

AccountAble™

140. National Policy on Voluntary Sector - 2007; Part - III

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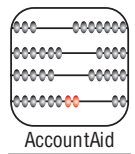
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4.8 Easier Access to Bilateral Funds

In the year 2000, the Government of India decided to disengage from some bilateral funding. This was done to reduce its monitoring costs – the relationship with larger bilateral funds continued as before.

As a result of this, some of the affected countries chose to conclude their bilateral cooperation. Others were given the choice of giving their *bilateral* funds to NGOs instead. Where an Agency chose to provide the bilateral funds to NGOs, it was required to get approval for the proposals from the Government.

This resulted in much confusion. Many bilateral agencies started seeking approval for all their programs from the Government, including the ones which were to be funded under non-bilateral arrangements¹. Secondly, no clear process was laid down, which resulted in many delays and frustration.

4.8 The Central Government has framed guidelines for bilateral agencies to give direct assistance to voluntary organizations for projects of social and economic importance. It controls access to such funds and their utilisation, both through the FCRA and through regulation by the Department of Economic Affairs. This system needs to be simplified in consultation with the joint consultative group to be set up by the concerned Ministry (as suggested under para 54).

The Government has now proposed to sort this out through a joint consultative group, which will recommend a method to speed up the process.

¹ A bilateral agency may have funds committed under a bilateral agreement between the Government of India and the agency's mother Country. These are purely bilateral funds. It may also have other optional funds, which are given out of choice. These are non-bilateral funds handled by a bilateral agency.

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4.9 More Friendly Red Tape

For a long time Government files have been tied with a red ribbon. This ribbon is easy to tie, but very difficult to untie! This is perhaps the reason that when a new business unit is opened, people use a pair of scissors to cut through the red tape. This may also symbolize that finally the business has got all the required 53 Government clearances to open a new shop!

The policy does not propose to cut the red tape into pieces, as we would really like. But it promises to make it easier to untie. This will be done by training bureaucrats on how to deal with NGOs. This orientation will be given to both new as well as older bureaucrats.

Another way to make it easier for NGOs to live with red tape is to prescribe time limits. This means that various ministries will set up time limits within which a decision is to be taken for various registrations and permissions. The ministries will also set up a system so that NGOs can file their complaints and resolve grievances. Not very revolu-

4.9 The Government will encourage all relevant Central and State Government agencies to introduce pre-service and in-service training modules on constructive relations with the voluntary sector. Such agencies should introduce time bound procedures for dealing with the VOs. These would cover registration, income tax clearances, financial assistance, etc. There would be formal systems for registering complaints and for redressing grievances of VOs.

tionary perhaps, but at least the Government has recognized that there is a problem.

5.6.2 There is reason to believe that accreditation of VOs will lead to better funding decisions and make the funding processes more transparent. Further, accreditation may provide incentives for better governance, management and performance of VOs. No reliable accreditation system is in place at present. The Government will encourage various agencies, including those in the voluntary sector, to develop alternative accreditation methodologies. It will allow time for such methodologies to be debated and gain acceptability in the voluntary sector, before considering their application to Government funding of VOs.

5.6.2 Develop Accreditation Systems for Government grant-making

Just like any other grant-maker, the Government also faces a dilemma when it makes grant decisions. How does one give money to the right type of organization? With the Government, this question is all the more tricky, as trust or personal judgment is not supposed to play any role in its decision-making.

Further, Government grant-making is also open to public scrutiny as never before, especially with the Right to Information Act, 2005 in place.



The Government fervently believes that in such a situation an accreditation system will do the trick. At the very least, it will provide some logical basis for grant-making. This will hopefully help the grant-making officers justify their decisions. It would also reduce the incidence of bad grants or grants to *papier-mâché*² NGOs.

However, there is no proven accreditation methodology (for grant-making), which can be applied on a large scale. Therefore, the Government would encourage experimentation with different models and wait to see which one works. It will then step in, and adapt this model for its own grant-making.

This system will not apply to grants made by other organizations or donors, unless they want to use it on their own.

²Pronounced as पपेर मश

6.2 Accountability, Transparency, Governance

This discussion began with accountability, and we end it with the same topic. The policy states clearly that NGOs should set their own benchmarks in the areas of accountability and transparency, which are critical for good governance.

The policy also recognizes that one size may not fit all – the norms would vary according to objectives and activities of different types of voluntary organisations. The Government sees only a facilitative role for itself in this area. This may involve encouraging discussion and consensus building which leads to wider adaptation of norms. Good governance may also be recognized through awards and publicity to best practices.

Voluntary Sector Policies around the World

The relationship between the Government and NGOs in many countries is a little thorny. On the other hand, in many countries the Governments are also working closely with the voluntary sector. This has led to more and more countries developing policies or agreements on this cooperation³:

Canada: Voluntary Sector Accord http://www.vsi-isbc.org/eng/relationship/the_accord_doc/index.cfm (2001)

Croatia: National Strategy for Creating Supportive Environment for the Development of Civil Society [http://uzuvrh.hr/UserFiles/NacionalnaStrategija\(1\).pdf](http://uzuvrh.hr/UserFiles/NacionalnaStrategija(1).pdf)

Denmark: Charter for interaction between Volunteer Denmark/Associations Denmark and the public sector (Dec-2001)

Estonia: Development Plan for Civic Initiative Support (2007-2011) <http://www.ngo.ee/1030>

Hungary: Strategy Paper of the Government of Hungary on Civil Society of 2002

Israel: Under discussion - see <http://cmsprod.bgu.ac.il/Eng/Centers/ictr/Publications/2.htm> for more

Latvia: National Program for Strengthening Civil Society (2005-2009)

Macedonia: Strategy for Cooperation with the Civil Sector (2007-2011)

The Government sees only a facilitative role for itself in this area. This may involve encouraging discussion and consensus building which leads to wider adaptation of norms. Good governance may also be recognized through awards and publicity to best practices.

6.2 Accountability to all stakeholders and transparency in functioning are key issues in good governance. The voluntary sector is expected to set its own benchmarks in these areas. Since VOs vary in their objectives and activities, it would be impractical to expect uniform norms for accountability and transparency. The Government will encourage support organizations, and VO networks & federations to facilitate discussion and consensus building on these issues. It will also encourage such agencies to advise and assist VOs to adopt norms that they find acceptable and useful. The Government will recognize excellence in governance among VOs by publicizing best practices.

<http://ecnl.org/index.php?part=14news&nwid=93>
Malta: Strengthening the Voluntary Sector (July 2005)

New Zealand: National Government Policy on Volunteering (2002) <http://www.ocvs.govt.nz/documents/policies/government-policy-on-volunteering.pdf>

Poland: The Civil Society Operational Programs (under finalization)

<http://www.pozytek.gov.pl/The,Civil,Society,Operational,Programs,605.html?PHPSESSID=bb004074a6cc4035354882b9a747d131>

Slovenia: Strategy of Cooperation of the Government of the Republic of Slovenia with Non-Governmental Organisations

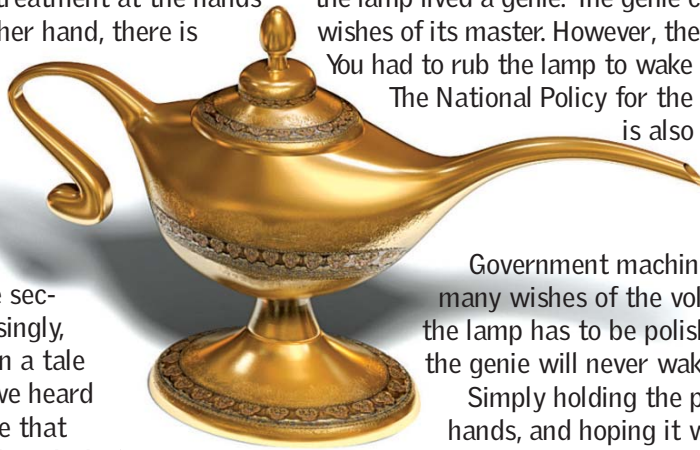
United Kingdom: Third Sector Strategy for Communities and Local Government www.communities.gov.uk/documents/communities/pdf/324564 (under finalisation); Local Councils have also entered into separate Compacts with the Voluntary Sector (see for example http://www.hounslow.gov.uk/vol_sector_compact_07.pdf).

³ Special thanks for the information on Government policies on voluntary sector in other countries, to Prof. Mark Sidel, and members of ISTR community, including Messrs. /Mses. Garth Nowland-Foreman, Katerina Hadzi-Miceva, Kirit Patel, Peter R. Elson, Ryszard Skrzypiec, and Ben Gidron, among others.

Is this good or bad? Probably a bit of both. Clear terms of cooperation with the Government mean recognition for the sector, and some measure of protection from whimsical treatment at the hands of junior officials. On the other hand, there is also a possibility that the sector may get co-opted by the Government, and gradually lose its independence.

Will it work in India?

Will the policy work for the sector? It's hard to tell. Surprisingly, the answer may lie hidden in a tale from Arabian Nights, that we heard when we were young. A tale that Shahariyar told the Sultan to gain just



one more day at a time. The tale was about Alladin's adventures.

We all know that Alladin had a magic lamp. Inside the lamp lived a genie. The genie could fulfill all the wishes of its master. However, there was a catch.

You had to rub the lamp to wake the genie up.

The National Policy for the Voluntary Sector is also like Alladin's lamp.

Inside the lamp lives the genie of the

Government machinery. It can fulfill many wishes of the voluntary sector. But the lamp has to be polished vigorously. Or the genie will never wake up.

Simply holding the policy in one's hands, and hoping it will deliver everything to the sector will simply not work.

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