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Rev.1

Inter-Agency Consultation on Operational Collaboration
with Civil Society Organizations (CSOs)

**SYSTEM-WIDE SURVEY OF EXPERIENCES
AND BEST PRACTICES IN CSO
CAPACITY-BUILDING AND INSTITUTIONAL DEVELOPMENT**

February 1999

Task Managers:

UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION (UNIDO)
UNITED NATIONS INTERNATIONAL DRUG CONTROL PROGRAMME (UNDCP)

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Introduction

1. The present report describes findings based on a system-wide survey of experiences and best practices in capacity-building of Civil Society Organizations (CSOs) and was prepared in the context of inter-agency consultations on programmatic and operational collaboration with Civil Society Organizations (CSOs), that was organized by the Consultative Committee on Programme and Operational Questions (CCPOQ) and the United Nations Non-governmental Liaison Service (NGLS). The first such consultation, which took place in Geneva on 20 and 21 November 1997, agreed, *inter alia*, to undertake a system-wide survey to determine the activities already undertaken in capacity-building and institutional development of CSOs and elected UNIDO and UNDCP as task managers for that purpose.

2. It was also proposed that the survey results should build upon and feed into the parallel process undertaken by the International Working Group on Capacity-Building Initiatives. The International Conference on Capacity-building of Southern NGOs, held at Brussels from 6 to 8 May 1998, launched an International Forum on Capacity-Building of Southern NGOs. The overall purpose of this initiative is to build a multi-stakeholder forum in which Southern NGOs engage Northern NGOs and donors in debate and innovation to shape conceptual approaches, policies and practices for future capacity building intervention. The Forum will focus on capacity-building priorities of Southern NGOs with a view to enhancing their contributions towards addressing issues of poverty, marginalization, democratization, strengthening of civil society, human rights and sustainable human development.

Scope of the survey

3. Based on the Consultations, and in the absence of systematic documentation on activities of UN agencies in CSO capacity-building, the survey attempts to identify (a) experiences and best practices to improve CSO effectiveness and sustainability and (b) the role of the UN system in creating an enabling environment for CSOs at the national and supra-national level. While the International Forum concentrates mainly on development NGOs active in the above areas, the present survey covers a wide range of CSOs, in consideration of the diversification of UN agencies participating in the survey.

Methodology

4. The survey is based on a questionnaire, prepared by the task managers, which was sent to all UN system agencies and several bilateral development agencies that participated in the Consultation. Responses to the questionnaire were received from: Economic Commission for Africa (ECA), Food and Agriculture Organization (FAO), International Fund for Agricultural Development (IFAD), International Labour Organisation (ILO), International Trade Centre UNCTAD/WTO (ITC), United Nations Programme on Aids (UNAIDS), United Nations Conference on Trade and Development (UNCTAD), United Nations Department of Economic and Social Affairs (UN/DESA), United Nations International Drug Control Programme (UNDCP), United Nations Development Programme (UNDP), United Nations International Children's Emergency Fund (UNICEF), United Nations Industrial Development Organization (UNIDO), United Nations Volunteers (UNV), United Nations Non-Governmental Liaison Service (UN/NGLS), World Bank, World Food Programme (WFP), World Health Organization (WHO). The response received from one bilateral development agency, the Australian Agency for International Development (AusAID), is referred to in the annex.

Concept of capacity-building

5. Although there is no system-wide definition of the capacity-building concept, the survey makes a distinction between efforts to build the capacity of an individual organization and those which contribute to the institutional development of the sector as a whole. The following definition was proposed by the task managers to participating agencies to facilitate responses to the questionnaire:

Capacity-building can be defined as an explicit intervention that aims to improve an organization's effectiveness and sustainability in relation to its mission and context and encompasses a wide range of activities that contribute to improving CSO performance and sustainability.¹

Institutional development is concerned with wider changes in society, i.e. social, political and economic structures and the creation of an enabling environment for CSOs which implies changes outside the boundaries of a single organization.²

I. THE MICRO LEVEL: ACTIVITIES IN SUPPORT OF INDIVIDUAL CSOs

A. Capacity-building: Improving CSO performance and sustainability

6. Activities undertaken by various UN agencies aimed at improving CSO effectiveness and sustainability include:

Technical cooperation and advisory services

7. Technical cooperation and advisory services are provided by a number of agencies including ECA, FAO, IFAD, ILO, ITC, UNAIDS, UNCTAD, UNDCP, UN/DESA, UNICEF, UNIDO, UNV, WFP and WHO. They are often designed to **build a particular capacity or skill within an organization** and aim at strengthening technical, legal, training and managerial capacities, including supporting organizational assessment, and developing and clarifying organizational values and mandates. Provision of access to information is considered essential for the upgrading of CSO performance.

The Popular Coalition to Eradicate Hunger and Poverty, a consortium for action comprising civil society and intergovernmental organizations, working jointly to strengthen the capacity of CSOs to fight hunger and poverty, has initiated the Civil

¹ James, Rick. 1994a. *Strengthening the Capacity of Southern NGO Partners*. INTRAC Occasional Papers Series. Vol.1, no.5.

² Fowler, Alan, Piers Campbell and Brian Pratt. 1992. *Institutional Development and NGOs in Africa: Policy Perspectives for European Development Agencies*. INTRAC, Oxford.

Society Empowerment Facility (CSEF). Jointly designed by IFAD, six regional and international NGOs, one producers association, the World Bank and FAO, CSEF aims at enhancing the ability of the rural poor and their organizations to gain and/or protect their access to productive resources (land, water, forests, etc.) and to the tools and processes (including knowledge, technology, institutional models and finance) that will enable them to manage such resources in a sustainable manner.

Advice and networking services are provided to CSOs by UN/DESA to help improve their ability to contribute to the work of intergovernmental bodies related to the Economic and Social Council of the United Nations, including the Commission on Sustainable Development and the Commission on the Status of Women, and (b) local, national and regional decision-making structures. Guidelines and workshops are provided to major groups to inform them and facilitate their participation.

UNIDO's integrated programme for Kenya intends to enhance the capacity of Kenya's main private sector institutions to contribute to industrial policy dialogue and to assist enterprises become more competitive in both global and domestic markets. The programme will directly address specific institutional capacity-building requirements, by providing those institutions with the ability to provide specific technical and business advisory services to their members, and to increase the input of the private sector to industrial policy.

Training

8. Training is provided to individual CSOs to **upgrade technical skills and strengthen CSO overall operational capacity**. This has resulted in CSOs acting as intermediary or project implementation organizations of several agencies, such as ECA, IFAD, ILO, ITC, UNCTAD, UNDCP, UNICEF, UNIDO, WFP, WHO and the World Bank. CSOs are provided with "counterpart training" on specific areas of specialization of the various agencies, including training in general aspects of administration, accounting and management, specialized training in sectoral methods and technologies and participatory methodologies. Training is also provided by some agencies outside of the project implementation context, in partnership with CSOs and **responding to their own felt needs**.

ECA's main CSO capacity-building activities are targeted to the organizing of national training workshops. Those workshops aim at strengthening the capacity of CSOs to effectively contribute to and influence the policy-making process as well as at NGOs/CSOs organizational development, strategic planning, resource mobilization techniques/donor relations and financial management. To this end, ECA prepares training manuals on effective communication with a view to promoting participatory development.

FAO is working in tandem with farmers' organizations in West Africa to strengthen their capacity in agricultural policy analysis, to better understand the impact of international trade measures on small producers and to develop and apply their own strategies of sustainable agriculture based on the logic of family farms. A similar

programme is getting underway in the SADC region in collaboration with IFAD. An FAO/NGO cooperation programme in South Asia is strengthening the capacity of NGO training centres to provide technical services in sustainable agriculture to other NGOs and community-based groups.

The WFP training and staff development programme includes the strengthening of capacity-building at the country level through the training of CSO counterparts in emergency projects or specific training related to food management, emergency, gender or contingency planning.

The Pan American Health Organization (WHO/PAHO) strengthens the organizational capacity of the growing number of nascent associations active in the prevention of chronic non-communicable diseases through organizational and leadership training courses. This includes organizational questions of management, external linkages, programme delivery, human and financial resource mobilization, sustainability, mission and vision statements as well as the fundamental issues of leadership, strategic thinking, communication and project planning.

Funding

9. *General funding* is provided by several agencies including IFAD, ILO, UNAIDS, UNIDO, UNV, and UNIDO for specific capacity-building components within technical cooperation activities or general support. The latter includes funding organizational assessments and definition of organizational development strategies, innovative projects with potential for "learning by doing", financing seminars, workshops, conferences and other learning fora.

10. Agencies, such as IFAD, UNDCP, UNDP, WFP and the World Bank, provide *direct funding* to CSOs.

The World Bank's Population NGOs Special Grant Programme seeks to identify and strengthen the capacity of small grassroots indigenous NGOs working in population-related fields in developing countries. The Bank's social fund is a demand-driven multi-sectoral fund that finances small, grassroots development sub-projects aimed at improving access of the poor to social services, employment opportunities and income-generating assets.

UNDCP uses funds donated by a Japanese CSO to fund CSO activities in developing and transition countries through small grants for capacity-building activities in the area of drug demand reduction (i.e. preventive education and the provision of treatment and rehabilitation services). Funding is also provided through multi-faceted projects specifically designed to support NGOs.

IFAD's Extended Cooperation Programme provides grant funding to CSOs to promote pilot activities that lay the ground work for future IFAD investments or support ongoing projects. This may include activities such as testing new technologies with special advantages for the rural poor, testing new institutional approaches in various subsectors and instituting training programmes.

WFP aims at strengthening the financial capacity of NGOs, particularly in relief situations. Through LTSH (landside transport, storage and handling model) funds, WFP provides NGOs with the means to carrying out emergency food distribution on its behalf, for example by covering cost for equipment and staff.

B. Guidelines for capacity-building

11. Although *most agencies do not have an explicit statement or guidelines on capacity-building for CSOs, several agencies* have already or are in the *process of elaborating policy statements on CSO capacity-building*. Capacity-building is often referred to in general mission statements, guidelines for accessibility of CSOs to various funds and general policy frameworks for technical cooperation activities. In many cases, capacity-building components are built into overall programmes and projects, and are often funded through core programme budgets.

12. ECA is in the process of finalizing a policy document on "CSO capacity-building: a common framework". FAO is concluding a review of its policy and strategy of cooperation with CSOs/NGOs, conducted in consultation with NGOs in all regions, which emphasizes capacity-building as an important area of work. IFAD's mandate and policies place special emphasis on harnessing and building the strength of grass-roots organizations as a central feature of its approach to poverty alleviation. ITC is currently undertaking some research on the subject and policy guidelines will eventually be issued. UNDP includes in its policy statement a clear commitment to support the capacity-building needs of CSOs by providing them access to accurate information and appropriate skills. UNIDO's integrated services relate to the development of institutional support mechanisms for industrial development and include statements on capacity-building and creating an enabling environment, apart from governmental and private sector institutions, for industry-related CSOs. UN/DESA has guidelines on information exchange with non-governmental actors which focus on building capacity for informed participation and contribution to intergovernmental processes that UN/DESA coordinates and monitors. CSO capacity-building efforts of the UN/DESA Office are furthermore based on relevant General Assembly resolutions, i.e. Agenda 21, Section III; and the United Nations New Agenda for the Development of Africa in the 1990s (UN-NADAF), adopted by General Assembly Resolution A/46/151, which states that "the focus of the international agenda on popular participation, human resource development and capacity-building calls for an increased role for non-governmental (African and non-African) in various areas, including the promotion of indigenous small-scale businesses, especially in the rural sector, community development projects, training, etc. WFP's policy paper on partnership with NGOs, submitted to its Executive Board in January 1999, contains a major focus on strengthening NGOs to build national capacity .

C. CSO overview

13. The majority of capacity-building activities carried out by agencies participating in the survey are *targeted to CSOs in developing countries and countries with economies in transition, often referred to as Southern CSOs*. A few agencies, such as IFAD and UNDP, direct a small portion of their capacity-building activities to CSOs in OECD countries, referred to as Northern CSOs.

14. Target groups include a *wide range of Civil Society Organizations* such as development NGOs, humanitarian/relief NGOs, associations (business, industry, farmers, technical, professional), training and research institutes, employers and worker's organizations, specialized CSOs (i.e. women, youth, environment, drugs, HIV/AIDS), cooperatives, community development and management groups, community-based product and service organizations, universities, churches and religious groups. Capacity-strengthening activities are *mainly directed to CSOs at the local and national level*, but also to some extent at the regional and international level.

15. Due to the decentralized nature of several agencies, lack of databases and the fact that much capacity-building is included under technical cooperation activities, data on the number of CSOs benefitting from capacity-building activities and resources spent are not readily available. For the last 3 to 5 years, several agencies, such as UN/DESA, UNDP, UNV, WFP and the World Bank, have indicated a range exceeding 500, while ECA, ILO, ITC, UNDCP and UNIDO have indicated a range between 100 and 500. As to resources spent, including technical and financial assistance through direct and indirect channels, only limited information is available. ILO, ITC, UNV, UNDCP and UNDP each spent between US\$500,000 and US\$20 million per annum for capacity-building activities directed to CSOs.

D. Selection of target groups and needs assessment

16. *The selection of target groups* for CSO capacity-building activities is strongly *linked with assessing CSO institutional capacity*. Several agencies (World Bank, UNIDO, UNDP, WFP) include capacity-building activities as project components. CSOs are often chosen for their technical capacities in specific sectors matching project requirements. Several agencies (ECA, FAO, ILO, UNV, UNDCP, UNICEF, UN/DESA, UNIDO) carry out capacity-building activities in response to specific requests by the organizations themselves.

17. With respect to *assessing CSO institutional capacity, no commonly accepted formal, systematic methodologies appear to be available*. Several agencies mention basic requirements for CSO partner selection in project activities such as adequate staffing, managerial and technical capability and financial accountability. In the absence of formal, organization-wide methods, UNDP country offices use a variety of different tools for assessing CSO capacity. Efforts are under way to assist in defining key criteria and developing appropriate capacity assessment tools. In this context a recent UNDP Management Development and Governance Division publication states that, "Key capacity requirements to be assessed include at the organizational level: vision and mission, strategy, policies and values, competencies and functions, processes (internal and external), human resources and financial

information and physical resources” and that, “in the case of community-based organizations it is important to assess capacities to organize, build consensus, plan, budget, implement, learn and evaluate in a participatory manner”.

18. *Needs are assessed through* identifying and formulating *technical cooperation activities*, through consultations with Governments and the private sector, within the framework of research and through specific *studies* as well as through thematic *workshops and conferences* where experience is shared and needs identified. Needs assessment is also carried out in *direct consultation* with the institutions concerned, whereby CSOs’ own assessment of their needs is considered essential.

II. THE MACRO LEVEL: CREATING AN ENABLING ENVIRONMENT

19. UN system activities to contribute to the institutional development of the CSO sector in developing countries can be seen as a strategy for a more equitable and sustainable process of development and include:

A. Institutional development at the country level

Advocacy

20. Survey participants recognize the important role played by CSOs as advocates for policy change and institutional reform. Agencies increasingly engage in providing access to and dissemination of information in their respective areas, as well as in *exchange of information, ideas and experience* with CSOs. Moreover, they hold *consultations* with CSOs *at strategy and policy levels* on key issues and carry out policy workshops on specific topics, bringing together policy-makers and other key players, technical and planning meetings and policy advisory missions. Several agencies emphasize the need for increased consultations with CSOs in developing countries as well as structures for more systematic policy consultations with CSOs in key areas.

ECA has been putting emphasis on advocacy for a participatory development approach involving contributions from effective indigenous CSOs. In this process, ECA has undertaken a large number of activities including, among others, censuses (Source Book of African People’s organizations, comprising 3000 CSOs), training sessions (national workshops) and national case studies on African CSO achievements, potentials and shortcomings.

Due to its function as a neutral forum for policy negotiation, FAO has a long history of CSO participation in global policy discussions in areas within its mandate, such as genetic resources, pesticide use, or responsible fisheries. The World Food Summit (WFS) has given further impetus to such participation. The June 1999 session of the Committee on World Food Security, responsible for monitoring implementation of the WFS Plan of Action, will have before it a paper on enhancing CSO involvement in its work.

Within IFAD's annual consultations with representatives from selected Northern and Southern NGOs, the Consultation in 1996 has discussed the theme of capacity-building at the local level. A number of recommendations were agreed upon by the participants and subsequently conveyed to the IFAD/CCD Forum on Local Area Development Programmes.

Promoting dialogue: Governments, CSOs and the private sector

21. A more focused role of the state has created the space for civil society and its representative organizations to assume a broader role and participate in the governance system. The role of the private sector and of competitive markets in generating national income and in efficient resource allocation is seen as a prerequisite for sustainable economic development. Thus, the large majority of survey participants undertake initiatives to increase both dialogue at the strategic and policy levels as well as collaboration between Governments and CSOs. Some agencies (IFAD, ILO, UN/DESA, UNDCP, UNIDO, WFP, WHO/PAHO, UNCTAD) aim at increasing collaboration between Governments, CSOs and the private sector, thereby *providing an important link among those actors.*

ILO and FAO promote cooperative relationships between the public and the CSO sector by testing contractual modalities between community-based organizations and village development communities on the one side and decentralized government institutions or programmes of technical line ministries on the other.

The ACC Network on Rural Development and Food Security comprises country level Thematic Groups involving UN organizations, donors, government institutions and civil society organizations to mobilize support for efforts to implement the World Food Summit Plan of Action and rural development and food security programmes; coordinate relevant activities; and exchange information, experience and best practices.

Linking of government, CSOs and the private sector is demonstrated through a UNIDO activity where wood industry associations, partly established and/or strengthened through a UNIDO project, link with other industry bodies of developed and developing countries to coordinate technical assistance to members and to provide advice to governments on issues relating to the sector. A recently concluded UNIDO partnership programme with Fiat, the Prince of Wales Business Leaders Forum and INSEAD aims at strengthening the automotive components sector in India with the active involvement of national industry associations.

UNCTAD's initiative "Partners for Development" involves CSOs and the private sector with a view to establishing lasting partnerships and assisting countries in particular to strengthen their national capacities.

UNDCP has organized, in cooperation with ILO and local organizations, three regional conferences involving governments, private sector enterprises, trade unions and development NGOs with the objective to mobilize the private sector in efforts to

reduce drug abuse and to promote partnership between Governments, CSOs and the private sector in activities related to the reduction of demand for drugs.

UN/DESA (OSCAL) aims at promoting dialogue between Governments and CSOs, inter alia, through the participation of African NGOs in the Mid-Term Review of UN-NADAF, which took place in New York in 1996.

The Pan American Health Organization (WHO/PAHO) works in close partnership with the International Diabetes Federation active in the North and South American region together with industry representation composed of Bayer Corporation, Becton Dickinson & Co., Eli Lilly & Co., Lifescan Incorporated, Novo Nordisk A/S and Roche Diagnostics. The objective of this partnership is to facilitate a more strategic approach to diabetes at the local, national and regional level.

At the macro level, WFP often acts as intermediate between CSOs and recipient Governments in order to facilitate their action within the countries. WFP collaboration with CSOs often helps them to be considered as recognized partners, to get support by the host Governments and to obtain more easily the approval and support of national authorities. In its operations, WFP also cooperates with the private sector through food commodity purchases, ocean freight, overland transport and handling, aircraft operations and infrastructure rehabilitation. 60 per cent of the food purchased by WFP is bought in developing countries and local transport systems are favoured.

Institutional and legal framework for CSO operation and growth

22. A number of agencies undertake efforts to promote an enabling legal and regulatory environment for CSOs and ***advise governments on legal frameworks*** for enhancing CSO operation and growth.

The major focus of World Bank capacity-strengthening efforts outside the project cycle has been on enhancing the policy environment for NGOs. The Bank has worked with the International Center for Not-for-Profit Law (ICNL) since 1995 to review existing NGO laws in over 100 countries. The result is the draft Handbook on Good Practices for Laws Relating to Non-governmental Organizations, which is designed to assist governments as well as other practices to analyze the strengths and weaknesses of existing laws, or draft more appropriate legislation.

ECA organizes national policy symposiums on government-CSO relations. In 1999, ECA is intending to issue a publication on "Improving the legislative and policy environment for the effective participation of CSOs in the development process in Africa.

Technical and financial support through the ILO programme on indigenous and tribal peoples has helped indigenous provincial and regional associations to obtain legal recognition. Assistance has been supplied to facilitate the informed participation of indigenous communities and organizations either in the formulation of laws or in the application of peace accords.

In the context of a joint donor initiative, UNDP has reviewed the legal environment governing NGOs in Malawi. Other activities within this initiative are the democracy, governance and participation programme in Eastern Europe and the national long-term planning perspective programme in sub-Saharan Africa.

Supporting CSO networking and coalition building

23. Formal and informal NGO networks can strengthen NGO capacity by encouraging them to meet and share knowledge and experience. As forums within which NGOs can debate issues and work together to develop new approaches, they can provide NGOs with a sense of solidarity and the opportunity to lobby Governments and other powerful interest groups. By stimulating and institutionalizing NGO-based analysis of development problems and articulating perspectives on how they can be tackled, NGOs can be a more cohesive force in national, regional and international development.³

24. ***Networking and coordination, information access and dissemination, stimulating experience-sharing and partnership*** among CSOs has been identified by a number of agencies as an important element of strengthening CSO sector capacity. This includes support of national CSO consortia or umbrella organizations. Twinning with a stronger CSO to improve capacity and offer support is another way of transferring much-needed skills and capacity to a weaker CSO.

As a follow-up to the NGO World Forum on Drug Demand Reduction held in Bangkok in 1994, UNDCP has actively supported networking among CSOs working in the demand reduction field. A three-year project covering 20 countries in East and Southern Africa has assisted most of the NGOs in the area to enhance their capacity through advisory services, training, information and grants. A similar project covering NGOs in 16 countries has also benefitted a large number of non-governmental organizations. Additionally, a comprehensive directory identifying almost 300 NGOs active in the field of drug abuse prevention was published as a tool for NGO networking purposes.

The Pan American Health Organization (WHO/PAHO) has created and consolidated a number of CSO networks active in gender, reproductive rights, HIV/AIDs and reduction of illicit drug consumption. Within the health reform movement, PAHO has facilitated access to integrated health services to isolated rural areas through the creation of national NGO networks and their training in national norms and standards.

A UNIDO project in Zambia on the development of rural industries at the grassroots level aimed at linking existing rural non-governmental organizations with government institutions operating in the same rural areas and established a structured network at the grassroots level. The strategy has demonstrated the effectiveness of a network of local non-governmental organizations in reaching entrepreneurs in rural areas.

³ James, Rick. 1994a. *Strengthening the Capacity of Southern NGO Partners*. INTRAC Occasional Papers Series. Vol.1, no.5. 4/

B. Supra-national institutional framework

25. Several agencies *provide support* to regional and global CSOs or networks and to the implementation of inter-country CSO development. Activities include assistance in the *establishment of regional associations* and the *promotion of links* between national and supra-national associations.

ECA launched in 1997 the African Centre for Civil Society which aims to promote, inter alia, subregional and regional cooperation between CSOs, including technical cooperation.

FAO has supported the development of NGO networks since the 1970s and a number of now well-established regional networks, such as the Asian NGO Coalition of Agrarian Reform and Rural Development (ANGOC) and the Latin American Association of Development Organizations (ALOP) were originally born with the FAO backing. Encouraging regional and thematic CSO networking is a basic aspect of the FAO strategy of partnership.

Within ILO's programme on home working, subregional (South-East Asia) exchange on experiences among homeworkers' associations and support NGOs have been promoted regularly in areas such as organization-building, social protection, productivity, quality control and services to member affiliates.

UNICEF has been giving increased importance to collaboration with governmental and non-governmental networks at the regional levels. This includes several multi-stakeholder initiatives, such as the Alliance for Strengthening Girls' Education in Africa which is a global alliance of bilaterals, multilaterals and NGOs.

UN/DESA provides support to facilitation or coordination groups created by NGOs. It considers the Commission on Sustainable Development (CSD) NGO Steering Committee as a key partner in helping generate a coordinated NGO participation in the CSD process.

A large part of the work of UN/NGLS aims to strengthen the capacity of (mainly but not exclusively) Southern NGOs to participate effectively in international fora, including various ECOSOC commissions, responsible for follow-up to the recent cycle of UN world conferences. Such activities include the provision of user-friendly information, strategic advice and guidance and logistical support, including, on occasion, funding to cover travel and other related costs.

Through the Gulf of Guinea large marine ecosystem project, UNIDO has facilitated the establishment of a regional network of CSOs in Africa in the environmental field. Subcontracted by UNIDO, the Centre for Environment and Development in Africa (Benin) provided support to CSOs, enabling them to play a key role in catalyzing participation and local action and in ensuring enhanced, sustainable performance of this and other environmental projects. More than 35 CSOs from Benin, Cameroon, Côte d'Ivoire, Ghana, Nigeria and Togo were involved in a wide range of activities including public awareness, mangrove restoration, waste management and environmental education for protection of fishery resources.

C. Role of UN agencies

Coordination

26. The coordinating role of agencies in their respective fields, the promotion of dialogue between Governments, CSOs and the private sector and their ability to **facilitate links between the micro and macro levels** put United Nations agencies in a unique position to respond to CSO capacity-building needs and institutional development. There is a tendency of several agencies responding to the survey to shift **from the “service deliver” approach**, where CSOs are mainly used as project implementors with the role of improving service delivery, **to an “empowerment approach”** related to the overall development of civil society governance and community empowerment at the social, political and economic levels.

To strengthen further the enabling environment for the functioning of CSOs at the global level, and to facilitate the interchange between CSO and government representatives, UN/DESA provides Secretariat support to the arrangements for national, regional and subregional NGOs in consultative status with ECOSOC. According to ECOSOC resolution 1996/31, there are now three categories of status, general, special, and roster, corresponding to the breadth of relevant NGO work. UN/DESA assists in the process of accreditation through the Committee on NGOs, helps to familiarize NGOs with the work of the UN and of ECOSOC, and undertakes workshops to encourage greater participation by organizations from the various regions of the world. Currently more than 1600 NGOs are registered.

Representation at the country level

27. **Strong representation at the country level and decentralization** of several UN system agencies are considered particularly important for fostering cooperation with CSOs. The increased participation of Civil Society Organizations in the programming cycle, from situation assessment to analysis to programme design, implementation, monitoring and evaluation, are essential elements in creating an enabling environment. Perceived **neutrality** and **ability to leverage funds** represent another comparative advantage vis-à-vis other actors in capacity-building activities.

Inter-agency cooperation

28. Among UN agencies engaged in CSO capacity-building initiatives, specialization ranges from technical cooperation to funding and promoting dialogue between the public and the private sector. Inter-agency cooperation, which is already taking place in some areas, could **further promote synergies and benefit from common or complementary endeavors**. Planned UN Common Country Assessment and Development Assistance Framework exercises will provide CSOs with further and concrete opportunities to get involved as stakeholders in country strategic planning mechanisms along with the UN system. The United Nations Development Assistance Framework (UNDAF) will provide an important forum for CSO participation. UNDAF's objectives of strengthening national capacities should also aim at strengthening system collaboration with non-state actors and provide further scope for cooperation in CSO capacity-building.

29. In addition, the inter-agency programme, UN/NGLS, endeavours to strengthen the capacity of Southern NGOs to monitor and participate in UN inter-governmental debates and policy-setting fora at the global level.

III. MAIN OBSERVATIONS

30. Civil society organizations increasingly satisfy the demand for products and services that are neither provided by the market nor by Governments. They act as advocates for change, service providers and support institutions as well intermediaries translating government policies into practice.

31. In UN system activities, this trend has been translated into a stronger involvement of CSOs. Traditionally, CSOs have often been chosen for their specific technical capacity. However, the increased contribution of CSOs to sustainable development at the social, economic and political levels has shifted UN system interaction with CSOs *from mere project implementation to activities related to the creation of conditions conducive to CSO development and growth*. Furthermore it is being increasingly recognized that projects and programmes are critically dependent on the functioning of civil society institutions, not only those of the state. However, CSOs especially in developing countries, often have limited financial, technical, managerial and institutional capacity. *CSO capacity upgrading is crucial* for their successful implementation of development activities.

32. There is thus heightened awareness within the UN system of the need for the development of the CSO sector as a whole to the extent that enhancing the UN *partnership with civil society is in the agenda of the current UN reform process*. It is also noticed that in its recently adopted resolution 53/193 on the triennial policy review of operational activities for development of the United Nations system paragraph 37 the General Assembly *"reaffirms that capacity-building and its sustainability should be explicitly articulated as a goal of technical assistance provided by the operational activities of the United Nations system at the country level, with the aim of strengthening national capacities in the fields of, inter alia, policy and programme formulation, development management, planning, implementation, coordination, monitoring and review*.

33. However, capacity-building and institutional development of CSOs *implies a long-term investment in people and organizations* and is related to ongoing discussions on selection of partners, harmonization and flexibility of administrative procedures and contractual arrangements. The UN system's role in CSO capacity-building can be particularly seen in facilitating dialogue between governments, CSOs and the private sector as well as providing a framework for the development of the CSO sector. Capacity-building of Civil Society Organizations is thus seen by several UN agencies participating in the survey as a *necessary step conducive to people-centered sustainable development* by which *countries develop their own capacity and institutions and provide direction to their own development*.

Annex**CSO CAPACITY-BUILDING AND INSTITUTIONAL DEVELOPMENT:
EXPERIENCE AND BEST PRACTICE OF BILATERAL DEVELOPMENT AGENCIES**

In view of the participation of some bilateral development agencies in the Inter-agency consultations on programmatic and operational collaboration with CSOs as referred to in paragraph 1 of the survey, the response received from the Australian Agency for International Development (AusAID) is reflected in the present annex. Should other bilateral development agencies wish to participate in the survey, an update of the annex will be provided.

I. ACTIVITIES IN SUPPORT OF CSOs

Activities of AusAID to improve performance and sustainability of individual CSOs include specifically training and funding. Major target groups include development NGOs, humanitarian/relief NGOs, professional associations and research institutes at the indigenous, national and international level.

AusAID provides annual funding of A\$500,000 to the Australian Council for Overseas Aid (ACFOA), which is the national coordinating body of Australia's NGOs working in the field of overseas aid. A portion of this fund is used for CSO training and capacity-building.

AusAID contracted ACFOA in 1996 for a two-year programme to provide training to Australian NGOs for institution-building in increasing NGO skills in project design, implementation, monitoring and reporting in order to better address community development issues and to increase quality and sustainability of overseas development programmes.

**II. CREATING AN ENABLING ENVIRONMENT FOR CSOs:
INSTITUTIONAL DEVELOPMENT**

The Australian overseas aid programme has governance as a priority. Needs of the NGO Sector have been identified in a strategic planning and consultative process.