



Refocusing Finland's Cooperation with Namibia

Instruments and actors for civil society and business
community partnerships

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REFOCUSING FINLAND'S COOPERATION
WITH NAMIBIA

INSTRUMENTS AND ACTORS FOR CIVIL SOCIETY
AND BUSINESS COMMUNITY PARTNERSHIPS

REPORT

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LIST OF ACRONYMS

AfDB	African Development Bank
AFLRA	Association of Finnish Local and Regional Authorities
ALAN	Association of Local Authorities in Namibia
ARC	Association of Regional Councils
CABLE	Capacity Building for Local and Regional Authorities
CBO	Community-Based Organisation
CIMO	Centre for International Mobility
CO	Civic Organisation
CCN	Council of Churches in Namibia
CSO	Civil Society Organisation
CWMSP	The Community Water Supply Management Support Programme
DFI	Development Finance Institution
DOF	Directorate of Forestry
DRWS	Directorate of Rural Water Supply
EFP	Export Processing Zone
EIT	Grant for economic, industrial and technological cooperation
ELCIN	Evangelical Lutheran Church in Namibia
EU	European Union
EUR	European currency unit (Euro)
FAD	Finnish Association of the Deaf
FAO	Food and Agriculture Organization
FCA	Finnish Church Aid (FinnChurchAid)
FDI	Foreign direct investment
FELM	Finnish Evangelical Lutheran Mission
FFF (1)	Family Federation of Finland
FFF (2)	Forum for the Future
FFVI	Finnish Federation of the Visually Impaired
FNGO	Finnish Non-Governmental Organisation
4H	International Youth Organisation (Head, Heart, Hands, Health)
GEF	Global Environment Facility
GIS	Geographical Information System
GNP	Gross National Product
GRN	Government of the Republic of Namibia
EIB	European Investment Bank
GSF	Finnish Geological Survey
GSN	Geological Survey of Namibia
HSSSP	The Health and Social Sector Support Programme
IBRD	International Bank for Reconstruction and Development (The World Bank Group)
IDA	International Development Association (The World Bank Group)
IFC	International Finance Corporation (The World Bank Group)
INFOCOM	Information and Communication Service for Sustainable Development
IMF	International Monetary Fund
IPPF	International Planned Parenthood Federation
IPPR	Institute for Public Policy Research
KEPA	Finnish NGO Coordination and Service Centre
LA	Local authority
LAC	Legal Assistance Centre
LaRRI	Labour Resource and Research Institute

LCF	Local Cooperation Fund
MEUR	Million euro
MFA	Ministry for Foreign Affairs of Finland
MOF	Ministry of Finance of Namibia
MOHSS	Ministry of Health and Social Services
MTEF	Medium term expenditure framework
MRLGH	Ministry of Regional and Local Government and Housing
NAD	Namibian dollar
NAFAU	Namibia Food and Allied Workers Union
NAFWU	Namibia Farm Workers Union (incorporates domestic workers)
NALAO	Namibia Association for Local Authority Officers
NAMEC	Namibian Men for Change
NAMPOL	Namibian Police
NANGOF	Namibia Non-Governmental Organisation Forum
NANTU	Namibia National Teachers Union
NAPPA	Namibia Planned Parenthood Association
NCCI	Namibia Chamber of Commerce and Industry
NECDP	Namibia Early Childhood Development Programme
NEPAD	New Partnership for Africa's Development
NDP	National Development Plan
NFVI	Namibia Federation for the Visually Impaired
NGO	Non Governmental Organisation
NIED	National Institute for Educational Development
NNAD	Namibia National Association for the Deaf
NPC	National Planning Commission
NPCS	National Planning Commission Secretariat
NPRAP	National Poverty Reduction Action Programme
NTF	Namibia Transition Facility
OAJ	Trade Union of Education in Finland
PPP	Public-Private Partnership
RC	Regional Committee
RMT	Regional Management Teams
SACU	Southern Africa Customs Union
SADC	South African Development Community
SASK	The Trade Union Solidarity Centre in Finland
SCVI	Service Centre for the Visually Impaired
SHSA	Summer High School Association
STI	sexually transmitted infection
SWAPO	SWAPO Party
UNAIDS	United Nations Joint Programme on HIV/AIDS
UNAM	University of Namibia
UN	United Nations
UND	United Nations Development Programme
UNFPA	United Nations Fund for Population
USD	United States dollar
UTN	Urban Trust of Namibia
VA	Voluntary Association (under common law)
WFP	World Food Programme
WIMSA	Working Group of Indigenous Minorities in Southern Africa
WO	Welfare Organisation

Exchange rate (November 2004): 1 EUR = 7.80 NAD (Namibian dollar)

0. EXECUTIVE SUMMARY

0.1 Key Findings and Conclusions

Namibia as Finland's Development Partner

- *Since 1970, Namibia has been Finland's 11th biggest recipient of bilateral aid. The total value of Finnish aid to Namibia in the period 1970–2003 was 114 million EUR, including the support before Namibia's independence.*
- *In 1991–2003, Finland's aid disbursements to Namibia amounted to 95.6 million EUR. Since 1992, the disbursements have hovered between 6 and 8 million EUR annually. The health and social sector, water sector and forestry sector represented 74 % of the total bilateral aid during 1991–2002.*
- *Namibia's Vision 2030 represents a good effort to set long-term goals and measurable objectives to the development of the country and its economy. The target seems very ambitious, given the existing bottlenecks and the actual performance in the past.*
- *The decision to include Namibia in the transition countries in the framework of Finland's development cooperation is justified and founded on realistic assessment of both Finland's and Namibia's development plans and policies.*

Past Cooperation by Sectors

- *The health sector has received 40% of the total grant aid from Finland to Namibia since 1970, or EUR 29.9 million. The Finnish assistance has been highly relevant and has had an impact on the performance of the sector. The proposed concessional credit will address urgent equipment replacement issues. The structural constraints of the health sector will need to be addressed under the decentralisation process.*
- *The water and environment sector has received 18% of the total assistance, or EUR 13.4 million. In the absence of funding for bilateral projects, the cooperation between Finland and Namibia in the water and environment sector is likely to dwindle. Finnish participation in construction projects or equipment deliveries is unlikely. Finnish consulting companies may succeed in bidding for EU or other multilaterally financed projects.*
- *The forestry sector has received 16% of the total Finnish bilateral grant assistance since 1970, or EUR 11.7 million. Finland's assistance has been beneficial, particularly in organizational and policy development, and in enhancing the professional capacity in forestry sector management. Current trend is towards management of wider environmental issues, and towards community-based operations.*
- *The project to assist local government and to support decentralisation (CABLE) did not take account of the stage of development in the decentralisation process in Namibia and was poorly managed. The new project to support the decentralisation process will have to be implemented with maximum flexibility. The expectations to what can be achieved during the four-year project may be overly ambitious.*

Civil Society Cooperation

- *The Local Cooperation Fund has provided a conducive environment for the strengthening of democratic practices, promoting good governance, institutional networking and cultural exchange programmes. Exchange in terms of civil society organizations in Namibia to share experiences has not been adequately explored.*
- *The NGO projects have significantly contributed to the management and performance of several sectors. Finnish NGOs have enhanced the level of education and heightened the citizens' national awareness. Since year 2000, projects focused on adding value to government services for people living with disabilities, and concentrated on early childhood education, youth development, trade unions and the fight against HIV/AIDS.*

Business Community Cooperation

- *Trade between Finland and Namibia has been, and is likely to remain marginal. Tourism has much more medium-term potential. Due to the high cost of international travel and local services, Namibia will remain outside mass-tourism destinations. Sporadic industrial investments are possible.*
- *The range of Finland's instruments for the promotion of business community cooperation in the developing countries are essentially more limited than those available in e.g. Sweden and Denmark. Without pro-active measures, the business sector relations between Finland and Namibia will remain dormant.*

Regional and Multilateral Cooperation

- *The multilateral, regional and bilateral financing institutions will be playing a growing role in Namibian public investment.*
- *Finland could support the World Bank and other DFIs in multilateral financing arrangements, and by providing advisory services. There is a need to energize the work of the dormant Namibia country team of the MFA, and to re-establish the priorities for Finland's participation in Namibia's development efforts.*

Alternative Scenarios

- *This report presents three alternative scenarios and their likely outcomes for future Finnish-Namibian relations:*
 - Scenario 1: Phasing out of bilateral sector projects, no other measures – NGOs and civil society organizations will continue cooperation, hampered to some extent by inadequate administration of instruments. Commercial relations will remain dormant.*
 - Scenario 2: Promotion of relations by existing instruments and institutions – NGO funds and local cooperation funds will be used more effectively. Active promotion in the use of existing instruments for trade and investment promotion could lead to sporadic commercial projects.*
 - Scenario 3: Pro-active promotion of business community cooperation – The volume and effectiveness of civil society cooperation will increase through improved management. New pro-active measures for the promotion of Finnish/Namibian business ventures could generate 3 – 5 commercial projects by 2010.*

Cooperation Outlook

- *In the transition period of 2004–2007, the volume of Finland’s development cooperation with Namibia will drop from the level of 6–8 million EUR of annual disbursements to 3–4 million EUR. The traditional sector projects will be phased out, and the Local Cooperation Fund will become the dominant instrument of public development cooperation.*
- *To meet Finland’s stated objective of deepening of trade and economic relations with Namibia, a forceful promotional effort during the transition period would be necessary. This report proposes a new instrument for the promotion of business community cooperation between Namibia and Finland: Namibia Transition Facility (NTF).*

Administration

- *The Finnish Embassy in Windhoek has managed the sector projects as well as the NGO and LFC instruments remarkably well within the limits of its resources.*
- *There is an apparent lack of modern management systems in the administration of Finland’s development cooperation. This also applies to Namibia. This is reflected in accessibility of key information, inadequate project management procedures, diluted accountability due to organizational changes, and low cost efficiency. Measures to improve management efficiency are necessary. The cost of aid administration in Namibia has increased.*

0.2 RECOMMENDATIONS

- *Implement transition period policies in Namibia, shifting focus from traditional sector projects to new forms of civil society and business community cooperation, supported by existing and new instruments.*
- *Continue NGO cooperation with emphasis on improved screening of applications, close monitoring, and immediate intervention in case of deviation; secure policy compliance and create a tighter focus based on results of a NGO sector study.*
- *Expand Local Cooperation Fund (LCF) budgets to EUR 2 million by 2006 as planned. Diversify LCF use by adding new “windows” for short-term advisory services and for the Media and Cultural Facility.*
- *Improve information sharing and coordination among NGO and Local Cooperation Fund (LCF) projects in order to improve effectiveness of project preparation and implementation; establish an “early warning system” and initiate a policy of immediate intervention in crisis situations.*
- *Mainstream gender and HIV/AIDS issues in project management.*
- *Adopt a policy of pro-active promotion of business community cooperation through the Local Cooperation Fund resources and through the establishment of Namibia Transition Facility; target 3 – 5 new Finnish/Namibian business ventures by 2010.*
- *Prepare Project Document for Namibia Transition Facility and launch the Facility by June 2005.*
- *Promote multilateral and regional projects that are in harmony with Finland’s development policies, but exceed Finland’s financial and management capacity to act alone, such as programmes addressing the HIV/AIDS issue.*
- *For the proposed concessional credit to finance purchase of medical equipment for Namibian hospitals, (1) require sector reforms as conditionality, (2) eliminate Finnish content requirement, (3) require international bidding.*
- *For the last sector project “Support to the Namibian Decentralization Process”, introduce measurable performance targets and strict monitoring; retain maximum flexibility in project implementation.*
- *Improve insufficient management systems and monitoring mechanisms at MFA; demystify ‘policy jargon’ and redefine instruments; clarify management tasks by MFA and Embassy; reform management systems, adjust application procedures, and outsource support services.*
- *Improve information and communication material and services (statistics, country reports, global.finland etc.); consider outsourcing of promotion services.*
- *At the Windhoek Embassy, achieve and maintain the share of administrative cost at 7 % of aid disbursements by 2007.*

Summary of Selected Recommendations

CRITICAL ISSUES	RECOMMENDED SOLUTION			COMMENTS
	POLICY	INSTRUMENT	ADMINISTRATION	
The proposed <u>concessional credit</u> provides budget support for a poorly managed sector; only one Finnish supplier	Require key sector reforms as conditionality; eliminate Finnish content requirement	Use other instruments for budget support	Require international bidding	Concessional credits should be used for investment projects, not to finance equipment deliveries
Without adequate legal setting and top Government support <u>decentralization</u> will be slow	Identify and request missing laws and decisions before proceeding to implementation	Introduce measurable performance targets and strict monitoring; retain maximum flexibility in project implementation	Establish direct link to PM's Office and secure its commitment	The previous Finnish effort (CABLE) failed because of poor implementation
In <u>LCF/NGO projects</u> common problems appear repeatedly; lack of coordination	Ensure policy compliance through improved information sharing	Add the information sharing aspect to application forms and project contracts	Organize an annual LCF/NGO forum to share experiences and information	Formal contacts among LCF organizations and NGOs will improve aid effectiveness
Cross-cutting issues of <u>gender and HIV/AIDS</u> often neglected	Mainstream gender and HIV/AIDS in project mgnt	Provide adequate gender analysis skills and tools	Coordinate gender and HIV/AIDS mainstreaming	HIV/AIDS threatens to dilute national development goals
Some <u>NGO-projects</u> deviate from policy; there are under-serviced cooperation areas	Secure policy compliance and create a tighter focus based on results of a sector study	Emphasise cooperation with intermediary organisations in cooperation with CBOs	Support less NGOs and concentrate on issues of impact and sustainability	Improved instrument management will enhance effectiveness
Without pro-active measures, increased <u>commercial cooperation</u> will not materialize	Policy exists – it needs to be effectively implemented	Launch Namibia Transition Facility to support commercial project preparation	Outsource NTF management to business promotion professionals	Finnish business community interest in Namibia and vice versa is quite limited
Insufficient <u>management systems and monitoring mechanisms</u> at MFA	Demystify 'policy jargon' and redefine instruments; clarify management tasks by MFA and Embassy	Create clear criteria for support and specify project management procedures	Reform management systems, adjust application procedures, and outsource support services	A consultancy study is necessary to specify the required new management systems and procedures
Weak <u>information and communication services</u> Delayed, ad-hoc reaction to <u>failed (and failing) projects</u>	Consider outsourcing of promotion services Institute a policy of immediate intervention in crisis situations	Improve information material Provide extra funds for rescue operations at short notice	Assign responsibility and train personnel Use regular reporting and an early warning system	Could be part of the outsourced function Outside crisis manager to join service provider

1. INTRODUCTION

1.1 Project Background

The Finnish Government Decision-in-Principle “Operationalisation of Development Policy Objectives in Finland’s International Development Cooperation” and the Government Programme for Development Policy of February 2004 foresee a transition from grant-based development cooperation to broader economic and institutional cooperation in more advanced developing countries. One of these countries is Namibia. The past cooperation projects and contacts have created a solid foundation for a sustainable relationship between equal partners.

According to the new policy, Finland will concentrate its bilateral grant-based development cooperation to the poorest countries, whereas more versatile cooperation will be initiated with economically more advanced countries, such as Namibia. The Programme emphasises that Finland holds a special relation with these countries, developed in the course of decades of cooperation requiring a considerable amount of financial and human resources. This common past has resulted in a great amount of contacts, expertise and experience in cooperation between the countries. It is trusted to form a solid basis for future cooperation as well.

The objectives of the transition from traditional long-term development assistance towards deepening and broadening the bilateral relations are the following:

1. Systematic and sustainable withdrawal from long-term grant-based assistance.
2. Deepening and normalisation of the relations between the countries emphasising trade and economic relations.
3. Development and testing of new instruments suitable for new type of cooperation.

In order to secure that this transition will take place in an orderly manner, the Ministry for Foreign Affairs of Finland (MFA) initiated the preparation of an “Ex-ante Evaluation of the Cooperation Programme between Finland and Namibia 2004 – 2007 and 2008 onwards”. The consultancy contract between the Ministry and LarCon Ltd was signed on June 8, 2004. The Interim Report was delivered to the Ministry on September 6, 2004, and the Final Report on December 7, 2004.

In response to the requirements of the Terms of Reference, LarCon made available the services of a consulting team consisting of experienced international and local experts, with Mr. Martti Lariola of LarCon as Team Leader, and Mr. Heikki Noro and Ms. Birgit Degnbol as international team members, and Ms. Adelheid Awases and Mr. Eckard Schleberger as local team members.

The focus of this study is on the framework of future cooperation rather than the history or impact of past cooperation. It endeavours to identify new, sustainable forms of cooperation without dependency on grants, and instruments required for their promotion.

1.2 Long history of relations¹

Finnish and Namibian people have a long history of relations starting from the work of the Finnish Christian Missionary Society in Ovamboland in the 1870s, before the era of independence of the two countries. The educational and health work of the Finnish missionaries founded a steady ground in areas, where these services were not available to the local population. For decades, through church activities, for many a Finn, Ovamboland became the living face of Africa, a cradle of popular development aid and friendly relations between the Finnish and Namibian people.

From the very beginning, Finland was supporting internationally the independence of African colonies and fight against apartheid. Consequently, Finland was active within the United Nations in the Namibian question pursuing the approval of the core resolutions and actions like the Advisory Opinion by the International Court of Justice in 1971. From 1974, Finland was a member of the Council for Namibia and an initiator of the Namibian Nationhood Programme approved by the UN General Assembly in 1976. The interest of the Finnish population in Namibian affairs has been broad, crossing the traditional occupational, ideological and political party lines.

Since 1976, Finland provided scholarships for Namibian students to study in Finland within the SWAPO-scholarship programme, which concentrated on different study fields e.g. engineering and humanities. From 1976 to 1992, some 65 Namibian students graduated from Finnish universities. A good number of them today hold prominent positions in the Namibian Government and society.

Mr. Martti Ahtisaari served as the UN Namibia Commissioner in 1977–1981 and was in 1978 appointed the Secretary General's Special Representative for Namibia. The United Nations Transitional Assistance Group – UNTAG – was lead by him in 1989–1990. Finland provided UNTAG with a 856 member military contingent – FINBAT for a peacekeeping mission. In addition, Finnish civilians acted as election observers in the first Namibian elections.

Finland was among the first countries to recognize the independence of the Republic of Namibia on the 21st of March, 1990. Diplomatic relations between the two countries (and the Finnish Embassy) were established the following day. The diplomatic observer mission of Finland had already been established in Windhoek in 1989.

Already in 1976, the Finnish Government had decided that Namibia would become one of the main recipients of the Finnish development cooperation after the independence of Namibia. In 1990, it was proposed that Finland should support Namibia in the fields of water supply, health care, forestry and mining. Since then, the cooperation has extended into new fields such as decentralisation, institution building and environment.

The developments in Namibia in the 1990s and the frictions in diplomatic relations in 1999–2001 led to the definition of Namibia as a transition country in Finland's development cooperation. Later on, the phasing out of traditional sector-focused development cooperation was agreed to take place in 2004 – 2007.

¹ Source: *Transition Strategy in the Finnish-Namibian Relations, 1st draft, MFA, 2004*

1.3 Namibia's policy framework

The development policy and planning instruments in Namibia have been evolving since the launch of the First National Development Plan in 1995. The present framework is based on four layers of planning and policy tools:

1. Vision 2030;
2. Second National Development Plan 2001/02–2005/06;
3. Three-Year Rolling Development Budget for FY's 2002/03–2004/05;
4. Annual Budget April 2004–March 2005.

Vision 2030

The document, prepared since 1998, but officially launched by the National Planning Commission (NPC) in June 2004, provides a Policy Framework for Long-term National Development, as reflected in the title. It is a very ambitious Government effort to set long-term objectives and goals for development, and to provide direction and guidance to ministries, the private sector, NGOs and local authorities. It envisages that by 2030 the country has emerged from a middle-income economy into a high-income industrialised country. The document lists down broader objectives, but also tangible targets in each sector. The vision statement is "A prosperous and industrialised Namibia, developed by her human resources, enjoying peace, harmony and political stability".

Vision 2030 builds on the following key pillars:

- Good governance;
- Partnership;
- Capacity enhancement;
- Comparative advantage;
- Sustainable development;
- Economic growth;
- National sovereignty and human integrity;
- Environment;
- Peace and security.

The macroeconomic forecasts for the period 2001–2030 assume the following average annual growth rates:

• population	2.0%
• real GDP	5.8%
• real fixed capital formation	9.4%
• real consumption	4.8%
• inflation	6.6%
• trade balance of GDP	-3.6%
• budget deficit	-0.7%

Infant mortality should decrease to 10 per 100 live births, urban population should reach 75%, life expectancy should increase to 69 years (from 40), and full immunisation coverage should reach 80%.

Vision 2030 represents a good effort in endeavouring to set long-term goals and some measurable objectives to the country and the economy. It is based on a recognition that the goals cannot be met without partnership of all interest groups of the civil society and the business community.

Second National Development Plan NDP2 (2001–2006)

The Plan forms a medium-term strategy and contains more operational objectives and actions derived from Vision 2030. It aims to set the stage for sector development efforts, programmes and proposed investments. The main objectives are:

- revive and sustain economic growth;
- create more employment opportunities;
- reduce inequalities in income distribution;
- reduce poverty;
- reduce regional development inequalities;
- promote gender equality and equity;
- promote economic empowerment; and
- combat the further spread of HIV/AIDS.

The strategies emphasize improvement of the enabling environment for economic growth, promoting participatory development, promoting environmental sustainability, sustaining good governance and democracy, developing human resources and strengthening Namibia's international role.

Three-year rolling development budget

Since 2000, the Government has used the three-year budgeting cycle as a planning tool, giving a more realistic funding framework for concrete action. The current budget covers the period 2002/03–2004/05. The global ceiling for the three years amounts to NAD 4.3 billion, reflecting the lower budget frame available. In actual fact, it may be further reduced, given the lower implementation rate in some sectors. The development budget corresponds to approximately 10% of the total Government budget. The budget and the programmes/projects will be approved on an annual basis. The funding will consist of NAD 3.5 billion from internal sources and NAD 0.7 billion from external sources (donors).

Annual budget

The short-term tool for the implementation of development goals and programmes is the annual budget. The budget for the fiscal year April 2004–March 2005 amounts to NAD 12.7 billion. Funding for the development programme will be NAD 1.3 billion, lagging behind the NDP2 funding targets. The budget deficit will be NAD 588 million. Grant assistance is estimated at NAD 80 million, representing a strong decrease from earlier years. The deficit will be funded from domestic (net amount NAD 1.2 billion) and foreign borrowing (net amount NAD 336 million). The domestic debt will increase to NAD 9.9 billion and foreign debt to NAD 2.1 billion. The increasing indebtedness and low level of domestic savings will make it difficult for the Government to attain public sector investment targets in the near future.

1.4 Transition to new forms of partnership

Finnish Government's Decision-in-Principle "Operationalisation of Development Policy Objectives in Finland's International Development Cooperation" from 2001 states as follows:

"In the course of the next 3 to 7 years, long-term bilateral grant assistance in the form of projects will be phased out in middle-income countries such as Egypt, Namibia and Peru, and mainly other cooperation instruments will be taken into use."

The new policy is further consolidated in the February 2004 Government Resolution, which reads, inter alia, as follows:

"Egypt, Namibia and Peru are countries whose economic development gives Finland an opportunity to move from relations where the emphasis is on development cooperation to more diversified cooperation and interaction. The change will take place in 2004 to 2007 in a controlled and sustainable manner, with the help of the implementation of transition strategies."

In the future, Finland will also have special relations with these long-term partner countries to which considerable amounts of development cooperation funds have been directed. Finland and Finns have many links with these countries based on past cooperation, and a lot of knowledge and experience concerning them. This provides a firm foundation for building new kinds of partnerships."

Putting transition strategies into practice calls for new ways of thinking. New means and methods to be developed and used include promotion of trade, investment and private sector cooperation; development of public and private sector partnerships; institutional cooperation; and various exchange programmes (including cultural exchange). Even though the largest intergovernmental projects are being relinquished, grant aid can still be provided in the form of local cooperation funds and act as a catalyst for cooperation between institutions and for the participation of the private sector."

This policy statement sets the stage for this evaluation study. The challenge is to refocus the cooperation pattern from the traditional long-term, grant-based development cooperation pattern to a partnership of civil society and business community institutions. This new partnership involves the civil societies of the two countries as a whole, including social and cultural organizations, NGOs and public and private institutions and organizations. The past and current relations will remain, and new will be built on the foundation created by the past cooperation.

Namibia's development policy as well as medium and long-term goals are expressed in the Second National Development Plan 2001/02–2005/06 and in the Vision 2030. The long-term development framework envisages Namibia's emergence as a high-income industrialised country by 2030 as follows:

"A prosperous and industrialised Namibia, developed by her human resources, enjoying peace, harmony and political stability".

1.5 Justification for refocused cooperation

Due to its natural resources, history and level of economic activity, Namibia belongs to the lower-middle-income countries of Africa (GNP per capita in 2002: USD 1,780). As Finland will concentrate its bilateral development cooperation on the poorest countries, there is a need to diversify relations with Namibia towards a wider spectrum of civil society and business community partnerships. This is in harmony with Namibia's vision to become an industrialized nation by 2030, in other words "A prosperous and industrialised Namibia, developed by her human resources, enjoying peace, harmony and political stability".

Notwithstanding Namibia's ambition to industrialize, the highly dualistic nature of the country and wide inequality among regions and people necessitates continuous measures for poverty reduction and emergency assistance to vulnerable groups of the society, particularly those affected by HIV/AIDS. Namibia needs financial support and advisory services from the international community to combat these formidable challenges.

Finland has supported Namibia's development during the first decade of independence by funding long-term sector-oriented projects in health, water supply and sanitation, forestry and in key areas of central, regional and local government. Finland has also fostered a variety of NGO projects and locally administered projects. All these activities, and the long history of relations prior to independence, have laid the foundation for more self-reliant forms of civil society cooperation. The instruments for civil society cooperation (NGO funds and LCFs) are already available, and the budgeted amounts are expected to increase in the transition period. However, the economic backbone of Namibia is narrowly based, and the enabling infrastructure for small and medium-sized enterprises is underdeveloped. Although Finland's role in fostering Namibia's development will always remain limited, much more should be done in both countries to activate the business communities for closer cooperation. There is a need for pro-active, targeted support measures for the promotion of private sector cooperation.

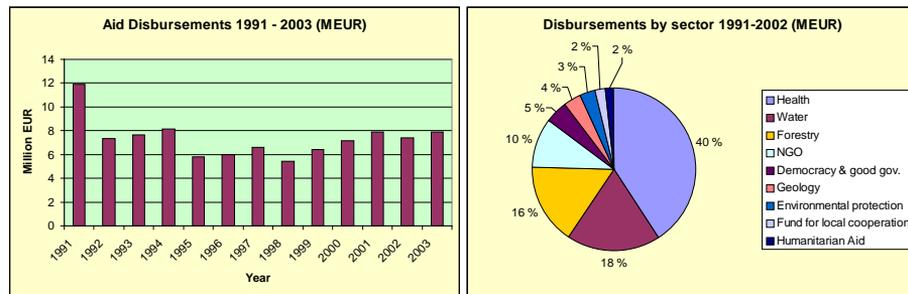
2. BILATERAL COOPERATION BY SECTORS AND THEMES

2.1 Introduction to sectors and themes

Since 1970, Namibia has been Finland's 11th biggest recipient of bilateral aid. The total value of Finnish aid to Namibia in the period 1970–2003 was EUR 114 million, including the support before Namibia's independence.

In 1991–2003, Finland's aid disbursements to Namibia amounted to EUR 95.6 million (Figure 1). Since 1992, the disbursements have hovered between EUR 6 and 8 million annually. The health and social sector, water sector and forestry sector represented 74 % of the total bilateral aid during 1991–2002. The anticipated grant aid during the transition period from 2004 to 2007 is expected to be about EUR 23 million, or EUR 6 million annually.

Figure 1: Finnish Bilateral Development Cooperation with Namibia, 1991–2003 (MEUR, %)



Source : MFA

The largest sector of cooperation is the health sector that has received 40% of the total grant aid from Finland to Namibia since 1970, or MEUR 29.9. The assistance has been to one health project, the Engela Area Integrated Health Project 1992–1995, and one Health and Social Sector Support Programme (HSSSP) running over two phases, I and II, 1995–2004 with EUR 9.7 million allocated for the second phase. The water sector is the second largest receiving 18% of the total assistance, or MEUR 13.4. The assistance has been for two projects, one being the Water Supply and Sanitation Project in the Ohangwena Region (WSSPOR), 1992–1997, granted MEUR 6, the other the Community Water Supply Management Support Programme (CWMSPP), phases I–III, 1997–2004, granted MEUR 8.7. The forestry sector is the third largest receiving 16% of the total Finnish bilateral grant assistance since 1970, or MEUR 11.7. The assistance to the forestry sector began with the posting of Finnish forestry advisers to the Directorate of Forestry (DOF). This was followed in 1992 by activities including a review of the Namibian forestry policy. Since 1992, Finland has been engaged in the training of workers and personnel in the forestry sector. In 1996, cooperation in the sector included assistance to prepare the Namibia Forestry Strategic Plan and the introduction of a forest fire management project in Caprivi. The latest assistance has gone to the Namibia-Finland Forestry Programme (NFFP), phases I and II, 1997–2005.

Apart from the NGO support, the other sectors supported have only received minor parts of the total assistance. Democracy and good governance received support to the amount of MEUR 3.3 for two projects in the period from 1998–2004 in the areas of Capacity Building for Local and Regional Authorities (CABLE), and Institutional Capacity Building in the Ministry of Finance. The geology sector received 4% of the assistance, or MEUR 2.6, for one project, the Geological Mapping Project, conducted in three phases from 1994–1997. This assistance built on the assistance provided under the SWAPO scholarship programme to 65 Namibian students that had graduated from Finnish universities prior to independence. The environmental protection received 3% (MEUR 2.2) for two projects. These were the Information and Communication Service for Sustainable Development in Namibia (INFOCOM), and the Bush Encroachment Monitoring and Management Project, 2000–2004.

The NGO cooperation has received 10% of the total Finnish grant aid to Namibia 1970–2002, or MEUR 7.3, all disbursed in the period 1991–2002. During the first four years of the 1990s, the volume of the support was more than one million EUR per year, but it has been on the decline towards the end of the decade. The projects have focused on the education and

health sectors. Projects were implemented by as many as 33 NGOs. The largest projects in the 1990s were carried out by the Finnish Federation of the Visually Impaired (FFVI), the Finnish Evangelical Lutheran Mission (FELM) and FinnChurchAid. In many projects, the cooperation partner was the Evangelical Lutheran Church in Namibia. Apart from FELM's presence in Namibia, the longest involvement has been with the Finnish Federation of the Visually Impaired and the Trade Union of Education (OAJ), which span the periods from 1985 and 1989, respectively, to the present.

In 2002, the value of NGO projects was EUR 0.7 million. Projects were carried out by 14 NGOs. The largest projects were carried out by the Family Federation of Finland, the Finnish Association of the Deaf and FELM. The majority of the support was targeted on the social sector, and in 2000, the largest project was an Education Campaign Against HIV/AIDS, amounting to EUR 269,000. By August 2004, there are nine Finnish NGOs cooperating in Namibia, however, only eight of them with ongoing projects. Two of them have offices in the country (FELM and Technology for Life – operating in Ongwediva as Eco Green Centre (EGC). Eco Green Centre is the only Finnish NGO, which operates in its own right being registered in Namibia, whilst the other Finnish NGOs all have local NGO partner organisations to carry out their projects. EGC has, however, not been successful in securing funds from MFA for any of its projects in 2004 and beyond. Four NGOs² with ongoing activities have taken up cooperation after 2000, without previous involvement in Namibia.

The Local Cooperation Grants and Humanitarian Aid have each received 2% of the total Finnish grant aid to Namibia in the 1970–2002 period. The Local Cooperation Grants, receiving MEUR 1.4, has comprised four different areas: human rights and democracy, culture, small projects, and institutional cooperation. Actually, the Local Cooperation Grants were first established in 1997 as a fund for Cultural Cooperation with the main objective of making Namibia better equipped to face the challenges and opportunities of Globalisation. This was to be done through strengthening the cultural identity (ways of thinking, living and acting, including communication of Namibians at various levels). The fund was to be administered in collaboration with the National Planning Commission and activities reviewed on an annual basis at the Annual Review Development Cooperation between the two Governments. The first activities were designed and supported in 1998–1999. Between 1998–1999, 35 projects were supported. The organisations involved were varied and focused on human rights, core support, democracy, civic education, support to infrastructure development, culture and theatre development, museum and heritage, cultural and musical exchange programmes, music competition, script writing and material development, and training workshops.

With the launch of the Local Cooperation Fund (LCF) in 2000, there was a redefinition of objectives, focus areas and target beneficiaries. The main objective of the Fund is to complement other Finnish development efforts (development policy, millennium development goals, etc.) with an overall aim to alleviate widespread poverty. 112 projects were funded during the 2000–2004 period. Key components of the Fund are: 1) Civil society development, democracy, human rights and gender equality; 2) Transition process to strengthen linkages between public and private institutions, NGOs and CBOs in Namibia and Finland; 3) Strengthening local cultural identity through support to theatre development, music and arts education, crafts development,

² *Summer High School, The Trade Union Solidarity Centre of Finland (SASK), the 4H Federation of Finland and the Family Federation of Finland (FFF).*

libraries and museum; 4) Social equity/disabled provision of support to the disabled, indigenous minority groups, homeless and other vulnerable groups and HIV/AIDS infected and affected groups through UNAIDS. The focus has, however, since 2000 been on civil society development and cultural identity rather than on social inequality and poverty reduction.

The overarching objective of the Finnish assistance, poverty reduction, as well as the crosscutting issues of gender equality, HIV/AIDS, democratisation and good governance will be dealt with in the sections below on sector and thematic issues.

2.2 Health

The Engela Area Integrated Health Project 1992–1995.

The *Engela project* aimed at promoting the health of the people in the Engela area and included four components for this purpose: a) construction of a new Engela District Hospital, 2) strengthening of primary health care, 3) human resources development, and 4) strengthening health management.

The 1996 evaluation of the project found that the project was relevant, well justified and in line with the Namibian health policy that aim towards a primary health care oriented system. Efficiency and effectiveness in project implementation was good, and the project was well managed. The integration of the project into the existing Namibian system was excellent, and the strengthening of health management, especially improvement of planning, was a strong element of the project. However, as there were numerous activities under the project, a danger was identified that the plans were too ambitious in relation to the local absorption capacities. Future efforts should focus on ensuring sustainability.

The Health and Social Sector Support Programme (HSSSP) phase, I and II, 1995–2004

The *HSSSP* built on the experience of the Engela project. The *HSSSP* development objective was to improve the health and wellbeing of the population in the seven Programme regions through improved efficiency and implementation of core health and social welfare services in the Programme regions. The specific aims of phase I was 1) to strengthen the national level of the Ministry of Health and Social Services (MOHSS) and especially the Directorate Planning and Human Resource Development and Social Services, and 2) to provide regional level support to the newly established Regional Management Teams (RMT) in five regions (Kunene, Kavango, Hardap, Karas, Omaheke). Also, physical infrastructure development in Nankudu district and at the National Health Service Centre was supported, as was the Blood Transfusion Service.

HSSSP phase I was evaluated in 1998. The evaluation found that the *HSSSP* was a well-conceived, strategically important initiative, with excellent goals, objectives and overall strategies. The *HSSSP* had a close collaboration with and was flexible and responsive to the changing priorities of MOHSS, and was in general implemented well. Some problems needed urgent attention, especially the critical under-staffing of the MOHSS that undermined performance and hampered the impact of the *HSSSP*. Steering committee meetings would benefit from in-depth discussion of strategic issues, and a redefinition of the role and responsibilities of the Programme Coordinator was essential. It was further found essential to identify training needs and design appropriate in-service training for the National Health Training Centre facilities to be used effectively. Finally, the evaluation recommended the MOHSS to clear up the confusion

that existed in the responsibilities and authorities given to districts, regions and the four regional directorates.

HSSSP phase II was composed of six result areas: 1) Improved Health and Social Services management at the RMT and district levels in the seven programme regions (Omaheke was excluded from phase II due to satisfactory progress during phase I and three new regions, Oshikoto, Omusati and Caprivi, included); 2) Improved training network with improved management systems to support pre- and in-service training; 3) Improved management and delivery of priority social welfare services, particularly in the seven programme regions; 4) Improved policy, planning and management capacity at national level facilitated by a functional MIS; 5) Sustainable use of health care technology and physical facilities; 6) Improved mental health Programme management systems and case management of mental health at all levels, particularly in the seven Programme regions – this was seen essential to mitigate the effects of the HIV/AIDS epidemic.

The ex-ante evaluation's assessment of the Finnish assistance to the health sector is that it has been considered highly *relevant* and has impacted positively on the functioning and performance of the MOHSS, as well as on the other government institutions targeted (hospitals, Regional Management Teams, Training Centres, etc.). By some, it is, however, considered as premature and, as such, was not as *efficient* as if the decentralisation process had been more advanced. On the other hand, the Finnish support assisted in bringing the health sector partners to a stage where the present decentralisation efforts will continue from a better platform. The conclusion of the assistance to the health sector is, likewise, considered too hasty and continuation under the decentralisation project should therefore be ensured to *sustain* the investments already made. The 1998 evaluation of the HSSSP I findings regarding staffing have been supported by the present evaluation as availability of *qualified staffing* is still a huge problem for the health sector.

The geographical focus of the support on the northern areas has, from a *poverty perspective*, been crucial for a more equal distribution of health facilities in the country. The high prevalence of HIV in the north³ (Oshakati: 34% of adults; Katima Mulilo: 29%; Onanjoikwe: 21%; Engela: 17%; Andara 16%), the high proportion of deaths due to *AIDS* as a percentage of all deaths (26% in 1999 nationwide), and the fact that *women* account for the majority of new infections (54% in 1999 nationwide) make any support for a more equal distribution of health services in the country benefit women and target poverty.

Conclusion: The Finnish assistance to the health sector was highly relevant and has had a favourable impact on the performance of the sector.

³ Figures in this section are from UNDP Namibia Human Development Report 2000/2001.

2.3 Water Supply and Environment

The Water Supply and Sanitation Project in the Ohangwena Region (WSSPOR), 1992 – 1997.

WSSPOR was initiated in February 1992 and completed in December 1997. The Project provided technical assistance and community development services for water supply and sanitation for the rural population in the project area. The Finnish support amounted to EUR 6.6 million.

The chosen approach for water supply of constructing shallow wells or bore holes equipped with a hand pump or a winch proved to be a failure. The water quality was not acceptable in terms of bacteria content and salinity. This approach also conflicted with the Directorate of Rural Water Supply (DRWS) strategy of relying on bulk water supply and mechanized bore holes. The ownership and maintenance of water supply and sanitation facilities was left to the local communities. They neither had financial resources nor competence to secure continued services.

The Community Water Supply Management Support Programme (CWMSP), phases I – III, 1997 – 2004.

CWMSP was established in 1997 in cooperation with the Directorate of Rural Water Supply and was intended to support building management capacity at the DRWS and its regional offices. The overall objective of the CWSMP was to assist the DRWS to achieve the goal of a sustainable supply of safe water to rural communities in communal areas and to implement the decentralization of rural water supply functions to the regions. The purpose of the Programme was to assist the Government of Namibia to implement community based management of rural water supply and to implement decentralisation in the rural water supply sector. Project disbursements in 1997–2003 were EUR 8.7 million. The project was completed in September 2004.

The Mid-Term Review of January 2003 expressed concerns about the slow pace of handing over water points, lack of commitment in the decentralization process in general, excessive focus on plans and studies, and their low utilization, and a number of other aspects of project implementation.

After a slow start, the project performance has improved in reaching its key objectives. Exact information was not available (in August 2004) on the progress of handing over of water points, but this process was estimated to follow the projected path (about 40 % completion rate in 2004). DRWS's staff is expected to decline from 96 people in August 2004 to 47 in 2005, and further to 27. The decentralization plan has been submitted to the Prime Minister's office, but the decision-making and implementation schedule of decentralization remains uncertain. The ownership of assets remains in the central government, although maintenance and pump fuel supply have been delegated to the communities. Cost recovery as a policy has been approved, but practical problems exist in local communities. The average distance from rural homesteads to water points is 2.5 km.

The relevance of the CWMSP has been high, but efficiency of implementation has not been satisfactory in every aspect. Current concerns relate to the sustainability of the project due to lack of extension officers and qualified personnel, in general. Also, the financial resources in local communities are limited. Sustainability at community level would require a comprehensive

development effort, which would strengthen the local economy and increase incomes of the poor. A new EU-funded rural development project is aware of the CWMSP and is committed to securing its sustainability.

DRWS will participate in the new decentralization project (Support to the Namibian Decentralization Process). It considers itself to be ahead of the other participating ministries and administrative units in the implementation of decentralization.

Information and Communication Service for Sustainable Development (INFOCOM), 1997 – 2004.

Information and Communication Service for Sustainable Development in Namibia improves the monitoring and information system concerning Namibia's environmental status. The programme was launched in 1997 and will continue until the end of 2004. The overall objective of INFOCOM was to promote environmentally sustainable development practices in Namibia by providing pertinent and appropriate environmental information to the policy, planning and decision-making processes and to all relevant stakeholders by developing indicators for evaluating development cooperation projects. It also included the production of geographical maps of the environment.

The original project did not fully reach its objectives, and it was consequently granted a two-year extension (Consolidation Phase) in January 2002. The project produced *Atlas of Namibia* and *Namibia's Marine Environment*, outstanding publications that are available to the general public through bookstores. The project also created a website, a documentary film and other environmental information services. The project has been rated highly relevant in collecting and processing environmental information, and in promoting its utilization. The main concern at the final stages of the project is the lack of adequate technical staff to assist with planned activities and to secure sustainability.

The project funds remaining in the beginning of 2004 were allocated for project related activities, expected to continue until December 2005.

Bush Encroachment Monitoring and Management Project, 2000 – 2004

Bush Encroachment Monitoring and Management Project was implemented under the auspices of National Programme to Combat Desertification. The objective of the programme was the promotion and establishment of appropriate systems for diverse and sustainable land management in encroached areas. The purpose was to obtain a common information base and understanding of the issues related to bush encroachment, as well as to prepare a monitoring and an integrated management programme. A database was developed in order to understand and control degradation of soil resulting from the spreading of the bushes.

The project was successfully concluded in the first quarter of 2004. The technical report was published as a book and printed in 2,200 copies and distributed to relevant stakeholders and other interested users. The remaining funds of the project (about NAD 250,000 and EUR 9,000) were allocated for project-related activities, which are expected to continue until March 2005.

The project reached its objectives. The relevance of the project has been rated high by Namibian authorities. In March 2004, the Namibian Government adopted the project report as the foundation of Namibia's bush encroachment policies. In accordance with Finland's transition strategy, the proposed second phase of the project was not approved. There are no specific plans to fund bush encroachment-related activities in the future.

Conclusion: In the absence of funding for bilateral projects, the cooperation between Finland and Namibia in the water and environment sector is likely to dwindle. Finnish participation in construction projects or equipment deliveries is unlikely. Finnish consulting companies may succeed in bidding for EU or other multilaterally financed projects. Growing local cooperation funds, and NGO funds, will continue to be available for small-scale environmental projects and advisory services.

2.4 Forestry

Forestry sector cooperation between Namibia and Finland has started after the independence. Between 1991–96, Finland provided forest advisers to the Directorate of Forestry for assistance to forest policy, strategy and training, including the Namibia Forestry Strategic Plan.

Since 1997, the Two-phase Namibia-Finland Forest Programme has been in place in order to support the implementation of the Forest Strategy, adopted in 1996. Finland has been the biggest donor in the sector. Advisers have been assisting DOF in institutional development, information and planning, as well as in participatory integrated forest management. The second phase of the programme, running from 2001 to April 2005, is allocated EUR 5.7 million, whereas the Government of Namibia contributes EUR 2.2 million to the programme. Given the rather limited commercial forest resources in Namibia, the programme has recently put a strong emphasis on community based forest management and human resources development at DOF and regional levels (pilot run in e.g. Ogongo). The main thrust of phase 2 has been in:

- adequate public sector management capacity;
- forest management planning processes and forest inventory;
- participatory integrated forest management in community forestry in North-East and North-West.

It is expected that by 2005, DOF would have 100% of technical and 85% of professional posts filled with qualified Namibians. In addition, forest management planning units would be fully operational on local, regional and national levels, and management plans will exist for the pilot areas. The ten pilot communities have developed integrated forest management plans and by project completion will have implemented community forest reserves. In addition, four income generating small-scale enterprises would be operational.

The overall impact of the programme has been evaluated as significant. The forest sector has been recognised as an important part of natural resources management and conservation. On the other hand, due to subsequent targeting to pilot areas and due to the initial stage of community forestry implementation the specific impacts of the original purpose have been more limited. The Finnish support has had a major impact on forestry policies, strategies and legislation.

The institutional capacity building impact has been the major benefit of the programme. 30 professional staff of DOF and Okongo College have been provided with M.Sc. and B.Sc. level training abroad and 11 more will be finalising training by 2008 (training extended beyond programme completion). The absence of a substantial amount of staff together with several unfilled vacancies have seriously hampered the achievement of the activity targets. On the other hand, DOF will be able to better cope with the challenges with the level upgrade of its staff across the board since mid 1995.

The initial scope of the Forestry Programme was overly ambitious. Targets have been scaled down along the way by concentrating on two pilot areas since Phase 2 and confinement to core target areas since late 2003 (community forests, fire protection etc.). The emphasis on local participation will pose new challenges to DOF and the local bureaus, which Finland can only support to be initiated before March 2005. It would, therefore, be essential to help integrate local forest management closer into its natural partners in wildlife, tourism, agriculture, environment and related sectors. DOF has had a budget of NAD 12–14 million p.a. since 2002, but will now face a cut of 20%. This will mean that it has to become more efficient with the help of well-trained staff and to decentralise functions to the communities.

Conclusion: Finland's support has been beneficial and assisted Namibia in enhancing forest sector management and operations capacity. Current trend is towards management of wider environmental issues, and towards community-based operations. Short-term advisory services under the LCF could be considered for follow-up activity.

2.5 Geology⁴

The Finnish-Namibian institutional cooperation in the geological sector has been implemented in two phases: 1991–95 and 1996–98, with altogether EUR 2.6 million having been allocated. The Namibian partner was Geological Survey of Namibia (GSN), Directorate of Geological Survey of the Ministry of Mines and Energy. The Finnish technical partner was Finnish Geological Survey (GSF). Within the programme Finland has co-financed geological surveys and mapping and provided institutional and advisory support. The purpose was to establish a sustainable GIS infrastructure in Namibia, in order to support exploration by the mining industry and to provide tools for the Government for sound public policies.

The project activities included:

- Surveys and digital mapping (1:250,000);
- Joint development and adaptation of ArcInfo GIS mapping system and database;
- Training: 5 young geologists and geophysicists were sent to M.Sc. level training to Finland and 4 officials have been trained on the job;
- Small-scale mining study in 1991.

⁴ Only limited documentary was available to the mission. The analysis is based on the Evaluation Report of Phase I of the projects, dated November 1992, as well as on interviews with Geological Survey of Namibia and the Embassy of Finland.

The project concept has been evaluated to be sound and also considered highly relevant by the Government. As a good indication of this, additional budgetary and human resources were allocated to GSN during the implementation. Good quality new technology maps were essential for encouragement of exploration by the mining sector, and also helped the Government in policy making. The project was inadequately planned, was rushed into and was designed overambitious from the very start. GSF was still developing GIS technology in Finland at the inception, causing inefficiency in delivery. On the other hand, joint development of the system intensified institutional relations between GSN and GSF, and helped in adaptation to the Namibian requirements and facilitated in absorption by the counterparts.

The project is a good example of successful and sustainable institutional cooperation and aid intervention. GSN has been able to take over fully the national GIS mapping tasks and is able to do it without further outside support. The maps and geophysical data are in high demand by both private and public sector clients, and create a limited income stream to GSN. An EU-funded SYSMIN programme has supported the further development of the geophysical analysis systems, which will provide more detailed geological information on mineral deposits. GSF has participated in bidding of Annual Geophysics Surveys, but has not been cost-competitive. Further GSN-GSF cooperation is envisaged in the establishment of a geological interpretation unit. Further training of University of Namibia (UNAM) graduates is still required. The Centre for International Mobility (CIMO) student exchange programme could offer one solution to these needs. Request to this effect may be forthcoming.

The private sector has a natural role to play in the future plans for GSN. It is still a directorate at the ministry, adversely affecting the efficiency of its functioning. Plans have existed to separate GSN as an outside service company, even inviting private sector participation. The demand for maps and mapping activities have been on the increase again, after a 5-year flat trend. The time would thus be opportune for encouraging Public-Private Partnerships (PPP) also in this area. Those would not be confined to mapping, but would extend to local analysis laboratories (work now sent to South Africa) and to mineral service companies, e.g. in environmental services.

Conclusion: The Finnish intervention was successfully implemented and created close relations between GSN and GSF. There is no need for comprehensive Finnish assistance in the geology field. Targeted short-term advisory services through the Local Cooperation Fund could be made available for the further development of the sector.

2.6 Administration and Decentralization

Advisory Services to the Ministry of Finance (MOF)

The services were provided by the Finnish Ministry of Finance through a series of short term missions during 1998–2003. The assistance was launched outside of the regular country programme activities and was conducted on an as needed basis. The technical assistance aimed at enhancing the budgeting capacity and fiscal management of the MOF and the line ministries. In total, FIM 1.5 million between 1998–2001 and EUR 195,000 between 2002–2003 were allocated to these services. The second phase in 2002–2003 provided training for 213 senior government officials in the establishment of sound accounting practices and harmonisation of line ministry accounting practices. Subsequently, the African Accounting Management Institute (AIMS) provided training for 184 Government accountants.

As the written material about the project was limited, a systematic evaluation of the results was not possible. Problems were encountered in launching of the medium-term expenditure framework software, proposed by a Finnish consultant. The proposed software was not deemed suitable and was rejected. In addition, difficulties were faced in the work among the Steering Committee's local and Finnish members.

However, the Finnish financial contribution assisted the MOF to introduce a rolling three-year budgeting and planning cycle. This has had a significant impact on improved medium-term planning and public sector management. MOF has been satisfied with the support given by their Finnish counterpart. The MOF project inspired Finland to sponsor training for 40 professional staff of the National Planning Commission Secretariat (NPCS), line ministries and selected apex organisations in project appraisal, monitoring and evaluation. EU will provide further support for budgeting, debt management and related issues.

Conclusions: Despite its sporadic nature and insufficient consultations among the partners, the Finnish financial support has contributed considerably to training as well as to the adoption of a major improvement in the budgeting and planning process. Additional involvement of Finnish bilateral support is hardly needed. For additional support, short-term advisory services through the LCF can be considered in the future.

Capacity Building for Local and Regional Authorities (CABLE) project (1999–2004)

The CABLE project started as a one-year preparatory phase and was followed by a three-year project launched in 2001. The overall objective of the project was improved local governance with the purpose of improved capacities of local authorities to deliver key services to the communities and to advance democracy. The main result of the project was to improve the managerial, administrative and technical capacities of the seven pilot local authorities (LA) included under the project (Karibib, Katima Mulilo, Khorixas, Okahanja, Opuwo, Otavi and Rundu) for them to provide reliable and pro-poor services. Other results included: to strengthen cooperation and networking between the Ministry of Regional and Local Government and Housing (MRLGH), LAs and other stakeholders involved in the project; to institutionalise national capacity for in-service Human Resource Development (HRD) in LAs and regions; to strengthen the Association of Local Authorities of Namibia (ALAN) and the Association of Regional Councils (ARC) to provide high-quality services for LAs and regional councils; to improve the management capacity of MRLGH to steer capacity building in the LAs towards efficient and democratic service provisioning; and to initiate long-term capacity building for pre-service LA training through support to the UNAM.

The assessment of the CABLE project is critical. The project was *relevant*, but the *efficiency* in terms of the management of the project was low. Namibia has, though, in general, benefited from the support, but the project is assessed not to have been sufficiently flexible to accommodate and adapt to the actual situation of the Namibian society during implementation. Problems in implementation are identified in the areas of the Finnish Technical Assistance's (TA) (lack of) understanding of the Namibian government system; language problems; the skill levels of the TA and counterparts not matching as not all counterparts were in place with the required skills; the training system was not in place prior to implementation of training activities, and

these were too short-term. All this led to a breakdown of communication between some of the Finnish and Namibian actors involved. Despite these problems, both LAs and MRLGH have been strengthened through the project on how to cooperate with the various stakeholders involved in decentralisation, including NGOs and donors. *Sustainability* of the achievements under this project will be dependent upon continued support under the decentralisation project.

Conclusion: The Finnish assistance for the capacity building for local and regional authorities was inflexible. It was poorly managed and did not take into account the stage of development in the decentralisation process in Namibia.

2.7 Civil society cooperation

Local Cooperation Fund⁵

The projects implemented by the ten organisations⁶ covered by this evaluation are relevant as supplementary/ preparatory activities to the overall goal of poverty reduction, environmental and global security, promotion of gender equality and human rights and economic interaction. A nation where civil society does not make itself visible and initiating actions to play its role, a nation that neglects its cultural diversity and history, cannot claim to promote sustainable development. Therefore, the focus (i.e. civil society development and local cultural identity) of the LCF to date has assisted in creating a conducive environment for the sustained and proactive participation of civil societies in policy debates, programme planning, and monitoring and evaluation. This has also paved the way for strengthening the partnership between the Government and civil society, especially now that the Government has formulated a Policy on Civil Society and promotes the effective participation of civil society in development planning and programme, implemented through the EU Capacity Building Programme.

Some projects started from very humble beginnings with limited resources and wanting to make an impact. Some invested own resources and time to start and requested support to strengthen their initiatives. They have, therefore, been cautious and very appreciative of the support given and have ensured efficiency to the best of their ability. Many have had components on capacity building for staff, community members or promoting effective linking up and order to maximize on resource use. Most projects have clearly defined objectives, strategic interventions and outputs, and have been successfully implemented. Also effectiveness was enhanced in some organizations due to strong capacity building aspects, internal expertise already existing, and networking between civil society organizations, and also due to cultural exchange programme between Finnish and Namibian Counterparts.

⁵ See Annex Report for a detailed analysis of LCF projects.

⁶ NAMPOL, Oruвано of Namibian Artists Union, National Arts Gallery, National Institute for Educational Development (NIED), Forum for the Future, Namibian Men for Change (NAMEC), Working Group of Indigenous Minorities in Southern Africa (WIMSA), The Big Issue, Legal Assistance Centre (LAC), and Institute for Public Policy Research (IPPR).

Regarding additionality of the Fund, all projects have acknowledged the flexibility of management and speedy response by the Fund in meeting their needs. Many of them would not have achieved what they have achieved to date if the Fund was not available, and they stress the need for the Fund to continue supporting them. While recognizing the importance of the Fund in enabling them to continue to implement their project activities, most of the organisations have highlighted own initiatives to provide counterpart funding or efforts aimed at fund raising to become sustainable. Table 1 summarises the evaluation of the selected 10 projects.

Table 1: Indicative Rating⁷ of Local Cooperation Projects in Namibia

Project	Relevance	Additio- nality	Impact	Sustaina- bility	Potential
NAMPOL project	high	medium	medium	high	low
Oruвано of Namibian Artists Union	medium	high	high	high	medium
National Art Gallery	high	high	medium	medium	high
National Institute for Educational Development (NIED)	medium	high	medium	medium	low
Forum for the Future	high	high	high	high	high
Namibian Men for Change	medium	medium	medium	medium	medium
WIMSA	high	high	high	high	high
The Big Issue	high	high	high	high	high
Legal Assistance Centre	high	medium	high	medium	medium
Institute for Public Policy research (IPPR)	medium	medium	medium	medium	high

The capacity of the Embassy to screen projects and to monitor and evaluate progress is not doubted, but the risks exist that its capacity may be exceeded by the inflow of applications as the Fund allocation increases. One sign that the capacity may become a problem is that no formal or informal forum is provided to share experiences amongst participating institutions. The Embassy should therefore apply relevant provisions from the Coordinator's Manual.

⁷ This rating is a subjective judgement of the project team, based on the review of project documentation and on interviews in Namibia and Finland within the limited time frame available.

Conclusion: The LCF has provided a conducive environment in terms of strengthening democratic practices, promoting good governance, institutional networking and cultural exchange programmes. Exchange in terms of civil society organizations in Namibia to share experiences, and to plan joint activities, have, however, not been explored. The management of LCF will become more demanding with increasing budgetary allocations.

NGO Cooperation⁸

The Finnish NGO cooperation has the characteristic of a partnership, as defined by the Government policy: “Partnership between the MFA and the NGOs needs to be based on continuous dialogue and clear working arrangements and on procedures in which both parties are committed to the goals concerning the substance and quality of development cooperation.”⁹ Not all NGOs have lived up to this call in the past, for varying reasons. Development cooperation jargon may at times be beyond the comprehension of NGOs as they do not specialise in this field. However, whether this is the case or not, some NGOs have achieved high levels of programme outcome and sustainability of action. This may have occurred by chance, intent or committed involvement. On some occasions, local NGOs have expressed confusion in terms of policy direction and cooperation mechanisms with regard to the available cooperation instruments.

The absence of clear, understandable criteria for partnership arrangements makes clear working arrangements and procedures a difficult task. In cases where NGOs have “international cooperation” as part of their organisations’ mission and vision, partnership arrangements are more professional, making it possible to measure outcomes and impacts.

The total amount of support to Namibia through Finnish NGOs during the years 1991–2003 was EUR 7,804,625. During the first four years of the 1990s, the volume of the support was more than one million euros per year, but it has been on the decline towards the end of the decade. In 2002, the value of the support was EUR 743,127 and in 2003, EUR 535,304.

Projects were implemented by as many as 33 NGOs¹⁰. The largest projects in the 1990s were carried out by the Finnish Federation of the Visually Impaired, the Finnish Evangelical Lutheran Mission and FinnChurchAid. In many projects the cooperation partner was the Evangelical Lutheran Church in Namibia. Apart from FELM’s presence in Namibia, the longest involvement has been with the Finnish Federation of the Visually Impaired (FFVI) and the Trade Union of Education (OAJ), which span the periods from 1985 and 1989 respectively to the present. At the time of the evaluation, there are nine Finnish NGOs cooperating in Namibia. Two of them have offices in the country: FELM and Technology for Life operating in Ongwediva as Eco Green Centre. Table 2 presents an indicative rating of selected NGO projects.

⁸ See Annex Report for a detailed analysis of NGO projects.

⁹ Development Policy, Ministry of foreign Affairs – Government Resolution 5.2.2004.

¹⁰ See Annex Report – List of Finnish NGOs.

Table 2: Indicative Rating¹¹ of Selected NGO projects

Project	Relevance	Additionality	Impact	Sustainability	Potential
Early Childhood Development (FELM)	Medium	High	Medium	High	Medium
Trade Unionism Research and Capacity Building (SASK/LaRRI ¹²)	High	High	High	High	High
Early Childhood Development (OAJ/NECHD)	High	High	Medium	Medium	Medium
Service Centre for Visually Impaired (FFVI/SCVI ¹³)	Medium	High	Medium	Medium	Low
Social Services for the Deaf (FAD/NNAD ¹⁴)	Medium	High	Medium	Medium	Low
4H	High	Medium	Medium	Low	High
Summer High School Camps	High	High	High	Medium	High
HIV/AIDS Awareness in schools (FFF/NAPPA ¹⁵)	High	High	High	Medium	High
Green Eco Centre	Medium	Medium	Low	Low	Low

The basis for professionalism in management of projects (in terms of planning, monitoring and reporting) has improved over the years in a number of NGOs. Good examples are the mechanisms adopted by SASK/LaRRI and FAD/NNAD. Where such mechanisms were absent, projects have either failed or became unsustainable. However, some failures were outside the leverage of Finnish NGOs (such as Namibia National Teachers Union (NANTU), Namibia Food and Allied Workers Union (NAFAU) and SCVI) where mal-administration and governance weaknesses rocked the organisations. The ways in dealing with such cases have been varied and ranged from discontinuation of the partnership and programmes to intensive rescue operations on the side of Finnish NGOs (and in one case (SCVI) the Embassy). In the case of AFLRA

¹¹ This rating is a subjective judgement of the project team, based on the review of project documentation and on interviews in Namibia and Finland within the limited time frame available.

¹² Labour Resource and Research Institute (LaRRI)

¹³ Service Centre for the Visually Impaired (SCVI)

¹⁴ Finnish Association of the Deaf (FAD)/ Namibia National Association for the Deaf (NNAD)

¹⁵ Namibia Planned Parenthood Association (NAPPA)

warning lights had been flashing right from the beginning, but the partners failed to take corrective measures.

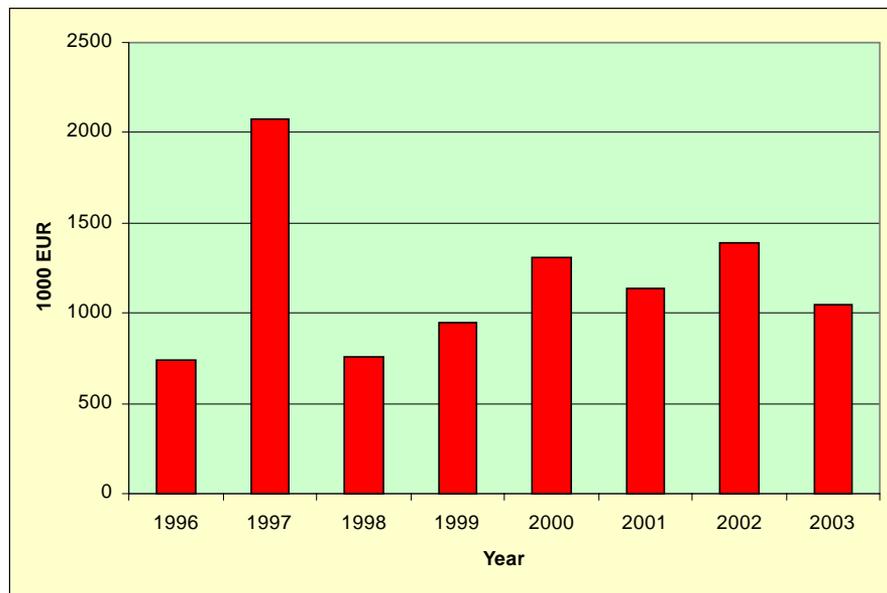
Conclusion: The projects have focused on the education and health sectors and significantly contributed to the development and maintenance of the education and health systems in the country. Finnish NGOs have enhanced the level of education and heightened the citizens' national awareness, thus playing an important role in the independence process of the country. Since 2000, projects focused on adding value to government services for people living with disabilities, and concentrated on early childhood education, youth development, Trade Unionism and the fight against HIV/AIDS.

2.8 Business Community cooperation

Trade and investments

Since 1996, Finland's exports to Namibia have varied between MEUR 0,7 and MEUR 2,1. From 2000, the export rate has been between MEUR 1 and MEUR 1,4 (Figure 2). Namibia is not among Finland's 80 biggest export destinations. In comparison, Finland's total exports in 2003 were around EUR 45 billion.

Figure 2: Finnish exports to Namibia 1996 – 2003, 1000 EUR



Source: Finnish Board of Customs

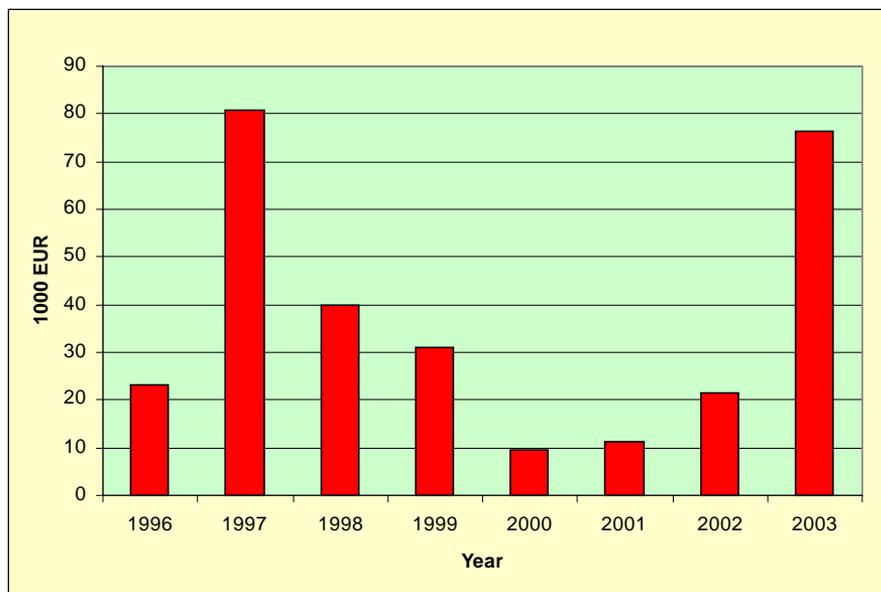
The structure of products exported to Namibia varies. There seems to be no continuous pattern in the trade structure. The only products that can be pointed out are telecommunications devices. Their share of the total export has been over 45 % since 1996, except for 2002 when the share was only 28%. That year the share of other machinery and transport equipment was larger than usual. Although the shares of telecommunication devices are big, the monetary value is very small. Only in 1997, the value was over EUR 1 million.

Between 1996 and 2003, imports from Namibia to Finland have been negligible (Figure 3). At its lowest in 2000, the import value was EUR 9,400, and EUR 80,900 at its highest in 1997. In 1997, Finland's total imports were about EUR 35 billion.

Products imported from Namibia to Finland consist mainly of primary products such as fruits. There are also some low value-added industrial products such as clothing and furs and skins. The specific products vary a lot. For example, the share of grapes was EUR 62,000 in 2003, representing over 80% of total imports. However, in 2000 and 2001 no grapes were imported. Each year there is a range of small import items with insignificant values.

There are no meaningful investments from Finland to Namibia or vice versa. FINNFUND has not invested in Namibia.

Figure 3: Finnish imports from Namibia 1996– 2003, 1000 EUR



Source: Finnish Board of Customs

Tourism

Approximately 5,700 tourists from Scandinavia visited Namibia in 2002. A rough estimate (exact figures are not available) of the number of Finnish tourists visiting Namibia annually could be 1,000. Assuming that each Finnish tourist spends locally EUR 500 per visit (excluding international travel), the amount of tourist revenue was more than 20 times the value of total revenue from exports from Namibia to Finland in 2002.

Conclusion: Trade is likely to remain marginal for both countries. Tourism has much more medium-term potential. Due to the high cost of international travel and local services, Namibia will remain outside mass-tourism destinations. Sporadic industrial investments are possible.

3. REGIONAL AND MULTILATERAL COOPERATION

Regional cooperation

Namibia is part of several Southern African cooperation organisations. The most tangible form of economic cooperation takes place within the Southern Africa Customs Union (SACU) and bilaterally with South Africa due to historical reasons. Namibia is an active player within SADC, and would like more regional cooperation happen through that forum. SADC is cooperating actively with Namibia especially in the HIV/AIDS area. Finland's Pretoria Embassy is entrusted with coordination of SADC programmes in the region. Namibia is part of the New Partnership for Africa's Development (NEPAD) forum, but has so far hesitated in joining the peer review mechanism. Environmental protection would be an area where Namibia would like to intensify cooperation with NEPAD.

Namibia can make use of three major regional facilities:

- EU Regional Facility for Southern Africa (EUR 101 million for 2002–2007): This facility finances, on a grant basis, activities especially in transport, communications and health;
- SADC Information and Communication Technology (ICT) development facility;
- World Bank Regional Poverty Programme through SADC.

Finland has participated, or is considering participation, in several regional programmes also covering Namibia, including the following:

- Kunene River Basin Management with Angola with SADC involvement;
- Regional anti-desertification programme with South Africa, Angola, Botswana and Zambia together with the German Government;
- Southern Africa ICT study sponsored by the International Finance Corporation /Finland Trust Fund together with South Africa, Botswana, Lesotho, Mozambique, Zambia and Mauritius;
- Consultations on various common areas on trade cooperation, environment, health and related areas.

Multilateral Development Finance Institutions

The multilateral development finance community still plays a modest role in Namibia, mainly because of the relatively recent independence. Also, the close relationship with the South African economy has been a contributing factor. Whereas the total amount of grants during 2001/02–2003/2004 amounted to NAD 2.1 billion (71%), the external loans supporting the development programme were NAD 839 million (29%). External assistance has contributed to 31% of the NDP2 expenditure of NAD 9.5 billion during this period.

Total borrowing from the multilateral and bilateral development finance institutions since early 1990s has amounted to less than EUR 200 million equivalent. All of it has been granted on concessional terms in terms of loan maturity (15–25 years) and interest rate. The main purposes have been urban water supply, railway extension to the North, road construction and education, (see table 3). External debt corresponds to only 8% of total Government debt (Source: Bank of Namibia). The Cabinet has indicated that external borrowing can be increased, but mainly from sources providing concessionary terms.

The World Bank Group

The World Bank Group covers Namibia from their Johannesburg and Cape Town offices. IBRD has only recently started preparing loans in Namibia. Soft IDA loans are no longer available to the lower-middle-income Namibia. The first World Bank operation for Namibia has been a Global Environment Facility (GEF) grant for nature conservation purposes, approved in 2004. An education sector loan is currently under preparation. The Government has been reluctant to borrow from IBRD due to high borrowing cost and rapidly growing indebtedness. In addition, the conditionality often posed by the World Bank Group (and the IMF) on economic policies, has acted as a deterrent. Budgetary constraints have recently started to change the attitude of the Government towards the World Bank Group.

The private sector window of the World Bank Group, the International Finance Corporation (IFC), has so far invested in three operations in Namibia:

- A hotel;
- NIB Namibia bank;
- A fishing company.

In addition, Africa Project Development Facility (APDF) and Africa Management Services Company (AMSCO), both operating under IFC, have been advising a few Namibian companies. All in all, IFC has not been very active in Namibia, as suitable investment opportunities outside the diamond mining and gas and power sector appear very seldom.

Finland is also sponsoring, through her Trust Fund at IFC, a regional review and investment opportunity study on the ICT sectors in southern African countries, including Namibia. The study will be carried out by a Finnish consultant (Telecon), and will be completed towards the third quarter of 2004. This may open-up further cooperation possibilities between Namibia, Finland and IFC.

African Development Bank

AfDB has recently provided two Government guaranteed credit lines of NAD 60 million each through Agribank, and is currently negotiating a third one. In addition, AfDB has provided loan financing for road construction in the North of the country. The private sector window has not been active so far in Namibia.

European Investment Bank

EIB has currently 14 sovereign loan agreements in Namibia. Among the latest, NIB Namibia is administering a municipal sector credit line, arranged through the Bank of Namibia. In addition, the NAD 56 million Private Sector Global Loan II, has been extended on a 50/50 basis through the commercial banks to medium-sized companies.

Table 3: Summary of Loan Portfolio by Development Finance Institution (million EUR)

Institution	Current portfolio (million EUR)	Sector
European Investment Bank (EIB)	53.4	Water supply, city infrastructure, private sector development, port infrastructure
African Development Bank (AfDB)	32.1	Human resources development, railways construction, road construction
Kreditanstalt für Wiederaufbau (KfW)	31.0	Road construction, telecoms infrastructure, port construction
Development Bank of Southern Africa Ltd.	24.8	Urban infrastructure
Arab Bank for Economic Development in Africa (BADEA)	14.6	Human resources development, railways and road construction
Eksporthfinans ASA	6.1	Fisheries development
African Development Fund (AfDF)	6.0	Teacher education
Instituto de Crédito Oficial	6.0	Fisheries development
Kuwait Fund (KFAED)	6.0	Railways development
International Fund for Agricultural Development (IFAD)	4.0	Livestock development
Caisse Française de Développement	3.5	Water supply
Nordic Investment Bank (NIB)	1.3	Fisheries development
Total	189.7	

Foreign Direct Investments (FDI)

Foreign direct investments into Namibia have been limited with the total stock amounting to NAD 2 billion. Three large projects, Ramatex clothing factory, Scorpion zinc mining and refinery operation and Namibia Breweries, account for most of this figure. Other foreign investments have been directed to the tourism sector, fishing, fish processing and export projects. The origin of investments has been Germany, Belgium, UK, Spain, France and South Africa. The most recent foreign investment is a diamond cutting plant with an Israeli investor. Large investments under preparation include the Kudu offshore gas field development and the gas fired power station operation (800 MW), currently at the feasibility study stage.

The Government has introduced several Export Processing Zones (EPZ) with tax breaks and other incentives. In addition, the Government has constructed four EPZ parks. The limiting factor for European investors is that the tax breaks can only be received, if a minimum of 80% of the production is exported outside the Southern Africa Customs Union (SACU) region. Only 26 firms are currently operational in the EPZ parks. Medium-term prospects for increased exports to Angola may increase interest and investment in the parks in the North in Rundu, Katima Mulilo and Oshikango.

The growing budgetary constraints and the dwindling donor grant assistance will force the Government to increase borrowing from domestic and foreign sources. Acknowledging that the domestic real interest rate is abnormally high (around 5–6%), foreign borrowing will certainly be increasing. The Government has wisely maintained the external borrowing rate under control. However, Namibia's total external debt has exploded from 0.3 % in 2001 to 28.4 % of GDP in 2003. This explains the Government's keen interest in concessional borrowing, including soft loans from Germany, Italy, Spain and from Finland. Multilateral funding will be increased, but without major policy commitments of the Namibian Government. Private sector financing is not likely to increase rapidly, due to the limited investment opportunities. There is a need to develop the private financial sector through increased bank competition.

UN agencies

The UN agencies play a limited, but an increasing role in Namibia. Their total active programme (2001–2005) amounts to 24 million EUR (Source: National Planning Commission). The major areas of intervention include HIV/AIDS, environment, biodiversity, health, rural development and education. The agencies have traditionally played a much smaller and less active role compared to the NGO activities. The “graduation” of Namibia into a middle-income emerging economy has certainly played a role. Table 4 summarises the contribution by major UN agencies. Some cooperation is in sight in e.g. HIV/AIDS orphans support together with bilateral donors.

Table 4: Contribution of UN Agencies (million EUR)

Institution	Current portfolio (million EUR)	Sector/activity
UNDP	6.0	HIV/AIDS, Poverty reduction, environment, biodiversity
UNFPA	3.1	Reproductive health, capacity building at NPC, UNAM
UNICEF	13.9	Young children health development, HIV/AIDS prevention
FAO	1.2	Fisheries, aquaculture development, fruit, date, horticulture development, food security and rural development
UNAIDS	n.a.	HIV/AIDS reduction
UNESCO	n.a.	Basic learning, school material development
WHO	n.a.	Policy support, childhood illness, support to district hospitals.

The UN specialised agencies have played a relatively limited role in Namibia, compared to neighbouring countries. The HIV/AIDS pandemic will no doubt increase their role in the years to come. Finland could address the multifaceted HIV/AIDS issues through the UN agencies. This would provide a suitable forum for continued cooperation in Namibia, when bilateral resources are insufficient. In addition, large programmes suit well the multilateral agencies, as they are able to mobilize widely based donor support. Finland should carry on the dialogue with UN agencies, and actively participate in larger multilateral programmes. The support to the UNAIDS-sponsored Small Grants Programme should be continued. Advocacy of HIV/AIDS issues should be continued with the Global Fund and UNAIDS in Namibia. Activities under this assistance programme should include treatment of HIV positive persons, not only prevention measures.

EU institutions

EU is Namibia's biggest multilateral development partner. In the fiscal year 2003/2004 the EU disbursed NAD 226 million for Namibian projects, including NAD 99 million by the EIB, NAD 116 million by the EDF, and NAD 10 million by the Commission. The funded projects included tourism development, trade and industry development, fisheries training, research, a sewerage scheme and a micro-projects programme. Table 5 lists the new commitments.

Table 5: EU Commitments in Namibia, signed during FY 2003/2004, NAD million

Project	Million NAD	Sector/activity
Namibia Education Sector Programme	174	Budget support, capacity building, management
Rural Town Sewerage Scheme – Lüderitz	29	Environmental investment
Capacity Building for Development Planning	27	Institutional strengthening
Trade and Regional Development Programme	25	Strengthening regional integration
HIV/AIDS Programme	25	Strengthening institutional and community capacity
Total	280	

Conclusions: The multilateral, regional and bilateral financing institutions will no doubt be playing a growing role in Namibian public investment. Finland should actively promote multilateral and regional projects that are in harmony with Finland's development policies, but exceed Finland's financial capacity to act alone, such as the HIV/AIDS issue. Finland could support the World Bank and other DFIs in multilateral financing arrangements, and by providing advisory services. There is a need to energize the work of the dormant Namibia country team of the MFA, and to re-establish the priorities for Finland's participation in Namibia's development efforts.

4. ALTERNATIVE COOPERATION SCENARIOS

4.1 Introduction to scenarios

The major sector projects and the multitude of NGO and civil society projects and cooperation arrangements have created a momentum that will sustain itself – with or without external financial support. On the other hand, private sector business activity between Namibia and Finland has been marginal. Without forceful measures, new forms of private sector partnerships are unlikely.

To illustrate possible future state of affairs in the Finnish-Namibian relationship, this chapter presents the following development scenarios:

1. Phasing out of bilateral sector projects, no other measures
2. Promotion of relations by existing instruments and institutions
3. Pro-active promotion of business community cooperation

Only the first scenario will happen by itself. The fulfilment of the other two scenarios requires decisive action from the civil society and business community organizations. It is important to note that all actions and promotional measures should be demand driven and initiated by Namibian and Finnish civil society and business partners.

4.2 Scenario 1: Phasing out of bilateral sector projects, no other measures

The Finnish and Namibian NGOs and civil society organizations will continue cooperation as before. New actors will appear and some of the existing organizations will shift focus to other countries. Poor administration will prevent the realization of the full potential of civil society cooperation.

Namibia's trade with Finland will remain marginal. Telecommunication exports and other exports of machinery and equipment from Finland to Namibia are likely to grow gradually. Namibian exports to Finland will remain nearly non-existent. Tourism from Finland to Namibia is likely to grow from the current low level, specializing in the high-price, low volume market segment. The potential is in higher value added services with a distinct cultural and environmental connection, e.g. eco-tourism. Foreign direct investments from Finland to Namibia in the foreseeable future are not likely.

Conclusion: NGOs and civil society organizations will continue cooperation, hampered to some extent by inadequate administration of instruments. LCF will continue without focus. Commercial relations will remain dormant.

4.3 Scenario 2: Promotion of relations by existing instruments and institutions

The existing Finnish instruments for civil society cooperation are adequate. Increased budget allocations, and improved management practices of the NGO funds and the local cooperation funds will lead to more effective use of resources.

The instruments for trade and investment promotion (concessional credits, equity and loans from Finnfund, guarantees from Finnvera and EIT¹⁶ appropriations) will continue to be underutilized, reflecting the low level of interest of the enterprises, as all these instruments are essentially enterprise-driven. There is, however, a possibility to promote actively the use of existing instruments for trade and investment promotion. A drastic increase in business activity, however, is unlikely.

Conclusion: NGO funds and local cooperation funds will be used more effectively. Active promotion in the use of existing instruments for trade and investment promotion could lead to sporadic commercial projects (gradually increased tourism, major consulting projects, equipment/project deliveries or joint ventures).

¹⁶ EIT: Finnish grant for economic, industrial and technological cooperation

4.4 Scenario 3: Pro-active promotion of business community cooperation

Improved management of existing instruments for civil society cooperation will diversify relations and improve the effectiveness of cooperative efforts.

Unlike its Nordic neighbours and other European donors, Finland has not practiced pro-active promotion of private sector participation in development cooperation. Sweden has a range of instruments to promote private sector participation, and Denmark, in addition to a range of other instruments, is since 1993 successfully implementing its Private Sector Development Programme in 16 developing countries.

There is now a need and an opportunity for Finland to launch pro-active measures to promote private activity between Finland and Namibia, in the transition period and beyond.

To achieve results, the incentives offered to enterprises in the transition period (2004 – 2007) have to be substantially more attractive than the incentives provided by the existing Finnish instruments. New trading, investment and tourism ventures are possible, although the potential will always remain limited. Higher value-added tourism services for up-market business segments are likely to meet interest in Finland.

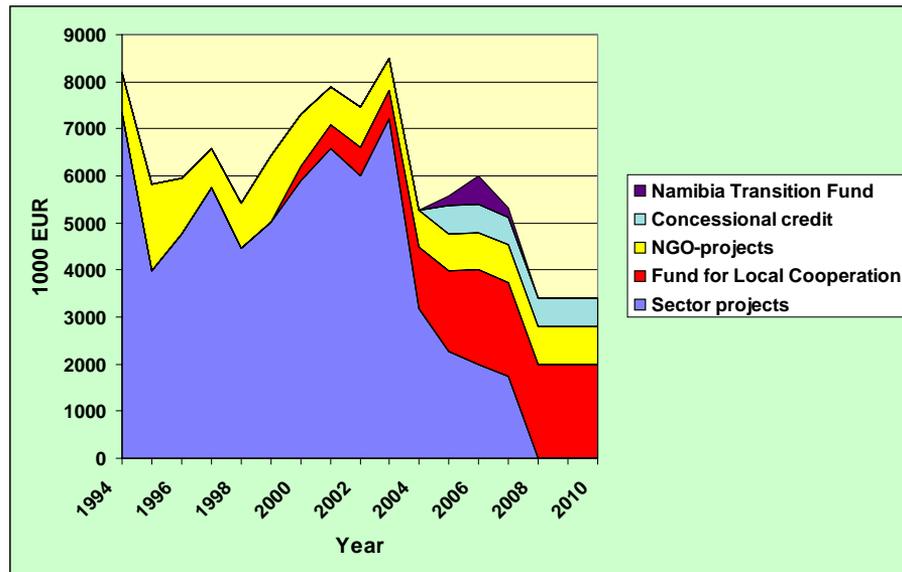
Conclusion: The volume and effectiveness of civil society cooperation will increase though improved management. New pro-active measures for the promotion of Finnish/Namibian business ventures could generate 3 – 5 commercial projects by 2010.

5. COOPERATION OUTLOOK BY INSTRUMENTS AND ACTORS

5.1 Bilateral assistance Overview and outlook

During the period 1994–2003 Finnish development cooperation with Namibia consisted of sector projects and of NGO-projects, and since 2000, Local Cooperation Fund projects. The sector projects represented 82 % of total disbursements of EUR 69.4 million, the NGO-projects 15 % and the LCF projects 3 % (Figure 4). The annual disbursements varied between EUR 6 million and EUR 8 million.

Figure 4: Finnish Actual Bilateral Aid Disbursements to Namibia, 1994 – 2004, and Projections 2005 – 2010 (EUR 1000)



In 2004 there was a drastic drop in the overall aid volume from EUR 8.5 million in 2003 to EUR 5.1 million in 2004. This was due to the phasing out of most of the sector projects. The increasing disbursements of LCF funds did not compensate for the decline of the sector project disbursements. With the conclusion of the last sector project, Support to the Namibian Decentralization Process, traditional sector projects will be phased out by the end of 2007.

The annual disbursements of NGO-projects have varied between EUR 0.7 and 1.8 million in the past. They are expected to average EUR 0.8 million annually in 2005–2010. The LCF project disbursements are expected to increase from EUR 1.3 million in 2004 to EUR 2.0 million in 2006 and beyond.

The projection also assumes a concessional credit of EUR 20 million for the health sector, starting in 2005 and representing annual aid disbursements of EUR 0.6 million (35 % grant element, maturity 11–12 years). The projection also assumes implementation of the proposed 1 million EUR Namibia Transition Facility in 2005–2007 for the promotion of private sector ventures.

Conclusion: In the transition period of 2004–2007 the volume of Finland's development cooperation with Namibia will drop from the level of EUR 6–8 million of annual disbursements to EUR 3–4 million. The traditional sector projects will be phased out, and the Local Cooperation Fund will become the dominant instrument of public development cooperation.

5.2 Sector projects

The disbursements in 1994 – 2004 to bilateral sector projects amounted to EUR 60.2 million, representing over 80 % of total Finnish bilateral aid to Namibia in that period. Health and social, water and forest sectors represented 88 % of sector aid. In accordance with the agreements between the Finnish and Namibian Governments, the ongoing bilateral projects will be concluded in accordance with the schedule in Table 6.

Table 6: Phasing-out schedule of the remaining long-term bilateral projects

Project	To be phased out by
The Health and Social Sector Support Programme (HSSSP II)	December 2004
Capacity Building for Local and Regional Authorities (CABLE)	March 2005
The Community Water Supply Management Support Programme (CWMSP)	September 2004
Bush Encroachment Monitoring and Management Project	March 2005
Information and Communication Service for Sustainable Development (INFOCOM)	December 2004
Namibia-Finland Forest Programme	April 2005
Support to the Namibian Decentralization Process	December 2007

All bilateral sector projects, except small remnants of Forestry and Bush Encroachment projects, and the newly launched decentralization project, will end by the end of 2004. The sector project disbursements will drop from over EUR 7.2 million in 2003 to EUR 3.2 million in 2004. Support to the Namibian Decentralization Process will come to an end in December 2007.

The rationale behind the last sector project, Support to the Namibian Decentralization Process, is to reinforce the outcomes of the earlier local and regional authority support projects and to assist the Namibian Government to implement its decentralization policies. The project will cover the period 2004–2007, with a budget of NAD 8 million from the Namibian Government and EUR 6 million from Finland. Of these, EUR 2.7 million is mainly for TA while EUR 3.3 million is for the Trust Fund. The Consortium of consultants to implement this last, major bilateral project has been selected. The project mobilization has started in September 2004. According to the approved time frame, the project will be completed by the end of 2007.

The project includes support 1) for the MRLGH Directorate for Decentralisation Coordination to be capable of driving and coordinating the decentralisation process by providing management, direction, as well as coordination, consulting, training and research services; 2) for the preparation of Ministerial Action Plans on each function to be delegated; 3) for the preparation of Regional Decentralisation Implementation Plans for each region; and 4) the Trust Fund for Regional Development and Equity Provision to serve as a conduit for pooled financing for regional development and equity in Namibia.

The project is seen as a continuation of the bilateral assistance to the various sectors previously supported by Finland. The support to decentralisation of the sector ministries supported under this project will thus also round off the assistance to sectors previously supported by Finland. It is thus important that Finland maintains a flexible approach to project implementation and also secures high-level support for the project in the Namibian government. The project will not lead to tangible results, no matter how many reports are prepared, if the necessary decisions are missing. The expectations to what can be achieved during the three-and-a-half-year project period may be overly ambitious.

Conclusion: Under the last sector project, Support to the Namibian Decentralization Process, support to decentralisation of the MoHSS functions should be pursued eagerly to sustain investments already done. Decentralisation of Ministry of Works, Transport and Communication assets is only envisaged in the intermediate term, but should be given attention at as early a stage as possible. This would also prepare the ground for the proposed concessional credit project for Namibian hospitals.

5.3 Instruments for civil society cooperation

Redefining NGO and Local Cooperation Fund instruments

To address the challenges of urban and rural poverty, much needs to be done at local levels in a decentralised fashion and working through intermediary NGOs and other civil society organizations. The NGO cooperation is managed by the MFA in Helsinki, whereas the Local Cooperation Funds are managed by the Windhoek Embassy. The responsibility for different cooperation areas and forms between the various instruments does, clearly, have to be well defined and well understood by both Namibian and Finnish actors. Not all of the current civil society cooperation arrangements appear to be appropriately positioned to meet the policy and development goals.

The rationale behind the present division of work between the various instruments and the corresponding administrative arrangements need clarification. Making it more appropriate and practical for local NGOs and other participating organizations is a crucial element in meeting the overall policy objectives. Clearly defined allocation criteria are needed in order to respond to actual demands. It should thus be avoided to apply the instruments merely according to ad-hoc arising opportunities based on 'what an organisation likes to do most' or 'can do best'.

The civil society also includes business community institutions¹⁷. This report has proposed a new instrument (NTF) and identified a number of new cooperation partners and areas of support¹⁸ where Finnish public, semi-private and private institutions would have valuable experience to share with their Namibian counterparts. Apart from NTF, the Local Cooperation Fund will be the dominant source of funding for these purposes in the future. It has the advantage of local presence and a wide network of contact with the local community. Table 7 presents the proposed redefinition of the NGO and LCF instruments.

¹⁷ Business community cooperation has been considered separately in this report under 4.3 and 4.4

¹⁸ See Annex Report

Table 7: Proposed redefinition in the use of civil society cooperation instruments

	NGO cooperation	Local Cooperation Fund (LCF)
Focus/Scope	<ul style="list-style-type: none"> • Promotion of international understanding, civil society cooperation, poverty reduction, democracy, human rights, and conflict prevention 	<ul style="list-style-type: none"> • Promotion of civil society, democracy, poverty reduction, human rights and gender equality • Short-term advisory services for business community cooperation and SME development • Strengthening of cultural identity (MCF)
Beneficiaries, participants	<ul style="list-style-type: none"> • Finnish and Namibian NGOs and CBOs 	<ul style="list-style-type: none"> • Namibian universities, research institutes, associations, CBOs, other civil society institutions, and individuals
Administration	MFA Helsinki	<ul style="list-style-type: none"> • Windhoek Embassy • Outsourced services

NGO cooperation

The Finnish Government will continue to secure the involvement of Finnish NGOs in the various sectors of development policy. In line with the policy, NGO cooperation should target development of Namibian NGOs and CBOs in the areas of poverty reduction, creation of a democratic society (programmes that strengthen civic participation and citizenry), and human rights promotion and conflict prevention.

The budgetary allocation for NGO cooperation in Namibia has been assumed to remain constant at EUR 800,000 annually in 2005–2010. As the instrument is essentially demand driven, annual fluctuations up and down are likely. The primary emphasis in NGO projects should be on quality, not quantity. NGO projects will continue to be administered in Finland by the MFA.

Local Cooperation Fund

In the traditional cooperation areas of civil society development, key organisations should be identified based on selected criteria to develop long-term partnership programmes. Identified organisations should serve as lead sectors to network with relevant, but smaller organisations to ensure consolidation of previous efforts. In the transition process area, a combination of existing and newly merging institutions may be required to enter into collaborative partnerships. In the area of support to the indigenous minority groups, homeless and disabled, the increases in the number of street children, unemployed youth, and orphans require an intervention to address the plight of the future leaders. In the area of support to HIV/AIDS infected and affected, as the prevalence rate of HIV/AIDS is a national concern, technical support is required for the operationalisation of the national development plans at local level. LCF should fund strengthening of the local communities' work in the area of HIV/AIDS, home care and/or orphans care.

The persistent nature of gender inequality, unemployment amongst women and youth calls for an intensified approach and collaboration in local level poverty reduction, as one of the national objectives – a key challenge is support to SME development as a strategy for poverty reduction. This will be in line with the National Poverty Reduction Action Programme. The fund should thus shift its focus to identifying new cooperation opportunities for poverty reduction and SME development.

Finland has recognized the importance of small businesses to the economic future of Namibia. Numerous donors and NGOs are providing operational and financial support to small and micro-enterprises and service providers, and have created small funding windows. However, no analysis exists on the entire SME support field in Namibia, its coverage and its effectiveness, as seen by the SMEs themselves. The Embassy has therefore commissioned IPPR to carry out a “Gap Analysis” to provide a snapshot on available SME services. The analysis will help to guide support to the most critical areas of SME development.

As the local authorities and the local private sector are not yet prepared for cooperation around decentralized administration and governance, assistance to civil society and local business development activities could be considered under the LCF. Another area worth supporting is independent research, of which the Institute for Public Policy Research (IPPR) is an outstanding example¹⁹. The decision-making should be left to the Finnish Embassy remembering the need for more focus and improved programme management. Finnish input should be limited and concentrated on specific issues of particular competence.

After the conclusion of the sector projects, there is a need for short-term advisory services in the traditional areas of Finnish competence (health, forestry, geology, environment and public administration) and in new areas of Finnish expertise (information and communication technology, financial services and other business services). The Embassy should take pro-active measures and outsourcing to activate this new LCF window.

The mission has identified a number of new cooperation partners and areas of support where Finnish public, semi-private and private institutions would have valuable experience to share with their Namibian counterparts²⁰. All these would fall in line with the proposed structure of the Local Cooperation Funds. The proposed activities should be further discussed with the Namibian institutions, and then presented for the potential Finnish partner institutions for consideration. The eventual cooperation could be then co-financed from the facility, either as institutional cooperation or targeted Finnish advisory services.

The Communication and Culture Department of the MFA will, on pilot project basis, launch a new instrument for development cooperation, Media and Cultural Facility (MCF), which comprises two instruments: (1) a training course for young journalists from developing countries and (2) a cultural exchange programme, primarily intended for participants from the transition countries. Both instruments will complement existing facilities (NGO and LCF) and cannot include projects that receive funding from other Finnish sources. The budget for each one of

¹⁹ As an example, read IPPR Briefing Paper No. 32, July 2004: *Have Priorities Changed? Budget Trends Since Independence*, by Julia Mbai and Robin Sherbourne, available at www.ippr.org.na

²⁰ Examples of interested Namibian organizations include Namibia Chamber of Commerce and Industry (NCCI), Namibia Consultants' Association, Development Bank of Namibia, Central Governance Agency, Namibia Community Based Tourism Association (NACOBTA), and Namibia Financial Institutions Supervisory Authority (NAMFISA).

the two pilot projects for 2005 is EUR 30,000. Namibia is eligible for both “windows”, but the decision will be made at the MFA on the basis of applications. There are no pre-determined country quotas.

The MCF services should be planned and organized centrally by the MFA. However, in the future it would be advisable to incorporate the MCF administratively in the LCF. The Embassy should be given the budget frame and authority to select local candidates.

The Centre for International Mobility (CIMO) is currently implementing a 3-year student exchange programme as a pilot project. Its future potential can be assessed more realistically at the end of the pilot phase.

Conclusion: The Finnish Embassy in Windhoek manages the NGO and LFC instruments remarkably well within the limits of its resources in the absence of proper management systems and monitoring mechanisms. With the expected growth of budgetary allocations and with the proposed redefinition of these key instruments, the Embassy is expected to engage in pro-active promotion, management and monitoring of NGO and local cooperation fund projects in Namibia.

5.4 Instruments for business community cooperation

Finland

Finland’s principal instruments for the promotion of business community cooperation with the developing world are grants for project preparation (EIT appropriations of the MFA), concessional (mixed) credits (MFA together with Finnvera and commercial banks), loans and equity for joint ventures (Finnfund) and guarantees (Finnvera). In addition to the Finnish instruments, a wide spectrum of Nordic and EU financial instruments are available to promote commercial cooperation. The Nordic instruments include loans from the Nordic Investment Bank (NIB), soft loans (IDA terms) of the Nordic Development Fund (NDF) and loans/grants of the Nordic Project Export Fund (NOPEF).

The Finnish and the Namibian business enterprises have taken advantage of the available instruments for the promotion of Finnish-Namibian business cooperation sparingly. MFA has provided EIT grants for two projects in Namibia in 2003 to the amount of EUR 61,320. Three concessional credits are currently under preparation, one of them appraised and approved (hospital equipment – see below).

Sweden²¹

Sida considers Private Sector Development an area of “great interest and high relevance to Swedish development cooperation”. Sweden supports economic development in the developing countries in close collaboration with the business community with a wide arsenal of instruments, including the following:

²¹ For details, see www.sida.se

Economy

- Support to private sector development
- Trade and development support
- Micro-finance
- Consultant trust funds
- Start East Programme
- Start South Programme

Financial markets

- Transfer of know-how
- Risk capital

Credits

- Concessionary credits
- Soft loans
- Credit lines

Guarantees

- Credit guarantees
- Performance guarantees
- Guarantees for political or commercial risks

Sida's development cooperation with Namibia in 2002 totalled about EUR 90 million. The share of infrastructure, commerce and urban development was about EUR one million. Swedish support includes development of tourism, as well as training and advice within a quality assurance programme for industry and commerce that is helping Namibia meet world market requirements.

Denmark²²

A strong private sector in the developing countries is a strategic priority for Danish development cooperation. Especially the Business Sector Programme Support in a handful of cooperation countries targets development of enabling business environments in these countries. Danida actively encourages business community participation in its bilateral programmes. Danish bilateral development assistance is predominantly implemented through Sector Programme Support (SPS) that also encourages Sector-wide Approaches (SWAs), with multiple donor cooperation. The implementation of SPSs in all sectors is normally tendered in EU or internationally, and thus also encouraging participation of private firms. The Private Sector Development Programme covering 16 developing countries, the Mixed Credit Programme, as well as Public Private Partnerships, import promotion, guarantees and loans and equity for investment projects (IFU) are among Danida's targeted private sector promotion instruments.

Danida's disbursements to productive sectors (agriculture, forestry, fisheries, manufacturing, trade, marketing, etc.) in 2002 totalled 111 million USD, of which the share of the Private Sector Development Programme was 19 million USD. Namibia is not among the major recipients of Denmark's Development assistance.

²² For details, see www.um.dk

Concessional credit for the health sector

The GRN has investigated various options for the supply and financing for the replacement of dilapidated medical equipment for Namibia's hospitals. The Government has compared various mixed credit schemes and potential suppliers, and has decided to opt for the Finnish concessional credit. In addition to medical equipment deliveries, the credit will include staff training for proper usage of equipment and other supporting services. The project, amounting to about EUR 20 million, has been appraised and approved by the Finnish and Namibian authorities, and is expected to be implemented in 2005. The credit will sustain the investments already made by Finland in the health sector in Namibia.

Conclusion: The range of Finland's instruments for the promotion of business community cooperation in the developing countries are essentially more limited than those available in e.g. Sweden and Denmark. The approved concessional credit will facilitate urgently needed replacement of dilapidated equipment in Namibian hospitals. Without pro-active measures, the business sector relations between Finland and Namibia will remain dormant.

5.5 Proposed Intervention: Namibia Transition Facility (NTF)

Rationale

The current volume of business between Namibia and Finland is marginal. Existing instruments are not sufficient for the generation of new business ventures between Namibia and Finland. Pro-active promotion efforts are necessary for the preparation and processing of ideas into viable and sustainable business projects. These projects could comprise trade, tourism, technology transfer, consulting services, infrastructure projects, ICT-projects and other ventures.

Objective

To generate five viable and sustainable private sector projects with a Finnish/Namibian connection by 2010. These projects should have a joint value added of 5 million EUR/year.

Scope

The proposed NTF will support initial stages of project preparation by providing funding for:

1. Preliminary project preparation (75 % grant support for market studies, partner identification etc.; max. EUR 10,000 /project), and for
2. In-depth project preparation (feasibility studies, market studies etc.; 75 % grant support; max. EUR 50,000 /project).

Existing institutions in Finland (Finnfund, Finnvera, Nordic financial institutions etc.) and in Namibia (NDB, commercial banks, multilateral funding sources etc.) will support the implementation phase with their existing instruments (equity, loans, guarantees, grants and Technical Assistance).

Procedure

The preparation of projects for NTF support will include the following procedures:

1. Enterprises in Namibia and in Finland to submit short (one page) concept papers that identify specific, business opportunities. No financial support necessary.
2. Enterprises in Namibia and in Finland to apply for support from NTF for preliminary preparation of projects, which need to have a Namibia/Finland connection (market demand in Finland or Namibia, customer, know-how partner, supplier, sub-contractor etc.).
3. Enterprises in Namibia and in Finland to apply for support from NTF for in-depth project preparation (feasibility studies, market studies etc.) required for investment and financing decisions.
4. Enterprises to implement projects with the support of existing institutions and instruments in Finland and in Namibia.

Administration

No new institutional arrangements are necessary. The Ministry for Foreign Affairs of Finland will outsource NTF management services to a qualified Finnish service provider. The Finnish service provider will sub-contract facility management services from a qualified Namibian organisation. Applicants will choose their preferred consultants for project preparation.

Applications

Enterprises in Finland and in Namibia can equally apply for NTF funds by filling the application form and submitting it to the NTF Management Organisation in Finland or in Namibia. The NTF funding decisions will be made quarterly by the NTF Board. Costs incurred before the date of application will not be considered.

Time frame

NTF will operate for 24 months, starting April 1, 2005. All grant commitments will be made by the end of March 2006. All grant disbursements will be made by the end of March 2007.

Funding

Proposed funding for NTF: EUR 1 million (including NTF administration). The Facility will be closed at the end of 2006. Funds will be disbursed afterwards against approved, itemized expenses. Eligible costs are travel expenses, consulting services, market research costs and other project-related external costs (applicant's own salaries or other internal costs will not be reimbursed).

During the field mission, the Consultant has identified a number of viable and potentially catalytic incentives to foster the emergence of Namibian-Finnish commercial cooperation (Table 8). More systematic project identification will be carried out during NTF implementation.

Table 8: Examples of possible NTF project preparation activities

Institution	Activity
Shangelao Capital Ltd.	Investor identification in Finland and the Nordic countries for the new Equity Fund.
Walvis Bay Corridor Group	Market survey and promotion campaign in Finland and the Nordic countries for transport and logistic services in Southern and Central Africa.
Sitatunga Tours services in Namibia.	Market research and promotion in Finland for eco-tourism
Fatima Plastics	Market and partner search in Finland for a plastics moulding and extrusion business.
Oontanga Oil Producers cc	Market research and promotion of pharmaceutical oil exports from Namibia.

The proposed Facility could provide the necessary funding for initial project preparation of the ideas presented in Table 8. In addition, there are many other business development opportunities that could lead to tangible businesses for Namibian and Finnish partners.

Conclusion: To meet Finland's stated objective of deepening of trade and economic relations with Namibia, a forceful promotional effort during the transition period is necessary. This report proposes a new instrument for the promotion of business community cooperation between Namibia and Finland: Namibia Transition Facility (NTF). A Project Document should be prepared in order to specify the key features of NTF and its governance and management mechanisms.

6. ADMINISTRATIVE ARRANGEMENTS

There were serious shortcomings in the administration and management of many projects reviewed, and the discrepancy between well managed projects and poorly managed projects is striking²³. MFA's role and responsibility is to monitor the progress of projects, and to interfere, if there are deviations from the approved project plan. The Consultant did not observe the existence of a modern project management system. This clearly is not an embassy-specific feature, but a wider management deficiency in MFA.

The individuals involved in the management of development cooperation with Namibia are cooperative, competent and motivated, but the management systems of MFA are inadequate. Some of the perceived deficiencies are the following:

²³ For NGO and LCF project details, see Annex Report.

- Key information on Finland's development cooperation with Namibia is poorly organized;
- The MFA web site provides fragmented documents on Namibia for Finnish readers but no systematic framework (annual country review) or development cooperation details;
- The bulk of web site information is not accessible to foreign readers;
- The archives in Helsinki and in Windhoek are not systematically organized and do not contain all key documents (Project Documents, terms of references, consultant proposals, quarterly and annual reports, completion reports, mid-term reviews, evaluations) in paper and/or digital formats;
- The project application, screening, appraisal, decision making and monitoring procedures are not defined in the necessary detail;
- Project documents and various implementation reports contain a lot of development rhetoric, but few measurable objectives;
- The organizational changes in the MFA (Namibia desk officer has changed five times since March 2001) disrupt continuity and dilute accountability;
- The administration cost (foreign and local cost of personnel and local operations costs) has increased rapidly in 2001 – 2005, and will require readjustment with declining aid volumes in order to maintain cost efficiency.

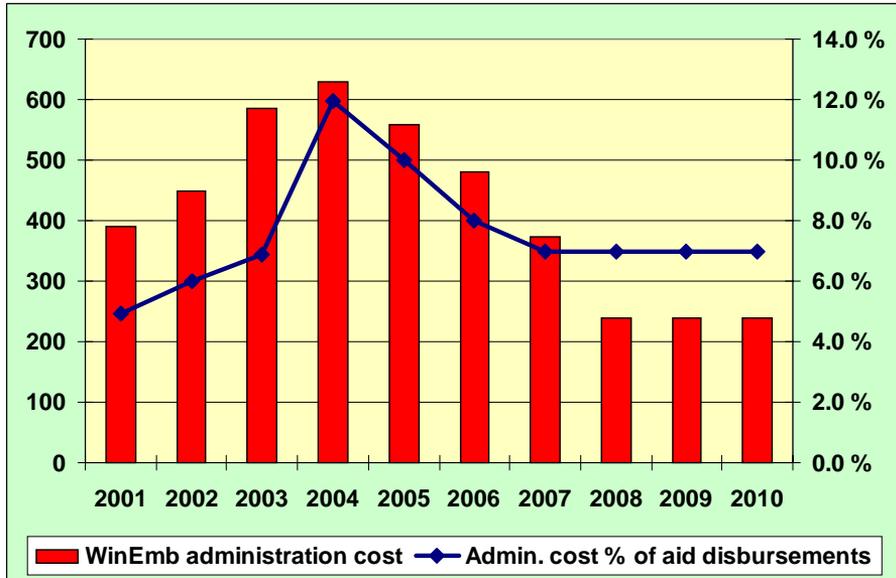
There is a need to clarify the borderlines of available instruments (NGO funds, Local Cooperation Fund), and specify policies and guidelines for new instruments (media and cultural cooperation and various forms of business community cooperation). The delimitation has to go beyond issues related to management (who is responsible for what – Embassy or MFA) and type of actor. Most importantly it should deal with issues concerning content and practice of cooperation. 'Policy jargon' should be avoided by all means and be replaced by measurable (quantitative and qualitative) performance indicators and practical examples (case studies and best practices).

There is a lack of systematic monitoring and intervention during project implementation. Whilst the monitoring, evaluation and reporting mechanisms by the recipient organisations have been addressed in principle, the roles and responsibilities of the Embassy and the MFA will have to be clarified. The monitoring services should be outsourced, because additional expert resources at the Embassy would easily lead to low cost efficiency. The administration cost of the Finnish Embassy in Namibia²⁴ has increased from EUR 390,000 in 2001 to EUR 630,000 in 2004²⁵ (Figure 5).

²⁴ This includes all local costs, including local personnel, and the cost of expatriate personnel.

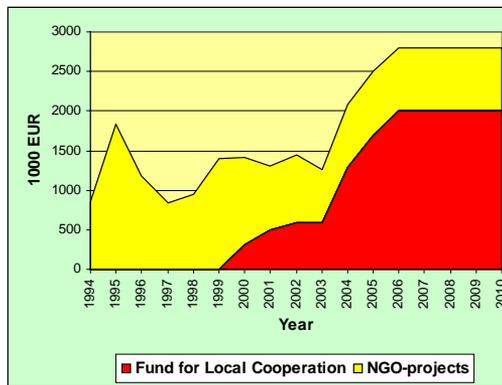
²⁵ Estimate based on actual costs of January-November 2004.

Figure 5: The Cost of Aid Administration²⁶ in Namibia 2001 – 2004 and projection 2005 – 2010 (1000 EUR, %)



The share of administrative cost of total aid disbursements was 4.9 % in 2001, but climbed to 11.9 % in 2004, due to the combined effect of higher administrative costs and sharply declining aid volume (in 2004). On the other hand, the most administration-intensive aid form, LCF projects, is sharply increasing in importance in the coming years (see figure).

However, the share of administration cost to total aid disbursements should be 5 – 10 %. In this case, a realistic target share would be 7 %, to be achieved in 2007. With demands of improved aid portfolio management, this will inevitably require more effective screening of applications (both NGO and LCF), and fewer projects. This will allow effective monitoring and intervention, when necessary.



The current and particularly the proposed new instruments have to be actively communicated and promoted. A communication strategy should be designed for each instrument and tools provided for those responsible. Also these services could be outsourced.

²⁶ Although development cooperation is the principal preoccupation of the Embassy in Windhoek, there are other MFA tasks as well.

Project support systems have to respond to the changes in the project environment and stay flexible. Early warning systems as part of the monitoring should recommend how to deal with emerging challenges. Whilst sometimes it may be advisable to discontinue a project and cut the losses, there are also cases where rescue operations have proven their worth.

Separate application for rescue operations should be drafted and all other project funding should be halted until a report with concrete recommendations is submitted. These recommendations will have to outline the time frame of the operation, measurable outcome indicators and specify funding separate from the earlier approved project funds to be used solely for the rescue operation.

It is advisable to undertake such rescue operations with outside facilitation. The agency/ consultancy appointed to provide monitoring and information services could be entrusted with this facilitation role.

***Conclusions:** There is an apparent lack of modern management systems in the administration of Finland's development cooperation. This also applies to Namibia. This is reflected in accessibility of key information, inadequate project management procedures, diluted accountability due to organizational changes, and low cost efficiency. Immediate measures to improve management efficiency are necessary. The cost of aid administration in Namibia has increased. With declining aid volumes, the administrative cost should be brought down and kept proportionate to aid volume.*

6. RECOMMENDED ACTION PLAN

Policies and priorities

The two key policy statements of the Finnish Government, (1) the Decision-in-Principle "Operationalisation of Development Policy Objectives in Finland's International Development Cooperation" of 2001, and (2) the Government Resolution on Development Policy of February 2004, provide clear guidelines for the reorientation of development cooperation with Namibia. MFA's management systems need to be sharpened to convert the policy statements into action. To achieve the necessary administrative efficiency and effectiveness of new cooperative arrangements, clear priorities need to be defined. This means fewer, but better managed projects. MFA will have to consider outsourcing specific project preparation and monitoring services.

Health

The proposed concessional credit will address urgent equipment replacement issues. International bidding should be opted for with the requirement of flexibly interpreted "Finnish interest". The structural constraints of the health sector will need to be addressed under the decentralisation process, as well as by targeted interventions by the Finnish LCE, the NGO budget, and by Finnish contributions to multilateral and regional organisations.

Decentralisation

The last traditional bilateral project “*Support to the Namibian Decentralisation Process (2004 – 2007)*” endeavours to address the cross-sector decentralization issues and thus bring the sector project period to a constructive conclusion. The objectives of the project are ambitious and relevant – much depends on implementation. The commitment of the Prime Minister’s office and the Parliament are decisive preconditions for success. If necessary laws and decisions exist, the project can assist in their implementation. However, the expectations of what can be achieved during the four-year project may be overly ambitious. Further support to the Namibian decentralization process should be left to the multilateral organizations, e.g. the World Bank.

Local Cooperation Fund

The variety of organisations that have benefited from the LCF have acted individually, without sharing experiences with others. However, there are many common problems and issues, and sharing of experiences could benefit all. Therefore, the lack of communication and coordination among the participating organisations should be counteracted by establishing a forum, e.g. an annual LCF/NGO workshop.

The lack of gender and HIV/AIDS mainstreaming within project objectives and outputs is detrimental to the combating of AIDS and necessitates a focus on providing effective tools for the participating organisations.

Non-Governmental Organizations

Support for ongoing NGO cooperation should go on, but with a shifted focus in some cases. In future, support to NGOs in the area of social service delivery should only be granted if there exist realistic prospects and commitments of later GRN cooperation, either through GRN funding, private-public partnerships or inclusion into government social services.

In the under-served areas to address urban and rural poverty, it is recommended to support bottom-up approaches in the community and initiatives that build on African civil society practices (traditional and customary). To reach those practices, it is advisable to work with intermediary agencies (local NGOs) that have a proven track record in applying best practice approaches with high levels of impact and sustainability. Urban Trust of Namibia (UTN) is one such organisation, and cooperation (under any of the three instruments) is recommended. A stricter screening and tighter focus should be defined for NGO support. This will lead to fewer projects, but improved impact.

Business community cooperation

Considering the low level of commercial cooperation between Finland and Namibia, and the limitations of the current instruments and institutions, there is a need for a new instrument for the promotion of business community cooperation. Otherwise, the policy objectives of the Finnish and Namibian Governments are likely to remain unattainable. A proposed new instrument, the Namibia Transition Facility (NTF), would provide support for project preparation on favourable terms during the transition period. The Ministry should outsource NTF management services to professional organizations in Finland and Namibia. In addition to the NTF, funds for short-term advisors for business community projects should be made available from the Local Cooperation Fund.

Administration

Keen monitoring and evaluation of projects is necessary to achieve additionality and effectiveness in the Finnish contribution to the development of Namibia. The development of adequate project management mechanisms, including baseline data, clearly defined targets and indicators should therefore be a requirement in the application process. The flaws of MFA's current project management and information processing systems should be addressed urgently.

ANNEXES

1. Terms of Reference

2. Interviews

ANNEX 1:

Terms of Reference

TERMS OF REFERENCE FOR EX-ANTE EVALUATION OF COOPERATION PROGRAMME BETWEEN FINLAND AND NAMIBIA 2004–2007 and 2008 ONWARDS

Sectors, actors and instruments of future cooperation

1. BACKGROUND

Finnish Government's Decision-in-Principle "Operationalisation of Development Policy Objectives in Finland's International Development Cooperation" from 2001 reads that in the course of the next 3 to 7 years, new cooperation instruments will replace the traditional project-based grant assistance in Namibia (and in Peru and Egypt). This strategic decision is further consolidated in the recent Government Programme for Development Policy²⁷. The Programme states that Finland will concentrate its bilateral grant-based development cooperation to the poorest countries, whereas more versatile cooperation will be initiated with economically more advanced countries, such as Namibia. The Programme emphasises that Finland holds a special relation with these countries, developed in the course of decades of cooperation requiring considerable amount of financial and human resources. This common past has resulted in great amount of contacts, expertise and experience in cooperation between the countries. It is trusted to form a solid basis for future cooperation as well.

This is the first time in Finland's history of development cooperation that Finland moves from traditional long term development assistance towards deepening and broadening the bilateral relations with new cooperation instruments and modalities. This "transition" is acknowledged to be a challenging task, and it is required in the Programme to take place in a well planned and sustainable manner and to be based on an agreed strategy. To prepare for and assist in the process, the Ministry for Foreign Affairs of Finland (MFA) has prepared Guidelines for preparation of the above mentioned transition strategies²⁸.

The main responsibility for the process²⁹ is vested with the regional units in the MFA. The objectives of the transition strategies are:

²⁷ <http://global.finland.fi/kehityspolitiikka/objelma2004.html>, approved by the Government in 5 February 2004.

²⁸ Hallituksen kehityspolitiittinen objelma; siirtymästrategia, Muistio 14.10.2003.

²⁹ It is pointed out in the guidelines that "action plan" might be more appropriate name for the documents to be produced than "strategy".

4. systematic and sustainable withdrawal from long-term grant-based assistance
5. deepening and normalisation of the relations between the countries emphasising trade and economic relations
6. development and testing of new instruments suitable for new type of cooperation

According to the Guidelines, development cooperation between the countries will continue in the form of institutional cooperation, cooperation between civil society organisations. Cultural exchange will be promoted and increased in the future and local cooperation will remain.

However, fresh thinking is needed in implementation of the transition strategies to deepen and strengthen cooperation between the countries. New cooperation requires full and coherent utilisation of the available cooperation instruments in variety of areas, such as promotion of trade, investment and private sector, facilitation of public-private partnerships, institutional cooperation, and different exchange programmes.

According to the Guidelines, the action plan (strategy) should comprise at least the following chapters:

1. Justification for phasing out long-term grand-based assistance on basis of the criteria set forth in the Operationalisation document for long-term partner countries. The main criteria being the need for assistance (poverty)
2. Summary of development cooperation between Namibia and Finland in 1990–2003 consisting of:
 - concise summary of cooperation activities on basis of existing evaluations and other secondary material (list of projects to be included as an annex)
 - summary of support channelled through international organisations
 - summary of projects implemented by NGOs
 - summary of trade, economic, cultural, scientific and other relations including support through the Fund for Local Cooperation
 - humanitarian aid
3. Phasing out the on-going projects – approach and timetable
4. Concise country analysis, discussing own development plans and strategies in Namibia, (potential) linkages to the reform strategy, main economic statistics, trade etc.
5. Sectors, themes, instruments and (potential) actors in the transition strategy, describing
 - economic cooperation, including trade, the role of private sector
 - cultural, scientific and other thematic cooperation, institutional cooperation, public and private sectors
 - cooperation between civil society organisations, public, private actors, NGOs (NGOs form part of the civil society)
 - cooperation with multilaterals (UN, EU, BW institutions)

6. The role of the MFA in implementing the transition action plan. Implementation role may be limited, but should still be clearly articulated, including e.g.
 - strengthening the existing cooperation networks in Namibia and in Finland
 - facilitation and contacting
 - cooperation with international organisation at global level
7. Required resources for implementation
 - required resources under each sector and instrument, taking also into account the existing resources
 - human resources in the MFA

The Strategy for Namibia is under preparation in the MFA, and it has been discussed with the Namibian officials in Joint Consultation. It is planned that the process of moving towards new cooperation modalities will be facilitated by a 4 –year project “Support to Decentralisation in Namibia”. The project is in preparatory phase, and is likely to start in early autumn 2004.

2. OBJECTIVE OF THE EVALUATION

The main objective of the ex-ante evaluation is to support the preparation of the action plan/strategy/cooperation programme between Finland and Namibia in 2004–2007 and 2008 onwards and to improve and strengthen the final quality of the plan.

Ex-ante evaluation will consist of six elements

1. Carrying out a review of previous evaluations and other relevant documentation concerning
 - cooperation in different sectors between Finland and Namibia, and
 - cooperation through different cooperation instruments in general and especially in Namibia.
2. Preparation of concise country study on Namibia highlighting current development priorities, plans and policies and providing overall presentation of the Namibian economy. While preparing this, existing studies and strategy papers, such as the National Development Plans and the EU Country Strategy Plan (CSP) should be fully utilised.
3. Identification of potential actors in future cooperation both in Namibia and in Finland.
4. On the basis of the above, preparation of detailed, analytical and feasible recommendations concerning the
 - sectors/themes/areas for future cooperation with an emphasis in increasing economic cooperation, trade and investment
 - actors with interest and resources for cooperation
 - MFA instruments to support, initiate and facilitate the cooperation between various actors in 2004–2007 and 2008 onwards to support the strategic choices and priorities for future cooperation³⁰.

³⁰ *These choices are to be made by the MFA and Namibian counterparts*

5. On basis of selected priorities elaborate proposals more detailed objectives with quantifiable indicators and appropriate monitoring and evaluation mechanism.
6. Support the development of implementation mechanisms detailing the role of the MFA, and provide an estimate for required resources.

The main evaluation questions concerning the potential sectors, actors and instruments of cooperation are relevance, sustainability and feasibility. The evaluators are not requested to assess efficiency or effectiveness or impact of the past activities, rather, they should identify sectors (or themes or areas) of cooperation that stand sustainable in the past cooperation, are still relevant for the potential actors, and are feasible in terms of available resources.

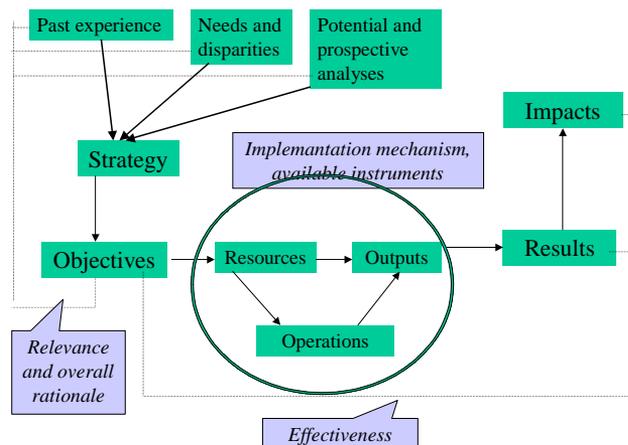
The evaluation report should be constructed in a way that is as conducive as possible for preparing the Chapters 2, 4, 5, 6 and 7 of the strategy referred to in the Chapter 1 above.

3. METHODOLOGY

By definition ex-ante evaluation is an interactive process which provides judgement and recommendations by experts, separately from planners, on policy or programme issues³¹. The main objective of an ex-ante evaluation is to improve and strengthen the final quality of a plan. Carrying out ex-ante evaluations is based on interaction and dialogue between the people responsible for preparation of the plan and the experts. Evaluators' role is to assist the planners, and they should be utilised that way. Ex-ante evaluation should serve as key element for understanding of the selected strategy and the allocation of financial resources.

The key components of an ex-ante evaluation are presented in the Graph 3 below³².

Graph 1. Key Components of ex-ante evaluation



³¹ Ex-ante evaluations are standard procedure e.g. in preparation of EC Structural Funds programmes. For methodological notes, see e.g. The New Programming period 2000–2006: methodological working papers, Working paper 2: The Ex-ante evaluation of the Structural Funds Interventions” http://www.inforegio.ccc.eu.int/wbdocl/docofficial/working/sf2000_en.htm

³² *ibid*

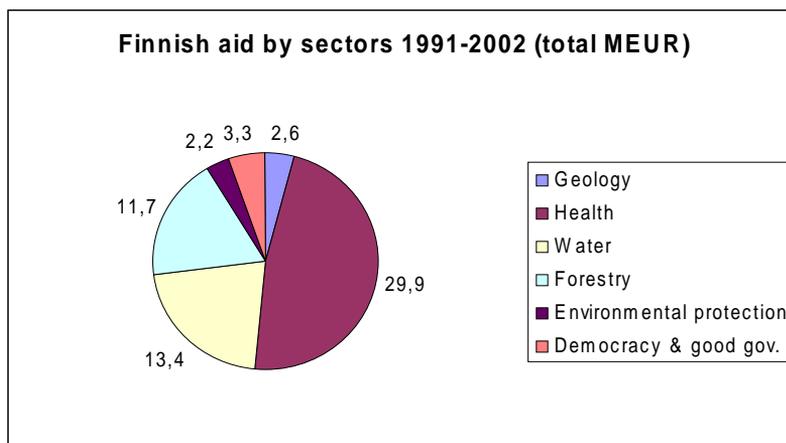
3.1. Review of evaluations and other documentation related to previous cooperation

The sectors and instruments where Finland and Namibia have experience in cooperation are presented below. It is foreseen that the review of existing evaluations and other documentation will be mainly a desk study supplemented with a limited number of interviews with the key stakeholders.

3.1.1 Review of Cooperation Sectors

Since the Namibian independence 1990, and inception of bilateral development cooperation between the countries, Finnish support has been directed to six sectors. The total amount of project aid amounts to approximately MEUR 63. Approximately half of the amount has been directed to health sector. Distribution of project aid to various sectors is presented in the Graph 2 below.

Graph 2



The various projects implemented in the above sectors are presented briefly below with information on available relevant document for the evaluation.

Health

The Engela Area Integrated Health Project (1992–1995)

Decision concerning cooperation in health sector was made by the Namibian and Finnish authorities in 1991. Activities in this sector commenced in 1992 with a project in Engela aiming at promoting health of the local people. To this end the project was designed with three components: 1) restoration of Engela District Hospital, 2) strengthening of the health care management and 3) strengthening health education.

The Health and Social Sector Support Programme (HSSP), phases I and II (1995–2004)

Building on the experiences of the Engela project, HSSP was started in 1996 and Phase II of the programme is planned to end in February 2004. The programme's overall objective is to

improve health and well-being of populations in the seven programme regions. The programme purpose is improved efficiency and implementation of core health and social welfare services in the programme regions. The health and social sector programme pays special attention to the regional administration and training in the sector.

Both of these projects were included in Country Programming Process: The Finnish Namibian Experience -evaluation. In addition, mid-term review of the HSSSP II and Assessment of the Maintenance Situation in Engela, Okahao and Eenhana Hospitals are available. Sustainability of the cooperation is to be ensured by including health sector in the Support to the Namibian Decentralisation –project to be financed by the MFA and implemented between 2004–2007 (see below, democracy and good governance).

Water

The Water Supply and Sanitation Project in the Ohangwena Region (WSSPOR), (1992–1997)
WSSPOR was initiated in February 1992 and completed in December 1997. The Project was coordinated with the Namibian policies to secure safe and sufficient water supply and proper sanitation for the rural population of the project area. The Finnish support was roughly 6 million euros.

The Community Water Supply Management Support Programme (CWSMSP), phases I–III (1997–2004)

CWSMSP was established in 1997 in cooperation with the Namibian Directorate of Water Management and Supply (DRWS), and is intended to support building management capacity at the DRWS and its regional offices. The project is coming to its end in March 2004. The objective of the CWSMSP is to assist the DRWS to achieve the goal of a sustainable supply of safe water to rural communities in communal areas and to implement the decentralisation of rural water supply functions to the regions.

Water sector projects have been included in the 2000 evaluation “Country Programming Process: The Namibian-Finnish Experience”. In addition, mid-term review report of the Phase III of the CWSMSP is available.

Forestry

Assistance in the forestry sector began with the posting of Finnish forestry advisers to the Directorate of Forestry followed by a review of Namibian forestry policy in 1992. Since 1992, Finland has been engaged in the training of workers and personnel in the forestry sector. In 1996, cooperation in this sector included helping to prepare the Namibian Forestry Strategic Plan, and the start of a forest fire management project in Caprivi.

The Namibia-Finland Forestry Programme (NFFP), phases I and II (1997–2005)

NFFP began in 1997. It is an umbrella project with several components, including environmental protection and capacity building. The overall objective of the programme is to increase the role of forestry in the socio-economic development of Namibia. The programme purpose reads as follows: Namibian forests are successfully managed by individuals, communities and relevant stakeholders for optimal sustainable yields of forest products and services in the communal areas of north-east and north-west Namibia (pilot areas). The aim is to develop Namibia's forestry sector further by supporting the forestry administration, field organisation, training

and forestry investments. Practical work is also done in the local communities by enhancing forestry in villages, by preventing forest fires and disseminating environmental information.

NFFP was included in Country Programming Process –evaluation. In addition, final report of the Phase I is available for this evaluation. Cooperation in Forestry sector in Namibia is also included in the Forestry Sector Evaluation.

Environmental protection

Information and Communication Service for Sustainable Development (INFOCOM), (1997–2004)

Information and Communication Service for Sustainable Development in Namibia improves the monitoring and information system of environmental status in Namibia. The programme was launched in 1997 and will continue until the end of 2004. The overall objective of INFOCOM was to promote environmentally sustainable development practices in Namibia by providing pertinent and appropriate environmental information to the policy, planning and decision-making processes, and to all relevant stakeholders by developing indicators for evaluating development cooperation projects and to produce geographical maps of the environment.

Bush Encroachment Monitoring and Management Project (2000–2004)

Bush Encroachment Monitoring and Management Project was implemented under the auspices of National Programme to Combat Desertification. The objective of the programme was the promotion and establishment of appropriate systems for diverse and sustainable land management in encroached areas. The purpose was to obtain a common information-base and understanding on the issues related to bush encroachment, as well as to prepare a monitoring and an integrated management programme. A database is developed in order to understand and control degradation of soil resulting from the spreading bush. A mid-term review from autumn 2002 is available.

In addition, a new, regional project *Cunene-Cuvelai River Basin Management Initiative*, is likely to start in the beginning of 2005.

Democracy and good governance

Capacity Building for Local and Regional Authorities (1999–2004)

The Namibian Government has been implementing a decentralisation programme since 1997. In 1999, the Finnish and Namibian Governments agreed on Finnish support for the programme. Capacity Building for Local Regional Authorities project commenced in 1999, with a one-year preparatory phase. The actual three-year programme was launched at the beginning of 2001. The overall objective of the programme has been provision of better services for residents by improved local government. The approach of the project has focused on increasing the capacity of the local government by training local level civil servants in various sectors and by providing management support to the Ministry of Regional and Local Government and Housing (MRLGH) in key areas relevant for decentralisation.

Institutional Capacity Building in the Ministry of Finance (1998–2003)

Namibian Minister of Finance initiated the need to develop the capacity of the Ministry of Finance in Namibia and cooperation between the Finnish and Namibian ministries started in 1998. The project aims at enhancing the Ministry's ability to prepare and enforce budgets and monitor their implementation. The overall objective of the programme is sound and efficient economic, financial and fiscal management by the Namibian government. This is done by

improving budgetary planning, introducing the medium term expenditure framework, improving financial control, and improving accounting within the Ministry of Finance and the line ministries to support budgetary planning. This cooperation is discussed in the Country Programming Process: The Namibian-Finnish Experience.

Support to the Namibian Decentralisation Process (2004–2007) will be the last bi-lateral development cooperation project that aims to support decentralisation and to ensure sustainability of the projects in health, water and democracy and good governance and forestry sectors. Forestry sector will be included in the project 1.5.2005. The Project is in preparation phase with an appraisal mission for the project document scheduled for April.

Geology

Finnish support to mining sector started through indirect measures of geological surveys and map making. The primary organisations responsible for this cooperation were the Namibian Geological Research Institute and the Finnish Geological Institute. Cooperation in geology-sector is briefly mentioned in the 2000 evaluation. High-quality geological maps of Namibia have been produced in this cooperation.

3.1.2 Review of other cooperation instruments used in cooperation between Finland and Namibia

Local Cooperation Funds

Local Cooperation Funds are available for Finnish Embassies to be used as a tool to support civil society development. Finnish embassies can provide funding for various organisations, including NGOs, CBOs, business associations, labour unions, employers' unions etc. According to the Programme for Development Policy (2004) Local Cooperation Funds can be used as a flexible instrument to complement and supplement cooperation programme in the so called transition countries (Namibia, Egypt and Peru).

Local Cooperation Funds in Namibia were evaluated in spring 2003, and the evaluation found that in Namibia Local Cooperation Fund has been used as a central instrument in Finland's country programme by supplementing (institutional cooperation and culture) and supporting/complementing (support to democracy and reduction of poverty) other bilateral cooperation instruments. The amounts of funds have increased steadily and the LCF is planned to have a critical role to play also in the forthcoming Finnish withdrawal strategy from extensive bilateral aid programme towards other forms of cooperation. Since its inception in 2000, development of the Namibian civil society has been supported with a little over 2 MEUR through LCF. Since 2003, the thematic distribution of funds is: 1) democracy and human rights (57%), 2) culture (15%), 3) small projects (14%) and 4) institutional cooperation (10%).

Institutional Cooperation

According to the Programme for Development Policy, MFA encourages participation of Finnish institutions in development cooperation. Finnish public institutions are seen to possess valuable knowledge and experience that can be utilised in partner organisations and institutions in developing countries. Interaction between institutions can play an important role also in promoting cultural cooperation and relations as well as trade and private sector cooperation.

Finnish Embassy in Namibia has successfully piloted Institutional Cooperation. Currently such cooperation arrangements are agreed and projects implemented between the following institutions: Namibian Police and the Finnish Police College; Oruano of Namibia Artists Union and Sibelius Academy; National Art Gallery of Namibia and University of Arts and Design in Helsinki; Assitej-Namibia and Assitej-Finland; Namibia Library and Information Service and Finnish Library Association; National Museum of Namibia and the Mission Museum. New initiatives are upcoming, ex. Ministry of Prisons in Namibia and Finnish Prison Authorities. In addition Metsähallitus (Finnish national organisation for forestry management) and the Ministry of Environment and Tourism of Namibia have an agreement for personnel exchange between 2003–2005.

NGO cooperation

The total amount of support to Namibia by Finnish NGOs during the years 1991–2002 was 7 269 321 €. During the first four years of the 1990s, the volume of the support was more than one million euros per year but has declined towards the end of the decade. In 2003, the value of development aid through Finnish NGOs to Namibia amounted to 504.000 €.

Traditionally, the projects have focused on the education and health sectors and significantly contributed to the development and maintenance of the education and health systems in the country. Finnish NGOs have enhanced the level of education and heightened the citizens' national awareness, thus playing an important role in the independence process of the country. All in all, 19 Finnish NGOs have implemented projects in Namibia. In many projects the cooperation partner has been the Evangelical Lutheran Church in Namibia. In 2003, there were 11 Finnish NGOs working in Namibia with development cooperation funds.

North-South Local Authority Cooperation Programme

This programme has provided funds from the development cooperation budget through the Association of Finnish Local and Regional Authorities (AFLRA) for cooperation between Finnish local authorities and local authorities in Africa. The programme aims at increasing capacity in southern municipalities to better respond to their requirements of providing public services to the citizens. Vantaa and Windhoek have received funds for cooperation between 2002–2004. Mid-term review of the programme is available.

3.1.3 Review of other cooperation instruments with no or little experience in Namibia

Economic, Industrial and Technological Cooperation (TTT)

Appropriations for economic, industrial and technological cooperation can be given to Finnish companies to support their projects which promote wellbeing in developing countries and which include components of economic or industrial cooperation or technology transfer. The purpose of these appropriations is to serve as seed-money for longer-term cooperation, mainly on a commercial basis. The funds can be used for studies, training, and hiring of experts or planning these activities. Except for training, maximum of 50 % of the costs are covered. In 2002 the total amount available was MEUR 2 for 29 projects. These appropriations are not sector specific, but in practice, environmental effects play critical role in selection process. TTT-cooperation has been evaluated recently.

Two appropriations have been approved for cooperation in Namibia and a third one is to be decided in March.

Interest subsidy loans/Concessional Credits

Interest subsidy loans are publicly subsidised export credits that receive interest subsidies from Finland's official development cooperation funds. Approval of the loans is based on an assessment of the development impacts of the project to be financed. Interest subsidy loans can be granted to countries that have a low level of development, and they are used to support socio-economic development in the target countries. The key principle is that commercially viable projects should not be granted interest subsidy loans from official development cooperation funds. According to legislation, the decisions concerning interest subsidies are taken by the MFA and the risks related to the credit are covered by Finnvera. Interest subsidy loans have been evaluated recently.

There are currently three interest subsidy loans under preparation in Namibia.

Finnish Fund for Industrial Cooperation Ltd (FINNFUND)

Finnfund finances responsible, private business activities in developing countries and countries with transitional economies. FINNFUND is self-sufficient and directs its investments to profitable projects in challenging markets where commercial financing is not readily available. Its objective is to promote economic and social development of the target countries.

The fund works in collaboration with Finnish and foreign firms, investors and finance companies. According to new law, the projects should have a Finnish Interest. In the new strategy cooperation of Finnish and local partners is emphasised. According to the new strategy, Finnfund is to strengthen its activities in low-income and lower middle income countries by endeavouring to direct at least 2/3 of its new commitments to these countries.

CIMO-cooperation

The Centre for International Mobility (CIMO) is a government organisation operating under the Ministry of Education of Finland. CIMO's expertise is geared towards promotion of cross-cultural communication and international mobility with focus on education and training, work and young people. CIMO administers scholarships and exchange programmes and is responsible for the implementation of a number of European Union education, training, and youth programmes at national level in Finland.

The MFA is in the process of beginning cooperation with CIMO by providing funding from the development cooperation budget for a three year programme (2004–2006) aiming at supporting long-term partnerships and networking between Finnish university level institutions and universities in Sub-Saharan Africa and transition strategy countries Peru and Egypt.

More instruments are analysed in an Instrument Review, which should be ready by **WHEN??**

3.2 Country Study

The evaluators are requested to prepare a country study on Namibia highlighting current development priorities, plans and policies and providing overall presentation of the Namibian economy. The presentation should include information concerning taxation, investment support, trade policy, and main productive sectors, and should be based on already available information.

3.3. Potential Actors

The evaluators are requested to identify potential actors in new cooperation programme on basis of previous cooperation and interest. In Finland there already exists plenty of knowledge about Namibia. These organisations and individuals should be identified and mapped during the preparation process of the strategy.

3.4 Recommendations

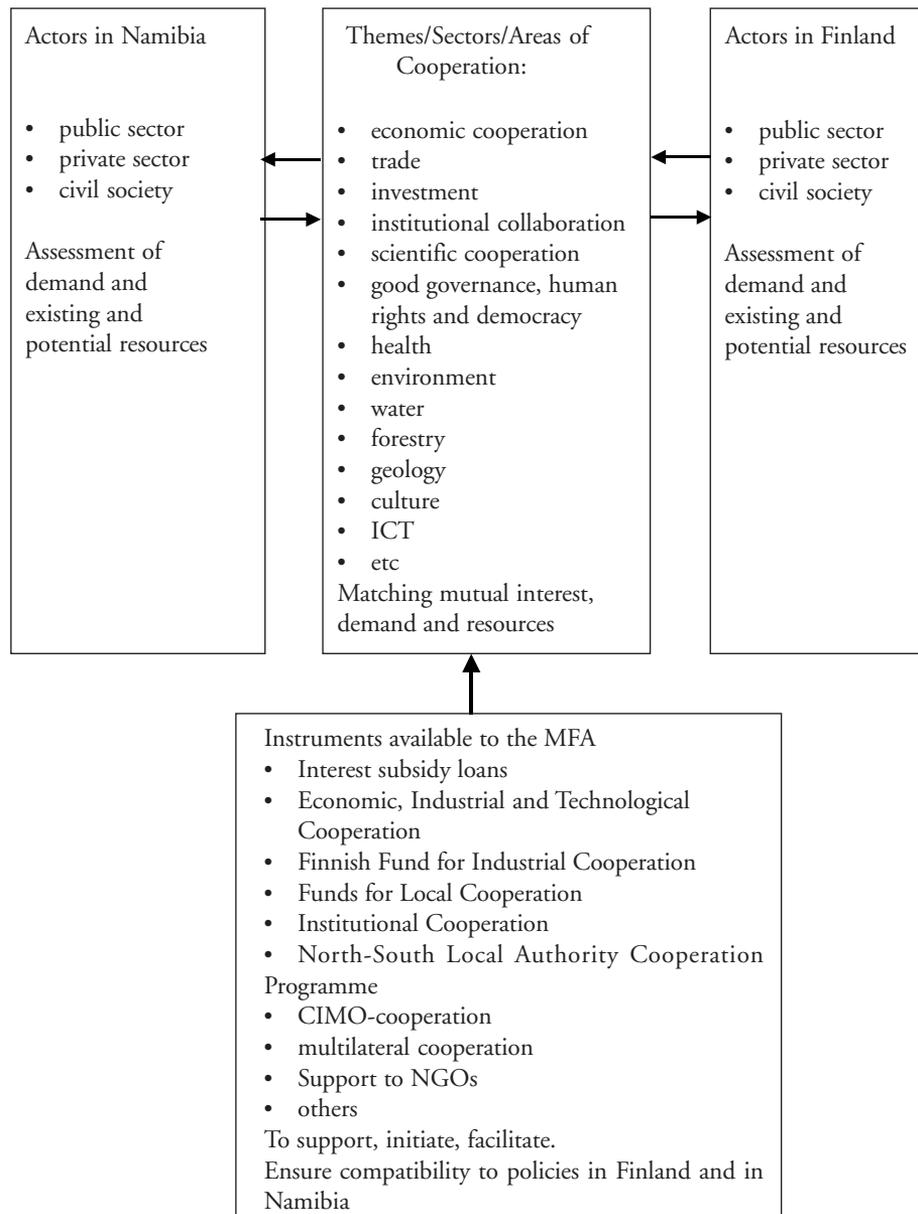
The evaluators are requested to prepare detailed, analytical and feasible recommendations concerning the

- sectors/themes/areas for future cooperation with an emphasis in increasing economic cooperation, trade and investment;
- actors with interest and resources for cooperation; and
- MFA instruments to support, initiate and facilitate the cooperation between various actors in 2004–2007 and 2008 onwards.

These recommendations are utilised in decision-making by the responsible authorities concerning the choices and priorities for future cooperation between Finland and Namibia. In providing recommendations, the evaluation team should not limit itself to these sectors and instruments in which there is previous experience, and should bear in mind that one of the main objectives/ the main objective in future cooperation is to increase trade, investments and other economic cooperation. Recommendations should also discuss possibility of multilateral cooperation through international organisations and regional cooperation.

The ingredients of the strategy and the cooperation framework are presented in the graph 3 below.

Graph 3. Framework for Future Cooperation



3.5 Elaboration and quantification of objectives

On basis of the selected priorities, the evaluation team is requested to provide proposals on more detailed objectives with quantifiable indicators and appropriate monitoring and evaluation mechanism.

3.6. Implementation mechanism

The evaluators should also provide advice in development of the implementation mechanism for the plan/programme/strategy. Especially the team is requested to assist in definition of the role of the Ministry for Foreign Affairs of Finland and the Finnish Embassy, and provide an estimate of required human and financial resources for implementation.

4. EVALUATION TEAM

The tenderer is requested to propose a team that the tenderer seems most fit to undertake the evaluation. The Team should include nominated Team Leader who bears the overall responsibility of the evaluation. The Team should include Namibian experts. The following qualifications are to be found in the Team:

- thorough knowledge and understanding of Finnish development cooperation policy and instruments in general and especially in Namibia
- good understanding of Namibian economy and Namibian national development plans and policies
- knowledge of Namibian legislation concerning foreign investments, foreign trade and taxation
- basic knowledge of the main features and actors in Finnish economy, especially trade
- experience in carrying out evaluations, especially ex-ante evaluations

5. TIMETABLE AND REPORTING

The evaluation should be carried out in conjunction with the preparation of the cooperation programme and the timetable is to be agreed with the Ministry for Foreign Affairs.

TASK	WHEN	REQUIRED WORKING DAYS FOR FINNISH/ INTERNATIONAL EXPERTS
Review of existing evaluations and other documentation, interviews with stakeholders		25
Country Study		5
Identification of actors		15
Recommendations, interim report		20
Elaboration of objectives		10
Support to implementation mechanism		10
Final report		15
	TOTAL	100

The final report should be written in a way of an outline of the new cooperation programme document between Finland and Namibia 2004–2007 and 2008 onwards.

ANNEX 2:

Interviews

Name	Organisation	Position
Ministry for Foreign Affairs of Finland		
Ms. Seija Kinni-Huttunen Ms. Tuulikki Parviainen Ms. Marianne Ulriksen	Embassy of Finland Counsellor Programme Officer	Charge d'Affaires, a.i.
Mr. Kari Karanko	Ministry for Foreign Affairs of Finland	Director
Ms. Riikka Laatu	Ministry for Foreign Affairs of Finland	Director, Unit for Southern Africa
Mr. Petri Wanner	Ministry for Foreign Affairs of Finland	Programme Officer, Unit for Southern Africa
Other interviews		
Dr. V. Amutenya	Oshakati Hospital	
Mr. Phillipus Amwele Mr. Jason Nghidinua Mr. Immanuel Shipankia	NCCI Ongwediva Office	Chairman Deputy Chairman Executive Member
Ms. Anneleen	National Art Gallery	Director
Mr. Max Awene	Overseas Development Corporation Export Processing Zone (EPZ), Oshikango	Manager
Mr. Hermanus Böck	Martti Ahtisaari Primary School	Principal
Mr. Anthony Camm	National Institute for Educational Development	Senior Education Officer
Mr. Rod Davis	Namibia Resource Consultants	CEO
Ms. Sylvia Demas Ms. Bertha Kazauana	NPC NPC	Dep. Director – Development Cooperation Chief – NGO Unit
Mr. Oscar Peter Embubulu	NAMPOL	Deputy Commissioner
Dr. Norbert P. Forster	Ministry of Health & Social Services (MoHSS)	Under Secretary: Health & Social Welfare Policy
Mr. Dennis Fredericks	David Bezuidenhout Senior Secondary School	Principal
Mr. Samuel //Gaogoseb Ms. Susan Pieterse	National Planning Commission Secretariat (NPCS)	Permanent Secretary Deputy Director
Mr. Samuel Goagoseb	NPC	Permanent Secretary

Mr. Frank Gschwender	Walvis Bay Corridor Group	Business Development Executive
Mr. Basilius Haingura	NANTU	Dep. Secretary General
Mr D. Hammerslacht	MoHSS	Chief Health Programme Administration
Mr. Libolly L. Haufiku		Honorary Consul of Finland
Ms. Isabella //Hauses	Namibia Community Based Tourism Association (NACOBTA)	Marketing and Communications Manager
Brian Hollick	CWSMSP, Phase III	HRM Expert
Mr. Dave Hutchins	Geological Survey of Namibia Ministry of Mines and Energy	Chief Geophysicist
Mr. Werner S. Ita	Ongwediwa Town Council	Senior Manager, Finance and Asset Management
Mr. Walde Ndevashiya		Economic Development and Tourism Officer
Mr. Devesia		Local Economic Development Officer
Mr. Andreas Utoni		Public Relations Officer
Ms. Tonata Itenge-Emvula	Namibia Association of Local Authorities Officers (NALAO)	Executive Director
Mr. Albin Jacobs	Centre for Entrepreneurial Development Polytechnic of Namibia	Director
Mr. Herbert Jauch	LaRRI	Director
Mr. Santos Joas	UTN	Executive Director
Mr. Richard Kassouf	Sigma Trading, EPZ Oshikango	Chairman Founder
Ms. Salmi Kaulinge	Oontanga Oil Producers cc.	Member
Mr. Risto Kekkonen	Technology for Life	Member
Ms. Daphne de Klerk	NANGOF	Executive Secretary
Mr. Ole Kragh	MRLGH	Adviser
Mr. Tapani Kuivanen	National Museum of Namibia	Curator Taxidermist
Mr. Timo Linkola	AFRLA	Director, International Cooperation
Ms. Esther Lusepani-Kamwi	Department of Forestry Ministry of Environment and Tourism	Deputy Director, Forestry Research
Mr. Stig Johansson		Project Manager
Mr. Margari	MoHSS	Former Adviser to Omusati Region

Ms. Rachele Metzler	Namibia Financial Institutions Supervisory Authority (NAMFISA)	Manager, Micro Lending and Credit Agreements
Mr. Abdallah Mwakembeu	Namibian Men for Change	Director
Mr. Philip Mwangala	Bank of Namibia	Senior Manager, Bank Supervision
Mr. Viljo Williams		Manager, Policy and Licensing
Mr. Josephat Mwatotele	Shangelao Capital (Pty) Ltd.	CEO
Mr. Lyndon Gaidzanwa		Corporate Finance Director
Mr. Vincent Mwemba	Namibian Artists Union	Secretary General
Ms. Petrina Mwetulundila	NAPPA	Executive Director
Mr. Sackaria Nikodemus	NAPPA	Project Coordinator (Finnish Project)
Mr. Samson Ndeikwila	Forum for the Future	Coordinator
Ms. Regina Ndopu	Ministry of Regional, Local Government and Housing (MRLGH)	Director, Directorate for Decentralisation Coordination
Ms. Anna Ndumbu	Ministry of Finance	Deputy Director, Cash and Debt Management
Mr. Ndjoura Tjorongoro		Deputy Director, Asset Management
Mr. Abraham Nehemia	Directorate of Rural Water Supply (DRWS)	Director
Ms. Maureen Nous-Oas	ALAN	Executive Secretary
Mr. David Nuyoma	Development Bank of Namibia	CEO
Mr. Andreas Otoni	Ongwediva Town Council	Public Relations Officer, Spokesperson for OTC
Mr. Timo Palander	Lempäälä Municipality	Manager, Business Development
Ms. Kristina Reinke	Sitatunga Tours	Partner
Mr. Päivi Repo	FELM	Representative
Mr. John Rogers	Chamber of Mines	General Manager
Ms. Jo Rogge	The Big Issue	Project Director
Mr. Muhammed Saeed	Fatima Plastics Oshikango	Managing Director
Mr. Markku Salminen	Green Namibia Eco Centre, Ongwediva	Manager
Mr. Christian Schnurre	GTZ/SDPP - MRLGH	Team Leader
Ms. Ritva Semi	Trade Union of Education of Finland	Special Advisor

Mr. Tarah Shaanika	Namibia Chamber of Commerce and Industry (NCCI)	Chief Executive Officer
Mr. Robin Sherbourne	Institute of Public Policy Research (IPPR)	Director
Ms. Iina Soiri		Consultant
Ms. Auli Stark	KEPA (Finland)	Coordinator
Mr. Hans Swartbooi	4H	National Coordinator
Mr. Ricardo Claasen	4H	HR/Accountant
Mr. Axel Thoma	WIMSA	Coordinator
Mr. Chris Thouless	Namibia Tourism Development Programme (EU)	Project Manager
Mr. Norman Tjombe	LAC	
Hon. Letty Tuutaleni	Ondangwa Town Council	Council Member
Mr. Funneka Shigwedha	Ondangwa Town Council	Chief Executive Officer
Mr. Lazarus Uaandja	Central Governance Agency	Executive Director
Mr. Reinier van Rooyen		Chief Financial Officer
Mr. Kyösti-Ville Venermo	Green Namibia Eco Centre	Manager

REFOCUSING FINLAND'S COOPERATION
WITH NAMIBIA

INSTRUMENTS AND ACTORS FOR CIVIL SOCIETY
AND BUSINESS COMMUNITY PARTNERSHIPS

ANNEX REPORT 1: LOCAL COOPERATION FUND

This Annex Report was prepared by
Integrated Training Consultancy Services cc.

December 2004

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ABBREVIATIONS

CBO	Community based organisations
EU	European Union
FFF	Forum for the Future
LAC	Legal Assistance Centre
LCF	Local Cooperation Fund
NAMPOL	Namibian Police
NAMEC	Namibian Men for Change
NCCI	National Chamber of Commerce and Industry
NIED	National Institute for Educational Development
SEAGA	Socio Economic and Gender Analysis
WIMSA	Working Group of Indigenous Minorities in Southern Africa
UNAIDS	United Nations Joint Programme on HIV/AIDS

1. BACKGROUND

The Government of Finland and Namibia agreed to set up a fund for Cultural Cooperation during their Annual Review of Development Cooperation which took place in November 1997, with the main objective of making Namibia better equipped to face the challenges and opportunities of globalisation. This was to be done through strengthening cultural identity (i.e. ways of thinking, living and acting, including communication of Namibians at various levels. The expected results were strengthening of institutions and processes of civil society and public and private sectors towards development of their cultural identity and administrative systems of government at various levels. The process had to be supported through funding channeled through government institutions, non-governmental organizations and the private sector, as well as promotion of cultural exchanges with the potential to contribute to project purpose and results. The fund was to be administered in collaboration with the National Planning Commission and activities reviewed on an annual basis at the Annual Review Development Cooperation between the two Governments.

Based on this agreement the first activities were designed and supported in 1998–1999 prior to the establishment of the Local Cooperation Fund. The organizations involved were varied and focused on human rights, core support, democracy, civic education, support to infrastructure development, culture and theatre development, museum and heritage cultural and musical exchange programmes, music competition, script writing and material development, training workshops.

With the launch of the Local Cooperation Fund in 2000, there was a redefinition of objectives, focus areas and target beneficiaries. According to Administrative Order 18/2001, the Fund supports the goals of Finland's Policy on Relations with Developing Countries in the following core areas:

- Alleviation of widespread poverty
- Prevention of global environmental threats
- Promotion of equality, democracy and human rights
- Increasing global security and
- Increasing economic interaction

In promoting the above, the Fund is also expected to give special attention to:

- strengthen civil society development by enhancing social equality, gender equality, open civil society participation and human rights
- support projects that strengthen local cultural identities
- support projects targeted at persons with disabilities and their organizations
- support projects aimed at strengthening and diversifying the relations between Finnish and Namibian Organisations

The main approach of the Fund is to establish long-term partnership with limited number of organizations to meet the above development objectives. In view of this, it is recommended to take into consideration some critical factors which influences successful collaboration:

- History of collaboration-mutual understanding and respect for roles and responsibilities of each organisation
- Shared vision, concrete and attainable goals
- Political and leadership support-government and donors
- Mutual benefit from cross section of members-manageable group of people with defined ways of gaining from collaboration
- Ability to compromise-based on mutual understanding and respect
- Participation in both process and outcome-members can claim ownership to the final result of collaboration
- Open and frequent communication on common issues of concern
- Able to maintain operations of the group due to able leadership and enough resources

Key Components and priority areas of the Fund are (guidelines and criteria for LCF, June 2004):

- Civil society development, democracy, human rights and gender equality focusing on civic education, rule of law, good governance, free media and election support, human rights, minority rights and reconciliation, gender equality and women's empowerment
- Transition process to strengthen linkages between public and private institutions, NGO's and CBO's in Namibia and Finland. This could include trade and investment, cultural and educational cooperation, and support to SME development.
- Strengthening local cultural identity through support to theatre development, music and arts education, crafts development, libraries and museum
- Social equity/disabled provision of support to the disabled, indigenous minority groups, homeless and other vulnerable groups and HIV/AIDS infected and affected groups through UNAIDS.

The LCF operations has to date focused on strengthening the capacity of civil society organizations to play a meaningful role in poverty reduction through promoting democratic governance, public participation in policy matters, gender equality/social equality, protecting human rights and through strengthening cultural identity. The benefit of this historical focus is that it has both revealed the strengths and potential role that civil society organizations can play in the national development processes, as well as established a foundation for sustained civil society participation and consolidation in democratic governance and human rights. The Fund supported projects to the tune of over 2 million MEUR since 2000, broken down as follows:

- 57% democracy and human rights
- 20% culture
- 14% small projects
- 7% institutional cooperation since 2002

Considerable progress has been made in strengthening the capacity of civil society organizations in the above areas. It is therefore recommended that the transition phase and beyond while consolidating good practices through successful organisations, shift its focus to identifying new cooperation partners using the existing instruments (i.e.LCF) but aimed at SME development to contribute to poverty reduction, employment creation and gender equality much more effectively and in a coordinated. SME development is one of the four focus areas of the Fund and it is also a key strategic area for economic diversification for poor or marginalised individuals/households as outlined in the National Poverty Reduction Action Programme.

2. OVERVIEW FINDINGS ON THE LOCAL COOPERATION FUND

The Governments of Finland and Namibia are in the process of moving away from the traditional project-based grant assistance towards new forms of cooperation to broaden and consolidate existing relations. In order to support this process, an assessment of the potential role of Local Cooperation Fund as an instrument for future cooperation became necessary. The key evaluation or assessment criteria used are-relevance, effectiveness, efficiency, additionality, impact, sustainability and lessons learnt.

In order to conduct the assessment, number of civil society organizations and public institutions had to be selected for the assessment. The criteria used for selection were as follows:

- Contribution to the overall development and common objectives of the two Governments i.e. poverty reduction
- Duration of partnership/collaboration-more than one year
- Interest and commitment i.e. willingness to share and exchange experiences, resources and to strengthen/consolidate initiatives through networking
- Commitment to address gender inequality and HIV/AIDS
- Potential role in future collaboration

Based on the above criteria, 10 organisations (seven civil society organizations and three public institutions) were selected and interviews were conducted from 16–25 August 2004 (Annex 1: List of People interviewed). This report provides an account of the project interviews in terms of project description, objectives, relevance, impact, sustainability, efficiency, effectiveness and additionality (Annex 2: Ten Case Studies). This information has further been circulated to the relevant officers interviewed in order to verify the information collected. Unfortunately only four responded i.e. WIMSA, Forum for Future, Big Issue, National Art Gallery of Namibia and Oruano of Namibian Artists' Union.

2.1 RELEVANCE:

The projects implemented by the ten organizations interviewed are relevant to the overall goal of poverty reduction, environmental and global security, promotion of gender equality and human rights and economic interaction. The experience they have picked up is very valuable for sharing with other civil society organizations, especially seeing that Namibia's position on corruption is said to be deteriorating and that the country needs a strong and vigilant civil society ready to take up challenges in democratic governance, human rights and gender equality issues. But such experiences should be shared by developing case studies on principles guiding success, lessons learnt and opportunities for networking and partnership.

A nation where civil society participation is not visible and where such organizations do not proactively initiate actions to play their role, a nation that neglects its cultural diversity and history, cannot claim to promote sustainable development. The past colonial history of Namibia justified restoration of its cultural identity and awareness raising on gender equality, social inequality and human rights. Therefore the current focus of the Local Cooperation Fund to date has supported the creation of a conducive environment for the sustained and proactive

participation of civil society organisations in policy debates, programme planning, and monitoring and evaluation. The Fund has also paved the way for strengthening partnership between the Government at various levels and civil society organizations and should therefore serve as a link between the two through combined briefing meetings or training workshops.

From the side of Government, there are number of opportunities which promotes a closer partnership between the Government and the civil society organizations and these are; the draft Policy on Civil Society Organisations, the EU Capacity Building Programme which invites civil society organizations to effectively participate in poverty reduction, HIV/AIDS and employment creation, as well as the provisions of the National Poverty Reduction Action Programme. However, the civil society organizations have not effectively made use of such opportunities. Due to the nature of development challenges such as the increasing rate of unemployment amongst women and youth, poverty, HIV/AIDS, the need for decentralized governments to work closely with community based organizations to address such problems, it is critical that partnership are created. The concepts of Public-Civil Society Partnership and Public-Private Partnership become very useful in the transition phase and beyond. A clear definition and demarcation of roles and responsibilities of each partner in a given sector or location should be identified either for consolidation or as new elements in order to strengthen the relationship between civil society, private sector and public institutions. This is particularly critical for the SME sector which is seen as a strong potential factor in employment creation and poverty reduction. The other three critical factors which are in line with the focus areas of the Fund and which have a bearing on the achievement of long term development goals and human resource base, is gender inequality, HIV/AIDS as cross cutting issues as well as monitoring and evaluation (the latter as a management tool). These three areas are weakly addressed within the public sector, although the policy and legislative framework and institutional mechanisms are in place and could be one area where the Public-Civil-Private Partnership (PCPP) or Public Private Civil Partnership (PPCP) could be enhanced.

2.2. EFFICIENCY

Most projects aimed at addressing critical issues of social inequality, human rights and promoting cultural exchanges. Some started from very humble beginnings with limited resources but have shown significant contribution in a short time. Some invested own resources and time to make start and have further requested support to strengthen their initiatives. Efficient use of resources has been a very key management aspect and they have expressed appreciation of the support given. Many developed components on capacity building for either staff, community members or on promoting effective linkages with others in order to maximize on the use of limited resources available.

2.3. EFFECTIVENESS

Most projects have clearly defined objectives, strategic interventions and outputs which have been successfully implemented. Effectiveness was also enhanced in some organizations such as IPPR, LAC, NAMPOL, and Forum for the Future, WIMSA due to strong capacity building aspects, internal expertise already existing, and networking between civil society organizations where for example LAC & IPPR worked together on training of paralegals. Cultural exchange programmes, between Finnish and Namibian Counterparts has enabled sharing of experiences

and developing further institutional cooperation such as with the Oruano of Namibian Artists Union and Sibelius Academy of Finland. Through such exchanges further collaborative relationships have been developed such as between the Music Union and the Oruano Artists Union which signed an agreement on capacity building and exchange programmes. The Fund has enabled some participating organizations to identify their counterparts in Finland forming the basis for institutional cooperation and long term partnerships such as with Oruano of Namibian Artists Union. This implies that the Fund currently acts as an entry (for initial support) and exit point (when partnerships have been explored and developed) to institutional cooperation for both public and civil society organizations. What this therefore further implies is that the Embassy should be in a position to “graduate” organizations from the entry to exit points where this is applicable and found relevant, so that organizations do not focus on the provisions of the Fund alone, when they have reached “maturity” but rather to explore other options and opportunities for collaboration.

2.4. ADDITIONALITY

All projects have acknowledged the flexibility of management and speedy response by the Embassy in meeting their needs. Many of them would not have achieved what they have achieved to date, if the Fund was not available. For example, the Big Issue would not have afforded the computer and programme they bought to developed the magazine, or supported the homeless and street adults in making a meaningful life by selling the magazine. Also WIMSA which deals with human rights issues of the San did initially not get funding easily, but now gained a three year guaranteed support from the Fund to pursue their objectives. The eJournal technology is also a rare case supporting student learning through internet, for most schools in Namibia this could only be a dream, but now through this exchange programme, it has become a reality for pilot schools. NIED has expressed interest for it to become part of the curriculum, learners will greatly benefit in the future.

All interviewed has stressed the need for the Fund to continue supporting them at least for the next number of years (up to three years), while they develop strategies to be sustainable in the long run. Without this some good initiatives may be negatively affected.

2.5 SUSTAINABILITY

While recognizing the importance of the Fund in enabling them to continue to implement their project activities, most of the organizations have highlighted own initiatives to provide counterpart funding or efforts aimed at fund raising. For example, the Oruano of Namibian Artists Union establish a Multiple Purpose Cooperative to generate income for the Artists and an agreement with their Finnish Counterpart for further capacity building, IPPR and LAC tried to run consultancy services but did not see this as an option as their aim is to provide a free service to those who need legal advisory services. The Big Issue makes additional income through organizations which sponsor the development of certain pages to cover their areas of interest.

2.6 IMPACT

Most projects have made a difference in the lives of their beneficiaries. For example, LAC has contributed to the law reform process in terms of addressing domestic violence, child abuse, rape aimed at benefiting the vulnerable. Consultative meetings were held with the Ministry of Women's Affairs and Child Welfare which has taken on board some of the inputs provided by the LAC. The IPPR has raised public interest and made the public aware on critical development concerns such as the budget and electoral processes. The LAC, WIMSA, NAMEC and Forum for the Future focused on disadvantaged members of the communities, by sensitizing them on their rights and exposing them to opportunities available for them. NAMPOL is training a core group of staff to become trainers and resource persons on community policing, criminology, domestic violence etc. and the plan is to integrate this training into general police training due to its potential in improving service delivery and management. The Big Issue aims at assisting street kids and adults by involving them as vendors, who eventually get linked up with potential employers.

2.7 CONCLUSIONS

The projects assessed have contributed greatly to civil society development and cultural identity as one of the priority areas. The participating organizations have gained significant experience especially through cultural exchange visits and should be able to share with others with similar interest. But exchange in terms of civil society organizations in Namibia to share experiences, to plan joint activities have not been adequately explored. Through such sharing of experiences partnership between Government institutions and civil society could speed up the process of finalisation of the Policy on Civil Society and ensure the active participation of the civil society in poverty reduction programmes.

It is recommended that NANGOF as the national umbrella organization be reactivated and supported. In this regard, the Finnish Embassy could in collaboration with NANGOF plan and conduct a civil society strategic planning workshop supported by the Local Cooperation Fund. Such a workshop could provide a common platform where civil society organizations could discuss critical issues such as their role in poverty reduction and SME, joint monitoring and evaluation of civil society projects and developing best practices from their field experiences. Such information could serve as a basis to inform the government about civil society contribution to national development and how best to supplement government efforts such as poverty reduction and decentralization. It is therefore recommended that best practices emanating from the Fund be developed and shared with the public sector as a way of sensitizing the public sector and making civil society work visible and trust worthy.

The proposed strategic planning workshop could also serve as a platform to identify suitable civil society organizations which may have the ability and capacity to fully participate in defined activities of the transitional phase.

All of the interviewed organizations have the interest to consolidate and expand their activities and some, which do not have three year guaranteed support requested for further financial support. However, this should not lead to dependence on foreign assistance at the neglect of internal fund raising activities and exploiting nationally made available grants such as the EU grant under Capacity Building Programme.

2.8 ESSONS LEARNT

Variety of organizations have benefited from the Fund, since its establishment. Lessons learnt would best be highlighted and documented when all those organisations which participated since 1998, are provided with a common platform to share experiences and agree on the way forward. Some organizations have remained as long term partners, others had short-term project activities. To capture best practices and lessons learnt an information-sharing workshop is recommended as explained above. Such a workshop could also serve as the basis for identifying organizations which have successfully implemented projects or those which have the potential to address poverty, unemployment and gender inequality/social inequality as part of the transition phase.

However, main lessons learnt are that civil society organizations are dedicated and committed to play their role in development planning and programme implementation. They would like to be recognized as equal partners in development and are willing to play their part. There are however some weaknesses for some organizations in terms of technical ability in project proposal writing, overseeing implementation, report writing lack of networking amongst and between participating organisations, lack of capacity within civil society organizations to address critical issues such as gender mainstreaming and HIV/AIDS. Most of these have been recognized and it may be useful in the future to identify the training needs of applicants and provide such training before or during implementation to strengthen efficiency, effectiveness, impact and sustainability of project interventions. Gender analysis and HIV/AIDS mainstreaming into poverty reduction programmes as well as in democratic governance structures becomes very critical both from the perspectives of donor contributions to civil society development, and programmes implemented by public and private sector.

3. SUMMARY OF CONCLUSIONS

The ten projects selected are rated best by the Embassy based on the criteria presented earlier on. In order to show the expertise of the selected organizations, their strengths and their potential roles in the transition phase, the organizations have been rated. The ratings show 1) role in consolidation of existing activities and 2) new forms of cooperation for SME capacity building, gender and HIV/AIDS.

The assessment of the Local Cooperation Fund points to successes which have been made, to constraints faced, to the need for consolidation and taking on new dimensions. Towards this end, organizations interviewed have been rated as shown below.

Overall most projects have made an impact in their respective areas. Some have designed and implemented sustainability measures not to continuously depend on donor funding. They have also shown through achievements that they have the potential to make a positive contribution to national development. They also recognized the importance of networking with other organizations in their areas of expertise and should be further supported in doing so. Most projects, if not all have additional donor support and own inputs even though limited to consolidate current efforts, but support from the Local Cooperation Fund will still be required in the next number of years.

Indicative Rating¹ of Local Cooperation Projects in Namibia

Project	Relevance to goals	Additionality	Impact	Sustainability	Potential
NAMPOL project	high	medium	medium	high	low
Oruвано of Namibian Artists Union	medium	high	high	high	medium
National Art Gallery	high	high	medium	medium	high
National Institute for Educational Development (NIED)	medium	high	medium	medium	low
Forum for the Future	high	high	high	high	high
Namibian Men for Change	medium	medium	medium	medium	medium
WIMSA	high	high	high	high	high
The Big Issue	high	high	high	high	high
Legal Assistance Centre	high	medium	high	medium	medium
Institute for Public Policy research (IPPR)	medium	medium	medium	medium	high

1) This rating is a **subjective judgement** of the project team, based on the review of project documentation and on interviews in Namibia and Finland, within the limited timeframe available.

From the above analysis one can conclude that each project has its role and potential in terms of consolidation of existing activities or playing a role in the proposed new forms of cooperation. The sustainability of activities and efforts will therefore depend on the interest, capacity and ability of each organization to contribute as defined in project agreements.

3.1. NEW ELEMENTS USING LCF AS AN INSTRUMENT

While ongoing activities are being commented, there is a need to add value to the current activities and partners of the Fund, in order to accommodate the requirements of the transitional phase which is to identify new forms of cooperation and new instruments. The Local Cooperation Fund is currently focusing on 1) civil society development, democracy, human rights, gender equality, 2) strengthening local cultural identity and 3) Social Equality and disability as a contribution to poverty reduction and other related goals. These areas should be consolidated based on selected criteria for bringing about the desired impact in civil society development. It is true that promoting democratic governance, human rights and addressing social inequality require a long term perspective and thus partnerships. Number of organizations has the potential and reached the point of entering into institutional collaboration agreements with their Finnish

counterparts. For example, the Oruuano of Namibian Artists Union, the National Art Gallery of Namibia, NAMPOL and NIED.

The area which should be promoted as a new element/form of cooperation using the LCF is focus area 4) which emphasizes that Transition process aims at “institutional linkages between public and private institutions, NGOs and CBOs in Namibia and Finland in terms of identifying and supporting projects on trade and investment (e.g. Namibia Transition Facility as explained in the main report), cultural and educational cooperation, projects providing strategic support to the SME sector (Refer to Guidelines and Criteria for the Finnish Fund for Local Cooperation, June 2004, Embassy of Finland).

In this regard three aspects need to be considered:

1. **Consolidation of ongoing projects** on democratic governance, human rights, civil society development, social inequality being implemented by the ten organizations. But such consolidation will also imply that these ten organizations effectively network with other civil society organizations with similar objectives to multiply efforts and impact. The Embassy should therefore work out modalities for such consolidation through providing a platform for civil society organizations to share experiences and plan to strengthen networking and partnership. Factors promoting successful collaboration have been highlighted earlier on.
2. **Capacity building programme for civil society organizations.** Strengthening the role of business associations and private sector in building the capacity of civil society organisations for effective SME development is recommended. In particular, the potential role of the Namibian Association of Consultants with a diversity of expertise, and NCCI taking the lead in SME development should be explored and defined in this capacity building process. Institutional collaboration should be promoted between the Namibia Association of Consultants and SKOL in terms of information and experience sharing, gender mainstreaming in project cycle management, training needs assessment and capacity building for emerging consultants, joining expertise in providing technical assistance to the SME sector, assessment of impact of HIV/AIDS on SME development. This could be facilitated by the Fund as a new form of cooperation between the Namibia Association of Consultants and SKOL with initial activity being a field mission of either of the associations, in order to prepare a proposal for collaboration. Initial contacts have been made between the two associations and perhaps in collaboration with the Embassy, the Namibia Association of Consultants could submit a proposal to the Embassy to further build on this recommendation.
3. **Effective mechanisms for monitoring and evaluation.** In view of the findings of the evaluation report on assessment of Local Cooperation Funds- the Executive Summary, page 81-82, the Namibian case study which states “**Monitoring and site visits are not supported with appropriate tools, with which transparent monitoring of achievements of the objectives could be carried out**” The Report recommends that a checklist of criteria for support be developed and that such a checklist be used in monitoring. Lack of effective monitoring is said to make it “**impossible to ascertain whether and to what degree the objectives of the LCF have been achieved**” In line with this observation, it is recommended that the Fund establishes monitoring and evaluation procedures and mechanisms in collaboration with the benefiting organizations to assess impact more effectively. Equally important, it may be necessary to involve outside agencies such as

from the Namibia Association of Consultants to identify suitable consultancy agencies to monitor and evaluate the projects funded by the Fund on a regular basis to add value to programme achievements – Coordinators Manual: Recommended Good Practices, Annex 9 3(3) “Funds should be set aside to carry out reviews and evaluations. It is recommended to use local consultants whenever feasible”.

Various monitoring frameworks and checklists are available and could be analysed for use. Some are just simple questions such as “Does the project have an information system to detect and evaluate the effects of the project on women and men separately? Or “What provision is made for monitoring and evaluating project impact on women’s and men’s access to and control over the benefits generated by the project”. A simple monitoring framework which could be tried is explained below:

Monitoring Chart

Issues	What to monitor	What records to keep	Who collects data	Who uses data	What decisions can be made
Activities	Collect baseline information by Assessing the level of gender in- equality and HIV/AIDS prevalence in target communities- changes in peoples perceptions and attitudes due to awareness raising workshops Conduct KAP studies	e.g. Workshop evaluation outcomes Result of KAP Studies	Research institutions such as IPPR	Embassy and relevant partners	To define future support
Costs and expenditure	e.g. % of budget allocated and spent training	e.g. type of training and Participation of women and men	Research institute or organization knowledgeable on gender analysis	Embassy and relevant partners	Gender responsive actions including engendering future budgets
People involved	e.g. rural-urban focus	e.g. Gender disaggregated data on rural and urban women and men	Research institution conducting social impact assessment studies	Embassy and relevant partners	Criteria for selecting sites and partners
Results	Impact on peoples attitudes, behaviour and perceptions	Impact on peoples livelihood and actions	As above	As above	How to replicate experiences

Source: SEAGA Field Handbook 1998 and SEAGA Training Manual, 1999, Food and Agriculture Organisation of the United Nations.

3.2. ENHANCING CAPACITY WITHIN THE EMBASSY

The capacity of the Embassy to screen projects and to monitor and evaluate progress is not doubted, but mention has been made in the previous evaluation report that monitoring and evaluation is not up to standards due to lack of monitoring tools. It is against this background that the following recommendations are made:

- The Embassy should ensure that capacity exists to screen projects, provide follow-up in terms of field visits, monitor and evaluate projects for impact on organizational growth and changes in the livelihood of beneficiaries.
- The Embassy should develop stronger partnership with the NPC to ensure effective sharing of information, considering that the Government also funds some activities in civil society development. Information sharing is critical to promote effective programme planning and also for efficient use of scarce financial resources. According to Coordinators Manual, August 2002, Annex 9 1(3) examples of best practices, coordination with other donors is important, for purposes of "obtaining important information regarding particular organizations and other donor's experiences with them"-This includes NPC or other government ministries as they support civil society organizations in one way or other. This recommendation does not envisage a dominant role by the NPC or any government ministry in the affairs of the Embassy, nor does it imply direct interference with the administration of the Fund. The reality is that coordination of development plans and interventions is problematic in Namibia and every body acknowledge it as a problem that need to be sorted out and the Embassy should take cognizance of it, if its support is to be meaningful.
- In order to strengthen the work of the Embassy, relevant provisions from the Coordinators Manual should be used to improve on the administration of the Local Cooperation Fund. Specific reference is made to the Model leaflet of Finnish Funds for Local Cooperation and an example of the Dar es Salaam leaflet on how to apply. The format used provides clearly defined guidelines on eligibility and type of information required from applicants. For example, it states "Description of the identified needs, how needs were identified, any study" Activities proposed should reach a large audience and have a potential for a broad impact" Organisations networking, cooperating and coordinating with each other will be highly appreciated". In terms of information required gender analysis is key. It states "Gender analysis; women participation, any consideration given to different needs of women and men; details on any gender specific objectives and results, what % of beneficiaries will be women, fight HIV/AIDS" These are some of the guidelines lacking from the Namibian version and thus the recommendation for improvement using Annex 8 of the Coordinators Manual, August 2002.

4. SUMMARY OF RECOMMENDATIONS

Number of issues has been raised by the organisations interviewed; some are of administrative nature, some policy oriented, others in capacity building for effectiveness and sustainability, others are related to networking, coordination and monitoring and evaluation. In order to address such critical issues, some recommendations are made below:

CRITICAL ISSUE	RECOMMENDED SOLUTION			COMMENTS
	Policy	Instrument	Administration	
Lack of coordination between and amongst participating organisations.	Plan for an annual sharing forum	Establish an informal working group	Link up with NPC to ensure that grant administration and management supports critical areas of concern to both countries	Reactivate NANGOF to assume its coordination role Support finalisation of Policy on Civil Society
Lack of gender and HIV/AIDS mainstreaming within project objectives and outputs	Ensure that civil society organizations are equipped with gender analysis skills and tools to effectively mainstream such issues.	Ensure that Gender Focal Points are established in organizations and deal with cross sectoral matters	Link up with the Ministry of Women's Affairs and the institutional mechanisms put in place to coordinate gender mainstreaming. Follow provisions from the administrative circular Annex 8	Accessing policies and guidelines for use in capacity building programmes
Too much reliance on Fund	Ensure counterpart funding in kind or cash	Explore alternative measures of fund raising and existing grants	Costs sharing modalities to be worked out through joint programme planning.	Capacity building in financial and project management, monitoring and evaluation

CRITICAL ISSUE	RECOMMENDED SOLUTION			COMMENTS
Inadequate monitoring and evaluation mechanisms	Have reliable baseline data upon which targets and indicators could be defined	Ensure clearly defined targets and indicators	Existing guidelines should be revised and improved upon, as indicated in the text	Training in project cycle management. Poverty compounded by HIV/AIDS and gender inequality poses a serious threat to sustainable human development and derailing development interventions. Project design should take into consideration the practical and strategic needs of women and men in terms of targets and indicators.
Misconception about Namibia as a middle income country/lack of recognition of Namibia's underdevelopment status	Policy level discussions to be held with donors to clarify and amend the tools/criteria used to determine development status of countries (Namibia)	Review existing support mechanisms to accommodate Namibia's situation	Existing administrative and information management systems both by government, UN and international development agencies be combined in lobbying to have Namibia's status changed.	Modalities should be worked out with the new forms of cooperation to ensure that this issue addressed through the type of support provided to Namibia under new cooperation agreements.

While the Embassy may easily handle issues related to capacity building and monitoring and evaluation within their terms of reference, the critical issue pertaining to Namibia's status as a middle income country is seen an internal matter requiring Namibia to seek home based solutions on equitable income distribution. It is however, highlighted as an issue which has implications for Namibia to access certain types of developmental benefits meant for poverty stricken countries.

ANNEX 1: LIST OF PEOPLE INTERVIEWED

ORGANISATION	NAME AND POSITION OF CONTACT PERSON	CONTACT NUMBER
1. NAMPOL	Mr.Oscar Peter Embubulu, Deputy Commissioner	061 209 7202 0811 28 04 31
2. Oruano of Namibian Artists Union	Mr. Vincent Mwemba Secretary General	081 249 9057
3. National Art Gallery	Ms. Anneleen Director	061 231160/061 231391
4. National Institute for Educational Development	Mr.Anthony Camm Senior Education Officer: Craft, Design and Technology	062 502 446
5. Forum for the Future	Mr.Samson Ndeikwila Coordinator	061 249 624
6. Namibian Men for Change	Mr.Abdallah Mwakembeu Director	061 224 004 081 269 5967
7. WIMSA	Mr. Axel Thoma Coordinator	061 244 909
8. The Big Issue	Ms.Jo Rogge Project Director	061 226 645 0811 24 95 10
9. LAC	Mr. Norman Tjombe	061 2233 56
10. IPPR	Mr. Robert Sherbourne Director	061 240 514

ANNEX 2: TEN CASE STUDIES WHICH BENEFITED FROM THE LOCAL COOPERATION FUND

1. NAMPOL PROJECT

Description of the project	Capacity building project to transform the operational modalities of community policing through the training of core group of trainers and resource persons
Objectives	To integrate human rights and good governance into NAMPOL practices, by organizing training of core group of “promoters for organizational development”
Relevance of objectives	Covers priority areas of rule of law, good governance and human rights
Project costs and sources of financing	253 000 Euros by Embassy of Finland and, N\$ 1 600 000 by Royal Netherlands Embassy
Implementation schedule	1 June 2004-December 2005
Current project status	<p>Three year training programme in place to train core group of 16 staff members to become visionary leaders, as teachers, trainers for the Force (13 men and 3 women). First phase of training involved a visit to Finland and Holland as part of their exposure trip and attended lectures, excursions, cultural events. Courses covered use of force, change and financial management, conflict resolution and allocation of operational resources. Group received 7 computers equipped with internet and e-mail connection enabling the students to communicate.</p> <p>Six monthly meetings are held to discuss programme components and upcoming seminars including research assignments. Training instructors from Finland conducts and assess training and are expected to arrive in September 2004. Each core group member develops a plan of action and is graded according to implementation of action plan. Second training given in Namibia on community policing, law enforcement, domestic violence and on criminology in collaboration with UNAM.</p>

	A further visit made to Finland by training managers to assess first half of year and to develop a workplan for 2004–2005 which focuses on stress management, good governance and community policing, criminology, sociology, research and development.
Efficiency	In order to ensure sustained impact of training a core group has been selected representing all 13 regions that are trained as trainers in diverse fields to promote effective delivery of services. They are expected to train others on completion of the three year period, but their role will also be in becoming trainers in existing training programmes.
Effectiveness	Seven strategic interventions have been planned. Four of the interventions have been implemented in 2003 and will continue with the rest in 2004–2005 Clearly defined number of trainers over a specified time frame and priority areas identified for capacity building
Additionality	Technical exchange between the institutions and the benefit of exposure to other policing experiences
Sustainability	The three year training programme is being linked to the training on human rights being conducted country wide and with the general police training of NAMPOL to ensure relevance and complementarity.
Conclusions	Project provides a good opportunity for Namibia to learn from a country where crime rates have decreased and the trust in the police maintained by the public. Contributes to long term capacity building of the Force and support should be continued in terms of technical assistance and financial resources
Lessons learnt	Project has been carried out on ad hoc arrangements with no curriculum. These arrangements also meant that duration of the courses were agreed on 1–2 week basis and this sometimes caused administrative and logistical difficulties. Limited exposure to SADC

2. ORUANO OF NAMIBIAN ARTISTS UNION

Description of the project	<p>Core support to Artists Union & Cultural Exchange Programme between Finland and Namibia</p> <p>The Union is a registered Trade Union and was formed in 1998. It represents various disciplines of arts-music, theatre, dance, visual arts, designing, poetry and story telling. Its mission is to create a conducive environment for the artist to participate fully in the realization and development of their talents for sustained action. It is therefore committed to the sustainable capacity building of the organization and its members to make a meaningful contribution to culture and arts and to overall national development.</p>
Objectives	<p>To protect the rights and works of all artists To develop and promote all the artists in all disciplines and give them a sense of identity in their profession</p>
Relevance of the project	<p>Contributes to strengthening local cultural identity. Towards this end, it has conducted number of workshops at national and regional levels, as well as exchange visits.</p>
Project costs and sources	<p>N\$ 560 000 by the Embassy of Finland</p>
Implementation schedule	<p>09 March 2004 to 31 December 2004</p>
Current status of the project	<p>The Union has developed a three phase programme implemented in the following ways in collaboration with the Sibelius Academy:</p> <p>Phase one and two led to the First Artists National Congress held in August 2003 to amend and approve the Constitution and policy. Leaders have also been elected and number of exchange visits have been planned and undertaken between the Union leaders from both sides Oruano of Namibian Artists Union and the Academy involving number of training workshops on Namibian music, dances as well as the introduction of the Namibian team to students and activities at the Sibelius Academy, at Orivesi Institute and at Vantaa Dance Institute.</p>

	<p>The Union has also entered into an agreement with the Musician Union of Finland and an action plan on capacity building has been agreed upon. The Musician Union of Finland will visit Namibia next year 2005 to conduct a feasibility study on the type of actions to be implemented under this agreement. It has also signed an agreement with the France Artists Union, Swaziland Arts and Music Association to establish National Trust Companies to generate funds, to organize cultural events and to promote the profession. Based on this agreement working structure, constitution and budget was to be established.</p> <p>Various meetings were conducted with key stakeholders to seek support for Union activities including recognition as a Union, lobbying with the Parliamentary Standing Committee on rights of artists according to the UNESCO Convention.</p> <p>Phase three leads to implementation of resolutions and initiating projects for sustainability. The Union is in the final stage to form a Multi-purpose Cooperative to promote culture and artists on business principles as sources of income generation and sustainability.</p> <p>Joint Cultural agreement has been signed for children's festival between the city of Windhoek and Vantaa City for 2004.</p>
Efficiency	<p>The Artists Conference has raised awareness amongst key stakeholders and enabled the Union to obtain an office building from the Ministry of Basic Education and Culture.</p> <p>The Union also met with various Ministries with the purpose of lobbying for Government support. The Union also started discussions with the Parliamentary Committee on their rights based on the UNESCO Convention of Artists and progress is being made. The agreement signed with the Music Union from Finland will strengthen capacity and assist in resource mobilization strategies</p>
Effectiveness	<p>Planned activities under Phase One and Two have been implemented and the action plan for Phase three is in process</p>

Additionally	Recognition of Artists rights, gaining knowledge on the worth of arts and culture through capacity building workshops, conferences exchange visits, to Finland and other countries has enabled the Union to gain strengths to fight for their rights and the betterment of their welfare.
Sustainability	The Artists Cooperative aims at income generation for the artists and therefore provides a potential source for sustainability
Conclusion	<p>Although the Union has established its institutional mechanisms and set up operational plans, has successfully linked up with their counterparts in Finland and other countries, they still face critical challenges:</p> <ul style="list-style-type: none"> • Gap between government and Union in terms of regular dialogue and promoting the status and welfare of the Artists • Arts and Culture education is not taught at schools and curriculum not effectively implemented • Policy on arts and culture is not effectively implemented yet. • Artists lack information on opportunities and services due to the existing gap as mentioned above • Lack of equipment and proper venues to produce their work. • Status of the industry degraded by some members who used girl/boy friends to perform or misuse their eagerness to become known artists
Lessons learnt	Gaining recognition requires lobbying to change peoples mindsets. Having knowledge of relevant policies and making the Union activities to contribute to the Vision 2030 national development goals is important

3. NATIONAL ART GALLERY

Description of the project	The project has three main components: Jewellery design workshop, natural material workshop and promotion workshop in Finland
Objectives	Develop product design and marketing skills and strengthen possibilities for income generation Design product family which is suitable for export market Find distribution channels in Scandinavia for Namibian design products
Relevance of objectives	Strengthening of local cultural identity
Project costs and sources of funding	N\$ 189 200 by Embassy of Finland
Implementation schedule	1 October 2003 to 31 November 2004
Current status of project	<p>Three types of workshops were planned to transfer both practical working and product design skills to Namibians. The Jewellery workshop was conducted in February 2004 equipping students with tools and skills on jewellery making. The products were exhibited at the National Art Gallery, as well as in Finland. New project ideas for further collaboration were discussed between the two countries.</p> <p>The second workshop was the Natural materials workshop on basketry and other natural fibres. The workshop took place at Ongwediva Teachers Training Centre from 22–27 April 2004 and was aimed at development of export products. New ideas also came up in terms of producing products attractive to the contemporary market.</p> <p>The third workshop is the Promotion workshop referred to as the Crafts Fair which will take place in October 2004 in Seinajoki. Namibian craftpersons will be able to display/exhibit their products. The Crafts Fair will also host an international seminar on Cultural Tourism and Crafts.</p>
Efficiency	The tools and equipment used during the jewellery workshop was donated to art schools meaning that schools can now consider jewellery courses and training of students in the future. For example, UNAM considers to

	<p>have such a course for 3rd year students. Some of the jewellery was sold and invested in future projects, others will be used for the Crafts Fair in Finland.</p> <p>Student learnt how to recycle scrap materials and local materials which are easily obtainable and created new items.</p>
Effectiveness	Two out of the three planned workshops have been effectively implemented, with prospects for new projects in the future. The Promotion workshop is expected to open markets for the Namibian Crafts.
Additionality	Exchange programmes and potential for outside export markets
Sustainability	<p>Income from sales has been invested back into new projects. The project has established a jewellery facility with a potential to expand in a manufacturing venture. Namibian institutions such as Katutura Community Arts Centre, UNAM College of the Arts and Ongwediwa Training Centre were fully involved and maintain a positive interest about the process and outcome.</p> <p>There is a plan to establish a big Craft Centre in the North in order to consolidate the activities undertaken under this project.</p> <p>The exchange programme between the students and teachers from UNAM and University of Art and Design from Helsinki provides a potential for further skills transfer and more market outlets.</p>
Conclusion	The project has provided an opportunity for Namibian Crafts to be exposed and exported. Namibia therefore needs a bigger market for Crafts people many of whom did not have good opportunities in the past to market their products at good prices.
Lessons learnt	Successful marketing requires capable crafts people, well equipped with skills, knowledge, marketing outlets, opportunities to share experiences, including a well functioning management and financial system. Namibia should therefore strengthen the established Namibian Arts Association by linking up with existing organizations in related fields such as Rossing Foundation, NACOPTA etc.

4. NATIONAL INSTITUTE FOR EDUCATIONAL DEVELOPMENT

Description of project	<p>The project promotes networking between Namibian and Finnish Schools through internet and school visits. The internet connection is the web-based tool called e-journal which is an electronic magazine that can be used both on-line and off-line in terms of publishing text, photos, pictures, voices and video clips. The tool provides an opportunity for the students to create content which they in turn communicate to each other.</p> <p>The project involved the training of teachers, students and administration staff to plan materials for communication. The project has selected geography as the subject content for the e-journal and participating schools will be trained in the use of the tool.</p> <p>The project involves schools from Finland- (Vitikkala, Oulu International School, others still to be identified), Namibian Schools- Tamariskia Primary School, Hermann Gmeinert school, Dune side Primary School, Walvisbay Primary School, Walvisbay High School</p>
Objectives	<ul style="list-style-type: none"> • Teachers, students and administrators obtain skills to use web-based pedagogy in distance learning • Develop common learning contents from themes agreed upon by all participants • Give opportunities to all participants to compare different perspectives to the same contents and enable their technological ability to collaboration • Give new innovative possibilities to cooperate between schools
Relevance of objectives	Strengthen local cultural identity
Project costs and sources of financing	N\$ 128 000 by the Embassy of Finland
Implementation schedule	18 May to 31 December 2004
Current project status	<p>NIED serves as an intermediary between the Finnish and Namibian counterparts. The project is functioning-training workshops were conducted in training staff and students early this year. Computers have been donated to the schools, but only two out of five schools have workable computers. Five Finnish teachers are expected to arrive in Namibia in September 2004 to assess the status of the training and communication.</p>

Efficiency	Training different categories of people ensures cross-fertilization of ideas and interaction to promote learning. One of the expected results of the project is to have the project as part of the school curriculum, which means that the trained staff and students under this project could be used as resource persons in training other schools, through additional funding such as that of EU.
Effectiveness	Activities have been scheduled according to seasonal period-Spring 2004, Autumn 2004 and Spring 2004 to accommodate availability of those participants. Activities to date are half way through for Autumn 2004, meaning that activities are being undertaken according to plan.
additionality	The project enhances both access to modern communication technology for learning and content creation, but also innovativeness in learning and communication
Sustainability	<p>The project intends to integrate the use of information and communication technology into school subjects which will in turn lead to more skillful students and teachers to use modern technology in learning and teaching</p> <p>EU funds have been solicited to set up computer laboratories and work stations in 16 schools, moving away from key board typing to word processing</p>
Conclusions	<p>The project is adding value to learning and in using modern communication technology. NIED deals with curriculum reform and development, faces many challenges for learners such as on teaching of pre-vocational subjects in schools, unemployment of school leavers and therefore teaching business management, development of teaching materials and training of teachers are key. Funds have been solicited from Bank Namibia covering a three-year period. Such an initiative may also benefit from collaboration with Finland in terms of learning how the Finnish Schools handled pre-vocational and vocational teachings. This pilot project could be expanded through further exchange visits and ejournal connections on such subjects.</p>

Lessons learnt	The potential and interest to replicate it to other schools exists, but effective communication cannot be made unless tools and equipment are of good quality and well maintained. Cooperation should therefore be continued and computers replaced or repaired.
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5. FORUM FOR THE FUTURE

Description of the project	The project aims at strengthening the Promotion of Civil Society in Namibia by providing support to civil society organizations to collectively lobby and advocate on issues of public concern, as well as, to form community discussion forums across the country.
Objectives	<p>To build a vision of civil society's contribution to democracy and development.</p> <p>To create a conducive environment for a diverse and flourishing civil society.</p> <p>To promote civil values and to enrich the resource base that can be used to teach, empower and strengthen civic participation.</p>
Relevance of objectives	Civil society development, democracy, human rights and gender equality
Projects costs and sources of funding	N\$ 750 000 by Embassy of Finland
Implementation schedule	01 January 2003 to 31 December 2005
Current status	<p>In order to meet its objectives the organization has formulated five strategic result areas related to effective networking, mainstreaming of gender and natural resource management in all developmental work, increased social response, establishment of community discussion forums and building the capacity of the organization. Towards this end different programmes have been developed and implemented:</p> <ul style="list-style-type: none"> • National Reconciliation Programme • Empowerment of Community Discussion Forums through self-development workshops, material development, theatre training and annual sharing meetings, • Strengthen civil society organizations by designing courses on national budget, NEPAD as well as linking up with Universities and other civil society organizations, to share experiences and community based programmes.

	<ul style="list-style-type: none"> • Legal Regulatory Frameworks for NGO's by engaging the services of a consultant who reviewed the government draft policy on civil society and organized an NGO consultative workshop which made comments on the policy. Further discussion have been planned with NPC. • Increasing social responsibility aims at linking students from tertiary institutions with the upliftment of marginalized communities. Various efforts have been made to link students from UNAM with other Universities such as of Western Cape and Stellenbosch to learn from the latter's elaborate experiences. A workshop was conducted after wards recommending a UNAM curriculum which includes community outreach programmes and community service, involving number of faculties and setting up an institutional framework linking staff, students and communities to design poverty reduction programmes • Other programmes relate to the effective functioning of the organization through development of a marketing plan and a human resource development plan. Various workshops and materials have been developed towards this end.
Efficiency	Significant investment has been made in the capacity building of civil society organizations and staff members in critical areas . The review on the policy on civil society ensured that concerns and inputs of civil society organizations are taken into consideration for promoting a healthy partnership between the public and civil society organizations.
Effectiveness	The programme design was backed up with a Logical Intervention Framework and progress made reflects the targets and indicators defined.
Additionality	The project has enhanced an initiative, which started from a humble beginning in the sense that an individual effort using personal resources has led to such success in meeting objectives.

	The project has enabled effective networking of civil society organizations in very key aspects of development.
Sustainability	Networking with other civil society organisations, with tertiary organizations, capacity building and establishment of community development forums, enhances sustainability.
Conclusions	The project has enabled the organization to lay a foundation for strengthening ongoing programmes to educate, empower civil society organizations and communities to take their place in development of their nation.
Lessons learnt	Networking is very critical and the project should support effective coordination between beneficiaries from the Fund. Community mobilization means getting the public ready for positive action, therefore increased funding may be required.

6. NAMIBIAN MEN FOR CHANGE

Description of project	Core support has been provided to NAMEC as a men's organization to strengthen its ongoing activities of setting up structures, processes and mechanisms to address violence against women and children by sensitising and encouraging men and boys to work against such violence. Through such platforms the projects aims to support activities aimed at defining manhood by organizing and conducting media campaigns, sensitisation, men's matches, community men's meetings and school boy's workshops country wide.
Objectives	To create awareness about gender and gender equality To encourage a better understanding of manhood and the roles of men and women To inform men and boys about the consequences of violence and other forms of abuse against women and children To inform men and boys that violence and all other forms of abuse against women and children is unacceptable, a symptom of broken humanity, not part of manhood, inhumane and indeed criminal
Relevance of objectives to Finnish Development goals for Local Cooperation Fund	Addressing gender equality and social equality
Project costs and sources of financing	N\$ 200 000 by the Embassy of Finland
Implementation schedule	01 April 2004 to 31 December 2004
Current project status	<p>NAMEC has through other donor support established a national structure and 36 community based men's affiliate organizations in all 13 regions. With about 5500 members. Number of advocacy and sensitization meetings has been conducted, raising awareness about domestic violence but also making the organization visible.</p> <p>The project provided core support in terms of office equipment, funds to conduct advocacy and educational activities, allowances for the Director, Project Officer and volunteers. The project also supported sensitization and advocacy workshops. Between April 2004 and 11 August 2004 15 community men's</p>

	<p>meetings and schoolboys meetings were planned and conducted. Eight such meetings are planned between the remaining part of August and November 2004.</p> <p>The project contributed to workshops conducted through networking with other organizations such as with prisoners rehabilitation programme for inmates and juveniles on sexual and gender based violence for selected schools. For example, eight workshops were conducted for 585 adult inmates and 11 juveniles in May –June 2004 at Hardap, Walvisbay, Erongo and Oshana regions. NAMEC operates flexible and accommodates request from organizations and schools to conduct workshop. One such workshop was a request by the Ella du Plessis High School to conduct a one day workshop on gender based violence and abuse for Grade 11 and 12 students attended by 315 boys and girls. With increased awareness on activities by the organization through various media and sensitization workshops the demand for their services are becoming high and thus the need to strengthen the organization. The organization has developed a plan of action which includes further capacity building of structures put in place, especially the training of trainers programme</p>
Efficiency	<p>Establishment of affiliate organizations in all 13 regions and networking with women's organizations such as Namibia Women's Network, Women's Action for Development as well as with traditional authorities enhances further collaboration to address gender based violence. These organizations have critical roles to play in further sensitizing men and women on the complementary role of women and men in society and that some cultural and traditional practices should be assessed for their contribution to gender equality or enforcement of gender inequality.</p>

Effectiveness	<p>Sensitization and advocacy workshops and meetings have born fruits as evidenced from the number of request that comes to the organization in terms of its expanded response. There is evidence that in some communities reported cases of domestic violence is getting reduced. But there is a need to develop accurate statistics in demonstrating this trend. These workshops have also attracted well known women gender advocates and politicians to serve on the Advisory Committee. This will enable the visibility of the organization in addressing promoting debate in causes of gender violence towards development of strategies to address the root causes.</p> <p>Request by women individually and collectively to participate in boys and girls meetings carry the benefits for success and should be encouraged</p>
Additionality	<p>The core support provided by the project has enhanced the capacity of NAMEC to intensify its activities</p>
Sustainability	<p>Currently efforts to raise funds is limited thus the need to assist the organization with continuous core funding. However, in the long run membership and subscription fees will form bulk of the organizations funds. Selling of T-shirts and caps are other supplementary activities.</p> <p>Sustainability lies primarily in the strengths (i.e. capacity, own initiatives, fund raising/ resource mobilisation, networking) of the affiliate organizations and other supportive mechanisms. Traditional leadership are involved in the community meetings which is very critical since they have the respect of community members and community actions will be very critical in addressing gender based violence. There is also a plan to train trainers on various subjects such as gender based violence, advocacy. It may be necessary to conduct a training needs assessment before such training to ensure that training becomes applicable to advocacy and lobbying interventions.</p>

<p>Conclusions</p>	<p>NAMEC implements a national programme with the full participation of school boys and men to meet its objectives. The interest is increasing because domestic and gender based violence is a national concern and many other organizations are requesting for NAMEC to address different audiences.</p>
<p>Lessons learnt</p>	<p>Changing mindsets in a patriarchal society is a great challenge which request more intensified efforts. The role of the traditional leaders therefore becomes very critical as well as that of women's organizations and church organizations.</p> <p>School boys and men's community meetings should not stop at sensitization, but identify the root causes of gender based violence and move towards problem solving processes which could come up with community action plans on how to address gender based violence.</p> <p>Perception of traditional leaders and communities that when an HIV/AIDS infected person have an intercourse with a virgin the person will be healed, should be address through such meetings, together with other related misconceptions. Resource persons should be invited to address such sessions to ensure that common understanding is gathered on issues threatening life of the youth and other vulnerable groups in society.</p> <p>Resource constraints such as transport to reach out (personal transport used in some instances), inability to raise funds effectively.</p>

7. WORKING GROUP OF INDIGENOUS MINORITIES IN SOUTHERN AFRICA(WIMSA)

Description of project	The overall aim of the project is to enable the San Communities to overcome problems related to their fear, lack of basic information on their basic human rights, lack of access to services and opportunities, under representation in government structures, though capacity building initiatives in collaboration with Legal Assistance Centre and other partners.
objectives	Main project objectives are to reduce fear amongst San, and build their confidence, enable them to know their constitutional rights, expose cases of abuse and to opt for mediation instead of court cases which are expensive.
Relevance of objectives	Social equality Indigenous minority groups
Project costs and sources of financing	N\$ 440 000 by the Embassy of Finland
Implementation schedule	01 March 2004 to 28 February 2005
Current project status	<p>Project supported the establishment of the permanent Legal Unit within WIMSA to address the plight of the San. A number of activities has been undertaken such as reporting cases of abuse, reporting on the following: land rights abuse, illegal land allocations, land degradation cases, harassment of San community members by police and farmers, labour issues and training of paralegals to support their communities. The project enables Namibian San representatives to exchange experiences regarding the abuse of human rights with other San in Botswana and South Africa. This contributes to strengthening both the San's fight for their rights and a common cause.</p> <p>Other activities relate to sensitization and training on labour issues, training as interviewers, and conduct of surveys. WIMSA in addition carries out other activities to support the San related to sustainable livelihoods such as promoting income generation, access to natural resources, dealing with HIV/AIDS and networking with other organizations and groups. Income</p>

	generating activities are based on community tourism, natural resource utilization, profit sharing agreements on San intellectual proper rights-films, music.
Efficiency	Networking with the LAC, training of paralegals and enabling the San communities to engage in income generating activities in order to sustain community action and to build their confidence in address their needs
Effectiveness	The permanent unit has been established paralegals have been trained to carry out community investigation, sensitization and case development.
Additionality	Setting up institutional and capacity building added value to WIMSA's existing activities
Sustainability	Sustainability is reached when more and more San representatives have the courage to claim rights for their communities. As a result abuse and harassment is reduced and hopefully respect is paid to San people Currently capacity is being built within the communities to address their practical and strategic needs through income generating activities to secure household food security and through training and support to paralegals
Conclusions	The project has made considerable progress on raising awareness on the plight of San communities and has build their capacity especially in selected regions such as Omaheke and Otjozondjuba region . The organization plans to intensify and expand its activities and therefore need further support in the future. The flexibility with which the funds are currently provided enabled the organization to respond to the need of the San communities without delay and it is recommended that this flexibility be maintained.
Lessons learnt	Networking with other similar organization within the SADC region has proven very valuable. There is therefore a need to consider a regional project which could enable the relevant organizations to conduct comparative analysis of their efforts, in building the capacity of the San communities. This will strengthen them to continue to fight for their human rights as provided for in the constitution.

NB/ sentences in bold are comments made by WIMSA.

8. THE BIG ISSUE

Description of project	<p>Big Issue Namibia is a general interest Namibian publication which is a platform for the unemployed and socially excluded to air their views. It has social development programme which gives vendors access to counseling, group discussions, support, guidance and encouragement.</p> <p>But Big Issue is seen as more than just a magazine because it has other programme components such as employment creation, skills development, campaigning for the destitute and networking with other to provide the vendors with opportunities for full time employment,</p>
Objectives	<p>Empowerment of the youth and unemployed living on the streets Using profit to reinvest into expanded programme to extend more help to the needy To work closely with the NGOs, private sector and the public to promote social responsibility programmes.</p>
Relevance of objectives	<p>Social equality, homeless and vulnerable groups</p>
Project costs and sources of funding	<p>N\$ 100 000 by the Embassy of Finland</p>
Implementation schedule	<p>05 February 2000 to 30 September 2004</p>
Current project status	<p>The project has contributed to the purchase of a production computer which helps them to produce a State of Art publication It is a monthly publication sold by the vendors. The vendors after their training and counseling receive five copies as start up capital. They use the income to come and buy more. They have selling points and in that process meet potential employers.</p>
Efficiency	<p>The project has regular monitoring and evaluation sessions, organizational capacity building to ensure staff performance and follow-up for counseling and training.</p>
Effectiveness	<p>Various meetings are held to ensure quality publication-weekly vendors meetings are held, general staff meetings once a week, editorial team meets once a months in advance of the publication.</p>

Additionality	The project has enabled the organization to produce a quality magazine which is now highly in demand
Sustainability	The organization has entered into a joint venture with the Namibia Sports to increase its income base. There are also organizations which sponsor pages for their information to be published. Such ventures has reduced overhead costs and made the organization visible.
Conclusions	<p>The magazine provides informative and entertaining reading materials specific to the Namibian situation. It has helped number of adults living on the streets who could have turned into complete destitution or prostitution.</p> <p>For it sustainability the project networks with other key organizations in poverty reduction and employment creation. It also runs a social development programme to prepare the vendors and other streets children above 16 years of age for a better future through training.</p>
Lessons learnt	<p>To sustain the project, while seeking further funding to expand its activities to help the increasing number of street children, it also use its profits to develop programme on social development and outreach.</p> <p>Unemployment is a social responsibility of the public, civil and private sectors. Yet there are limited outcomes from current interventions from such organizations. Therefore there is a need for closer collaboration between concerned organizations</p> <p>The Big issue plans to have a marketing strategy and diversify its activities including providing a shelter for the homeless. A place has been obtained and the Big issue stands ready to apply its skills and limited resources but additional resources are required for making an impact in the lives of many vendors and their families as well as streets children.</p>

9. LEGAL ASSISTANCE CENTRE (LAC)

Description of project	This project aims at conducting community Paralegal Training
Objectives	<p>To enhance the skills of paralegal volunteers that will provide support to poor communities</p> <p>To provide capacity building training to the paralegal volunteers</p> <p>To develop and support the Namibian Paralegal Association</p> <p>To monitor and evaluate activities to ensure success and to lobby and advocate for recognition of the work of paralegals</p>
Relevance of objectives	Civic education and good governance, public participation
Project costs and sources of financing	N\$ 400 000 by the Embassy of Finland
Implementation schedule	17 February to 31 December 2004
Current project status	<p>Two project activities have been supported the training of community paralegals and the gender research and advocacy unit. In terms of the former 36 San community paralegals have been trained, technical and infrastructural support has been provide to the Association and regional conferences have been held in various geographical settings to sensitise and train paralegals on their key issues such as relevant legislation and programmes to equip them for effective service delivery. The Gender research and advocacy Unit participated in number of advocacy and lobbying activities which led to changes in legislation such as combating of Domestic Violence Act and provided technical support to debates on maintenance, vulnerable witnesses, rape, children's legislation and sex workers. It has worked very closely with relevant government ministries and civil society organisations.</p>
Efficiency	LAC provides services to the benefit of the poor members of the communities and therefore works towards creating capacity at the community levels but also ensuring that they contribute to creating an enabling environment for the poor to participate actively in public life.

Effectiveness	The technical inputs from the project to the law reform process have been acknowledged and the institution is being invited to support the public sector sometimes at very low costs.
Additionality	Building capacity at community level in terms of training a pool of paralegals have been a create input to the project to empower the poor to fight for their rights.
Sustainability	The active involvement of the poor in the project is an asset as well as the establishment of the Association which has its own activities to build capacity and promote an understanding on human rights.
Conclusions	<p>The inputs of the project have been significant in terms of contributing to law reform and community capacity building. The poor need to have further support to enable them to understand the legal processes and mechanisms at their disposal.</p> <p>Lessons learnt</p> <p>There are number of challenges to be addressed related to mobilizing critical thinking on Namibia's current status as a middle income country in order to present fact about the country. Namibia needs support to promote its development agenda. Key priority areas of development are gender equality, the need for government to outsourced functions it cannot perform instead of just keeping them and continuation of sensitization and advocacy on gender issues, domestic violence and critical development challenges. This call for more networking, more core funding, design of resource mobilization strategies and partnership.</p>

10. INSTITUTE FOR PUBLIC POLICY RESEARCH (IPPR)

Description of project	Core support is provided to the project. The project runs three research programmes and results are distributed widely. The programmes are: Democracy and governance Public Opinion programme Public Policy analysis
Objectives	The main objective of the project is to conduct research on political, social, and economic issues, and disseminate results to the public and to policy and decision makers.
Relevance of objectives	Civic education, democracy and good governance and public participation
Project costs and sources of financing	N\$ 250 000. by the Embassy of Finland
Implementation schedule	01 March 2004 to 28 February 2005
Current project status	The core support provided to the project has enabled the organization to conduct research, produced research reports, briefing papers, surveys, working papers, presentation etc. The project network with other key organizations such as UNAM for internship. The organization is also represented at the management committee of the Ministry of Finance where it presents its findings and proposals Currently dissemination of research results are through e-mails, posted or can be accessed at www.ippr.org.na
Efficiency	High quality research publication, working papers and documents are widely distributed to influence policy making and interest has increased in the work of the organization.
Effectiveness	Due to the impact of research results although it cannot be quantitatively qualified, the interest shown by public institutions have led to the proposal to expand the activities of the organisation. Therefore there is a need for expanded core funding to enable the organization to conduct additional research on new areas of focus such as HIV/AIDS and Trade, local government etc.

<p>Additionality</p>	<p>Maintaining core support to the organization has added value to the consolidation of research programme and its proposed expansion and thus the potential for other donors to contribute further</p>
<p>Sustainability</p>	<p>Being part of the management committee in the Ministry of Finance has the potential to support the organization in the future in terms of national budgetary allocation to public research. Also in terms of influencing public policy debates and policy formulation in future, there exist a potential. Networking with UNAM and use of its internship programme trains future researchers on the job and will produce quality researchers in public policy, democracy and governance.</p>
<p>Conclusions</p>	<p>Public research and public debates on critical issues of national concern is provided by this institution. Although impact of its research work cannot be measured in concrete terms, positive affirmations by organizations consulted or those continuously funding and supporting the organization shows that there is approval fits activities.</p>
<p>Lessons learnt</p>	<p>With the proposed expansion of the research agenda, additional core funding will be required. Although, the Local Cooperation Fund does not have a specific component on public research, topics of relevance of the research has made it to be funded. It is recommended that processes and mechanisms be put in place to assess the impact of research results presented or disseminated through e-mails, presentations and working papers.</p>

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REFOCUSING FINLAND'S COOPERATION
WITH NAMIBIA

INSTRUMENTS AND ACTORS FOR CIVIL SOCIETY
AND BUSINESS COMMUNITY PARTNERSHIPS

ANNEX REPORT 2: NGO COOPERATION

This Annex Report was prepared by
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LIST OF ACRONYMS

AFLRA	Association of Finnish Local and Regional Authorities
ALAN	Association of Local Authorities in Namibia
ARC	Association of Regional Councils
CBO	Community-Based Organisation
CO	Civic Organisation
CCN	Council of Churches in Namibia
CSO	Civil Society Organisation
ELCIN	Evangelical Lutheran Church in Namibia
FAD	Finnish Association of the Deaf
FCA	Finnish Church Aid (FinnChurchAid)
FELM	Finnish Evangelical Lutheran Mission
FFF	Family Federation of Finland
FFVI	Finnish Federation of the Visually Impaired
FNGO	Finnish Non-Governmental Organisation
4H	International Youth Organisation (Head, Heart, Hands, Health)
GRN	Government of the Republic of Namibia
IPPF	International Planned Parenthood Federation
KEPA	Finnish NGO Coordination and Service Centre
LaRRI	Labour Resource and Research Institute
MFA	Ministry of for Foreign Affairs, Finland
NAFAU	Namibia Food and Allied Workers Union
NAFWU	Namibia Farm Workers Union (incorporates domestic workers)
NALAO	Namibia Association for Local Authority Officers
NANGOF	Namibia Non-Governmental Organisation Forum
NANTU	Namibia National Teachers Union
NAPPA	Namibia Planned Parenthood Association
NCCI	Namibia Chamber of Commerce and Industry
NECDP	Namibia Early Childhood Development Programme
NDP	National Development Plan
NFVI	Namibia Federation for the Visually Impaired
NGO	Non Governmental Organisation
NNAD	Namibia National Association for the Deaf
NPC	National Planning Commission
NPCS	National Planning Commission Secretariat
NPRAP	National Poverty Reduction Action Programme
OAJ	Trade Union of Education in Finland
SASK	The Trade Union Solidarity Centre in Finland
SCVI	Service Centre for the Visually Impaired
SHSA	Summer High School Association
STI	sexually transmitted infection
SWAPO	SWAPO Party
UN	United Nations
UNDP	United Nations Development Programme
UNFPA	United Nations Fund for Population
UTN	Urban Trust of Namibia
VA	Voluntary Association (under common law)
WO	Welfare Organisation

1 CIVIL SOCIETY AND NGOS IN NAMIBIA – BACKGROUND

1.1 History

Prior to independence in 1990 there was little opportunity for civic involvement in Namibia. A number of civic organisations, such as churches, the trade unions, student movement and women's organisations were active in promoting social justice in the country whilst being highly critical of the colonial administration.

The establishment of democracy in Namibia had its watershed years in the period following independence in 1990. The first democratically elected Government realised the importance of NGOs in the development and reconstruction of the country. It encouraged a policy of partnership in development and NGOs have regularly been invited to participate in the formulation and implementation of national policies and programmes. Since independence it has become easier for NGOs to operate and there is a better and direct access to donor funding. Donors have also seen NGOs as partners in the implementation of programmes for reconstruction and development. There has accordingly been a rapid growth in the number and size of NGOs, with most being involved in community development initiatives.

1.2 Definitions and Environment

A range of different, and at times contradictory definitions of the terms 'civic action' or 'civil society' exist. According to a position paper by NANGOF¹ civil society refers to that part of society that consists of activities, institutions, and associations whether market related, privately controlled, or voluntarily organised, which exists outside of the state. It includes the 'non-government, for profit sector', which we refer to as business, and the non-government, non-profit sector, called the voluntary or NGO sector. The same paper continues to say that 'NGOs themselves have been defined as private, self-governing, voluntary, non-profit distributing organisations operating, not for commercial purposes, but in the public interest, for the promotion of social welfare and development, religion, charity, education, and research'.

Namibia makes a difference between NGOs, CBOs and CSOs². According to this differentiation, NGOs are mostly regarded as intermediary organisations between grass-root communities and other development agencies, including Government, donors and the private sector, whereas CBOs are said to operate at the very grass-root level, are usually locally based and are small in membership. CSOs, on the other hand, are defined as other non-state development actors, other than NGOs and CBOs. These are said to be mainly mass organisations, sector and cross sector networks, or large membership organisations.

¹ *An enabling environment for no-governmental organisations in Namibia; Position Paper, NANGOF 1998 (Page 2)*

² *NDP2, Volume 1 – Page 713*

1.2.1 Civil society and civic participation

The term *civil society* is complex and has been ascribed many different meanings. Civil society is deemed to encompass all public activity by individuals, their voluntary organisations, the private sector *as a sector* and their relationships with each other as well as with the Government. However, the term does **not** include economic activities.³ It is probably most associated with the political dimension (in the broadest sense), as a vibrant civil society implies widespread political participation and a healthy democracy. The term refers to all levels within a country, from grass roots to national, and indeed beyond borders, as the concept of a global civil society becomes stronger.

Civic participation refers to the engagement and/or involvement of individuals and of civic organisations in the public life of Namibian society. Civic participation or action also refers to the involvement of individuals in the activities of these organisations.

1.2.2 Civic Organisations

The term 'civic organisations' refers to a wide range of organisations found at all levels of civil society between the individual or family and the state, and which become involved in activities that pursue the interests of their members, sponsors and/or beneficiaries. These include NGOs, Community-Based Organisations (CBOs), various clubs (such as service clubs and sporting clubs) and interest groups (such as trusts, foundations, women's groups, trade unions, chambers of commerce, hawkers' organisations, and faith organisations). Individual businesses, which are part of society's economic structure, are excluded from this definition.

Civic organisations have the following characteristics in common:

- They are non-profit distributing.
- They operate in the public interest or in the interest of their members and/or sponsors.
- They adhere to democratic structures.
- Involvement is voluntary.
- They portray high levels of participation.
- They emphasise empowerment of beneficiaries.
- They operate independently (both financially and administratively) from the state and donors.

As noted above, civic organisations include NGOs. Again this is a difficult term to define as such organisations vary widely in scope and character, depending on their philosophy, size and sectoral expertise. They adhere to all the characteristics of civic organisations mentioned above, and whilst most have undergone a considerable degree of professionalisation over recent years, altruism and volunteerism are still important features.

NGOs operate at different levels. Some work countrywide, in which case they are usually referred to as National NGOs, while others are trans-national, and may be described as

³ *This definition is similar to most contemporary understandings of the term. Whilst some assume civil society to include everything except the Government, the majority of commentators on this subject matter tend to make definitive distinctions between Government, the economy and civil society. A related contemporary term often used is Non State Actor. However, whilst this captures civil society in all its forms, it also includes private sector actors.*

International NGOs. The latter types are usually based in developed countries, and operate in several developing nations.

Whilst some definitions of NGOs take a very broad stance and apply the term to any not-for-profit organisation that is independent of government (including grass roots organisations), NGOs are viewed as national development agencies. As such, they usually operate in more than one local community, and in more than one field. Thus, they are seen as intermediary organisations between local communities and other development actors, such as Government, International Development Partners and the private sector.

NGOs in Namibia have been active in almost all the major development sectors, such as education and training; agriculture and rural development; small and medium enterprises; gender issues; health; housing; relief, and human rights and democracy. A growing number of them have moved from operational, service delivery, to advocacy and capacity building.

In contrast, Community Based Organisations (CBOs), whilst also sharing the characteristics of all civic organisations mentioned above, are defined as those organisations, which operate at the very basic grassroots level. They tend to be locally based, with a relatively small membership comprising a group of individuals who have come together to safeguard or further their own, shared interests or to undertake self-help projects. CBOs are often established with the assistance of NGOs. Whilst the latter typically deliver goods and services, CBOs tend to be the recipients, although they often also constitute the institutional framework through which beneficiary participation is realised. Although some CBOs can be quite well organised and formally constituted, most are rather informal. For this reason, it is difficult to estimate their number in Namibia. Typical examples include women and youth groups; housing associations; farmers' leagues; savings and credit associations; water point committees and conservancies.

1.2.3 Government and Intermediary Organisations/Agencies

The Government and its agencies assume the responsibility to stay in close contact with citizens, either directly or through civil society and its civic organisations. In doing so, various Governmental bodies have different roles and functions with respect to consultation, co-operation and collaboration.

The Office of the President through the NPC plans and directs the course of development and interacts closely with civil society. In addition, the office initiates fora, platforms and commissions in which the opportunity exists to discuss and make recommendations of national importance. The Presidential Economic Advisory Committee (PEAC), Presidential Commissions, the drafting of 'Vision 2030' and the 'Smart Partnership' concept are examples.

The *Parliament* as the legislative arm of the Government consults citizens prior to the promulgation of laws through Parliamentary Standing Committees, which arrange public meetings and hearings. These Standing Committees also co-operate more regularly and formally with segments of civil society such as the business community through NCCI. Through the Parliament's constituency outreach programme, lawmakers ensure that regular consultations occur with citizens and take the opportunity to acquaint themselves with local civil society activities.

Political parties are part of the political make-up of society and are therefore not civic organisations. However, political parties take a keen interest in issues affecting their voters and ensure that development agendas are embedded in their political manifestos. They ensure that

democracy stays alive. Political parties engage themselves in development and civic activities such as the combating of social evils (violence and crime) and HIV/AIDS. Through the wings of political parties (such as the Elders' Council, Youth League, and Women Councils), which very often function as civic organisations, important issues in the areas of youth unemployment, education, gender and social safety nets are addressed. Political parties in Namibia also can collaborate more formally with COs through formal or informal affiliation. The most obvious case is the political affiliation of National Union of Namibian Workers (NUNW) to the SWAPO party.

Ministries are responsible for drafting policies, which are adopted by the Cabinet. In these policies the participation of civil society is stressed and partnership with civic organisations recommended. Ministries are open to discuss and enter into partnerships with COs in line with these policies and are in a position to build CO capacity to make the partnership effective.

Government agencies such as the Electoral Commission, the Office of the Ombudsman, Councils established by Acts of Parliament (such as the Sports Council, the National Art Gallery, etc.), the Social Security Commission, the Women and Child Abuse Centres, law enforcement agencies, etc., all have a history of collaborating with individual citizens, groups of citizens and civic organisations. Together with civil society they ensure good governance, stability and social security.

Educational Institutions such as the University of Namibia (UNAM), the Polytechnic of Namibia, Vocational Training Centres, etc. are often autonomous institutions of the state. They are established under separate Acts of Parliament and perform functions in the public interest. In cases where they are privately run, they still are required to register under such acts and operate in the public domain.

Sub-national governments (Local and Regional Authorities) have emerged as very important partners of civic organisations. At local level many partnership arrangements exist, such as in low cost housing (e.g. with the Shack Dwellers Federation), with informal market operators, etc. Through the Government's decentralisation policy and enabling act, partnership opportunities are likely to increase. In terms of regional and local planning the various development committees (Regional, Local, Constituency, Settlement Committees) established under the policy provide a platform for dialogue and joint action. All stakeholders should be party to these committees.

Traditional authorities are not part of civil society as they exercise state authority, either formally by virtue of statutes empowering them to do so or through informal means, which enable them to exercise state-like authority. However, traditional authorities play an important role in rural and peri-urban civil society, particularly within an important African society setting. They are also considered by both the Government and Opposition to be able to 'deliver' votes during elections. In addition, they have significant legitimacy and play important roles in local conflict resolution and in impeding and promoting development, for instance in their role in community resource management.

1.2.4 Registration of civic organisations

There is general consensus that a regulatory, registration framework for collaborative, consultative and co-ordinated approaches to issues of public interest between civic organisations and Government is required. Presently, there exists a legal and regulatory environment for the establishment of civic organisations:

- Voluntary Associations (under the common law) with very little regulatory requirements. All such VAs have to be membership based, which has to be reflected in their constitutions and by-laws;
- Trusts (under an Act of Parliament), where the trust deed is a more formal legal document, which is registered with a Government office. Trusts are never membership organisations, but are governed by a Board of Trustees, appointed by the Trust;
- Section 21 Companies (Companies not for gain, not having a share capital, as part of the Company's Act) where the most formal legal document defines the rights and obligation of members, and more public reporting about the management and finances of the organisation is required. It should be noted that all VAs would in principle have the opportunity to set themselves up as a Section 21 Company.
- Welfare Organisations (WO number, granted by the Ministry of Health and Social Services). This arrangement relates more to the special recognition of an organisation as a welfare organisation in addition to being set up under any of the three above possibilities.
- Registration and/or incorporation within the framework of Acts of Parliament, official Government Policy or Cabinet Decision. Co-operatives, Trade Unions, Councils, such as the Sports Council are examples.

Most civic organisations are set up under the VA arrangement. Only those, which want to be seen as being established more formally and are able to afford legal advice and assistance would choose other forms of incorporation – unless required to do so by law. A problem exists with VAs and Section 21 Companies with regard to compliance and oversight of the provisions of the common law and the Company's Act. The following observations can be made:

- VA is a very loose arrangement and compliance under the common law has hardly been challenged. There is hardly any control over the accountability and transparency of such organisations. Such organisations may therefore be labelled as 'the informal sector of civil society';
- In the case of Section 21 Companies hardly any of them follows the prescribed Memorandum of Association, but attach their own individual constitutions in place of such Memoranda often in contradiction with the Act.

1.3 Challenges

By definition, civil society houses diversity and difference. It emerges as a result of freedom of association, which enables citizens to organise around interests or values. If there were no freedom to associate, there would be no civil society. In a democracy, freedom is not handed out selectively. Civil society, therefore, comprises groups, networks, movements and interests sympathetic to national development goals and objectives and others who may be hostile to it. Association of freedom includes the right 'not to associate'. Therefore, unlike the Government, civil society should not be seen as a uniform entity, which can be consulted or recruited for a purpose.

Rather than relying on imported models of civic participation from the West, the civic practices of African societies can be a source of information, inspiration and dialogue. Far from being lost or forgotten, these practices can be revisited and discussed, with a view to designing patterns of civic participation that are contemporary and relevant to the Namibian context. This can be done by engaging traditional elders and village groupings in discussions that draw from traditional practices that contribute to civil society. There is a need to raise awareness for civic participation and enable citizens to play an active role in issues that concern them and their communities. Involving people in development builds community pride and promotes ownership and responsibility. It can also mobilise resources that are within communities and promote a stronger social cohesion. It teaches skills and creates learning experiences.

There is also growing recognition of the need to embed organisations in networks. This is viewed more in terms of service delivery (in the sense that if one organisation cannot provide a certain service, then another in its network may be able to). However, there should be a broader purpose of establishing substantial legitimacy. Partnerships, both horizontal amongst civic organisations and vertical with the Government, provide an important opportunity to build capacity and sustainability.

Lack of mandate or legitimacy has sometimes led to misunderstanding between development partners and the client groups for whom the initiatives were intended. Civic organisations, International NGOs and Government agencies can easily stand accused of undertaking development projects in their own interest, such as securing funding for staff, infrastructure and equipment with little of the resources coming the way of the intended beneficiaries. Insufficient legitimacy on the side of civic organisations has often been cited as a reason for poor participation and reluctance to enter into partnerships.

One of the major challenges facing civic organisations is to develop and maintain their human resources, develop and adapt their organisational structures and strategically plan and adapt their vision and policies in an ever-changing environment.

1.3.1 Civil society as a partner in consolidating democracy

The adoption of Namibia's Constitution was hailed around the world for its enlightened approach to human rights and democratic freedoms. Namibia now provides the space for people to express their freedoms. It could be claimed, however, that there is a need to promote and encourage participation, initiative and contributions toward the development of the nation, so that people make use of these freedoms.

The laws and institutions that promote democracy are one thing, but how citizens use these is another. Democracy implies some degree of activity—of participation. At the very least, this means participating in the electoral process by casting ones vote. Some people enjoy the benefits of democracy without even doing this. But there are other behaviours that can be undertaken by citizens; activities that a democracy allows, and even requires.

One of the legacies of the apartheid system has been the dulling of initiative. Where, for four decades, most people were punished for showing initiative or were waiting to be given instructions, today initiative is encouraged and, as previously indicated, required.

Namibia is not alone in its desire to have a strong and vibrant civil society. Many countries contain critics of their apparent passive or fragmented civil sector; indeed, it may be that assessing and promoting a culture of civic participation is a continuous activity. What is important for Namibia, therefore, is that this activity is undertaken and that the importance of civic participation

in the democratic system and in the processes of development is not forgotten. When discussing democracy and civil society one will often begin to consider the role, responsibilities and opportunities of citizenship. The practice of citizenship forms a vital component to democratic societies. It involves private and public settings and activities that are for the benefit of the common good.

1.3.2 Civil society as a partner in development

Civil society plays an important role in economic and social development in both developed and developing countries. In many developed countries a wide range of civic organisations with a development agenda can be found at local, provincial, regional and national levels.

In the so-called developing countries, civil society has also had an important role to play in development. The United Nations Development Programme (UNDP) has identified the involvement of citizens as being essential to development. 'People,' says the UNDP, 'must participate fully in the planning and implementation of development strategies. These strategies should provide sufficient opportunities for income and employment growth, so that human capabilities are properly used and human creativity is given its fullest expression'.

There are special benefits that come from involving people in development efforts. It can build community pride, promote ownership and responsibility, teach skills and create learning experiences. It can also mobilise resources that are within communities and promote a stronger social cohesion.

It is important to point out that these activities need not be seen as conflicting or competing with the activities of Government. Civic organisations can be partners with government in undertaking many different activities. Whilst there may be times when civic organisations are considered to be in opposition or conflict with government, this is largely an issue of perception. In many cases, it may be valuable to realise that argument and opposition can lead to sound policy choices by government due to the very arguments that are presented by civic organisations.

1.4 Policy Process

The Government's renewed focus on partnership with civil society aims at improving the quality, effectiveness and sustainability of development efforts, and strengthening the ownership and commitment of local communities and other stakeholders. Partnerships facilitate the sharing of experiences with other development actors, help to identify effective approaches, and enhance the quality of ongoing development initiatives. Development requires the mobilisation of all sectors of society. In this regard partnerships present both opportunities and challenges. Partnership with different segments of society, for example development NGOs, affords access to their unique comparative advantages. Partnership can enhance Government's initiatives, broaden perspectives and raise awareness, thereby creating an environment conducive to more inclusive, equitable and socially sustainable development, especially at grass-root levels.

A recent assessment of civil society in Namibia by the World Bank (1999) suggested that the lack of policy and regulations governing non-government operations does not inspire donor confidence and militates against Government support of NGO activities. The World Bank found that Government and NGO collaboration is limited to a few NGOs, possibly because there are no clear guidelines on the process of collaboration, and also because NGOs have not been able to present a common front on issues affecting them. Contrary to this, NDP2 states that despite the absence of a clear policy framework for NGO and Government relationship,

there has been considerable progress especially at the sectoral level. Civic organisations have participated in policy dialogues and policy formulation, added value to Government programmes and worked in areas where Government services did not reach the poorest of society.

Whilst strong emphasis should be given to developing forms of civil society that are uniquely Namibian by the way they respond to the social, cultural, and historical systems of Namibia and its many local, ethnic and national characters, there is also much that can be learnt from other countries. This will include the contribution that civic participation makes to certain national goals such as democracy and development.

NGOs, CBOs and CSOs play a vital role in providing links to local communities and increasing social capital through the capacity building interventions they sponsor. At regional and international level, NGOs, CBOs, and CSOs are being recognised for their valuable contribution to development. Some SADC member states like Tanzania, Zimbabwe, Botswana and South Africa have embarked on a process to formulate a policy on NGOs. The Fiji Convention, the successor of the 4 Lome Conventions that lasted for 40 years until 29 February 2000, will open this partnership to civil society and NGOs/CBOs/CSOs participation for the first time. In Namibia, NGOs, CBOs, and CSOs have been doing commendable work since independence in 1990 and have been active in funding and implementing development programmes and projects in specific and cross-cutting sectors.

Subsequently, NDP2 called for the formulation of a policy framework for civic organisations in recognition of the important role that these organisations play in social, economic and political development. Government and the NGO sector have therefore formulated a policy for the operation of development activities and provision of support services in the civil society. In addition, the policy addresses issues on registration, management, code of conduct, agreement with foreign donors, Government collaboration, transparency and accountability, impact assessment, de-registration and discipline, among others.

The main objective of the policy is to provide an enabling environment for the NGOs, CBOs, and CSOs to enhance their contribution to the social and economic development of Namibia. Since funding for NGOs, CBOs, and CSOs comes from a wide variety of sources, there is need to define the mechanism by which Government records the flow of these resources into Namibia and its impact on national development. The policy is therefore also aimed at strengthening, streamlining, and facilitating the participation of NGOs, CBOs, and CSOs in the process on national development.

It is important to state that the policy does not intend to regulate the activities of the NGOs, CBOs, and CSOs in Namibia but rather to harmonise the activities of NGOs, CBOs, and CSOs with the developmental efforts of Government in order to co-ordinate the service provided, to efficiently target the beneficiaries, to maximise the scarce resources and thereby to eliminate duplication of functions. This would contribute to a coherent approach towards national development.

The Government – Civic Organisation Partnership policy (presently in draft version to be submitted to Cabinet) deals (among other issues) with this. It is proposed to create a parallel (voluntary) registration system, which is accompanied by a host of advisory and support services for those civic organisations that wish to register.

2 FINNISH NGOS, THEIR PARTNERS AND PROGRAMMES

2.1 Overview of past FNGO Cooperation (1989 – 2003)

The total amount of support to Namibia by Finnish NGOs during the years 1991–2002 was 7 269 321 €. During the first four years of the 1990s, the volume of the support was more than one million euros per year but has been on the decline towards the end of the decade. In 2002, the value of the support was 743 127 € and in 2003, 535.304 €.

The projects have focused on the education and health sectors and significantly contributed to the development and maintenance of the education and health systems in the country. Finnish NGOs have enhanced the level of education and heightened the citizens' national awareness, thus playing an important role in the independence process of the country. Since 2000, projects focused on adding to government services for people living with disabilities, early childhood education, youth development, Trade Unionism and the fight against HIV/AIDS.

Projects were implemented by as many as 33 NGOs (see Annex 1 – List of Finnish NGOs). The largest projects in the 1990s were carried out by the Finnish Federation of the Visually Impaired, the Finnish Evangelical Lutheran Mission and FinnChurchAid. In many projects the cooperation partner was the Evangelical Lutheran Church in Namibia. Apart from FELM's presence in Namibia, the longest involvement has been with the Finnish Federation of the Visually Impaired (FFVI) and the Trade Union of Education (OAJ), which span the periods from 1985 and 1989 respectively to the present. The largest projects were carried out by the Family Federation of Finland, the Finnish Association of the Deaf and FELM.

Currently there are 8 Finnish NGOs with ongoing projects in Namibia. Only one of them (FELM) has an office in the country. From the eight NGOs four NGOs (Summer High School, The Trade Union Solidarity Centre of Finland (SASK), the 4H Federation of Finland and the Family Federation of Finland) have taken up cooperation after 2000 without previous involvement in Namibia.

2.2 Current NGO Cooperation (2004 and beyond)

At the time of the evaluation there are nine FNGOs cooperating in Namibia. Two of them have offices in the country (FELM and Technology for Life / operating in Ongwediva as Eco Green Centre). However, Eco Green Centre has not been successful in securing funds from MFA for any of its projects in 2004 and beyond. It is also the only FNGO, which operates in its own right being registered in Namibia, whilst the other FNGOs all have local NGO partner organisations to carry out their projects.

Each of these NGO projects has been included in the study. Background material has been studied, the local NGOs have been interviewed, selected project sites were visited and information was obtained from FNGOs via the Internet and through e-mail correspondence. The objective of this study was to obtain past and current information on NGO involvement and projects and assess their actions in terms of relevance with both Finnish and Namibian development objectives, effectiveness and efficiency and sustainability. To do this, emphasis has been put on four areas: organisational capacity related to governance and managing the vision and mission of the NGO, managerial and administrative capacity to implement mandates, technical capacity

to achieve anticipated project outputs and outcomes, and financial capacity to ensure sustainability of project actions.

There have however, been some limitations with regard to available background information in particular about the FNGOs. It was difficult to even source the most basic information as there were no files kept at the Embassy and the information received via e-mail from Finland was at times incomplete and contradictory. Despite these shortfalls and limitations, the study was carried out successful after an intensive information search had been completed and augmented with information from the local partner organisations.

Finally, it has to be mentioned that this study does not constitute an evaluation of the NGOs and their projects and programmes but an assessment of NGO cooperation as one of several instrument of Finnish development cooperation.

The outcome of the study is presented in the following in no order of priority ranking or importance of action:

2.2.1 Finnish Evangelical Lutheran Mission (FELM) and FinnChurchAid (FCA) in cooperation with the Evangelical Lutheran Church in Namibia (ELCIN)

FELM) is the oldest and largest of the mission agencies of the Evangelical Lutheran Church of Finland that sends out missionaries. It was founded in 1859 “to spread the Gospel of Christ, according to the teaching of the Evangelical Lutheran confession, to peoples who are not yet Christians”. There are 240 FELM missionaries working in twenty-one different countries in Africa, Asia, Europe and Latin America in 2004. The main emphasis of its work is both proclamation of the Gospel and Christian service. FELM works primarily with Lutheran churches, in Namibia with ELCIN. FELM contributed a total of 1 413 450 € to a health project in the four Northern regions (former ‘Owamboland) and in the Kavango. The project consisted of provision of personnel and material aid to the Onandjokwe hospital. Priority was given to personnel aid to Aids-patients and drug abuse resistance education.

FCA is one of the major international NGOs in Finland. It carries out development, relief and inter-church aid on behalf of the Evangelical Lutheran Church in Finland and its congregations. FCA channels funds mainly through the Lutheran World Federation (LWF), the World Council of Churches (WCC) and ACT (Action by Churches Together). FCA carried out three projects in Namibia during the years 1991-2002. Their support was directed to development of industrial and commercial skills (through the Northern Branch of the NCCI in cooperation with ELCIN), settlement and rehabilitation of San-soldiers and support to scholarship students. The total value of the support was 1 325. 321 €.

FELM operates an office with a Finnish representative in the ELCIN office in Windhoek. From there he also coordinates project activities of FCA, though FCA is likely to wind up its cooperation with Namibia. The representative of FELM divides his time between coordination of FELM projects and financial and project advice to ELCIN office.

Presently, FELM has only one project with funds from MFA, the ‘Early Childhood Development Centre’ in Kasote village, Rundu township. The project started in 2003 and will be completed in 2005. It involves mainly the establishment of the infrastructure. The total cost is 71.880 €. It has however, to be mentioned that this is not a ‘stand-alone’ activity, as early childhood development plays an important part in FELM’s work. A number of other centres and educational activities (3 kindergartens in Katutura/Windhoek and support to the Oshigambo High School in Northern Namibia), which include educational material development and capacity building

of school staff are funded through FCA. In the coordination of these activities the FELM representative is assisted by his wife. In addition, FELM coordinates a small grant programme with FCA funds in the Kavango region for the establishment of community based water project and small businesses (such as village bakeries). FELM however, feels that these programmes are not very effective and will in the medium-term terminate this involvement.

FELM, in partnership with the Helsinki Deaconess Institute, has forwarded one new application to MFA – ‘Deaconic Programme in Katutura’. The project will support street children (construction of a centre) and add value to the existing Food Aid Programme (funded by FELM).

Future project involvement will be focussed on Kavango, Windhoek and Southern Namibia in the areas of poverty reduction, working with orphans, vulnerable children and marginalised communities and groups, training of church workers in the community to build civil society and training of pastors in community involvement. In addition to that FELM will assist ELCIN in organisational change management to position the church to respond to challenges faced by poor communities. With this planned involvement the work of FELM/ELCIN is highly relevant with regard to poverty reduction and reaching the most disadvantaged members of poor communities.

With a history of cooperation of over a hundred years in Namibia and with the excellent reputation as a reliable partner both prior and after Namibia’s independence, FELM can boast high efficiency in its operations whilst keeping the pace of its partner church, ELCIN. It has over the past year scaled down the number of missionaries and presently there is no Finnish missionary assisting the various projects and institutions that were established with Finnish assistance. The projects and institutions centred around the provision of social services (mainly health and education) and have become very effective. As they have added value to Government initiatives and were to a great extent either taken over by government or sponsored by the state they have reached high levels of sustainability. However, where this was not the case (e.g in the early childhood development centre in Ongwediva and in the school hostel of the Primary School in Nkurenkuru) ELCIN faced serious financial and technical constraints to maintain the operations and has sometimes opted to transfer the facilities to other use.

The work of FELM/ELCIN, in particular in areas of community work (through training of church workers as volunteers), establishment of youth work (student ministries), training of pastors to enhance their role in community assistance (training in the development of methodologies and material, HIV/AIDS counselling, management and administration) and training of laypersons, remains highly relevant towards achieving Namibian and Finnish development goals to reduce poverty through their ability to reach the most marginalised communities and increase citizen participation in development, thereby strengthening voluntarism and civil society.

2.2.2 Trade Union of Education in Finland (OAJ) in cooperation with Namibia National Teachers Union (NANTU), Namibia Early Childhood Development (NECD) and Martti Abtisaari Primary School

The trade union work begun in Finland in 1893 and OAJ was founded in 1973. The union represents teachers at various school levels and institutes of learning, ranging from day-care centre teachers to lecturers in universities and vocational school teachers. Today it has a membership of 112 744. 95 percent of teachers are OAJ members.

OAJ supports the work of teacher unions in developing countries since the early 1980s. The aim of OAJ is to strengthen the activity and the conditions of work of the teacher unions, in order for them to participate in the development of education and the improvement of teachers' status in their countries. OAJ cooperates mainly with Namibia, Mali, Zimbabwe and Mozambique. Activities are planned and implemented in close cooperation of both partners. The cooperation includes, among other, education, training and consultation, and the support for the purchase of equipment. The projects are designed to run for several years. OAJs development cooperation and information support projects are mainly funded through project subsidies by the MFA.

OAJ emphasises the following values and principles in its cooperation work:

- Good education should be a basic human right of every person all over the world
- Education promotes equality and health, improves the quality of life and reduces poverty
- Education is an investment
- Free trade union rights are human rights
- Teacher unions occupy a central role in education policy work
- The aim is to strengthen the social status of teachers and to provide support for their organizations by lobbying for improved education in the framework of the national decision-making process.

OAJ has been involved in Namibia in three projects:

- Cooperation with NANTU: 1989 – 2001
- Involvement with early-childhood development (ECD): 1992 – 2004
- Support to the Martti Ahtisaari Primary School (Windhoek): 1997 – ongoing (note that this programme is funded with own funds of OAJ)

Cooperation with NANTU

As a new nation, Namibia was left with profound challenges in education: mending a segregated education system into a single system, upgrading the qualifications of those who had less access to higher education in the old system and writing new curricular and textbooks to replace those aimed at maintaining apartheid.

NANTU was launched on March 11, 1989 as the first non-racial, non-sexist, democratic, national teachers' union in Namibia. The aims and objectives of NANTU, amongst others, are:

- To represent the interests of teachers on all issues that affect them in their educational and community situations;
- To act as the mouthpiece of teachers in Namibia and seek to protect the genuine interest of teachers;
- To be part and parcel of nation-building and reconstruction in our country and to promote national and international links;
- To promote students', teachers' and parents' democratic involvement in the educational process.

OAJ has supported NANTU since 1989, first in providing advice in establishing the Union and then in building its operations and capacity. In 1991, together with the Canadian Teachers Union, OAJ started a further education program in English (after Namibia had adopted English as the official language) for Namibian teachers. The programme continued until 1999.

The Recognition of NANTU as sole bargaining agent in 1995 has put enormous pressure on the Union to provide leadership in the education sphere of the Namibia nation. Pre-independent Namibia did not have a coherent national policy on teachers' professional development. Prior to independence the country had 11 ethnic based educational authorities. The transformation of education in Namibia, coupled with fundamental curriculum policy changes compelled NANTU to take a re-look at the operations of the Union in order to adequately respond to education policy formulation, implementation and capacity building in a pro-active way. OAJ responded affirmative to the request for assistance and both partners designed and implemented a 'professional development project' (1999-2001) with the following components:

- Through the development of standard workshops, e.g. Gender Education, NANTU School Committee Training, Social Justice, etc. NANTU aimed to equip its members to proactively respond to day - to- day professional and / or educational issues.
- The establishment and running of tutoring centres was aimed at encouraging and assisting NANTU members to develop into professional, autonomous teachers.
- Providing leadership in the areas of Education Policy, Curriculum and Educational Reform by utilizing the theory and practice of its membership in order to develop alternative structures and processes.
- One major goal and challenge was the initiation and implementation of programs for Union members through the provision of education services outside the public school system e.g. offering tutorials, preparing teachers' guides, manuals, journals, providing counselling service, etc.

The programme came to a pre-mature end in 2001 when NANTU was rocked by a massive fraud scandal.

Early-Childhood Development

OAJ's pre-school sector and pre-school teachers, who have an own association inside OAJ, started a pre-school project in cooperation with ELCIN in 1992. The two parts of the project continued until 1995 and involved:

- i. Planning, re-construction and equipment for a model pre-school in Ongwediva (the pre-school has since been closed and the premises turned into a guest-house)
- ii. Education for early childhood workers.

After 1995 OAJ shifted the ECD programme to the Council of Churches in Namibia (CCN) in Windhoek and cooperated with the Children's Desk. Due to financial constraints, CCN closed down its Children's Desk in 2000 and OAJ, once again had to find a new partner to continue its work. It started cooperating with the NECD (NGO) programme. The aim of the cooperation has been:

- to strengthen existing trainers based in NGOs and government
- to identify and strengthen local ECD workers to act as a resource for their colleagues
- to create regional structures that support ECD caregivers and regional NGOs
- to encourage financial and material support to ECD programmes at regional and national level from government and other partners
- to work towards an equitable distribution of the above resources especially to programmes serving marginalized children and their families
- to ensure that regional concerns and issues are heard at national level

The programme comes to an end in 2004.

Martti Ahtisaari Primary School

OAJ supports the operation of the Martti Ahtisaari Primary School (former Wanaheda – an abbreviation for ‘Wambo, Nama, Herero, Damara to denote that this was a school for a mixed ethnic learner population) in Windhoek (Katutura). Renaming the school after then Ahtisaari and providing assistance for the school’s operation was a gift by OAJ to the former Finnish President Martti Ahtisaari on the occasion of his 60th birthday in 1997. MA-school receives between 7000 and 8000 € annually. The money, which is channelled through NANTU benefit learners who cannot afford school fees and have in the past been used to upgrade the computer room and the library, establish a sports ground and purchase equipment for the infrastructure maintenance of the school. In addition, MA- school has a friendship school in the city of Oulu in Finland. In this Finnish school Ahtisaari had been teaching before his international career. Three teachers from MA- school have visited Finland and some teachers from the sister school in Finland have been to Namibia on an exchange programme.

OAJs committed and highly supportive support to its main two programmes (NANTU and NECD) can only be described as a ‘rough ride’. Whilst the programmes were of high relevance (with Namibia having put an emphasis on education and early-childhood development with budgetary allocations of up to 25% annually) they have not been able to perform satisfactory and achieve a desired level of sustainability. This has however, been outside the leverage of OAJ, as the partner organisations have failed their Finnish partner. The ELCIN pre-primary school that was intended to become a model institution in early childhood development closed its doors, the CCN in turn closed its children’s desk and the programme with NECD was over-ambitious. NANTU in turn was rocked by a massive fraud scandal, which brought the professional development programme to an end. Against this background it is remarkable that OAJ did not wind up its cooperation with Namibia but continued to the present day to rise up to the challenges and keep close contact to its partner organisations, a fact which has earned OAJ respect and praise.

The programmes of OAJ in principle remain highly relevant. OAJ hopes and waits that it can start the professional development programs again in 2005. Discussions and planning took place in August 2004 between NANTU and a representative of OAJ.

With regard to the early-childhood development programme OAJ appears to have resigned to a certain degree. It has come to the conclusion that its efforts were not able to contribute to a desired level of equality in ECD and makes the observation that the church and the private sector offer reasonable services at a cost, which is unaffordable to the poorer sections of the community.

However, OAJ recommends staying involved and try to localise the operation with a tighter focus. Such a programme could involve a coordinator in Katutura who provides supportive services to the pre-schools – a service, which is partly performed by the wife of the FELM representative.

2.2.3 The Trade Union Solidarity Centre of Finland (SASK) in cooperation with Labour Resource and Research Institute (LaRRI)

SASK was founded by the Central Organization of Finnish Trade Unions and its affiliated unions in the end of 1986. Since then, SASK has become a representative solidarity body of the Finnish trade union movement. As part of the Finnish and international trade union movement the function of SASK is to strengthen trade unions in every corner of the world and to promote

independent and strong trade unions that are governed and financed by their members. Our projects improve the functional ability of our partners. Most of these projects are concerned with supporting the training and education of trade unionists, implementation of occupational health and safety, social projects and cooperation with labour research and education institutions close to the trade union movement.

SASK had two projects in the past of which one project (LaRRI) is ongoing. The other one was a cooperation project with NAFAU in the area of gender and addressing sexual harassment (2001–2003). The project has been terminated due to managerial and administrative problems in NAFAU.

LaRRI was founded in 1998 to support the Namibian trade unions. Its objectives and the objectives of the cooperation programme with SASK are:

- Conducting high-quality research for the trade union movement on topical social issues and matters related to working conditions
- Assisting the unions plan their strategies and campaigns
- Influencing the political discussion of socio-economic questions related to, for example, the development of the social security system or the benefit of export processing zones to the Namibian economy
- Strengthening the unions' ability to function through training programmes
- Maintaining the LaRRI resource centre, which is open to all, and its library, research, and Internet services.
- As a member of the African Labour Research Network, the centre also participates in the African public debate on social issues.

The project's target groups are the NUNW and its affiliates, union leaders, shop stewards, union officials, NGOs, and politicians. Both SASK and LaRRI believe that a strong and democratic trade union movement is a cornerstone of a functional civil society, a view, which is shared by GRN, which emphasizes smart partnership concepts and closer working cooperation between the government, labour and organised private sector.

LaRRI carries out research both on organizations and politics. It also conducts research on commission from unions, NGOs, international organizations, and the Namibian authorities. The Namibian trade unions do not have enough resources for extensive research activities, but LaRRI has carried out many analyses that are important for the trade union movement and that have covered, e.g. export processing zones, privatization, and, more generally, the effects of economic globalization. LaRRI has also organized training for active union members in different parts of the country to make the research results available to a larger audience. In 2002, LaRRI began to collaborate with the Workers' College in Durban and the University of Natal to organize advanced courses on trade union activities. LaRRI also actively participates in the public debate on social issues in the media.

SASK has supported LaRRI since 2001. The current project phase (2004–2006) supports the work of LaRRI with € 32.000 in 2004 and in 2005 with € 37.000. Other support comes from the Dutch Trade Union Federation (FNV).

The cooperation is can only be described as very successful, both in terms of its operations and outcomes. This situation has to a large degree been brought about by very professional and transparent mechanisms adopted by both partners and is based on the philosophy of SASK that the support provided should always be temporary and cover only part of the needs of the local partner. Project planning documents with realistic output indicators, monitoring and evaluation

and reporting mechanisms that stress transparency and accountability contribute to high levels of effectiveness and efficiency. Donations from Finland are combined with the assistance of other trade union donors (matching grants) to establish a larger and more effective project combination and prevent donor dependency. The projects are jointly planned and implemented by workers of the local organization itself. An organization selected for assistance must, according to SASK therefore 'be weak enough to be in need of assistance and, at the same time, strong enough to use it'. In the case of the SASK – LaRRI cooperation this is the case.

The support provided by SASK is sustainable as it builds on LaRRI's reputation as a 'Centre of Excellence' in research and capacity building for Trade Unions as well as a consultancy service to government, the private sector and international development organisations. It increases LaRRI's prospects to develop its 'business-like approach', in which it creates sustainable mechanisms to undertake research and provide services in a demand-oriented fashion to increase the share of its own income.

Unlike other FNGO projects, SASK takes an institutional cooperation approach and supports the local partner in the framework of its already existing projects and capacities, thus adding value. It does not develop additional programmes, which it feels the local partner should take on, but rather emphasises the creation of technical capacities within the partner's networks. To strengthen such networks, SASK partially funds the African Labour Research Network (ALRN) of which LaRRI is an active member (together with South Africa, Zimbabwe, Zambia, Ghana, Nigeria, Kenya, Tanzania and Uganda). Within this network the members strive to build capacities to undertake research through exchange programmes, exposure and material and instrument development.

Additional support could be granted to add value to these activities. A funding gap exists with scholarship programmes for researchers and Trade Unionists. Whilst LaRRI has already embarked upon a partnership with the University of Natal in South Africa to offer Diploma courses for Trade Unionists (7 weeks spread over the year in 6 modules) (36 participants in 2004) there is an opportunity to grant bursaries to African Participatory Development Programme in Ghana, a post-graduate programme already funded in part by SASK.

2.2.4 The Family Federation of Finland (Väestöliitto/FFF) in cooperation with Namibia Planned Parenthood Association (NAPPA)

FFF is a non-governmental organisation working for the welfare of families. It was founded in 1941 and has 27 member organisations. FFF has approximately 120 full-time employees and 140 part-time childminders. The main objective is to produce services and do research for the private and public sector which in turn promote a society favourable to individuals, families and children. FFF takes initiative to reform legislation, carries out social and medical research, and gives counselling in family affairs, family planning, hereditary diseases, and infertility. FFF publishes material on human relationships and sexual health, and offers consultative aid and education to professionals in the respective fields. FFF also provides temporary child-care in the metropolitan area.

FFF started cooperation with Namibia in 2000 in a project entitled 'Support to the Namibian fight against HIV/AIDS among children and adolescents'. Educational activities were developed in the regions of Oshana, Khomas and Hardap. The project was initially carried out in cooperation with several other Finnish NGOs and was managed by a Finnish project coordinator. The local partner in Namibia was the Namibian National Aids Committee (NACOP). The project is supported by MFA. In May 2002, the project was evaluated.

The evaluation found that the project, which was to come to an end in its first phase in 2003 remained very relevant given the current situation in Namibia and it could very well have a sustainable impact if the plans were changed to a more focussed direction, which was to include a redefinition of the main beneficiary group and an adjustment of the operations to make the advisory services of the Finnish expert and of the Federation more effective. It was recommended that this could best be accomplished through inputs into the curriculum development on sexual health for schools and tertiary institutions, educating life-skill teachers, and policy direction on AIDS in the educational sector. In addition, there were recommendations to adapt 'Steps of Sexuality' developed by the Federation into a Namibian context.

Above all, a reliable local partner had to be found to create local ownership for the project and ensure long-term sustainability.

At the beginning of 2003 the project was transferred to NAPPA.

NAPPA was established in 1996 in the field of sexual and reproductive health. It is affiliated to IPPF and is a member of the IPPF Africa Region. The First Lady, Mrs. Kovambo Nuyoma is the Patron and Hon. Minister Netumbo Nandi-Ndaitwah is the President Emeritus. NAPPA has 6 professional staff, 3 administrative staff and 2 youth volunteers. They operate 8 projects/programmes (peer education, female condoms, institutional capacity building, fund raising for HIV infected and affected, networking and partnership formation, prevention of STI and HIV among young people in Omusati region, UNFPA 5-year programme in Young People's Sexual and Reproductive Health in Ohangwena Region and Fight against HIV/AIDS among young people under 16 years in Hardap Region – the programme with FFF). NAPPA aims at working in a network with other organisations and as a partner to GRN (Ministries of Basic Education, Higher Education, Health and Social Services). Organisations in its network include the University of Namibia (UNAM), the Namibia Girl Child Association, the Namibia Red Cross, YWCA and Life Line/child Line). Presently, NAPPA is in the process to draft a long-range strategic plan together with its partners. This strategic plan will address the expansion of activities of NAPPA and will emphasise:

- Addressing issues of poverty, domestic violence and the situation of orphans and vulnerable children
- Training of focal persons from different sectors (people who are known and trusted in the community)
- Working with parent communities and school boards
- Involving the community (at present the emphasis is on teachers) to establish community HIV/AIDS clubs
- Create better knowledge base amongst teachers regarding sex education
- Establishment of a resource centre in Mariental
- Production of a media strategy on behaviour change
- Responding to challenges highlighted by the KAP study (Ministry of Health and Social Services: Knowledge, Attitudes, and Practices among school going children and adolescents)

Currently, the project with NAPPA employs one project coordinator. It is run on a year-to-year basis with disbursements of about 600.000 – 800.000 N\$ annually (subject to exchange rate fluctuations). It was originally planned for two regions (Hardap and Oshikoto) but could so far only be implemented in Hardap due to capacity constraints within NAPPA and limited, short-term funding from FFF.

The project performance is hampered by a lack of long-term planning between NAPPA and FFF. At the same time this also limits the opportunity to measure outputs and outcomes (lack of indicators). Whilst NAPPA is a professionally run NGO, it has difficulties to further develop the programme. At present it operates in only one region (Hardap) where it implements the activities in 8 schools (out of 40 schools). Thus, coverage is too low taking an envisaged coverage of 60% into account. NAPPA's aim is to reach remote schools where AIDS awareness is very low or even non-existent. However, the organisation finds it difficult to reach these schools as roads are often bad and require the use of a 4-wheel drive. The sedan car supplied by FFF only has a limited range of operation.

In absence of longer-term planning it is difficult to make reliable assessments of programme sustainability.

NAPPA is a highly relevant and respected organisation. Long-term partnership should be pursued. Since the Helsinki Deaconess Institute was involved in the initial evaluation of the programme before NAPPA's involvement and is interested to cooperate with FELM, strong possibilities for joint cooperation between ELCIN/FELM and NAPPA exist.

2.2.5 Summer High School Association (SHSA) in cooperation with David Bezuidenhout High School

The Summer High School Association (Kesälukioseura ry) was founded in 1965 to promote the voluntary study and leisure activities of young people and to organize experimental and research activities relating to studying and teaching. The Association plans and implements summer high schools and organizes courses in Finnish language and culture for Finnish expatriate children and youngsters as well as courses for refugee groups living in Finland, in their own language and culture. The summer high schools organize courses both in Finland and abroad, and they target students above 15 years of age. They offer theoretical, practical and arts courses and also statutory and optional courses of the high school curriculum. Open to foreign students, the summer high schools also invite foreign guest teachers and lecturers.

SHSA has selected a Namibian school as one of their summer high schools and is currently implementing a 3-year project with the David Bezuidenhout High School in Khomasdal/Windhoek. In 2002 two teachers from Namibia attended four camps in Finland over a period of three weeks. Upon their return they shared their enthusiasm and excitement over what has been achieved in these summer high school camps (which included one camp for refugees). Namibia adopted the idea and principles of a Summer High School and in 2003 started developing the concept into a Namibian programme. The first camp in Namibia (10 days) was organised and held with 47 students from 11 schools in the Khomas region and 17 students from Finland. It is planned to send 10 students and 2 teachers to Finland in 2005 and in 2006 Finnish students will come once again to Namibia.

MFA has granted 25,000 € in 2003 and 7,500 € in 2004 and will make available 17,500 € in 2005.

One of the greatest challenges for Namibian students has been isolation, which resulted in lack of opportunity identification and lack of own initiative. The camp has opened their eyes and has instilled a passion for doing things rather than waiting to be helped. As such, the programme contributes to voluntarism, enterprising thinking and international understanding.

The programme so far, has been a huge success. The newsletter produced by the students from Namibia and Finland jointly after the event speaks volumes about cross-cultural understanding, enterprising action and self-motivation. Many of the students have since stayed in contact with each other.

The planning and organisation of the event was outstanding and was widely publicised in the media.

Accountability and transparency of funds used has met all expectations of the project partner. David Bezuidenhout School has secured the assistance of a locally based Finnish consultant to assist with finance and administration.

The success of the programme can to a large extent be ascribed to the visionary leadership of the principal of David Bezuidenhout School. He now intends to take the idea of the programme into other regions and plans to raise interest and commitment for the establishment of a Summer High School Association in Namibia.

2.2.6 Finnish 4H Federation in cooperation with 4H Club

4H is part of an international movement aimed at organising young people in clubs to run child and youth entrepreneurial development projects. The 4H concept was introduced by Finnish 4H Federation to a Namibian NGO – C.O.L.S (Change of Life Styles) in 1999 and a five years pilot project (2000 – 2005) was launched in May 2001. In 2003, 4H Namibia was launched as an independent NGO and became the project partner of 4H Finland.

The programme operates in 3 regions (Khomomas, Otjozondjupa and Omaheke). Each of the regions has a regional office staffed with a Regional Coordinator a Volunteer and in the case of Khomas, which at the same time serves as the national head-quarters, a regional field worker and an accountant.

4H reaches mainly young people at schools (clubs) in poor rural and urban areas. There are altogether 127 clubs with a total membership of 1.768 young people. Club activities centre around community betterment, home enterprises, arts and craft, agriculture and poultry.

4H is fully recognised by Government and is a member of NYC (National Youth Council), JCC (Joint Consultancy Committee for SME development) and the JCN Junior Chamber Namibia).

4H Finland supports the organisation to the tune of 500.000 N\$ annually and funds all salaries, running cost of offices, staff development, Training of Trainers (Volunteers in SME development), and Adult and Club Leaders' training. In addition, 4H receives funding from the EU and the private sector.

4H intends to expand its operation into two additional regions, i.e. Hardap and Erongo.

The project fully meets criteria for strengthening civic action and civil society. 4H has to be viewed as a 'movement', rather than an NGO. Its main purpose is to promote the participation in clubs. Club leadership is voluntary and voluntary action is not yet fully entrenched in the values of civil society in Namibia (with entitlement attitudes still prevailing). Thus club membership and active participation in the clubs is still a challenge. As a movement, a long-term support to 4H will be required.

Apart from that 4H faces a number of other challenges:

- It needs to become more visible and communicate its achievements
- It needs to create closer relationships with local authorities
- It wants to utilize linkages with other organisations to strengthen issues around HIV/AIDS (possibility to co-operate with NAPPA and Churches)
- It wants to introduce a membership fee to sustain club activities (this will be the hardest)
- It needs to increase its support from the private sector, which has to buy-in into the philosophy of 4H

2.2.7 The Finnish Association of the Deaf (FAD) in cooperation with Namibia National Association for the Deaf (NNAD)

The partnership between FAD and the NNAD has started in 1998 with training Sign Language Interpreters and planning an 'Organisational Development Project', which had already two phases (Phase I: 1999–2001 and Phase II: 2002–2004). NNAD is mainly funded by FAD with funds from MFA. In addition, there have been small-scale fund-raising activities and other project funding from different sources.

The Namibian Deaf face various challenges in everyday life. The stigma related to disability reduces opportunities in deaf persons' life whether social, cultural, political or economical. Special needs related to communication have been inadequately addressed. Sign language has not been widely known and is only now gaining an official status in the country (e.g. sign language interpretation is provided in the news on NBC (Namibia Broadcasting Corporation)).

The mission of the Namibian National Association of the Deaf (NNAD) is to promote Sign Language and to protect the human rights and interests of the Deaf in Namibia at national level. The NNAD was established on the 8th of July 1991 and was registered a year later (1992) by the Ministry of Health and Social Service with the registration number WO84. At the moment the association has thirteen branches or Deaf Clubs in different regions. The members of the association are Namibian Deaf, who support the mission, aims and objectives of the association. The organisational structure has General Assembly, Congress, the Executive Committee and Regional Executive Committees.

Organisational Development Project, Phase III (2005 – 2007)

The Project's overall objective is to improve the living standard as well as the quality of life of the Namibian Deaf. The Organizational Development Project can only lay the foundation for the further work towards this vision together with all the other stakeholders. The beneficiaries are the Namibian Deaf country wide through the Regional Deaf Clubs. Special attention will be paid to NNAD officers and trustees, Club leaders and the University of Namibia (linguistic department). The regional Deaf Clubs are still at an infancy stage. It is expected to establish and strengthen such clubs in all the regions (in 2005 in Karas, Hardap, Kavango and Caprivi, in 2006 Erongo, Omaheke, Oshana and Oshikoto and in 2007 Kunene, Otjozondjupa, Omusati and Oshana).

Phase III will be last the phase for the Organisational Support Project. It aims to consolidate the results of the project started in the year 1998. It is anticipated that sustainability of NNAD can be realised by supporting skills development, developing fund-raising strategies, strengthening the existing regional structures as well as finalising the Namibian National Sign Language dictionary. The project will address directly three of several needs within the on-going Organisational Support Project identified by the partner organisation as follows:

- Reduction of donor dependency - the staff has limited fundraising skills and there are limited fundraising ideas and opportunities;
- Further empowerment and capacity building in the already established regional Deaf Clubs;
- Finalisation of the Namibian Sign Language dictionary. Most of the signs have already been collected but not yet analysed, systematically organised and documented.

The project purpose is “the sustainability of the NNAD to act as national facilitator between the regional Deaf Clubs and between national, regional and global matters concerning their own lives”. The project purpose will be achieved through implementation of the following activities:

- Capacity building needs assessment (human and material resources) of the NNAD including the Deaf Clubs & capacity building according to the recommendations (including skills development of the officers, trustees and branch leaders, building an office etc).
- Training in different fundraising related issues, developing a structure and facilities to the NNAD’s fundraising and savings in future
- Training and awareness raising in the Deaf Clubs, collection of data
- Compilation of the Namibian Sign Language (NSL) dictionary, NSL marketing, advocacy work and development of the plans for further development and use of the NSL

The other current needs expressed by the NNAD, which the third phase is not going to address directly as separate components are as follows:

- The availability of skilled NSL interpreters and teachers as well as teaching and learning materials;
- The special needs of the Deaf are not adequately addressed in the state policies;
- There are inadequate statistics about the situation of the Deaf in Namibia;
- The participation of the Deaf in the decision-making is very limited.

The funding for these activities is as follows:

2005 – 280.590 €

2006 – 232.090 €

2007 – 190.190 €

The partnership was built gradually through various contacts and meetings within the worldwide Deaf Community prior to 1998. FAD has developed a good appreciation for the strength, challenges and environment in which its sister organisation (NNAD) operates. It recognises that there is a need to pay special attention to general development issues related to sustainability. Hence the third phase will be started with a thorough analysis of the current situation, further collaborative and participative project planning including development of a monitoring system. NNAD and FAD have discussed several times shifting from the general organisational support to more specific collaboration project/s and eventually from donor relationship to actual partnership. In partnership the main activity would be a dialogue on the various interests that the sister organisations share.

The partners have agreed in the annual negotiations that there is a need to lay proper and sustainable foundation for the further plans. Before continuing Sign Language teaching it is

proper to have more knowledge and skills in NSL. The organisation also needs to improve their fundraising skills and strategies and well as make sure that they represent and empower the Namibian Deaf as widely as possible.

However, there is still a degree of doubt whether this sustainability can be achieved in the three years. Since there is little chance to receive GRN funding for the Deaf Clubs (which are purely voluntary associations serving their own interest) the expectations of FAD may be overly optimistic. Experience has taught that building sustainable civic action can take many years (see below Chapter 3). FAD appears to be aware of this and has therefore adopted realistic indicators for proper monitoring and evaluation, which allow for adjustments in terms of project outputs and outcomes. The national agenda of NNAD (sign language dictionary and advocacy) is very realistic and can easily be achieved if NNAD continues to demonstrate effective and efficient governance and management abilities.

2.2.8 Finnish Federation of the Visually Impaired (FFVI) in cooperation with the Service Centre for the Visually Impaired (SCVI)

The FFVI is a special service provider with a social element as well as an advocacy organization for the blind and the partially sighted. The aim of the Federation is to secure the blind and visually impaired an equal status with other citizens. To achieve this the FFVI seeks to improve the capabilities and skills of the visually impaired, while also trying to influence the society at large. The FFVI looks after the interests of the blind and partially sighted, is a specialist of rehabilitation from children to seniors, provides consulting regarding employment, provides IT training and guidance, import, sales and lending of technical aids, and production of Braille, large-print and audio materials as well as the transmission of newspapers, magazines and other publications by means of information technology, provides guide dog training, creates opportunities for shared leisure activities, and maintains a strong network of international contacts by projects and development cooperation.

The FFVI carried out two projects in Namibia:

- i. Support to the ELCIN Rehabilitation Centre (ERC), which was requested in 1985 by ELCIN to FCA and FELM with funding from FINNIDA. The request concerned rehabilitation services including Braille, and audio production, training of personnel and establishment of centre in Oniipa, Northern Namibia. The first phase of the project (1987 – 1988) involved the training of three Namibians in the use of Braille and Audio production. The construction work for the centre started in 1989 and it was officially opened in 1990. Support to the centre was granted until 2000 to the tune of 2 384.425 €. An important element in the operation of ERC was the introduction of a community-based rehabilitation approach in the mid nineties and the coordination responsibility for two additional (ELCIN) rehabilitation centres in Northern Namibia (the Engela Training Centre and the Nakayale Vocational Rehabilitation Centre). At the present moment, the MFA has made available an amount of 14.360 € for a ex-post evaluation of the centre to be carried out in August/September 2004.
- ii. Support to the Service Centre for the Visually Impaired through the Namibian Federation of the Visually Impaired (NFVI). The centre was established in 1992 and was officially opened in 1994. It offers training to visually impaired people to improve their

independence in every day life but did not embark on a community-based approach, as was the case with ERC. FFVI supported the centre with funds from MFA to the tune of 718.163 €. In 2003, funds were made available to the FFVI by the MFA to the tune of 54.800€ for two programme components: 'consolidation of centre management and administration' and strengthening of awareness raising and organizational skills of the NFVI. Due to the fact, that the centre had previously suffered serious organizational setbacks and was eventually closed, funds for the second component could not be utilized (however an amount of 7.400€ was transferred into the next financial year). The funds were considerably topped up with self-financing by FFVI (27.794,85€) to prevent an almost likely demise of the SCVI. Project activities are continuing until the present time and funds are requested until 2005 (2004 – 14.800€ and 2005 – 18.164€).

Rehabilitation for the visually impaired people has been a novel endeavour in Namibia after independence and its objectives and activities were encouraged by GRN. The SCVI remains the only institution for the central and southern part of Namibia. The centres contributed to the implementation of the National Disability Policy (GRN 1997).

Whilst the ERC was successfully and sustainably established (with funding having come to an end in 2000), the SCVI went through a very difficult time in the period from 200 –2002 when GRN support was withdrawn due to mismanagement at the centre. This eventually led to the closure of the facility. (As will be noted further down, the difficult time was bridged by an incredibly committed and hand-on rescue operation by FFVI, which eventually achieved renewed commitment from GRN to fund the centre to the tune of 22.000 N\$ (as a first allowance) for May and June 2004).

Both projects were externally evaluated in 1999 (detailed evaluation reports were submitted).

- i. In the case of the ERC it was found that the centre had established sound organisational, administrative and technical capacities to ensure a sound continued operation. However, at that time it already realised that the centre lacked strategic direction and long term planning, accompanied by an absence of indicators to measure achievements. The future financial situation hung in the balance due to a lack of readiness on the side of GRN (Ministry of Lands, Resettlement and Rehabilitation) to finance the operations of the centre. This was eventually (after the evaluation) achieved through the commitment of a rolling budget of 1.8 Million N\$, covering a period of three years (2002 – 2005). The success of the continued operation of ERC and sustainability is presently being evaluated through an external ex-post evaluation.
- ii. The SCVI had shown good beginnings. In 1998 the GRN started supporting the centre through the Ministry of Lands, Resettlement and Rehabilitation. However, the evaluation team saw warning lights flashing. The centre operated without strategic direction and did 'what they want to do, rather than what they were supposed to achieve'. This coupled with poor management and administration led to stagnation of developments. Following the evaluation, the centre faced difficult years in the period from 2000–2003 when the governing structures and management collapsed and the centre faced closure. Since then the operations were restructured all together in a singular rescue operation by FFVI there are realistic hopes that the operations will resume.

It appears that both projects struggle without Finnish support (the ERC pending the ex-post evaluation). The main problems appear to lie with efficiency (both managerial and technical) and the future is entirely dependent on higher-level grants from the Ministry of Lands,

Resettlement and Rehabilitation (with additional involvement from the Ministries of Health and Social Services and Higher Education respectively). Support from other fundraising sources (such as private sector) has been minimal. Whilst the activities are in line with the National Policy on Disability it is questionable how far the activities reach the poorest sections of people living with visual disabilities (those who are not covered by social grants and have no support from families and communities).

In principle, the projects have established essential institutions in Namibia and have thus complimented GRN efforts. As is in the case with many other projects that were supported in the area of health and social services (in particular through FELM/FCA, such as schools, hospitals and kindergartens), GRN has ensured sustainability through funding and taking over of operational responsibilities (staff, running cost, etc.) If any, future support should go into improving technical capabilities and material production as well as outreach into the poorest sections of the community (people who have no access to the services of the centres). In the case of the SCVI, however, the present consolidation efforts should be continued for as long as it takes to ensure proper structures and the resuscitation of activities, otherwise a valuable investment will be lost.

2.2.9 Technology for Life (TFL) and Peace Education Institute in cooperation with Green Namibia Eco Centre (GNEC) and Pre-Vocational Teachers Committee of Owamboland

The project was originally launched in the early 1990's as a tree nursery. It employed occasionally up to 30 people. Later on, Technology for Life (TFL) joined the project and introduced small-scale production of solar panels and related educational activities. In 2001 TFL launched a 5-year project for the production of vegetables, utilization of solar energy, production of concrete blocks and roof tiles for buildings, recycling of waste, and for continued operation of the tree nursery. Its activities also embrace local vocational schools and teacher training. The project currently (August 2004) employs two Finnish expatriates on part-time basis, and about 5 local workers.

In the past years Green Namibia Eco Centre has initiated, with TFL's support, various small-scale entrepreneurial activities, and employed and trained local people. Unfortunately, none of its sprawling entrepreneurial efforts has proven to be commercially viable. Therefore, also its training activities have not had the intended impact. The venture has been, and will be dependent on external funding. It is unlikely to reach sustainability in the foreseeable future.

In the future, TFL plans to construct a guesthouse on its premises (1.2 ha of land), which are centrally located in Ongwediva Town in Owamboland (700 km north of Windhoek). It also plans to introduce modern windmill-technology for energy production. None of these projects is based on solid business planning. What is likely to remain of GNEC beyond customary development rhetoric of poverty alleviation, ecology, capacity building and gender equality, is a small-scale, non-economic activity of enthusiastic and committed people, operating on a valuable piece of land. Without continuous external support, GNEC is likely to fade away.

Peace Education Institute has been active in Namibia in teacher training, emphasizing vocational skills and education for peace. It has worked with four local schools and kindergartens, established computer classes and procured educational materials. It has received a total of 177,354 EUR in grants in 1993 – 2003 from MFA. In addition, it has mobilized funding for its activities from Finnish schoolchildren (Taksvärkki). In 2004, this activity was transferred to Technology for Life.

3 ANALYSIS OF NGO COOPERATION

3.1 Policy and Actors

The growing significance of NGOs is closely connected with Finland's development policy goals. The policy for NGO cooperation states that the central goal must always be the promotion of civil society in the target country.

The Finnish Government will continue to secure the involvement of NGOs in the various sectors of development policy. The FNGO cooperation has the characteristic of partnership. 'Partnership between MFA and NGOs need to be based on continuous dialogue and clear working arrangements and on procedures in which both parties are committed to the goals concerning the substance and quality of development cooperation.'⁴

In the year 2003, the MFA support to NGO cooperation amounted to approximately 40 million Euros, constituting about 11 percent of the total development cooperation aid. The development policy states that the Government aims to increase the share of NGO cooperation gradually by 2007 to 14% of operational development cooperation as NGOs increase their own capacity. The Government will also ensure that sufficient authorizations for funding and contractual commitments are available to safeguard sustained long-term activities in NGO cooperation and is prepared to reduce the NGOs own minimum financial share to 15% during its term of office.

In line with the policy, NGO cooperation should target:

- Development NGOs and CBOs in the areas of poverty reduction,
- Creation of democratic society (programmes that strengthen civic participation and citizenry),
- Human rights and conflict prevention.

FNGOs and their Namibian partner NGOs that are currently cooperating within the framework of the NGO cooperation policy are:

⁴ *Development Policy, Ministry of foreign Affairs – Government Resolution 5.2.2004*

Policy	Actors / Partner Organisations	Area of activity
NGOs and CBOs in poverty reduction	FELM / ELCIN	Early childhood development (in line with NPRAP)
	OAJ / NECD	Early childhood development (in line with NPRAP)
Civic participation and citizenry	4H Federation of Finland / 4H clubs	Youth development / entrepreneurship
	Finnish Summer High School Association / David Bezuidenhout Senior Secondary School	Youth development / voluntarism / civic action
Human rights and conflict prevention	Family Federation of Finland / NAPPA	HIV/AIDS awareness and prevention in schools
	Finnish Association of the Deaf / NNAD	Social services
	Finnish Federation of the Visually Impaired / SCVI	Social services
	Trade Union Solidarity Centre of Finland / LaRRI	Trade Unionism and rights of workers
	Trade Union of Education / NANTU	Professional Development of Teachers

Not all of these cooperation arrangements are appropriately positioned to meet the policy and development goals and would be better accommodated under other instruments (see 3.2).

Interviews with government officials and NGO representatives have revealed that the goals of NGO cooperation are under-served. It became evident that a lot has to be done at local levels in a decentralised fashion and working through intermediary NGOs with community-based initiatives (see 4.2) to address the challenges of urban and rural poverty.

Poverty is a growing problem in urban areas and is mainly prevalent in the periphery of towns and cities. With newfound freedom of movement in the country following independence came an unprecedented rural-urban migration, coupled with high expectations on the side of mainly impoverished migrants with low levels of education and many other associated problems as evidenced by the growth of informal settlements in urban areas of almost all urban centres in the country. Cities, towns and villages are not able to fulfil the promises of development and service delivery for all their inhabitants, in particular by facilitating upward mobility for the poor, while contributing to national progress.

For poorer sections of the community, most local authorities have been unable to perform the minimal functions in the provision of infrastructure, housing and social services, which has resulted in fragmented urban economies. The poorest often pay dearest for low quality services; poorly integrated spatial layout, transport and housing markets impose high cost on users; and congestion and haphazard waste degrade the environment. Some neighbourhoods enjoy the highest quality of services and amenities while others are vast zones of physical deprivation and

high risk. The continuing growth of informal settlement areas provides visible evidence of the failure of urban policies in many places to provide routes out of poverty.

Urban poverty is compounded in Namibia by the increasing numbers of HIV infections, AIDS cases and AIDS orphans as well as those who are affected by this, increasing the levels of poverty, as they deprive those infected and affected from generating sufficient capabilities to generate income.

The Urban Trust of Namibia and the Association of Finnish Local and Regional Authorities (AFLRA) should be recognised by NGO cooperation in addressing this field of activity because they can demonstrate sufficient expertise, organisational development capacity and best practices to cooperate with locally based CBOs and institutions.

The Urban Trust of Namibia (UTN)

UTN was co-founded in 1994 by the Namibia Chamber of Commerce and Industry (NCCI) and the Co-operative Housing Foundation (CHF), with financial assistance from the Ford Foundation. UTN functions as a private, not-for-profit research and service organisation and is registered as a charitable trust under the laws of Namibia. UTN is governed by a diverse Board of Trustees, which represents various sectors in Namibia's urban fabric.

Over the years UTN has greatly evolved as an organisation that started to address immediate issues of urban poverty, such as access to land and housing and informal sector market development to broaden its mandate by addressing issues that indirectly address urban poverty, such as broader issues of local economic development, liveability in urban areas, local authority strategic planning, whilst continuing to work directly with the urban poor and their local organisations in capacity building and formalising their relationship with Local Authorities. In doing so, UTN has become clearer about the agenda to reduce urban poverty and inequality by inclusive, participatory approaches in providing equitable access to resources and amenities for the urban poor.

Association of Local Authorities (ALAN)

The bi-lateral project 'Capacity Building for Local Authorities' (CABLE), which came to an end in 2004 included a component/result area 'ALAN Providing Services to Local Authorities'. The aim of this component was to strengthen the management and organisational capacity of ALAN to meet challenges facing local authorities. The component was planned between ALAN and the Association of Finnish Local Authorities (AFLRA) in 2001 and the cooperation was approved in 2002. The contract on this component was between the MFA and AFLRA.

The cooperation was directed towards four main activities:

- Strengthening ALAN Capacity in Service Production to Local Authorities;
- Strengthening ALAN Capacity in Promotion of Decentralisation;
- Support to Local Authorities in the fight against HIV/AIDS;
- Support to Local Authorities for twinning relations.

Whilst all components were served, ALAN was not able to create programme sustainability. After two years co-operation ALAN office and its financial situation was weaker than in the beginning of the co-operation. Key problems of ALAN existed before the co-operation and became evident only during the co-operation. ALAN is financially very much depending on its three biggest members (Windhoek, Swakopmund and Walvisbay). In the planning phase this did not become clear and the co-operation did not deal with this problem. At the end of the

project ALAN's own financial capacity was not sufficient to retain the expertise created by the project.

However, ALAN remains an important partner for cooperation between institutions.

3.2 Instruments and Actors

Local NGOs have expressed confusion with regard to the available cooperation instruments. This is both in terms of policy direction and cooperation mechanisms. The NGO cooperation is managed by the MFA whereas the Local Cooperation Funds and Institutional Cooperation is managed by the Embassy. The questions that arose were 'What is the rationale?', 'Where is the difference?', 'What is more appropriate and practical for local NGOs?'

The following table is meant to summarise and clarify the delimitation of the three available instruments as outlined by Government Policy⁵:

Local Cooperation Fund	Cooperation between Institutions	NGO cooperation
Civil society institutions (interest groups) representing Industry and Commerce Business Associations and Labour Organisations	Universities, Institutions of Higher Education, Research Institutes and similar bodies (e.g. for cultural relations and cooperation) Local Authorities Public Sector Institutions (e.g. for trade and economy to develop the private sector) Parliaments and party systems for the consolidation of democracy	Development NGOs and CBOs in the areas of poverty reduction, creation of democratic society (programmes that strengthen civic participation and citizenry), human rights and conflict prevention

Current practices of allocating resources and support mechanisms are not necessarily in line with the policies and goals of the development policy. It appears that allocation criteria were applied according to ad-hoc arising opportunities, which were often based on 'what an organisation likes to do most' or 'can do best' rather than responding to actual demands and policy guidelines. In the case of FNGO cooperation for example, the cooperation between SASK and LaRRI would have been better accommodated under the instrument of 'Cooperation between Institutions' and the cooperation with Trade Unions by both SASK and Trade Union of Education should have fallen under the Local Cooperation Fund. Likewise should have some local NGOs funded under the Local cooperation Fund have been supported with the instrument of NGO Cooperation.

⁵ *Development Policy – Ministry for Foreign Affairs of Finland; Government Resolution 5.2.2004 – pp 27–32*

The problem with the above statement however, arises from the nature of the principles of NGO cooperation, where the FNGOs chose their partners and contribute to the cooperation out of their own funds.

It needs to be clarified whether this delimitation of cooperation fields is really appropriate as many civil society NGOs and CBOs were funded under the Local Cooperation Fund and it was found that it was quite appropriate (see 4.31).

3.3 Management and Administration

The overall management of the FNGOs project responsibility lies with the 'Unit for Non-Governmental Organizations at Finland's Ministry of Foreign Affairs'. The Unit supports about 200 NGOs, which implement over 500 projects in about 70 countries worldwide. The Unit has a total of 10 employees, 5 of whom are program officers. On average, therefore, each program officer is responsible for about 100 NGOs, which understandably limits the unit's capability to deal with each project in an intensive approach in particular related to monitoring.

The growth in NGO development cooperation and changes in its contents presents challenges to project management and personnel resources both for the MFA and the NGOs themselves.

The Finnish Embassy in Windhoek is expected to engage in monitoring of FNGO projects in Namibia. It does so within limits of its resources by having debriefing discussion with FNGOs personnel who visit the Embassy and by conducting its own field visits to local NGO project partners. However, this is done in an ad-hoc manner and depends to a large degree on the proactive information provided by FNGOs to the embassy. Thus, there is no systematic mechanism monitor the FNGO projects and consequently, the feedback to the MFA is poor.

The basis for professionalism in management of projects (in terms of planning, monitoring and reporting) has improved over the years in a number of NGOs. Good examples are the mechanisms adopted by SASK/LaRRI and FAD/NNAD. Where such mechanisms were absent, projects have either failed or became unsustainable. However, some failures were outside the leverage of FNGOs (such as NANTU, NAFU and SCVI) where mal-administration and governance weaknesses rocked the organisations. The ways in dealing with such cases have been varied and ranged from discontinuation of the partnership and programmes to intensive rescue operations on the side of FNGOs (and in one case (SCVI) the Embassy). In the case of AFLRA warning lights had been flashing right from the beginning, but the partners failed to take corrective measures.

Organisational capacity assessment is a necessary strategy before agreeing on programme activities. There is an inherent danger of grafting a good programme (e.g. training) on a weak organisational base – a fact that is often overlooked by NGOs. They tend to take on anything in order to secure additional funding for their operations.

Indicative Rating⁶ of NGO projects

Project	Relevance	Additionality	Impact	Sustainability	Potential
Early Childhood Development (FELM)	Medium	High	Medium	High	Medium
Trade Unionism Research and Capacity Building (SASK/LaRRI)	High	High	High	High	High
Early Childhood Development (OAJ/NECHD)	High	High	Medium	Medium	Medium
Service Centre for Visually Impaired (FFVI/SCVI)	Medium	High	Medium	Medium	Low
Social Services for the Deaf (FAD/NNAD)	Medium	High	Medium	Medium	Low
4H	High	Medium	Medium	Low	High
Summer High School Camps	High	High	High	Medium	High
HIV/AIDS Awareness in schools (FFF/NAPPA)	High	High	High	Medium	High
Green Eco Centre	Medium	Medium	Low	Low	Low

⁶ This rating is a subjective judgement of the project team, based on the review of project documentation and on interviews in Namibia and Finland within the limited time-frame available

4 RECOMMENDATIONS AND ACTIONS

4.1 Continuation of current cooperation

4.1.1 *Continue to support the ongoing NGO cooperation in some cases with a shifted focus:*

Actors	Sectors	Recommendation
FELM / ELCIN	Citizen participation and voluntarism	Shift from early childhood development to strengthening of work in the community (pastors, community worker training, youth ministries)
SASK / LaRRI	Labour and Trade Unionism	Support to LaRRI for research, advocacy and capacity building of Trade Unions (this cooperation is better accommodated under the instrument 'Cooperation between Institutions')
OAJ / ECD	Early childhood Development	Review programme approach to 'Early Childhood Development' capacity building with pre-primary schools and commission a study with concrete recommendations for sustainable partnership and actions
4H Federation Finland / 4H (Namibia)	Youth development	Continued support to 4H national and regional offices and extension into one more region. Emphasis on actions that strengthen club activities.
SHSA / David Bezuidenhout High School (schools in the Khomas region)	Youth development	Long – term continuation of the programme, both in Namibia and Finland (annual camps) Support to David Bezuidenhout School to establish a Namibian Summer High School Association Adoption of strategies that include strengthen teacher involvement
FFF / NAPPA	HIV/AIDS prevention	Support to NAPPA Head Office on a medium-term basis (rather than annual programme extensions) and extension into one additional region (Oshikoto)

4.1.2 The two programmes in the areas of social services for people living with disabilities (support for the Deaf and Visually Impaired through FFD-NNAD and FFVI-SCVI respectively) contribute to poverty reduction as they add value to Government services and its institutions. Both programmes have a clear vision for end of project status and will come to an end during the coming cooperation cycle. Until then support should be continued as planned. In future, support to NGOs in the area of social service delivery should only be granted if there exist realistic prospects and commitments of later GRN cooperation, either through GRN funding, private-public partnerships or inclusion into government social services.

4.1.3 Support to the continuation (or resuscitation) of programmes with Trade Unions (NAFAU, NANTU) should be done under the Local Cooperation Fund. If funding is available, it is recommended to include a cooperation with Namibia Farm Workers Union (NAFWU), which includes representation of members from amongst domestic workers.

4.1.4 Cooperation with Technology for Life/Green Eco Centre, which currently has no MFA funded programme, should be continued in future only if such cooperation genuinely meets policy and sustainability criteria.

4.2 Inclusion of under-serviced cooperation areas

In the under-serviced areas to address urban and rural poverty (see 3) it is recommended to support bottom-up approaches in the community and initiatives that build on African civil society practices (traditional and customary). To reach those practices it is advisable to work with intermediary agencies (local NGO) that have a proven track record in applying best practice approaches with high levels of impact and sustainability. UTN is one such organisation and cooperation (under any of the three instruments) is recommended.

Areas of activity (all of which are based on the principle of adding value to existing community assets) may include:

- Working with school boards to address community betterment approaches, assistance to HIV/AIDS orphans, vulnerable children, and orphan headed households, and improvement of educational outcomes;
- Working with water point committees in addressing practices to improve living conditions of poor households;
- Working with informal market committees to empower informal business;
- Working with organised housing groups in informal settlement areas (shack dwellers) to improve basic service delivery (water and sanitation, land and housing);
- Working with Traditional Authorities in addressing land use in town-lands, neo-customary land delivery practices, HIV/AID responses and environmental protection).

An additional recommendation is to create a tighter focus for what should be supported. This will lead to less projects but increase outcome and impact of projects supported.

4.3 Address critical issues

The following three critical issues relate to policy instruments and management of the NGO cooperation.

4.3.1 *Choice of instrument not clear*

There is an urgent need to review the delimitation of available instruments (NGO cooperation, cooperation between institutions and local cooperation fund). The delimitation has to go beyond issues related to management (who is responsible for what – Embassy and MFA) and type of actor. Most importantly it should deal with issues concerning content and practice of cooperation. ‘Policy jargon’ should be avoided by all means and be replaced by practical examples (case studies and best practices).

Individual recommendations include:

Information requirements should become more practical – this relates to the type of information required by the Embassy or MFA to make a decision whether to fund the project or not. There should be clear criteria related to the appropriateness of each instrument.

Strictly adhere to the appropriateness of the available instruments and to the criteria when deciding whether an NGO should be assisted. Too often, decisions were based on subjective assessments and personal likes and dislikes. A well-designed training programme, for instance, grafted on a weak organisation can easily lead to programme failure.

Adjust application forms and guidelines for proposals to suit the criteria and information required for each instrument.

It is recommended to appoint a consultancy to develop the criteria, tools and information material in a participatory approach with NGOs and institutions that have a history of cooperation.

4.3.2 Monitoring vacuum during project implementation

Whilst the criteria will address monitoring, evaluation and reporting mechanisms by the recipient organisations, the roles and responsibilities of the Embassy and the MFA will have to be clarified. It is recognised that the internal capacity is limited and the recommendations therefore, aim at creating capacity outside.

Clarify monitoring tasks by MFA and Embassy – This relates to coordination, adoption of early warning systems and flexible ways in dealing with challenges and opportunities.

Outsource monitoring functions in Namibia and Finland – Both, the Embassy and the MFA should contract an independent consultant to undertake intermittent monitoring services and report in line with the early warning system. This type of monitoring should at least be done once annually or when required.

Review and adopt realistic targets and indicators – Quantitative and qualitative indicators must correspond with the different resources, capacities and objectives of NGOs, programmes and instruments. A consultancy should draft realistic sample targets and indicators.

4.3.3 Support services are weak

The instruments have to be actively communicated and promoted. Communication tools (such as brochures, case studies, newsletters, etc.) should be produced.

Assign responsibility and train personnel – The Ministry increases training and a civil society-orientation in different departments and units to ensure the quality of service to its partners and advisory services on projects and training for NGOs. Here again, the Ministry may want to outsource this function to an organisation such as KEPA. *KEPA, or the Service Centre for Development Cooperation*, is a service base for Finnish NGOs interested in development work and global issues. Over 200 such organisations belong to KEPA. These organisations vary greatly in character – large and small, local and national, professional and ideological. KEPA itself is a politically and ideologically non-aligned organisation that operates with funding from the Finnish foreign ministry. Kepa's field of operations consists of a wide variety of elements of different kinds at different levels. Amongst them are support to the work of Southern partners in order to

secure the basic conditions necessary for their capacity to function, connecting the small projects together in a larger context and network, training and other services to Finnish non-governmental organisations on issues concerning development policies and development co-operation and maintaining an information bank on developing countries. At the moment KEPA's liaison services in Nicaragua, Zambia, Mozambique, Tanzania, Thailand and Indonesia help Finnish NGOs in the preparation, pursuit and development of their projects. Also, FNGOs can attend several types of training e.g. regarding project cycle management. This, however, is voluntary for the NGOs. At the moment KEPA is discussing how to improve the quality of NGO development cooperation as one of the main challenges. (The evaluation mission contacted KEPA with respect to FNGOs operating in Namibia and was informed that issues raised would be discussed by KEPA in due course. The information will feature in the final report).

Likewise, support services should be introduced by the Embassy. It will have to be discussed how such services could be rendered. The mission recommends that it is outsourced.

4.3.4 Un-clarity how to deal with failed (and failing) projects

Project support systems have to respond to the changes in the project environment and stay flexible. Early warning systems as part of the monitoring should recommend how to deal with emerging challenges. Whilst sometimes it may be advisable to discontinue a project and cut the losses there are also cases where rescue operations have proven their worth.

Separate application for rescue operations should be drafted and all other project funding should be halted until a report with concrete recommendations is submitted. These recommendations will have to outline the time frame of the operation, measurable outcome indicators and specify funding separate from the earlier approved project funds to be used solely for the rescue operation.

It is advisable to undertake such rescue operations with outside facilitation. The agency/consultancy appointed to provide monitoring and information services could be entrusted with this facilitation role.

SUMMARY OF RECOMMENDATIONS

ISSUE / PROBLEM	RECOMMENDED RESPONSE			COMMENTS
	POLICY	INSTRUMENT	MANAGEMENT	
Not all current project actions are in line with NGO policy	None	Review appropriateness of instrument	Shift programme focus or discontinue support	To be decided after delimitation of instruments
There are under-serviced cooperation areas	Create a tighter focus	Emphasise cooperation with intermediary organisations in cooperation with CBOs	Support less NGOs and concentrate on issues of impact and sustainability	Commission a sector study
Choice of instrument not clear	Demystify 'policy jargon' and delimitate instruments	Create clear criteria for support	Adjust application forms and guidelines for proposals	Commission a study and produce material and tools
Monitoring vacuum during project implementation	Clarify monitoring tasks by MFA and Embassy	Outsource monitoring functions in Namibia and Finland	Review and adopt realistic targets and indicators	A consultancy to draft sample targets and indicators
Support services are weak	None	Improve information material	Assign responsibility and train personnel	Could be part of the outsourced function
Un-clarity how to deal with failed (and failing) projects	Separate policy required	Separate application for rescue operations and additional funds	Reports and early warning monitoring	Joint decision by Management body and outsourced service provider

Annex 1 – List of FNGOs in Namibia (during the period 1989 – 2004)

FNGO	English Title	Website
AKAVA	The Confederation of Unions for Academic Professionals in Finland	www.akava.fi
Elefvöreningen vid Matlilidens Gymnasium	(a students' organisation)	
Emmaus Jokioinen ry		www.emmaustehdas.cjb.net
Espoon rauhanystävät	Peace Union of Finland	
Kansainvälinen Solidaarisuussäätiö	International Solidarity Foundation	www.finsolid.fi
Kehitysvammaliitto ry	The Finnish Association on Mental Retardation	www.famr.fi
Kirkon Ulkomaanapu	FinnChurchAid	www.kua.fi
Kokkolan suomalainen seurakunta	Kokkola Church	
Kuurojen Lähetys	Mission of the Deaf	
Lastentarhanopettajaliitto	The Association of Kindergarten Teachers in Finland	www.lastentarha.fi
Maa- ja metsätaloustuottajain Keskusliitto MTK ry	The central Union of Agricultural Producers and Forest Owners (MTK)	www.mtk.fi
Opetusalan Ammattijärjestö (OAJ)	Trade Union of Education in Finland	www.oaj.fi
Oulun yliopiston pedagogian ylioppilaat	Students of Pedagogy at Oulu University	
Pohjois-Karjalan kehityskaayhdistys ry	Development Association of Northern Caralia	
Raittiuden ystävät	Friends of Temperance	www.raitis.fi
Suomen Ammattiliittojen Solidaarisuuskeskus (SASK) ry	The Trade Union Soliarity Centre of Finland (SASK)	www.sask.fi

Suomen Englanninopettajat ry	The Association of Teachers of English in Finland	www.suomenenglanninopettajat.fi
Suomen Kirjastoseura	Finnish Library Association	www.fla.fi
Suomen Kuntaliitto	Association of Finnish Local and Regional Authorities	
Suomen Lähetysseura ry	The Finnish Evangelical Lutheran Mission (FELM)	www.mission.fi
Suomen Lääkäriliitto	Finnish Medical Association (FMA)	www.laakariliitto.fi
Suomen Nuorisoyhteistyö-Allianssi	Finnish Youth Co-operation Alliance	www.alli.fi
Suomen ylioppilaskuntien liitto ry	The National Union of Students in Finland	www.syl.helsinki.fi
Suomi-Namibia seura ry	Finland Namibia Friendship Society	www.suominamibiaseura.fi
Suomen Punainen Risti	Finnish Red Cross	www.redcross.fi
Terveyskasvatuksen keskus (later Terveyden edistämisen keskus)	Finnish Centre for Health Promotion	www.health.fi
Uudenmaan partiopiiri	The Guides and Scouts of Finland	www.partio.fi
Vanda västra diakoniförening	Vantaa Church	
Väestöliitto ry	The Family Federation of Finland	www.vaestoliitto.fi
Kesälukioseura ry	Summer High School Association	www.kesalukioseura.fi
Kuurojen Liitto ry	The Association of the Deaf	www.kl-deaf.fi
Näkövammaisten Keskusliitto ry	Finnish Federation of the Visually Impaired	www.nkl.fi
Suomen 4H-liitto ry	The Finnish 4H Federation	www.4h-liitto.fi
Rauhankasvatusinstituutti ry	Peace Education Institute	www.peacedu.org
Tekniikka Elämä Palvelemaan ry	Technology for Life	www.kaapeli.fi

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- Blue Series 1998:8 AWEPA The Association of European Parliamentarians for (Southern) Africa, AEI The African
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- Blue Series 1998:7 Health and Social Sector Support Programme, Namibia
ISBN 951-724-204-2, ISSN 1239-7997
- Blue Series 1998:6 Manica Province Integrated Health Project, Mozambique
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