	486.9

Purposes, criteria and procedures for co-financing

For US/AID's purposes, PVOs eligible for support in cash and/or goods and services for their activities overseas are philanthropic or public-service oriented, non-profit, non-political and non-governmental agencies. Co-operatives are included. Universities and other primarily educational and research institutions are not included and data provided in this note are net of any support extended to them.

Since October 1977, in order to qualify for official assistance, PVOs must be registered with the Advisory Committee on Voluntary Foreign Aid (established in 1946). The Secretariat of the Advisory Committee is situated in AID. The main tasks of the Committee are to register agencies, to assure their bona fides to the public, to provide information and advice to the government relating to foreign assistance in which the government and PVOs interact, and assistance to PVOs in such matters, and to foster public interest in voluntary foreign aid. As of 1979, 138 agencies including most of the major ones, were registered with the Committee, out of an estimated total of some 700 PVOs.

There is a second major organisation for liaison: the American Council of Voluntary Agencies for Foreign Service (ACVAFS), incorporated in 1944. It is run by its Member agencies, presently numbering 44. An adjunct to the Council is the Technical Assistance Information Clearing House (TAICH), an AID-supported information centre established in 1955, at the service of United States PVOs generally. The Council serves as a forum for: (a) inter-agency relief efforts, (b) refugee and migration planning, (c) liaison on matters of collective interest such as tax exemption policies and grants from US/AID.

All operations involving collaboration with PVOs are the responsibility of the Office of Private and Voluntary Co-operation, within the Bureau for Private and Development Co-operation created within AID in the spring of 1978. The Bureau for Private and Development Co-operation also includes the Office of Food for Peace and the Office of Foreign Disaster Assistance, whose activities are closely related to those of PVOs.

Grants to individual agencies account for roughly 30 per cent of the dollar value of the programmes. "Matching" is generally required.

Main forms and purposes of official aid

Currently, the majority of grants are Operational Programme Grants in support of specific field projects within the priority sectors of AID:

- food and nutrition
- education and human resources
- health.

A special category of "Development Programme Grants", introduced in 1974 to help PVOs develop their own administrative skills (the planning, management and evaluation of field programmes) is now being phased out. This change reflects AID's view that the improvement in PVO management capacity which was sought, has been achieved. Focus is now more specifically on field projects with funding from the Operational Programme Grants.

A new programme of Matching Grants was recently introduced (1978), for PVO projects addressing sector problems affecting several developing countries in a region.

US/AID may also fund the establishment of sector and geographic "consortia" of PVOs, and provide support during the early evolution of such consortia.

Food aid together with US/AID contributions towards shipping costs constitutes the single largest item in official co-financing expenditures (roughly 70 per cent of the total dollar value).

Legislation requires that in FY 1978 and each year through FY 1980, a minimum of 1.6 million metric tons of food aid must be distributed under Title II, which authorises donations of food for disaster relief; malnutrition, particularly of children; and economic development through food for work and other projects. Of this amount, no less than 1.3 million tons must be distributed through non-profit voluntary agencies and FAO's World Food Programme. These amounts will be gradually increased to reach a total of 1.7 million tons by FY 1981, of which 1.4 million tons to be distributed by PVOs and the WFP. The law does not specify the respective shares of the PVOs and WFP but in FY 1977 the share shipped through PVOs was about 2.5 times that going through the World Food Programme.

Areas of activity

Title II food aid is used by the voluntary agencies for a variety of projects including maternal and child feeding programmes, pre-school and school feeding programmes and food-for-work projects, especially in the rural areas.

In FY 1977 the voluntary agencies allocated food valued at $264 million (and amounting to 2,058 million pounds of various foodstuffs) of which the most important items were:

Maternal and child feeding	$143.0 million
School feeding	39.3 million
Other child feeding	9.0 million
Food for work	54.2 million
Refugees	1.4 million
Disaster	11.5 million

The number of people receiving food aid runs into millions, all over the developing world. Two organisations, CARE and Catholic Relief Services /USCC, account for most of the food aid distributed through PVOs (97 per cent of the total in FY 1975) both directly and by transferring food resources through other PVOs.

While it is impossible to provide a full picture of the activities of United States PVOs, some illustrations, which follow, have been mainly derived from a recent review (John G. SOMMER, Beyond Charity: United States Voluntary Aid for a Changing Third World, Overseas Development Council, Washington, 1977).

In terms of both total and per capita contributions, the largest fund raisers of all are the Jewish agencies: average per capita Jewish giving in the United States was about $56 during the early 1970s (Mennonites, numbering only about 250,000 people in the United States and Canada, appear to be second on a per capita basis of $36 in 1975). In the case of Jewish organisations, which essentially aid Israel and Jewish groups outside Israel, United States Government contributions are relatively sizeable only for the United Israel Appeal which is the largest PVO in the country. The UIA defines its programme by the immediate requirements rather than the contributions available at that moment, and borrows money from the bank when the occasion demands. The result is that in the case of an increase in number of immigrants to Israel (as in recent years from Russia, for example), arrangements can be made to settle them immediately on a permanent basis (with proper housing, and language and job-training courses) rather than in less costly but debilitating make-shift camps.

The largest contributions for physical infrastructure, mainly in education and health, have been made by the largest agencies, such as CARE, making extensive use of United States Government food resources.

Institution building can be exemplified by the churches and the foundations. "Among the major institution builders overseas are the churches. Indeed, they were the original institution builders, responsible for establishing the schools and colleges that trained many of today's most prominent Third World leaders. Now the major Catholic and Protestant denominations are increasingly channelling their support to the Third World through their local sister institutions, partly in recognition of the substantive desirability and long-term efficiency

of such an effort, and partly in view of the political sensitivities toward outside religious groups on the part of many Third World governments. Thus Catholic Relief Services, like the worldwide Catholic hierarchy, has given priority to building up the capabilities of the Caritas or other local Catholic assistance organisations in countries where CRS works; and Church World Service, like the World Council of Churches network as a whole, has assisted the various national Christian councils of Asian, African, and Latin American countries. CWS, at the same time, has moved increasingly from an emphasis on programmes to an emphasis on the quality of interpersonal and interinstitutional relationships, simultaneously increasing the size of its own international (as opposed to United States) staff and of its multilateral approaches. Much the same has been true of the smaller Quaker and Mennonite bodies."(1)

Institution building in higher education (strengthening of Third World faculties and universities) and research has long been the main contribution of the private foundations, notably the Ford and Rockefeller Foundations. Indeed, in 1977, the Rockefeller Foundation decided that its objective to assist in the development of stable universities, with good training and research capacities, had been achieved and related programmes will be terminated by 1983, after two decades of work. Ford and Rockefeller Foundations have played a decisive role in the establishment and funding of the agricultural research centres which have developed, with bilateral and multilateral support, into a network supported by the Consultative Group on International Agricultural Research. Presently, the Rockefeller Foundation hopes to achieve a similar breakthrough with biomedical research on tropical diseases.

The promotion of broad-based community development institutions includes the fostering of co-operatives, with examples of success, such as a fertilizer complex in Gujarat State, India, established with assistance from the Co-operative League of the United States, rural elected co-operatives in the Philippines and credit unions in Latin America, as well as of failures, notably with primary-level agricultural co-operatives in India.

In agriculture, voluntary organisations have made particular contributions in spanning the information, technology and input gaps to the otherwise ignored poor farmers. International Voluntary Services and the Mennonite Central Committee, with their agricultural technicians; Oxfam-America through its small but strategic grants of seeds and well equipment; and World Neighbours and a whole host of church and secular organisations assist in promoting the new agricultural technologies.

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(1) J. Sommer, cit.

Examples of social welfare are provided by the child sponsorship agencies, such as Christian Children's Fund and Foster Parents Plan, which are increasingly applying portions of the donor gifts to service programmes benefiting not only the child but the larger family and community as well. Foster Parents Plan in Colombia, for example, divides the $16 contributed monthly by each parent by giving $5 to the child, applying $6 to community services such as education and health, and leaving approximately $5 for administrative expenses.

In health, a recently established NGO funded by sections of the black United States population, AFRICARE, is developing a model for basic health services in Niger with US/AID funds, in a peripheral and underserved region in the north of the country.

The Inter-American Foundation:

An experiment in assisting Third World NGOs

A feature of the United States institutional scene in collaboration with PVOs for development purposes is the Inter-American Foundation (IAF) created by the United States Congress in 1969 as an experiment in foreign assistance. This government corporation extends grants to private Caribbean and Latin American groups. Between March 1971 and March 1976, $40m had been spent by IAF on 305 projects. This United States contribution was matched by the grantees and other sources. In 1973, IAF entered into a three-year agreement with the Inter-American Development Bank (IDB), to use up to $10 million annually in local currencies from the United States-financed Special Progress Trust Fund for the calendar years 1974 to 1976. An extension of this arrangement allows for $16 million in each of the calendar years 1977 to 1979. As a public agency created by the Congress, IAF is accountable to Congress.

In its operation, IAF has adopted the concept of "gap funding", in support of private grassroots groups. Roughly 70 per cent of the IAF grants up to 1976 have been made to Latin American and Caribbean "intermediate" institutions. Ultimate beneficiaries were, in order of importance, poor farmers individually or in organised groups, urban workers and the urban poor, developmental organisations, rural and urban communities, and small businesses such as "worker self-management enterprises" in Chile and Dominica and small individual businesses in Colombia and Nicaragua.

Examples of projects involving PVOs

The following examples relate to current large-scale projects, involving co-operation among several PVOs and in some cases other sources of funding:

- Food for Work - Bangladesh - $5.8 million FY 1976-81 to employ rural landless to construct rural earthworks, Title II food and AID funds. Tripartite arrangements involving AID, CARE, Bangladesh Government; participation also by Australia (wheat) and Canada.

- Integrated pre-school feeding - Tunisia - $1.1 million 1977-81. CARE/Medico, Catholic Relief.

- Projects for Rural Poor - Bangladesh - $2 million, 1975-80 CARE, IVS, YWCA, Community Development Foundation etc.

- PVO Co-financing, Indonesia - rural development, $5.9 million, 1974-82. CRS, CWS, CARE, T/F, YMCA, CLUSA.

Other remarks

In 1978, TAICH published a revised version of its directory: United States Non-Profit Organisations in Development Assistance Abroad, providing information on 456 organisations (voluntary agencies, foundations, religious organisations etc.). In addition, TAICH produces and periodically updates country reports providing information on United States PVOs at work in individual developing countries.

An important conference of United States PVOs was held in 1975 under the auspices of the Overseas Development Council. The 1975 conference was attended by representatives of CARE, International Voluntary Services, Volunteers in Technical Assistance, Church World Service, CODEL, Catholic Relief Services, Lutheran World Services, Lutheran World Relief, Save the Children Federation/Community Development Foundation, PACT, Oxfam-America, Africare, Co-operative League of the United States and ACVAFS. The purpose of the meeting was to discuss the most critical issues they foresaw for their programmes for the future. These included: (1) the need for some framework within which they would be willing to be judged by themselves and by others, and the programme criteria that would be relevant; (2) the problem of lack of continuity; (3) the importance of strengthening local groups: programmes should result in increasing or at least not diminishing the power of a poverty group within its own local or national system. A follow-up to this conference was scheduled for early 1979.

Development education

The United States AID information programmes work under legislative constraints, contained in the "Dworshak amendment" (Section 601 of the Foreign Assistance and Related Programme Appropriations Act), which rules out expenditures for publicity or propaganda purposes not heretofore authorised by the Congress. There is no co-financing programme with NGOs for either information or development education.

The central and most visible focus for public information operations in AID is the Office of Public Affairs, but most other sectoral and regional components of the Agency have numerous contacts with, for example, voluntary agencies concerned with population problems; universities; professional organisations; organisations and interest groups concerned with Africa, Asia, Latin America.

The agency responds to a wide variety of specific interests concerning the United States aid programmes and policies - advancement of women, popular participation, population control, United States procurement and shipping, labour, agricultural co-operatives, education and many others. There is thus a problem of multiple audiences, each with its own support and opponents.

The agency maintains close liaison with "public support" groups and issues information bulletins for their information on foreign assistance programmes. Such major "support groups" can be categorised as follows:

(1) international interest groups, such as for example the Overseas Development Council, Partners of the Americas, the International Development Conference;

(2) domestic citizen groups, for example women's associations;

(3) the churches;

(4) universities;

(5) business and trade associations;

(6) labour organisations.

A recent review of the role of the United States NGOs in international development co-operation suggests that there is not enough of a dialogue and mutual influence between NGOs and the government. The study recommends that NGOs play a critical and initiative role vis-à-vis the government, and in particular that they take the lead in advocacy of the New International Economic Order, whose macro-economic aspects are ignored by public opinion at most levels while too much emphasis is placed on micro-economic development issues. Many NGOs, particularly among business and trade associations, labour unions and farm organisations, are making strong attempts to influence United States policy in ways that are contrary to the aims of the NIEO. The authors find the greatest potential, on the other hand, among NGOs engaged in development assistance, advocacy for development, relief and rehabilitation, religious, educational and medical-public-health-type NGOs. (D.H. Smith, F. Verhagen, B.R. Baldwin, W. Chittick, et al., "Role of the United States NGOs in International Development Co-operation", UNITAR, 1978.)

Table 1

United States Foundations Making Largest Grants for Third World Activities(1)

($ millions)

	Total Annual Grant Amounts	Amount of which for Third World
Ford Foundation	185.2	46.9
Rockefeller Foundation	43.1	23.9
Lilly Endowment, Inc.	44.6	3.8
W.K. Kellogg Foundation	23.9	2.6
Edna McConnell Clark Foundation	10.3	2.0
China Medical Board of New York	1.9	1.9
Rockefeller Brothers Fund	10.5	1.0
Carnegie Corporation of New York	13.8	0.9

(1) All amounts are averaged from figures provided by the respective foundations for fiscal years ending in 1973 through 1976. Definitions of grants benefiting Third World countries, as opposed to grants for international purposes generally, may vary somewhat from one foundation to another. Additional variations may occur depending on whether commitments or actual disbursements are counted.

Source: This table is reproduced from John G. Sommer, Beyond Charity: United States Voluntary Aid for a Changing World, Overseas Development Council, Washington, 1977.

Table 2

Resources of Eight Largest United States Voluntary Agencies(1) 1979

($ millions)

	Total Resources	of which single major item	
American Jewish Joint Distribution Committee	35.1	Private contributions	$30.6m
Catholic Relief Services	186.5	United States Govt. excess property	$108.6m
Christian Children's Fund	31.3	Private contributions	$30.9m
Church World Service	29.0	Private contributions	$13.5m
CARE	212.2	PL 480 donated food	$120.7m
HADASSAH	32.1	Private contributions	$28.6m
Institute of International Education	67.7	Foreign govts. and international organisations	$34.3m
United Israel Appeal	219.2	Private contributions	$204.3m

(1) Agencies with resources over $20 million.

Source: US/AID, Bureau for Private and Development Co-operation, Office of Private and Voluntary Co-operation, "Voluntary Foreign Aid Programmes", 1979.

COMMISSION OF THE EUROPEAN COMMUNITIES

Background

Since 1975, the CEC has been co-financing operational activities of NGOs in developing countries. The volume of official funds has been growing rapidly and some adjustments have already been made in procedures, in the light of experience. Income-generating activities, mainly in agriculture, account for about one-third of the total. A great number of projects are in least-developed and poorer countries.

Volume

Commission grants for co-financing grew rapidly over the first three years: $2.8m (2.5m u.a.) in 1976, $4.5m (4m u.a.) in 1977, $15.4m (12m u.a.) in 1978 and the same amount in 1979. In addition, 12,000 tons of milk powder worth $6.1m were put at the disposal of NGOs in 1976, most of it distributed by Caritas. No food aid was given to NGOs in 1977, but 20,000 tons were provided in 1978 mostly distributed by affiliates of the World Council of Churches and Caritas and by OXFAM.

Purposes, criteria and procedures for co-financing

A general principle is that the NGO partner must be legally and genuinely based in EEC Member States with funds raised in Europe. These may include international NGOs such as the World Council of Churches and the International Union of Child Welfare which are not based in Member States but have affiliations in Member States.

The objective of the assistance may be diversified, as long as the main purpose is social and economic development.

The CEC normally supports 50 per cent of the project value up to a ceiling of 100,000 u.a. Pluriannual projects are also considered, up to a duration of three years and to a maximum contribution of 300,000 u.a. A minimum size of 10,000 u.a. had been established originally but procedures have been made more flexible since. Projects may be financed exceptionally up to 75 per cent if certain criteria are met. These include: (i) projects in least developed countries; (ii) high priority projects which are realised in difficult circumstances, notably the poorer countries; (iii) the country concerned is already benefiting from other European projects.

Exchange rates used: $1 = 0.89 units of account in 1976, 0.88 u.a. in 1977, 0.78 European units of account in 1978.

As for political considerations, a project needs approval of the local authority concerned, not necessarily the national government, and it is the responsibility of the NGO to obtain this agreement.

The rapid increase in appropriations has implied a heavier administrative burden. One of the answers has been a simplified procedure in disbursements. Since 1977, Commission funds have been paid in a lump sum for projects over 40,000 units of account (instead of 30,000 u.a. which was the previous limit), whereas for projects above that size, disbursements of official funds are made by six-monthly partial payments. The average size of official co-financing funds per project was 35,000 u.a. in 1977 and 67,400 u.a. in 1978.

There are differences in typical sizes of co-financed projects submitted by the NGOs of the various Member countries of the Community: for example, the average value of official co-financing funds granted in 1978 was 25,600 u.a. for NGOs from Ireland, 58,000 for Italy and France and 246,000 for Germany.

The Commission has come to the conclusion that in many instances "micro-projects" of a value below the minimum of 10,000 u.a., would in fact be worth financing as they have a real economic and social potential for the poorest populations. It has decided therefore to make exceptions to its previous rule in certain circumstances, and in the case of experienced NGOs with a good administrative record. These will be able to present, within a so far unspecified ceiling, lists of the proposed mini-projects and will receive a "block-grant" or single contract from the Community for their implementation.

The Commission organises annual general meetings of NGOs. Participants are invited in their personal capacity, about 50 of them at each annual meeting, with a view to ensuring each time a balance between the various sectors of activity in which NGOs are engaged, as well as between nationalities. The meetings are sponsored by the Development and the Information Directorates of the Commission, in collaboration with the NGO Liaison Committee, which is the intermediary between NGOs and the Commission. A small subsidy of 37,000 u.a. was granted by the Commission for the operation of the NGO Liaison Committee in 1978 for the first time, greatly enhancing its activities. In order to ensure representativity, the annual general meeting of 1979 encouraged NGOs in each Member country to proceed to national meetings so as to designate their candidates for the NGO Liaison Committee.

Geographic distribution

Projects approved in 1978 totalling 12 million of units of account, were in Africa (52 per cent), Asia (29 per cent), Central and South America (16 per cent) and the Middle East

(2 per cent). The largest individual recipient was India, with 39 projects, for which Commission funds totalled 2.14 million units of accounts.

Sectors

The distribution by sector of Community funds was as follows for projects approved in 1978:

	European Units of Account(m)	%
Agriculture	3.4	28.5
Other productive sectors	6.5	4
Education	2.7	23
Health	2.4	20
Social	2.4	20
Transport (vehicles)	0.5	4
Migrants and refugees	-	0.5
Total	11.9	100

Expenditure items

In 1978, co-financing funds were used mainly for construction (36 per cent), equipment (28 per cent), transport (6 per cent), local personnel (6 per cent), external personnel (4 per cent), leadership training (4 per cent).

Examples

The following examples are taken from projects approved in 1978:

- Construction and equipment for printing of educational material for blind people in a site of India, CEBEMO EUA 22,775
- Drinking water scheme in the Kandara area, Kenya, German Aid Against World Hunger EUA303,892
- Reprinting of vocational training material, Ivory Coast, Secours Catholique EUA 79,688
- Installation of solar energy pump in a site in Mali, Isles de Paix EUA 75,499
- Further plantation of olive trees in Jordan, OXFAM EUA 3,419

Emergency aid

Some emergency aid in the form of food, drugs, gasoline, clothes etc., is channelled by the Commission through NGOs which have experience in this kind of assistance. In 1978, emergency aid was delivered to Lebanon, the Philippines, Honduras and Zaïre.

Development education

In 1978 for the first time some funds (100,000 u.a.) were made available to NGOs for public information/development education purposes. In 1979, 200,000 u.a. were available for this purpose. Main events in 1978 were a show of educative materials used by "opinion-makers" on the subject of relationships between Europe and the Third World and a three-day seminar with participants from European and Third World NGOs on the renewal of the Lomé Convention.

ANNEX

TABLE 1

GRANTS BY VOLUNTARY AGENCIES AND GOVERNMENT SUPPORT, 1973-1977

DAC Countries	Private grants $ m. (1)			As a % of GNP			Private grants as a % of private grants + ODA $ m.			Government Contributions $ m.		
	Average 1973-75	1976	1977	Average 1973-75	1976	1977	Average 1973-75	1976	1977	1975	1976	1977
Australia	31.1	37.2	35.9	0.04	0.04	0.04	7.1	8.0	7.8	0.6	0.9	1.3
Austria	9.9	11.0	10.8	0.03	0.03	-	15.6	18.6	8.4	9.6	11.4	25.1
Belgium	17.5	22.5	27.2	0.03	0.03	0.03	5.7	6.2	6.8	9.7	10.0	20.6
Canada	67.1	106.0	103.0	0.05	0.04	0.05	9.2	7.0	9.4	31.5	33.5	33.4
Denmark	5.8	5.6	6.6	0.02	0.01	0.02	3.4	2.5	2.5	..	-	3.0
Finland	1.8	4.5	4.9	0.01	0.02	0.02	4.4	8.2	9.1	..	0.1	0.3
France	12.6	15.1	16.3	-	-	-	0.7	0.7	0.7	..	..	(5.1)(2)
Germany	179.9	204.6	225.0	0.05	0.05	0.04	11.5	12.9	14.0	..	(43.7)	(49.0)
Italy	8.6	0.2	1.1	-	-	-	4.1	0.1	0.6	..	..	..
Japan	8.5	16.2	18.3	-	-	-	0.8	1.4	1.3	9.8	11.7	14.5
Netherlands	19.3	30.4	42.7	0.03	0.03	0.04	4.1	4.1	4.5	21.5	47.6	54.2
New Zealand	5.7	5.5	5.6	0.05	0.04	0.04	12.1	9.4	9.6	0.2	0.2	0.3
Norway	9.8	19.1	23.5	0.04	0.06	0.07	7.0	8.1	7.4	9.3	6.5	6.2
Sweden	33.9	43.4	43.5	0.6	0.06	0.06	7.9	6.7	5.3	10.0	13.3	19.6
Switzerland	26.5	34.4	34.4	0.06	0.06	0.05	25.4	23.4	22.4	7.1	7.4	7.9
United Kingdom	55.3	47.0	50.0	0.03	0.02	0.02	7.2	5.3	5.2	4.0	4.6	6.3
United States	814.7	789.0	840.0	0.06	0.05	0.04	19.2	15.4	16.8	..	325.0	(486.9)
TOTAL DAC	1,307.9	1,391.7	1,488.8	0.04	0.03	0.03	10.5	8.3	9.2	..	..	(733.7)

(1) Out of agencies' own resources.

(2) Ministry of Co-operation only, excluding contributions from Ministry of Foreign Affairs.

( ) Country Sources.

ANNEX

TABLE 2

GRANTS BY VOLUNTARY AGENCIES AND GOVERNMENT SUPPORT, 1978

Reporting period: 1978

	Own resources (a)			Government support		
	$ m.	$ per cap.	% of GNP	$ m.	% of own resources	% of ODA
Australia	38.3	2.69	0.04	1.8	4.7	0.4
Austria	14.6	1.94	0.03	33.7	230.8	21.6
Belgium	(31.5)	(3.20)	(0.03)	25.9	(82.2)	5.0
Canada	(87.0)	(3.70)	(0.04)	53.3	(61.3)	5.1
Denmark	8.1	1.59	0.02	(2.0)	..	..
Finland	6.2	1.30	0.02	0.6	9.0	1.0
France	19.9	0.37	x	(5.1)(b)	25.6(b)	0.8(b)
Germany	284.0	4.63	0.04	(60.2)	(21.2)	(3.0)
Italy	0.3	0.01	x	-	-	-
Japan	(18.9)	(0.16)	(x)	24.2	(128.0)	0.6
Netherlands	55.5	3.98	0.04	60.6	109.2	5.6
New Zealand	5.9	(1.89)	0.04	0.3	5.1	0.5
Norway	25.9	6.38	0.07	(7.6)	(29.3)	(2.1)
Sweden	(44.3)	(5.35)	(0.05)	27.9	(63.0)	3.6
Switzerland	(48.6)	(5.44)	(0.04)	18.1	..	..
United Kingdom	57.7	(0.90)	0.02	9.3	18.5	0.8
United States	931.0	4.23	0.04	(485.0)	..	..
Total	(1677.7)	2.49	0.03	(815.6)	..	..

(a) i.e. excluding government support.

(b) Support extended by the Ministry of Co-operation and, in the last column, percentage of this Ministry's expenditures.

( ) Country Sources.