

Voice of the Voluntary Sector

Comprehensive Report

Introduction/Background

The World Bank defines NGOs as, “private organizations that pursue activities to relieve suffering, promote the interests of the poor, protect the environment, provide basic social services, or undertake community development” (Operational Directive 14.70). In wider usage, the term NGO can be applied to any non-profit organization, which is independent from the government.

There has been a long tradition of social service in the country. Since the 1860 Act, enacted by the British, the modern and well-organized form of voluntary agencies emerged. In the 19th century the voluntary agencies were engaged primarily in the fields of education and the means of livelihood and several missionary institutions came into existence. With the formation of the Indian Union, there was a rise in the number of voluntary organizations. Post-independence, Mahatma Gandhi - the father of nation was a source of inspiration for the people of India. The educated youth came forward to do social service and undertake the task of nation building. Thus, the ones that took to social service with inspiration from the Gandhian ideology were known as Gandhian organizations. Mahatma Gandhi stated that although India has acquired independence, freedom from hunger, poverty, ill health, unemployment, etc. is yet to be achieved. Social service thus gained momentum in India. In the 20th century globalization also contributed to the increasing number of the voluntary agencies. Since the early eighties, the NGO movement began to take shape and the term NGOs gained popularity in India.

“A voluntary organization is constituted by individuals who make a deliberate choice to dedicate themselves for amelioration of the condition for poor and deprived against other alluring choices of avocations and opportunities for comfortable living. There is a strong element of sacrifice and commitment for resurrection of certain basic human values for peace and harmony. Historically, VOs are groups following Gandhian philosophy with small variations both in their approach and personal life styles.”

“In post independent era, when state funding of voluntary agencies became liberal, a new category of voluntary action has emerged where young and not so young people offered to work for same objective of ameliorating the conditions of the marginalized both for excitement of doing a good job and out of commitments. These voluntary agencies offered a variety of job opportunities for the youth. They are referred to as non-government agencies (NGOs) as most of them implement government schemes in the non-official sectors depending on government funding. The attitude of the administration to such agencies is not very respectful. This is also having an impact on the status of the voluntary sector in general, who have contributed enormously in keeping Indian democracy alive and in shaping and implementing participatory democracy in marginalized groups.”

– Shri A.V. Swamy, Member of Parliament, Rajya Sabha, GOI.

Since the decade of eighties, there has been a commendable growth in the number of voluntary organizations in the country. There has been an increase in the visibility of the voluntary sector in terms of its coverage of diverse issues of human welfare and development; and an increased influence on state policies and their implementation. The issues of rights, equality and good governance have found a strong platform among the voluntary development organizations.

Traditionally, NGOs are known as voluntary organizations (VOs) and voluntary agencies (VAs) and recently as voluntary development organizations (VDOs) or non-governmental development organizations (NGDOs). There are equivalent names for NGOs available in different Indian languages; i.e. in Hindi language NGOs is called Swayamsevi sansthayen or Swayamsevi Sangathan. The voluntary organizations (VOs) play a significant role in the shaping and implementation of participatory democracy. Keeping in view the significant role VOs are playing in context of people’s development, the emerging voluntary sector is also known as independent sector, third sector, civil society sector or social economy sector.

In addition to the above, there are activists, informal groups working without being registered under any legislation but are also considered as part of voluntary sector. The range of associations or societies may vary from a resident welfare association to an advocacy organization. The substantive area of activities of VOs has changed considerably over time.

The voluntary sector has contributed significantly to finding innovative solutions to poverty, deprivation, discrimination and exclusion, through means such as awareness generation, social mobilization, service delivery, training and capacity building, research and advocacy. Many NGOs work together as a team locally and nationally, especially in programs aimed at poverty alleviation, sustainable development, and disaster relief. They are part of a larger effort coordinated by an

international body such as the United Nations and its specialized agencies (UNICEF, WHO, UNHCR) or by multinational agencies such as the international committee of the Red Cross. The major advantages of voluntary organizations include the following i.e. flexibility, ability to innovate, grass-roots orientation, humanitarian vs. commercial goal orientation, non-profit status, dedication and commitment and recruitment philosophy. In addition to supporting innovations, VOs serve as pilots for larger anticipated projects, help to motivate and

“In the present situation VOs should play catalytic role to the public and a watch dog function for tracking government policy. They need to critically evaluate the government policies to show the right way. They should lead their life as the people live which will help them to align with the people and not alienate from the people”

– Prof. Radhamohan, Gandhian Social Activist

involve community based organizations whose constituents may be the primary beneficiaries of a larger project, serve as advocated or ombudspersons and are in a unique position to share communication both horizontally and vertically.

There are certain key areas where the penetration of VOs is easier than the government agencies and the functionaries. It is difficult for the government to have infrastructure in terms of staff and cannot cope up with it independently, it is the VOs that step in. As development is a continuous process they play a key role. The Planning Commission realized this aspect and it was built in the 12th five-year plan. There has been a trend of national/international agencies to penetrate directly in the field instead of entrusting to VOs. In such cases they can be partners but in the process they are deprived of many logistics of what they obtained at the implementation stage. Most of the INGOs like UNICEF, UNDP prefer to work with the government system. So VOs need to revisit their approach in order to create their niche.

“Current situation is an eye opener for voluntary organizations to revisit their activities when PPP is becoming more corporatized – citing example of PRI done by Reliance and AirTel companies. Civil societies who can stand for the people are strategically alienated. Thus people working in the field of rural development should stay at rural set up and close to the community. They should establish their credibility and commitment for the villagers (not like Bill Gate Foundation). There is need for a voluntary organization in each village to bring about a social change. Leaders should be from that village only: ‘Son of Soil’. He drew attention towards the following, “as there is no poverty reduction Maoist front is evolving which is becoming a headache for the government. If government will suppress the NGOs, extremist fronts will arise who mostly target rural youth.”

– As stated by one of the respondent

In **mid-nineties** the concept of self-help groups (SHGs) was formed. The National Bank for Agriculture and Rural Development (NABARD) encouraged the bankers and VOs to strengthen their SHG program. As a pilot project of NABARD in linking SHGs with banks gained momentum after 1992 in the southern part of the country. The VOs realized SHG as a viable means for socio-economic development of the rural poor, especially the women; and they started promoting SHGs in their respective areas.

Few states have adopted the Public Private Partnership (PPP) model in the sector as one of the most appropriate strategies in both urban as well as rural areas. For example Odisha has been one of the foremost states to have adopted the PPP model in the health sector. It is the first state, where the MNGO scheme and other PPP activities have been evaluated (mid-term and final) by the external evaluating agencies and the findings have also been shared with the government of India (GOI), State/district health administration. The detailed report provides the broad contour of MNGO/FNGO involvement through different schemes that come under the flagship programme of government of India.

Rationale for the Citizen's Report

The process of citizen's report was undertaken by Voluntary Action Network India (VANI) and this report highlights the status of eleven states of India namely Andhra Pradesh, Bihar, Chhattisgarh, Gujarat, Jharkhand, Maharashtra, Northeastern Region, Odisha, Uttar Pradesh, Uttarakhand and West Bengal. Being the apex body of voluntary



organizations, VANI undertook this exercise as part of its advocacy. This kind of intervention by VANI is the first step towards reducing the isolation within the voluntary sector and a step towards collectivization. The experiences and lessons were documented from the selected states.

Based on this report, concerns of voluntary sector would be articulated and shared with the policy makers, media, academicians and society at large. The eleven state reports highlights the contribution of voluntary organizations in the socio-economic development of the states, the present situation of voluntary organizations and challenges faced by them.

Contribution and Impact of Voluntary Organizations

The Voluntary Organizations have brought about a lot of difference in the following manner:

1. *There is growing mobilization of VOs* which has struggled and brought about changes in the

economic growth model. There has been a significant growth in the mass movements against growth models which are not conducive development projects meant for the communities who are the most affected by the displacement or degradation of their environment, supported by civil society groups in rural and urban areas.

2. ***Basic needs are facilitated by the VOs:*** This is due to the frequent failure of the state in delivery process and it has prompted VOs to take on the role of provision of basic facilities and infrastructure, facilitating local empowerment. It is to be noted that in doing this, the state's role is not exempted.
3. ***Reforms and policy shifts:*** Advocacy by the VOs and initiatives taken by many reformists and individuals has led to policy shifts and reforms which are contrary to the trend of economic globalization and in the interest of the states and country. This can be seen from the three recent legislative measures like – the Right to Information Act 2005; the National Rural Employment Guarantee Act 2006; the scheduled Tribes and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act 2006. All the three has emerged out of the peoples' initiatives. For example the RTI emerged from the grassroots struggle in Rajasthan, Delhi and elsewhere, led by the Mazdoor Kisan Shakti Sangathan (MKSS) demanding access to official records on employment and funding.
4. ***Awareness, education and capacity building:*** Social awareness, ecological sustainability and the capacity to deal with related issues and problems have increased exponentially in the last 2-3 decades but a huge and massive campaign to spread awareness about the numerous crises one faces needs to be addressed at their root cause and build capacity for meaningful solutions.
5. ***Financial measures:*** Various reform measures in macro-economic and fiscal policies have been recommended to move towards greater sustainability. For example shifting subsidies from ecological practices such as chemical-heavy agriculture to a sustainable led organic farming are a few impacted changes which have been demanded by civil society groups.

Challenges faced by the voluntary organizations

Stringent laws by the government – Funding compliances and scrutiny by government are getting stringent day by day. Government is tightening its control over grant making to VOs and is increasingly wielding its power over the way its grants are invested in projects. The procedures for seeking clearance and sanction at all levels have become cumbersome and lengthy. Amendments in FCRA have made VOs access to foreign funds difficult. There are very few donor agencies fund projects that target governance, rights access, government responsibilities and accountability issues etc. This is because of the FCRA 2010 that specifies any organization found to be engaged in political activity such as undertaking campaigns, bandh, rasta roko, rail roko and jail bhara (strike, road blockade, railways and transportation strike and imprisonment) will be considered as organizations of political nature.

Delay in getting funds – Large and small organizations mentioned the delay in receiving funds from the government. There have been delays of almost six months to one year from the commencement of the project cycle. The delay is due to the process involved in releasing the grants.

Skill Gap (technical competencies of VOs, especially grass-root VOs in accessing funds – Recently the grass root voluntary organizations find skill gap in fund-raising capabilities, writing proposals on prescribed guidelines of donor agencies, media advocacy and project management skills.

Credibility of the Sector – Due to misappropriation done by few VOs, the credibility of the sector is affected. Presently there is no universally accepted credibility ranking mechanism in place, which can segregate the good ones from the bad. Few CBOs work with commitment and passion and they felt that their credibility is at stake and become vulnerable to the government system.

Disturbance, conflict and unrest – There are very few donor agencies/foreign funders that are interested to work in the Northeastern region because of its history of conflict and unrest.

Challenges from extremist groups – The voluntary organizations working in insurgency prone areas experienced threats from the underground groups. Many VOs reported that they were considered as profit making bodies and that the underground groups often demand donations. There were VOs that decided to close the organization because of this challenge. Few organizations had also reported that their work and outreach to the community is sometimes restricted due to interference of security personnel who were working under AFSPA.

Scarcity of Skilled Human Resources – Professionally qualified human resources are required for smooth functioning of the organization and due to the low remuneration the organizations are unable to recruit competent staff. Due to the work pressure most of the staff does multitasking and were overburdened. The prescribed salary package was too low to attract experienced professionals. Skill gaps were mostly reported in IT, legal knowledge, fundraising, research and documentation and training and capacity building.

Challenges in engaging with government machineries – There is lack of practical knowledge and good will among the government officials regarding the works of voluntary and other civil society organizations. It was observed that the Income Tax officials were repeatedly demanding to check account books and vouchers. Many organizations regretted that the VOs in the region were not trusted by funding agencies, banks and other donors because of few organizations who misuse government funds.

Innovation and Creativity is Declining – In the traditional funding pattern resources that provide scope for creative and innovation is declining. Donor agencies, government and corporates have become increasingly aggressive with respect to their planned activity and implementation process undertaken. Therefore dependency on donors restricts freedom of choice. This is further diluting the

richness of grassroots and stifling the unique 'voice from the field'.

Red-Tapism - The process of submitting a proposal and release of grants/funds is very slow.

Absence of collective voice – There is an absence of unity and networking among the VOs due to which there is no monitoring, communication and focused action.

Inadequate Infrastructure – A number of VOs are faced with many challenges on account of infrastructure. Foreign donors also take greater interest in assisting those VOs, which have a better infrastructure, whereas others face several difficulties. Problems such as having to change one's office address frequently create further adversities. Such problems ultimately hinder the development activities as the donors grant projects to those VOs that adhere to the criteria of better infrastructure facilities.

Entries from Agencies from outside – With the entry of VOs from outside, local organizations are affected and get deprived of opportunities. The VOs from outside are professionally qualified and experienced and they are found to work in a more technical manner, whereas organizations working at the local level have shortcomings regarding information and expertise. For example in Bihar state during the natural calamity of 2008, the VOs from other states took up the relief work instead of those from the four districts of the affected Kosi area, viz., Saharsa, Madhepura, Supaul and Purnea. Even though the problems may be local in nature, the local VOs were not given the opportunity. Arbitrariness on the part of banks also threatens the working of SHGs.

Recommendations

1. Funding

- a) Timely release of government funds to the VOs so that organizations activities does not suffer. There is an immense need to have dialogue with donor agencies and the government to simplify the process of allocating funds.
- b) Resource mobilization: There is a need to find an alternative source of funding and focus should be on exploring new ways to raise resources.
- c) Internal capacity building: To undertake skill-development programmes and raise the capacity of staff for fund raising.
- d) Strategies to tap individual donations and organizations and building a corpus for financial sustainability.

2. Internal Governance

- a) Regular capacity building exercises, training must be conducted to remain updated about the latest information and development in the sector.
- b) Exposure visits and internship of staff is essential to make internal governance system strong.
- c) Adopt the model policies for sound internal governance of the VOs.

3. Strategies to Engage with Government: The relation and partnership between VOs and the government needs to be strengthened.

- a) The government could help the VOs by giving them professional treatment in the government's development interventions.
- b) The government should adopt a more liberal stance and be flexible while allocating grants to VOs.
- c) Involve government officials in workshops, training programmes and in dissemination of information, education and communication (IEC) materials. Greater involvement will result in maintaining a long term interest in the organization.
- d. The government could help the voluntary sector in maintaining financial sustainability by giving the VOs fair and equal access to governmental contracts.
- e. To play a key role in the functioning of committees by presenting ground level realities to government committees and monitor and evaluate the facts and figures presented by the government.
- f. To be more transparent in sanctioning, implementation and execution of programmes by involving communities and panchayati raj institutions (PRIs).

4. To strengthen relationship among VOs: VOs need to mobilize resources and financial sustainability is required to function efficiently and effectively and for achieving the goal of financial accountability, transparency and good governance.

- a) The financial management practices of VOs should be of high quality and aim to strengthen their institutional capacity and sustainability.
- b) Best practices and innovative ideas should be shared and appreciated among the VOs and with other stakeholders.

- c) Improved networking and collectivization among the VOs may lead to more consensus based collective regulation.

Analysis

Through the citizen's report an effort has been made to understand the issues and the constraints that voluntary organizations are facing. This was a very good opportunity to reflect on the varied possibilities and highlight the commitment with which the voluntary sector is working in their areas of operation.

In numerous small and grass-roots organizations, there is shortage of funds, a skill gap, untrained staff and inadequate information related to policies and laws. There are different types of voluntary organizations whose nature and areas of work are different but the problems faced are similar across the country. The voluntary organizations are not organized and there is an absence of network at the state level. Hence, they are unable to relate and take up issues pertaining to the challenges they face. There is an urgent need to link the voluntary organizations in the states in the form of a network irrespective of the theme, size and geographical location. This collectivization of voluntary organizations will help the sector tremendously.

Lastly, the voluntary sector needs to introspect on its future course of action. The relationship with the government, corporate sector and bilateral and multilateral donor agencies needs reflection in order to strengthen the enabling approach of the voluntary sector. The voluntary sector has emerged and changed to both internal and external situations through capacity building, improved practices, innovative programmes and resource mobilization and created varied implementable models as per the requirements.



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