

CHAPTER THREE

A Paris Declaration for NGOs?

ABSTRACT

In their statements on the Paris Declaration, International NGOs argue that its signatories do not go far enough in pushing official donors to harmonise and align their efforts. New data reveal Northern NGOs as much larger than hitherto assumed. Consequently they also look like donors in their own right, and therefore the principles of the Paris Declaration ought to apply equally to them. The current practices of international NGOs with respect to harmonisation, co-ordination, alignment and accountability leave much to be desired. Legal and financial imbalances between developing-country and developed-country NGOs contribute to suboptimal performance by the latter on central elements of the Paris Declaration, such as increased local ownership and mutual accountability. International NGOs need a Paris-like declaration for themselves. In some quarters progress towards this end is already under way.

Dirk-Jan Koch

INTRODUCTION

International Non-Governmental development Organisations (INGOs) push official donors to implement and expand the Paris Declaration on Aid Effectiveness. The Paris Declaration is based on key principles such as better co-ordination and harmonisation among donors, more alignment of donors with the agendas of recipients and more mutual accountability between donors and recipients. International NGOs have issued an impressive number of policy statements and reports on the Declaration (e.g. ActionAid 2005*b*; ActionAid, 2007*b*; Better Aid, 2007; Eurostep, 2007; Reality of Aid; 2007). These statements differ. Some, supportive, argue that the Declaration does not go far enough in ensuring the harmonisation and alignment of bilateral donors (e.g. United Nations Non-Governmental Liaison Service, 2005). Others, more critical, claim that the Declaration needs to expand and better address inequality in the aid system (Better Aid, 2007). Yet these statements resemble each other in one key respect. None of them contains any reflection on how the INGOs put the principles of the Paris Declaration into practice themselves.

Such reflection is needed. This Chapter offers some tentative answers to questions including: Do NGOs harmonise their procedures? Do they promote mutual accountability? Do they align their priorities to those of their partner organisations and stimulate ownership? The Chapter concludes that the performance of NGOs on these questions requires substantial improvement. It pleads therefore for a Paris-like declaration on NGO aid effectiveness. It would not replicate the Paris Declaration, because NGOs require a tailor-made aid-effectiveness agenda. Yet the underlying principles, such as increased ownership, harmonisation, co-ordination, alignment and accountability should remain the same.

Some initiatives already deal with civil-society aid effectiveness. For example, INGOs have representation in an Advisory Group on Civil Society and Aid Effectiveness. After regional consultations with diverse stakeholders and after a large international forum in Ottawa, they will provide clear recommendations for the Working Party on Aid Effectiveness as it finalises plans for the Accra High Level Forum. The regional consultations regularly provide suggestions on how to improve the effectiveness of NGO aid. A North-South Civil Society Dialogue on Aid Effectiveness occurred in Nairobi in late 2007, although by January 2008 it had reached no consensus on a resolution. A new, separate joint effort would start a common code of conduct for international NGOs.

Conversely, the umbrella organisation of European NGOs, Concord, claims in a letter to the European Commission that the Paris Declaration should not apply to them. They view themselves primarily not as donors and claim that the principles of the Paris Declaration were negotiated without them. They conclude that "the EU process leading up to the Accra High Level Forum should remain focused on the effectiveness of aid delivered by member states and European institutions" (Concord, 2008).

The developing-country partners of these European NGOs do not have such qualms. In contributions to the discussion on the Paris Declaration they proposed useful suggestions for developed-country NGOs. The Civil Society Organisation (CSO) of Southern and East Africa proposes, for example, that "Northern CSOs should be transparent and accountable to the Southern CSOs by declaring the full amounts they receive from donors in the name of Southern CSOs" (Afrodad, 2007). Other compelling arguments also demand more attention to how international NGOs perform with respect to the principles of the Paris Declaration. The big ones receive large shares of official aid; some of their budgets surpass those of some of the signatories to the Paris Declaration. The aid budget of World Vision International exceeds that of Italy. Plan International spends more than Greece, and the Save the Children Alliance more than Finland. Unquestionably, these INGOs engage in many important activities that do not involve transfers of funds to Southern organisations, such as lobby campaigns, but this does not imply that they cannot be viewed as donors as well.

After an introduction on the mounting size of INGOs, this Chapter will turn to NGO parallels with the two main elements of the Paris Declaration. It first highlights the need for increased co-ordination and harmonisation in INGO aid. The high levels of regional concentration among INGOs and the heavy reporting burdens they place on local organisations suggest potential efficiency gains if they would adhere to the technical elements of the Paris Declaration. This would not require a major overhaul of the power relations between local civil-society organisations and their international non-governmental donors. It would simply involve smarter planning, greater flexibility in reporting requirements and a better division of labour between NGO donors. One case study of a local NGO, BRAC (see Box 3.1.) shows that positive developments have already occurred in this area.

Second, the analysis focuses on current alignment and accountability practices within the NGO sector and concludes that there are clear shortcomings. During the last 40 years, hardly any responsibilities have shifted from Northern to Southern NGOs; the most important decisions still get made at the INGOs' headquarters. One exception is ActionAid International, discussed in Box 3.2. An increasing number of Southern CSOs, academics and policy makers challenge this *status quo* (see, for example, Afrodad, 2007; Michael, 2004 and Netherlands Ministry of Foreign Affairs, 2002). The Nordic Plus donors are reshaping the NGO aid landscape by developing civil-society funding mechanisms surprisingly close to the core principles of the Paris Declaration.

Box 3.1. BRAC: A Success Story in Donor Harmonisation and Co-ordination

The large Bangladeshi NGO called BRAC (Bangladesh Rural Advancement Committee), which has established a pooled funding arrangement, exemplifies success in co-ordinating and harmonising donors. BRAC, a national, private organisation, was founded in 1972 as a small-scale relief and rehabilitation project to help the country overcome the devastation and trauma of the Liberation War. It focused initially on resettling refugees returning from India. Today it is one of the largest Southern development organisations, employing almost 100 000 people and working with the twin objectives of poverty relief and the empowerment of the poor (BRAC, 2005a). It was also the first developing-country organisation to open field offices across the world, in Afghanistan, Sudan and Tanzania as well as the United States and the United Kingdom.

BRAC's Donor Consortia

BRAC has succeeded in getting the donors for its largest programmes to work together in funding consortia. Within a consortium, each donor receives the same programme proposals and budget and then contributes to the programme like all the other donors. Once a proposal is accepted, individual donors have very little say over how their funds will be spent. This establishment of donor co-ordination represents a considerable achievement. As Sarah Michael explains:

To achieve this not only with individual donors but with whole consortia, in which donors have little say over individual components of a long-term programme and must accept this as a whole, where donors all receive the same standardised reports, and where donors sacrifice the individual prestige often available to them as the funders of a particular project or campaign, is a feat which is rarely matched by other NGOs. (Michael, 2004, p. 27).

The first donor consortium for BRAC's Rural Development Programme (RDP) was formed at the end of 1989. Eight different donors funded RDP III (1995-1999) to a total of \$55 million (BMB Mott MacDonald, n.d.). BRAC now has two donor consortia (BRAC, 2005b), one for the BRAC Education Programme and one for the Challenging the Frontiers of Poverty Reduction Programme. The donors are CIDA (Canada), Department for International Development (DFID), the European Commission (EC), Oxfam Novib, The Royal Netherlands Embassy, The Royal Norwegian Embassy and the World Food Programme (WFP).

BRAC has engaged with the donor consortia and individual donors in a healthy dialogue of advice, response and adaptation regarding its plans (McGregor, 1998). It has formal meetings with donor representatives twice a year. These meetings have served as an effective forum for reporting progress and airing concerns for both sides. The donor consortium agrees on shared reviews and evaluations as well as a common system of reporting. In all such cases, participating donors must agree to adapt their individual reporting requirements and procedures to a single common system (CGAP, 2001).

Benefits of Donor Consortia

According to Wright (1996), writing on BRAC and other Bangladeshi organisations, the primary argument for a joint funding approach is that all the necessary but unattractive parts of a plan, such as headquarters overheads, are properly funded and all the donors share equally or at least proportionately in these costs. Thus, an individual donor cannot select the most attractive parts of programmes to fund. This has enabled BRAC to strengthen its structure and turn itself into a learning organisation. Its strong Research and Evaluation Division (RED) has a team of 160 regular staff. RED also collaborates extensively with other research institutes, mainly in Europe, and carries out joint studies with them. (RED, n.d.; Ojanperä, 1997).

Financial Independence

The large amount of donor financing that BRAC receives accounts for only 25 per cent of its budget expenditure. BRAC itself provides the other 75 per cent of its budget through revenues from service charges as well as from commercial activities it has developed (Michael, 2004; Aga Khan Foundation, 1997). BRAC does not depend on any type of donor funding or even on the donor consortia. Avoiding dependence has been a key concern. The level of financial independence and the increasing level of power and control that BRAC has over its donors through consortia have resulted in its becoming a very powerful local NGO (Michael, 2004).

Other than BRAC, the SNGO Proshika also exemplifies joint funding arrangements, as do the pooled funding arrangements established by donors in Tanzania under the umbrella of The Foundation for Civil Society (Advisory Group on Civil Society and Aid Effectiveness, 2007, p.15).

Note: Karin Weber provided the material for this case study

Box 3.2. ActionAid International's Radical Restructuring

Three recent changes have made ActionAid International one of the most progressive international NGOs: a new accountability, learning and planning system, an overhaul of its organisational structure and the relocation of its headquarters from London to Johannesburg.

ActionAid was founded in 1973 as a British charity based on child sponsorship and delivering specific services to individuals. ActionAid International began work in 2003, with its International Secretariat based in Johannesburg. The founding members of ActionAid International are ActionAid affiliates in Brazil, Greece, Ireland, Italy, the United Kingdom and the United States. Programmes in Kenya, Uganda, Nigeria, India, and Ghana have formed national boards and are expected to become full affiliates in the next three years. In short, ActionAid International has become a coalition of Northern and Southern affiliates fighting poverty through advocacy and lobbying at the local, national and global levels (ActionAid, 2007a; Blagescu and Lloyd, 2006).

During the 1990s, ActionAid, like many large NGOs, had rigid accountability and reporting systems characterised by central control and bureaucracy. They were designed for upward accountability to managers and donors. Fieldworkers generated information from the community and sent their data to managers, who then eventually informed donors. Within this system, staff and local partners devoted much time and effort to planning and reporting, with little scope left for learning. Voluminous reports tended to describe project activities in great detail but give less emphasis to the wider outcomes, impacts and changes perceived by the groups of people with whom ActionAid and ActionAid's partners work. These reports were in English with only a limited number of copies printed, resulting in low accessibility for partners and communities (Jordan and Van Tuijl, 2006; David and Mancini, 2003).

The Accountability, Learning and Planning System

In 1999 ActionAid introduced a new internal system called ALPS (ActionAid Accountability, Learning and Planning System), intended to create time and energy for learning and to strengthen accountability. ALPS has five central, overarching themes: *i*) increasing downward accountability; *ii*) ensuring real participation; *iii*) promoting a culture of learning; *iv*) ensuring gender analysis throughout and *v*) recognising and sharing power. (Jordan and Van Tuijl, 2006; David and Mancini, 2003). The system seeks to increase accountability to the poor and to ActionAid's partners while maintaining traditional accountability to managers and donors (Scott-Villiers, 2002). One of its radical elements is the decision to make annual participatory review and reflection processes (PRRPs) mandatory at each level of the organisation.

Organisational Structure

ActionAid also developed a new organisational structure to strengthen co-ordination. ActionAid (n.d.) says that its previous structure enabled only minimal co-ordination and consensus between the different countries. ActionAid International seeks to build an international organisation governed and managed with vision and leadership by people from both developed and developing countries. National boards enhance legitimacy and accountability to supporters, collaborators, partners and poor people in the countries where the organisation is active. ActionAid International has an International Board of 11 members from ten different countries (the board will eventually consist of up to 21 members). Its first chair is Noerine Kaleeba from Uganda. According to Blagescu and Lloyd (2006), ActionAid International is one of only four INGOs that have institutionalised external stakeholder engagement in their corporate decision making by inviting representatives of their stakeholder groups on to their International Board as independent trustees. In addition, it incorporates strong member control over its International Board of Trustees; all affiliates represented on the board can have a say in the meeting agendas.

Move to Johannesburg

ActionAid International moved from London to Johannesburg in early 2004. According to ActionAid (2005a), the move represented a fundamental shift in running operations. "ActionAid International has dramatically broken the mould of a traditional development charity, where decisions were inevitably the property of the donor countries and the receiving countries were expected to be largely passive" (p. 1). The move also brought a shift from control to genuine partnership, to strengthen ActionAid's accountability to inhabitants of the countries where it operates. ActionAid International employs almost 2 000 people worldwide (almost 90 per cent from developing countries). Finally, ActionAid International (n.d.) declares itself different from other development INGOs in that their country programmes in the South control about 70 per cent of the income, spent on community and national work, while the international secretariat controls only 30 per cent.

Note: Karin Weber provided the material for this case study

THE BIG NGOS ARE FAR LARGER THAN USUALLY THOUGHT

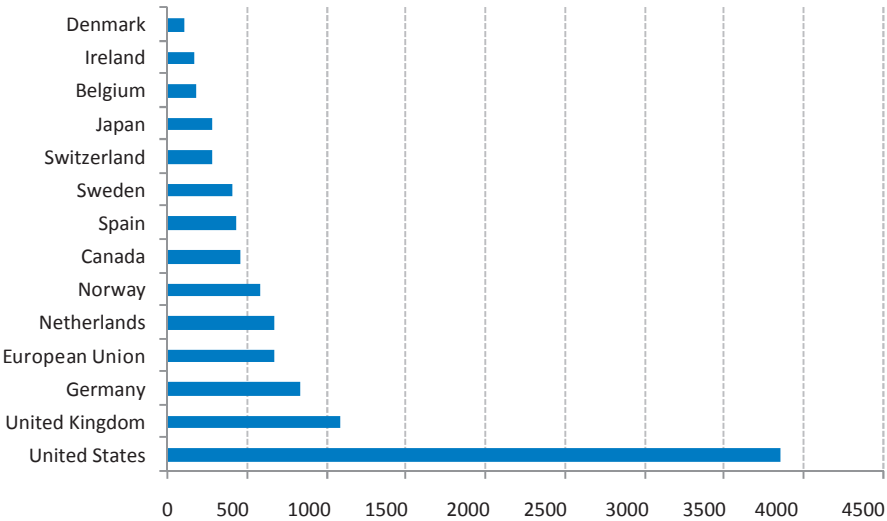
65

The sheer size of INGOs provides a primary reason for a "Paris Declaration" applicable to them. It has been widely underestimated. Recent estimates vary from \$1.6 billion annually (AWID, 2006), to \$4 billion (Agg, 2006) to \$12 billion (Fowler, 2005). Gatignon (2007) estimates that the annual budget of international OECD-based development NGOs actually reached \$26.9 billion in 2005. She based her finding on research using various databases and publications from, among others, the Urban Institute, Concord and the OECD/DAC. The share originating from private donations amounts to \$16.5 billion and that from governmental

support to \$10.4 billion. The same year OECD donors provided \$84.1 billion in Official Development Assistance (ODA, including aid to INGOs and excluding debt relief).

The numbers vary substantially between countries. For instance, the budget available to US-based NGOs in 2005, \$16.2 billion, almost equalled that for US ODA, \$19.6 billion. Conversely, Japanese NGOs received only \$0.5 billion, while Japanese ODA reached \$8.1 billion. These differences are noteworthy, but the key point is that INGOs are much larger than previously thought. Figure 3.1. gives an overview of the level of funding that official donors provide to NGOs in their countries, as reported to the OECD. The US government supplies the most aid to NGOs in absolute terms, followed by the United Kingdom. Ireland (25 per cent of its total aid) and Norway (21 per cent) spend relatively large amounts on international NGOs, but Japan (2.1 per cent) and France (0.5 per cent) spend relatively little.

Figure 3.1. ODA to International NGOs, 2005 (\$ million)

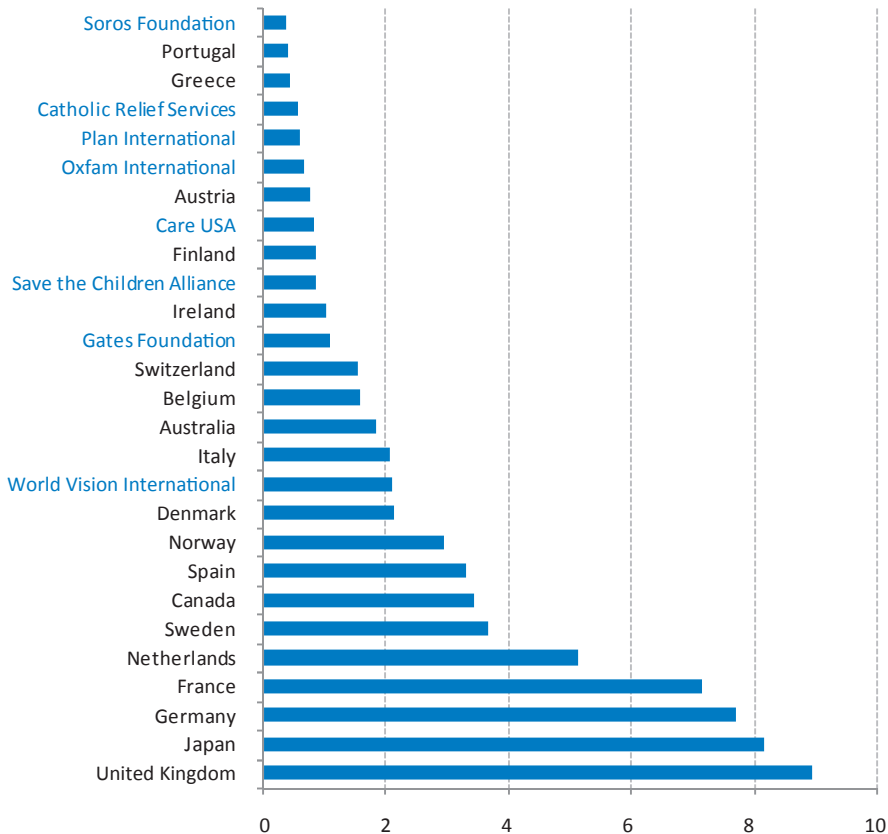


Source: OECD International Development Statistics (Gatignon, 2007). Note that these figures exclude private giving to NGOs.

In the late 1990s a number of academics predicted that the era of the big NGOs as financial intermediaries would soon come to an end, as they were coming to depend increasingly on public donors whose aid budgets seemed set to dwindle (Biekart, 1999; Fowler, 2000; Malhotra, 2000). Nearly a decade later the opposite has actually happened; the budgets of INGOs have increased dramatically. Despite some increased emphasis on lobbying and advocacy, most of them still operate firmly within the same resource-transfer paradigm. Figure 3.2. shows that international NGOs are large enough to enter the charts alongside the

official donors (note that the United States is absent from the figure). Treating them as donors is therefore appropriate.

Figure 3.2. Budgets of Official Donors and NGOs (\$ billion)



Source: OECD International Development Statistics for Bilateral aid and Annual Reports of international NGOs for NGO aid.

INTERNATIONAL NGOS NEED CO-ORDINATION AND HARMONISATION

Problems of co-ordination and harmonisation plague official aid. OECD's 2006 monitoring report on the Paris Declaration noted 1 832 project implementation units financed by official donors and only 10 per cent of donors' field missions joint ones (OECD, 2007). How do the NGOs score on these co-ordination and

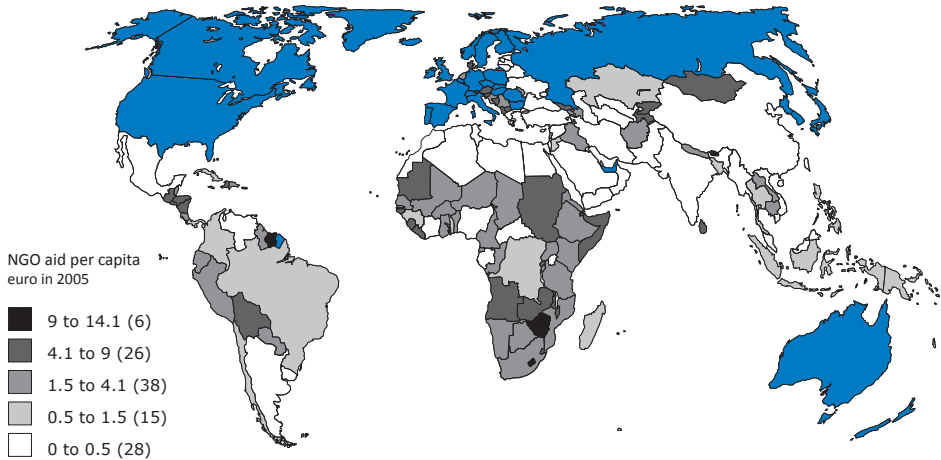
harmonisation elements? A group of Swedish NGOs initiated a study in 2007 into the effects of the Paris Declaration on civil society in Kenya. Interestingly, the researchers also investigated co-ordination, harmonisation and co-operation between Northern NGOs in Kenya. Their conclusions were harsh. "Northern NGOs present in Kenya have not harmonised or aligned or even co-ordinated their activities, and even in times of crisis joint efforts have been difficult to initiate. Even among the Swedish NGOs joint or co-ordinated activities appear to be accidental" (Skalkaer Consult, 2007, p. 28). The authors conclude in their recommendations (p. 29) that "there is a need for a civil society development effectiveness process (or a Paris Declaration for CSOs)." This section highlights three of the negative aspects of the lack of co-ordination and harmonisation among international NGOs:

- The unequal distribution of international NGO activity around the world;
- The disproportionate administrative burden on well-intentioned local organisations; and
- The greater access to funding of *mala fide* local organisations.

Unequal Distribution of NGOs around the Globe

The lack of co-ordination among international organisations results in an unequal distribution of INGO activity across the globe. The distribution can be analysed from various angles, such as thematic priorities or intervention strategies, but this discussion focuses on the geographic distribution of aid, as it illustrates clearly the negative repercussions of a lack of co-ordination. It has never been mapped adequately because of the paucity of data. A new dataset using numbers from 60 of the world's largest development NGOs produces the results shown in Map 3.1., which displays per capita NGO expenditure in developing countries. Countries shown in darker shades receive greater amounts of NGO aid per capita. One can readily see that certain countries (Zambia, East Timor, Zimbabwe, Nicaragua etc.) receive more than 20 times as much aid per capita as others (Central African Republic, Yemen, Côte d'Ivoire, Pakistan, Nigeria etc.).

Map 3.1. Distribution of NGO Aid in 2005



Source: Koch, 2007. Brackets contain the numbers of countries that fall within the categories.

The numbers of INGOs active in recipient countries differ widely. In some countries, such as Ethiopia, five of World Vision's organisations, seven of Oxfam's, six of Care's and 12 of Save the Children's are active, the last mostly with their own offices. In relatively small countries such as Guatemala, Sri Lanka and Zimbabwe, more than 40 of the 60 largest international NGOs have a presence — in stark contrast to Congo-Brazzaville, Yemen and the Central African Republic, where only handfuls of these organisations operate. INGOs tend to spread their resources; each is active in 44 countries on average. Unfortunately, these 44 countries are often the same for all INGOs. The families of international organisations (e.g. the Oxfam alliance or the Protestant alliance, Aprodev) conduct regular mapping exercises to establish which organisation is active where, but do not follow up with joint planning to ensure a more rational and equitable division of labour (Koch and Loman, forthcoming).

Negative consequences appear both for countries with few INGOs present and for those with many. With few international NGOs, the administrative burden on local NGOs is not a problem. They do not have to deal with more than 1 000 incoming donor missions annually or produce 2 400 quarterly reports, like the Tanzanian government. Rather, they lack donors. They are the victims of a lack of co-ordination as INGOs apparently fail to ensure a division of labour that covers all poor countries adequately. In contrast, the negative consequences of excess supply of NGO aid have become evident in recent years both in emergency aid situations (Tsunami Evaluation Coalition, 2006) and in regular aid circumstances (Laan, 2007). These consequences include the duplication of aid efforts and an increase in corruption — in short, waste of aid money. The extent to which poor co-ordination also hampers equal thematic coverage and an equal spread over intervention strategies requires more research.

Heavy Reporting Burdens

Heavy reporting requirements weigh down many well-intentioned local organisations. Numerous signs show the negative effects on local organisations of the number of reports that international donors demand. Case studies involving Ghana (Porter, 2003), Zambia (INTRAC, 2006), India (Ebrahim, 2003) and Tanzania (Goddard and Assad, 2004) all point out that local NGOs spend a disproportionate amount of time on writing reports for donors. Porter (2003, p. 136) states: "In some countries the massive demands of the report culture... seem to be bringing Southern NGOs to their knees. In India and Mexico many NGO staff argue that they spend more time filling in forms than working directly for the poor!" Often, local NGOs are reluctant to air their concerns about these onerous report requirements, because they depend on INGOs (ActionAid, 2003). When they do feel free to share their opinions, it becomes clear that more staff time is spent on these reports than before, which diverts valuable human resources away from actual programme work (*ibid*). Box 3.1. describes BRAC, which succeeded at the very beginning of its operations in harmonising and co-ordinating its donors. This has undoubtedly helped it to become one of today's largest Southern development NGOs.

Why do Northern NGOs not harmonise their reporting requirements more? There are three apparent reasons, despite the scope for improvement and the potential major advantages for local organisations:

- They have an ambiguous attitude towards harmonising their own procedures (Capacitate, 2007). While recognising that more harmonisation would increase efficiency, many of them claim a trade-off between diversity, the trademark of a healthy civil society, and harmonisation. They feel that if they harmonise their procedures they will have less ability to support marginalised groups, social movements and atypical organisations. They fear that they could then fund only small numbers of well-established organisations (Advisory Group on Civil Society and Aid Effectiveness, 2007). This fear is understandable but not reasonable, because the key issue is not whether organisations harmonise, but how they do so. On evaluation, for instance, Dutch organisations have shown that pooling resources for joint evaluations yields benefits. Joint evaluations generally have better quality, are less burdensome for local partners and promote inter-organisational learning without leading to the drawbacks often attributed to alignment and co-ordination (GOM, 2003).
- They have stringent reporting requirements *vis-à-vis* their back donors. Independent auditing firms such as KPMG (2004) have encouraged back donors to harmonise their procedures regarding NGOs, but they have made no progress. Even organisations (e.g. Dutch and German ones) with very similar reporting requirements to their back donors do not succeed in harmonising their procedures.
- Harmonisation apparently incurs high start-up costs for NGOs. Such initial costs are well documented for bilateral aid, and they are probably even higher for NGOs, given the greater numbers of donors and recipients.

Briefcase NGOs

A third negative repercussion of the unco-ordinated and unharmonised operations of Northern NGOs is the rise of the “briefcase NGOs”, now a common term. These local organisations are often one-person enterprises, little more than single entrepreneurs and their briefcases. They specialise in writing proposals and reports but are bad at nearly everything else (May and Magongo, 2005; Mercer, 2003). The lack of information sharing among INGOs has enabled these local entities, which lack constituencies, members or popular support, to dance with the donors. When a donor finally comes to realise that a local organisation is not living up to expectations or is even corrupt, and then cuts its funding, the local organisation simply looks for and often finds another donor. The numbers of self-regulating systems within the non-profit development sector (e.g. the International NGO Accountability Charter) are increasing, often initiated by apex bodies or umbrella organisations. These highly relevant initiatives go some way toward addressing the problem, but they have yet to overcome the information-sharing deficit that lets dubious local NGOs thrive.

To sum up, various efficiency gains can be realised through increased harmonisation and co-ordination. The first arises from improved targeting and better distribution of resources. The second relates to reduced overhead costs for local organisations, which can spend more money on their actual work rather than on writing reports and receiving incoming field visits. The third relates to decreased leakage of aid as the number of fraudulent local recipients declines.

HOW DO INGOs PERFORM ON ALIGNMENT AND ACCOUNTABILITY?

Official donors started to develop and implement the Paris Declaration partly because of their dismal record on alignment and accountability. The 2006 OECD survey on the Paris Declaration found that on average only 42 per cent of donor aid gets recorded in the budgets of recipient countries and thus is open to scrutiny by their parliaments. It also found that only 44 per cent of the recipient countries had some kind of mutual accountability system, which enabled recipient governments to compel donors to stick to their commitments. How do the international NGOs perform with respect to these important principles?

A recent statement on the Paris Declaration by Southern NGOs included clear recommendations regarding Northern NGOs: “Northern CSOs should be transparent and accountable to the Southern CSOs by declaring the full amounts they receive from donors in the name of Southern CSOs”; and “Donors should enhance direct funding to Southern CSOs and reduce the role of intermediary agencies.” (Afrodad, 2007, p. 2). The Netherlands Ministry of Foreign Affairs has gone so far as to claim in a letter to the Dutch parliament that; “The transfer of tasks and responsibilities to Southern organisations has been insufficient... a fundamental repositioning of Northern international aid agencies is needed” (Netherlands Ministry of Foreign Affairs, 2007, p. 1). Statements like these

indicate that alignment and accountability practices among Northern NGOs require attention.

The definition of “alignment” in any future Paris-like declaration for NGOs would differ from that which applies to official aid. Alignment does not refer to the need to adapt support to the strategies of recipient governments, but rather to the agendas of developing-country NGOs. The last thing that this Chapter seeks to suggest is that all aid to those NGOs should fall within the parameters of the national poverty-reduction strategies of recipient-country governments. Local NGOs need encouragement to develop their own agendas, which may at times complement the efforts of national governments but may equally run counter to them. This is one reason why local organisations deserve support. The desired form of accountability in any future declaration for NGOs ought not to deny that INGOs need to be accountable to their constituents and their donors. It should stipulate mutual accountability between Northern organisations and their Southern partners.

Three key elements of the Paris Declaration on alignment and accountability are: *i)* predictability of aid flows; *ii)* avoiding parallel implementation structures; and *iii)* alignment of support to national (*in casu* organisations’) agendas. Deeper underlying power imbalances between Northern and Southern NGOs also drive accountability and alignment deficiencies. This section highlights both legal disempowerment of local NGOs and financial imbalances.

Predictability of NGO Aid Flows

The predictability of aid flows from INGOs to their partners has two aspects. A positive element is that there are few signs of delays. This contrasts starkly with official aid, which is plagued by slow disbursement (Save the Children UK, 2006). In fact, aid flows from NGOs to their partner organisations are fairly stable (Koch and Loman, forthcoming). A problem that the partner organisations encounter is the failure of INGOs to guarantee that they will continue funding after the expiration of contracts. This creates a sense of instability and reduces long-term investment by local organisations (Ashman, 2001).

72 Parallel Implementation Structures

The extent to which INGOs have developed parallel implementation structures differs widely. A substantial number, notably nearly all Dutch and German ones, made a strategic decision in the late 1980s not to open more field offices and to shut down existing ones. Local organisations initially criticised this decision because it increased the distance and decreased the frequency of contacts (Steering Committee, 2002). In light of recent developments, however, local organisations now widely regard these kinds of decisions as judicious, because they now face increasing competition from the local subsidiaries of INGOs. With increasingly decentralised funding, Northern organisations constantly open field offices in developing countries and compete for the same contracts as their erstwhile partners (Smillie and Minear, 2003). This attracts significant criticism

from local NGOs. Local subsidiaries also implement projects themselves. Care, for example, has 14 500 employees worldwide (more than the IMF and the World Bank combined). A number of big organisations have large-scale service-delivery programmes akin to those run by local governments. The only difference is that the NGOs cannot be voted out of office if they do not perform (World Bank, 2005). This criticism can also be levelled at BRAC, although it performs well on harmonising and co-ordinating its donors.

Alignment with Local Agendas

The literature on the relationship between Northern and Southern NGOs is most replete on the extent to which the former dominate the latter's agendas. This domination manifests itself in the themes that organisations select, how they work and which discourse they use. As one representative from a workshop on the relationship has said, "... if you want funding, you have to make sure you include the words 'sustainable livelihoods'" (ActionAid, 2003, p. 7). Multiple accounts relate how Northern organisations dictate to their Southern partners and the feelings of disempowerment that this causes. It would be superfluous to repeat what others have said in this respect (e.g. Townsend *et al.*, 2002; Wallace, 2000). Instead, an attempt to highlight the legal and financial barriers that explain the perpetuation of this imbalance can illustrate why INGOs adhere insufficiently to central principles of the Paris agenda, such as alignment and accountability.

Legal Disempowerment of Local NGOs

Three types of legal impediments skew power relations away from Southern organisations and thus hamper adequate alignment and accountability practices of international NGOs:

- Few legally formalised feedback mechanisms within Northern organisations;
- Funding restrictions; and
- The absence of other feedback mechanisms.

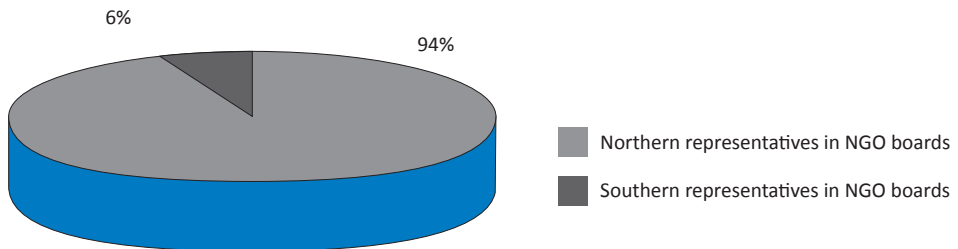
Legally formalised feedback mechanisms within the INGOs

The Paris Declaration is very clear on the need for increased mutual accountability, and formalised feedback mechanisms are integral to it. In the INGOs they are very weak.

Boards or councils of trustees govern nearly all international NGOs. Despite differences in the amount of power that they delegate to the NGOs themselves, they remain legally responsible for the organisations. A measure of the power of citizens and organisations from developing countries lies in whether they have representation on the INGOs' governing bodies. An analysis of such bodies for a representative sample of 55 of the largest development NGOs worldwide shows that they have a total of 693 members, of whom a mere 42 — 6 per cent — come

from developing countries (Figure 3.3.). The percentage is lower still in terms of whether these board members have official functions (e.g. chairperson, treasurer, secretary). Certain countries place legal restrictions on numbers of foreign board members. In Belgium, for example, at least half of NGOs' board members needed to have Belgian nationality until 2002. Also, understandably, organisations may restrict board membership for recipients to avoid conflicts of interest (Dietz and de Ruyter, 2007). Nevertheless it seems paradoxical that international NGOs, which actually developed the term "empowerment", grant their partners even less power than that of, for example, pupils in high schools, patients in hospitals and students in universities. In nearly all developed nations, the clients of non-profit institutions have a voice in their management. If they are not represented directly on governing boards, legally binding participatory principles apply. Clients, students or patients elect their representatives, who can in turn participate in decision making. Sometimes this role is confined to issuing non-binding advice, and sometimes certain elements are exempt from potential involvement. Nonetheless, some type of mutual accountability exists.

Figure 3.3. Developing-Country Members of Boards of International NGOs



Source: Annual reports of international NGOs.

The absence of such an institutionalised feedback loop from the NGO world has attracted criticism from eminent scholars in the field. The leading institute on NGO practices has long argued that "Northern NGOs need to strengthen and formalise their mechanisms for receiving feedback from Southern partners." (INTRAC, 2001, p. 5). Blagescu and Lloyd (2006) state in *The Global Accountability Report 2006* that a simple countervailing-power instrument like a complaints procedure is more common and better developed in the for-profit sector and in institutions such as the World Bank than in international NGOs.

Some progress in developing feedback loops has occurred. Partner consultations do take place, but they are non-binding. Some NGOs have started to experiment with international advisory councils, but often poorly define their competences. Experiments with partner-satisfaction surveys have been tried too, to gather statistical information about the opinions of local NGOs on the INGOs. Nevertheless, recipient-country organisations and individuals generally have few formal intra-

organisational mechanisms for influencing INGO policies. ActionAid is an exception (see Box 3.2.).

Funding restrictions

The opportunities for developing-country organisations to apply for funding directly from official donors are limited, especially in capitals, where the largest sums for civil society funds are available. Nearly all donors restrict their co-financing schemes to their national organisations. This actually resembles aid tying, where the nationality of goods and service providers becomes more important than portfolio quality. The Dutch Ministry of Foreign Affairs opened its non-decentralised funding to all Southern organisations and organisations from other donor countries in 2002, but had to abandon this in 2004 after an amendment by the Dutch parliament (Steering Committee, 2006).

The only co-financing system that systematically allows Southern organisations to apply for funding at the headquarters level is that of the European Union. Most proposals for these budget lines must be joint proposals with Northern organisations. Developing-country NGOs prefer this approach because it ensures their involvement earlier and better in the drafting of grant proposals. A recent statement on aid effectiveness by Afrodad (2007, p. 2) says, "Joint proposal writing by both the Northern and Southern CSOs should be encouraged in fundraising for aid from donor countries."

The absence of other feedback mechanisms

One final legal imbalance merits attention: the meagre extra-organisational formal procedures at the disposal of Southern organisations and individuals to influence Northern organisations. The dominant role played by donor-country parliaments has already been illustrated by the effective abolition of direct centralised funding to Southern NGOs in the Netherlands. Martens *et al.* (2002) provide an insight into why "the broken feedback loop in aid" persists. They claim that ultimately the domestic suppliers of goods and services in the aid sector, such as consultancy companies, export credit agencies, experts and NGOs can end up as the beneficiaries of aid. They are part of the constituency of decision makers in donor countries; meanwhile, the intended beneficiaries' interests are geographically and politically too remote to rival the influence of these direct beneficiaries. Indeed, Northern governments and parliaments rarely consult Southern organisations directly when deciding on future support to NGO aid.

Financial Imbalances

Alongside legal or formal imbalances, there is an apparent financial imbalance, to a certain extent an inevitable one because most of the finances pass through the INGOs. Yet certain underlying financial systems contribute unnecessarily to the unequal relationship between INGOs and their local partners. They reflect weak alignment and accountability and reduce their potential strengthening. The two main elements that appear to do the most harm are:

- Disadvantageous contracts for Southern NGOs; and
- Their lack of local fundraising.

Disadvantageous contracts for Southern NGOs

A striking difference persists between the contracts that INGOs sign with their back donors and the ones they sign with recipients. One study of Dutch co-financing agencies, for instance, showed that while Dutch NGOs often receive core grants (institutional subsidies, which organisations can spend on overheads and programmes alike), they did not grant core subsidies to their partners (CIDIN, 2006). Whereas Northern NGOs' contracts often last for around four years (Koch *et al.*, 2007), the relationships they have with their Southern partners are often shorter. Their unwillingness to finance the organisational development of developing-country organisations is well documented (Bornstein, 2003; Cooley and Ron, 2002; Low and Davenport; 2002). They appear to be more often interested in executing their specific projects than in strengthening the capacity of Southern organisations (CIDIN, 2006).

Certain invasive regulations illustrate disadvantageous contractual terms. American organisations are known to have particularly intrusive anti-terrorism (Fowler, 2005) and anti-sexual and reproductive-rights regulations (Centre for Reproductive Rights, 2003). Local organisations can receive money from USAID only if they pledge that they will not, even with their own money, work with sex workers or have contact with people or organisations on a terrorism list. The European Commission has very precise financial regulations that infringe the ownership of local organisations (Partners Limited, 2005). There are also significant differences between Northern organisations with respect to the contracts they sign with Southern NGOs. Continental European NGOs have traditionally kept their local partners at arm's length and handed more responsibility to them, while American NGOs have top-down implementing structures all the way down to the community level (Ashman, 2001; Morse and McNamara; 2007).

Room thus exists to create more equal funding relationships. Donor consortia offer a particular example of such relationships (Box 3.1. describes one). In them, INGO donors commit themselves to fund the core costs of local organisations on an equal basis and to reduce the administrative burden on local organisations by allowing one report for all donors and planning joint missions, reviews and evaluations. Studies have shown that donor consortia tend to lead to decreased power for local organisations in the beginning, as they can no longer play the donors off against one another; but in the end they create stronger and more powerful local organisations (Wright, 1996). Local organisations can develop their own strategic plans to which international donors can then contribute, which leads to stronger organisations in the long term. This is precisely the direction in which the official donors are moving, and there is no obvious reason why non-governmental organisations should continue with project-based, individual reporting practices.

Local fundraising for local organisations

More local resource generation seems essential for a more equitable financial relationship (Vincent, 2007). Local organisations remain highly dependent on international funders. Levels of dependency are high at 76 per cent in Tanzania, 72 per cent in the Central African Republic (Koch and Ruben, forthcoming) and 80 per cent for recurrent revenue in Uganda (Barr *et al.*, 2003). Dependence is much lower in Bangladesh (Gauri and Galef, 2005). Most local organisations have become too dependent on donors, with well-known consequences. Dependence contributes to a lack of downward domestic accountability, just as happened to recipient governments that became too donor dependent. It is no accident that all the NGOs that Michael (2004) considers powerful have strong internal revenue-generating mechanisms. This allows them to set and develop their own priorities, bargain with donors and maintain functional frame organisations. Despite recent attempts to enhance local revenue-generation capacities (Cordaid, 2005), many local organisations prefer the relatively easy-money flow from donors to the even more tedious process of local fundraising. This is understandable in the short term, but it contributes to perpetuation of financial imbalances.

To sum up, severe imbalances persist between Northern and Southern NGOs, and they affect negatively the performance of Northern NGOs on key principles of the Paris Declaration, alignment and accountability. The broken feedback loop in international NGO aid leaves local organisations and individuals with few formal mechanisms to influence the policies of INGOs that affect their activities. They are marginalised. Moreover, certain financial practices, such as the way contracts are structured and the low independent resource base of local NGOs, hamper their development. Financial and legal imbalances both contribute to poorly developed alignment and accountability practices in the NGO sector and are expressions of it. If the principles of the Paris Declaration are to become the guiding philosophy of the international NGOs, they need to be addressed.

Some of the Nordic Plus donors are already making significant progress towards bringing their NGO aid more in line with the principles of the Paris Declaration. A recent study of these donors shows that in an increasing number of countries their embassies are coming together and developing decentralised co-financing systems (Scanteam, 2007). Such actions often follow the principles of the Paris Declaration more closely than financing systems currently used by NGOs in terms of, for example, harmonisation and co-ordination. The proof of the pudding will be in the eating, but first signs indicate that this will lead to longer-term gain to all parties as resource flows to local organisations become larger, more predictable and more often in the form of core funding than under traditional methods. Reporting requirements also become streamlined, reducing transaction costs.

One example of the changes set in motion by the Nordic Plus donors is the Foundation for Civil Society in Tanzania, now governed entirely by Tanzanians. Enormously successful, the Foundation operates under a joint Memorandum of Understanding with seven embassies. The development partners have signed four-year contracts that include core funding. The Netherlands Ministry of Foreign Affairs has signed a contract worth \$8 million; the CIDA contract amounts to \$4 million and the Danida contract to \$3 million. The size and the terms of the

contracts are unheard of for African NGOs. They indicate that certain donors are prepared to make real headway towards NGO aid following the principles of the Paris Declaration.

CONCLUSION: A Paris-like Declaration for NGOs is Much Needed

This chapter has highlighted deficiencies in co-ordination and harmonisation among international NGOs. Their disproportionate concentration in certain geographic areas, the unduly heavy reporting burden on local organisations and the opportunities for *mala fide* local organisations are all negative repercussions. The performance of international NGOs with respect to accountability and alignment has been suboptimal, leading among other things to decreased ownership of local organisations. Legal and financial obstacles appear as both causes and symptoms of the current underdeveloped alignment and accountability practices of INGOs. A broken feedback loop in NGO aid appears in the virtual absence of local organisations and individuals from the governing bodies of international NGOs and in the absence of complaint procedures. Certain financial imbalances between Northern and Southern organisations surface in a comparison of contracts that Northern NGOs sign with their back donors with those they sign with their Southern partners. The latter often hamper partners' organisational development. Low local fundraising aggravates this problem.

Various NGO-led initiatives attempt to improve current accountability, co-ordination, harmonisation and alignment practices. The international NGO accountability charter provides a good example, as does the Sphere Project (a Humanitarian Charter and Minimum Standards in Disaster Response). These joint NGO efforts to strengthen performance by common codes of conduct and charters merit praise. Unfortunately, they mostly do not exceed the noncommittal stage. A few progressive institutions have taken critical steps towards bringing NGO aid better into line with the Paris Declaration principles. The examples of ActionAid International and BRAC as well as the joint, decentralised funding schemes of the Nordic Plus donors show that change does not come about easily, but can have a major positive impact on the effectiveness of NGO aid. Such initiatives need deepening, expansion and acceleration. The NGO community needs a Paris-like declaration.

REFERENCES

ACTIONAID (2003), *Southern Perspectives on the Management of Aid by NGOs: Changes in Practice and Implications for Development*. Workshop papers from meeting at ActionAid, London, on 21st March 2003, www.mande.co.uk/docs/workshoppresentationMarch21st.doc (last accessed 26 February 2008).

ACTIONAID (2005a), *Introducing Action Aid International*, www.actionaid.org/assets/pdf%5CAAIntFINAL_1832005_131058.pdf (last accessed 26 February 2008).

ACTIONAID (2005b), *Real Aid, an Agenda for Making Aid Work*, www.actionaid.org.uk/doc_lib/69_1_real_aid.pdf (last accessed 26 February 2008).

ACTIONAID (2007a), *Information Pack*. www.actionaid.org (last accessed 26 February 2008).

ACTIONAID (2007b), *Making Aid Accountable and Effective*, www.actionaid.org/docs/making%20aid%20accountable%20and%20effective.pdf (last accessed 26 February 2008).

ACTIONAID (N.D.), *About Us: History*, www.actionaid.org/main.aspx?PageID=7 (last accessed 26 February 2008).

ADVISORY GROUP ON CIVIL SOCIETY AND AID EFFECTIVENESS (2007), *Issues Paper - Civil Society and Aid Effectiveness*, www.oecd.org/dataoecd/59/11/39499142.pdf (last accessed 26 February 2008).

AFRODAD (2007), *Civil Society Communique From The Inter Regional Dialogue On Paris Declaration On Aid Effectiveness*, www.afrodad.org (last accessed 26 February 2008).

AGA KHAN FOUNDATION (1997), *Regional Review of the Aga Khan Foundation's Activities*, www.akdn.org/agency/akf_review97.html (last accessed 26 February 2008).

AGG, C. (2006), *Trends in Government Support for Nongovernmental Organisations. Is the 'Golden Age' of NGO behind Us?*, Civil Society and Social Movements Programme, Paper No. 23, UNRISD, Geneva.

ASHMAN, D. (2001), "Strengthening North-South Partnerships for Sustainable Development", *Nonprofit and Voluntary Sector Quarterly*, 30 (1), pp. 4-98.

AWID (2006), *Where Is the Money for Women's Rights?*, www.awid.org/publications/where_is_money/web_book.pdf (last accessed 26 February 2008).

BARR, A., M. FAFCHAMPS and T. OWENS (2003), "The Governance of Non-governmental Organisations in Uganda", *World Development*, 33 (4), p. 657-679.

BETTER AID, (2007), *From Paris 2005 to Accra 2008: Will Aid Become More Accountable and Effective? A Critical Approach to the Aid Effectiveness Agenda*. www.betteraid.org/downloads/draft_cso_policy_paper.pdf

BIEKART, K. (1999), *The Politics of Civil Society Building: European Private Aid Agencies and Democratic Transitions in Central America*, International Books, Amsterdam.

BLAGESCU, M. and R. LLOYD (2006), *Global Accountability Report: Holding Power to Account*, One World Trust, London, www.oneworldtrust.org/?display=index_2006 (last accessed 26 February 2008).

BMB MOTT MACDONALD (N.D.), *BRAC Donor Liaison Office, Bangladesh*. www.extranet.ecbmb.nl/Docs/Projects/BMB/BangladeshBRADDLO.pde.doc (last accessed 26 February 2008).

BORNSTEIN, L. (2003), "Management Standards and Development Practice in the South African Aid Chain", *Public Administration and Development*, 23, 393-404.

BRAC (2005a), *History*, www.brac.net/history.htm (last accessed 26 February 2008).

BRAC (2005b), *Donors*, www.brac.net/donors.htm (last accessed 26 February 2008).

CAPACITATE (2007), *Recent International Debates on the Role of Civil Society in Development Cooperation*. Draft version, 9 October, Copenhagen.

CENTRE FOR REPRODUCTIVE RIGHTS (2003), *International Factsheet on "The Bush Global Gag Rule"*. www.reproductiverights.org/pub_fac_ggrbush.html (last accessed 26 February 2008).

CGAP (2001), *In-Country Donor Coordination*, Focus Note 19, www.cgap.org (last accessed 26 February 2008).

CIDIN (2006), *Evaluation of the Theme-based Co-financing Programme Cross-cutting Study: The added value of TMF, Final Report*, www.tmf-evaluatie.nl/Eindrapportage%20TM%2021-3.doc (last accessed 26 February 2008).

CONCORD (2008), Letter to Mr Craig McQuaide, Head of Unit A3, DG Development, 14 January, European Commission.

COOLEY, A. and J. RON (2002), "The NGO Scramble: Organizational Insecurity and the Political Economy of Transnational Action", *International Security*, 27(1), 5-39.

CORCAID (2005), *Local Fundraising*, www.cordaidpartners.com/upload/About%20Cordaid/Financial%20Policy/Local%20Fundraising.pdf (last accessed 26 February 2008).

DAVID, R. and A. MANCINI (2003), *Transforming Development Practice – the Journey in the Quest to Develop Planning, Monitoring and Evaluation Systems that Facilitate (Rather Than Hinder) Development*, www.intrac.org/resources_database.php?id=179 (last accessed 26 February 2008).

DERKSEN, H. and P. VERHALLEN (2007), "Pressures on International NGOs: Time to Reinvent the System: A View from the Dutch Co-financing System, In BEBBINGTON, A. (ed.), *Can NGOs Make a Difference?*, Zed Books, London.

DIETZ, T. and A. DE RUYTER (2007), De juiste maat? Terugblik op het tot stand komen van het Medefinancieringsstelsel. [The right fit? Retrospective on the development on the co-financing scheme], www.partos.nl/uploaded_files/5MFS%20Evaluatie%20Eindrapport.pdf (last accessed 26 February 2008)

EBRAHIM, A. (2003), *NGOs and Organizational Change: Discourse, Reporting, and Learning*, Cambridge, Cambridge University Press.

EUROSTEP (2007), *The Quezon Declaration on Aid*, www.eurostep.org/wcm/dmdocuments/Quezon%20City%20Declaration_final-2.pdf (last accessed 26 February 2008).

FOWLER, A. (2000), "NGDOs as a Moment in History: Beyond Aid to Social Entrepreneurship or Civic Innovation?", *Third World Quarterly*, 21 (4), pp. 637-654.

FOWLER, A. (2005), *Aid Architecture Reflections on NGDO Futures and the Emergence of Counter-Terrorism*. Intrac Occasional Papers Series No. 45, www.intrac.org/docs/OPS45final.pdf (last accessed 26 February 2008).

GATIGNON, A. (2007), "The Role of NGOs in Financing Development. What Do We Know?", unpublished *Mémoire de fin d'Etudes* for Sciences Po., Paris.

GAURI, V. and J. GALEF (2005), "NGOs in Bangladesh: Activities, Resources, and Governance", *World Development*, 33 (12), pp. 2045-2065.

GODDARD, A and M. J. AASSAD (2004), *Accounting and Navigating Legitimacy In NGOs*, Paper presented at the Fourth Asia Pacific Interdisciplinary Research in Accounting Conference, 4 to 6 July, Singapore, www.smu.edu.sg/events/apira/2004/Final%20Papers/1111-Goddard.pdf (last accessed 26 February 2008).

GOM – GEMEENSCHAPPELIJKE OVERLEG MEDEFINANCIERING (2003), *Joint Evaluation of Dutch Organisations*, www10.finances.gouv.fr/fonds_documentaire/TRESOR/cicid/atelier/contrib/37.pdf (last accessed 26 February 2008).

INTRAC (2001), *North - South NGO Partnerships, Legitimacy and Constituencies*. in Ontrac No. 17, www.intrac.org/docs.php/349/ontrac17.pdf (last accessed 26 February 2008).

INTRAC (2006), *Aid Harmonisation: Challenges for Civil Society*. in Ontrac No. 33, www.intrac.org/docs.php/2554/Ontrac33.pdf (last accessed 26 February 2008).

JORDAN, L. and P. VAN TUIJL (2006), *NGO Accountability: Politics, Principles & Innovations*, Earthscan, London.

KOCH, D. J. (2007), "Uncharted Territories: the Geographical Choices of Aid Agencies", *The Broker*, 1(3), pp. 9-12.

KOCH, D. J., J. WESTENENG and R. RUBEN (2007), "Does Marketisation of Aid Reduce Country Poverty Targeting of Private Aid Agencies?", *European Journal of Development Research*, 19 (4), pp. 635-656.

KOCH, D. J. and B. LOMAN (FORTHCOMING), "The Geography of Dutch Aid: Myths and Realities", forthcoming in *The Dutch Yearbook of International Cooperation*, van Gorcum, Assen.

KOCH, D.J. and R. RUBEN (FORTHCOMING), "Explaining Agglomeration of Non-Governmental Organisations: A Geographical Economics Approach", submitted to *World Bank Research Observer*.

KPMG (2004), *Rapportage Doelmatigheidsaudit Medefinancieringsorganisaties*, KPMG, Amstelveen.

LAAN, J. VAN DER (2007), *Where Do You Get Your Orphans? The Clustering of NGOs in the Arusha Region, Tanzania*, www.ru.nl/cidin/onderwijs/onderwijs_caos_2007/overzicht_ba_ma/ (last accessed 26 February 2008).

LOW, W. and E. DAVENPORT (2002), "NGO Capacity Building and Sustainability in the Pacific", *Asia Pacific Viewpoint*, 43 (3), pp. 367-379.

MALHOTRA, K. (2000), "NGOs Without Aid: Beyond the Global Soup Kitchen", *Third World Quarterly*, 21 (4), pp. 655-668.

MARTENS, B, U. MUMMERT, P. MURRELL and P. SEABRIGHT (2002), *The Institutional Economics of Foreign Aid*, Cambridge, Cambridge University Press.

MAY, A. and J. MAGONGO (2005), *NGOs in Development and Poverty Reduction, and Their Relationships with Donors and the State in Tanzania: Views from Civil Society*, REPOA, Dar es Salaam and Dublin City University press, Dublin.

MCGREGOR, J. A. (1998), *Evaluation of BRAC Rural Development Programme II and III. Evaluation Report EV: 606*. London: DFID Evaluation Department, www.dfid.gov.uk/aboutdfid/performance/files/ev606.pdf (last accessed 26 February 2008).

MICHAEL, S. (2004), *Undermining Development: The Absence of Power Among Local NGOs in Africa*, University Press, Indiana.

MERCER, C. (2003), "Performing Partnership: Civil Society and the Illusions of Good Governance in Tanzania", *Political Geography*, No. 22, pp. 741-763.

MORSE, S. and N. McNAMARA (2007), "Creating A Greater Partnership: Analysing Partnership in the Catholic Church Development Chain", *Area* 39 (2).

82 NETHERLANDS MINISTRY OF FOREIGN AFFAIRS (2002), *Civil Society and Poverty Reduction*, the Hague, www.minbuza.nl/binaries/pdf/os-subsidies/civil-society-en-structurele-armoedebestrijding.pdf (last accessed 26 February 2008)

NETHERLANDS MINISTRY OF FOREIGN AFFAIRS (2007), *Lijst van vragen en antwoorden: Tweede Kamer, vergaderjaar 2006-2007*, 27 433, No. 63, parlando.sdu.nl/cgi/login/?anonymous (last accessed 26 February 2008).

OECD (2007), *2006 Survey on Monitoring of the Paris Declaration: Overview of the Results*, Paris, OECD, www.oecd.org/dac/effectiveness/monitoring (last accessed 26 February 2008).

OJANPERA, S. (1997), *Searching for Impact and Methods: NGO Evaluation Synthesis Study*, report prepared for the OECD/DAC Expert Group on Evaluation. Appendix

9: The Bangladesh Case Study, University of Helsinki, Institute of Development Studies, Helsinki, Finland, www.valt.helsinki.fi/ids/ngo/app9.htm (last accessed 26 February 2008).

PARTNERS LIMITED (2005), *The Impact of the EU Financial Regulation on the Relationship between the European Commission and NGOs*, www.socialplatform.org/module/FileLib/StrikingaBalance.pdf (last accessed 26 February 2008).

PORTER, G. (2003), "NGOs and Poverty Reduction in A Globalizing World: Perspectives from Ghana", *Progress in Development Studies*, 3 (2), pp. 131-145.

PRATT, B., J. ADAMS and H. WARREN (2006), *Official Agency Funding of NGOs in Seven Countries: Mechanisms, Trends and Implications*. INTRAC Occasional Papers Series No. 46, August, www.intrac.org/docs/OPS%2046.pdf (last accessed 26 February 2008).

REALITY OF AID. (2007), *The Paris Declaration: Towards Enhanced Aid Effectiveness*, www.realityofaid.org/downloads/RC_Jan07.zip (last accessed 26 February 2008).

RED (N.D.), *Introducing RED*, www.bracresearch.org/introducing.php (last accessed 26 February 2008).

SAVE THE CHILDREN UK (2006), *The Role of Donors in Creating Aid Volatility and How to Reduce It*, www.eurodad.org/whatsnew/reports.aspx (last accessed 26 February 2008).

SCANTEAM (2007), *Support Models for CSOs at Country Level. Synthesis Report*. Scanteam, Oslo, www.betteraid.org/downloads/Scanteam_Report.pdf (last accessed 26 February 2008).

SCOTT-VILLIERS, P. (2002), "The Struggle for Organizational Change: How the ActionAid Accountability, Learning and Planning System Emerged", *Development in Practice*, 12(3), pp. 424-435.

SKALKAER CONSULT (2007), *The Paris Agenda and its Consequences for Civil Society in Kenya*, www.diakonia.se/documents/public/NEWS/14MayFinal_Report_Paris_NGOs.pdf (last accessed 26 February 2008).

SMILLIE, I. and L. MINEAR (2003), *The Quality of Money: Donor Behaviour in Humanitarian Financing: An Independent Study for the Humanitarianism and War Project*, ocha.unog.ch/fts/exception-docs/FTSDocuments/The_Quality_of_Money-Donor_Behavior_in_Humanitarian_Financing.pdf (last accessed 26 February 2008).

STEERING COMMITTEE (2002), *Final Report of the Steering Committee for the Evaluation of the Co-financing Programme*, www.mfp-breed.nl/main_4-1.html (last accessed 26 February 2008).

STEERING COMMITTEE FOR THE EVALUATION OF THE TMF-PROGRAMME (2006), *Synthesis Report*, www.tmf-evaluatie.nl (last accessed 26 February 2008).

TOWNSEND, J., G. PORTER and E. MAWDSLEY (2002), "The Role of the Transnational Community of Non-Government Organisations: Governance or Poverty Reduction?", *Journal of International Development*, 14, pp. 829-839.

TSUNAMI EVALUATION COALITION (2006), *Joint Evaluation of the International Response to the Indian Ocean Tsunami, Synthesis Report*. www.tsunami-evaluation.org (last accessed 26 February 2008)

UNITED NATIONS NON-GOVERNMENTAL LIASON SERVICE (2005), *NGO Statement on Aid Effectiveness*, www.un-ngls.org/cso/cso7/NGO-Statement.pdf (last accessed 26 February 2008).

VINCENT, F. (2007), "NGOs, Social Movements, External Funding and Dependency", *Development*, 49 (2), pp. 22-28.

WALLACE, T. (2000), "Introductory Essay. Development Management and the Aid Chain: the Case of NGOs", in EADE, D., T. HEWITT and H. JOHNSON (2000), *Development and Management*, Oxfam Publishing, Oxford.

WRIGHT, D.L. (1996), "The Pleasures and Perils of Donor Consortia", *Small Enterprise Development*, 7 (4), pp. 32-38.

WORLD BANK (2005), *Engaging Civil Society Organisations in Conflict-Affected and Fragile States. Three African Country Case Studies*. Report No. 32538-GLB, www.worldbank.org (last accessed 26 February 2008).