

Chapter 6

International NGOs

6.1 Australia has in place a range of measures to protect funds, ensure accountability and reduce the risks associated with delivering assistance to Afghanistan. One such measure is using trusted partners including the World Bank and UN agencies. The committee has discussed at length Australia's use of the ARTF managed through the World Bank. Australian agencies funding development assistance also work with NGOs because of their 'strong in-country presence, long term experience and demonstrated effectiveness in Afghanistan'.¹ Between 2009–10 and 2011–12, 13.6 per cent of AusAID's bilateral program to Afghanistan was channelled through NGOs.²

6.2 In this chapter, the committee considers Australian aid funding to Afghanistan delivered through multilateral organisations but in particular through NGOs.

International agencies

6.3 During the years immediately following 2001, Australia did not have a permanent presence in Afghanistan and provided aid as part of a coordinated international effort. Australia's approach was to use multilateral agencies and NGOs as primary delivery mechanisms.³

Multilateral organisations

6.4 Because of perceived advantages, Australia adopted the practice of funding multilateral agencies and NGOs to deliver aid. For example, the Australian Centre for International Agricultural Research (ACIAR) recognised the many benefits to be gained from partnering with multilateral organisations to deliver development assistance especially to a country such as Afghanistan. It informed the committee that ACIAR works with the Consultative Group on International Agricultural Research, which includes 15 international research bodies. The 15 centres work multilaterally for international development through agricultural research and are dedicated to reducing poverty, increasing food security, improving human health and nutrition and ensuring sustainable management of natural resources.⁴

1 AusAID, *Australia's strategic approach to aid in Afghanistan 2010-2012*, December 2010, p. 17.

2 AusAID answer to written question on notice no. 3. Professor Howes noted that in general NGOs make up about 10 per cent of the Australian aid program but he and his colleague, Mr Pryke, had seen figures suggesting that 23% of the Afghanistan aid program goes through NGOs (9% to the International Red Cross, 14% to Australian and national NGOs in 2009 according to ACFID), *Submission 14*, p. 13.

3 AusAID, *Annual Report 2002–2003*, p. 64. For detail on projects see paragraphs 3.22–3.25; AusAID, *Annual Report 2004–2005*, p. 87 and AusAID, *Annual Report 2005–06*, pp. 93–94.

4 *Committee Hansard*, 3 December 2012, p. 31.

6.5 One such centre—the International Center for Agriculture Research in Dry Areas (ICARDA)—works closely with Afghanistan's Ministry of Agriculture, Irrigation and Livestock through collaborative projects in several provinces.⁵ For over a decade, the centre has been active in helping to rebuild agriculture in Afghanistan. In 2002, it started rehabilitating agricultural research stations in Kabul, Baghlan, Konduz, Takhalm and Galalabad.⁶

6.6 Importantly, the consortium is able to draw on an extensive pool of international researchers whose expertise relates directly to the challenges confronting Afghan farmers. As noted above, another reason for using such a centre is its access to existing infrastructure in Afghanistan which helps to reduce transaction costs. Dr Simon Hearn, ACIAR, explained:

If we did not have a partnership like that, then the transaction costs for doing research would be a lot higher and, on a budget of this particular size—this year it is anticipated to be \$4 million in research—you want to minimise your transaction costs and get as much as you can into the research aspect.⁷

6.7 According to his colleague, Dr John Dixon, ICARDA has offices in Afghanistan and quite a large staff and are very well-positioned to manage projects in that country.⁸

6.8 Providing support for food relief through the World Food Programme is another example of AusAID's use of multilaterals. AusAID funds are pooled with contributions from other donors including Japan, United Kingdom and Canada to reach more people in need. This programme aligns with Australia's aid policy commitment to make greater use of multilateral partners with proven track records. In 2012, the *Australian Multilateral Assessment*, which produces a report on the effectiveness of Australia's multilateral partners, ranked the program as 'one of the most effective recipients of Australian aid funding'.⁹

6.9 Although one of the arguments in favour of channelling aid through multinational organisations is that it reduces transaction costs, the matter of significant overhead costs remain. The Joint Submission from Save the Children, Oxfam and World Vision noted that the Australian government should evaluate the cost-

5 CGIAR website, <http://www.cgiar.org/who-we-are/> and <http://www.cgiar.org/cgiar-consortium/research-centers/international-center-for-agricultural-research-in-the-dry-areas-icarda/>

6 Adel-El-Beltagy, Director General, ICARDA, Transcript, The Robert S. McNamara Seminar: Agriculture, Growth and Human Security, the Role of Agriculture and Agricultural Research in Generating Growth and Post Disaster Reconstruction, 2 July 2003, p. 28.

7 *Committee Hansard*, 3 December 2012, p. 33.

8 *Committee Hansard*, 3 December 2012, p. 32.

9 AusAID, *Annual Report 2011–2012*, p. 115. The Australian Multilateral Assessment has developed a multilateral rating system designed to assess a number of multilateral organisations in relation to poverty orientation and effect; capacity to make a difference; value for money; and alignment with Australia's development objectives.

effectiveness of channelling aid through multilateral organisations given that they charge significant overheads and then usually sub-contract projects to international or national NGOs who also need to cover their operating expenditure.¹⁰

6.10 In this regard, the *Australian Multilateral Assessment* found that the lowest ratings for organisations under its review were in relation to ‘cost and value consciousness’—an area where it found the least amount of evidence available. This assessment, which considered 42 multilateral organisations against an assessment framework, observed that:

...a focus on cost effectiveness, a critical element in ensuring value for money, is not a high priority for most multilateral organisations, their governing bodies or donors.

6.11 The Assessment indicated that there was scope for greater attention to ensure value for money, particularly in relation to cost effectiveness.¹¹

NGOs

6.12 NGOs also have a critical role in the effective delivery of aid and in humanitarian assistance because of their experience in countries affected by conflict and/or natural disasters; their expertise in relief and recovery efforts; and ability to draw on international resources.¹² Some NGOs not only have extensive experience and established facilities in countries such as Afghanistan but have personal networks with local groups that help them provide assistance more effectively. Mr Melville Fernandez noted that NGOs such as Caritas have a long-term presence in Afghanistan and are highly regarded for their close relationships with Afghan communities in both rural and urban areas. Indeed, Caritas' partner agencies have been in Afghanistan for 28 years and ran programs during the Taliban ascendancy.

6.13 Based on this level of engagement, such aid agencies have a deep awareness of the difficulties in delivering aid and a wealth of experience in how to negotiate successfully in demanding and complex circumstances.¹³ CARE Australia also referred to its longstanding work in Afghanistan, which provides the organisation with valuable insights into the broader issues and challenges facing both the Afghan Government and the international community as they plan for the future. It also mentioned its strong ties to the communities and to government.¹⁴ Save the Children has been operating in Afghanistan since 1976, Oxfam for three decades and World Vision for over ten years. All three NGOs work with local partners and communities to help Afghans improve their lives and help them overcome poverty.¹⁵

10 *Submission 6*, p. 16.

11 AusAID, *Australian Multilateral Assessment*, March 2012, p. xiv, <http://www.ausaid.gov.au/partner/Documents/ama-full-report.pdf> (accessed 5 February 2013).

12 *Committee Hansard*, 4 December 2012, p. 50 and *Submission 14*, p. 13.

13 *Committee Hansard*, 4 December 2012, p. 53. See also paragraph 10.38.

14 *Submission 15*, p. 10.

15 *Submission 6*, pp. 4–5.

6.14 In Afghanistan, multilateral organisations and NGOs are well placed to encourage Afghan ownership, help minimise duplication, take advantage of their on-the-ground infrastructure and mobilise and coordinate donor resources for humanitarian crises.¹⁶

Partnerships with the Afghan Government

6.15 The 2012 TLO report noted that some respondents criticised the Australian policy of directing development assistance through Afghan Government institutions, because, in their view, the government was 'unable to manage these sums correctly.'¹⁷

6.16 The committee has referred to the severe capacity constraints within Afghanistan, including within the ministries and their departments, that generate difficulties for the delivery of even the most basic of services. It has also noted, however, the strong partnerships that some international NGOs have established with the Afghan Government that are vital to the delivery of front-line services such as education and health through the NSP. The committee now considers this relationship in greater depth.

6.17 Mr de Groot, Caritas Australia, highlighted the risk to political stability should the government fail to deliver essential services. He noted the critical importance of the donor community's support for the development and delivery of basic services in well-coordinated ways, through both government and bilateral partners.¹⁸ According to Mr de Groot, the reality on the ground is that the Afghan Government, and Afghan civil society more generally, often lack the capacity and the resources to meet the development challenge.¹⁹ He stated:

One of the most challenging aspects for NGOs in Afghanistan is striking the right balance between recognising the need to support capacity building for the Afghan government and local NGOs, and the imperative of ensuring high-quality services and their provision through international NGOs that have an established track record in-country.²⁰

6.18 In his view, one way to help the government deliver essential services, particularly in health and education, was through partnerships between communities, civil society, government, donors and NGOs. In other words, NGOs supporting direct service delivery to communities to provide education opportunities for young Afghans and health services for all.²¹ For example, Caritas works through its network partners

16 AusAID, *Annual Report 2001–2002*, p. 90; AusAID, *Annual Report 2002–2003*, p. 64; and Statement by the Hon. Alexander Downer MP, Minister for Foreign Affairs, 'Australia's Overseas Aid Program 2002–03', 14 May 2002.

17 *Uruzgan: 18 months after the Dutch/Australian Leadership Handover*, A TLO Provincial Profile, April 2012, p. 13.

18 *Committee Hansard*, 4 December 2012, p. 49.

19 *Committee Hansard*, 4 December 2012, p. 49.

20 *Committee Hansard*, 4 December 2012, p. 49.

21 *Committee Hansard*, 4 December 2012, p. 49.

to deliver a number of health and education programs jointly with the government that have produced successful results. The community based education and the Basic Package of Health Care Services (BPHS) exemplify the partnership approach and demonstrate the valuable role of NGOs in supporting government agencies to assume the management of services with the support and involvement of communities.²²

Delivering education services

6.19 Mr Poulter, Care Australia, explained to the committee that it was often easy to underestimate the strength of communities in Afghanistan and the role they can play. He also cited the community based education program, which has been running effectively over the last few years. The ministry of education had demonstrated an interest in both policy and practice and, with CARE's support, had developed relevant policies and established a community based education unit. Mr Poulter explained that CARE was just one of the organisations able to assist the Afghan Government to build frameworks, put in place practical means to implement policy, and then, down the track, hand programs over to the government so that it could run, sustain and even expand them.²³

6.20 Mr Leahy also referred to CARE Australia's experience in supporting community based education. He noted, however, that the move to budget support, pushed by the donor community, had resulted in some set-backs to the community based education program:

A couple of years ago, the US government decided to discontinue funding to a consortium of NGOs that involved CARE around community based education and, as consequence, we were requested to transition a number of the community based education schools that were under our support—around 600 of them—across to the government. Of those, approximately 200 disappeared very quickly because the government was not in a position to be able to manage them.²⁴

6.21 He noted that the lesson to be drawn from this experience highlighted the need to pace and manage carefully the transition so that it was in step with the government's capacity to take over the direct delivery of services.²⁵

Delivering health services

6.22 The *2011 Independent Review of Aid Effectiveness* found evidence of NGOs in Afghanistan delivering the bulk of health services in many provinces, often on behalf of the Government of Afghanistan.²⁶ It was impressed with the improvements

22 *Submission 10*, p. 1 and *Committee Hansard*, 4 December 2012, p. 50.

23 *Committee Hansard*, 4 December 2012, p. 40.

24 *Committee Hansard*, 4 December 2012, p. 35.

25 *Committee Hansard*, 4 December 2012, p. 35.

26 *Independent Review of Aid Effectiveness*, April 2011, p. 206.

in health in Afghanistan achieved by the government including and working through NGOs.²⁷

6.23 As noted in the previous chapter, the Basic Package of Health Services, which is community focused, has proven successful. Mr Fernandez explained that this program builds the capacity of government service providers, who work in partnership with communities, civil society donors and NGOs—an approach known to be efficient and effective. He explained:

As a result of this Cordaid project health care is available in all the seven districts of Uruzgan, including remote and insecure areas, and the number of clinics has grown in eight years from 13 to 21. BPHS is currently being delivered by contract with non-governmental organisations in 31 of the 34 provinces of Afghanistan and has led to recent health improvements.²⁸

6.24 Professor Howes and Mr Pryke were of the view that overall, and consistent with international evidence, it would seem that the NGOs 'do a good job in delivering health and education services'.²⁹ Professor Howes explained that the Afghan Government recognised that, while basic health and education policy was a matter for government, the delivery of such services was beyond its capacity. He noted that it made sense for the government to turn to NGOs to help deliver health and education services and had decided wisely to do so, especially health services. Professor Howes made clear that engaging NGOs in this way 'is not seen as bypassing government; it is done with the cooperation of government'. In his view it has worked well—NGOs deliver aid more effectively than government would and are less corrupt. While acknowledging that they are not without problems, he argued that they are able to do a better job of getting services out beyond the capital city.³⁰

Strategic use of NGOs

6.25 According to Professor Howes, Australia uses NGOs in Afghanistan in a more strategic way to deliver essential services, in particular in health and education. He and his colleague, Mr Pryke, described Australia's reliance on non-government organisations as a positive feature of the Australian aid program in Afghanistan. Indeed, Professor Howes identified support for NGOs as one of Australia's success stories which in his view should be built on.³¹

6.26 Many witnesses referred to the important role that local NGOs have and will have as Afghanistan transitions to self-reliance. The use of local NGOs is considered in Part III of the report.

27 *Independent Review of Aid Effectiveness*, April 2011, p. 165.

28 *Committee Hansard*, 4 December 2012, p. 50.

29 *Submission 14*, p. 13.

30 *Committee Hansard*, 4 December 2012, pp. 13–14.

31 *Committee Hansard*, 4 December 2012, pp. 13–14.

Conclusion

6.27 The previous chapter described the partnership arrangement that existed between the Afghan Government, NGOs and local communities that has succeeded under the ARTF in producing some remarkable improvements, especially in education and health services. NGOs are a critical link in this delivery service. Some have been in Afghanistan for many decades and continued to provide assistance to communities even during times of heightened insecurity. They have built up strong relationships with the people of Afghanistan and are held in high regard for their work. Currently, they are filling gaps in the government's capacity to serve its people and thereby enabling both the national and subnational levels of government to reach out to communities and deliver services more effectively.

6.28 Afghanistan's heavy dependency on development assistance, its severe capacity shortfalls and its intention to take over full responsibility for delivering services to its people means that aid programs need to take account of how best to effect this transfer of responsibility. An important consideration in designing and implementing programs delivered by NGOs is to ensure that ultimately through a carefully phased and planned process, Afghanistan will be in a position to take over service delivery. Any evaluation of a program should consider the extent to which it is working successfully toward this goal.



Uruzgan is one of the poorest, most underdeveloped and remote provinces in Afghanistan. (image courtesy of the Department of Defence)