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ESSENTIAL STEPS TO ENHANCE INSTITUTIONAL COOPERATION BETWEEN THE REGIONAL GOVERNMENTS AND NGOS

Recommendations on the state policy related to NGOs in the Novgorod and Pskov regions of the Russian Federation

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INTRODUCTION

This paper reviews regional state policy toward NGOs ("NGO policy") in two northwestern regions of the Russian Federation – the Pskov and Novgorod *oblasts*.

Currently, regional NGO policy is not satisfactory in two main areas. Firstly, there is low involvement of activists into the local development process at the regional level. Secondly, there is not enough official support for citizens' initiatives and various grassroots social activities. The paper diagnoses the causes of these shortcomings and offers specific recommendations aimed at the officials in regional administration.

These recommendations are based on the currently used methods of cooperation, the level of confidence achieved so far, as well as point to some new directions for the improvement of the state policy toward NGOs. To a great extent the proposed actions are based on lessons learned from the study of NGO policy in Poland. Description of the current situation is based on the data gathered by the author during several interviews and analysis of publications in the regional media.

CONTEXT AND IMPORTANCE OF THE PROBLEM

The opportunity to create and sustain grassroots organizations is crucial for democratic development of Russia. This opportunity is an important element of personal freedom and frequently represents a solution to public problems. That is the reason why the society should create favorable conditions for the development of non-governmental organizations and for the improvement of the situation in non-governmental sector.

Several assumptions should be made here. First of all, we consider the regional government as an actor that is to some degree independent and capable of making certain decisions on its own. Then we assume that the regional government consistently follows its own interests. Finally, it is clear that the field of possible decisions is limited by the availability of resources to be allocated to implement the chosen policy.

The NGO policy of federal authorities is taken in this paper "as it is" - as an external factor affecting regional decision-makers and NGOs in combination with other factors.

In the late 1990s and even as late as 2001 the development of the third sector in the Russian Federation had been generally considered as an internal affair of the third sector itself. However, NGOs started to be considered as matter of state policy already before a major "civil forum" took place in Moscow in 2001. This change was welcomed by NGOs as both an opportunity and challenge - depending on the experience and expectations that a given organization had in relation to authorities.

Later a series of "civil forums" were held in Russian regions. As part of the process, several national coalitions were created in favor and against the proposed changes in the state policy toward NGOs. Also a lot of intermediary structures emerged on local level, such as round tables, committees, chambers etc. Then in 2005 the Federal Public Chamber was established by the decision of the president and a corresponding law was passed by the parliament. The process of "election" (or according to some "appointment") of the members of the Federal Public Chamber affected most NGOs in Moscow, St. Petersburg and the Russian regions. The process was managed by regional "federal

inspectors" - representatives of Plenipotentiaries of the President of the Russian Federation on Federal District. All non-governmental organizations were requested to register for the vote and nominate any person they would like to be their regional representative in the Federal Public Chamber. In short, the election of regional members of the Federal Public Chamber became the top issue on the local public agenda for a month or two.

In the beginning of 2006 Russian parliament adopted a decision revising several federal laws regulating the establishment of NGOs, their activities, sources of funding and reporting procedures. Simultaneously, the Federal Public Chamber was preparing to launch the first nationwide grant contest funded by the federal budget. This competition was announced in July and accomplished in September 2006 with a decision to support more than 600 organizations.

These events could be considered as landmarks indicating the direction of the national policy toward NGOs. However, since Russia is a federal state, the NGO policy is to a great extent implemented on the regional level. For instance, in the case of a federal grant contest the regional governments were directly requested to make recommendations to the Federal Public Chamber as to which NGOs deserved support.

Thus we may observe that the regional state policy toward NGOs might affect the implementation of national state policy. It should also be noted that every regional government has its own interests and at least may have an intention to utilize the third sector as an instrument of governance and therefore consider the sector to be a matter of special policy.

Most NGO representatives who were interviewed as part of this research clearly stated that their organizations depended on regional government policy to a greater extent than on the federal one. In fact, NGOs are institutions that are directly affected by the decisions of local governments as well since the target beneficiaries of NGO activities usually depend on local government activities. To support this statement we may compare the state of the third sector in regions with different conditions. For instance in the region where the regional government fails to be active in stimulating local economic development, more local entrepreneurs' associations and business coalitions appear. On the other hand, where the state invests significant sums into the field of culture, a lot of NGOs may be expected to develop cultural projects provided that the governmental programs (and funds) are available to NGOs.

Thus the "shape" of regional governmental policy in different fields will direct the activity of NGOs toward some of these fields. Accordingly, the policy of the regional government toward NGOs will have big impact on individual NGOs and on the sector as a whole.

The significance of the NGO policy may be illustrated by observing the cases of the two regions of the Russian Federation: the Novgorod and Pskov regions where the NGOs have considerably visible impact on the public sphere. There are about 1000 officially registered non-governmental organizations in each of these regions. This number in relation to population yields 1.4 NGOs per 1,000 people in the Novgorod *oblast* and 1.3 - in the Pskov *oblast*. Taking into account the fact that about 90% of NGOs are located in the two regional centres, we have approximately 4 NGOs per 1,000 people in Veliky Novgorod and 4.4 NGOs per 1,000 people in Pskov.

These organizations operate in a broad range of fields of activity. Some of them include:

- Economic development (business associations, chambers of industry and commerce, entrepreneurship support funds etc.);



- Social support (children's and family issues, elderly people, veterans, people with disabilities, unemployment etc.);
- Adult education (vocational trainings, personal development groups, language and computer courses etc.);
- culture and art (study of arts, folklore, cultural exchange);
- International cooperation and diplomacy (intercultural learning, youth exchange, transborder cooperation etc.);
- Environment (nature protection, ecological research, water pollution prevention and waste treatment etc.);
- Local and regional development (strategy planning, municipal education, investments climate, legislation etc.).

The NGO sector consists of different kinds of organizations, small and large, formally institutionalized and informally assembled, dependent on state assistance and self-sufficient. Certainly this diversity is among the main barriers to developing an adequate comprehensive NGO policy. However, this feature also demonstrates the value and sense of engaging NGOs in raising the issue of NGO policy in the public debate.

ASSESSMENT OF CURRENT POLICIES

The government of the Russian Federation has eventually recognized NGOs as an important part of the public "landscape" with impact on ongoing political processes. While a few years ago the federal government would verbally acknowledge the significance of NGOs but would not do much in this regard, the situation has changed to the extent that the government has proceeded to develop and approve NGO-related policies. This trend is evident in the recently passed amendments to laws on NGOs, which introduced changes to the day-to-day governmental regulation of NGO activity, the creation of the Federal Public Chamber and the introduction of nationwide grant contests. This trend is noticeable on the regional level too - regional governments must produce NGO-policy statements and report their progress in this field.

In this context, although similar, the situations in Pskov and Novgorod display two major differences, which have their roots in the structural factors and unequal availability of resources.

The strong institutional cooperation structure between NGOs and the regional government in the Novgorod region has existed for more than ten years in the form of the regional Public Chamber. This body includes about 60 NGO representatives, meets at least once a year and examines significant issues of regional development, including the regional budget and state programs. Apart from this body, several informal thematic partnerships have been developed, for instance in youth policy, municipal development, economic development and investments. Two new coalitions are also in the making - association of adult education and partnership cooperation in production and dissemination of environmental information.

In the Pskov region the cooperation between NGOs and officials has been less structured. There were several attempts to create intermediary bodies (public chambers, councils, and committees) but all they failed or were found below expectations. At the moment another structure of cooperation exists - the

"NGO round table". This body has been developed through a long deliberation process with support from the regional administration. It is very flexible and still in the process of formation.

The two regions demonstrate contrasting circumstances with regard to the availability of resources for NGOs. In the Novgorod region there were a lot of grants available during the 1990s as several foreign donors considered this territory a priority. However, in the recent years many organizations collapsed due to the shortage of available funds. Those strong NGOs that survived were forced to narrow the scope of their activities.

In contrast, the NGOs in the Pskov region were in constant search for resources throughout the 1990s. Many of them have since then developed alternative schemes of funding and have been able to attract domestic sources or establish cooperation with partners in other regions and countries. Currently the amount of funding available for the Pskov NGOs is increasing.

However, both regions exhibit similarities in the current NGO policies of the regional authorities. Their main features include:

1. Regional authorities tend to create special bodies within their administrative structures to deal with NGOs. These bodies are in charge of gathering information and providing oversight of the activity of public organizations (including political parties, major informal groups, protest movements and of course NGOs). In some cases this responsibility may be delegated to an existing governmental office or section. In Pskov this "office of public organizations" is working within the State Department on Informational Policy and Public Relations. In Novgorod this office exists within the Information and Analytical Department of the administration of the region.

Shortcomings of this approach are:

- Every cooperation initiative between NGO and authority must go through these offices that are far from grass-root. This way of "managed cooperation" takes a lot of time and may destroy the motivation to cooperate;
 - The interaction with NGOs requires certain skills, which are not usually a part of the civil servant's competence. Such concentration of responsibility for cooperation to these offices places obstacles to developing such experience by other departments.
2. Regional governments adhere to institutional form of cooperation with NGOs. It would be best to them to organize regional "NGO congresses" with legitimate delegates and with the power to make decisions binding on all NGOs. No congresses have been organized recently mainly due to the legal specificity of the NGO-sector. However, existing semi-official bodies tend to acquire characteristics of fully official assemblies. Shortcomings of this option are:
 - Institutional bodies are more or less closed - to join a chamber or committee, an NGO must pass through a non-transparent and complex procedure;
 - Access to the decision-making process within institutional bodies and even access to information about their activities requires special knowledge and skills; but activists being, as a rule, experts in their specific field are not skilled in participating in parliamentary debates or in drafting regulations. As a result, most NGOs are excluded from the cooperation process and therefore lost as partners.



3. Mutual working groups (arranged ad hoc and attended usually by officials and representatives of the interested NGOs) follow the decision-making procedure that is specific to the "host structure" - the office to which the group belongs. Sometimes this means the absence of formal procedure altogether. This option leads to two problems:
- Without a clearly defined and properly described procedure the process of decision-making cannot be easily improved. Nor can the efficiency of working groups be greatly developed;
 - Where the session records do not exist or are not accessible, other NGOs that are not members of the group cannot enter the discussion. This problem may be in certain cases addressed by the media coverage.

Unlike the options listed above that, although difficult to achieve, stimulate the development of genuine NGO-state partnership, the forms that are sometimes applied by regional administrations are harmful and dangerous. Among these forms that merely simulate public participation are:

"Therapy". Public meetings are conducted, producing no results, instead aiming to give the active citizens a possibility to express themselves with a hope "to be heard";

"Pocket NGOs". Entities are set up in the form of NGOs but they fully depend on the support from the state administration. Usually this is done by issuing an instruction to administrative staff to register a quasi-NGO with managerial personnel and board members controlled in some way by the related authority. Clear indications of this kind of organization are the legal address coinciding with the address of administration and execution of tasks on behalf of this "NGO" during working hours with the use of public resources;

Use of the NGOs in *electoral interests* of the administration in power - striking an informal bargain with the NGO about conditional support of its activity in return for a single favor or permanent services during election campaign.

In addition to the above-mentioned options, the NGO policy has several shortcomings, which although they are not exactly features of the policy, but have a definite impact on the NGO sector.

Firstly, *current governmental policy toward NGOs is not subject to evaluation*. All the comments voiced by representatives of NGOs during public meetings or in written form have had little effect. Most likely the reason for this failure is the absence of evaluation criteria that would be initially agreed by both parties. Secondly, there is overwhelming *dependence on personal input and personal relations* in the cooperation between NGOs and governmental agencies. Of course, personal relations are important and should be taken into account but should not be the main condition for entering a partnership. Otherwise personal interests along with personal relations cause unavoidable conflict with public interests at a certain point.

LESSONS FROM POLAND

The direction that the NGO-policy development is taking currently in Novgorod and Pskov regions seems positive. We may observe a widening field of cooperation, improvement of information



exchange and greater exchange of information. In many respects further progress is a question of time and accumulation of the experience of cooperation. Another way to achieve mutual benefit is through the migration of professionals who change employment from NGOs to administrative positions and backwards. Another positive trend is the gradual adoption of the practice of establishing consultative boards where the officials specialized in a certain issue are accepted as board members of related NGOs.

On the other hand, there is a need to study the experience of other communities to facilitate smooth development of the cooperation between NGOs and the government. In this context, the field visit to Poland I undertook in July 2006 has produced several very productive findings.

Certainly the positive experience is the strong legal base of NGO-sector in Poland. The legal basis for the operation of the Polish NGO sector consists of two major acts - the act "About Public Benefit Organizations and Voluntary Activity" and the regulation of 1 per cent income tax allocation in favor of public benefit organizations. The NGOs in Russia operate on the basis of three main laws: "About Non-profit Organizations", "About Public Movements and Public Organizations" and "About Charity and Charity Organizations". When compared to the Polish counterparts, the Russian laws do not mention volunteers. This omission makes the work of volunteers much harder to estimate and appreciate, leaving the task for regional legislation to be accomplished.

The other provision of the Polish legislation is much more difficult to implement in the Russian context. Tax reductions are available in the Russian Federation for entities donating funds to charity purposes but this grants only a reduction of taxable income, and not of the value of the tax due. Besides this regulation grants the reduction only to legal persons while leaving out personal charity. Nevertheless regional administrations together with regional legislative branch are able to give people a right to support NGOs from their taxes.

The Polish experience that could be instructive is the clause of the act "About Public Benefit Organizations and Voluntary Activity" - requiring from every municipality to have the "plan of cooperation with public benefit organizations". In some municipalities this statement produces non-compliance with the law, in others - formalization and bureaucratization in the cooperation with NGOs. To be transferred to the Russian system, **the statement should be softened and transformed into a sort of partnership stimulation procedure**. For instance, the presence of such a plan could open additional possibilities or reflect achieved level of cooperation but it should not be obligatory.

Another instructive finding is the administrative structure of cooperation between the NGOs and the local government in Warsaw. There is the NGO-assembly in the city and seventeen thematic committees connected with the assembly. The responsibility for organizing the meetings lies with the municipal government. However, NGOs have been found to be rather inactive in the cooperation with authorities within this structure - fewer than ten organizations are constantly taking part in thematic committees and about 60 are present in the assembly. Although the consultations in the committees and decisions of the assembly concern such important issues as the programs of the departments' activities and the city's budget, the sessions have not attracted a larger number of NGO representatives.

On the basis of the preliminary research, we may conclude that the reason for this state of affairs is the lack of horizontal cooperation among non-governmental organizations in Warsaw. The thematic coalitions exist, nationwide networks are present but local networks are not typically found in the

NGO sector. A policy supporting the formation of a local NGO **network** may be therefore suggested to the municipal administration in Warsaw. This recommendation could be implemented by reviewing existing horizontal ties among NGOs – such as thematic cooperation, expert exchange, neighborhood, mutual support, etc. Partnership of administrative bodies with network leaders - the "bridge NGOs" - could certainly promote greater willingness among other NGOs to cooperate with the local government.

POLICY RECOMMENDATIONS

In light of the above-mentioned findings, the following options are recommended for the NGO policy in the Novgorod and Pskov regions. They are all based on the analysis of the Polish experience and of the current state of the NGO policy in these two regions:

1. **Departments of regional governments which deal with NGO policy should become actively involved in drafting legislation on the regional level** regulating voluntary activities and charity support. This is needed to provide the legal recognition of volunteers and consequently attract qualified personnel to the NGO sector.
2. Regional governments ought to amend the regulations of **contractual relations among administrative divisions and NGOs** leaving the choice of a partner, field of cooperation and methods of activity as responsibility of the NGOs and departments that are directly involved. This is needed **to stimulate partnership** while preserving the principle of freedom. Officials as well as NGO's must be free either to enter into an agreement or not to do so.
3. Regional governments should complement their existing programs related to NGOs with **actions stimulating horizontal relations among NGOs**. Support of existing and promotion of emerging social networks has to be a key aspect of governmental NGO-policy. This is needed to address the problem of the fragmentation of the NGO sector as well as to achieve the objective of consolidation of the civil society in the regions.
4. Administrative departments dealing with NGOs should stop setting up committees and instead begin to develop participatory procedures, making cooperation among officials and NGOs more flexible as well as more effective. Different **processes required for cooperation activity of NGOs and governments should be described in official documents** - regulations or rules. The activities stimulating the processes could consist of : (1) "Public discussion" (collection of analytical notes concerning proposed document or existing alternatives for required decision - mostly used to widen the discourse at a the stage prior to making a decision) or (2) "Public expertise" (evaluation of the subject by experienced individuals involved by interested group from outside of the government) .Both processes encourage the involvement of both the government and NGOs and are useful for implementing broader procedures, such as public and deputy hearings, strategic planning or the review of budget implementation.
5. Regional governments and regional legislative assemblies should adopt amendments to administrative executive regulations, delegating the responsibility to involve NGOs into governmental policy formulation and implementation **to every department of regional authority** along with relevant legal and budget tools. In spite of the growing centralization of policy-making,



this option is the only way to adapt the administrative structure to the broad diversity of NGO-sector.

To achieve the decentralization, much effort is needed to unblock bureaucracy and facilitate innovative thinking, building trust and learning an attitude to allow partners to follow their interests. At the same time, administrative procedures of evaluation would need to be designed with the aim of stimulating efforts toward partnership. The benefits of this compatibility would be policy innovation (supplying new solutions for old problems) and attraction of additional resources (donations, grants in addition to budget funding, volunteers in addition to civil servants).

6. Executive bodies of regional administration should launch **long-term educational program** to promote better understanding of public activism among the state and municipal civil servants and politicians. This educational program is needed to provide public administration with qualified human resources for new NGO policy. The educational program could be arranged in a form of short-term skill improvement courses organized in cooperation with NGOs. Key areas to be studied by officials would include intercultural communication, attitudes and motivation in voluntary activity, tolerance, process management and prevention of conflict of interest.

