



## A Paris Declaration for International NGOs?<sup>1</sup>

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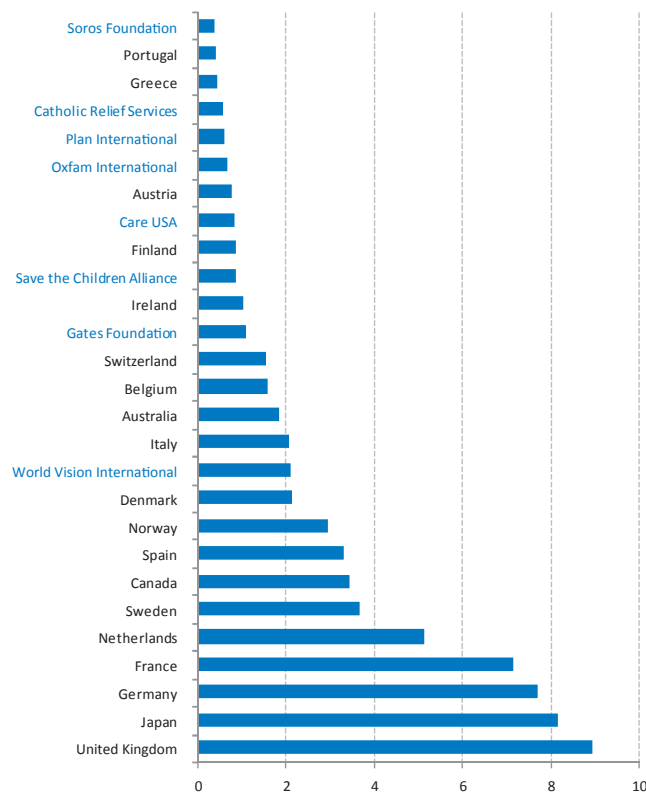
- ◆ International NGOs want official donors to co-ordinate and harmonise their activities and to become more accountable to recipients.
- ◆ International NGOs are donors in their own right, and their own adherence to aid effectiveness principles leaves much to be desired.
- ◆ International NGOs need a Paris-like Declaration on Aid Effectiveness.

In the 2005 Paris Declaration on Aid Effectiveness, governments agreed that aid works better when it respects the priorities of recipients (alignment) and when donors co-ordinate their activities with one another (harmonisation). Three years later, international non-governmental organisations (INGOs) remain the harshest critics of ineffective official development assistance (ODA). What about the effectiveness of INGOs' own aid activities?

INGOs receive large shares of ODA and, added to their private funding, the largest among them now control budgets that surpass those of official donors (see Figure 1).

The aid budget of World Vision International, for example, exceeds that of Italy. Plan International spends more than Greece and the Save the Children Alliance more than Finland. These sums warrant a closer look at how the money is spent.

Figure 1. **Budgets from Official Donors and INGOs (2005)**



Source: OECD International Development Statistics for Bilateral aid and Annual Reports of international NGOs for NGO aid.

1. This *Policy Insights* is based on "A Paris Declaration for NGOs? The Need for Harmonisation, Co-ordination, Mutual Accountability and Alignment among International NGOs", Chapter 3 in *Financing Development 2008: Whose Ownership?*, Development Centre Studies, OECD. The *Policy Insights* reflects neither the view of the OECD Development Centre nor of Radboud University.

## How Well Do INGOs Co-ordinate Their Aid?

A look at the global distribution of INGO activities shows that, similar to official donors, INGOs have their “darlings” and “orphans”. In some developing countries, a myriad of NGOs overburdens the weak administrative capacities of local organisations. Ethiopia, for example, hosts five separate affiliates of World Vision, seven of Oxfam’s agencies, six of Care International’s and twelve of Save the Children, many of which even open separate offices in the country. In relatively small countries such as Guatemala, Sri Lanka and Zimbabwe, more than 40 of the 60 largest INGOs have a presence. This is in stark contrast with aid orphans such as the Republic of Congo, Yemen and the Central African Republic, where only a handful of these organisations operate. Part of this can be explained by the dependence of international NGOs on official donors, who earmark their ODA for specific countries.

When a group of Swedish NGOs hired Skalkaer Consult, an independent external agency, to look into co-operation among Northern NGOs in Kenya last year, the conclusions were harsh. The agency found next-to-no harmonisation, even in times of crisis, when joint activities are particularly important. The study’s authors concluded there was too little co-operation among international NGOs and that they therefore needed their own aid effectiveness process. Other case studies on Ghana, Zambia, India and Tanzania have revealed that local NGOs spend extraordinary amounts of time writing reports for their donors. Like aid-recipient governments, some NGOs claim to be spending more time filling in forms than working directly for the poor.

## How Well Does Aid From INGOs Respect Local Priorities?

There is very little evidence that INGOs are better at respecting the priorities of their local counterparts than official donors. It is striking to note, for example, that in the boards or councils of 55 of the world’s largest development NGOs, only 6 per cent of members come from developing countries – that is 42 out of 693 members. This imbalance is not corrected by functioning complaints procedures for partners: the 2006 Global Accountability Report finds that the for-profit sector and the World Bank have better procedures for managing complaints than INGOs. These difficulties are compounded by the lack of direct access of Southern NGOs to ODA. Most official donors restrict their funding for NGOs to organisations based in their own countries, regardless of the quality of their performance. Tied aid remains popular in the NGO sector, with the interests of the ultimate beneficiaries too remote to influence the decision-making process in the North.

The effectiveness of NGO aid has received attention throughout preparations for the forthcoming Accra High Level Forum on Aid Effectiveness, which will review governments’ progress in implementing the Paris Declaration. Policy makers have been calling for NGOs to take a critical look at their own activities. The Advisory Group on Civil Society and Aid Effectiveness, a balanced group of officials and civil society representatives from North and South, has agreed that this is an important issue, and NGOs are now taking some first steps. They appear to use most of their energy to convince official donors to abide by and deepen the Paris Declaration, instead of designing one for themselves. In sum, while NGOs should not be expected to sign on to an inter-governmental document, they might well think about how some of the Paris Declaration’s principles might apply to them.