

With reference to non-governmental organizations, the NCS has this to say: 'Nine of the 14 NCS programme areas rely on community organizations for their implementation, while a tenth (supporting institutions for common resources) can only be implemented by community organizations, supported by catalytic agencies. This entails carefully working out the institutional arrangements by which the catalytic agencies are supported.... NGOs registered under the laws of Pakistan [are expected to be] supported by Federal, provincial and local governments to aid in the creation of grassroots institutions for common resources... The Federal Government is envisaged as formulating policy guidelines, making financial allocations, and providing an enabling framework. Provincial governments are expected to direct line-department collaboration with community organizations. Local bodies are expected to consult community organizations in the preparation of district development plans. NGOs have a critical role to play in the creation of community organizations... Financial arrangements envisaged include initial subsidies from EUAD, the Trust for Voluntary organizations, provincial pools for NGOs and sector development funds. These community organizations should also be allowed to raise funds from domestic and international donors...'

The National Conservation Strategy, therefore, places a great deal of responsibility on NGOs and 'community organizations' for its implementation. It implies (but does not explicitly state) that many new community organizations will have to be created in the process. The following sections of this paper analyze the strengths and weaknesses of the current NGO community in Pakistan, and the mechanisms that exist to support and strengthen it. The first part of the paper is particularly concerned with the multiplicity of new support mechanisms and with the confusion this is creating among NGOs. The analysis of the NGO community is followed in Part Two by explicit recommendations for IUCN action, and by recommendations for rationalizing the donor approach. Some of the recommendations go beyond IUCN, and have much wider ramifications for the approaches taken by government, donors and NGO support organizations.

3. NGOS IN PAKISTAN

3.1 A Brief Overview

At first glance, the literature on NGOs in Pakistan seems limited. There is, however, a growing library of studies and reports, most of them conducted by bilateral and multilateral donor agencies. Currently, the most comprehensive survey available is a 1991 study conducted by UNDP in collaboration with the CIDA-funded Small Projects Office (SPO).

Based on government records, donor and NGO lists, and on direct contacts with NGOs themselves, the study found a total of 4,833 organizations. Of these, 2,714 were located in Punjab, 1,743 in Sindh, 213 in Balochistan and 163 in NWFP. (Upon closer investigation, it was found that approximately 10% of the registered NGOs had actually ceased to exist.)

The study found that the bulk of Pakistani NGOs are an urban phenomenon. While 72% of the country's population lives in rural areas, almost 71% of the NGOs surveyed were urban-based. The study also found that the development of NGOs is essentially a recent phenomenon in Pakistan. Over 62% of registered NGOs were formed between 1972 and 1991. More than half the NGOs surveyed worked at the community level, while a further 28% operated at the tehsil and district levels. Only 5% regarded themselves as being national

in scope. A more detailed survey found that on average, each NGO employed 6.7 full-time staff, 1.02 part-time staff and about 65 volunteer workers¹.

Although the emphasis was different from province to province, the study found that primary NGO programme areas were health (39.1%), women's development (38.8%), basic education (17.1%) and child development (15.2%). Adult education, sports and recreation, formal education and community development ranged in the area of 12% each, and a wide variety of additional interests (family planning, drug rehabilitation, handicrafts, water supply, sanitation and income generation) represented 5% or less.

During a more detailed study of 619 NGOs, over 53% indicated an annual 1989-90 income of less than Rs 50,000 (\$2,000) and almost 90% reported incomes of less than Rs 300,000 (\$12,000).²

What the study underlines is Pakistan's strong voluntary ethic, exemplified by the vast array of NGOs - probably 3000 registered and functioning, and an unknown number of non-registered groups - estimated by some at another three or four thousand. Most of these organizations are young, very small, and highly welfare-oriented. For the sake of ease, these single-community organizations are distinguished in this report from larger NGOs by the title 'community-based organization' (CBO).

3.2 Large and Mid-Size NGOs

In addition to the thousands of CBOs, Pakistan has a range of mid-size and larger NGOs. The Aga Khan Foundation and the Aga Khan Rural Support Programme, are among the largest. The Edhi Foundation, which provides health care and hospital services in urban areas is another. The Orangi Pilot Project, founded by Akhtar Hameed Khan, works in the slums of Karachi. A relative newcomer is the Sarhad Rural Support Corporation (SRSC), which is replicating elements of AKRSP in NWFP. In addition, but beyond the scope of this study are a growing number of non-profit bodies and service delivery institutions in the fields of health (hospitals, cancer society, etc), education (private and/or non profit schools), labour organizations and professional associations.

Between the large and relatively well-supported development organizations and what might be referred to as 'mid-level' NGOs, there is a wide gap in size and budget.

With apologies to those that might have been overlooked, a relatively complete (but purely arbitrary) list of these mid-size NGOs would include:

- All Pakistan Women's Association (APWA)
- Aurat Foundation
- Baanhn Beli
- Behbood

¹ Most Pakistanis familiar with small NGOs regard these figures as highly inflated. Some of the most prominent 'mid-sized' NGO's employ only two or three people on a full-time basis, and some have no employees whatsoever.

² This alone would tend to invalidate the average of 6.7 full-time employees, unless they are being paid starvation wages.

Environmental Protection Society of Pakistan (EPSOP)
 Family Planning Association of Pakistan (FPAP)
 Karachi Administrative Women's Welfare Society (KAWSS)
 Pakistan Institute for Labour Education and Research (PILER)
 Pakistan Voluntary Health and Nutrition Association (PAVNA)
 Rural Development Foundation
 SHEHRI:CBE (Citizens for a Better Environment)
 Society for the Advancement of Education (SAHE)
 Shirkat Gah
 Sindh Rural Workers Cooperative
 Sungi Development Foundation
 Teachers' Resource Centre
 World Wide Fund for Nature

Although a handful of these organizations - such as APWA and FPAP - are older and larger than most, the majority have been formed in the past seven or eight years, most have urban-based programmes and most have annual budgets of considerably less than Rs.2.5 million (\$100,000)³.

Not included in this list are coordinating bodies such as the NGO Coordinating Committee (NGOCC) which deals with family planning projects, or the NGO Resource Centre (NGORC), which is currently a project of the Aga Khan Foundation. These bodies, as well as the Trust for Voluntary Organizations (TVO) and international NGO support mechanisms such as the CIDA-supported Small Projects Office (SPO) and the South Asia Partnership (SAP), are dealt with in a separate section.

3.3 A Typology of NGOs

There are almost as many ways to categorize NGOs as there are NGOs. Among donor agencies, the search for definitions seems to take on a life of its own. Basically, however, a widely-accepted typology developed by David Korten describes both the types of NGO found in most countries, and their evolution. Korten describes three generations of NGO. The first generation focuses mainly on relief and welfare. Second generation NGOs are concerned mainly with community development. Third generation NGOs focus on longer-range 'sustainable systems development', realizing that 'they need to exert greater leadership in addressing dysfunctional aspects of the policy and institutional setting of the villages and sectors within which they work.'⁴ Because third generation strategies depend on positioning an NGO's limited resources in order to leverage systems that may control many times the amount of its own resources, they imply a need for well developed capacities in strategic management.

With a few exceptions falling into the second generation category, virtually all of Pakistan's

³ A further list of very small or very new NGOs which have the potential to become 'mid sized' would include the Pakistan Institute of Environmental Development Action Research (PIEDAR), the Pakistan Environmental Protection Foundation (PEPF), the Society for the Conservation and Protection of the Environment (SCOPE), The Margalla Hills Society, the Gunyar Youth Welfare Society and number of others.

⁴ Korten, David, 'Third Generation NGO Strategies: A Key to People-Centered Development', *World Development*, Autumn, 1987.

CBOs can be described as first generation NGOs, concentrating largely on welfare activities. The larger and mid-size NGOs fall mainly into the second generation category (community development), although some have moved into the field of sustainable systems development.

3.4 The Evolution of NGOs in Pakistan

For those interested in Pakistani NGOs, a description and typology is perhaps less useful than a discussion of the evolution of NGOs, because today's description is simply a snapshot of a moving subject. The subject has changed considerably over the past few years, and will likely change even more in the coming five years.

The Underdevelopment of NGOs in Pakistan

As recently as 1988, there were few NGOs, regardless of size or age, with what could be termed an 'acceptable' level of management skills, planning ability and financial control. There were perhaps fewer than a dozen with the skills usually deemed acceptable by international funding agencies.⁵ Several reasons were suggested by NGOs themselves:

- Pakistan's 'feudal society', where welfare and reliance on 'help from above' were the established order;
- 'stagnant leadership': the creation and domination of an NGO by a single strong personality;
- a climate in which working for an NGO was not regarded as an honourable or worthy profession;
- a government attitude characterized by apathy at best, and sometimes by obstruction and hostility;
- isolation from the international NGO community: Northern NGOs have almost unanimously bypassed Pakistan on their way to Bangladesh, the Philippines and Indonesia, and Pakistani NGOs had little contact with their counterparts in other countries of Asia.

Changes Since 1988

Since 1988 there have been a number of significant changes in the NGO community and the external environment:

- Martial law government ended in 1989, and there have been two elections (i.e. three governments in a four year period). This, along with reduced government budgets, diminishing government effectiveness in the social sector and changing donor priorities and pressures, have created a new and more positive

⁵ Smillie, Ian, 'A Pakistani resource Centre for NGO's, AKF Pakistan/AKF Canada, 1988

official climate for NGOs;

- various NGO-oriented donor initiatives have been put in place or have become more effective since 1988, making more money and training available to the NGO community.
- as a result of changing attitudes and more resources, several new mid-size NGOs have emerged. Many of those that were relatively new in 1988 have grown and matured in capacity and confidence;
- the Pakistani NGO community still remains isolated from the broader international NGO community. Although there are growing South-South contacts, these are still much more limited than is the case in other South Asian countries. And the absence of Northern NGOs in Pakistan is striking in comparison to what prevails in most countries of the region.

4. SUPPORT MECHANISMS FOR PAKISTANI NGOS

There is a wide and growing range of mechanisms for support to NGOs in Pakistan, including the embassy-administered funds of Canada, Switzerland, Japan, the Netherlands, Australia and others. USAID was instrumental in establishing the Trust for Voluntary Organizations (TVO) and has supported many NGO family planning initiatives through the NGO Coordinating Council (NGOCC). Some donors have, in addition to their embassy funds and small grants programmes, supported larger NGOs directly, with one-off bilateral-type grants. Among these are USAID, the Netherlands, NORAD, CIDA and ODA.

This section of the report describes some of the formal mechanisms now in place for providing support to Pakistani NGOs.

4.1 The Trust for Voluntary Organizations

The Trust for Voluntary Organizations (TVO) began life in a 1987 USAID proposal to 'institutionalize an indigenous "neutral" grant-making capacity outside the GoP.. [and] to strengthen the programming and monitoring capabilities of NGOs'.⁶ The original plan - to find a Pakistani contractor to implement the \$30 million program under a joint GoP/USAID/NGO Policy Board - underwent a number of transitions in the ensuing years. The most significant change occurred when USAID withdrew from Pakistan in 1991, but not before capitalizing what had become known as the Trust for Voluntary Organizations with the anticipated \$30 million through a debt swap.

TVO focuses its activities on three sectors:

- human resource development;
- women in development;
- community health.

⁶ 'Program Assistance Approval Document, USAID, SDF', August, 1987

Based in Islamabad, TVO intends to identify and replicate innovative programmes in each of these sectors where it will:

- build on, or supplement existing programmes and seek to maximize use of existing facilities by as wide a proportion of local communities as possible;
- provide support only to non-partisan, professionally managed programmes with proper management and financial accountability;
- provide support for programmes which seek to build the capacity of local communities to undertake programme activities;
- give priority to regions which have been neglected by previous government-sponsored or NGO development programmes.

TVO is currently completing an NGO accreditation exercise, aimed at separating legitimate development organizations with a demonstrable record, from others. As of mid-May, 1992, it had received 131 applications for accreditation, and accepted 13 of them. An estimated 20 others were in the pipeline at the time. TVO expects to provide support to approximately 10 projects implemented by mid-sized NGOs each year.

4.2 The Small Projects Office

The Small Projects Office (SPO) is a CIDA initiative which began in 1988 as part of a 'Social Sector Fund Project' financed through the monetization of CIDA inputs to Pakistan's energy sector. SPO was originally viewed as a grant-making body which would also assist NGOs with organizational development, largely in the form of training in project design, financial control procedures, strategic planning and - through third-parties - sectoral training in technical areas such as water, sanitation and family planning. Grants and other policy matters are reviewed and approved by a Joint Committee consisting of two representatives appointed by the Government of Pakistan and two appointed by the Canadian High Commission.

SPO was established as a five-year project (to June, 1993), however a mid-term evaluation conducted in 1990 led to a change in the Canadian Executing Agency and a number of subsequent alterations in direction and emphasis. SPO now focuses its efforts almost exclusively on community-based organizations (CBOs) in rural areas. It has significantly de-emphasized its role as a funding agency, and has concentrated much more on its capacity-building efforts, with an emphasis on planning, management, community participation, women in development and information-sharing.

In addition to its Head Office and Resource Centre in Islamabad, SPO has recently established regional centres in Hyderabad, Lahore, Peshawar and Quetta. It has a staff of 41, of whom 21 are based in the sub-offices. In conjunction with UNDP, it has established an NGO data base on 5500 Pakistani organizations, and has a list of 90 consultants available for work relating to or for NGOs. Up to the end of March, 1992, it had provided funding to 84 projects in all, committing a total of Rs.22 million. Although the projects range in size, the average is roughly \$10,000. During the first quarter of 1992, nine projects were approved: 2 income generation, 2 education, 1 water supply, 2 bridges/road projects; 2 health service

projects. During the same period, it provided advisory services to 100 NGOs through consultancies or visits to SPO offices.

It has recently been decided that SPO should become a registered Pakistani NGO, governed by an independent Board of Trustees. Steps will be taken during the coming months to alter its legal and administrative status in order to allow this to happen. Its future emphasis is viewed largely as a consolidation of past experience: capacity-building among rural CBOs, with project funding, training and resource support all targeted to support this capacity building.

4.3 The NGO Resource Centre

The NGO Resource Centre (NGORC) began as a project (called the 'NGO Support Project') of the Aga Khan Foundation, aimed at testing the need for and an ability to provide capacity-building in management and resource mobilization among CBOs. It also aimed to provide access to information and to key institutions influencing and controlling NGO-related policy.

The project began in 1990, concentrating on a limited number of activities in a well-defined urban area of Karachi South. Of 58 NGOs listed in the area, 37 were found to be active. Of these, 33 expressed a willingness to work with the project. The project provided training, helped to build networks within the community, and conducted specialized studies on the environment in which CBOs function.

Initial findings were revealing. Among the CBOs there were very different and observable categories: welfare organizations; newer, project-oriented youth groups; and some that had organized to challenge the status quo on issues such as poor sewerage and the non-availability of clean drinking water. The project found that 'training' *per se* was a misnomer. In fact there are now so many training programmes offered to NGOs that some could spend the whole year moving from one workshop to another. It was discovered that training - both formal and informal - had to be an integral part of an overall approach to awareness, networking, information exchange, interpersonal skill development, and dealing with problems such as dysfunctional communication, insecurity and leadership development.

A study which formed part of the pilot phase discovered that 50% of a sample of registered NGOs had very limited knowledge of the acts under which they were registered. The study also found a broad lack of coherence among the various laws governing NGOs and a sheer lack of NGO-oriented policy in the first place.

The first two years of the experimental phase have validated the approach, and it is anticipated that the NGORC may become a full-fledged independent NGO in its own right in the next year or so. It is also expected that its programmes will be expanded beyond the initial pilot area in Karachi, to include both rural areas and other urban centres in Pakistan

4.4 The South Asia Partnership

SAP is a network of participatory-development-supporting organizations operating under the

same name and purposes in Canada and five South Asian countries, including Pakistan. SAP Pakistan became fully functional as a registered Pakistani NGO in 1989 with the aim of providing project support for sustainable development among Pakistani NGOs; capacity building; and the development of partnerships between participatory NGOs in Pakistan, Canada and other countries in South Asia.

Like SPO, SAP Pakistan has de-emphasized its project funding mandate, focusing to a large extent on training and capacity building among community-based NGOs. Critical of the 'value-free' support provided by others, SAP seeks out activists and works with NGOs that have a social action agenda. Over the past two years it has worked with over 70 CBOs, mostly providing training, networking and workshop support. SAP's mandate is nation-wide. It works from a seven-person office in Lahore. Over the past five years, total SAP programme spending has been approximately Can \$600,000. Annual spending levels are expected to grow by a factor of approximately three over the next three years.

A third Canadian initiative, supported by CIDA, the 'Social Institutions Development Programme' (SIDP), is aimed at supporting larger service organizations and professional institutions. The SIDP is currently in the formative stage, with an exploratory/feasibility study to be conducted under the auspices of the Aga Khan Foundation Canada in mid 1992.

4.5 United Nations Agencies

Since the mid 1980s, UNICEF, UNFPA, and UNIFEM have supported a range of small NGO activities in Pakistan. More recently, and after several years of cautious study in Pakistan, UNDP appears to be taking the lead role among UN agencies with respect to explicit NGO activities. UNDP's work with NGOs stems from a 1986 policy directive which aimed at 'promoting community-based grass-roots approaches to development and expanding collaboration with NGOs.'⁷ Since then, it has initiated a 13-country 'Africa 2000 Network' (1987), a 'Partners in Development Programme' (1988) and a five-country urban environmental programme called 'Asia/Pacific 2000' (1992), which is currently being implemented in Pakistan, providing support to six NGO urban-based environmental projects. In addition, in Pakistan UNDP supported the development and publication of an NGO study⁸ and the creation of an NGO data base in conjunction with SPO.

UNDP's most recent initiative is a Small Grants Programme in connection with the Global Environment Facility (GEF) implemented by the World Bank, UNDP and UNEP. The Small Grants Programme (SGP) is a three-year pilot 'to provide support for, monitor and evaluate small-scale projects by community groups and NGOs as a means of identifying approaches and strategies that could reduce threats to the global environment if replicated successfully over time on a large scale.'⁹ Pakistan is one of the 17 countries tentatively selected for a project fund of \$250,000, to be distributed in small grants ranging between \$1000 and \$50,000 over a two or three year period. It is envisaged that the fund will be administered in

⁷ 'Sample Survey of Non-Governmental Organization in Pakistan', 1988.

⁸ 'NGOs Working for Others; A Contribution to Human Development', UNDP, Islamabad, 1991

⁹ GEF 'Announcement', Final Draft, November, UNDP, 1991

some countries by a local NGO and a national selection committee, and in others by a part-time national coordinator and a secretary.

It is worth noting that there is considerable international NGO opposition to the GEF. This was echoed in a statement issued following a 1992 NGO consultation on the GEF in Pakistan. The concern is that the GEF is 'an initiative of a small group of northern countries who arrogated to themselves the function of defining the "global" agenda outside the UN covenants and sanctions. It was therefore arbitrary and undemocratic... While the North is the author of the world's environmental crises, it is pretending to be the world's saviour through creating funds like GEF which demand environmentally sound practises on the part of the South.'¹⁰

4.6 The European Community

The European Community (EC) mounted a mission to Pakistan in April 1992 to develop a 'population welfare programme' which was expected to have two components. The first would be the improvement of the delivery of maternal and child health care (MCH) and family planning (FP) services in city outskirts and rural areas through NGOs (and perhaps private practitioners). The second component would 'stimulate the development and the overall capabilities of local communities, NGOs and women's associations, so that the private non-profit making sector in Pakistan becomes an increasingly important actor in both the social and economic development of the country..¹¹

It was envisaged that the programmes would be operated through the NGO Coordinating Council (NGOCC), and that 'external NGOs and large local NGOs' would act as intermediaries between small local NGOs and the NGOCC.¹² Project activities would include the upgrading and/or creation of clinics and MCH centres, training of NGO staff and community health workers, increasing village awareness, the distribution through NGOs of medicines, vaccines and contraceptives.

At the time of writing, it was not known what the April 1992 mission had recommended, however the indicative figures in their Terms of Reference envisaged a budget of 15-20 million ECU (US \$19-26 million) over a four to five year period.

4.7 The Role of Government

Government attitude towards NGOs in Pakistan has varied over the years. At times it has been cautious or even suspicious, at times open and supportive. During the 1970s and 1980s,

¹⁰ Report of the Two Day Consultation on 'An NGJO Response to the Global Environment Facility', April 26-27, 1992, Islamabad

¹¹ Terms of Reference for a Population Welfare Programme Through the Private Sector in Pakistan', EC, 1992

¹² The NGOCC, jointly funded by government and donor agencies, was established in 1985 to work with NGOs in the field of population and family planning. Governed by a council made up of government and NGO representatives, it aims to identify, encourage and train NGOs in population-related areas. It also reviews, approves and evaluates programmes proposed by NGOs for funding from local and internal sources. The NGOCC has in recent years experienced funding problems and, according to some Pakistani NGOs, has become a government-led gatekeeper and a competitor with the NGOs it seeks to support.

the government operated a grants-in-aid programme which provided one-time financial assistance to community-based organizations. Although the amounts were small, often only a few thousand rupees, it is thought that the mushrooming of new CBOs during this period was at least a partial response to the availability of government funds. The Sixth and Seventh Five Year Plans (from 1983 onward) provided funding for a variety of NGO activities, including women's organizations and legal aid societies.

Currently, much greater governmental encouragement of and support for NGOs exists in Pakistan than has ever been the case. There are perhaps three key reasons for this, among many. One is the change to an elected government which is much more positive about the place of NGOs in society. The second has to do with a growing recognition that government can no longer be expected to handle all aspects of development. This realization accompanies declining effectiveness of governmental institutions throughout the country, and widespread growth of both profit and non-profit institutions providing basic health care and education.

The third reason is related to economic performance and a gloomy aid outlook. Pakistan's worsening macro-economic situation is reflected in a balance of payments deficit of \$2.5 billion and a budget deficit in 1990-91 that represented 8.8% of GDP.¹³ The government agreed with the IMF that it would balance the books by the end of 1992-93. Reviewing the 1992-93 budget, however, one editorial commentator noted that while an estimated Rs.190 billion was required for health, education, housing and clean drinking water, only Rs.11.5 billion had been allocated for the next three years to the much-heralded Social Action Plan.¹⁴ Regarding development assistance, the 1992 Aid Consortium meeting made an indicative commitment of \$2.3 billion which, with USAID subtracted, is lower in real terms than what was provided in 1987-88. The new commitments were made, however, contingent on governmental allocations to and performance in the social sectors. The Consortium allocated \$500 million for these areas, requiring a matching contribution by the government.

As far as NGOs are concerned, a variety of new government support mechanisms are emerging. A Youth Development Fund of Rs.5 million has been announced for NGOs. Recently a much larger phenomenon has emerged, the *Bait ul Maal*, an Islamic Welfare trust. *Bait ul Maal* is operated by government on the proceeds derived from *zakat*. According to the Seventh Five Year Plan, 'Social Welfare in Islam is not merely a charitable activity; it is obligatory in character. The basic purpose of *zakat*... the instrument for compulsory deduction from savings and stocks in trade, is to divert wealth from the rich to the poor.'¹⁵ *Bait ul Maal* is still in the formative stages, without established systems or offices. It is reported, however, to have distributed as much as Rs.200 million in the current year, much of it to small, community-based welfare organizations.

Under the NCS, government has established another fund for NGO activities. Set at Rs.1.5 million for the year ending June 30, 1992, it is expected to rise to Rs.30 million in the following year. Criteria and guidelines have not yet been established, but this fund is expected to have a much greater development focus than others.

¹³ Dawn, May 11, 1992. The planned budget deficit for 1991-2 was Rs. 59.1 billion, but it is estimated in fact at Rs. 79 billion. The planned budget deficit for 1992-93 is Rs. 65 billion (Frontier Post, May 15, 1992).

¹⁴ 'New Budget Conceals Explosive Deficit', Dr. Akmal Hussain, *Frontier Pos*, May 15, 1992

¹⁵ Seventh Five Year Plan, GOP, pg. 373