

## Governance and the Role of Civil Society

### A Dóchas Perspective on the Potential Roles of Ireland Aid and Irish NGOs

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#### 1. Introduction

*“A partnership approach to development is one of the keystones of Ireland Aid. Partnership will only work effectively however if the partner country is governed well. Good governance and the building of capacity to achieve good governance will become and increasingly important element in our aid programme. Without good governance, the rule of law, respect for human rights, and democracy, no amount of development assistance will be effective. Good governance cannot be achieved overnight. It has to grow organically from the very roots of civil society”.*

Liz O'Donnell TD, Minister of State, National Forum on Development Aid 1999 – Ireland Aid the next 25 years.

This quote captures some of the challenges facing Ireland Aid in building for the future in the context of a rapidly expanding programme. Governance is a key development issue. So too is enabling civil society actors to participate in a meaningful way in the development process. Many of the concepts emphasised by the Minister in the quote have their roots in the work of Dochas members who have years of experience in working in partnership with local communities, focusing on marginalised groups, promoting their participation in their own development, and prioritising a human-rights based approach to development.

**Dochas welcomes this opportunity for a dialogue that we see as the beginning of a long-term collaborative process.** Moreover, a key element in Ireland Aid being in a position to work with other governments and to encourage them in working with their own respective civil societies is that Ireland Aid and other relevant parts of government engage in strategic dialogue with NGOs in Ireland.

**As part of the developing dialogue between government and Irish NGOs, it is important that, where Ireland Aid is organising seminars or consultative processes on specific issues (e.g. on macro-economic support for a particular country), Dochas members are involved in these processes at a very early stage.**

**Furthermore, Dochas recommends that where it is intended to invite government representatives from partner countries to particular seminars or consultations, that key civil society representatives from those countries should also be invited to participate.**

## *Definition of Civil Society*

The term 'civil society' is understood by Dochas as the broad space between households and government. Within this space, **our members seek to support and build alliances with those actors that are primarily concerned with tackling poverty and injustice and with the promotion of human rights (including economic, social, civil and political rights) for all sectors of society.**

It is increasingly accepted that real progress in tackling development deficits can only be made by building the institutions for good governance (e.g. legal and fiscal systems) and by ensuring genuine civil society participation. **The starting point for Dochas is that enabling civil society to participate in governance is central to achieving poverty reduction and respect for human rights, both of which are stated objectives of Ireland Aid.**

At the outset, it is important also to make the distinction between poverty alleviation and poverty reduction. The term "poverty alleviation" can be used to signify an exclusively welfare or safety-net approach. However, what is needed is poverty reduction, by which we mean a structural approach to the elimination of poverty.

In this submission, DOCHAS will focus on the following areas:

- Governance as a development issue
- The key role of Civil Society
- Challenges for Ireland Aid in working on Civil Society
- Challenges for Irish and international NGOs
- Financing Mechanisms

While our presentation is not a blueprint for action, it does make some practical recommendations on how Ireland Aid, in conjunction with Irish NGOs, can best support good governance and a growing role of southern civil society therein. It is expected that a substantial level of further work will be required in further developing the position of Dochas members on this issue.

## **2. Governance as a Development Issue**

Ireland Aid has an opportunity to make its support for governance and the role of civil society a hallmark of its policies and to encourage other donors to follow suit in this regard.

Dochas sees governance as the means by which institutions, business and citizens groups articulate their interests, exercise their rights and obligations, and mediate their differences. **Good governance is not something that the state does to society, but rather is the means by which society and the individuals who comprise it regulate the various aspects of their collective life. This process is based on the universal values found in the UN charter.**

It is important to distinguish between good, weak, bad and absent governance. The Government of India prohibits slavery, but the prevalence of slavery in the country is an example of weak governance. Widespread corruption in Kenya is a commonly cited as an example of bad governance. Somalia is a case of a fragile state lacking a central government, but where the strengthening of civil society at provincial level is opening up space for building up a future government from the grassroots.

**The challenge for Ireland Aid and NGOs is to develop innovative ways of ensuring that their aid flows benefit poor communities, and that these communities are not penalised because of the category of governance that their countries fall into, or because they live in conflict situations where bilateral aid programmes are interrupted or suspended.** In the case of absent states or in conflict situations, resources can be channelled through other routes i.e. through civil society actors.

## **3. The key role of civil society: genuine participation as a key to poverty reduction– a Dochas Perspective**

The Ireland Aid issues paper identifies four important roles that civil society should play, namely:

- Holding government accountable
- Influencing government policy and lobbying for change
- Demanding efficient public services
- Delivering essential services, where there is an added advantage or greater capacity

These roles capture the multifaceted character of NGOs and their areas of engagement. However, it must also be added that these are not separate or distinct activities, but are intrinsically linked to each other. For instance, advocacy on economic justice in relation to macroeconomic policy framework is promoted through NGO debt campaigns as well as macroeconomic and budget monitoring programmes. This is of course linked to work on issues of probity with respect to the expenditure of exchequer resources.

Not only are civil society groups checking if exchequer resources are used for stated purposes, but they are also asking whether the stated purposes are the best options in terms of poverty reduction.

#### *Role of International NGOs*

**Dochas sees the role of Northern NGOs as increasingly moving away from the traditional direct service delivery function towards a greater emphasis on building of partnerships with and enhancing the capacity of Southern NGOs and CBOs, so that these local civil society actors can pursue their own agenda in holding governments accountable, influencing policy, demanding efficient public services, and in providing essential and appropriate services.**

This supporting and partnership role of international NGOs and networks, including Dochas members, is further complemented by **direct advocacy work aimed at influencing the policies of home governments, international financial institutions, multilateral institutions, and bilateral donors on key issues**, so that there is strong coherence and complementarity in the roles being played by civil society actors in the South and in the North.

The ultimate aim of this approach is to **create strong civil society movements at local, national, regional and global levels** in order to ensure accountability and good governance at all levels and to bring about the significant changes required to eliminate poverty and injustice in developing countries.

## **4. Challenges for Ireland Aid in working on Civil Society and governance**

### *4.1 Complementary Qualities of Ireland Aid and Irish NGOs*

Dochas welcomes the statement (in the issues document) that Ireland Aid sees its primary partnership as being with Southern governments. Ireland Aid has acquired substantial experience in providing financial assistance, technical and management support to governments in developing countries at national and district level over a period of almost 30 years. Irish NGOs who are members of Dochas have a similar level of long-term experience of linking with and supporting civil society organisations in developing countries.

**The process of developing good governance, accountability and strong participation by all sectors of society in a developing country will require a considerable level of external support for both government and civil society. It is logical that in seeking to provide this support that bilateral donors such as Ireland Aid and international NGOs such as Dochas members should seek to target their support on the basis of their respective competencies and experience, and should do so in a manner that will provide maximum complementarity between the approaches of the donors and INGOs.**

A coherent approach from donors and INGOs alike is particularly important because, even in a situation where aid budgets and public donations are increasing (as in Ireland at present) the overall level of

funding available for international development programming is still finite, and is very small in relation to the overall needs of developing countries.

**On the basis of the above argument, Dochas believes that the primary role of Ireland Aid in supporting good and participatory governance should lie in providing support to partner governments for the establishment and development of institutions and systems for accountability and governance. Likewise, the primary role of Dochas members and other INGOs should be in linking with and supporting civil society organisations and in order to ensure full participation by all sectors and levels of society in decision-making and monitoring processes. Ireland Aid also has a crucial role to play in encouraging partner governments to adopt a positive attitude towards the participation of and collaboration with civil society.**

#### *4.2 Specific role of Ireland Aid in supporting the development of Civil Society*

Some bilateral donors attempt to create direct 'civil society development programmes' that are often very top-down in approach and do not take into account the needs and ways of working of civil society movements. A hands-on approach to civil society development by donors can also lead to considerable tensions where the donor government support for vociferous CSOs may be interpreted by the host government as unwarranted interference in its affairs. Dochas strongly recommends that Ireland Aid should not adopt this type of approach, but should base its civil society strategy on developing its relationships with Irish and other international NGOs that are the natural allies of Southern civil society organisations.

Dochas sees Ireland Aid as having a very important triple role to play in helping to build up indigenous civil society in partner countries:

- **Ireland Aid should encourage and support its partner governments in the South to develop good partnerships with civil society organisations in their respective countries**
- **Ireland Aid should support civil society by promoting links and partnerships between civil society in the North and the South through investment in programming and advocacy activities**
- **While recognising the independence of NGOs, Ireland Aid should work strategically with Irish NGOs in order to ensure that there is strong understanding and complementarity between the support for institution-building given to partner governments by Ireland Aid, and the capacity and partnership support given by Irish NGOs to CSOs in the same countries.**

Ireland Aid should also be wary of creating token support structures for CSOs through the establishment of special 'civil society funds' from which local or international organisations can draw down small grants for very specific areas of work. This sort of approach provides only a very limited degree of support, and does not encourage any form of coherence in developing the capacities and strategies of CSOs.

**By adopting a strategic approach to governance and civil society work based on effective collaboration with Irish and other international NGOs, Ireland Aid can be a key agent in influencing other donors to resist or move back from inadequate attempts to directly build Southern civil society via short-term or superficial schemes.**

#### **4.3 Common Strategies in Priority Aid Countries**

Particular efforts should be made to adopt a **common strategy on civil society and governance issues for Ireland Aid and Irish NGOs in each of the priority aid countries. This strategy should be based on a shared analysis and input to each other's Country Strategy Papers. When finally developed, these strategies should have a long-term perspective and should include clear indicators for the measurement of outcomes and impact. Where there is not full agreement on approaches and strategies, the parties can record the differences, and use them as a basis for discussion when**

measuring programme outcomes and impact at a later stage. It is also very important that key indigenous CSOs should be enabled to provide input to these common strategies.

#### 4.4 Balancing Support for Government with support for Civil Society

It should be a fundamental principle of Ireland Aid's strategy on governance and civil society that **in every sector where IA is giving support to a partner government there is a correspondingly substantial level of investment in support for the development of Civil Society within the same sector. Area based programmes may not be the most compatible with a civil society approach, but where they occur, investment in Civil Society should be proportionate to the investment in state-building. Macro-economic support for partner governments should likewise be balanced by substantial investment in Civil Society work to monitor the governance process, budgeting procedures, national poverty reduction strategies and public expenditure.**

The latter is particularly important at a time when, in the rush towards macro-economic support donors are actually reducing their support for civil society (e.g. in Uganda). All of this CS support should take the form already outlined in this paper (i.e. it should be channelled strategically and coherently via INGOs) and would require a substantially larger level of investment than heretofore.

#### 4.5 Accountability

A key role of official donors is to work with and support Southern governments in building up the structures and institutions of governance and in making them accountable. This relationship and process should not be seen as a new form of external aid conditionality. **The primary accountability of government should be to its own civil society rather than to external donors** – i.e. internal rather than external accountability is the priority.

#### 4.6 Government attitude towards Civil Society

In many countries, and even in those countries deemed to be “good reformers”, governments are often extremely nervous of or even hostile to the development of civil society. In countries with weak governance, civil society is frequently equated with political opposition. This can even be the case in countries that are very popular with donors. In Uganda, for example, the move by several donors towards macro-economic support has been accompanied by the introduction of new legislation before parliament further limiting the freedom of association of NGOs

**This places considerable responsibility on official donors to explain to Southern governments how a strong and informed civil society is quite the opposite of partisan politics and in the case of Ireland Aid, to show that Irish Governments have years of experience in making this important distinction.**

#### 4.7 Improving Weak Governance

In many countries, Ireland Aid and other donors are faced with the constraints posed by weak governance. In these situations, the approach adopted by Ireland Aid should not be to simply refuse to provide financial support until governance is improved, but rather **to actively seek to support governments in improving their systems of accountability and governance.**

Good governance can be achieved by investing in the development of institutions and systems that will create greater accountability, with civil society playing a key role in the monitoring of these systems. Where governance is identified as being weak, the emphasis might be placed on ‘participatory governance’ rather than ‘good governance’ in the early stages of support i.e. **the emphasis might not be so much on the existing quality of governance systems and structures, but on the willingness of the partner government to generate tangible improvements that are monitored by its civil society.**

#### 4.8 Macro-economic Support and PRSPs

The shift towards budget support and investing in national poverty reduction strategies (PRS) requires that Ireland Aid develops clear strategies for ensuring the full participation of civil society. **The formulation of Poverty Reduction Strategies by governments in consultation with their respective civil societies provides a real opportunity for strengthening a key facet of good governance**, namely justice in the distribution of and access to economic resources.

**IA should work coherently with other donors and international NGOs to ensure that the mechanisms for development of PRSPs are used as an opportunity to develop a strong civil society voice. Particular steps must be taken to ensure that this CS voice is not just represented by national level NGOs, or elite groups, but is representative of CS at all levels. Given the communications difficulties in most developing countries, the finance and time required for widespread consultation and participation are significant. This will require a very high level of donor and NGO support sustained over a long period of time.**

#### 4.9 *Linking field work to Multilaterals*

One of the ways in which Ireland Aid can seek to maximise its engagement with Northern and Southern Governments on issues of national and global governance is to **establish strong links between its field programmes and the work of Irish Government representatives at multilateral organisations** (e.g. in International Financial Institutions) so that Irish Government positions are firmly rooted in the Ireland Aid field experience.

#### 4.10 *Partnership does not mean co-option*

In seeking to involve civil society organisations or representatives in consultative or monitoring roles, it is important that they are not expected to be fully integrated into the government structures and therefore lose their voice as independent lobbyists on behalf of civil society. This presents challenges for governments and CSOs alike: for the governments in recognising that **CS representation is essential but does not equate to co-option**, and for CSOs in ensuring that they participate fully while maintaining their independent viewpoints and lobbying activities.

#### 4.11 *Giving Space*

In Ireland Aid's desire to embrace governance and civil society issues, it is important to avoid the ever-present danger of crowding out civil society rather than including it in decision-making processes. For example, feedback from partners in Zambia reveals that civil society actors are concerned that bilateral donors have been taking up too much policy space and influence in sectoral PRSP working groups. **Donors must know when to be observers and facilitators and when to take a more active role.**

#### 4.12 **Parallel Programming**

Where CSOs are involved in providing basic services to the community, there is always a danger that the CS service delivery function will end up replacing rather than complementing government services. Overburdening of CSOs with extensive service delivery functions may also leave them unable to adopt their important monitoring and lobbying roles.

**External donors and INGOs alike need to make it clear that the primary responsibility for financing the delivery of basic services such as education and healthcare lies with Government.**

Government is therefore responsible for ensuring that national budgets and plans, including poverty reduction strategies, allow for sufficient resourcing of basic services. Donors also have a responsibility to ensure that the conditions are created to allow Southern Governments to generate these resources.

#### 4.13 *Response to Questions in Issues Paper*

In response to the specific questions raised in the issues paper, we wish to confirm that Dochas sees the role of Ireland Aid not as engaging directly in attempting to build civil society, but rather in developing coherent strategies that will facilitate Irish and other international NGOs to form partnerships with and support Southern CSOs, including all of those groups mentioned in the issues paper (i.e. NGOs, advocacy

groups, community groups, the media, and churches). Ireland Aid also has a crucial role to play in supporting southern governments to recognise the importance of civil society, and in enabling them to engage constructively with it.

In terms of sectors in which to support civil society, we have indicated that all key areas of bilateral support, be it macro-economic support, sector wide approaches or area based programmes, should be counterbalanced with a significant level of investment in support for civil society work. New areas of focus do not need to be defined immediately, but should emerge from a process of dialogue. Some of the areas that suggest themselves for inclusion at this stage include HIV / AIDS, support for economic and budgetary monitoring work, and work for the most excluded and marginalised groups of society.

## 5. Challenges for Irish and International NGOs

We have previously referred to the evolving nature of the relationships between International NGOs and indigenous Southern CSOs (Section 3). These relationships are developing particularly in relation to shared advocacy work and in the integration of policy and programming. Northern NGOs are increasingly taking up the challenge to support the development of greater policy dialogue in the South and **can play a role in assisting official donors to know more about local civil society concerns**. INGOs can also facilitate and mediate relationships between these two groups, and are less hampered by the uneven power relationships that exist between official donors, government and NGOs.<sup>11</sup> One of the key challenges for Northern NGOs lies in retaining autonomy rather than becoming contractual agents for donors. While this is an issue primarily for NGOs to focus on, **governments can play their part by ensuring that the conditions attached to their financial support do not dilute the independence or identity of NGOs**.

It is also important to recognise the risks that challenging government can place on our local CSO partners in developing countries. This is why it is so important to foster strong links between northern and southern advocacy work, so that the **positions being taken by southern CSOs can be supported at a broader level**.

Some of the other challenges facing international NGOs in their currently evolving role are as follows:

- q To ensure that the advocacy dimension is integrated with service delivery type of programmes
- q To ensure that small locally based projects are linked to the broader issues at provincial, national, regional and ultimately global level movements for change
- q To ensure that all programmes have a significant capacity-building dimension, where the emphasis is not on the implementation of specific projects in the short-term, but on the development of the capacity to achieve significant change in the longer term
- q To ensure that there is much greater cohesion and alliance building in the work of individual NGOs, within NGO networks, and across networks working together
- q To ensure that there are much better linkages between NGO and donor programmes

**It is important to recognise that there is considerable diversity in the current approaches and capacities of individual NGOs, and that a considerable amount of work is required on the part of each NGO, and on the part of Dochas, to see how the NGOs can contribute both individually and collectively in the most effective and appropriate manner in supporting civil society in developing countries.**

The ability of NGOs to meet these challenges will clearly be an issue of considerable interest to Ireland Aid and other bilateral donors in situations where the common strategies on governance and civil society, as proposed in this paper, are being adopted.

## 6. Financing Mechanisms

Dochas recognises that the funding mechanisms for NGOs are likely to change substantially as a result of the ongoing Ireland Aid review process. It is important, nevertheless, to draw attention to a number of anomalies in current IA funding mechanisms that, if not changed, will undermine the ability to make

progress on supporting civil society in developing countries. Although more flexible funding arrangements are likely to be introduced in the medium-term, Dochas believes that a number of beneficial changes should be introduced to existing funding mechanisms in the immediate future, while awaiting the more substantive changes later on. Our recommendations are as follows:

- **Eligibility for support under Ireland Aid's Human Rights and Democratisation (HRD) budget line should be extended to cover priority aid countries, and the resources for this budget line should be expanded.** The continuing exclusion of priority countries from this budget line contradicts Ireland Aid's prioritisation of the promotion of good governance as a cornerstone of its development initiatives. The HRD line should ultimately be integrated into a broader civil society strategy as the emphasis should be on developing coherent strategies rather than on funding of isolated programmes (Ref. Section 4.3).
- **The NGO Co-financing budget line should be made more flexible in order to enable more support for capacity-building projects i.e. eliminate restrictions on personnel, travel and running costs.** In line with Ireland Aid shift towards multi-annual funding and recognising the long-term nature of such programmes, grants should be obtainable on a multi-annual basis rather than on the existing one-off basis.

## 7. Conclusion and Recommendations

Several recommendations have been made in this paper with regard to the role that Ireland Aid can play in relation to the development of good governance and the full participation of civil society. Three primary requirements arise from these:

- q The need to develop an ongoing strategic dialogue and relationship between Ireland Aid and Irish NGOs in jointly addressing governance and civil society issues
- q The need to recognise the different but complementary roles that Ireland Aid and Irish NGOs have to play in this process, and the need to avoid any confusion over those roles
- q The need to significantly increase investment in support for civil society work so that in every sector or area where Ireland Aid is providing support to government, there is a correspondingly substantial investment in support for civil society

**Ireland Aid, in conjunction with Dochas, should develop a comprehensive strategy and integrated programme of support for civil society work in its priority countries, and in the developing world as a whole. Dóchas members should play a significant role in the implementation of this common strategy in parallel with Ireland Aid. The development of this programme would entail a significant increase in the level of funding being allocated towards civil society capacity-building initiatives.**

The suggested creation of a policy / research unit within Ireland Aid could make a significant contribution to the linking of advocacy and programme work, and aspects of the governance / civil society strategy could be reviewed at specific fora e.g. the IAAC Forum.

In developing their strategies on governance and civil society issues, Ireland Aid and NGOs should take cognisance of the differences and complementarities of their respective roles. The primary focus of Ireland Aid's work should be in providing bilateral support for capacity building to manage government portfolios, public expenditure reviews, participating effectively in complex international negotiations, and in running effective legal and judicial, education, health and other systems.

The role of NGOs is in directly linking to and supporting CSOs at all levels so that they can provide a full civil society contribution towards the development and monitoring of strategies and implementation processes. Given the current diversity in approaches and capacities of NGOs, it is recognised that a considerable amount of work is required on the part of Dochas and its members to see how the NGOs can contribute both individually and collectively in the most effective manner to the development of civil society in developing countries.

**In establishing participative systems for strategy development, monitoring and evaluation, it is essential to provide effective checks and balances so that there is full accountability, not just on the government side, but also on the part of civil society actors.**

Support for the development of good governance and a fully participative civil society requires a long-term approach. We believe that Ireland Aid and Dochas can work constructively together in implementing a strategy that will make a real difference to the lives of poor and marginalised people in developing countries. We also believe that by working together Ireland aid and Dochas can develop a model of collaboration on governance and civil society work that will encourage others to follow our example.

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<sup>[1]</sup> An example how this arises in an Irish context is in linking the work of TASOET, (a Tanzanian NGO supported by Irish NGOs) on PRSP with the current review process of debt policy in Ireland Aid. As Ireland Aid moves towards budget support for Tanzania, issues as the civil society role as a countervailing force to monitor and influence government allocations of such funds will move up the policy agenda