A SURVEY REPORT:
Capacity Building Needs of SNGOs

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Executive Summary

This report is based on a survey of Southern NGOs conducted by ANGOC to gather information on the profile of SNGOs involved in capacity-building activities, their respective areas of specialization and current programs and trends, needs and opportunities.

The report builds on the knowledge and information of earlier documents on SNGO capacity building, in particular, the 1997 consultations for South and East Asia NGOs.

As articulated during these earlier consultations, capacity building is a systematic and continuous process undertaken by an organization in the pursuit of its purposes within the context in which it operates. Capacity building should be determined, managed and controlled by the organization itself.

Within the Asian context, an important capacity to be developed relates to a south-based, south-originated and south-articulated capacity for critical reflection, learning, documentation and dissemination. In this context, an organization's capacity for self-reflection, systematization of its own experiences and drawing lessons from the same assumes utmost importance.

The ultimate success of capacity building should be the relevance of the organization to its changing context. Organizational capacity therefore refers to the ability of an NGO to respond continuously to emerging trends and changing contexts in an effective and proactive manner.

Major Findings

1.   Period of existence. The largest group of SNGO respondents (41%) has been in existence for ten years or less. This indicates the continuing growth of the Asian NGO movement in the decade of the 1990s. On the other hand, the second largest group of SNGO respondents (38%) have been in existence for 11-20 years. These represent NGOs that were established in the 1980s, the decade that is generally considered as the era when NGOs first gained prominence in mainstream society.

2.   Areas of Operation. More than 60% of the NGOs operate at the village and district levels, an indication that NGOs have maintained their essential character as local organizations working with poor communities in defined geographic areas. At the same time, more than 70% of NGO respondents also operate at national level. This is a clear indication of the growing role of NGOs in advocacy and policy formulation.

3.   Staffing. The most common skills among NGO staff are development management services (41%) and extension and community-based strategies (41%). Surprisingly, however, only 18% of respondents indicated the presence of staff skills in training, a major NGO activity.

4.   Priority Social Sectors. Women emerged as the top priority social sector with 77% of respondents involved in work among women. The second most important priority sector is farmers (69% of respondents). Two other important priority social sectors are children and indigenous peoples.

5.   Main Programs and Services. The two most important programs of SNGOs continue to be education (95% of respondents) and community organizing (77%). Gender awareness (72%) emerged as the third most important program. Sustainable agriculture (67%) is the fourth most important program of Asian NGOs, followed by networking and advocacy.

6.   Types of NGO Funding. NGOs continue to be dependent on grant funding and co-financing. However, there is an increasing trend towards internal funds generation (56% of respondents), reflecting the efforts of Asian NGOs to deal with the reality of dwindling support from traditional donors. At the same time, the increasing proportion of contracts as a funding source for Asian NGOs also reflects the shift in ODA donor policies away from grants to competitive contracts.

7.   Sources of Financial Assistance. Northern NGOs remain as the most important source of funds for Asian NGOs (49% of respondents). However, national governments are becoming a major funding source for NGOs. The survey also found that the business sector and local governments are two emerging fund sources for NGOs.

8.   Sources of Technical Assistance. The most common sources of technical assistance for NGOs are the national government, southern NGOs and the academe. The increasing prominence of government is likely to be a parallel development to its emergence as a major donor of Asian NGOs. On the negative side, survey results showed that more than half (53%) of the NGOs receiving technical assistance from government rated the assistance as inadequate. This issue should be investigated further.

Conversely, only a quarter of NGO respondents receive technical assistance from consulting firms, the lowest among all TA sources. However, 60% of those who do receive technical assistance rated the assistance as adequate, the highest level of satisfaction expressed for all TA sources.

9.   Ongoing Capacity-Building Programs. Community development and leadership constitute the majority of ongoing capacity-building programs being undertaken by the Asian NGO respondents, followed by networking, financial management and policy research.

10.   Training Courses Offered. NGO respondents conduct a broad range of training course, including: organizational development, management and capacity building, health workers training, cooperatives, micro-finance and livelihood, project monitoring and evaluation, leadership development, sustainable agriculture, livelihood programs, policy advocacy, technical training self-esteem and self-awareness training, strategic planning,

self-financing strategies for NGOs, proposal writing and project formulation, financial management, gender sensitization in projects, urban environmental problems, drug prevention, adult literacy, disaster preparedness and management and others.

11.   Priorities in Capacity Building. There are differences in the capacity-building priorities among NGO-respondents in the different countries. On an overall basis, however, the top five priorities are (1) planning and strategic management, (2) program design and implementation, (3) staff development, (4) fund raising and (5) gender awareness.

Of the above, the first, second, fourth priorities are strategic organizational considerations and may indicate the ongoing effort of Southern NGOs to define their strategic roles within the context of civil society. The third priority is recognition of the urgent need to build up staff capacity in order to achieve NGO mission and objectives. The fifth priority – gender awareness - is both a reflection of the success of feminist advocates to mainstream gender in development and an indication of the difficulties and challenges that still lie ahead.

12.   Expectations in Joining IFCB. All of the NGO respondents expressed interest in joining the IFCB. Their major expectations include (1) a desire to make a contribution to the network, (2) networking purposes and (3) a desire to learn from other members.

The respondents also expressed their preparedness to share the following resources with other IFCB members: (1) adult education, (2) technologies in sustainable agriculture, (3) experience in credit and saving promotion, (4) gender and cooperative development, (4) experiences in advocacy work and (5) experiences in capacity building with local groups.

Conclusions and Recommendations

1.   The survey findings emphasize the context-specific nature of capacity building and the reality that each organization functions in a local context. For example, Bangladesh and India NGOs consider fund-raising to be their number one capacity-building priority, while for Sri Lankan NGOs, it is program design and implementation. For Pakistan and Vietnamese NGOs, the top priority is leadership training, while for Cambodia, it is cross-sectoral collaboration. For Malaysian, Indonesian and Philippine NGOs, the top priority is planning and strategic management.

2.   While education is the single most important program, of NGOs, only 18% of respondents cited the presence of staff skills in training. Building of staff skills in training may represent a priority area for capacity building of Asian NGOs

3.   More than 70% of respondent-NGOs operate at the national level, a clear indication of the increasing role of NGOs in advocacy and policy formulation. For this reason, there is an urgent need for Asian NGOs to build their capacity for independent research, analysis of local trends and social reality and advocacy in order strengthen their

positions vis-a-vis government departments, donors, academe and other agencies and influence their policies and programs.

4.   Given the increasing importance of children as an important focus of NGO work, it may be important to conduct a study that will identify "state-of-the-art", viable capacity-building approaches being implemented by Asian NGOs working in this sector.

5.   A similar recommendation is proposed for the indigenous peoples sector where nearly half (49%) of respondent-NGOs are involved and in sustainable agriculture, where 67% are also involved, making this the fourth most important program of Asian NGOs.

7.   Because of the importance of funding, an inventory of successful NGO efforts at internal funds generation should be undertaken. This inventory should include successful efforts at NGO-managed small enterprise activities, NGO-government contracts, build-up of endowment funds and others. The inventory should also include a case study on the efforts of Asian NGOs at public fundraising.

8.   Finally, a study should be conducted to assess experience of NGOs in undertaking government contracts. The study is extremely important because of the emergence of government contracts as a major source of funds for NGOs in recent years. Moreover, available anecdotal evidence suggests that, in many instances, NGO-government contracting relationships have not been as fruitful as initially expected.

I.   INTRODUCTION

A.   Background:

This report is based on a survey of Southern NGOs (SNGOs) that was conducted by ANGOC on the basis of decisions taken by the Second Steering Committee Meeting of the International Forum on Capacity Building (IFCB) and the forum's Regional Caucus for Asia.

The report builds on the knowledge and information of earlier documents on SNGO capacity-building, in particular, the 1997 consultations for South and East Asia NGOs, which were conducted by the Society for Participatory Research in Asia (PRIA) and International Institute for Rural Reconstruction (IIRR), respectively.

The survey was conducted using an ANGOC-drafted questionnaire that was mailed to some 200 NGOs throughout the region. The survey instrument included questions designed to generate information on: (i) the profile of SNGOs involved in capacity-building activities and their respective areas of specialization; (ii) current programs and activities of these SNGOs; and (iii) trends, needs and opportunities.*(Refer to Appendix B)*

Since postal surveys have a generally poor response rate (this one had a response rate of about 15%), it is not possible to claim that the results of this research provide a comprehensive overview of Southern NGO perspectives and needs on capacity building. Instead, they should be considered as indicative of trends, particularly if they are supported by other studies, such as, the findings of the earlier Asian NGO consultations conducted by PRIA and IIRR.

B.   The International Forum on Capacity Building (IFCB):

In October 1996, Southern NGO members of the NGO-World Bank committee proposed the formation of an International Working Group to promote more dialogue among donor agencies, Southern NGOs (SNGOs) and Northern NGOs (NNGOs) on promising approaches and best practices for the capacity-building of Southern NGOs. To inform this organizing process, the NGO Working Group on the World Bank, the NGO Unit in the World Bank and the USAID Office of Private and Voluntary Cooperation undertook a survey of northern donor experiences in SNGO capacity building.

Following this, some 35 donor agencies, SNGOs and NNGOs participated in an exploratory meeting in Washington, DC in May 1997 that reviewed current practices in SNGO capacity building and discussed priority issues. The participants also established an Interim Steering Committee to facilitate the formation of an international working group on capacity building.

The Interim Steering Committee prepared a framework of issues on capacity-building and, from July 1997 to April 1998, facilitated the conduct of surveys and consultations with different stakeholders, including northern NGOs, donors (multilateral, bilateral and foundations) and southern NGOs in Latin America and the Caribbean, Africa and Asia and the Pacific. In all, the participants of the consultations included 350 southern NGOs, 100 northern NGOs and 20 donors.

The initial results of these surveys and consultations, which were presented in a synthesis-cum-planning meeting of the Interim Steering Committee in London in January 1998, indicated the need to launch an international forum for dialogue among various stakeholders on the capacity building of southern NGOs.

The extended consultation process culminated in the International Conference on Future Capacity Building of Southern NGOs, which was held at the European Commission in Brussels in May 1998. The conference was convened with the following purposes:

1. To share the emerging results of the consultations;
2. To identify priorities for future capacity building of southern NGOs;
3. To build agreement on the operating and action framework of the International Forum on Capacity Building (IFCB); and
4. To formally launch the IFCB.

The conference, which brought together more than 150 participants from southern NGOs, northern NGOs and foundations, bilateral and multilateral donors, provided a platform for analysis of the surveys and consultations with the view of identifying the priorities for capacity building of southern NGOs.

Launched at the conference was the International Forum on Capacity Building (IFCB), a multi-stakeholder group of SNGOs, NNGOs and Donors, that is focused on the capacity-building priorities of Southern NGOs with a view to enhancing their contributions in addressing issues of poverty, marginalization, democratization, strengthening of civil society, human rights and sustainable human development.

Specifically, the Forum seeks to:

1. Facilitate information sharing and cooperation within and across constituencies on policies, programs and innovations in capacity building of Southern NGOs;
2. Promote dialogue at the national, regional and international levels among Southern NGOs, their counterpart Northern NGOs and donors so that policies, programs and practices on capacity building will be informed and influenced by the voices and experiences of Southern NGOs;
3. Support emerging capacity building initiatives that address the priority needs of Southern NGOs and promote learning about innovations; and
4. Promote an enabling environment for more effective responses to the capacity building needs of Southern NGOs.

As a primary strategy, the Forum shall build on existing activities and enable its partners to undertake initiatives appropriate to decentralized geographic and thematic priorities. The Forum shall focus its efforts in addressing the following five capacity building needs of southern NGOs: (a) leadership development; (b) policy research and advocacy; (c) information access and dissemination; (d) building alliances, coalitions, networks, North-South and inter-sectoral partnerships; and (e) financial sustainability.

Its initial two-year workplan consists of the following activities:

1. Mapping of existing initiatives, providers and practices of capacity building with a view to strengthening the knowledge base;
2. Identifying lessons from best practices in the priority areas of SNGO capacity building;
3. Expanding consultations to include stakeholders from countries, regions and sectors that have not yet been represented adequately;
4. Promoting regular communication and information-sharing among participants through website and other means;
5. Convening multi-stakeholder regional fora within a year;
6. Convening a global forum in the second year for dialogue among different stakeholders on the policies, approaches and programs of capacity building for southern NGOs.

In the conduct of the forum's activities, the Chairperson and Secretariat receive guidance from a Steering Committee consisting of representatives from the different constituency groups. The Steering Committee is mandated to evolve an action-plan, mobilize resources and facilitate the program of the Forum during its first two years.

II.   FINDINGS FROM THE SOUTH AND EAST ASIA CONSULTATIONS

In 1996, the IFCB Interim Steering Committee designated the Society for Participatory Research in Asia (PRIA) and the International Institute for Rural Reconstruction (IIRR) to conduct initial consultations in South and East Asia to identify the capacity building needs of Asian NGOs. The consultation process resulted in two regional workshops – the first in New Delhi in November 1997 and the second in the Philippines in January 1998 – which brought together some 155 NGOs from all over the region.

The results of the two consultations are summarized below.

A.   Meaning of Capacity Building:

Capacity building must encompass the development of both individual workers and the organization itself. Past capacity building have been concentrated on individuals on the assumption that these individuals, when appropriately and technically trained, will translate their new knowledge and skills into organizational program and financial

management. Unfortunately, individuals often leave and move on, taking learned capacities with them.

In the present context, many southern NGOs are being called upon to perform regional and global roles. Building regional networks and global alliances is necessary in the performance of these expanded roles. Alliances, partnerships and networks provide the necessary platform for sharing information, experiences and ideas. Therefore, the capacity for effective advocacy becomes a key to multiplying and sustaining the development impact of southern NGOs.

Capacity building includes both content and process. It is a systematic and continuous process that is undertaken by an organization in the pursuit of its purposes within the context in which it operates. Its content should be specific and interrelated. Capacity building should be determined, managed and controlled by the organization itself.

B.   <u>Individual Capacity Building</u>:

A capacity building initiative should have inherent human potential as its focus. Growth of individuals is key to any meaning of capacity. At the same time, capacity building must be viewed in a holistic sense, that is, as a long term and gradual process. Capacity formation and enhancement is a cumulative process where aggregation of new elements of capacity occurs on the foundation of previous ones.

C.   <u>Organizational Capacity Building</u>:

An important capacity to be developed relates to a south-based, south-originated and south-articulated capacity for critical reflection, learning, documentation and dissemination.

In this context, an organization's capacity for self-reflection, systematization of its own experiences and drawing lessons from the same is important. Other elements to be kept in mind include capacity to monitor their activities and review their purpose in the light of changes taking place in the wider society.

It is also important to recognize the context-specific meaning of capacity. After all, each organization functions in a local context and its ability to function effectively in that context provides clues about its capacity building requirements and challenges.

Capacity building must be considered as a continuous learning process. It should be in relation to the purpose, mission and rationale of the organization and its continuity. This implies that the meaning of capacity may change as purposes undergo re-statement and re-articulation.

Finally, capacity building should be recognized as the synergistic total of the strengths of individuals, systems and resources in any organization. The relevance of the organization to its changing context is the measure of its effectiveness. Therefore, organizational

capacity refers to the ability to relate and respond continuously to the emerging trends and changing contexts in an effective and proactive manner.

D.   **Priorities for Capacity Building:**

Following are the over-arching priorities in capacity building that emerged from the sub-regional consultations held in India and the Philippines.

1.   <u>Leadership development</u>. This includes (a) development of less leader-centered NGOs; (b) democratization of organizations; (c) development of second-generation leaders; and (d) balancing leadership and management.

2.   <u>Policy research, analysis and advocacy</u>. Since they work actively with government departments, donors, academe and other agencies to influence their policies and programs, Southern NGOs (SNGOs) need to build their capacity for independent research, analysis of local trends and social reality and advocacy in order to multiply the impact of the organization.

In particular, NGOs need to deepen their understanding of: (a) environmental issues, including the management of watersheds and other natural resources; (b) human rights issues, which are urgent realities in both South and East Asian countries; and (c) Asian ethnic, minority and religious traditions and how these can be used to develop the capacities of organizations and leaders.

3.   <u>Strategic planning and management</u>. It is essential for an organization to be able to identify and address strategic issues. SNGOs need to take a long-term perspective in articulating their vision and sharpening their impact. This requires effective governance mechanisms, visionary leadership and the ability to restructure their positions and roles in response to emerging trends and changes.

4.   <u>Project/programme design and implementation</u>. SNGOs need to learn more about participatory planning, implementation and monitoring as part of their project and programme management capacity. For example, improving livelihoods among the poor requires focusing on savings and credit, micro enterprise and entrepreneurial development. Unfortunately, the concept of income generation is a relatively new arena of work for NGOs in some Asian countries. Therefore, building capacities for promoting economic development leading to the empowerment of the poor becomes an urgent requirement.

5.   <u>Organizational development and renewal</u>. An organization must have the ability to review its functions periodically. This requires building capacity in organizational learning, organizational review change and development, internal and external restructuring, reformulation of mission and strategy, reorientation of leadership, structural development, personnel development and technical development.

The complexity of development activities and the many external constituents of an organization can generate internal conflicts. This creates the need for more organized and efficient ways to divide responsibilities, coordinate activities and resolve disputes. In response, capacity-building interventions would need to strengthen governance mechanisms and processes, systems and procedures for decision making, formal structures, roles and accountability.

6.   Resource mobilization. The capacity to mobilize local resources is essential for financial sustainability and autonomous functioning. Dependence on external resources has greatly undermined the capacity of SNGOs to build an indigenous, autonomous and local resource base. In this context, SNGOs must learn how to mobilize local resources.

7.   Information access, storage and dissemination. In the face of the new information order and communication techniques. SNGOs need to build the capacity to access, store, use and disseminate current information rapidly. This would involve the development of communications skills, including increased fluency in the use of English, computer training and information about new communications technologies.

E.   Approaches to Capacity Building:

Capacity building needs to be viewed as a continuing process that does not end with the termination of a project or programme. The process of capacity building needs to be considered in terms of the following factors.

1.   An Asian perspective. SNGOs know and understand their constituencies and needs better than any one else. It is essential for them to build capacities related to a south-based, south-articulated and south-originated capacity for critical reflection, learning, documentation and dissemination.

2.   Identity. Capacity building has to be in relation to the SNGOs' search for relevance, identity, and clarity of roles and perspectives. For example, capacity-building interventions should re-affirm the role of NGOs as agents of social change, not contractors or apolitical agents of civil society.

3.   Existing capacities. Every organization has existing strengths and weaknesses; no capacity-building intervention begins from scratch. Therefore, it is essential to analyze and assess these strengths and weaknesses to determine the capacity building inputs that will be required.

4.   Providers of capacity building. The constantly changing needs for capacity building of SNGOs necessitates a corresponding growth in the capacities of the "capacity-builders." The capacity builders need to adapt to the evolution of their complex tasks, and they can not adapt appropriately without a commitment to continuous learning. The very assumption that capacity building is an ongoing process implies that the capacity builder also has to grow with the SNGO organizations and the needs of their

constituency-communities. The question that needs to be addressed is "who will enhance the capacities of the capacity builder?"

5.   Size. The needs for capacity building may be different for small, medium-sized and larger SNGOs. For example, small organizations may have greater need for personality and leadership development inputs as compared to larger NGOs who would be more interested in strategic planning, networking and advocacy. Capacity building interventions must consider size of the target SNGOs and also, their age and constituencies. A wide range of experiences and practices exist among NGOs in Asia. An intra- and inter-regional exchange on capacity building should be facilitated.

6.   Nature of NGO work. At the same time, the capacity building needs of NGOs vary depending on their type of work. For example, the needs of a research provider are different from a support organization or activist group. The needs of NGOs in transitional and liberal economies are likewise different. This will require different capacity building approaches for NGOs operating in different socio-political-economic systems.

III.   SURVEY FINDINGS

A.   Characteristics of Respondent-SNGOs:

1.   Number of Years in Existence.

The second largest group of SNGO respondents (38%) have been in existence for 11-20 years; they represent NGOs that were established in the 1980s, the decade that is generally considered as the era when NGOs first gained prominence in mainstream society *(see Table 1).*

Table 1. Years in Existence

Number of Years	% of Total
1-10 years	41%
11-20 years	38%
21-30 years	5%
31-40 years	8%
41 years & up	8%
	100%

On the other hand, the largest group of SNGO respondents (41%) has been in existence for not more than ten years. This indicates the continuing growth of the Asian NGO movement in the decade of the 1990s.

Some 16% of NGO-respondents have been in existence for more than 30 years; these represent the pioneer NGOs who were established in the first and second development decades.

2.　　Areas of Operation.

More than 60% of the NGOs operate at the village and district levels. This indicates that NGOs have maintained their essential character as locally based organizations that are involved with marginalized communities in defined geographic areas *(see Table 2).*

Table 2. Areas of Operation

Area	% of Total
Village	64%
District	60%
National	72%
Regional	48%
Note: Most of the respondent NGOs are involved in more than one category.	

At the same time, however, more than 70% of the NGOs are also involved at the national level. This indicates: (a) the continuing trend for some NGOs to attain a size that allows them to operate at the national level; (b) the growing role of NGOs in advocacy and policy formulation.

3.　　Staffing.

A full third of the NGO respondents have more than 20 full-time staff *(see Table 3).* This indicates that a significant percentage of the Asian NGO respondents may be considered as medium-scale to large NGOs.

Table 3. No. of Full-Time Staff

No. of Staff	% of Total
1-5 staff	15%
6-10 staff	23%
11-15 staff	18%
16-20 Staff	5%
21 & up	38%

This conclusion is further reinforced by the fact that 31% of the NGO-respondents have at least 16 part-time staff.

As expected, the most common skills among NGO staff are Development Management Services (41%) and Extension and Community-based Strategies (41%).

Surprisingly, only 18% of respondents cited the presence of staff skills in training. This may represent a priority area for capacity building of Asian NGOs.

4.   Priority Social Sectors.

Women emerged as the top priority sector with 77% of respondents involved in work among women. This may be a reflection of both NGO and donor work in gender awareness over the last two decades. It could also be indicative of the growing interest in microfinance skills (which were mentioned in the Asian NGO consultations) since work with women (particularly in urban areas) have tended to include, among others, the provision of microfinance services.

Table 4. Priority Social Sectors

Social Sector	% of Total
Women	77%
NGOs	77%
Farmers	69%
Children	54%
Indigenous Peoples	49%
Multi-Sectoral	41%
Youth/Students	41%
Fisherfolk	36%
Academe	33%
Urban Poor	31%
Informal Sector	28%
Business	23%
Elderly	21%
Trade Unions/Labor	21%
Churches/Religious	18%
Persons w/ disability	18%

The continuing priority given by NGOs to work with farmers (69% of respondents) reflects the continuing reality of poverty as being a predominantly rural phenomenon.

Two other important priority social sectors are children and indigenous peoples. The emphasis on children may reflect the growing concern for the condition of street children, which has worsened over the years because of the hyper-urbanization of Asian cities.

The growing interest in indigenous peoples may be related to the increasing priority received in recent years by environmental issues, particularly the reforestation of upland areas and the protection of watershed areas, the ancestral domains of indigenous peoples.

5.   Main Programs and Services.

As expected, the two most important programs of SNGOs continue to be education (95% of respondents) and community organizing (77%). Gender awareness (72%), possibly for reasons enumerated earlier, has emerged as the third most important program.

Table 5. Main Programs of SNGOs

Program	% of Total
Education	95%
Community Organizing	77%
Gender Awareness	72%
Advocacy	72%
Networking	69%
Sustainable Agriculture	67%
Environment	59%
Cooperative Development	56%
Research	56%
NGO-PO Relations	56%
Health	51%
Tenurial Rights	26%
Legal Services	21%

It is interesting to note that sustainable agriculture (67%) has emerged as the sixth most important program of Asian NGOs. This may represent a priority capacity building area in terms of sharing of experiences among SNGOs and the provision of technical expertise.

Networking and advocacy represent the fifth most important area of activity. This merely underscores the growing role of Asian NGOs in policy advocacy.

B.   Funding for SNGOs:

1.   Types of Funds Obtained.

The following table clearly shows the continuing dependence of NGOs on grant funding and co-financing *(see Table 6)*.

Table 6. Types of Funds for SNGOs

Type of Funds	% of Total
Grants	85%
Internal Generation	56%
Co-Financing	46%
Contracts	44%
Donations	28%
Endowments	18%
Others	8%

At the same time, the increasing trend towards internal funds generation (56% of respondents) reflects the efforts of Asian NGOs to deal with the reality of dwindling support from traditional donors, both from first world government and NGO/public sources.

The increasing proportion of contracts as a funding source for Asian NGOs also reflects the shift in ODA donor policies away from grants to competitive contracts. This conclusion is similar to the findings of the IFCB survey of NNGOs that "contracting is becoming a more common aid funding modality … (and that) it is likely that contracting will become an even more important mechanism in the future." *(INTRAC, Survey of Northern NGO Approaches to Capacity-Building. International Forum on Capacity Building, April 1998)*

At the same time, the low ranking of donations indicates the continuing weakness of NGOs to generate financial support from the citizens of their home countries.

Finally, very few NGOs have been able to establish endowment funds, the only viable mechanism for long-term financial sustainability.

2.   Sources of Financial Assistance.

Northern NGOs are still the most important source of funds for Southern NGOs *(see Table 7).*

Table 7. Funds Sources for SNGOs

Intermediary Group	% of Total
Northern NGOs	49%
National Government	41%
Southern NGOs	36%
Business	26%
Local Government	28%
Academe	23%
Consulting Firms	15%

This finding supports the INTRAC contention that the "core business" of NNGOs lie in the provision of effective developmental funding.

As stated by James Taylor of CDRA*, "the perceived threat (to NNGOs) seems to be leading away from the core purpose of the donor organization (funding). No one seems to be asking – what is it in the way we fund that adds value to the transfer of money from the North to the South and which no government could address? … Donors can best impact on the capacity of their recipient organizations, not by being all things to all recipients, but by taking seriously their core responsibility of providing funds developmentally.* (as quoted in INTRAC, Survey of Northern NGO Approaches to Capacity-Building. International Forum on Capacity Building, April 1998)

Almost half of the NGO-respondents are receiving funds from their respective national governments, an indication of the growing collaboration between NGOs and national governments. Given this trend, it becomes more urgent for the existing tensions in government-NGO relations to be resolved.

As pointed out by a recent ADB study,

"As increased resources flow through NGOs, governments ... are increasingly concerned about the accountability and transparency of NGOs... (At the same time), NGOs are frequently critical of government development priorities and take an advocacy role on behalf of the 'victims of development.' They see moves by government to introduce new regulations and financial controls as attempts to control them... Government thus feels itself faced with two conflicting approaches: opening up opportunities for NGOs while increasing its own watchdog role. While government welcomes the NGO role in social development, it is worried that NGO advocacy on issues of human rights and environmental protection in resource development projects will cause difficulties. These two distinct roles of NGOs demand a mature understanding and relationship. (A Study of NGOs: Regional Overview Report, Asian Development Bank. April 1999)

The survey indicates that two important emerging sources of funds for NGOs are the business sector and local governments. The emergence of these two funding sources augurs well for local-level development efforts. It is likely that the bulk of funds from business groups are provided for corporate responsibility projects to benefit communities that are adjacent to the operations of the corporations. Similarly, LGU funds granted to NGOs are likely to be directed at communities within the jurisdiction of the concerned local government unit.

C.   Technical Assistance for SNGOs:

According to the survey, the most common sources of technical assistance for NGOs are the national government, southern NGOs and the academe *(see Table 8).*

Table 8. Sources of Technical Assistance (TA)

Source of Technical Assistance	% of Total	Adequacy of TA
National Government	44%	47%
Southern NGOs	41%	50%
Academe	38%	57%
Northern NGOs	38%	27%
Local Government	38%	53%
Business	31%	50%
Consulting Firms	26%	60%

The ranking of national government as a primary source of technical assistance for SNGOs is surprising, given the past tensions in the relations between the two. The increasing prominence of government is likely to be a parallel development to its emergence as a major donor of Asian NGOs.

On the negative side, survey results showed that more than half (53%) of the NGOs receiving technical assistance from government rated the assistance as inadequate. It is possible, however, that the source of dissatisfaction may not be the quality of the technical assistance itself but rather the traditional tensions between NGOs and

governments. At any rate, it may be appropriate to investigate this issue further because of the increasing importance of the government as a source of technical assistance for Asian NGOs.

The second most important source of technical assistance for NGOs is their peers in the SNGO community itself. This reflects the increased networking among SNGOs and the willingness of SNGOs to learn from each other. The high level of satisfaction given by SNGOs to learning from their peers (50% of respondents rated the TA as adequate) indicates that this is an acceptable source of capacity building. This finding is consistent with the aspirations of Asian NGOs for a south-directed, south-articulated agenda for capacity building.

The academe (38%) is a logical source of technical assistance for SNGOs, given the traditional good relations between the two groups. It is also important to note that more than half (53%) of the SNGOs receiving technical assistance from the academe rated the assistance as adequate.

Similarly, Northern NGOs are also a logical source of technical assistance because of the traditional funding and solidarity relationships between the two entities. Unfortunately, more than seventy percent (73%) of the SNGOs receiving technical assistance from NNGOs rated the assistance as inadequate. This negative rating should be validated by further studies that should also identify remedial measures.

Only 26% of NGO respondents receive technical assistance from consulting firms, the lowest among all TA sources. However, 60% of those who do receive technical assistance rated the assistance as adequate, the highest level of satisfaction expressed for all TA sources. This high level of satisfaction should lead to the identification of measures to increase collaboration of consulting firms and Asian NGOs.

D.   Ongoing Capacity-Building Programs:

The survey indicated that community development and leadership constitute the majority of ongoing capacity-building programs being undertaken by the Asian NGO respondents, followed by networking, financial management and policy research *(see Table 9)*.

Table 9. Ongoing Capacity-Building Programs

Program	% of Total
Community Development	73%
Leadership	71%
Networking	68%
Financial Management	68%
Policy Research and Advocacy	64%
Information Management	50%
Others	39%

Specific activities in these programs are provided below.

1. <u>Community Development</u>. Examples of Asian NGO work in community development include:
   - Health programs in partnership between a diocese and the government
   - Peace and reconciliation campaigns
   - Water supply and sanitation project for low income communities
   - Food and agriculture development for resettled indigenous people
   - Improvement of community living standards in villages
   - Transmigrant community resettlement projects
   - Community-based appropriate waste-water treatment and small-scale industry project
   - Community environmental project
   - Small island (Camiguin) sustainable development program
   - Establishment of credit cooperatives for poor women
   - Establishment of Village Development Committees in 200 focal villages, training and implementation of community-based self-help projects to   meet basic needs
   - Tripartite (Government-NGO-PO) agrarian reform program
   - Governance and Local Democracy program
   - Sustainable Integrated Area Development (SIAD) program
   - Non-formal education and skills training for rural women
   - Training programs for consumer protection and advocacy
   - Participatory research, training and development programs
   - Establishment of farmers' and fisherfolk groups for the promotion of sustainable agriculture and sustainable rural development
   - Non-formal education and livelihood program
   - Mobilization of volunteers for community development
   - Regenerative agriculture, forestry, water supply and sanitation
   - Democracy and human rights advocacy
   - Nutrition education, home gardening and disaster preparedness programs
   - Formation of fisherfolk organizations in sea, brackishwater and inland fishing areas
   - Community health development
   - Strengthening of community organizations through credit schemes
   - Organization of women for poverty-focused lending
   - Health, education and family planning
   - Agriculture credit
   - Tree planting, vegetable, cultivation, fisheries
   - Non-formal primary education
   - Adolescent program

2. <u>Leadership Development</u>. Ongoing training covers a wide variety of topics and are provided for a highly diverse audience, including:
   - Leadership training for women
   - Leadership training for participation in local government
   - Team building
   - Training of diocesan priests and staff
   - Human resource development program for prisoners
   - Action research for women in development
   - Modularization of community-based technologies
   - Development training program for local development managers
   - Gender consciousness raising
   - Organization of Village Development Committees (VDCs)
   - Bio-diversity conservation and development training Center project
   - Strengthening of consumers' associations
   - Training of provincial, district and division level officials and politicians in participatory development methods
   - Training of development workers of state organizations in participatory methods
   - Training course for board members of farmers and fisherfolk groups
   - Workshops for sharing of experiences between farmer and fisherfolk groups
   - Follow-up support to leaders of Panchayats (local self governance institutions) and NGOs focused on women
   - Capacity-building of Southern NGOs to engage with international institutions
   - Leadership workshops for youth groups and NGO representatives
   - Capacity-building program for widows of fishermen
   - Leadership and management development program for fisheries cooperatives

3. <u>Networking</u>. Asian NGO networking efforts are focused on a wide range of issues and involve many diverse partners. Following are a few examples.
   - Networking to promote sustainable agriculture and environmental issues
   - Building of regional networks
   - Establishing linkages between the Church and Asian and European agencies
   - Participation in the Conference Against Poverty (CAP)
   - Participation in the CIVICUS 3rd World Assembly
   - Participation in the network of ICCO partner-organizations in Vietnam
   - Participation in the network of social development organizations engaged in training in Vietnam
   - Strengthening a National NGO network with more than 100 NGO members
   - Coordination of seminars with government and non-government entities
   - Strengthening the network of organic agriculture NGOs at the national (Indonesia), regional and international levels
   - Collaboration among NGOs for the sharing of information and conduct of training programs and workshops

- Networking to strengthen NGOs and POs in Sustainable Natural Management and Sustainable Agriculture through research, workshops on policy advocacy and media development
- Networking with government (Bangladesh) agencies on gender, environment, child rights, land and human rights
- Networking among NGOs working with fisherfolk
- Building linkages through a newsletter published in three languages
- Training programs and workshops
- Neworking through an Urban Land Reform Task Force to address issues of the urban poor
- Networking through an NGO Coalition to monitor the implementation of the rights of the child in preparation of an NGO supplementary report

4. <u>Financial Management</u>. Financial management activities are equally diverse as shown below.
   - Implementation of savings, revolving fund and micro-enterprise schemes, particularly through women's groups
   - Financial training and establishment of systems for financial management, including accounting and record keeping for rural micro-finance programs
   - Training on the preparation of business feasibility studies (West Java cooperatives)
   - Provision of capital services for business development in Bogor and Bekasi urban communities
   - Provision of standard investment strategies
   - Provision of accounting and auditing services to ensure that cash registers are properly maintained, joint accounts are maintained with connected vouchers and accounts are audited by chartered accountants
   - Establishment of cooperatives to manage micro-finance schemes
   - Local resource mobilization
   - Capacity building of Panchayati Raj Institutions, savings and credit groups and village development communities
   - Establishment of Entrepreneurship Development Centers

5. <u>Policy Research and Advocacy</u>. Advocacy activities include research, documentation and actual mobilization. Some examples are given below.
   - Participation in advocacy campaigns on the impacts of multilateral financial institutions
   - Documentation of sustainable agriculture (SA)
   - Advocacy on peace and reconciliation
   - Institutional development of communities to establish a buffer zone-forest at the Gunung Palung National Park
   - Conduct of a survey on the Impact of irrigation development on Women and their households
   - Monitoring of the World Bank-funded Poverty and Village Infrastructure Project in West Java

- Study on the Provision of Land for Housing and Human Settlement Development in the Jakarta Metropolitan Area
- Study on the Impact of the Project on Water Supply and Sanitation for Low Income Communities in East Nusa Tenggara
- Technical Assistance for the Strengthening of Community Self-Help Groups and Their Coordinating Bodies in the Jakarta Region
- Documentation of the Community Empowerment Project in Kalurahan Kamal Muara
- Documentation of the Area Development Project in Ambeno (East Timor)
- Documentation of the East Timor Income Generating Project
- Formulation of community standards for the Living Improvement Project in Langkat Village
- Study on climate change
- Documentation of Exemplary Practices on Environment and Sustainable Development in Asia
- Documentation support and advocacy work for health-related legislation
- Advocacy on support services for women
- Research about cotton, wheat and other crops
- Research on market fluctuations of agricultural produce in rural areas
- Citizen-state relations
- Environmental health and safety
- Policy researches on Indonesian agriculture policy and advocacy for farmer's rights
- Evaluations on the participation of primary stakeholders in bilateral and multilateral programs
- Advocacy work on the WTO
- Conduct of researches on drug prevention
- Drafting of national policies on tobacco, alcohol and other drugs
- Researches on mangrove conservation, aquaculture and fisherfolk rights
- Lobby for the amendment of the 1995 law on migrant workers and overseas Filipinos.

6. Information Management. Information management activities involve both the establishment and maintenance of databases as well as the conduct of forums and workshops. Specific activities are listed below.
- Acting as a clearing house between international organizations, donors and agencies and grass-root local NGOs, for disseminating information and sharing experiences, ideas and views
- Organization of workshops, forums, seminars and convention and publication of books, informative literature, periodicals, case studies and monographs
- Database development
- Information dissemination, especially with regard to market prices
- Conduct of Participatory Rural Appraisal (PRA) and Community Information and Planning System (CIPS)
- Establishment of a Website

- Data base on local self-governance institutions, including NGOs and community-based institutions in the state
- Publication of newsletters at the state and regional (within the state) levels
- Maintenance of n a library and resource center to facilitate the integration drug prevention activities into the programs of different organizations
- Technology dissemination on rural aquaculture

7. Others:
  - Capacity-building of local staff to reduce expatriate dependence
  - Strategic and operational planning
  - Maintenance of Balay Website on housing issues
  - Policy Advocacy Training Seminar

E.   Training Courses Offered:

The majority of NGO respondents are currently conducting training courses on a very broad range of development concerns. The training courses are listed below on a per country basis.

1. Malaysia
  - Training for consultancy careers in development services
  - Community or group management for development
  - Organizational development, management and capacity building

2. India
  - Health workers training
  - Cooperatives
  - Micro-enterprise/micro-finance
  - Project monitoring and evaluation
  - Participatory planning, monitoring and evaluation
  - Organizational development
  - Micro-planning
  - Leadership development

3. Philippines
  - Operational planning (Training of Trainers)
  - Development management course
  - Planning, monitoring and evaluation
  - Social Enterprise and Entrepreneurship Development (SEED)
  - Community Empowerment Seminar
  - Sustainable agriculture
  - Health
  - Livelihood programs
  - Policy advocacy Training Seminar
  - Seminar on Catholic Social Teaching

4. <u>Cambodia</u>
- Training for NGO workers in community animation
- Technical training on the use of pedal-powered irrigation pumps
- Training in poverty lending (methodologies, building staff capacity, installation of financial systems)
- Self-esteem and self-awareness training for disabled persons
- Training in library management for primary schools
- Organization of workshops on environment and natural resources management for university students, NGOs and government staff
- Health education (HIV/AIDS, primary health care, reproductive health, proper water use and hygiene/sanitation)
- Management training for NGO staff (general management, human resource management, introduction to basic financial management and proposal development

5. <u>Indonesia</u>
- Community-based training for development managers and facilitators
- Community-based micro enterprise training for development facilitators
- Training on strategic planning for top level managers
- Training on self-financing strategies for NGO leaders
- Training on establishing linkages between banks and self-help groups for NGO supervisors
- Rice barn management training
- Saving and credit union training
- Sustainable agriculture technical training, including compost-making, organic/natural pesticide, rice breeding and plant genetic conservation
- Leadership training
- Planning and strategic management
- Financial management

6. <u>Vietnam</u>
- Introduction to development
- Participatory Rural Appraisal
- Proposal writing and project formulation
- Accounting for social development organizations

7. <u>Pakistan</u>
- Training for the conduct of household surveys
- Participatory Research Approaches
- Safe use of pesticides for growers and farmers health
- Basic health education for rural women and their children
- Poultry, goat and heifer dispersal schemes
- Micro credit and financial management training
- Training on planning, monitoring and evaluation

8. Sri Lanka
   - Ornamental and herbal plant growing, including orchids, mushrooms and anthurium
   - Dress making
   - Dehydration of vegetables and fruits and preparation of fruit juices
   - Bamboo craft
   - Soil conservation, biodiversity and watershed management
   - Irrigation
   - Community forestry and women's participation
   - Livestock development
   - Home garden development and nutrition
   - Organic farming
   - Gender sensitization in project planning and implementation
   - Urban environmental problems
   - Consumer protection
   - Participatory Rural Appraisal
   - Participatory Monitoring and Evaluation
   - Project development and the use of the logical framework analysis (LFA)
   - Leadership and time management
   - Drug prevention for students
   - Good Governance and Participation, including community leadership and management
   - Micro-business development and sustainable livelihood
   - Health education, water and sanitation, water-borne diseases
   - Empowerment of women in facing the challenges in society

9. Bangladesh
   - Gender and savings and credit programs
   - Organization and development
   - Bio-intensive gardening, fish culture, tailoring etc.
   - Adult literacy
   - Accounting and record keeping
   - Disaster preparedness and management
   - Social awareness raising
   - Leadership training
   - Group formation and management
   - Gender awareness
   - Family law and human rights
   - Health education
   - Management of income-generating activities (IGAs)
   - Nursery development
   - Poultry management

F. **Priorities in Capacity Building:**

1. Capacity-Building Priorities Per Country:

The IFCB questionnaire contained a list of fifteen capacity-building areas. The NGO respondents ranked these according to their individual priorities. Following is their rating on a per country basis *(see Table 10)*.

Table 10. Individual Country Rankings of Capacity Building Priorities

	Bangladesh	Cambodia	Malaysia	India	Indonesia	Pakistan	Philippines	Sri Lanka	Vietnam
Local Resource Mobilization	10	3	9	9	12	11	8	14	8
Cross Sectoral Collaboration	15	1	12	14	11	10	10	13	12
Networking	14	2	11	13	13	14	12	10	11
Monitoring & Evaluation	12	11	7	11	15	3	6	3	10
Microfinance	6	15	15	10	9	6	15	15	13
Fund Raising	1	12	8	1	6	12	4	4	7
Policy Research & Advocacy	5	6	13	5	7	2	11	11	14
Staff Development	3	9	10	9	2	7	3	7	2
Organizational Renewal	5	7	4	3	14	13	13	6	3
Leadership Development	11	5	14	6	5	1	7	5	1
Planning & Strategic Mgt.	4	13	1	2	1	8	1	2	4
Program Design & Implement.	7	4	2	4	4	4	2	1	5
Info Access	2	8	3	7	10	9	9	12	15
Gender Awareness	8	14	5	12	3	5	14	8	6
Financial Management	9	10	6	15	8	15	5	9	9

The wide divergence of opinions among NGO respondents on the priorities for capacity building indicates the differing contexts and stages of development of the NGO-respondents. However, there are also some interesting similarities. For Bangladesh and India NGOs, the top priority is fund raising, while for Pakistan and Vietnam, it is leadership training. In the case of Sri Lanka, the top priority is program design and implementation, while for Cambodia, it is cross-sectoral collaboration. For Malaysian, Indonesian and Philippine NGOs, the top priority is planning and strategic management.

2.   Overall Capacity Building Priorities:

The individual rankings were consolidated to determine the respondents' capacity building priorities on an overall basis. The results are shown in the following table *(see Table 11)*.

Table 11. SNGO Capacity-Building Priorities

Ranking	Priority Area
I	Planning and Strategic Management
II	Program Design & Implementation
III	Staff Development
IV	Fund Raising
V	Gender Awareness
VI	Leadership Development
VII	Organizational Development and Renewal
VIII	Information Access and Storage
IX	Monitoring & Evaluation
X	Financial Management
XI	Local Resource Mobilization
XII	Policy Research, Analysis & Advocacy
XIII	Microfinance
XIV	Networking
XV	Cross Sectoral Mobilization

Of the top five capacity-building priorities of Asian NGOs, the first, second, fourth priorities are strategic organizational considerations. This may indicate the ongoing effort of Southern NGOs to define their strategic roles within the context of civil society. The third priority is recognition of the urgent need to build up staff capacity in order to achieve NGO mission and objectives. The fifth priority – gender awareness - is both a reflection of the success of feminist advocates to mainstream gender in development and an indication of the difficulties and challenges that still lie ahead.

The above have some similarity to the top five capacity-building priorities that were identified by the Asian NGO consultations in 1997, namely: (a) which are leadership development, (b) organizational development and renewal, (c) policy research, analysis and advocacy, (d) project/programme design and implementation and (e) strategic planning and management *(listing in alphabetical order).*

There are also similarities between the above and the priorities for SNGO capacity-building listed by Northern NGOs that were identified by the earlier IFCB survey of Northern NGOs, which included: Organization Development and Renewal (64%), Program Design and Implementation (61%), Leadership Development (58%), Planning and Strategic Management (58%) and Staff Development (48%).

The above indicates that, despite differences in individual rankings, there are many similarities among Northern and Southern NGOs on the appropriate priorities for capacity building. These similarities can serve as the basis for a future consensus among Northern and Southern NGOs on the collective priorities to be pursued .

G.   Expectations in Joining IFCB:

All of the NGO respondents expressed interest in joining the IFCB.

In terms of their expectations, 29% of the respondents expressed the desire to make a contribution to the network while 27% wished to join IFCB for networking purposes. A similar 27% of respondents expressed a desire to learn from other members of the network, while 17% expressed interest in human resource development

The respondents also expressed their readiness to share resources at the national and international levels with other IFCB members. These resources are listed below on a per country basis.

Table 12. Resources to be Shared by SNGO Respondents	
Country	**Resources to Share**
Malaysia	• Training in organizational capacity building and community planning for development
Philippines	• Community organizing and adult education • Gender and cooperative development • Human resource development • Linkages and information • Training programs, resource manuals, professional services
Indonesia	• Sharing of field experiences • Collaboration on common advocacy issues
Cambodia	• Experience in microfinance, credit and savings promotion • Experience in NGO institutional • Development consultancies in community-based development approaches
Vietnam	• Research reports, training methods and lessons learned in models for poverty reduction
Pakistan	• Provision of secretariat support for networking among NGO and community-based organizations • Exchange of information and experiences and financial assistance

Table 12. Resources to be Shared by SNGO Respondents (cont'd)	
Country	**Resources to Share**
Sri Lanka	• Time and experience • Training facilities and services of specialists • Project design and implementation • Experience in capacity building with local groups • Volunteer mobilization • Training center facilities and resource personnel • Information dissemination • Documentation and translation services
Bangladesh	• Technical expertise • Information dissemination • Case materials • Networking with national NGOs for sharing the experiences and exchanges of newsletters, reports and knowledge gathered from international fora
India	• Human resources expertise

IV.   CONCLUSIONS AND RECOMMENDATIONS

1.   The findings of the survey emphasize the context-specific nature of capacity-building and the reality that each organization functions in a local context, The ability of an organization to function effectively in that context provides clues about its capacity building requirements and challenges.

For example, Bangladesh and India NGOs consider fund-raising to be their number one capacity-building priority while in the case of Sri Lankan NGOs, it is program design and implementation. For Pakistan and Vietnamese NGOs, the top priority is leadership training, while for Cambodia, it is cross-sectoral collaboration.

Interestingly, the top priority of NGOs in the three ASEAN neighbor-countries of Malaysian, Indonesia and Philippines is planning and strategic management.

Despite these differences in priorities, however, Asian NGOs share a common aspiration in capacity building: this aspiration involves their common struggle to renew and redefine their identities and roles in the rapidly changing situations of their respective countries.

2.   Ninety-five percent of NGO-respondents are involved in education, making this sector the single most important program, followed by community organizing (77%) and gender awareness (72%).

Surprisingly, however, only 18% of respondents cited the presence of staff skills in training as compared to development management services (41%) and extension and community-based strategies (41%).

Given the above, building of staff skills in training may represent a priority area for capacity building of Asian NGOs

3.   More than 70% of respondent-NGOs operate at the national level, a clear indication of the increasing role of NGOs in advocacy and policy formulation.

For this reason, there is an urgent need for Asian NGOs to build their capacity for independent research, analysis of local trends and social reality and advocacy in order strengthen their positions vis-a-vis government departments, donors, academe and other agencies and influence their policies and programs.

As articulated at the earlier South and East Asian consultations, NGOs need to deepen their understanding of: (a) environmental issues, including the management of watersheds and other natural resources; (b) human rights issues, which are urgent realities in both South and East Asian countries; and (c) Asian ethnic, minority and religious traditions and how these can be used to develop the capacities of organizations and leaders.

5.   Some 54% of respondent-NGOs are working with children, making them the fourth most important sector. This current emphasis on children reflects the growing concern for the condition of street children, which has worsened over the years because of the hyper-urbanization of Asian cities.

Given the difficulties of working with street children, particularly in terms of generating lasting impact among the members of this target group, it may be important to conduct a study to identify "state-of-the-art", viable capacity-building approaches being implemented by Asian NGOs working in this sector.

6.   A similar recommendation is proposed for the indigenous peoples sector and sustainable agriculture programs.

Nearly half (49%) of respondent-NGOs are involved in work among indigenous peoples, while 67% are involved in sustainable agriculture, making this the fourth most important program of Asian NGOs.

The growing interest in indigenous peoples and sustainable agriculture is due to the increasing priority received in recent years by environmental issues, particularly the reforestation of upland areas and the protection of watershed areas, the ancestral domains of indigenous peoples.

7.   Because of the importance of funding, an inventory of successful NGO efforts at internal funds generation should be undertaken. This inventory should include successful efforts at NGO-managed small enterprise activities, NGO-government contracts, build-up of endowment funds and others. The inventory should also include a case study on the efforts of Asian NGOs at public fundraising.

8.   Finally, a study should be conducted to assess experience of NGOs in undertaking government contracts. The study is extremely important because of the emergence of government contracts as a major source of funds for NGOs in recent years.

At the same time, anecdotal evidence suggests that, in many instances, NGO-government contracting relationships have not been as fruitful as initially expected. According to Quizon, for example, in cases where NGOs are subcontracted only for specific project components and are subjected to rigid control, their tendency is either to: (a) withdraw at a later stage from the project, or (b) engage in varied forms of self-selection, that is by participating in the project based on other interests, such as, funding, contacts, etc.