CAPACITY BUILDING AND ITS CHALLENGES

A REVIEW OF THE BARING FOUNDATION'S INTERNATIONAL GRANTS PROGRAMME 1997-99

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December 2001

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1. EXECUTIVE SUMMARY

The purpose of this review was to examine the nature and achievements of projects funded by the Baring Foundation's international programme between 1997 and 1999, to assess their impact, and to consider lessons for future capacity-building initiatives.

The review, which was carried out between October and December 2001, comprised a desk study of proposals and reports from 46 projects, and interviews with representatives of 10 of the UK-based non-governmental organisations (NGOs) that had received funds.

The review shows that the capacity-building work funded by the Baring Foundation during this period was very diverse in terms of location, sector, type of organisation and beneficiary group supported, and approach taken. The data available from the reports and interviews reveals only part of the picture, but does allow consideration of several important issues from which lessons can be drawn.

Evaluation of capacity building work is very difficult, for several reasons, including its multi-faceted nature, the length of time needed for capacity-building processes, and the often intangible nature of change. However, the evidence presented by NGOs indicated that many of the projects supported by the Foundation were making an impact on the ability of local organisations to provide a better service to their communities.

The reports and interviews supplied many indications of local NGOs and community-based organisations (CBOs) becoming more efficient in their day-to-day organisation; some signs of greater institutional coherence and clearer strategic vision; and many instances of local organisations acquiring the skills and confidence to engage more effectively with other development agencies and policy makers. Although difficult to 'capture' with conventional indicators, the growth of confidence is a vital element of capacity building and its importance should not be underestimated.

Another telling indicator of impact was the changing relationship between UK NGOs and their local partners. In a number of projects, this relationship seemed to be moving towards greater equality in debate and decision making – a process that was genuinely encouraged by the UK NGOs.

Isolation is clearly a major problem for NGOs and CBOs in developing countries, which have a great hunger for information. There is a high level of demand for training courses, workshops and conferences, as well as for educational materials. The opportunities for face-to-face contact presented by conferences and courses are valued particularly highly, because they allow information to be exchanged, ideas to be debated, and – importantly – they give local organisations a voice. Information and communications technologies are not yet a significant element in capacity-building initiatives, but are likely to become much more so in the near future.

The approach taken by the UK NGOs was generally pragmatic and flexible, allowing them to respond to operational challenges, changing circumstances and better

understanding of local needs. It was evident from the interviews that they were learning from experience, and using those lessons to improve future practice.

Long-term grants are the most appropriate form of funding for capacity building, because it is a drawn-out process. However, short-term activities (e.g. workshops) can have long-term impact, and there are many areas where small, one-off grants can play an important role: for example, by supporting unfashionable activities or areas of work, backing programme development, helping to start new activities and maintain momentum in ongoing initiatives, and providing leverage for other funding. Such grants are particularly important to the many smaller NGOs working in international development that do not have much unrestricted income – and in general, the Foundation's support went to small and medium-sized NGOs.

2. INTRODUCTION

In September 1997 the Baring Foundation launched a new international grants programme. The aim of the programme was to enhance the effectiveness of the voluntary and community sector in sub-Saharan Africa and Latin America through the sharing and transfer of expertise, knowledge and skills. This was in recognition of the fact that the work of indigenous non-governmental organisations (NGOs) and community-based organisations (CBOs) in these regions was growing in importance as aid to governments declined, development and welfare functions were transferred from the state to the private, voluntary and community sectors, and poverty and inequality continued to increase. The international programme also corresponded to the objectives of the Foundation's main programme for strengthening the voluntary sector in the UK, by supporting comparable activities overseas.

Priority was given to activities that were intended to:

- Achieve better co-ordination and collaboration between agencies.
- Improve the efficiency and influence of several NGOs or CBOs.
- Lead to more control and decision-making in the development and management of initiatives by those intended to benefit.

In recognition of the fact that capacity building takes many different forms, the programme's guidelines did not define the types of activity that could be supported although there were some exclusions.[1]

The programme was open to applications from registered charities or similar voluntary organisations within the UK that worked in partnership with NGOs or CBOs in sub-Saharan Africa and Latin America, and that sought to bring benefits to disadvantaged or marginalized people, in particular women and displaced people.

[1] Individuals, expeditions, bursaries and scholarships, medical research and equipment, animal welfare, vehicles, the purchase, conversion or refurbishment of buildings, religious activity, work that had already been completed or would have started while the application was being considered, emergency and relief work, and general fundraising appeals. The programme did not usually support the continued funding of activity that had already taken place or would be repeated (unless it led to further innovation), or activity designed to support exclusively the work of governmental organisations.

Single grants were available, usually for up to £15,000, with the expectation that funded activities would normally be completed within 12 months of the grant.

With only a modest amount of money available for allocation, the Foundation did not find it easy to choose between grant applications for projects that were diverse geographically and in the nature of their activity. In 2000 a decision was made to focus the international programme further by concentrating on a particular theme (while retaining the capacity-building aim) and making a much smaller number of large grants to projects over a longer period. The new programme awarded its first grants in 2001.[2]

3. PURPOSE OF THE REVIEW

A preliminary review of the programme was carried out in 1998, through questionnaires to successful and unsuccessful applicants, organisations that had not applied and academics working on development issues. While this provided valuable feedback on the programme's objectives and assessment procedures, and allowed an early snapshot of the kinds of work being funded, it was far too early to assess the impact of the projects or lessons that could be drawn from them. However it is now possible, four years after the programme began, to look at these questions.

This review's purpose is to examine the nature and achievements of the projects funded, their impact, and the lessons for future capacity-building initiatives. The review was carried out between October and December 2001. It comprised two main activities:

1. A desk study of proposals and reports from 46 projects funded by the international programme between September 1997 and December 1999. These 46 projects comprised all those funded by the programme during that period for which completion reports were available.[3]
2. Interviews with 10 agencies responsible for a sample of 11 of the 46 projects, selected to give a cross-section of the range of initiatives supported by the programme.

Literature on capacity building and evaluation methods was also consulted.

4. CAPACITY BUILDING AND ITS CHARACTERISTICS

Capacity building has been part of aid programmes for many years, gaining in importance since the 1980s as result of two trends:

[2] The current theme, expected to run for two to three years, is problems caused by long-term migration and displacement of people.

[3] This excludes some other overseas work funded that did not fall within the international programme (i.e. overseas projects funded during 1997 but before the separate international programme came into existence, and supplementary funding of work approved earlier).

1. The emergence at grass-roots level of approaches that placed more emphasis on poor people's participation in designing, implementing and evaluating development initiatives.
2. Shifts in development policy, especially among international donor agencies, with greater emphasis placed on the role of markets and civil society organisations in promoting development.

By the mid-1990s programmes to build the capacity of indigenous organisations were being taken up by international development agencies with enthusiasm, encouraged by growing donor support for such work.

As with many widely used development terms, the meaning of 'capacity building' is not easily captured by a single definition. The term has been used so widely, to convey such a range of meanings, that it has generated a lot of confusion, leading some people working in development to argue that it should be dropped altogether. The NGO Concern Worldwide adopts a common approach by defining it quite broadly, in this case as:

> *an approach to programming which emphasises enabling and strengthening individuals, groups, organisations, networks and institutions to increase their ability to cope with crises and to contribute long-term to the elimination of poverty*

For the United Nations Development Programme it is:

> *the process by which individuals, organisations, institutions and societies develop abilities (individually and collectively) to perform functions, solve problems and set and achieve objectives*

Rather than viewing capacity building as a single concept, it is perhaps more practical to regard it as a range or spectrum of approaches, reflecting the many different dimensions of development. Experts view and categorise these approaches in a variety of ways. Regarding the capacity building of groups and organisations – the focus of the Baring Foundation's programme – these approaches can be summarised very roughly under three headings:

1. *Technical* – focusing on particular technical inputs and skills needed to carry out particular functions. This includes new or improved administrative, financial and documentation systems or procedures, information technology facilities, and staff training in aspects of administration and project management.
2. *Organisational* – here the focus is on the organisation's capacity as a whole, rather than its day-to-day functions. This includes organisational strategy, culture, rules, standards and decision-making structures. Systems and procedures fall within this category too, now viewed more collectively in terms of how they support the organisation's work as a whole.
3. *Institutional/contextual* – the perspective shifts beyond the organisation to consider its relationships with other development institutions and

stakeholders, and its impact upon them. This comprises partnerships, networking and advocacy.

5. REVIEW FINDINGS

5.1 Overview of the programme

Between 1997 and 2000 the international programme awarded grants to 72 projects. It supported a great variety of capacity-building initiatives, in terms of types of organisation supported, location, sector, scale of operation, number and type of beneficiaries, objectives and approach taken. A similar variety was evident in the 46 projects from 1997-99 selected for this review (further details of the programme and the review sample are given in the Appendix to this report).

This broad-minded view of capacity building was commendable as an approach to grant-making, for it meant that the Foundation was responding to the diversity of NGO and CBO capacity-building activity taking place; but it does have implications for this review, since it is difficult to draw firm conclusions from such great diversity.

5.2 Nature of the evidence

The completion reports on the 46 sampled projects varied greatly in length (although most were short), level of detail and willingness to admit problems to a funder. Because they were written only 12 months after the grant award, they concentrated on activities undertaken within the reporting period rather than their impact, which usually becomes apparent only in the longer term. For many, capacity building was the means to an end (e.g. improving food security, or protecting coastal ecologies against commercial shrimp farming): here, reports tended to say more about the end than the means. The 10 interviews with NGO staff provided more detail and evidence of impact, and allowed a more open discussion of issues.

Overall, the data was insufficient for a review of every aspect of the capacity-building work funded by the Foundation. The discussion that follows therefore concentrates on a few important aspects where lessons can be drawn. This is supplemented by five case studies of individual projects illustrating the diversity of work in this area, its impact, and some of the issues arising: these are located at intervals within the text.

5.3 Methods of building capacity

Agencies adopted a range of methods in their work, often using a mixture of approaches. The following observations can be made about some of these.

5.3.1 Exchange visits

Many development professionals believe that visits by beneficiaries to see other groups or projects are highly effective in transferring knowledge, because people learn more readily from their peers than from outsiders. This 'exchange visit' method is often applied at local level (e.g. farmers visiting other farms), and in NGO and other professional circles the number of international visits has grown in recent years.

Visits to other developing countries were an important component of two projects in this review; one other project consisted of a visit from a developing country to the UK

Case study no. 1: Company codes of conduct in Central America

The Central America Women's Network (CAWN) was set up in 1990 to support women's groups in Central America working in such areas as domestic violence, reproductive health rights and political representation. Since 1995, it has focused on the rights of women workers in export processing zones, which have grown in size and economic importance in recent years and now employ some 400,000 workers, most of whom are women. Most of the products manufactured in these zones are garments, often made for big brand names.

In 1998 and 1999 the Baring Foundation awarded grants to two linked initiatives concerning company codes of conduct on workers' rights and conditions – a number of factories have adopted such codes recently in response to international pressure.

The first initiative was an education and consultation exercise to make workers aware of the codes' existence, find out their views on the value of codes, and promote dialogue on this subject between organisations in the region. Information was published and distributed, and a series of national workshops organised in six countries early in 1999 that fed into a three-day regional workshop in May attended by 16 people from local women's organisations and their international partners.

The consultation exercise showed that few women were aware of the codes, or knew if the company employing them had signed one. Although worried that any action they took to defend their rights would lead to dismissal, or to companies leaving the country, they were very interested in learning more about codes and how they could be used to improve working conditions, and a number of follow-up actions were suggested.

The second initiative was a direct consequence of the earlier consultation and the recommendations of the regional workshop. It addressed the problem of monitoring compliance with codes, principally by developing and promoting methods of ensuring that workers' organisations were more involved in monitoring. This time, the work began with a regional workshop for 38 people, in March 2000, whose contents and findings were then fed back by the participants into 12 training workshops in the six countries.

The effectiveness of these initiatives in changing attitudes is hard to measure, and may not be apparent until later, but the high level of interest in the subject and growing willingness to take action are indicators that the work is having some impact. For example, the national workshops on monitoring were attended by 246 people from women's organisations, trades unions and human rights groups. Women's organisations in four countries have become involved in further work to monitor codes. A regional initiative to promote good practice in monitoring is being set up, involving women's organisations, independent monitoring groups and others.

The situation at factory level is less clear – and better evidence is needed – but there is anecdotal evidence that workers are more willing to ask their employers if they have signed codes of conduct and what those codes contain. In some cases this has revealed codes that factory owners were trying to conceal from their employees; in others, it has led to minor improvements in working conditions.

The national and regional dialogues also helped to improve relations between trades unions and women's organisations, who had a history of rivalry and mistrust. The regional workshops were an opportunity for local organisations to present their views to those working in this area internationally, particularly to the NGOs and companies involved in the Ethical Trading Initiative sponsored by the British Government.

and another was a visit to Australia. Their impact could not really be judged, although those who took part clearly believed the visits had been valuable in enabling them to learn from the experiences of fellow professionals involved in similar work. There were also hints that visits had helped to create a feeling of solidarity, and perhaps had boosted confidence.

5.3.2 Exploratory work

Several of the projects supported by the international programme were innovative, yet only five were exploratory – i.e. feasibility and baseline studies, or project development. This is surprising, since small grants are particularly useful for activities of this kind. Big donors are often unwilling to fund such work, despite its obvious importance, and as a rule small NGOs do not have sufficient unrestricted funding for it.

The grants from the Foundation enabled NGOs to assess needs, identify priorities, make new contacts, develop new partnerships, and draw up plans for new projects. In two cases, the work led within the 12-month reporting period to the securing of funds for future projects – one of which was a major regional initiative involving partners with whom relationships had been built up during the feasibility study. Another project collected information on the state of 483 primary schools in Southern Sudan, which was shared with and used by other local and international aid agencies, including UNICEF, to plan improved schooling.

5.3.3 Training

Training[4] was an important part of most projects, usually through workshops for groups of trainees from one or several organisations. Ongoing training-cum-technical assistance was common, but less usual. Several projects developed or refined their own training resources and operational guidelines. There was evidence of strong demand for training courses and materials. Nearly all of the training had a practical emphasis, and was generally planned as a series of sessions rather than a one-off course, but refresher courses were rare.

Courses tended to be geared to groups of organisations, probably because in this way they could reach a larger number of people, but this meant greater standardisation of content and format, and – perhaps, in some cases – failure to ensure that the benefits of training were spread right across an organisation. A few projects adopted a different approach in which training was tailored more closely to the needs of individual organisations and the staff who worked there: this had less impact, in terms of the number benefiting, but there were indications that it was more effective in equipping people with skills that they could – and would – apply to the needs of their own organisation. Feedback from participants at the end of courses usually indicated that participants found them valuable, but owing to the short-term reporting period there is little information in most project reports about how the training was applied subsequently.

Focused, locally developed training programmes were particularly effective, and some NGOs are moving towards this model. For example, a programme developed

[4] The term was used quite loosely in proposals and reports to include awareness-raising workshops as well as more conventional training courses.

for and with Ecuadorian NGOs working with street children led to: greater collaboration between the 13 NGOs and 94 educators (i.e. workers with street children) who took part in the courses; better quality of face-to-face interactions between the educators, street children and their families; and to six NGOs producing formal documentation about their organisation and work where they had none before.

5.3.4 Workshops, conferences and other meetings

Workshops, seminars and conferences were the main form of activity funded by the international programme: 19 projects consisted entirely or mostly of such events, and they were an important component of another 11. There were wide variations in their length, size and purpose, but they were all based on a broad workshop format of presentations and discussions, which is a tried and tested method. As relatively small, distinct activities, these events were also well suited to the Foundation's one-off grants. The 30 projects featuring workshops and conferences were of five main kinds regarding their purpose: skills or management training (nine events), advocacy (10), development of training materials/packages or practical guidelines (four), meetings of networks or international alliances (four), and programme development (three).

Development agencies find workshops and similar events useful, for a number of reasons: experiences are pooled, which is an exciting way of learning; new contacts are made; in the case of operational projects, or where there is a range of different stakeholder interests, problems can be examined and solutions agreed; they are an open medium, where information is shared; if managed properly, they can encourage participation by non-literate people or people unaccustomed to speaking in public; and workshop and conference reports are a source of information about subjects discussed and a record of what was agreed.

It is difficult to assess the long-term impact of workshops and conferences, especially those with a large number of participants from different backgrounds and organisations. Several reports were very vague about indicators in this context.[5] However, it is possible to identify some indicators of the events' immediate effectiveness and the likelihood of longer-term impact.

One of the principal indicators is the extent and effectiveness of follow-up actions. In several cases, additional workshops had already been planned to disseminate ideas and skills, usually at a more local level (i.e. some regional conferences led to national feedback workshops; participants at national events were expected to run workshops for their own organisation or community). The Central America Women's Network's initiative on codes of conduct for factory work in export processing zones (case study 1) shows gathering momentum towards practical action as a result of a series of national and regional meetings; similar results arose from the Minority Rights Group's initiative on behalf of pastoralists in the Horn of Africa (case study 2). In other projects, follow-up events were often scheduled outside the reporting period. Some projects, involving a series of training workshops over several months and requiring trainees to meet for review or preparation between training sessions, found that sometimes these in-between meetings did not take place: pressure of everyday work seems to have been a major influence here.

[5] Evaluation of a workshop through participants' evaluation forms was common, but indicated only what participants thought of the event itself, at the time.

Case study no. 2: Promoting the rights of pastoralists in the Horn of Africa

There are 15 million pastoralists in the Horn of Africa, who make an important contribution to national economies, yet they remain marginalized. Development policies overlook their interests, and their way of life has been put under pressure by restrictions on migration and access to traditional grazing lands.

In 1998 the Foundation funded a project that aimed to promote the rights of pastoralists in the Horn of Africa, encourage co-operation between pastoralist groups in the region, support the formation of a regional lobbying group, enhance the capacity of local organisations to lobby effectively on behalf of pastoralists, and promote the implementation of international minority rights standards. Managed by Minority Rights Group International (MRG) and the Kenya Pastoralist Forum (a Nairobi-based NGO with over 300 members), the project was the result of a series of visits, consultations and workshops in the region over the previous two years.

The project had three main elements:

1. A three-day regional workshop on land rights, held in Nairobi in December 1998. Over 50 people (pastoralist representatives, NGOs, government officials and other experts) from seven countries in the region met to share experiences and review the situation. Nine research papers were presented and discussed – some of this research was carried out by pastoralists. The workshop made three main recommendations: that a regional network should be created to give pastoralists a voice, that every country in the region should establish a pastoralist parliamentary group, and that every country should establish a focal point for organising advocacy workshops.
2. Publication and dissemination (in September 1999) of 1,000 copies of the workshop's findings and recommendations to governments in the region, NGOs and inter-governmental organisations.
3. Providing a place for a pastoralist representative at an annual MRG training seminar on advocacy and international minority rights instruments in Geneva (May 1999). The trainee also made a presentation to the UN Working Group on Minorities, and organised a feedback workshop and training session when she returned to Uganda.

In September 1999 a follow-up meeting was held in Addis Ababa, attended by more than 20 participants from the region. This meeting created the Horn of Africa Pastoralist Advocacy Network (HAPAN), formed a regional secretariat and assigned a range of tasks to its member NGOs. In Ethiopia, a Pastoralist Network Forum was subsequently established, which has held several meetings. A national pastoralist day was celebrated in Ethiopia for the first time in January 1999, giving an opportunity to create greater awareness about the pastoralist way of life. Radio health education programmes for two groups of pastoralists were launched by one of HAPAN's members.

The project was seen as the start-up phase of a longer-term programme of support to pastoralists in the region. In 2000, MRG returned to the Baring Foundation with a proposal for a contribution towards a three-year follow-up project comprising advocacy training for approximately 90 representatives of local NGOs and pastoralist associations, meetings and research. The Foundation agreed to support the training component of this initiative.

It is still too early to judge the long-term impact of this work, but pastoralist leaders in the region sense that their growing skills and confidence in advocacy are being reflected in a shift that is starting to take place in their relationships with government, from confrontation to more constructive dialogue. The Ethiopian network has been given a place at national meetings on poverty reduction, and partners in other countries are getting more involved in research and debate. However, ongoing conflict and drought in the region are hindering some of HAPAN's activities by deflecting members' attention from networking.

The number and nature of *new* activities arising from workshops and seminars is another important indicator. In Ghana, members of a workshop discussing the problems of disabled children formed a committee that met weekly for a further month to complete work on a draft policy for the country's Ministry of Health. A regional meeting of organisations working on pastoralism led to the development of a major new action research programme in the Sahel. Three events led to the creation of new networks or co-ordinating groups. Reports noted a number of one-off collaborations, revival of local organisations, increasing communication between participants and the start of some joint activities. However, there were instances of keenness dissipating once participants returned to their own organisations – in the words of one report: 'Although the participants looked very enthusiastic, it was difficult to get them together [afterwards] to meet because of their heavy duties.' The reports probably understated the extent of this.

Other indicators of the effectiveness of workshops and conferences were:

- Demand for places appeared to be high, often higher than expected by the organisers. This indicates the importance attached to the events by those taking part, and suggests that developing-country organisations are not yet afflicted by conference fatigue. Workshops, seminars and the like may be seen by NGOs and CBOs as important in overcoming isolation from each other and from other stakeholders such as governments and international agencies. Opportunities to meet, and to learn about and discuss issues of common importance, may be rare.
- Some advocacy events attracted high levels of outside – principally media – interest, showing that they were addressing issues of importance.
- Although some of the bigger advocacy events were more concerned with disseminating information than debating issues, several reports of other kinds of workshop referred to lively debates and high levels of interest shown by participants. The extent of participation in discussion and collective decision-making by all of those who took part is much harder to judge, but interview evidence suggested that it was extensive.
- Meetings designed to accomplish specific practical tasks – particularly development of training materials and operational guidelines – appear to have been particularly successful in achieving their objectives, with a high level of participation.
- Meetings to discuss or advocate policy change rarely achieve impact in the short term (although in one case a workshop did help influence a national government to reverse a development decision that caused public concern). All the meetings of this kind that were funded included representatives not just of NGOs or CBOs, but also of other influential groups, such as government officials, politicians, academics and international agencies. In this way they could start to build a broader platform for change.
- Recommendations and agreements reached at workshops can indicate whether further action is likely. At most of the events (other than a few big advocacy meetings), the emphasis was on producing practical recommendations that participants could realistically achieve.

- Meetings were very important to international networks and partnerships, enabling strategic decisions to be made collectively and giving an opportunity for all members to express their views.
- A few meetings played an important role in building partnerships, principally through the creation of networks.

But such events should not be judged in isolation. In many cases, they were linked to broader and longer-term programmes that involved a range of other activities and types of technical assistance.

5.4 Outreach and Impact

5.4.1 Outreach

Work with even a small number of local partner NGOs or CBOs can have an indirect impact on a larger number of organisations, and through them on a considerable number of people. Virtually all of the projects surveyed were assisting several local partners. In ongoing training and technical assistance projects, the number of partners tended to be relatively small: typically less than 20 organisations and often less than 10. But even here, the potential outreach of the organisations (i.e. the number of people in the communities served by those organisations) was often thousands of people in total. For example, the Rainforest Foundation's partner organisation in a mapping project in Venezuela represented some 6,000 indigenous people.

The number of partners was higher where the mode of support was more short-term or one-off, such as the awareness-raising workshops and seminars that were more common in national- and international-level work. For instance, 49 grass-roots organisations attended half-day workshops on female genital mutilation in Nigeria; representatives of 246 NGOs and CBOs attended two workshops on urban housing issues in Nairobi. The communities served by these organisations numbered tens of thousands of people.

Of course, such figures indicate only the *potential* outreach of the projects in the longer term, and they do not say anything about the quality and impact of such work, but they do show that the opportunities created even by small grants are considerable.

5.4.2 Impact

Evaluation of the impact of capacity-building work presents several major difficulties, including the following:

- Capacity building is multi-faceted and its results are often indirect. NGOs observed that it was impossible to be aware of all the consequences of their support for a local partner.
- NGOs also commented on the difficulty of selecting appropriate indicators: these usually have to be qualitative, and the overall picture has to be gained through what one worker called 'triangulation' of very different kinds of information. Guidance on indicators is available in operational manuals, but this is usually intended for large-scale, in-depth evaluations of individual organisations. Yet this does not mean that the NGOs have not thought

carefully about indicators – some had developed quite elaborate monitoring schemes for their projects.

- Several interviewees observed that capacity building often leads to important 'intangible changes', such as changes in attitude and organisational culture, that can be difficult to perceive, especially in networks and projects involving a number of partners. One of the most important intangible changes in several projects was growth in confidence among local partners, indicated by ability to speak out and articulate views in public, and in a more assertive relationship with their UK NGO partners.[6]
- The impact of capacity building work becomes evident only over a long period of time. NGOs saw it as a long-term process that could take several years to achieve significant results: some of those interviewed reckoned that five years or more was needed. Over time, and with other project inputs and activities taking place, linking cause and effect becomes more complicated.
- No project takes place in isolation. The impact of individual projects cannot be separated from that of wider political and socio-economic changes (e.g. donor pressure for 'good governance', including recognition of minority rights, in Africa, which is assisting the Minority Rights Group's work with pastoralists), and from other development initiatives (e.g. global campaigns on labour rights in export-processing zones, which are backing up the Central America Women's Network's initiative with women factory workers in Central America).

During the review, it quickly became clear that it would be unrealistic to try to assess the total impact of the 46 projects reviewed: they are too diverse, the reporting period was too short, and the quality of the documentation is too uneven. However, the overall impression was that many projects were making an impact on the ability of local organisations to provide a better service to their communities.

- At the *technical* end of the capacity-building spectrum,[7] there were many signs of NGOs and CBOs running more efficiently day-to-day (e.g. through improved administrative and financial management systems, documentation, project planning and monitoring, and fundraising proposals).
- Regarding the *organisational* dimension of capacity building, there were some indications of greater coherence and clearer strategic vision (e.g. more collective decision making, more open institutional culture, improved long-term planning, establishment of strategic priorities), although this is less apparent in the short term, and in any case far fewer projects focused on this aspect of capacity.
- In *institutional/contextual* terms, it was particularly encouraging to see many examples where local organisations acquired the skills and confidence to speak out in public and enter into debate with other organisations (governments, at local and national levels; and NGOs, at local, national and international levels) about development practice and policy.

[6] Formal written reports failed to convey the significance of this, but in the interviews NGO staff put great emphasis upon it.

[7] See section 4 above for an explanation of these categories.

Case study no. 3: Leadership development in Southern Africa

Since 1996, Skillshare International has been developing a capacity-building initiative in Southern Africa known as the Leadership Development Programme (LDP). Its purpose is to develop the ability of NGO and CBO leaders to provide effective strategic leadership to their organisations and the wider development community. The programme reflects a strategic shift in Skillshare International's role and approach, from that of a supplier of specific inputs (funds, development workers) to local partners to that of a facilitator or 'development agent' helping partners to realise their own visions.

Following a series of consultations with local organisations, the LDP was launched as a formal programme in 1999, with support from the Department for International Development (DFID) and the Baring Foundation. It takes the form of a 12-month training course comprising three regional training workshops and support group meetings at national level between the workshops. It is designed to introduce participants to the concepts of effective strategic leadership, continual process improvement and managing change. The regional workshops last for three or four days and include a mix of presentations of theories, practical sessions looking at real work situations, group discussions and supervised action planning. Workshop 1 focuses on developing strategic leadership skills; Workshop 2 examines ways of continually improving products and services in response to demand from beneficiary groups; Workshop 3 develops the ability to manage change and to respond effectively to changes in the external environment. The support group meetings, led by Skillshare International's Country Offices, are an opportunity to revisit the courses and discuss how the leadership skills are being applied.

Three annual courses have now been completed and 56 people have been trained from six countries: Botswana, Lesotho, Mozambique, Namibia, South Africa and Swaziland. Over 40 of the trainees are from NGOs; the rest are from government; but all are existing Skillshare International partners. At first, training was given by a management consultant from the UK, but over the three years of the programme, this role has gradually been assumed by Skillshare's African staff, who have passed through the course themselves and will be able to run future courses on their own.

The course is intensive and often challenging, but nevertheless end-of-course evaluation questionnaires filled in by participants indicate strong support for the programme. At each workshop, participants identify tasks to carry out when they return to their own organisations, and there are indications of improvements in some organisations, notably the development of more streamlined administrative and financial systems, and improved teamworking. Some senior managers reported that their management style had altered: they were delegating more, allowing more discussion, and handling criticism better. The impact overall is not yet clear, and will probably not become clear for several years, but an external evaluation is planned in 2002.

One of the lessons learnt from the project is the need to involve all staff in an organisation in training of this kind: it has not always been possible to get heads of organisations on the courses, and some trainees have become frustrated on returning to their NGOs at their inability to lead change. The support group meetings have taken place irregularly and sometimes not at all: this is partly because many of the participants on the course are from small NGOs (for whom the day-to-day pressures of work took precedence over reviewing and applying the training), and partly because of staff turnover in partner organisations.

Despite this, there is considerable local demand for the LDP, and Skillshare International will make it an ongoing part of its work in the region and at national level, using a more flexible method that will include working within individual organisations as well as broader groups, and greater focus on organisations' leaders.

The five case studies in this report have been selected to illustrate these different kinds of impact in more detail.

5.4.3 North-South partnerships

One of the most telling indicators of growth in capacity amongst developing-country organisations supported by the Foundation was the change in their relationship with their partners in the North. The conventional development rhetoric of North-South 'partnership', implying equality in relations, represents wishful thinking more often than reality, and has often been called into question. Generally, NGOs in the North remain dominant partners, because they provide funding and have better access to international decision makers. Nevertheless, the projects supported by the Foundation present many examples of local partners achieving greater influence over partnerships, which should be seen as one of the international programme's main achievements.[8]

This shift in relationship was encouraged by the British NGOs involved, who, in most cases, had been working with their local partners for some time. For instance, Richmond Fellowship International (RFI) deliberately used an international workshop with its partners in Africa and Latin America as a forum to debate and rethink its approach to its work on mental health and drug addiction, and redefine the nature of its partnerships. This was an uncomfortable process at times, but the results were significant: more open and equal relations between RFI and its southern partners, with an old centralised structure being abandoned for a much looser partnership; and adoption of more flexible approaches to projects that reflect the diversity of local conditions and cultures in developing countries.

Change was particularly apparent in international networks, which are among the most mature North-South partnerships, where developing-country NGOs are increasingly exercising what one British NGO called a 'controlling influence on our future direction'. Regular network steering group meetings and strategic planning workshops are important in furthering this process.

5.5 The role of small grants in capacity building

Grants made by the international programme were small: the largest grant in the sample of 46 was £15,450 and the average was £10,130. Some applicants presented their projects to the Foundation as distinct pieces of work, others as components of bigger projects, but this was essentially a matter of presentation, for nearly all of the activities funded by the international programme formed part of longer-term initiatives of some kind. Therefore, while a grant from the Foundation usually represented all or the major part of funds for the individual activity presented to it for funding, that grant might constitute a much smaller proportion of a long-term programme budget. NGOs were keen to secure large, multi-year grants for these bigger initiatives because of the financial security this brings.

Yet the international programme's grants did have considerable leverage. They were used as co-funding for projects where other major donors required a proportion of matched funding (the Department for International Development and the European

[8] This conclusion is based on evidence supplied by NGOs in the UK. It is of course possible that their developing-country partners might have different points of view.

Commission) and to supplement grants from other donors (notably Comic Relief, the National Lottery Charities Board, several international agencies and a handful of UK trusts and foundations). In at least 10 cases, the Foundation's grant helped UK NGO applicants to raise additional funding, either for the activity in question or for work that developed from it: in most cases the funders concerned were major donor agencies.

There were indications that a few local partners had acquired the capacity to write better funding proposals as the result of training, and some had managed to raise funds. For example, one NGO reported that the training it gave to its local partner in Uganda – supported by its grant from the Foundation – had helped that partner to develop three successful funding proposals. Another stated that as a 'direct result' of a feasibility study and planning workshop funded by the international programme, it had secured funding for a new three-year regional programme. Four UK NGOs that returned to the Foundation with applications for follow-up or related work received grants.

NGOs everywhere are under great pressure to raise funds. Levels of funding for international development have stagnated during most of the past decade. Donors' criteria for funding have become more strictly defined, and their priorities are liable to shift suddenly. Some issues and types of work are particularly difficult to fund.[9] NGOs are very conscious of these difficulties – participants at one international meeting even spoke of a 'funding crisis' facing development agencies. In this context, small grants from the international programme were said by NGOs to be valuable in supporting unfashionable areas of work (e.g. mental health) and activities (e.g. international meetings, feasibility studies), in helping to 'kick-start' new work or to keep it going while waiting for larger grants to come through. Many of the UK NGOs receiving funds were small organisations with little unrestricted income (in general, the Foundation's support went to small and medium-sized NGOs).

5.6 Other issues

5.6.1 Disadvantaged groups

The international programme's guidelines favoured projects that would benefit disadvantaged or marginalised people, in particular women and displaced people.

Project proposals claimed to be gender-sensitive almost as a matter of course, which was shown, for example, in plans to ensure women were included in training courses and represented on committees. Gender was mentioned far less in project reports – which can only partly be attributable to the limitations of the reporting in general (referred to above) and may bear out the findings of other research that gender is not as mainstream an issue in development work as NGOs like to claim. Reports occasionally indicated the difficulties of ensuring women's participation on the ground. Only six projects in the review sample focused on women's needs.

Only three of the 46 projects reviewed addressed the needs of refugees and displaced people; a fourth addressed educational needs in a region severely affected by war and

[9] Capacity building does not appear to be one of them, as it has been increasingly emphasised in donor funding criteria in recent years.

displacement. Street children – the focus of another project – can also be seen as a category of displaced people.[10] The new international programme launched in 2001 has as its theme 'problems arising from long-term migration and displacement of people, particularly that caused by political, economic and environmental circumstances'.

5.6.2 Information and communications technology

Isolation is a major problem for many NGOs and especially CBOs in developing countries. The reports showed that there is a great hunger for information about what is going on elsewhere, indicated by the demand for training and educational materials, and the high levels of attendance at workshops and training courses. Every project studied was trying to meet this need in one way or another. Several projects were trying to meet information needs by establishing resource centres, which, though apparently popular, take time to set up and need ongoing support.

Information and communications technology (ICT) can undoubtedly play a major role in capacity-building by enabling organisations to obtain and share information quickly and relatively cheaply, but its potential has yet to be realised in many developing countries, where the costs of software and hardware remain high and internet connections are unreliable as well as expensive. ICT did not feature greatly in the initiatives funded by the Foundation. Only one of the 46 projects studied focused on this dimension of capacity building – World University Service (UK)'s project to train five Sudanese refugee organisations in the use of computers and the internet – although computer training featured in two more, one project involved the transfer of modern mapping technology, and another published a manual on the worldwide web.

Computer and internet training, even at a basic level, was believed to have been effective in most cases. The main indicators of this were:

- Funding proposals, reports and other documents were produced more easily, and their quality was substantially improved. In one case, a newsletter was launched by people who had received some training in desk-top publishing.
- Time was saved in carrying out tasks: for example, time taken to process loan data in a savings and credit scheme among Sudanese refugees fell from 3-4 days to a few hours.
- There was increased enthusiasm for computers, shown in growing demand among staff (and some beneficiary groups) for access to them.
- Information flows (via email) increased considerably.
- There was more regular contact between partners; contacts between UK NGOs and developing-country partners were starting to become more informal; in networks and international initiatives, developing-country partners were communicating with each other much more; it was easier to resolve operational difficulties (such as bank transfers) quickly.
- One partner began setting up and hosting web pages for refugee groups.

[10] Three projects addressed problems faced by pastoralists, who may be said to suffer a different form of displacement as restrictions are placed on their traditional nomadic lifestyle.

Case study no. 4: Grass-roots organisation in a conflict zone

South Sudan Women Concern (SSWC) was formed in the UK in 1993 by a group of Sudanese women, with the aim of alleviating poverty and advancing education and training among refugees in Britain and Africa. Initially it focused on the needs of refugees in the UK, where it provides education support and welfare advice, but since 1997 it has been working with displaced women and their families in South Sudan, where there has been a civil war for many years.

A needs assessment among women in and around camps for displaced people in Southern Sudan early in 1997 highlighted the need for food security, healthcare and education. Organisation was the key to making sustainable improvements here. Many women had formed groups around particular activities but these were very weak institutionally and isolated from one another. Later in the year, the Baring Foundation awarded SSWC a grant to train women's groups. Initially, six groups (representing some 300 women) were trained in basic organisational management, financial management, fundraising, needs assessment, monitoring and advocacy: on average, 10-15 women attended each training session. A training and resource centre was established in the nearest town where women could gather for courses, obtain information and share experiences. The groups and their members were also supported in improving their food production. In 2000, the Foundation awarded a second grant to extend the training to 20 women's groups and improve the resource centre.

The women's groups supported by SSWC during this period have gained capacity and confidence. There are several indicators of this. Perhaps the most significant is the decrease in violence against women. Women's groups and SSWC lobbied local authorities about attacks on women by soldiers, and women leaders even visited soldiers in the front line. As a result, civilian officials began to speak out against the violence, and pledged to prosecute anyone convicted of such crimes. The number of assaults has fallen, and women now feel safer walking on the roads and working in the fields.

Another indicator is that groups are being asked by international NGOs working in the area to take part in their programmes (for example, a health promotion campaign by Médecins sans Frontières). NGOs and local authorities have given in-kind support to the programme. External observers have been struck by the confidence of the groups' leaders in stating their views and needs. The groups themselves have developed: the 20 that are supported have become parent associations to another 18 groups involved in specific activities (principally farming and livestock co-operatives). The groups now have more than 3,000 members. Group members' food production has increased, surpluses are being sold in local markets, and the range of crops being grown has widened.

In January 2001, SSWC held a consultative workshop with representatives of the 20 women's organisations. This highlighted the need for ongoing support to reinforce the organisational and project management skills already acquired (and share them more widely), but also showed a shift in emphasis, as there was a new demand for skills in small enterprise management and networking, indicating that the groups are now ready to play a bigger role in community regeneration. In September 2001, the Baring Foundation awarded SSWC a grant for a new three-year programme, based on the findings of the consultation, that is intended to benefit some 5,000 people indirectly.

The changing security situation has been a major influence on the programme, especially in late 1998, when some training had to be cancelled, crops were stolen and some members of the groups moved away from the area. However, security overall has improved during the period. One consequence of this was that women returned from the camps to their villages, and SSWC had to expand its outreach programme to cover them.

Another important issue is literacy, which is very low in the region as the result of the disruption of schooling by years of conflict. The women's groups have now identified this as a priority: they do not wish to have men write for them any longer.

Each of the three projects containing computer training involved short courses tailored to individual partners' and often individual trainees' needs. This was judged to have been an effective approach as far as it went, although the number of people trained was small. There were indications of skills being passed on informally in one project, and one NGO was carrying out further ICT training, but overall the questions of how to upgrade and share skills systematically need to be addressed more fully. Technical problems such as power failures, computers crashing, and slow and expensive internet access, do not appear to have been a major problem, other than at one training workshop in Kenya. Hardware and technical support is now becoming more accessible locally, even in African countries.

The number of local NGO partners with internet access has grown rapidly during the past few years,[11] and connections are more reliable, although access remains a problem in remote areas without links to the telephone network, especially in Africa. Although one project's local partner appeared not to hold the internet in high regard, developing-country NGOs generally appeared enthusiastic about its potential. Email is valued as a method of international communication, but NGO staff interviewed felt it was not a substitute for face-to-face contact, which is seen as vital in building relationships at all levels.

The Rainforest Foundation's mapping project in the Upper Caura rainforests of Venezuela demonstrates the extent to which sophisticated computer technologies (in this case, a geographical information system) can be transferred effectively in a relatively short period of time. The main partner for technology transfer was a local university, which now has the capacity to give training and technical assistance in future, but the project also trained 12 members of an indigenous peoples' organisation, Kuyujani, in mapping techniques that use the technology. The maps they produced of their lands and resources were of very high quality. Government officials recognised the maps as accurate and Kuyujani is now using them as the basis of a claim to protect and manage some 34,000 square km of rainforest. In demonstrating the technical capacity of local communities, the project has challenged some stereotyped attitudes and boosted Kuyujani's reputation among the 6,000 indigenous people it represents as well as among government officials.

The decision by Richmond Fellowship International (RFI) to publish its new manual for working with people with mental health and drug addiction problems on the web – a decision encouraged by its partners – not only made the publication more accessible, but has also made it easier to revise and expand as partners document and share their experiences. This was seen as particularly valuable in the context of RFI's shift away from a standard model of assistance towards a broader, more flexible, approach adapted to the diversity of local cultures and conditions. A lesson RFI learned from this project was that documents for the internet need to be written and presented very differently from printed publications.

5.6.3 Operational challenges

By and large, NGOs managed to carry out most of the work they had planned to do, and to complete it more or less on schedule, even though many were working in

[11] There is still a major challenge in reaching CBOs, who do not have access at present.

difficult operating environments, and very few projects went entirely according to plan. This indicates that project proposals were *generally* realistic in their ambitions and their assessment of the conditions in which the project would take place. The reports also show that the NGOs took a flexible approach, and were willing to modify projects as they went along in response to changing circumstances and better understanding of local needs.

Operational problems encountered fell into four main categories:

1. *Institutional fragility*. This was the most significant issue. Several reports gave internal problems as a reason for failure of a local partner organisation to engage fully or even to participate in a project. Usually these were problems of resources forcing that organisation to cut back on activities or to put extra effort into fundraising. The pressures of very heavy workloads were also apparent. Some local partners were overcommitted and could not put enough staff time into new work, which led to rescheduling or reorganisation of activities. Small NGOs and CBOs in developing countries often depend heavily on key individuals' skills and experiences – sometimes, those of just one person, who may be the founder or director, or possesses particularly valuable technical skills. The reports give examples of a sudden capacity gap appearing when key staff left for other jobs (this happened in two British NGOs, too). Retention of staff appears to be a problem among NGOs of all kinds, and deserves further study. There were two instances of local NGO leaders or co-ordinators pursuing personal agendas, which sowed confusion and mistrust among colleagues and partner organisations, but in another two NGOs, changes of director had been beneficial by introducing a more open, inclusive style of management.
2. *Conflict*. Sixteen of the 32 African projects studied were from East and the Horn of Africa (including Sudan) – a region that has been seriously affected by conflict in recent times. Continuing conflict and insecurity affected several projects by making travel difficult or even cutting off access to some areas, and forcing the postponement or cancellation of activities.
3. *Natural disasters*. Two Central American projects were affected by Hurricane Mitch (October 1998), which forced some local partners to drop long-term work to attend to relief and rehabilitation needs. Drought was noted as an issue in one project in Sudan.
4. *Politics.* Most funding applications were alert to political contexts and sensitivities, especially in unstable locations or where the work involved advocacy. Perhaps for this reason, projects generally managed to escape problems arising from unsympathetic political structures.[12] The most serious case concerned a Zimbabwean partner NGO (involved in an international initiative) that effectively closed down because of the political situation there. Another agency delayed a follow-up, advocacy, phase of a project in a Latin American country for 12 months, because of political instability. In some contexts, political pressures can stimulate capacity building: Womankind Worldwide's work in Cusco, Peru (case study 5), may have gained from the

[12] One NGO working in Latin America warned that where a country's political culture was one of mistrust and corruption, it was difficult for civil society to remain immune to this.

Case study no. 5: Supporting women's participation in development, Peru

The mountainous Cusco region of Peru is poor and relatively isolated economically. As in many other rural areas, men dominate decision making. NGO development programmes have little understanding of gender issues. Women's groups, which are institutionally weak, are left out of public decision-making.

To overcome these obstacles, Womankind Worldwide, which had been working in the area since the mid-1990s, designed a three-year project to help women leaders become 'catalysts of change'. The main objectives were to improve women's capacity to plan and implement development projects in their communities, and to increase women's participation in decision-making. This was to be achieved in three stages: initial training, pilot social and economic development projects, and lobbying state authorities to consider women's needs in their development plans. The project was carried out in partnership with four NGOs in Cusco who formed a Gender and Development Group to co-ordinate activities.

The Baring Foundation contributed towards the training component, which had two tracks:

1. Gender awareness training for 14 staff and managers of local male-dominated NGOs (six workshops were held over three years, with two additional workshops on related issues). This covered basic gender and development theory, and ways of incorporating a gender perspective when planning, implementing and monitoring projects.
2. A 'school for women leaders': another series of workshops, for leaders of local women's organisations (10 workshops were held, training 30 women). The curriculum, which was developed by a training team selected from the participants' organisations, covered historical, socio-economic and political issues, human rights, citizenship and democracy; it also included training in public speaking. Development of the curriculum was more complex and time-consuming than anticipated, stimulating considerable debate, but the result was a course more attuned to the needs of women's organisations.

Although it was difficult to meet the needs of a diverse group of participants, from both urban and rural areas, the school for women leaders was reckoned to be the most successful component of the programme. It was greatly valued by participants as a place to share experiences – such an opportunity was not available before – and learn about what one participant called 'the reality of Peru'. It boosted confidence. Some said it affirmed them as leaders, allowing them to lose their fear of speaking in public, and they had begun not only to speak out about important issues affecting women, but also to take action (for example, going to the police and judges to make formal complaints about domestic violence). Womankind is now looking at ways of replicating the approach elsewhere.

The NGO training never attained the same momentum, due to pressures of work, staff turnover and lower levels of commitment. Nevertheless, NGOs involved in the training that had not previously included gender in their strategic plans rewrote them to ensure that a gender perspective was included; and several NGOs' project plans and monitoring began to recognise gender issues. Some organised public activities on women's issues, including dramas, song and dance contests and exhibitions. Discussions with NGO staff indicated that management styles were altering, too, with less direction and more listening. A worker in one NGO observed how attitudes had changed within her organisation: 'now the men undertake tasks up till now left to the female staff, such as serving food during meetings', although she also felt the organisation still had a long way to go before there was a shared understanding of gender issues.

As the training continued into its second and third years, Womankind and its partners faced the challenge of converting initial enthusiasm into a sustained programme. The project was arguably over-ambitious, given the weakness of women's organisations and the tradition of mistrust among local NGOs. A simpler project management structure, with clearer demarcation of roles and responsibilities, might have resolved operational difficulties more quickly. The hardening authoritarianism of the Fujimori régime offered little opportunity for civil society organisations to engage in dialogue with state institutions.

unpopularity of the government's sterilisation programme, which caused women's groups and peasants' organisations to mobilise around the issue.

Other problems included bureaucratic delays, transport difficulties and accidents in remote and inhospitable areas, malaria, eviction from premises, visa and immigration difficulties, and hold-ups in recruitment of consultants and volunteers.

5.6.4 Participation

Virtually all development agencies claim nowadays to use 'participatory' approaches – i.e. beneficiaries have a say in planning, implementing and evaluating initiatives – but the extent and nature of such participation varies widely in practice. Involvement of beneficiaries was one of the factors taken into account by the Foundation in awarding grants.

The reports and interviews gave many examples of participatory approaches. Regarding planning, most projects seemed to be based on demand from local partners; many had undertaken extensive needs assessments and consultations. Partner organisations and communities were active in implementation, too. At the grass roots level, for instance, an HIV/AIDS education programme for children and young people involved its target group and a variety of other stakeholders in field testing and evaluating the educational methods and materials being used. Peer group learning was an important element in some training programmes. At national and international levels, partner organisations were sometimes very influential in setting agendas, modifying initiatives and reviewing progress to date. Yet it was never entirely clear from the documents and even the discussions how participation worked in practice: direct observation would probably be required to establish this.

5. QUESTIONS FOR ASSESSMENT OF GRANT APPLICATIONS

The review's findings suggest a number of important questions that grant-makers should keep in mind when assessing applications for capacity-building initiatives:

- How does the applicant understand the term 'capacity building'?
- What experience does it have in this field, and what lessons has it learned?
- Where does the selected approach sit within the range or spectrum of approaches to organisational capacity building, and why is the focus on this aspect (or aspects) of capacity building? What is the vision here?
- What impact is expected from the project? What indicators and methods will be used to assess impact? How well are the great difficulties in evaluating the impact of capacity building understood, and how committed is the applicant organisation to taking on the challenge of evaluation?
- Will the initiative lead to more equal relationships between local organisations and their partners in the UK, and how will this be encouraged and evaluated?
- To what extent is the project based on beneficiary organisations' and communities' views of their needs and priorities? What role have they had in shaping the project's overall direction and the detailed content of the work proposed? What is the real nature of their 'participation'? Have they really 'bought in' to the project?

- What impact will organisational capacity building have on the beneficiary communities served by those organisations, and over what period of time? How will enhanced organisational capacity be translated into benefit to the community?
- How will the project assess benefits to disadvantaged and marginalised groups, including women? What indicators will be used?
- What are the reasons for the selection of particular methods of building capacity (e.g. exchange visits, workshops)?
- In the case of training programmes, how was the choice made between the need to train large numbers (implying more standardised courses) and the quality or depth that can be achieved through smaller-scale courses tailored more closely to individual needs? What provision has been made for follow-up or refresher training?
- In the case of workshops and conferences, what measures have been taken to ensure that all participants have a voice in discussions and decision making? Do individual events contribute to a broader or longer-term programme?
- Has sufficient consideration been given to the everyday work pressures affecting local NGOs and CBOs (especially in difficult operating environments), and their institutional fragility, as factors affecting the uptake of skills and the sustainability of enhanced capacity?
- Have other potential operational difficulties (e.g. political sensitivities and instability, conflict, natural hazards) been taken into account?
- Does the applicant organisation have the sensitivity and flexibility of approach to adapt its work quickly to changing needs and circumstances?

This list is not meant to be exhaustive, but it may serve as a useful reference in grant assessment.

One should not expect applicant organisations to have all the answers to such questions, either. Development is not predictable, it does not work from blueprints, and all experiences teach new lessons. This is particularly true of capacity building, with its great diversity and complexity. Above all, it is the approach and attitude of an organisation – the *process* it adopts – that indicates whether it has the vision and resourcefulness to achieve an impact in this most challenging field.

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7. ACKNOWLEDGEMENTS

NGO staff interviewed:
Jane Turner (Central America Women's Network); Paul Mincher (International Institute for Environment and Development); Tadesse Tafesse (Minority Rights Group International); Simon Counsell (Rainforest Foundation); Archie McCarron (Richmond Fellowship International); Luis Silva (Skillshare International); Mary Kiden and Grace Odong (South Sudan Women Concern); Albert Tucker, Lizzette Robleto and Monique Avoaka Vera Cruz (TWIN); Maggie Baxter and Teresa Durand (Womankind Worldwide); Sally Pritchard (World University Service (UK)).

Other specialists: Mike Battcock (Department for International Development); Emma Crewe; Danielle Nicholson (Concern Worldwide).

Baring Foundation staff: Barbara Allerhand, Zoë Kaye, Toby Johns, Anne Murray and Terry Skellhorn.

APPENDIX: DETAILS OF PROJECTS SUPPORTED BY THE INTERNATIONAL PROGRAMME

1. Overall data for the programme, 1997-2000[13]

Key facts

Number of applications	271
Number of eligible applications	256
Number of grants	72
Sum of grants	£773,599
Success rate of eligible applications	28%
Maximum grant	£16,575
Average grant	£10,744
Smallest grant	£1,250

Types of activity funded

Activity	*Number of grants*	*Value of grants (£)*
Business planning	3	30,297
Capacity building for partners	24	308,744
Dissemination	15	125,990
Evaluation	2	18,000
Feasibility studies	5	47,434
Pilot projects	4	34,063
Training	19	209,071
Total	*72*	*773,599*

Types of organisation funded

Type of organisation	*Number of grants*	*Value of grants (£)*
Arts	1	10,000
Community networks	6	32,290
Environmental	5	53,270
Health	6	57,181
Overseas development (general)	50	572,175
Training	4	48,683
Total	*72*	*773,599*

Geograpical distribution of grants

Geographical region	*Number of grants*	*Value of grants (£)*
Latin America	14	150,345
Sub-Saharan Africa	49	536,934
Including Latin America and Sub-Saharan Africa	9	86,320
Total	*72*	*773,599*

[13] The data in these tables are taken from the Foundation's database, which allocates projects and applicant organisations to specific pre-defined categories, some of which are quite broad (this allocation was made by programme advisers during project assessment).

2. Review sample (46 projects, 1997-99)

2.1 Types of organisation supported overseas

The Foundation's support was spread widely across the NGO and CBO sectors.[14] NGOs were the main local partners in 21 of the 46 projects surveyed. CBOs were the main partners in nine projects. Twelve projects targeted NGOs and CBOs more or less equally. Four other projects supported organisations representing specific occupational groups (fishermen's and workers' associations, tea and coffee producers) on a large scale.

NGO partners included national NGOs and local NGOs working in a variety of sectors, training centres, umbrella organisations, and national offices or members of international agencies.

CBO partners included organisations representing slum dwellers, farmers, pastoralists, women, refugees and indigenous people. Only two of the CBO projects were helping to form organisations (another was working with newly established CBOs).

2.2 Type of capacity building

The Foundation's funding was not spread evenly along the capacity-building spectrum. The 46 projects reviewed here were placed into one of the three main categories of capacity building outlined above in the review (section 4). This is a rough-and-ready way of categorising, since very few projects can be contained within a single category, but the following distribution does show where the main emphasis was put:

- Technical (focusing on technical inputs and skills needed to carry out particular functions): 28 projects.
- Organisational (focus on the organisation's capacity as a whole, rather than its day-to-day workings): 5 projects.
- Contextual (emphasis on relationships with other development institutions and stakeholders): 13 projects.

2.3 Location, outreach and sector

Of the 46 projects studied in this review, 32 were in Africa, nine in Latin America and five covered both regions, sometimes as part of global initiatives. Sixteen of the 32 African projects were from East and the Horn of Africa (including Sudan), and five of the nine Latin American projects were from Central America and the Caribbean.

Projects supported ranged from the local (e.g. creation of tourism action groups in five rural communities in Uganda) to the international (e.g. a meeting of coffee

[14] Many attempts have been made to define and categorise NGOs and CBOs, but the very diversity of the voluntary and community sector makes precise definition a difficult if not impossible task, and individual organisations are not easily slotted into formal categories. However, some basic organisational distinctions can be drawn between CBOs and NGOs. CBOs are membership organisations representing community groups, and so are controlled by their members. Their interests tend to be local, and their organisation may be informal. NGOs, which tend to be more formally structured and legally constituted, are intermediary organisations that support community-level work through technical assistance, funding and advocacy, and link CBOs to other development institutions.

producer groups from nine countries representing over 200,000 farmers). The programme's grants were spread just as widely across different sectors, addressing such issues as health, education, employment standards, the environment, housing, food security, rural transport, rights, water and sanitation, and ethical trading. A number of projects aimed to promote local economic and community development, to different degrees.

2.4 Beneficiaries

Capacity building is not an end in itself: the ultimate aim is to provide better support to poor and vulnerable communities in developing countries – usually referred to as beneficiaries or target groups.

The types of beneficiary supported through this programme varied widely.[15] Ten of the 46 projects focused on rural communities (including pastoralists), seven on children and young people, and six on women. Four addressed the needs of physically disabled people, and three the needs of refugees or internally displaced people. Ten projects were directed at other specific groups including older people, factory workers, slum dwellers, indigenous people and those affected by mental illness. Ten projects did not target any particular community, looking instead to build the capacity of a number of NGOs across different sectors.

[15] In the following paragraph, some projects have been counted twice where the beneficiary group falls into two different categories: e.g. disabled children.