



*European Communities
Commission
Background Report*

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COLLABORATION BETWEEN THIRD WORLD
NON-GOVERNMENTAL ORGANISATIONS (NGOs)
AND THE COMMUNITY

The Community budget of 1976 included, for the first time, an appropriation enabling the Community to collaborate with and assist financially, projects in developing countries operated by non-governmental organisations (NGOs).

In a recent Communication* to the Council of Ministers the Commission reviewed the first year of this collaboration - which appears to have been fruitful - and recommends some improvements in Community financial contributions.

General conditions for cooperation

Following close consultations with governments and NGOs concerned with development projects abroad, the Commission came to the conclusion that, given some help, these could often supplement Community policies in developing countries by undertaking projects, not only more cheaply, but with much greater flexibility and lack of bureaucratic administration than could the Community itself.

In October 1975 it sent a Communication** to the Council suggesting the possibility of joint development projects which, if approved, should be helped financially up to a maximum of 50 per cent of the cost.

Such financing, however, was to be subject to two conditions (similar to those imposed by national governments where public aid to NGOs is concerned):

- the projects must be accepted by the authorities of the recipient countries and correspond to their development priorities.
- they must involve financial participation on the part of the NGOs and, if possible, physical participation on the part of the recipient country.

* COM (77) 83 final, March 18, 1977

** COM (75) 504 final, October 6, 1975

The Council broadly approved the guidelines in April 1976 and immediately afterwards the Commission invited NGOs to submit projects for consideration on the basis of up to 50 per cent Community financial contribution with a ceiling of 100,000 u.a. per project. (Approximately £42,000; £ = 2.4 ua).

In less than eight months NGOs submitted a total of 121 projects, 94 of which were admissible and registered on the basis of the General Conditions under the 1976 budget. With a total appropriation of only 2,500,000 u.a. (about £1 million), however, only 76 projects presented by 33 NGOs from eight Member States were actually helped in 1976; another eight were carried over to 1977; others were withdrawn. By mid-March this year, 46 of the projects had been wholly or partially paid for.

Analysis of projects

The NGOs represented a broad philosophical, social and political spectrum; the projects aided were correspondingly diverse. They ranged from the purchase of small items of auxiliary equipment to integrated rural development projects comprising production, training and social infra-structure in connection with agricultural cooperatives to other projects in poor urban areas - e.g. an ironmongery training workshop in Tanzania, day nurseries in Vietnam, homes for the poor in Dacca, irrigation equipment in the Dominican Republic, a live-stock cooperative in Zaire.

Monetary allocations to developing countries worked out as follows:

Africa	1,145,740 u.a.
Asia	634,704 u.a.
Central & Latin America	719,557 u.a.

Suggested Improvements

In its review the Commission remarked that collaboration with the NGOs had developed in "a very positive way". It had been found, however, that the 50 per cent grant for projects in situ had tended to limit the size of projects that could be helped, and NGOs had had to bear all the costs of transport and training of their volunteers if this was outside the recipient country.

The Commission proposes, therefore, some amendment to the General Conditions:

- (i) that the Community contribution should be raised to 75 per cent of the cost of the project in certain cases; e.g. in the poorest countries or where it is operated under very difficult conditions.

* British NGOs participating in the scheme were the African Medical and Research Foundation (AMRF), Catholic Fund for Overseas Development (CAFOD), Christian Aid, Family Planning Association of G.B., Help

(ii) that the Community should contribute towards certain costs relating to volunteers involved in operational projects.

Some problems have also developed because many of the projects are multi-annual in duration and budgetary payments can only be allocated annually. To overcome this the Commission introduced into the last budget a differentiation between appropriations for payment and appropriations for commitment, thus allowing for ongoing support of designated projects.

In addition the Commission proposes to offer financial and secretarial assistance to the Liaison Committee of NGOs which meets from time to time and maintains contact between the Commission and other NGOs. It is also considering the possibility of helping in education on development in Member States and linking NGOs more closely with the Food and Aid Community Programme. A start has already been made here; in 1976, the Community allocated 12,000 tons of skimmed milk powder to the NGOs for their own distribution.

While at present the scheme is limited to NGOs in Community countries, NGOs outside the Nine have approached the Commission for help on a similar basis. The Commission hopes later to put forward proposals taking this into account.

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