

NGOs and NZ Aid

The Value of Civil Society

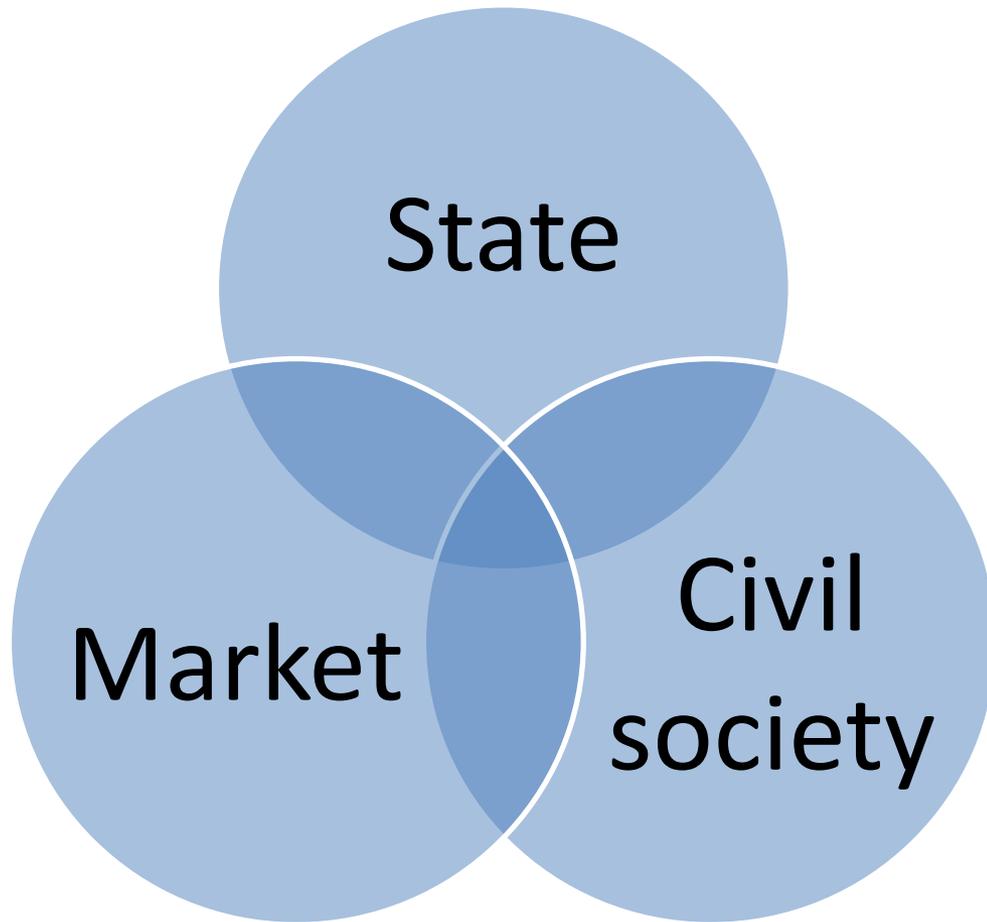
Dr Andrew McGregor

Victoria University of Wellington

andrew.mcgregor@vuw.ac.nz

development

Development



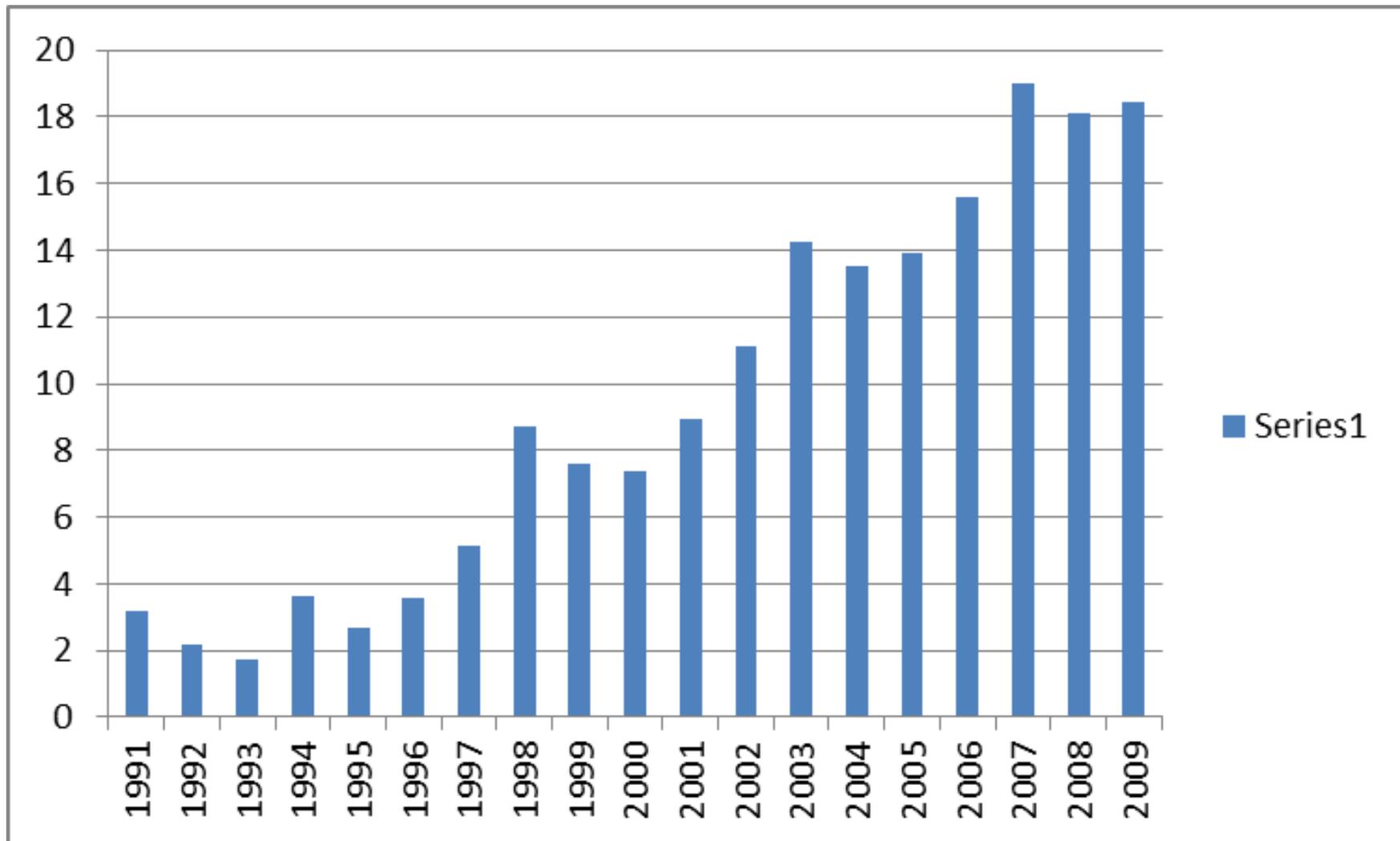
The value of northern civil society to D/development

- development
 - Partnerships
 - Advocacy
 - Political watchdog – good governance
 - Social justice / inclusion
- Development
 - Partnerships
 - Grassroots approaches
 - Project management
 - Service provision

NZ contributions to D/development

- Civil society / government relations
 - CORSO
 - CID
 - NZAID
- Partnership approaches
 - VASS / KOHA-PICD approaches
- Strengths
- Weaknesses

New Zealand ODA – Funding for national NGOs 1991-2009 (disbursements at 2009 constant prices \$US)



**Table 1: Leading NGO Development Agencies in New Zealand 2009/2010
(\$NZ million)**

	Total expenditure	Government grants
World Vision NZ	60.608	2.494
Child Fund	15.712	1.330
Save the Children NZ	14.180	7.025
UNICEF NZ	11.709	6.271 (2007)
Tear Fund	13.381	2.541
Oxfam NZ	10.386	3.531 (estim at 34%)
VSA	7.910	7.470
Christian World Service	4.554	2.868
Caritas	5.249	2.653
Leprosy Mission	4.349	2.053

Sources: Overton 2010 and various NGO annual reports (Caritas; Child Fund; Christian World Service; Oxfam NZ; Save the Children NZ; Tear Fund; The Leprosy Mission of NZ; VSA; UNICEF NZ; World Vision NZ.

NZ aid restructuring

- Policy changes
- Institutional changes
- Funding changes
- Relationship changes

Policy changes

Poverty alleviation for
development partnerships

Sustainable development in
developing countries, in
order to reduce poverty and
contribute to a more secure,
equitable and prosperous world

The core focus is on:
Sustainable economic
development and
The Pacific

Clearly, the New Zealand Aid Programme is not primarily responsible for these outcomes or for progress towards the Millennium Development Goals (MDGs) (see opposite). However, the data forms a starting point for a high-level consideration of progress being made towards the development outcomes New Zealand (and partner governments, other donors and partners) is pursuing.

PROGRAMME	FORECAST GROWTH RATE OF GDP 2010	CURRENT ACCOUNT BALANCE 2009 (% OF GDP)	EASE OF DOING BUSINESS RANKING 2010 (LOW NUMBERS BETTER)
Cook Islands	1.0	4.7	n.a.
Samoa	0.5	-14.4	57
Tonga	0.4	-12.9	52
Tuvalu	1.6	n.a.	n.a.
Papua New Guinea	5.5	-5.1	102
Solomon Islands	2.0	-20.0	104
Vanuatu	4.6	-3.7	59
Kiribati	0.8	-43.6	79
Fiji	-0.5	-8.7	54
Indonesia	5.5	2.0	122
Viet Nam	6.5	-7.4	93
Timor Leste	7.0	297.0	164
Cambodia	4.5	-10.7	145
Philippines	3.8	5.3	144
Laos	7.0	-11.8	167

n.a. = data not available

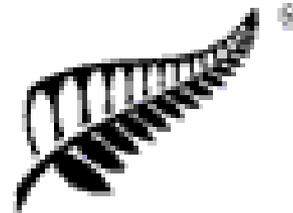
² The Statement of Intent 2009-12 identified both "high-level" and "intermediate-level" economic indicators to report on. In the 2010 budget process, as part of ongoing improvement of the performance framework for the New Zealand Aid Programme, it was decided to focus on a smaller number of indicators.

Institutional changes



**New Zealand's International
Aid & Development Agency**

Poverty alleviation for
development partnerships



**NEW ZEALAND
MINISTRY OF FOREIGN AFFAIRS & TRADE**

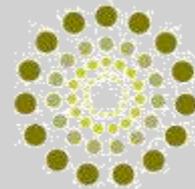
Aid Programme

Sustainable economic development
Pacific focus

CiD



global focus
AOTEAROA



DEVELOPMENT
NET WORK



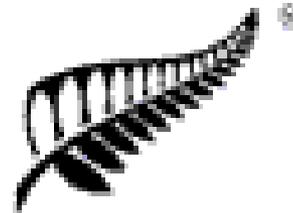
Funding changes



**New Zealand's International
Aid & Development Agency**

Poverty alleviation for
development partnerships

KOHA-PICD
Programme Management Committee
Chair, NZAID, NZ NGO reps



**NEW ZEALAND
MINISTRY OF FOREIGN AFFAIRS & TRADE
Aid Programme**

Sustainable economic development

Sustainable Development Fund
*MFAT / IDG
External Selection Panel*

SUSTAINABLE DEVELOPMENT FUND GUIDELINES

Examples

The following are examples of activities that may be funded through the SDF

- Income generating initiatives
 - Small and medium business development
 - Microfinance services
 - Improving production and/or marketing of goods and services
 - Improving infrastructure to support production and/or marketing
- Potential sectors include agriculture, horticulture, fisheries and tourism.
- Meeting basic needs
 - Access to quality health care services
 - Access to quality pre-school, primary or secondary education
 - Technical and vocational training
 - Improved access to potable water, and sanitation

Relationship changes: Minister for Foreign Affairs and Trade

poverty alleviation / NZAID

“nebulous” / “lofty rhetoric” [MDGs] / “mantra” / “too lazy and incoherent a guide”

“so-called development experts”
“faceless, unelected, unaccountable, aid bureaucrats”

“unacceptable level of ticket-clipping” / “siphoned off”

“The NGOs were simply handed over \$21 million a year to distribute amongst themselves with no accountability to a process where we now require them to account”

“done little to build sustainable economies providing employment prospects and the promise of a brighter future”

“throwing money at regional NGO bureaucracies for little apparent reward... is frankly absurd”

“You could ride around in a helicopter pushing hundred-dollar notes out the door and call that poverty elimination”

sustainable economic development / MFAT

“a logical, sensible framework” / “absolutely clear” / “more detailed mandate” / “clear focus”

“elected office-holders... held to account at the ballot box”

“taxpayers are entitled to hold someone to account”

“proper accountability mechanisms”

“being truly effective within our own Pacific region” / “objective measures like trade and tourism statistics as the indicators of success or failure over time”

“[investment] in long-term economic sustainability”
“a step change in our level of engagement”

“prioritise the services that are the building blocks for sustainable economic growth” [airlines, shipping, tourism]

“a hand up, not a hand out” / “efficient, effective expenditure” / “must demonstrate value for money”

development responses

- development actions
 - Community mobilisation
 - Media releases
 - Everyday resistance
- development inaction
 - Lack of collective voices
 - Fear of speaking out



Development responses: SDF Round 2

- Meeting targets
 - 75.62% of funding to the Pacific (target 75%)
 - 77% were over \$500,000 (target 80%)
 - 54% economic development (round 1&2) (16% water and sanitation, 12% health, 11% education)
- Shaping NGO behaviour (OIA request from MFAT)
 - “The previous KOHA_PICD fund encouraged a diverse range of NGO activities, including those focused on advocacy, capacity building, and empowering of marginalised groups and communities. While worthy activities, these outcomes were difficult to measure... [seen as “means” rather than “outcomes”]. The SDF promotes activities that can demonstrate tangible outcomes and outputs with clear indicators for measuring success....
 - There have been some encouraging shifts in Round 2, where the language is moving slowly away from ‘capacity building, empowerment etc.’ to more tangible indicators of success.”

Final thoughts

- NZ aid needs to recognise the broader value of civil society (beyond contractors for Development)
- NGOs must manage organisational tensions between government funded Development projects and contributions to broader development ideals – otherwise risk relationships that become ‘too close for comfort’
- New spaces and resources are needed for civil society to contribute to development, represent their partners, and pursue their missions